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The Need for Policy Coherence
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The European Consensus on Policy Coherence

**The Development and Trade Policy Goals in Value-driven
Governance
Of the EU's External Action**

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Abstract

This paper is concerned with a normative role of the European Union in global political and economic governance. My point of departure is the EU's self-representation as a promoter of its common values and principles such as sustainable development and policy coherence for development (PCD) in international relations. Against this backdrop, I analyse the prevailing EU conceptions of the inter-relationship between its development and trade policy goals in the management of global problems to which sustainable development is regarded as the globally proposed solution. A specific focus is given to the relationship between trade liberalisation as the main objective of the multilateral economic governance of international trade as defined by the WTO and the notion of sustainable development as first formulated by the World Commission on Environment and Development (WCED). This forms the framework against which the EU's self-presentation will be reflected.

Regarding the EU's conceptions of the interrelationship between development and trade policies, I will start with an analysis of the EU understanding(s) of the policy coherence for development principle with respect to the stated objectives. Second, I will discuss the limits of the EU PCD approach both in terms of its conceptual and ideological roots as well as the boundaries within the decision-making system of the relevant EU institutions influencing the EU's development and trade policy formulation. Drawing on this background, I will assess the EU position in the context of global processes for trade liberalisation in the WTO framework/Doha Development Round and the EU vision of the expected achievement of the poverty eradication goal. In specific, I will look at the possible controversies and conflicting issue areas in the EU stance in these two parallel processes that the EU has officially made commitments to. By doing so, the paper aims at contributing to the debate on Normative Power EU in the realm of International Relations with a critical but constructive analysis of the EU's external action.

1. Introduction

From development studies point of view the European Union (EU) is an exceptional entity in many ways. In this paper, I do not merely refer to the EU's supranational political system, its influence on developing countries as the key donor of official development aid or its economic power as the biggest trading block in the world but rather to the EU's quite exceptional and optimistic *self-representation* as a promoter of its common values and principles for the good of the whole world and in particular for developing countries. Among these values, sustainable development (together with poverty eradication) feature high on the texts of the EU Treaties, on development and trade agreements as well as on EU policy sectors' strategic documents, not to mention member states' national guidelines. Without questioning up-front the EU's commitment to this cause, there are however a number of issues that I would like to discuss in this paper.

It is safe to assume that despite a formal commitment to promote certain values *per se*, the use of values can also have an important function to legitimize policy choices that are not explicitly linked to the value itself. Furthermore, defining what constitutes a certain value or deciding on the proper means for its promotion are often very complicated and contested issues. Given the number of different policy sectors with diverse policy goals that the EU has, values and principles from one sector to another may vary and in some cases even contradict each other. The interrelationship between the EU's development policy and common agricultural policy (CAP) has often seen as a case in point.¹ This is the first challenge related to the alleged promotion of *Common EU values* such as sustainable development.

The second challenge is more directly related to the value itself. In particular, the case of sustainable development with its social, environmental and economic "dimensions" is highly intriguing. One of the crucial questions is whether sustainable development should be promoted through an integrated approach as *Our Common Future* (1987) report originally suggests² or by advancing one dimension at a time, for instance economic development in a way that "takes into account" the social and environmental aspects which seems to be yet the

¹ See for instance, Grilli 1993, Forster and Stokke 1999, Holland 2002, Hoebink 2004 and Hix 2005.

² WCED 1987:9; 40-41 and 62.

most commonly applied approach to sustainable development also in the EU's policy formulation as we will come to note later on.

Regarding this EU's self-representation as a value driven actor, the International Relations' (IR) realm of EU studies has recently focused on normative or ideological features of EU's external relations which suggests that the true power of the EU lies in its ability to project its core values beyond its borders and by doing so redefine what is "normal" in international relations. By the virtue of this ability, the EU is conceptualised as a "Normative Power Europe". In this line of EU research, norms have two-fold definition. On the one hand, norms refer to a certain *standard* mode of behaviour to conduct international affairs and on the other hand to an *ideal* way of organising world politics in order to protect and promote certain core values.³

In my contribution, I would like to address the question of EU's self-representation as a value-driven actor in the larger context of global governance by looking simultaneously both sides of this norm-setting role in the promotion of sustainable development as one of the self-stated common core values on which its EU external action is based. A special focus is given to the principles which guide the translation of the sustainable development value into policy formulation. By global governance, I refer here to collective actions to solve global problems⁴ such as world poverty to which "sustainable development" is seen as a globally proposed solution both in the frameworks of United Nations as well as in the World Trade Organisation. However, the way by which sustainable development is conceptualised as a value differs considerably from one context to another.⁵

In this paper I adopt the view that values are highly political and based on deeper ideological underpinnings which in turn direct policy formulation in order to contribute to a desired social change. Therefore, the assessment of the EU's self-representation is triggered around the key questions of what constitutes generally acceptable practices of promoting sustainable development and who can influence the content and the conduct of these processes. For these reasons, the concept of *principle* is highly important as it bridges the stated values to action by guiding policy formulation. In essence, principles are regarded here as normative

³ On Normative Power Europe debate, see for instance Manners 2002 and 2006 & Manners and Whitman 2003, Lightfoot and Burchell 2005, Diez 2005, Lucarelli 2006, Pace 2007 and Scheipers & Sicurelli 2007.

⁴ Väyrynen 1999:25. On different approaches to global governance, see Ba & Hoffmann 2005.

⁵ Compare for instance Sampson 2005 and Haxton & Olsson 1998.

propositions that translate values into general standards for policy action. The mode of translation depends on how values are interpreted in a larger ideological framework or worldview as Sonia Lucarelli has defined it.⁶

Whereas originally the focus of the IR debate has largely been on the EU's foreign policy, in this contribution I am mainly interested in the other two dimensions of the EU's external relations, namely development and external trade policies. In particular, I will look at the EU's conceptions of the interrelationship between development and trade policy goals. At the core of my analysis is the EU's understanding(s) of the *policy coherence for development* (PCD) principle that is to direct the relationship between development and trade policies towards the alleged advancement of sustainable development and poverty eradication objectives of the EU development policy.

My paper consists of five main parts. In order to provide a wider setting for discussing sustainable development, I will firstly look at the origins of the sustainable development debate as formulated in *Our Common Future* Report (1987) by the World Commission on Environment and Development (WCED). Here I will briefly summarise the key normative issues of the report related to the international trade and sustainable development linkage and to compare them to the ones currently promoted by the World Trade Organisation in the process of trade liberalisation which is also seen as the cornerstone of EU's Trade Policy. Secondly, I will move to the institutional setting of the EU's development and trade policy which provides a basis for analysing the EU understanding(s) of the policy coherence for development (PCD) principle with respect to the stated objectives of poverty eradication in the context of sustainable development both from the point of view of the EU's development and trade policies. Thirdly, I will discuss the limits of the EU PCD approach both in terms of its conceptual and ideological roots as well as the boundaries within the decision-making system of the relevant EU institutions influencing the EU's development and trade policy formulation. Drawing on this background, I will assess the EU position in the context of global processes for trade liberalisation in the WTO framework/Doha Development Round and the EU vision of the expected achievement of the UN Millennium Development Goals. In specific, I will look at the possible controversies and conflicting issue areas in the EU stance in these two parallel processes that the EU has officially made commitments to.

⁶ See Lucarelli 2006: 10 – 11.

Finally, I will come to argue that there is an EU proposed consensus on development and trade policy coherence which significantly impacts on the way by which the EU promotes sustainable development norm in the international relations of trade and development policies which does not cohere to the original notion of sustainable development.

2. The Origins of the Sustainable Development Debate and the Role of International Trade

The thinking behind ‘sustainable development’ as a common international value is largely based on the Brundtland’s notions of sustainable development as defined in *Our Common Future* report by the World Commission on Environment and Development (WCED). Although the actual definition of sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”⁷ has been widely criticised for its vagueness⁸, the two clarifications that follow the definition have been too often forgotten. For the purpose of this contribution, the first one of them is particularly relevant. That is the concept of *needs*, in particular the essential needs of the world’s poor to which overriding priority should be given⁹ when promoting sustainable development. Moreover, the WCED report clearly indicates linkages between social, environment and economic aspects of development as well as sets out priorities and principles for policy-making that are still relevant today. These also concern the role of the international trade in the context of international economy and how it should be changed in order to promote sustainable development.¹⁰

At the core of the report is the idea of balance through the *integration* of the *economic*, *social* and *environmental* aspects of development which is needed to tackle poverty and inequality within the limits of world’s ecological system. Most importantly for our theme here, the report defines *poverty* and *inequality* both as the planet’s main environmental problem and its main development problem.¹¹ Moreover, the report presents as a fact that the world’s ecological system and world economy are interlocked, which urgently requires policy integration of the three main aspects of development and related institutional change to carry out this integration. The policy integration is of particularly importance with respect to

⁷ WCED 1987: 43.

⁸ On sustainable development criticism see for instance Lélé 1991, Bartelmus 1994, Adams 1995 and Reid 1995.

⁹ WCED 1987: 43, the other core principle is the idea of limitations imposed by the state of technology and social organisation on the environment’s ability to meet present and future needs.

¹⁰ WCED 1987: 2-18.

¹¹ *Ibid.*: 3;5-6.

economic growth and its equal distribution, which WCED sees as crucial both for developing countries and the international system as a whole. At the same time, growth should be directed to be socially and environmentally sustainable and the report states that it is largely the responsibility of developed countries to mitigate the harmful consequences of growth.¹² In addition, WCED puts priority on developing countries' needs for stable and sustainable economic growth over developed countries' additional wealth accumulation. In this paper, I adopt the Brundtland's claim on poverty and inequality as the core challenge for sustainable development. This claim is particularly challenging if we address it in the context of the international economy.

With regard to the 'world economy' of the 1980s, the WCED report singles out factors that have hindered sustainable growth in developing countries. These obstacles include trade barriers in the wealthy nations and in many developing countries, the unfair terms of agricultural trade and subsidised practices in the northern hemisphere, depressed commodity prices, protectionism, intolerable debt burdens, and declining flows of development finance¹³. According to the WCED, in order to alleviate poverty and to build a basis for sustainable development, these trends must be reversed¹⁴. Interestingly, the same aspirations have been echoed twenty years later in the debates around the WTO-led international trading system and the on-going Doha Development Round.

Obviously many actors, while adopting a commitment to sustainable development, have not embraced the full agenda as envisaged by Brundtland's commission. What makes the question of promoting 'sustainable development' particularly difficult is the way in which different actors have been able to use the concept for their own purposes by creating and changing priorities between 'environmental, economic and social' dimensions, or simply by using the 'sustainable development label' without specifying its detailed content. This has also made it possible for the World Trade Organization to become one of the key promoters of 'sustainable development' while advancing its main agenda of trade liberalisation guided by a different set of norms that underpin the free trade paradigm.¹⁵ Therefore, I argue that the question of norm-setting is particularly relevant in this international context. This is one of the key issues that will be discussed below.

¹² Ibid.: xii; 31-32; 5-54

¹³ Ibid.: 6-17.

¹⁴ Ibid.: 17.

¹⁵ On the WTO as a promoter of sustainable development, see Sampson 2005.

The free trade system upheld by the WTO is an important linchpin in the global economic system. It upholds traditional economic values, particularly with respect to the view that free trade can be a route to modernity, especially for developing countries. Free trade, it is argued, encourages a country to specialize according to its comparative advantage (e.g. available labour and natural resources), and by exposing countries to competition, also forces more efficient resource use in line with its own institutional understanding of sustainable development thinking.¹⁶

In contrast to the UN organisations and agreements related to sustainable development, the WTO operates with *binding* rules on global trade with dispute settlement system which gives the commitments made at the WTO unique legal standing in comparison to UN-led pledges to achieve development targets. Furthermore, these international institutions each have their own agreed principles, norms, rules, procedures and programmes that govern the activities and shape the expectations of the actors in specific issue area.¹⁷ However, in terms of broad development goals, the agendas of these two organisations tend to increasingly overlap although their original mandates have remained unaltered. This has particularly been the situation since the launch of the WTO Doha Development Round Agenda in 2001, which was followed by the UN Johannesburg Summit on Sustainable Development in 2002 where participants agreed on promoting ‘mutual supportiveness’ between sustainable development and trade liberalisation.¹⁸

However, for many scholars of sustainable development the attempts to superficially consolidate free trade and sustainable development have been worrying. Their fears are based on the free trade related tendency to lower environmental standards for short-term economic advantage, to intensify the use of natural resources rather than using them “efficiently”, to encourage consumption as well as to increase environmental impacts from the transport of goods. In addition, it is seen that free trade also exposes developing countries to international competition which can prevent them from developing their own industries and which drives small local producers to the wall.¹⁹ Another alarming impact is related to the consequent

¹⁶ Baker 2005: 172. See also GATT 1994:9.

¹⁷ Grainger 2004: 283.

¹⁸ Ayre & Callway, 2005: 15-16.

¹⁹ Dresner, 2004: 46-49; Elliot, 2006: 109-113.

decrease in government revenues as tariffs will be lowered or removed in the process of reciprocal trade liberalisation.²⁰

In addition to the social and environmental development concerns related to the current WTO-led trading system, criticism emerges also in economists' circles. For instance, Stiglitz and Charlton (2005)²¹ have presented an alternative 'Agenda for a true Development Round', according to which the global trading system as well as the Doha Development Round could be reformed in order to promote development and poverty reduction. Similarly, Sunanda Sen (2005) points to the contradiction in the way in which theoretically discarded principles of free trade are still in use to push trade liberalisation in developing countries, while developed countries themselves have adopted new approaches for strategic trade and growth. These tendencies are particularly worrying given the increasing number of so-called WTO-compatible free trade agreements that are under negotiation between the European Union and developing countries. Such arrangements as the EU-ACP Economic Partnership Agreements (EPAs) may have negative welfare impacts as for instance Morrissey, Milner and McKay (2007) have estimated.

3. The Clash of Normative Principles

Against this background, the question of norms seems particularly relevant. Regarding the sustainable development as formulated by the WCED, Susan Baker (2005) has singled out a set of normative principles that she sees as the core for an ideal model of sustainable development. These principles include participation, inter- and intra-generational equity, gender equality, justice as well as common but differentiated responsibilities between the rich and the poor countries with respect to environmental protection. These principles should direct social change towards development which is in turn built on meeting the needs of the world's poor by ensuring their right to sustainable livelihood.²²

If we then contrast these normative principles of sustainable development with the ones of free trade as promoted by the World Trade Organisation, we will see that the meaning of sustainable development can be contested in deed. The clash between the WTO and the

²⁰ Goodison 2007: 253-254.

²¹ Stiglitz and Charlton 2005: 111-114.

²² Baker 2005: 30-31;

normative principles of sustainable development as described above is triggered off by a fundamental difference in the approach to sustainable development. Whereas the normative principles of sustainable development stem from the need to integrate the needs of the poor to all policy-making while taking into account the limits imposed by the environment, the market capitalist-led logic of the WTO sees the trade-liberalisation simultaneously both as the means to eventually create the conditions for fulfilling the needs of the poor while simultaneously promoting trade liberalisation as the overarching goal of the WTO.²³ Fundamentally, this belief in market mechanism is based on neoclassical economic models which do not sufficiently take into account the prevailing conditions in developing countries as for instance, Stiglitz and Charlton (2005) point out.²⁴ In this ideological framework, the principles of participation, equity and justice are simply not included or they are seen as external to the sphere of economic policy. According to the WTO-logic, trade issues are still regarded as issues of market-led economic governance and distinct from the issues of political governance. This leads us to a potentially conflicting situation in which market-led governance of the trade issues impact increasingly on developing countries' domestic political spheres and decision making.

Given the expansion of world trade both in terms of its volume as well as in terms of the number of so-called trade related issues (beyond trade in goods) to which the international trade rules were extended during the GATT Uruguay Round (1986-1994), the linkage between trade and sustainable development has become even more crucial. Furthermore the first, WTO-led negotiations round, the so-called Doha Development Round (2001-), was meant to be launched in specific to respond better to the developing countries' development needs after the dramatic collapse of trade talks in Seattle in 1999 and prevailing disappointment to the resulting agreements of the Uruguay Round.

As a result, both the existing WTO agreements as well as the on-going negotiations are closely linked to concerns of livelihoods and larger developmental prospects of poor countries. These agreements have various impacts. Regarding developing countries' agriculture-dependent livelihoods, the WTO Agreement on Agriculture (AoA) is crucial. In its

²³ See Sampson 2005 and compare to Haxton & Olsson 1998.

²⁴ In essence, Stiglitz and Charlton (2005:24-40) point to the claim that according to the neoclassical economic models, trade liberalisation is supposed to deliver gains as resources are transferred from protected sectors, in which a country does not have comparative advantage, to those sectors where it is more efficient and where it can export more successfully. But in developing countries, removing the protection to domestic industries under trade liberalisation may be detrimental if complementary policies are not in place.

present form, the AoA has since 1995 defined the international trade rules largely based – quite ironically in the context of trade liberalisation – on the protectionist interests of the EU and US around the issue areas of domestic support, market access and export support.²⁵ In particular, the issue of domestic support and agricultural subsidies has been highly contested due to their *trade distorting* effect which is neither compatible with the WTO rules nor with developing countries’ developmental needs. As for instance, Montemayor (2006) and Khor (2006) point out, that under the article on “domestic support” price support and other artificial benefits as well as export subsidies that many developed countries give to their farmers can and often do create surpluses that result in worldwide market distortions, affecting the livelihood and survival of farmers in other countries who do not have any access even to the most basic infrastructure like roads, much less subsidies. Many of these small-scale producers in developing countries have no government support (which anyhow would not be possible to put in place under the present WTO rules on Agriculture) or assistance programmes to fall back on when these trade distorting practices cause havoc on their domestic and export markets.²⁶

Just to provide other examples of cross-cutting domestic effects of the WTO agreements, the critics of the WTO see that for instance, the Agreement on Trade Related Intellectual Property Rights (TRIPS) addresses matters of access to essential medicines for poor countries in a way which limits both their rights to medicines as well as their rights to safeguard indigenous knowledge. The Agreement on Sanitary and Phytosanitary Measures (SPS) sets in turn new controversial standards for public health and market access while the relationship between the WTO Agreements and Multilateral Environmental Agreements (MEAs) are yet to be clarified.²⁷ Furthermore, the so-called new trade issues - competition, government procurement, investment, trade facilitation - that were brought to the WTO agenda in the WTO ministerial meeting of Singapore in 1996, form together with the agreements on investment measures (TRIMS) and services (GATS) of the Uruguay Round an axis which has significantly extended the impact of international trade liberalisation agreements deeper into the sphere of domestic policies.²⁸ In sum, the rules put forth in these agreements have been largely perceived as contradictory by developing countries’ developmental needs either due to the priority that has been given to the trade liberalisation *per se* or due to the

²⁵ Stiglitz and Charlton 2005.

²⁶ Montemayor 2006: 69-80.

²⁷ On the WTO agreements and developing countries critical stances, see Odell 2006 and Haxton & Olsson 1998. On the interrelationship between the WTO and the MEAs see Sampson 2005.

²⁸ On these so-called behind the border trade issues see for instance Young 2000.

exceptions made which allow developed countries' protectionism in particular regarding "sensitive" areas such as agriculture where developing countries' export-interest would lie.

If we then turn to the normative principles directing the WTO, the core of the WTO market-led conception of sustainable development can be inferred from the GATT agreement that states that sustainable development and

"the optimal use of world's resource can be promoted by entering reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariff and other barriers to trade and to the elimination of discriminatory treatment in international trade relations."²⁹

In turn the idea of non-discriminatory treatment is based on so-called Most Favoured Nation (MFN) principle³⁰. In essence, the MFN principle stipulates that a member country is obliged to extend to another member country the lowest tariff rates it applies to any other country.³¹ Exceptions are foreseen to the MFN principle under premises (GATT article XXIV) in cases whereby certain WTO members agree on setting up a customs union or a free trade area in which duties and other restrictive regulations of commerce are eliminated on *substantially all trade* based on *reciprocity* between the parties".³² In other words, exceptions can be made in line with the overarching norm of trade liberalisation by promoting it further than what is required at the multilateral level.

The norm of reciprocity is perhaps one of the most contested ones in the case in which reciprocity principle is to be applied to free trade agreements between a wealthy post-industrialist economy and developing countries. Even though GATT's Enabling Clause allows special and differential treatment to be granted by a developed country to *all* developing countries or to the least developed subgroup among the developing countries,³³ it does not override the logic of reciprocal trade liberalisation on *substantially all trade* or its consequences in the case of regional free trade agreements between rich and poor economies. In this respect, the least developed countries are exempted from the reciprocity norm but if they are members of a common customs union or free trade area with non-LDC countries, lowering the common external tariffs (CET) will still impact on them in terms of loss of public revenues needed for essential public services such as health care and education as well

²⁹ GATT 1994:9.

³⁰ Article I of the General Agreement on Tariffs and Trade, GATT.

³¹ Thus, preferences granted to one member must automatically be extended to all others.

³² GATT Article XXIV, rule 5.

³³ For a full explanation of the Enabling clause, see WTO at:

http://www.wto.org/english/docs_e/legal_e/enabling1979_e.htm#fntext1

as for infrastructure development.³⁴ Another detrimental impact related to the reciprocal liberalisation is increased competition between unequal producers of developed countries and local producers in poor countries which makes it even more difficult to accrue profit for economic development.

In the case of non-LDC developing countries, in practice special and differentiated treatment allow longer transition periods in removing tariffs and thus, permits limited protection of certain sensitive sectors from international competition as well as leaves room for some flexibility in implementation of certain rules. However, what is crucial to note is that the WTO-led processes of economic governance is based first and foremost on the WTO-rules for trade liberalisation in line with liberal economic policy of developed country WTO members and not on the developmental needs of developing countries. This is why I claim that the WTO promoted trade system is not at its present form compatible with sustainable development agenda if emphasis is truly put on the developmental needs of the world's poor.

Interestingly, the EU has made commitments both with respect to the WTO and UN-led processes towards poverty reduction and sustainable development, with legal obligations based on its founding treaties. At the same time, the EU has been regarded as one of the main architects of the Uruguay Round trade agreements as well as a key player in the Doha Development Round.³⁵ The terms in which the EU perceives the interrelationship between these commitments of trade liberalisation and sustainable development are of particular interest for the purpose of this contribution. Since The EU seeks to promote sustainable development beyond Europe through its external policies,³⁶ the key question is, based on which assumptions the EU actually aims at promoting these values?

Therefore, in the following section, I will address the objectives of sustainable development in the larger institutional context of the EU's Development and Trade Policies. I will mainly look at the issue from the point of view of *policy coherence principle*. Here policy coherence principle is crucial for a two-fold reason. Firstly, it can be seen as the mechanism by which the EU values are translated into policies. Secondly, policy coherence can be regarded as a

³⁴ Here the consequences of the EU-South Africa Development and Trade Agreement to the neighbouring LDC countries is a relevant case in point.

³⁵ See for instance, Stiglitz & Charlton 2005, Young 2007, Elgström 2007, Dür & Zimmerman and Meunier 2007.

³⁶ Manners 2005: 36-37.

crucial precondition for any policy integration in keeping with the original idea of promoting sustainable development as suggested by the WCED.

4. The EU Commitments to Poverty Reduction under Sustainable Development and the Principle of Policy Coherence

As mentioned in the introduction of this paper, the EU has made various commitments to sustainable development on various occasions. At the international level, most notably the EU has taken up a very visible role in the processes launched at the United Nations Conference on Environment and Development known as the Rio Earth Summit in 1992 and in its follow-up, World Summit on Sustainable Development in Johannesburg ten years later.³⁷ These international commitments have had both inter-European as well as external dimensions. Internally, the EU has adopted Environmental Action (EAPs) plans since 1973 following the first UN conference on Human Environment. As for the World Summit on Sustainable Development, the EU set out its commitment in June 2001 at the Gothenburg European Council which adopted the EU Sustainable development strategy. This strategy was completed with a global dimension in February 2002 as the Commission launched “Towards a Global Partnership for Sustainable Development” statement which covers all the EU external policies including trade. The Sustainable Development Strategy was reviewed in 2005 with a view to consolidate it as an overarching concept that underpins all union policies, actions and strategies and requires economic, environmental and social policies to be designed and implemented in a mutually reinforcing way.³⁸

Most recently, in the proposed Treaty of Lisbon (2007) that is meant to substitute the contested Constitutional Treaty, Article 2 states that

“in its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, *the sustainable development of the Earth, solidarity and mutual respect among peoples, free and fair trade, eradication of poverty* and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter.”

³⁷ COM 2001. See also Baker 2005.

³⁸ COM 2005, 37 Final:6.

If we then turn to look at sustainable development as EU's development policy goal in the wider institutional setting of the Union, we may start from the formulations that first defined it as a part of EU development co-operation policy. The status of development policy as a common EU policy was established in the Treaty on European Union (TEU) 1992, known as the Maastricht Treaty, with a juridical basis and common objectives.³⁹ Although the Maastricht Treaty provided a new institutional foundation for the policy, it was build to govern pre-existing and expanding aid and economic cooperation relations formed following the 1957 Treaty of Rome. Under the Maastricht Treaty, the Community development policy was defined as complementary to policies pursued by the Member States with three main objectives: promotion of the sustainable economic and social development of developing countries; their smooth and gradual integration in the world economy; and campaign against poverty in developing countries (Article 130u/177).

In addition to the principle of complementarity in the Treaty, two other principles were laid down to support the pursuit of the policy objectives. These formed the so-called triple Cs – complementarity, coordination and coherence – which were later rounded off with a fourth C component: the consistency of the EU's external relations in terms of security, trade and development policies. At the same time, the Council and the Commission became the representatives of the single institutional framework of the Community as legal personality with power to enter into international agreements. This was most clearly the case with Community policies exercising sole Community competence such as the External Trade Policy. Common policies were also formulated within 'pillars' of shared competency between the Community and the Member States, such as the Development Policy, whereas a more intergovernmental-based approach prevailed in respect of the Common Foreign and Security Policy.

Regarding the application of the coherence principle to the relationship between development policy objectives and other EU policies, Article 178 (Ex Article 130v) of the Treaty states that:

'The Community shall take account of the objectives referred to in Article 177 in the policies that it implements which are likely to affect developing countries.'

³⁹ Title XVII Development Co-operation Articles 130u, 130v, 130w, 130x and 130y. The 1997 Treaty of Amsterdam provided amendments to the TEU but did not change the content for development cooperation. Note that in the Amsterdam Treaty development cooperation is dealt with under Title XX, with new numbering of the Articles 177 (ex 130u), 178 (ex 130v), 179 (ex 130w), 180 (ex 130x) and 181 (ex 130y).

After the establishment of the EU development policy, the policy objective of the ‘campaign against poverty’ has been made even more central as a result of the EU’s involvement in international development processes. The most important of these processes include the UN’s Millennium Declaration and Millennium Development Goals (MDGs); Financing for Development in Monterrey; the commitments made at WTO Doha Development Round of international trade; as well as the commitments made at the World Summit on Sustainable Development and during the processes relating to aid effectiveness and donor harmonisation⁴⁰.

With respect to the commitments made to support Millennium Development Goals, the EU has pledged to achieve them by the year 2015 both at the Community and Member States levels.⁴¹ In this context, the objective of a ‘campaign against poverty’ has been redefined as *poverty eradication*. At the same time the principle of *coherence* has become one of the principal tools for guiding the process towards this goal in the EU’s development policy.

This shift was consolidated in the first joint development policy statement in the history of the EU, called ‘the European Consensus’, which was adopted by the EU Commission, the Parliament and the Member States presented at the Council of General Affairs and External Relations in November 2005. Building on the Maastricht Treaty, the European Consensus Statement (paragraph 5) formulates the objectives of the EU Development policy as follows:

‘The primary and overarching objective of EU development cooperation is the eradication of poverty in the context of sustainable development, including pursuit of the Millennium Development Goals (MDGs).’

To this end, the EU development policy first of all builds on two main means to achieve the poverty eradication objective. These are, firstly, increased aid; and secondly, governance of EU’s non-aid policies by the *policy coherence for development (PCD) principle*.⁴² Regarding the former, the EU has set a common timetable according to which the annual EU aid would double by 2010. The European Consensus Statement nominates Africa as the main beneficiary of this commitment to increased aid, as the EU promises to allocate at least half of this additional aid to Sub-Saharan Africa.⁴³ With respect to the Policy Coherence for

⁴⁰ COM 2005a: 3-4.

⁴¹ COM 2005b: 3.

⁴² The European Consensus: paragraph 9.

⁴³ Ibid.: paragraph 23. In addition, the EU-Africa Strategy (2005) names Africa as the first priority for implementation of the Commission’s ‘MDG package’ as defined in COM 2005a, 2005b and 2005c.

Development in the European Consensus Statement⁴⁴, the EU has restated the coherence principle of the Maastricht Treaty and committed itself to ensuring that it shall take into account and make sure that *all implemented EU policies support development objectives*, an issue which we shall examine shortly. This commitment has been formulated as follows:

‘We reaffirm our commitment to promoting policy coherence for development, based upon ensuring that the EU shall take account of the objectives of development cooperation in all policies that it implements which are likely to affect developing countries, and that these policies support development objectives.’

The general principles, later incorporated in the Policy Coherence for Development approach, were originally launched at the Development Assistance Committee (DAC) of the OECD at the beginning of the 1990s. They have now developed into a larger area for debate which has spread to include academic work and civil society campaigns.⁴⁵ The debate over policy coherence for development has largely revolved around the observation that development aid and development cooperation in their traditional forms *will not* lead to poverty reduction *if* other policy sectors simultaneously conflict with the pursuit of development policy objectives.⁴⁶

According to the definition of the DAC, the principle of policy coherence in its narrowest sense implies that the *objectives, strategies, mechanisms, intentions, motives* and *outcome* pursued within a given policy framework are consistent with each other and are at the minimum and – most importantly here – not conflicting with *objectives, strategies, mechanisms, intentions, motives* and *outcome* of other policy frameworks of the system⁴⁷.

5. The EU's Trade Dimension

Against this institutional background, the case of the EU's trade policy and development policy are worthy of comparison for a number of reasons. Both policies come from the same political system and legal entity but they are implemented by different agencies within the

⁴⁴ Ibid.: paragraph 9.

⁴⁵ See Forster & Stokke, 1999, and Hoebink, 2004 for studies on, and definitions of, policy coherence. For Civil Society Campaigns see e.g. Call for... (website), CFFA (website), Eurocoherence (website), Stop EPAs (website) and WIDE (website).

⁴⁶ In this context, the interrelationship between OECD countries' *agriculture* and *development* policies, in particular, is seen as a crucial case in point. Regarding the efforts to reduce poverty, the implications of domestic agricultural policy, agricultural trade policy as well as regulatory policies affecting agricultural production and trade have been addressed and found very problematic in the recent studies by the OECD; see OECD 2005a, OECD 2005b and OECD 2006.

⁴⁷ OECD, 1996: 8.

European Commission. Namely, the policy formulation and implementation in these domains are conducted by DG Trade and DG Development which have very diverse missions and policy goals as we will come to note later on.

The rules and scope of EU Common external trade policy are defined in Article 133 of the Nice Treaty (2001). At the centre lies a two fold-delegation of competencies: from Member States to the Council of Ministers and from the Council to the Commission. The Commission, represented by the Trade Commissioner and Directorate General Trade, has the right of initiative with respect to international negotiations on foreign trade and therefore also it exercise significant control over the negotiations agenda. The Trade Commissioner also conducts the talks with single negotiating position, sometimes assisted by other Commissioners responsible for related sectors such as agriculture, development, or the environment. The Council's role is to decide on the negotiations mandate (or rather, negotiating brief) that guides the Commission's activities in international trade negotiations. The execution of this mandate at the international level is controlled by a special committee of the Council, the so-called Article 133 Committee, named after the Nice Treaty provision on External Trade.⁴⁸

Regarding the ideological underpinnings behind EU's trade policy, one prominent argument sees policy makers driven by a fundamentally liberal ideology, in particular at the level of the European Commission.⁴⁹ However, as Young (2007) point out, the EU approach to trade negotiations depends on the different aspects of trade policy – traditional trade policy, commercial policy and social trade policy. By traditional trade policy Young refers to the GATT/WTO regulated trade in goods between countries focusing at market access measures such as tariffs and quotas, trade facilitation and agriculture export subsidies at-the-border of sovereign states. According to Young, both Member States and Commission stance is most liberal with respect to these issues. In the case of commercial policy including services, intellectual property rights, agricultural subsidies, investment, competition policy and government procurement which impact exceeds national borders to domestic legislation, the EU negotiations position is less liberal at the multilateral level but in the context of bilateral trade agreements between the EU and developing countries reciprocal *liberalisation* of these elements (excluding EU's agricultural subsidies) has seen as important development issues.⁵⁰

⁴⁸ Dür and Zimmermann 2007: 773.

⁴⁹ Dür and Zimmermann 2007: 777.

⁵⁰ Young 2007:789-790; 800-801

Then finally, regarding social trade policy including sanitary and phytosanitary rules, technical barriers to trade, environment, core labour standards as well as agriculture seen in the light of protecting European farmers' livelihoods and so-called multifunctionality of agriculture, the EU position is least liberal.⁵¹

In terms of the content of the EU trade policy, during the term of Trade Commissioner Pascal Lamy (1999-2004) who currently holds the position of the WTO's director general, "Managed Globalisation" became the central guiding doctrine of the EU Trade. This doctrine was a broad and encompassing in its content, linking trade policy with a variety of trade and non-trade objectives, such as multilateralism, social justice and sustainable development regarding both the EU trade policy in general as well as the EU position to the negotiations of the WTO agreements during the Doha Round.⁵² This doctrine was followed by "Global Europe", a new vision which concentrated more on EU's global competitiveness under Trade Commissioner Peter Mandelson (2005-). However, as Meunier (2007) argues, in terms of the broad liberal underpinnings, the new doctrine was nevertheless in-line with "Managed Globalisation". What is interesting for the point of view of our theme is the way by which both doctrines present trade as a *development* issue arguing that trade liberalisation and free trade are fostering development in poor countries⁵³ and therefore should be promoted in EU's external relations with them. In addition, it these doctrines extending the WTO rules to new trade issues and enlarging the WTO mandate is seen as the best way to manage globalisation.

If we look at nexus between trade and development in the EU's institutional setting, we may note that from the point of view of EU administration development and trade issues cover simultaneously the two domains of DG Development and DG Trade. What follows is that development aid and also so so-called trade relate aid (for instance the Aid for Trade initiative) are contained within EU development policy, but the EU negotiations for trade liberalisation both multilaterally at the Doha Development Round and bilaterally *with developing countries* are regarded as issues of EU trade policy, and thus fall under the competence of DG Trade.

In the following section, I will discuss the interrelationship between the trade and development policies as defined in the key EU statements regarding trade, sustainable

⁵¹ Young 2007:790.

⁵² Meunier 2007:905-906.

⁵³ Young 2007: 800-801.

development and poverty eradication goals. I will look at the issues from the point of view of the EU's notion of policy coherence principle, which I regard as problematic, and argue that the limits of the EU's approach to policy coherence also constricts the EU's promotion of sustainable development value.

6. EU's Trade and Development Objectives: Competing Goals or Consensual Compromises?

As defined in the previous section, the main objective of EU development policy is to eradicate poverty and promote sustainable development value *outside Europe*. In terms of its 'instruments', development policy comprises development aid and cooperation in various overlapping economic, political, environmental and social sectors. In order to increase the impact of development policy, the EU's commitment to policy coherence should ensure that its policies in other sectors also support, or at least do not conflict with or contradict, development policy objectives. If we look at the EU's trade policy doctrine as defined in the Commission's DG Trade-formulated Communication, '*Global Europe*' (2006), it at first appears that the EU's self-interest-driven trade position cannot be reconciled with its development policy agenda. However, I will note that in the EC discourse contained in these trade and development policy statements a trade-led consensus prevails which overrides development goals by presenting them as compatible to the free trade paradigm.

While the EU development policy targets are set outside Europe, the trade policy objective is first and foremost to build a '*Global Europe*' by reinforcing the EU's own competitiveness, growth and creation of jobs in the global economic system which, according to the DG Trade, are essential conditions for economic prosperity, social justice and sustainable development *within Europe*.⁵⁴ The advancement of the EU's trade agenda is to be done by 'opening markets where European companies can compete abroad while rejecting protectionism at home and promoting fair trade abroad'. The latter 'fair trade' policy task is to be conducted through the WTO-led multilateral trading system⁵⁵. Moreover, the EU's trade strategy text states that the EU's trade policy *also* seeks to *contribute* to development goals and maintains that *coherence* in this respect is vital to strengthening the EU's global

⁵⁴ Global Europe, 2006: 2

⁵⁵ Ibid.: 6-7.

role.⁵⁶ Again, how this coherence that is to strengthen the EU's role *also* contributes to development objectives is left unspecified.

However, what is clearly advocated in the new trade strategy text is that the EU's trade policy model is not only suitable to serve the EU's interests, but it is also assumed that liberalisation and increased competition in the multilateral trading system works also for the EU's developing country partners, regardless of the huge differences in the size and developmental stage of the economies as well as the societies as a whole. Therefore, DG Trade states further that progressive trade opening is an important source of productivity gains, growth and job creation, which are seen as essential factors in reducing poverty and promoting development⁵⁷. However, preconditions for this kind of economic development are not discussed. These assumed positive economic impacts are also what the DG Trade regards as the very essence of the EU's bilateral free trade agreements with developing countries such as the Economic Partnership Agreements (EPAs).⁵⁸ In general, the DG Trade's position to Free Trade and Association Agreements is that while these arrangements have reinforced economic and regulatory ties with the EU as well as supported development objectives, the EU's own trade interests have been less well served.⁵⁹ This statement increases the existing levels of ambiguity. Firstly, the formulation suggests that the primary function of free trade agreements is to reinforce economic ties with EU, and that supporting development objectives takes second place. Secondly, the current free trade arrangements have contributed to these objectives but they have not sufficiently promoted the EU's own trade interest. However, based on the DG Trade's vision of mutual benefits through increased competition and trade liberalisation, there is no conflict between trade and development goals. Therefore, the EU's representation reinforces the conception that coherence prevails between the trade and development policies.

If we address the trade and development policy objectives from the point of view of the EU's development policy, the interrelationship between the two appears even more ambiguous. It is interesting to note that, on the one hand, the *European Consensus Statement* stresses the importance of policy coherence principle for the achievement of the development policy goals and restates the EU's full commitment to this principle. What is more, the statement

⁵⁶ Ibid.: 2.

⁵⁷ Ibid. :6.

⁵⁸ Here the EPA negotiations are presented in the context of the other planned bilateral free trade and association agreements between the EU and Central America and Andean Community.

⁵⁹ Ibid.: 10-11.

acknowledges that there is a *need to advance* policy coherence for development in a number of areas and nominates trade as the first of these sectors which are likely to affect developing countries.⁶⁰ On the other hand, the European Consensus Statement expresses upfront and strong support for ‘a rapid, ambitious and pro-poor completion of the Doha Development Round and EPAs’, with no single critical reference or concern with respect to bilateral free trade agreements or the international trading system.⁶¹ On the contrary, the statement describes the latter as ‘open, fair, equitable, rules-based which takes into account the interest and concerns of the weaker nations’⁶². In this context, the development policy statement puts pressure on developing countries to reform and liberalise their markets in a way which is very concretely linked to the ongoing bilateral free trade negotiations; whereas the larger context of the international trading system reflects more an idealised EU vision of the WTO than the current WTO setting with the protracted Doha Development Round. However, the *European Consensus* statement contains a list of measures the EU is willing to use in order to pave the way for free trade agreements. These measures include additional assistance for trade capacity-building, sequenced market opening, addressing special and differentiated treatment as well as preference erosion. In addition, the EU promises quota free and tariff free access for LDC countries and mentions Common Agricultural Policy (CAP) reform, asymmetry and flexibility as facilitating factors in the implementation of the free trade agreements.⁶³

In the representations of the EU’s development policy documents the role of development aid, essential and necessary though it is seen to be, it is also regarded as *insufficient* to achieve poverty reduction, let alone poverty eradication. This emphasis is particularly strong in the Commission’s official communications regarding the EU’s contribution to the UN Millennium Development Goals.⁶⁴ Therefore, in these documents the EU development policy argumentation increasingly builds on assumed positive *synergies* between development policy and trade⁶⁵. However, at the same time, the EU states that its non-aid policies, especially in areas such as trade, agriculture, fisheries, food safety, transport and energy, all have a *direct bearing* on the ability of developing countries to generate domestic economic growth, which in turn is fundamental to the achievement of any sustained progress towards

⁶⁰ European Consensus: paragraph 35.

⁶¹ Ibid.: paragraph 36.

⁶² Ibid.: paragraph 36.

⁶³ Ibid.: paragraph 36.

⁶⁴ The specific MDG and coherence documents include COM 2005a, 2005b, and 2005c 132, 133 and 134.

⁶⁵ COM 2005b: 9.

poverty reduction.⁶⁶ The extent to which this direct bearing is perceived as *policy incoherence* is not made explicit.

However, in order to advance policy coherence for development in the area of trade both at the multilateral WTO and bilateral levels, the EU development policy documents lists the issues that the EU promises to tackle. These include, for instance, support measures to EU agriculture (e.g. export subsidies and price support), market access for agriculture, industrial goods as well as services, elimination of tariffs and tariff peaks, antidumping and fishery subsidies.⁶⁷ In sum, the EU refers only to measures that are thought to be *trade-distorting* by the WTO. To a certain extent these measures – if effectively implemented – could have a positive impact on development. However, it is important to note here that the EU is considering the interrelationship between trade and development *exclusively* in terms of trade liberalisation. As for instance Khor (2006) and Goodison (2007) point out, mere removal of ‘trade-distorting’ effects to advance trade liberalisation is not sufficient to guarantee a positive impact on development and the reduction of poverty.⁶⁸

From the point of view of development goals, this trade-led conception decisively limits the EU’s quest for policy coherence with respect to its development policy objectives, and thus calls into question the adequacy of the EU’s approach to the promotion of poverty reduction and sustainable development in international relations. The extent to which policy coherence for development is defined is guided by the WTO rules, rather than by development objectives. However, the EU discourse presents WTO compliance as part of the process of advancing development goals. Drawing on this analysis on the interrelationship between trade and development, I will now briefly assess the EC’s position with regard to the on-going WTO Doha Negotiations.

7. The Global EU in the Doha Development Round

According to the EU’s self-representation, the Union is one of the driving forces behind the current round of multilateral trade negotiations in the WTO, the Doha Development Agenda

⁶⁶ COM, 2005a: 7.

⁶⁷ COM 2005a: 5-8.

⁶⁸ This is particularly the case with the EU’s agricultural subsidies, which the EU has been able maintain at a high level by changing their form from price support to WTO-compatible income support. Both Khor (2006) and Goodison (2007) discuss this issue and claim that the EU’s reforms have been insufficient to remove the negative implications of its agricultural policy for development country producers.

(DDA) and states that main objective of the Doha Round is to put development at the heart of the world trade system in a way that will help them combat poverty.⁶⁹ In line with the Doha Declaration adopted by the WTO member states in November 2001, the EU sees that further market opening and additional rule making for facilitating trade liberalisation is necessary to integrate developing countries into the world trading system. This has promised to be supported by additional assistance to strengthen their capacity to trade and to compensate the adjustment costs of free trade in line with the Aid for Trade initiative adopted at the WTO's 6th Ministerial Meeting in Hong Kong in December 2005.

Given that the majority of the WTO members are developing countries, the Doha Development Round provides an interesting context where the EU trade interests and developing countries' negotiation objectives confront. The situation is complicated further by the slow progress since the beginning of the talks, shadowed by the perceived imbalances of the previous GATT Uruguay Round which had left, for instance developed country tariffs against developing country products far higher than those against other developed countries.⁷⁰ This situation was clearly not in line with the International poverty reduction goals adopted a year before the launch of the Doha Round or Sustainable Development Agenda of the Johannesburg World Summit 2002. Furthermore, the web of trade related issues such as intellectual property rights, investment measures as well as trade in services of the Uruguay round had left most of the developing countries in a situation in which they found themselves with a growing number of international trade rules impacting on their national legislations with very little benefits in terms of market access for their exports. This perception has been particularly problematic for the EU and to its relations with developing countries as one of the key objectives of the EU position in the past decade has been to bring as many issues as possible into the fold of the WTO.⁷¹ Simultaneously, protectionism has prevailed with respect to the EU's Common Agricultural policy which has been the other major bone of contention between the EU and developing countries during the Doha Round.

As Stiglitz and Charlton point out (2005) the insufficient changes in agricultural policies both in the EU as well as in the US were seen as one of the key disappointments due to the promises made to reduce agricultural subsidies which was viewed as the primary objective of

⁶⁹ See the homepage of DG Trade.

⁷⁰ Stiglitz and Charlton 2005:

⁷¹ Meunier 2007: 913-914; Young 2007:803-804.

the Doha Round.⁷² For instance, in August 2003 the EU and the US presented a joint paper on agricultural issues. Contrary to the Doha Declaration on domestic support, no specific figures were given for reducing the most trade-distorting support and the text potentially widened the scope for the use of production based support. Furthermore, the EU statement regarding the CAP reform during the Doha Round to further replace price support with WTO-permissible and allegedly less trade distorting direct payments to farmers⁷³ was perceived as a trick to comply with the WTO rules without fulfilling the promises made to developing countries as making agricultural subsidies less trade distorting does not automatically make them more development friendly if the overall volume of subsidies does not change.

This developing countries disappointment on agriculture and the EU proposed enlargement of the WTO trade issue agenda into Singapore issues of competition government procurement and investment led to the collapse of Doha talks in the Cancún Ministerial Meeting in September 2003. Prior to the meeting, 77 developing country WTO members had made a public statement that Singapore issues not be included as part of the Doha Round. According to Stiglitz and Charlton (2005) the reasons for opposing the new trade issues were two-fold. Firstly, several developing countries saw the Singapore issues as incursions into their sovereignty that are not justified by the benefits they bring. Secondly, they may impose a large burden on the administrative capacity of developing countries as well as adjustment costs.⁷⁴ Due to the failure to extend the trade agenda at the multilateral level, the EU has taken up a bilateral approach in stead. Despite the EU's commitment to multilateralism as stated in "Global Europe", the EU has recently launched a number of bilateral and regional free trade negotiations with ASEAN, South Korea and India in addition to EU-ACP Economic Partnership Agreements with the view to advance broad trade agenda which was rejected at the multilateral level by developing countries. On the positive side, at the latest WTO ministerial meeting of Hong Kong, regarding agriculture export subsidies, the EU has agreed to ensure a parallel elimination of all forms of export subsidies and disciplines on all export measures by the end of 2013. In addition, the EU has committed itself to increase trade related development assistance by pushing forward the Aid for Trade initiative under the WTO and

⁷² Stiglitz and Charlton 2005: 58-59

⁷³ Young 804.

⁷⁴ Stiglitz and Charlton 2005: 60-61.

the OECD.⁷⁵ However, to which extend these measures can be regarded as sufficient depends on the content of the final negotiations results if and when the Doha Round will be concluded.

8. Conclusions

The EU's quite exceptional and optimistic *self-representation* as a promoter of its common values and principles for the good of the whole world and in particular for developing countries is problematic for a number of reasons. Firstly, the EU's consensual position on development and trade policy coherence significantly impacts on the way by which the EU seeks to promote sustainable development both in international development and trade relations which does not cohere to the original spirit of sustainable development as outlined in the Brundtland report. I base this argument on the Brundtland's conception of the primacy of the developing countries needs to secure livelihoods which is seen as crucial to poverty eradication and economic development. Regarding the economic governance to which the EU is actively participating, these needs are not adequately addressed neither in the current WTO framework nor in the EU's free trade driven trade doctrine of "Global Europe" or "Managed Globalisation". In this context, the EU aims at extending the WTO rules to new issues areas affecting national policies against developing countries' will while promoting EU's trade interests. However, these interests are presented as compatible and coherent to the EU's development goals as a part of the mutually beneficial free trade paradigm.

Simultaneously, the EU's protectionist position with respect to agriculture is an interesting case. Opening this sector for genuine free trade in the EU while permitting the developing countries to protect their own agricultural production could be beneficial for the poor agriculture-dependent countries. However, under the WTO principle of reciprocity and the WTO compatible bilateral free trade agreements that the EU is currently initialling, this option is not viable. In addition, the pressure from EU's development policy position is not strong enough because it suggests that substituting trade distorting measures as defined by the WTO rules is sufficient enough to improve agricultural trade policy's coherence with respect to development policy goals.

Secondly, if we adopt the assumption that the EU has the ability to project its core values beyond its borders and by doing so redefine what is perceived what is "normal" in

⁷⁵ WTO Hong Kong Ministerial Declaration.

international relations, the EU's free trade compatible conception of sustainable development is worrying. Given the EU's strong, albeit selective advocacy of free trade, it certainly has an impact on the way the sustainable development as a value is promoted internationally and therefore to establish interpretations that will become commonly accepted as a norm.

This relates to the my third point regarding policy integration which in the light of the WCED argument should take place in order to promote sustainable development as a cross-cutting imperative in policy-making. Drawing on the EU's consensual presentation of trade and development objectives, there seems to be no need to change the way the EU's currently conducts its policies or external action. This also demonstrates how the EU's conception of Policy Coherence for Development principle is ideologically bound. Therefore, the EU consensus on mutual supportiveness between sustainable development and trade liberalisation reinforces a certain standard mode of behaviour through which international trade is governed. This might lead to a situation in which the EU's development policy coheres with the EU's trade policy whereas incoherency prevails with relation to the spirit of sustainable development.

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