Revisiting European Influence: The Case of Agricultural Trade Negotiations

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In recent years, scholars have called into question the often-heard policy statements that link a stronger single voice of the European Union (EU) to more European influence in international negotiations. This article examines this challenge in an area where the EU has a particularly long tradition of establishing common policies: agriculture. By comparing in particular the international agricultural negotiations that have taken place in the framework of the Uruguay and the Doha Development Rounds (up until Cancún), it argues that internal coherence is actually not a sufficient condition for EU influence in these negotiations. On the contrary, by building on different strands of literature – International Relations, EU studies and trade policy – it shows that the EU’s ability to influence outcomes has been increasingly affected by external developments. More specifically, the article draws on three crucial external processes in this regard: First, emerging powers have gained substantial commercial weight. Second, key countries, especially Brazil, have played an increasingly active role in the negotiations. Third, these countries have strengthened their positions through successful coalition-building. Consequently, if European policy-makers want to increase the EU’s influence in agricultural trade negotiations, they have to more consciously adapt its negotiation approaches to the changing external negotiation environment.

This article falls within the EU-IANUS research project (The EU in an unsettled international system: crisis, polarity, and multilateralism) funded by the National R+D Plan of the Spanish Ministry of Economy and Competiveness (CSO2012-33361). The authors would like to thank Esther Barbé and the other EU-IANUS researchers for their valuable support and input. They are also happy to acknowledge the helpful comments by Tom Delreux and the participants of a panel on ‘EU Performance in multilateral institutions: theory and cases’ at the EUSA Biennial Conference 2013, where an earlier version of this article was presented.

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1 INTRODUCTION

Since the early days of European integration in external affairs, policy-makers have continuously emphasized the need to speak and act more coherently if the European Union (EU) wants to become a more influential actor on the international stage. In recent years, however, the relation between internal coherence and external influence has been increasingly problematized by academics. The empirical evidence suggesting that more coherence does not necessarily lead to more influence is growing slowly.\(^1\) In this regard, one of the crucial test cases implicates the area of trade and commerce, in which the EU has achieved one of the highest degrees of internal coherence. The Rome Treaties committed Member States early on to act collectively in international trade negotiations. Most notably, the EU represents its Member States at the World Trade Organization (WTO), as it had previously done at the General Agreement on Tariffs and Trade (GATT) meetings.\(^2\) Moreover, the EU has tried to improve its coherence in these forums through various Treaty reforms in the 1990s and 2000s. Yet, even with regard to matters of trade and commerce, increasing coherence has not always brought about growing EU impact on international trade negotiations.\(^3\) How is it possible to explain this?

As has been lamented already,\(^4\) little systematic research has been done to answer this question. The few studies that examine the relation between coherence and influence tend to emphasize different internal factors. Some highlight, for example, the importance of how the negotiation competence is delegated within the EU\(^5\) and related issues such as internal voting rules.\(^6\) Others point to


\(^{2}\) The WTO was founded on 1 Jan. 1995 as a result of agreements reached during the Uruguay Round. This international organization is the successor to the GATT and incorporates all the new agreements reached during the Round.


\(^{4}\) Thomas, supra n. 1.


\(^{6}\) Sophie Meunier, What Single Voice? European Institutions and EU-U.S. Trade Negotiations, 54 International Organization 1, 103–135 (2000); Mark Rhinard & Michael Kaeding, The International
efficiency problems when the EU spends more time negotiating for the sake of internal cohesion among Member States and European institutions than negotiating with third parties. Groenleer and van Schaick, for their part, emphasize the importance of converging norms and preferences among Member States. Likewise, Thomas emphasizes the importance of political cohesion within the EU and the determinacy of its policies.

However, these studies suffer generally from two shortcomings that make a more systematic analysis of the relation between coherence and international influence more difficult. The first problem is the lack of historical comparisons within the same issue areas. So far, most studies offer single case studies or comparisons between different issue areas. Yet, by comparing two similar cases in the same issue area over time, it is possible to scrutinize in greater detail how in some cases the EU maintains or increases its coherence, but is not able to consolidate its influence. Second, other sources of power in international trade negotiations, most notably external factors, often get obscured in favour of a focus on internal coherence within the EU. Although some studies consider external dimensions, for example in the form of recognition by third parties, or in the form of the negotiation environment and 'opportunity structures', they do not highlight sufficiently that, ultimately, influence in international affairs is mutually dependent on the influence of other actors.

This article addresses these shortcomings by comparing two historical cases in a special case of trade policy: agriculture, in particular international agricultural negotiations that have taken place within two frameworks, namely the Uruguay Round and the Doha Development Round (up to the Cancún Talks). We have chosen this field of negotiations due to its specific characteristics. It is well known that agriculture is different from other areas of trade due largely to the interventionist nature of the Common Agricultural Policy and the disparity of positions of EU Member States in this area. Hence, the EU negotiating position is expected both to be linked intimately to what is going on domestically within the
CAP and to be less flexible than in other areas. This in turn should help compare the impact of internal coherence on international influence in the two Rounds.

This agriculture-specific analysis demonstrates that internal coherence cannot explain the loss of the EU’s capacity of influence in international trade negotiations. In other words, even though the Union’s coherence has hardly varied in absolute terms, its influence has decreased in relative terms, that is, in relation to other actors, particularly emerging powers in the global South. In short, external factors have become dominant. Although the rise of new power centres is a common theme in the recent literature on EU external relations, this article examines how the power shifts in international commercial relations have manifested themselves in the informal decision-making process of the Uruguay and Doha Rounds. More specifically, by building a bridge between different strands of literature in International Relations, EU studies and trade policy it outlines three concrete processes that have undermined the EU’s influence over time. First, the developing countries’ commercial power relative to the EU has changed significantly to the detriment of the Union. Second, developing countries, most notably Brazil, have been able to translate their increasing share in international commerce by becoming effective coalition-builders in international trade negotiations. Third, developing countries’ discontent with the results of the Uruguay Round, as the benefits derived from the agreement were less than expected, have strengthened their resolve in the negotiations themselves and have furthered their willingness to contest the dominance of the EU and the United States. These processes have been underpinned by ideational shifts regarding the growth model in developing countries – shifts which have promoted greater interest on the parts of these countries in international trade negotiations since the Uruguay Round.

The structure of this article is threefold. First, we revisit briefly the concepts of EU coherence and influence in the context of the sources of power in international agricultural negotiations. The second section focuses on the comparison of the Uruguay and Doha Rounds. It empirically shows both that it is possible to compare the Doha Round up until Cancún with the Uruguay Round in the field of agricultural negotiations and that the Cancún fiasco cannot be explained by a decrease in EU internal coherence. Third, we examine why the

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EU’s influence has decreased between Uruguay and Cancún by examining the three processes outlined above in more depth. Finally, we summarize our research findings in light of the existing literature and examine their policy implications.

2 BEYOND COHERENCE: REVISITING INFLUENCE IN TRADE NEGOTIATIONS

In international trade negotiations, the EU – like any other actor – can draw on different sources of bargaining power to wield influence in its favour. One of these sources is certainly the internal set-up of the actor.\textsuperscript{15} In the case of the EU, this internal approach to bargaining power is reflected in the classical literature on EU coherence, which habitually attributes the lack of EU influence in international affairs to its lack of internal coherence.\textsuperscript{16} From this classical perspective, coherence is largely seen as an institutional issue. That is, coherence (and thus more European influence on the international stage) can be achieved through certain institutional arrangements that foster the integration of Member States and their policies.\textsuperscript{17} In this regard, the existence of common policies supported actively by EU institutions and Member States are usually seen as a clear indicator of EU coherence.\textsuperscript{18}

This institutional view is particularly prevalent in the EU studies literature on international trade, in which the relations between the Commission – the EU’s agent in trade negotiations – and the Council and the Member States have become the centre of attention. More specifically, the focus is on the variation in the Commission’s autonomy vis-à-vis the Council and the Member States and, thus, on the variation over time of the EU’s coherence.\textsuperscript{19} Whereas some argue that the Commission is merely a ‘spokesperson with privileges’,\textsuperscript{20} with a limited capacity to act independently of the control mechanisms of the Member States,\textsuperscript{21}

\textsuperscript{15} Drahos, supra n. 10, p. 83.
\textsuperscript{18} Thomas, supra n. 1.
\textsuperscript{21} Dirk De Bièvre & Andreas Dür, Constituency Interests and Delegation in European and American Trade Policy, 38 Comparative Political Studies 10, 1271–1296 (2005); M. Shawn Reichert & Bernadette M.E. Jungblut, European Union External Trade Policy: Multilevel Principal-Agent Relationships, 35 Policy
others maintain that issues like the Commission’s broad negotiation mandates or its privileged information of negotiations provide a high degree of autonomy. Thus, Elsig claims: “The agent in the field of European Union trade policy has more discretion than is usually the case for agents in international organizations.”

Yet, despite their differences, all contributions to this debate have one major aspect in common: they are dominantly inward-looking approaches that share, at the end of the day, the underlying emphasis on coherence as a crucial source of more influence. As a result, they often sideline the broader picture of international trade negotiations, that is, they do not expound upon or identify in-depth external factors that may influence the EU’s bargaining power in such negotiations. It comes, therefore, as no surprise that this type of literature has difficulties in explaining why variation in coherence, for example, in the form of more Commission autonomy, should actually fail to make the EU more influential. A look at the extensive literature on the EU’s international agricultural negotiations does not reveal new insights either, as work in this field has primarily been concerned with establishing whether there is a relationship between these negotiations and the evolution of the common agricultural policy (CAP), for instance on the link between the development of the CAP and EU positions in international trade negotiations. In other words, scholars have analysed the extent to which international negotiations and CAP reforms have influenced each other rather than the sources of EU influence in the negotiations.

Given these shortcomings, it becomes necessary to go beyond internal factors in order to explain the variation of EU influence in international agricultural negotiations. As Drahos pointed out in his analysis of international trade negotiations, apart from internal coherence, there are at least three more basic sources of bargaining power in international trade negotiations: (1) commercial power in terms of an actor’s international market share; (2) the establishment of 

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effective networks to gather relevant commercial information; and (3) the ability to build efficient coalitions.\textsuperscript{25} In the case of the EU, the information-gathering networks were already well established during the Uruguay Round.\textsuperscript{26} As there is no reason to believe that this factor varied substantially between the Uruguay and Doha Rounds, the analysis of the other two factors is the most pertinent way forward. The first one, the EU’s commercial power vis-à-vis other actors, has been already identified as an important variable in international commercial relations and is directly related to the concept of relative power in the International Relations literature on cooperation. In this regard, the emergence of new powers has been the most recurrent theme.\textsuperscript{27} As Blavoukos and Bourantonis have pointed out in a recent volume, ‘…systemic changes, related not least to the ascendance of new powerful actors in world trade negotiations (i.e., the BRIC countries – Brazil, Russia, India and China, with Russia not yet a WTO member), have undermined the EU international economic role’.\textsuperscript{28} The second factor, coalition-building ability, has rarely come up in the literature on the EU. However, it has already been shown how other actors in international trade negotiations, most notably developing countries, have been able to increase their influence vis-à-vis the US and the European Union by forming counter-coalitions.\textsuperscript{29}

Before analysing whether these factors are actually related to EU influence in the agricultural negotiations in Uruguay and Doha, it is first necessary to define what is meant by ‘influence’. Although the term is certainly murky and widely debated, it is directly related to the relatively straightforward concepts used in other studies on EU foreign policy, in particular goal attainment,\textsuperscript{30} the ‘effectiveness in impact’\textsuperscript{31} or simply ‘impact’ in the sense of ‘effects of EFP [European Foreign Policy] activity on international political and functional issues’.\textsuperscript{32} Following the definition of these concepts ‘influence’ can be defined as instrumental power, that is, as the ability to affect outcomes in line with the EU’s

\textsuperscript{25} Drahos, supra n. 10, pp. 82–83.
\textsuperscript{26} Ibid., p. 83.
\textsuperscript{27} Young, supra n. 1; Elsig, supra n. 3; Lisanne Groen & Arne Niemann, The European Union at the Copenhagen Climate Negotiations: A Case of Contested EU Actorness and Effectiveness, 27 International Relations 3, 317–318 (2013).
\textsuperscript{29} Amrita Narlikar & Diana Tussie (2004), The G20 at the Cancun Ministerial: Developing Countries and Their Evolving Coalitions in the WTO, 27 The World Economy 7, 947–966 (2004); Drahos, supra n. 10.
\textsuperscript{30} Niemann & Bretherton, supra n. 1, pp. 267–268.
\textsuperscript{31} Elsig, supra n. 3, p. 328.
\textsuperscript{32} Roy H. Ginsberg, The European Union in International Politics: Baptism by Fire (Lanham, MD: Rowman & Littlefield, 2001), p. 49.
common policies. As in the case of the related concepts, it is essential to link the observed effects with the actual activities implemented by the EU.33

3 FROM URUGUAY TO CANCÚN: THE EU IN AGRICULTURAL NEGOTIATIONS

For more than twenty-five years, intense international agricultural negotiations have taken place within the Uruguay and the Doha Development Round. This analysis does not attempt to explain in detail the agricultural negotiations that took place in the two rounds or the details of the different actor positions in the negotiations. Rather we present the analysis of the EU’s key role in these negotiations in a comparative way so as to highlight two points. First, that the comparison should be made between the negotiations that took place as part of the Uruguay Round with those of the Doha Round up to the Cancún Talks. Second, that even though the Union’s coherence has hardly varied in absolute terms between both rounds, its influence has decreased in relative terms.

3.1 THE VALIDITY OF THE COMPARISON

The peculiarities regarding the two rounds suggest comparing the Uruguay Round through to its completion and the Doha Round only to the Cancún Ministerial (instead of up until now or up until the 2008 revised draft modalities). As explained below, the similarities are stronger between these two periods making the comparison methodologically more attractive.

The Doha Round up until now only shares two similarities with the Uruguay Round. The first similarity regards the relations between the EU and the other actors. The recognition of the EU both as a valid and key actor in the international trade negotiations was not called into question by the creation of the WTO in 1995. While in the GATT the European Economic Community (EEC) was a de facto contracting party, formal or legal recognition of the EU as an actor in its own right came with the creation of the WTO. Moreover, recognition of the EU as an international actor has always gone hand in hand with its power status. The EU has been recognized by its peers, both in the GATT and the WTO, as a key actor in trade negotiations due to its market size and the volume of trade it generates.34

33 Thomas, supra n. 1, pp. 460–461.
The second similarity is related to the framework of negotiations. In Uruguay, as in Doha, multilateral agricultural negotiations centred on three main pillars: market access, export subsidies, and domestic support – and could not be totally disassociated from other issues concerning trade in goods (above all those related to market access for non-agricultural products, trade defence measures, and issues of intellectual property) and services, included on the agendas of both rounds. In both cases, the negotiations have been subject to the ‘overall approach’, now referred to as the ‘single undertaking’, by which nothing is agreed until everything is agreed. In other words, if there is no agreement on agriculture, the Round cannot be concluded – even though agreements might have been reached in negotiations concerning goods and services and vice versa. The development that would have represented a significant change between Uruguay and Doha did not materialize. We refer to the exclusion of the agenda of three of the so-called Singapore issues: competition policy, investment and government procurement. For this reason, it can be argued that the Doha principle of single undertaking covers the same topics as discussed in Uruguay.\(^{35}\)

The Uruguay Round and the Doha Round up until Cancún share three other important similarities. The first has to do with the internal EU model of governance. During the Uruguay Round and up until Cancún, the model of governance adopted before the GATT/WTO was the same. The Member States granted the EU exclusive competence in its Common Commercial Policy and allowed the Commission full representation powers in international trade negotiations under the Council’s supervision. During that period, the EU had exclusive competence in the field of trade in goods (including agricultural products), and it had shared competence with the Member States in the area of services, intellectual property, and foreign direct investment. Moreover, the fact that the competence of the EU was not exclusive in all these new areas of commerce did not impede its unity of representation in the international trade negotiations in Uruguay or in Cancún. In practice, the European Commission represented the Member States in all the facets of the broad negotiation agendas at both Rounds, operating within the framework of the guidelines laid down by the Council.\(^{36}\)

This model of governance has been changed by the Lisbon Treaty. The scope of

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the Common Commercial Policy has been extended and the European Parliament has been granted new powers in this arena.\textsuperscript{37}

Second, we can also find important similarities in relation with the EU’s negotiating position. Both in Uruguay and in Cancún, the position was initially defensive. The EU wanted to preserve its common agricultural policy at all costs, while third countries sought to persuade the EU to reform it by offering greater market access, a reduction in export subsidies, and a reduction of domestic support to its farmers. Agricultural negotiations did not really begin until the EU reached an internal agreement to reform the CAP: in May 1992 for Uruguay and in June 2003 for Cancún. In both cases, these reforms expanded the EU’s margins for negotiating the three pillars of agricultural policy. Although the EU introduced some changes to the CAP both in 2008 and in 2013, analysts agree that these cannot be considered reforms but revisions to adjust the policy instruments and/or to finish the implementation of previous reforms.\textsuperscript{38} If we consider that policy reform implies at least a change in the policy instruments that operate across the sector as a whole (or most parts of it), the CAP has so far gone through only two reforms: the MacSharry Reform in 1992 and the Fischler Reform in 2003.\textsuperscript{39}

From this point of view, therefore, one may argue that 2003 for Doha was the negotiating time equivalent to 1992 for Uruguay.\textsuperscript{40}

Finally, and most importantly, both in Uruguay and in Cancún the EU tried the same negotiating strategy. In both cases the EU reached a bilateral agreement on agricultural issues with the US as the first step towards a multilateral agreement on agricultural issues and of a successful conclusion of the Round. Since then there have been no further attempts at reaching a bilateral agreement with the US.

3.2 Decreasing influence, static coherence

On the basis of both these similarities and the classical literature on coherence, one would expect the EU negotiating strategy to have had the same degree of success


\textsuperscript{40} We are very much aware that from other viewpoints this equivalence is more dubious. The 1992 CAP reform came late on in the Uruguay Round process. With Doha, however, many things were still up in the air, including the ‘Singapore Issues’.
in both cases unless evidence is found of a change in internal coherence. This section shows, however, that while the EU level of influence was greater in Uruguay, the degree of coherence was at least equal in Cancún.

In Uruguay, as in Cancún, the EU and the US reached a bilateral agreement for the liberalization of agriculture. However, this bilateral agreement only became a multilateral agreement in Uruguay. In Cancún, the other parties to the negotiations rejected the bilateral agreement.

In Uruguay, in November 1992, the EU signed a bilateral agreement with the US, which was subsequently accepted by the other participants in the Round and which allowed a final agreement to be reached. This bilateral agreement was known as the Blair House Agreement, and it effectively exhausted the margin for negotiation offered by the May 1992 CAP reform. In fact, France accused the EU of having exceeded this margin. In Doha, bilateral negotiations between the US and the EU also resulted in a joint proposal. The proposal was presented on 13 August 2003 and served as the basis for the draft presented by the WTO in Cancún. Thus, the Blair House model, which had helped unblock agricultural negotiations during the Uruguay Round, was reproduced. This time, however, the strategy failed. A new coalition, the Group known as the G20, was unwavering in its opposition to the US–EU agreement; the G20 presented an alternative proposal with greater demands for the liberalization of the three pillars of agricultural negotiations. In short, the EU and the US were not able to affect the outcomes of the Cancún talks in the same way as they had done during the Uruguay Round.

Yet, the EU’s waning influence between the two rounds can hardly be attributed to the classical culprit in the literature: the hoarse single voice. In both Uruguay and Cancún, the reforms of the CAP served to ensure the convergence of the Member States around a common negotiating position. Following Thomas,\(^\text{41}\) such a common position – and its pursuit by EU institutions and Member States in the bilateral negotiations with the US – have been clear indicators of similar EU coherence. Furthermore, in both Rounds, the EU only became fully integrated in the agricultural negotiations after reaching an internal agreement for the reform of the CAP in May 1992 and in June 2003 respectively. Before the reforms, the differences between the positions of the Member States were so marked that EU had only been able to submit defensive proposals in support of the status quo, leaving the Commission without room for negotiation in agricultural issues.

Although both reforms targeted only one of the pillars of international agricultural negotiations, that of domestic support, they allowed the EU to broaden its margins for negotiating the other two pillars. Protection from third

\(^{41}\) Thomas, supra n. 1.
countries in the farming sector (the market access pillar) and the need to employ export subsidies (the export subsidies pillar) are to a large extent the result of having established a system of internal intervention. Thus, if the degree of intervention is reduced, the degree of protection from third countries can also be reduced.\textsuperscript{42} The literature on the negotiations indicates that these reforms facilitated the Commission’s negotiating task.\textsuperscript{43}

To sum up, the international agricultural negotiations that have taken place within Uruguay and Cancún present strong similarities allowing for a methodologically sound comparison. The comparison, nevertheless, does not support the tenets of the classical literature on coherence. It reveals that internal coherence cannot explain the EU’s decreasing ability to influence the negotiation outcomes.

4 THE RISE OF THE REST AND THE CHALLENGE TO EUROPEAN INFLUENCE

An analysis of the international context during the Uruguay and Doha Rounds suggests that the key to understanding the different levels of influence wielded by the EU in these negotiations lies in changes in the power structure governing international trade negotiations. Both in GATT and WTO trade negotiations, decisions are made by consensus. What changed from Uruguay to Cancún is the way in which this consensus is reached. ‘Since Cancún, the old certainties about the structure and players in agriculture negotiations have been undermined’.\textsuperscript{44} The

\textsuperscript{42} Although a reform of the degree of intervention of the CAP in Europe’s internal market has implications for the necessary degree of external protection (or the EU’s margin for negotiation), it is also true that these implications are not clearly defined in the reform. Thus, we agree with Young (\textit{supra} n. 1) that the most controversial aspects of the international trade negotiations on agriculture within the Council, following the reform, were those relating to market access and export subsidies.


‘Duo’ formed by the US and the EU in agricultural negotiations has been replaced by a ‘Quad’ formed by the US, the EU, Brazil, and India.\textsuperscript{45}

During the Uruguay Round, the decision-making process was in practice the one that had been in place since the birth of the EEC. The US and what is now the EU as a ‘Duo’, or together with Japan and Canada as a ‘Quad’, formed the basic core around which the consensus was built. This system reflected the commercial power of these nations\textsuperscript{46} as well as the principal supplier rule established by the GATT – according to which it was implicitly accepted that the countries with the greatest stake and/or interest in the matter under negotiation should wield the most influence in any decisions reached regarding that matter.\textsuperscript{47}

In Doha, by contrast, the developing countries, and India and Brazil in particular, managed to assume a new role in the decision-making process in agricultural issues through the so-called G20 coalition. In Cancún, the G20 was able to prevent the US-EU bilateral agreement from being accepted by the rest of the WTO members as it had been in Uruguay. As Laïdi put it: ‘The Cancún experience had great political significance because it revealed the emerging countries’ capacity to agree on a defensive political agenda in relation to the West, despite their diverging long-term interests.’\textsuperscript{48}

\subsection*{4.1 Processes of Change}

Arguably, the emergence of this ‘new Quad’ can be attributed to three processes that were underpinned by ideational shifts regarding the growth model in developing countries. Until the end of the 1980s, developing countries followed a growth model based on import substitution. It was a model that required high levels of protection, which is why the GATT model based on reciprocal tariff concessions did not suit developing nations. In fact, in the early years of the GATT, the agendas of these countries were concerned with obtaining non-reciprocal concessions to secure access to the markets of developed countries. All such demands were disputed and negotiated in the UNCTAD, a United Nations forum created in 1964 specifically to address all issues related to trade and

\textsuperscript{45} Although since 2003 different constellations have been tried out, involving four to seven states, the members of the G4 or new Quad have been part of all of them. See Anurita Narlikar, \textit{International Trade and Developing Countries: Bargaining Coalitions in the GATT & WTO} (London: Routledge, 2003).

\textsuperscript{46} Richard H. Steinberg, \textit{In the Shadow of Law Power? Consensus-Based Bargaining and Outcomes in the GATT/WTO}, 56 International Organization 2, 339–374 (2002); Meunier, \textit{supra} n. 13; \textit{ibid}.


economic development, on the grounds that the GATT’s system of consensus was considered unsuited to achieving their demands. The outcome of the resulting agreements was the formalization of a special and differential treatment provision for developing countries in the GATT, via an exemption to the principle of reciprocity (1964), the creation of the Generalised System of Preferences (1971), and the introduction of the Enabling Clause (1979).

These achievements, however, resulted in the passive participation of the developing countries in the GATT. It might be said that they acted as free riders – in that they were excluded from trade negotiations, and so did not have to reduce their protection levels, but still benefited from the tariff reductions negotiated by the developed countries through the Most Favoured Nation clause. The price they paid for this was the small degree of trade liberalization achieved in their main areas of interest in the GATT: trade in agricultural products and textiles.

Parallel to the preparation and subsequent development of the Uruguay Round, however, a change was being experienced in the growth model of many developing countries, induced by the structural adjustment programmes implemented to resolve the external debt crisis of the 1980s. The realization that the import substitution model prevented the development of the export sector and resulted in largely uncompetitive firms encouraged the opening-up of trade and the elimination of trade restrictions as a means of revitalizing their economies. As a result, the developing countries began a unilateral process of trade liberalization that has contributed to a change both in their trade relations and in their traditional attitude to international trade. These changes have in turn led to the three processes that are behind the creation of the ‘new Quad’.

The first process has been a shift in global commercial power in favour of the developing countries. As is well known, in the 1990s, the so-called emerging economies gradually acquired a greater share of the world's markets. Therefore, although the EU and the US remain the heavyweights of world trade, various developing countries have gained considerable ground in global economic and commercial systems, especially when operating as members of coalitions. Specifically, the G20 has sufficient political and economic influence to be a major actor in the agricultural trade negotiations conducted under the Doha framework.

49 This process was led by the G77, a coalition of developing countries that campaigned for a new system of economic relations that might actually respond to the needs of economic development.

50 The developing countries were not entirely marginalized. In fact, they used their influence in the consensus vote to ensure that the agendas of the Kennedy (1964–1967) and Tokyo Rounds (1973–1979) included issues of interest to them, albeit that this did not result in any specific agreements as these issues were gradually diluted in the course of negotiations. See Steinberg, supra n. 46.

It includes the four BRICS countries (Brazil, India, China, and South Africa) that were WTO members – Russia only joined the WTO in summer 2012 – and was the first coalition to include China. In the agricultural sector, it represents 69% of the world’s farmers, more than half the world’s population, and 26% of global agricultural trade.

The second cause of the change in the nature of international agricultural negotiations between Uruguay and Doha is the discontent with the results of the Uruguay Round manifested by the developing countries. This was evident at the WTO Ministerial Conference held in Seattle in 1999, where these countries refused to agree to a new round of trade negotiations unless the Uruguay agreements were renegotiated. Their refusal was justified on two grounds. First, the expected benefits of the liberalization of trade in agricultural products and textiles had not been forthcoming. Second, the costs generated by the implementation of the new Uruguay agreements, especially as regards intellectual property rights and sanitary and phytosanitary measures, had been great. This explains why these countries have since placed the liberalization of trade in agricultural products at the top of their agenda and blocked the negotiation of any new trade issues.

Finally, the third process leading to the creation of a ‘new Quad’ has been the progressive change in general attitude of the developing countries towards international trade negotiations. The G20 is, in part, a response to this change in thinking among the leaders of the developing countries. The fact that many developing countries have come to accept that trade very much forms a part of their development model has led them to have an interest in being active participants in international trade negotiations. As a result, these countries have developed an interest in becoming effective coalition-builders in international trade negotiations despite their very diverse agricultural trade interests.

4.2 Coalition-building among developing countries

This attitude shift began during the Uruguay Round. The first attempt at making the voices of developing countries heard was embodied by the G10, a coalition of developing countries led by Brazil and India, whose aim was to boycott the inclusion of trade in services in the Uruguay Round talks. The inability of the developing countries to reach a consensus, however, caused the group to split. The second attempt was made through the adoption of a completely innovatory strategy: forging alliances with developed countries.

The first alliance built on these lines resulted in the so-called Café au Lait coalition, formed by a group of developing countries that included dissidents from the G10\(^55\) (though neither Brazil nor India were among its members) and the group of developed countries known as the G9.\(^56\) Canada’s presence in both the G9 and the Quad provided the necessary link for reaching an agreement with the US, the EU, and Japan and for launching the Round in September 1986. During the Round, another coalition with the same characteristics played an important role in the agricultural negotiations. The Cairns Group pushed for the inclusion of agricultural negotiations on the agenda of the Round and supported the US’s calls for liberalization.\(^57\)

This change of attitude and strategy by the developing countries has been strengthened and consolidated as the Doha Round has progressed. The mixed coalitions of the Uruguay Round did not seek to oppose or question the great powers; what they sought to do was to restrict their behaviour or, at least, to influence it. Thus, the Café au Lait coalition sought to influence the issues on the agenda during the Uruguay Round, so that it would include matters of interest to both developing and developed countries. Meanwhile, the Cairns Group accepted the US-EU bilateral negotiations that led to the Blair House Agreement. In Doha, by contrast, the developing countries have wanted to play the game on their own and to assume the role of an effective counterforce.\(^58\)

The G20, unlike the Cairns Group, is not a mixed coalition. Formed exclusively of developing countries, the group is led by Brazil and India and

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\(^{55}\) This group was formed by Bangladesh, Chile, Colombia, Hong Kong, Indonesia, Ivory Coast, Jamaica, Malaysia, Mexico, Pakistan, Philippines, Romania, Singapore, Sri Lanka, South Korea, Thailand, Turkey, Uruguay, Zambia, and Zaire.

\(^{56}\) The G9 was formed by Australia, Austria, Canada, Finland, Iceland, New Zealand, Norway, Sweden, and Switzerland.

\(^{57}\) The Group consists of Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, the Philippines, Guatemala, Indonesia, Malaysia, New Zealand, Paraguay, South Africa, Thailand, and Uruguay. It was officially constituted on 3 Aug. 1986.

\(^{58}\) It should be noted that the G20 was not the only coalition of developing countries created for the Doha Round agricultural negotiations. There were other issue-based coalitions, such as the G33, as well as regional groups such as the African Group and formal criteria-based groups such as the Group of Least Developed Countries. Nevertheless, most commentators agree that the G20
counts China and South Africa among its members. The composition of this coalition began to take shape at the June 2003 meeting in Brasilia, when Brazil, India, and South Africa signed an agreement of mutual political trust. Subsequently, and in light of unfolding events, the group expanded. This group was formed to reject the US-EU pact on agriculture presented at the September 2003 Cancún Ministerial Conference. This pact sought to reproduce the situation at the Uruguay Round (following the Blair House Agreement), and the G20 did not allow this to happen.

Coalition-building has not been easy among developing countries. One may argue that the G20 owes its origins to a change of strategy on the part of the Brazilian government in the WTO. In fact, in the G20, Brazil has been willing to temper its liberalizing ambitions in agriculture and to accept the demands of the more protectionist countries, such as India and China, centred on the protection of rural agriculture and on special and differential treatment. Brazil’s leadership effort may be attributed to a change in the orientation of the country’s foreign policy. Under its former President Lula da Silva, Brazil old ‘globalist’ perspective was largely abandoned and replaced by a ‘global South’ strategy. The idea of Brazil as a bridge between the North and the South was firmly entrenched in Brazilian foreign policy during the Lula years. As a result, Brazil has sought and continues to seek to lead the defence of the interests of the developing countries – above all on matters related to international commerce. It has taken up the North-South discourse of the mid-late 1980s’ G10.

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59 The original countries of the G20 were: Argentina, Brazil, Bolivia, Chile, China, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, India, Mexico, Pakistan, Paraguay, Peru, the Philippines, South Africa, Thailand, and Venezuela. Later there were changes in the composition of the group: Egypt and Kenya joined, but various South American countries withdrew under pressure from the US.


62 Burges, supra n. 60, p. 580.

In any case, the EU has found itself facing a much more complex situation in Doha, characterized by a resurgence of the traditional confrontation between North and South and by the increased capabilities of the developing countries of the WTO to form sufficiently influential coalitions through which to achieve their goals. What we are seeing is a new international stage: on which the emerging countries wish to play a leading role in decisions that have a global impact and where agriculture has become the main item on their agenda.

Furthermore, this stage does not seem likely to change in the foreseeable future. The G20 has consolidated its position in the WTO and has managed to survive the pressures for its dismantling both during and after Cancún. Narlikar and Tussie have argued that this group has managed to survive for several reasons: first, because it combines two types of coalition, one centred on the defence of an issue and one centred on the defence of its bloc interests; second, because it has successfully found a balance between the distinct aspirations of its members; third, because it is technically well prepared; and, fourth, because it is constructive, i.e., it is willing to negotiate.

5 CONCLUSIONS

In recent years, it has been possible to observe a number of cases where the EU’s high degree of internal coherence has not been matched by the ability to affect outcomes in international affairs. Surprisingly, this phenomenon occurs not only in less developed common policy areas such as foreign and security affairs, but also in traditional core policies of the EU, most notably the CAP. This suggests that coherence as such is not a sufficient condition for more EU influence on the international stage and, consequently, should not be over-emphasized, as many policy-makers do. In international agricultural trade negotiations in particular, even more European coherence through internal adjustments of decision-making procedures or more Commission autonomy would hardly change the overall outcomes of these negotiations. As has been shown by a diachronic comparison of two instances of international agricultural trade negotiations during the Uruguay and Doha Rounds, it has been rather the change in the nature of the negotiating context that has weakened the influence of the EU in these negotiations. More specifically, underpinned by ideological changes regarding trade negotiations in the context of the GATT and WTO, emerging powers such as Brazil have played increasingly pro-active roles in the negotiations and have proven to be effective coalition-builders – to the detriment of the EU and US. In short, emerging

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65 The US, for example, put pressure on various G20 countries to leave the group if they wanted to negotiate a bilateral free trade area.

66 Supra n. 28.
powers have learnt to translate their growing commercial power into effective strategies to wield more influence in international trade negotiations.

So far, this influence is still limited. The ‘decline of the West’ is still waiting to happen, as Cox already argued. During the Cancún talks of the Doha Round, for example, developing countries were only able to block a new ‘Blair-House-style’ agreement. However, they could not impose their own agreement on the EU and US. Nevertheless, comparing the influence of the EU relative to that of emerging powers during the Uruguay and Doha Rounds, the trend over time becomes evident: the relative influence of the EU has declined. Similar developments have also occurred in other areas, most notably with respect to international environmental negotiations (Kilian and Elgström, 2010). Therefore, the habitual analyses of the internal working mechanisms inside the EU are not sufficient to grasp fully the EU’s global influence. In this sense, there exists a gap between what is being researched and the ability to link EU policies with certain outcomes at the international level. Likewise, reducing the external dimension of this influence merely to a vaguely defined increase in the commercial power of other actors – as has become all too common – simplifies too much the realities on the ground. In order to better understand the EU in international affairs it is necessary to analyse how other international players act – and, above all, interact with each other and with the EU. In international negotiations, this interaction is reflected by the willingness and ability to build effective coalitions. In other words, it is not only important to ascertain what third countries think of the EU, but also how their actions impact the EU’s room for manoeuvring.

What are the policy implications that arise from these research results? To begin with, the correlation between EU coherence and influence is not as obvious as policy-makers and think tank reports want to make us believe. More coherence is not a panacea for the EU’s shortcomings in international affairs. Yet, coherence is not a counter-productive factor either. The point is rather that the attention should shift from too narrow a focus on coherence to other factors that are equally or even more important. In the case of international trade negotiations, the research results suggest at least two concrete steps. First, the EU has to more consciously adapt its negotiation approaches to new negotiation environments. Simply forming blocks centred on the EU-US axis no longer works in the same way as before. This implies that the EU has to pay more attention to effective pre-negotiation strategic planning than to fine-tuning internal coordination or to hammering out

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stringent common negotiation positions. More specifically, the EU has to learn (again) to engage other actors on an individual basis and prevent the emergence of strong counter-coalitions, in particular among emerging powers. Improved coordination with the US or better use of issue linkages with other trade areas are just two examples of how to achieve this. Second, the EU, and in particular Member States, must adapt their expectations to what can be realistically achieved in international negotiations. After all, the increasing influence of emerging powers means that it is not possible anymore to achieve major negotiation results without painful concessions. This is particularly true in the agricultural sector.