

## **CHAPTER II**

### **THE CHARACTERISTIC OF EU DIPLOMACY BEFORE THE IMPLEMENTATION OF GREEN ECONOMY**

This chapter will attempt to identify the traditional style of diplomacy that the EU has done to pursue their national interest through their foreign policy before the implementation of green economy as the objective in 2020. The ten years objective that contains several ambitious goals in the area of employment, research, GHG reduction, education and fighting poverty has been compiled under “*A source-efficient Europe – Flagship initiative under the Europe 2020 Strategy*” has transformed several sectors in the EU's diplomacy to achieve its organizational objectives. To accomplish that, this chapter will examine the history of the EU as one identity and utilize their resource in three aspects such as political security, economy, and socio-culture. Throughout reviewing this three domain of diplomacy, this research seeks to be able to make a comparison in what sector in the EU that shift after the implementation of green economy as their objective in 2020.

#### **A. The EU Characteristic**

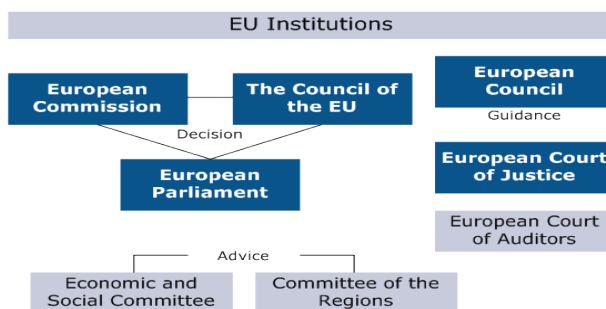
The European Union has transformed as one of leading regional organization of the 21<sup>st</sup> century. Shaped by the 50 more year experiences, the union has ben equipped a unique political system compare to other local organization. Despite the presence of some influential member countries, the European Union has equipped with several bodies that running their role as executive function, democratic tradition and practice, the judicial system, foreign and security policy, and others (European Parliament , 2013). This complete mechanism plays a role in ensuring the sustainability of the EU as a unity in term of advocating their regional and foreign affairs. This also the mechanism that engages the other stakeholders such as scholars, political party, and NGOs within the region to be put in an account in term of the decision-making process.

European Union is apparently not a state, yet it has similarity in the domain of characteristic of a country from the process of the decision-making process of the EU that make this organization used to be categorized as a nation-state. For example, we can portray on how in a state all the legal citizens are living and

directed based on the policy of the government as they give the sovereignty to the authorized government. It also applies in the context when we analyze EU as one entity, where the member states exactly share their sovereignty to the Union to be directed and finally implementing to their respective country (eurostat, 2011).

Moreover, EU is established with a structure and mechanism as what a country does. As an International Governmental Organization, the Union possesses several executive bodies in covering the economic measurement, foreign policy, defense and security which these bodies are the one that responsible for the decision-making process.

*Figure 1 2.1 EU Institutions Structure*



Source : <https://www.eda.europa.eu/Aboutus/who-we-are/Organisation>

The bodies consist of the European Commission, the Council of Minister, the European Parliament and legislative laws (European Union, 2017). Even with the executive power that is possessed by the Union, there are some domain that the authority will be given back to the individual member countries, such as the implementation of the law, the distribution of public revenues, and the passing of the secondary and tertiary rules and regulations (European Parliament, 2017). The EU also structured with numbers of bodies as the other actor in conducting diplomacy with external affairs, even sometimes the diplomacy takes place by directly represented by the executive power, for example, the delegation of European Parliament.

Even if the EU possesses a legitimate degree of executive power over the national government of their member countries, some areas such as: the implementation of the law, the distribution of the public revenues, and the distribution of the power over the countries instruments are separated from the EU's executive, as it becomes a full responsibility of the member countries in the policy's implementation. (Hix, 2005). It what makes the EU somehow distinguished with IGO's and other federal states.

To ensure the fair distribution of the power to all the member states, the concept of democracy is playing a fundamental role in the European Union. It applies to the mechanism when specific European country willing to sign up to become EU member country (Rumford, 2002). The election that regularly held every five years for a five-year term become one of the mechanisms that EU implements to distribute a fair power and responsibility to all member countries (BBC, 2009)

These all phenomenon have shown how the diplomacy that is conducted by the EU is representing the whole member countries of European Union. The long history of the internal EU that has been shaped throughout the years has been constituted through the bodies and institutions they established to conduct the diplomacy. These bodies and institutions are the reflections of the sovereignty that each member countries has granted for the sake of EU's development. It portrays the diplomacy that the EU conduct not only reflecting particular nations but the whole member countries of the EU. One of the examples is one of a point of Europe 2020 vision that has been adopted is promoted by the representative of the Parliament's delegation in COP 21 climate talks in Paris to call for a 40% cut in GHG by 2030 (European Parliament, 2015). Thus in the current circumstance, discussing EU means discussing the whole member countries of the EU, even it's done through its bodies and institutions.

In term of an economy domain, the EU has recognized as one of a most successful common market in the world by the implementation of the removal barriers such as tariffs and other economic initiatives such as the regulation linked with competition to their trade system (Blackley, 2011). This specific policy is aimed to foster the economic development and cooperation among the member countries and to other non-EU countries. The other sector that worth to notice is the single currency that the EU implement within its territory that ruled independently under the European

Central Bank to get in charge of the monetary issue (European Union, 2017). This single currency policy also offers different advantages to the region such as eliminating the fluctuating exchange costs and exchange rates, give more natural access for economic stakeholders to conduct cross-border trade, and encourage people to travel and shop in other countries (European Union, 2017).

The cooperation that the union has conducted is mainly influencing the regional strategic partnership as the primary domain that the EU conducts its diplomacy. For example, the agreement that the EU and North Atlantic Treaty Organization (NATO) had since 2010 (North Atlantic Treaty Organization, 2017). This cooperation covers the enhancing of regional security between the EU-NATO member countries in the domain of hybrid threats, enhancing resilience, defense capacity building, maritime security, and exercise (North Atlantic Treaty Organization, 2017)

The EU also has several bodies that are in charge in specific areas such as the economy, politic, environment, security, and likes. These bodies become one of the diplomacy instrument of the EU in achieving their foreign affairs in international diplomacy. As what has been discussed previously, the EU involves the other stakeholders including these bodies by cooperating with another state, regional organization, or NGOs.

## **B. The Diplomacy of the EU Before the Implementation of Green Economy**

As one of leading regional organization in the current international relations, the European Union has been conducting its diplomacy as part of their effort in achieving their foreign affairs. Shaped through its history, EU was initially formed under European Coal and Steel Community (ESCS) that was initiated by French Foreign Minister Robert Schuman that believe there should be an economic community presented to prevent the war escalation as what EU experienced in World War II in 1939 up to 1945 (European Union, 2017).

The establishment of economic platform believes will accommodate the interest of those countries eager to delegate control of their financial sector mainly on the coal and steel trade, to an independent authority. This initiative was realized under the establishment of European Coal and Steel Community (ESCS) in 1951 by France and West Germany (European Union, 2017). This

background that has impacted the EU region strongly to run the diplomacy approach on the economic sector, particularly in the industry sector.

Throughout its development and the commitment of other European countries to join the EU, EU has transformed as a firm regional organization with the establishment of some bodies that are aimed to enhance the development of the EU. These bodies are established with their structure and role to develop a specific area within the Union. In its first development, the EU was setting four supranational institutions to accommodate the sustainable of peace, security, and economic sector within the EU region, those are the executive authority, a council of minister, an advisory assembly, and a court of justice to settle disputes (European Union, 2017).

Today, the EU becomes one of regional organization with 28 member countries have joined. The diversity of natural and human resources possesses by the member countries have contributed to shaping the style of diplomacy of the EU.

Before the implementation of a green economy, the EU has been conducting their diplomacy in numerous opportunities concerning in economic diplomacy, politic and security diplomacy and also socio-culture diplomacy. But in this research, the writer found both economic and politic and security diplomacy are two most likely field that visibly has a significant development after the implementation of green economy as their vision in 2020. Henceforth, these two domains of diplomacy will become the primary focus of the discussion in the upcoming chapter in this research.

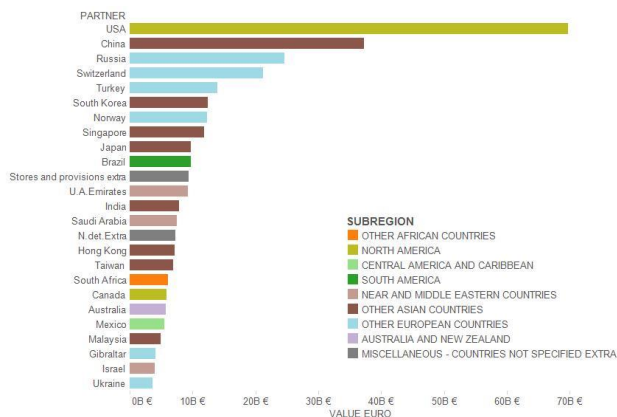
### **B.1. Economic Diplomacy**

Like the one of a regional organization that consists of member countries that possessed diverse natural resources, the EU has succeeded in utilizing their natural resources as one of a primary source of the instrument of diplomacy through economic trade. This successful also supports the foster development of the educational institution that EU has in its contribution to the development of initiative and technology in transforming the natural resources into specific products.

Throughout the year the EU has been portraying as one of leading economic partnership with other regional organization across the world. This identity is formed under the accumulation of the power of the EU member countries has given in the economic sector.

The intra-EU trade that is done is equal to the economic deal that is done with other actors outside the EU. This balance that keeps the EU and its member countries have succeeded in sustaining the management of natural storage within the region to have proceeded to the economic diplomacy.

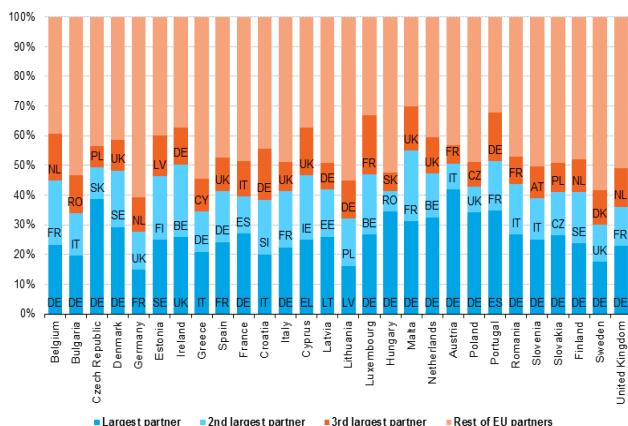
*Diagram 3 2.1 EU Strategic Partnership*



Source: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52016SC0315>

In term of the commodity, mineral product still becomes one of the leading product the is exported in their economic activity. This happens due to the natural resources storage possesses within the European Union territory. Moreover on the mining products that are produced by some leading countries like Germany, France, Poland, and Czech have contributed to the promotion of identity within the EU as the prominent global economic partnership with the machinery, arm, and transportation equipment as the primary outcome of the industry (European Union, 2017). These commodities for obvious has engaged other powerful country and region as the central market for the EU's product, and at the same time, it gives a massive profit for the EU as a region and the member countries (European Union, 2017).

Diagram 4 2.2 European Manufacturing Export



Source: <http://speri.dept.shef.ac.uk/2016/05/26/uk-regions-the-european-union-and-manufacturing-exports/>

An economic strength bounding that EU has done within their region as well as internationally indicated the effort of the EU to become one of economic superpower region globally. It aims to construct the global perspective that EU has a resourceful economic capacity to be a strategic economic partnership worldwide.

In conducting this diplomacy, the EU has been utilizing many bilateral meeting to the head of state and the head of government in the economic trade enforcement within two regions that will be, controlled, supervised and assisted by the European Commission (European Union, 2017). This body is also responsible for maintaining the security as well as performed their role in controlling, supervising, and assisting the economic trade within the region and the economic business that is conducted with other non-EU member countries (European Union, 2017).

Before the implementation of green economy, the EU has started to focus its export-import activities to the low carbon technologies such as biofuels, clean coal & gas, energy storage, heating, hydropower, insulation, nuclear energy, smart meters, solar PV, solar thermal and has been experiencing the ups and downs through the years (SETIS Strategic Energy Technologies Information System, 2018).

The international trade activity that EU has conducted in each sector of low carbon technologies are aimed different

geographical areas. It's related to the strategy of the EU to balance the comparative gain advantages in every technology sector. For example for clean coal and gas, The United States, Canada, Switzerland, and Japan are top 4 countries that become the primary partner for the EU in conducting its export-import activity (SETIS Strategic Energy Technologies Information System, 2018). While for the biofuels USA, Switzerland, Norway, Hong Kong, and Cameroon are countries that the EU are mainly export the good too (EU energy technology trade Import and Export, 2017). From this two sector, we can assess the strategy of the EU to invest their power in the industry of energy within the transition time before the implementation of green economy 2020 as their objective.

The EU also intensify their market enlargement by engaging other regional organization like ASEAN, East African Community (EAC) and Southern African Development Community (SADC). In the ASEAN-EU relations, both parties establish EU-ASEAN Free Trade Area in 2007 (European Commission, 2017). It makes ASEAN becomes the 3rd biggest trading partner of the EU after China and the US and makes the EU becomes the 2nd largest trading partner of ASEAN after China (European Commission, 2017).

We can see how EU perform a particular style of diplomacy in the context of market enlargement by engaging several crucial partnerships in such diverse geographical area. It's somewhat to asses that the EU is attempting to build an excellent reputation as one of a strategic partnership to those involved countries that later it will be easier for them to advance their economic partnership in the domain of green economy

## **B.2. Politic and Security Diplomacy**

European Union also conducts the politic and security diplomacy to reach the stability in these two fields within the European Union region as well as in international circumstance. As these two sectors are almost considered as the most crucial sector in ensuring the other sector to be able to run well, the EU has put enough amount of concern in conducting the diplomacy related to reach the political and regional security.

European Union starts the effort by strengthening their internal politic and security. It can be seen from strict criteria that the EU has set to approve any European country that is willing to be part of the European Union. One of the criteria is the country should



possess the stable institutions that be able to guarantee democracy, the rule of law, respect for and protection of minorities, and human right, as it defined by the European Council in "Copenhagen Criteria" in 1993 (European Neighbourhood Policy And Enlargement Negotiations, 2018).

In its mapping, the EU has set several sectors that becomes their priority in encompassing the foreign sector. This prioritizing aims to engage the wider stakeholders worldwide to spread the EU's powers, preserve the interests, and uphold EU's values. Within its internal and external sector, the EU has released a global strategy that contains several sectors to be prioritized such as migration, energy security, climate change, violent extremism, and hybrid warfare (European Union, 2017). These all principles that all the bodies within the EU translate to be purposed as internal and external policies. The awareness that those fields that the EU has prioritized as something that they will never able to tackle alone by themselves have driven the EU to establish several global partnerships by sending their delegation or through one of their body.

The EU also established cooperation with North Atlantic Treaty Organization (NATO) since 2010 (North Atlantic Treaty Organization, 2017). This cooperation covers the enhancing of regional security between the EU-NATO member countries in the domain of hybrid threats, enhancing resilience, defense capacity building, maritime security, and exercise (North Atlantic Treaty Organization, 2017). The cooperation that firstly established in the 1990s from the NATO-Western European Union cooperation has been developed throughout the years until it developed under the Lisbon summit that the allies determined to improve the NATO-EU strategic partnership in overcoming crises, manage conflicts, and stabilize post-conflict situations (North Atlantic Treaty Organization, 2018).

The partnership if formed the guaranteeing that the emergency administration exercises of the two organizations are commonly strengthening, while recognizing that the European Union and NATO are organizations of a distinctive nature; Compelling common discussion, exchange, participation and straightforwardness; Uniformity and due respect for the decision-making independence and interface of the European Union and NATO; Regard for the interface of the Part States of the European Union and NATO; Regard for the standards of the Constitution of

the Joined together Countries, which underlie the Settlement on European Union and the Washington Arrangement, in arrange to supply one of the crucial establishments for a steady Euro-Atlantic security environment, based on the commitment to the tranquil determination of debate, in which no nation would be able to threaten or coerce any other through the risk or utilize of drive, and too based on regard for arrangement rights and commitments as well as abstaining from one-sided activities; Coherent, straightforward and commonly fortifying advancement of the military capability prerequisites common to the two organizations;

The EU also a specific defense mechanism in doing several operations and security programs under its Common Security and Defense Policy (CSDP). This defense mechanism allows the EU member countries to conduct an intervention in the severe numbers of form such as joint disarmament operations, humanitarian, and rescue tasks, military advice and assistance, crisis management, post building, and likes.

The Union has strengthened its relationships with all actors included the developing countries. The involvement of the EU in peacebuilding in the region has been visible since 2003, the Union has carried out some 30 civilian missions and military operations on 3 continents that have varied crises to be resolved, some of them are: post-tsunami and peace-building in Aceh, protecting refugees in Mali and the Central African Republic, combating piracy in Somalia and the Horn of Africa (European Union, 2017).

Several involvements of the EU in their contribution to the world's peace, humanitarian, and defense issue is the involvement of the EU on issues ranging from Iran's nuclear programme and stabilizing Somalia and the other countries of Horn of Africa to tackle the global warming (European Union, 2017). From this foreign policy, it's fair to assess the strategy of the European Union in shaping the global understanding upon the wide range of common issue that they are facing at the current moment through diplomacy and trade.

From two domains that this research has conducted, we have identified the diplomacy that is conducted by the EU in achieving their objectives internationally as well as regionally are mainly involving some of the actors such as member countries (by government to government diplomacy), economic factories, as well as its bodies and institutions, but accommodating a very less space for the grass root level of stakeholders such as: society movement,

scholars, educational institution and the NGOs to involve and influence the policy-making process.

The output that EU gains from this cooperation are mainly the advanced power in the political and security arena, as well as gaining profit from the economic activity, all these are EU gained from their cooperation with the regional organization and other countries. But there is a shifting of diplomacy approach within the EU after the implementation of Green Economy as a new strategic plan in 2020. It affects the broadening of the stakeholders that involved in their decision-making process in which also affect their foreign policy-making process. Beyond that, the concept of the green economy that the EU has set as their 2020 projection will also shift their role in the international community by giving a broader opportunity for the stakeholders to take part to achieve their objective in implementing this concept. This shifting of a role that will be discussed in the next chapter.