

*The European Union and the Third World*

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Reviewed by Robert Kissack (June 2003)

Martin Holland's recent book on the European Union (EU) and the Third World is an in-depth analysis of the EU's development policy towards states in Africa, the Caribbean, the Pacific Ocean, Latin America and Asia. The book is focused on the transition from the Lomé agreement to the Cotonou agreement, and is an investigation into the radical policy shift behind this transition and what that shift implies for the future of EU relations with the Third World. Holland puts forward two other major arguments. The first is that the EU's development policy is an integral part of the CFSP, as legally understood in the TEU and as practised through relations with numerous states around the world. The second posits that integration theories rather than development theories are the correct theoretical frameworks of analysis for understanding the EU's development policy. By this Holland means that the EU's development policy should be regarded first and foremost as an *EU policy*, created through the same institutions and practices as other EU policies, and therefore shaped principally by the internal process of integration.

The book consists of nine chapters. The first two are historical overviews contrasting the EU's relations with the African, Caribbean and Pacific (ACP) states that have enjoyed substantial aid and trade assistance from the EU (EC/EEC) since the Treaty of Rome in 1957 on the one hand, and Asian and Latin American (ALA) states that have only recently established closer links with the EU based around trade agreements on the other. Chapter three looks at the institutional framework and decision making procedure of the EU's development policy, while chapter four focuses on the EU as actor in the multilateral system and asks what niche can it carve out in the field of development for itself and excel in. The next chapter looks at the role of trade in the EU's development policy, and demonstrates how development policy is therefore linked to the EU's external relations and EU integration. Chapter six documents the four phases of the development policy review between 1996 and 2000 in which the EU fundamentally altered its development philosophy in three ways; from non-reciprocal trade agreements to (in principle) free trade areas, the introduction of conditionality and the move away from regionalised policies towards targeting poverty reduction. Chapters seven and eight record this change in the recent Cotonou agreement and the Everything but Arms (EbA) trade agreement of 2001. Finally, the last chapter suggests four approaches to integration theory that each shed light on the EU's development policy and further Holland's argument that it is to be understood from within the integration process, as opposed to being an external policy isolated from internal dynamics and simply 'bolted on' afterwards.

This book is a thoroughly absorbing and informative guide to EU development policy. While focusing on the recent policy shift on the last 5-8 years, it retains an appreciation of historical precedents and legacies, and where appropriate draws attention to the *longue duree* of the EU's development policy. However, the real

litmus test is what this book tells us about development policy within the CFSP, and what it tells us about the foreign policy process within the EU. To answer the first question, it tells us that development policy is important because Article 130 of the TEU lists among the objects of the Union poverty reduction, promotion of human rights and good governance and the rule of law internationally and the gradual incorporation of poor countries into the global trading system. The second point is more mooted. Development policy is still not coordinated between national governments and the EU level, principally because there is no consensus on the objectives of the policy. The discussion in chapter eight illustrates this point in relation to the Cotonou agreement and the EbA trade agreement. Holland advocates that development policy should cede to the supranational level, as a logical progression of the integration of the Union, as well as being an area in which the EU could promote its international 'actorness' effectively.

To students of the foreign policy decision-making process of the EU, a brief word of warning. 'EU' is used inconsistently and sometimes refers to the supranational component: 'The EU currently provides in the region of 30 per cent of global humanitarian aid, with the member states providing a further 25 per cent.' (p109) More often it represents the collective policies of the member states and the pillars. This point may appear pedantic but given that the book deals with trade, development and CFSP, which are under different competencies (EC, mixed and intergovernmental respectively), locating the foreign policy actor requires the reader to remain focused on what 'EU' is taken to mean in each case.