



Call for Papers "Geopolitics & Values: what is the real power of the EU?"

## EUROPEAN VALUES, THE KEY FOR THE GEOPOLITICAL SUCCESS How defense of the EU values can make the EU become the geopolitical leading soft power

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#### **EXECUTIVE SUMMARY**

The main objective of this paper is to demonstrate how the European Union shows more strength on the geopolitical panorama when it works in favor of its values and the defense of them. This paper also analyses the role that new technologies have played on the geopolitical decisions of the EU and how some topics that have not been relevant for geopolitics can become new lines for the Union's strategy.

#### Short biography

Asier Areitio, current president of the YDE, has a bachelor in business administration and a bachelor in laws on the UPV/EHU. He is committed to the European politics and has taken part in many movements in favor of the integration and federalism of the EU. Nowadays he works in a public-private hedge fund focused on the investment for the creation of technological or innovative start ups on the territory of Biscay.



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### Introduction

The world's situation has changed since the end of the last century. There is an extensive network of interdependencies among States that requires dialogue and consultation before decision making; none of the so-called large states wants to assume a solo leadership to avoid wear and tear that it entails; the United Nations lacks of power and means to impose decisions, limiting themselves in to the decisions of its Security Council. In other words, we are in a world with several power centers, multipolar, and in which the importance acquired by some new international actors forces to take on consideration of their approaches, multilateralism. In short, we are in an era when changes in international relations are coming, although it is difficult to determine their magnitude and direction.

In addition, the increasing power of the populist political movements, and the easiness for spreading fake news on the new communication tools, both require innovative answers and new strong players on the international political panel.

In order to face these probable changes, the European Union (EU from now on) is in an advantageous situation that it should take advantage of. Based on general figures such as GDP, population, culture, history, international cooperation, etc., they should take further decisions in order to become principal actors; which they are not nowadays. The EU has reached an internal point of no return in its achievements. It is difficult to imagine the European space again with national borders, own currencies, intervened markets, etc. No other international organization can present such a background, more than 60 years of peace, generating more and more complete treaties, increasing the number of members while deepening integration, and regulating multiple internal aspects of the Member States, but, would the absence of the EU in international relations be missed? Can The European Union become one of the main actors of the geopolitical scenario?

#### Trade deals, the beginning of the EU as we know it, and a key for the future

The Schengen Agreement has become both a fundamental mainstay for the European integration and one of the majorsymbols (Pasocau, 2017) of the union. In this sense, the free market and the freedom of movement for goods and people represent some of the values that have contributed for the EU to become a freer and wealthier territory<sup>1</sup>. Therefore, and once the success of this kind of trade agreement has been proved, the European Union has set itself the goal of promoting trade agreements all over the world.

On the mark of the promotion of trade agreements, the EU has changed the policy making all over the years. During the first steps of the European Union, the framework was imposed by the World Trade Organization (WTO from now on) and its very own rules, but after the failure of the first TTIP negotiation that was done within the framework of the WTO and its rules, the EU has changed its approach by giving priority to the negotiations outside the framework of the WTO (Sement, 2018) , by means of bilateral negotiation directly with the country or with a regional organization. This change would clearly be due to the stalemate in the WTO whose Doha Round has not progressed since  $2005^2$ .



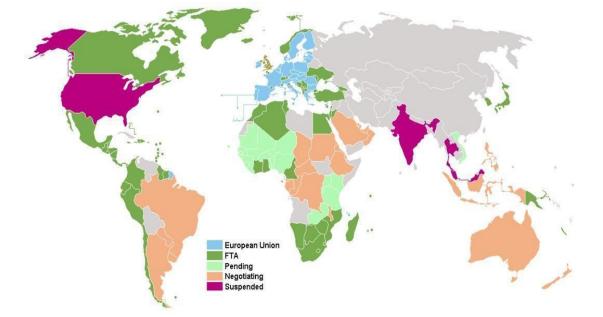


Figure 1 map of the state of the Free Trade Agreement with the EU (2018) European Commission, 2018

As an example of the thesis exposed in the previous paragraph, the recent signing of two free trade agreements, one with Canada and another with Japan, which could serve as a basis for a model agreement for the EU to create a new form, a new negotiating framework and to open further negotiations with Asia (Government of Spain: Ministry of Economy, 2018).

In addition, the individual role the EU played as a political entity in the different trade agreements signed, has not diminished its relevance on the WTO, but increased it. After the Treaty of Lisbon, the European Union has legal personality, so it can exercise its obligations and rights within the limits of the powers granted to it by the Member States. Consequently, it has the possibility to participate as a member in international organizations such as the WTO.

Therefore, The EU is confronted in the WTO with other major world powers, especially with the US and China, but defends its strong and leading position: "Since the WTO Ministerial Conference in May 1998 in Geneva, the European Union has campaigned for the launch of a new round of global negotiations" to address the current issues on the agenda for the Doha round. "Other areas were also to be discussed, for example the fight against counterfeiting and piracy, the recognition of technical standards and the means to enable less developed countries to advance for a better participation in international trade" (World Trade Organization, 2018).

If we dig deeper on the EU acts on the WTO, we can notice that the European Union concedes major relevance to the good functioning of the Dispute Settlement Body (DSB from now on). The DSB functions as a genuine arbitrator and allows for direct treatment of allegations of violations of multilateral rules, rather than leaving governments to resort to unilateral actions. The EU is currently both, one of the main users and one of the main



defendants of the dispute settlement mechanism.

Summarizing, the EU is both, one of the biggest defendants of the respect to the international trade and technical rules, and maximum user of mediation in order to avoid international court conflicts in trade topics. We can then ensure that the EU, thanks to the promotion of free trade agreements and to its juridical character, is nowadays one of the main rulers and guarantors of a safe and legal international trade.

As previously said, out of the WTO frame, the European Union has nowadays become one of the principal trade partners for many of the countries and supranational organizations (Mercosur, African Union etc.) As we can see in the following infographic, The EU represents the only territory in the world that has signed more than 31 trade agreements.





As it may be known since the early 1990s, the EU's trade agreements have included a 'human rights clause' requiring the parties to respect human rights and democratic principles. More recently, beginning with the 2008 EU-Cariforum Economic Partnership Agreement, they have also included 'sustainable development' chapters, which contain obligations to respect labour and environmental standards (Bartels, 2013).

The relation between trade and sustainable development is a highly discussed topic of academic debate. Scholars often argue that trade between developing and developed countries leads to the redistribution of environmentally damaging production, being the underdeveloped countries the productors of the environmentally damaging goods, while *green washing* the developed countries (Foramitt, 2019). As a matter of fact, the inclusion of these kinds of clauses on the trade agreements has been a discussed topic, but they have shown an efficacy that other similar clauses have not shown until nowadays (Sicurelli, 2020).



To illustrate this efficiency with an example, we may take the case of the trade agreement between the EU and Indonesia, which is being negotiated nowadays. The major barriers to successfully finish the negotiations are palm oil, investment protection, competitiveness and public procurement. The EU wants to implement high environmental and labour protection, and to decrease the exportation of palm oil made by Indonesia, due to the usual practices of child exploitation and irresponsible use of chemicals that surround this industry. The Indonesian government viewed this decision as a trade boycott and a protectionist measure and argued that the palm oil production is inherent to the small landowners, which makes it difficult to trace the precedence of the oil and to verify the quality of the methods used to produce it.

The EU did not step down on its decision and Indonesia has begun to extend Sustainable Palm Oil certificates, which entered into the parameters defined by the standards that the European Parliament approved.

Therefore, we can confirm that the strong position of the EU in trade, and its defense of communitarian values such as labour rights, sustainable development or reduction of pollution, contribute to the geopolitical scenario with a new soft power. This soft power has shown to be efficient and respected at the same time.

#### Defense of the EU values, the path to become the geopolitical reference

Recently the geopolitical panorama has suffered string changes and aggressions from different implicated parts, some of the examples are Russian aggression in Ukraine, the war in Syria, instability in Libya, threat of Islamic terrorism in Europe and the rise of new challenges such as climate change and cyberattacks or the 5G.

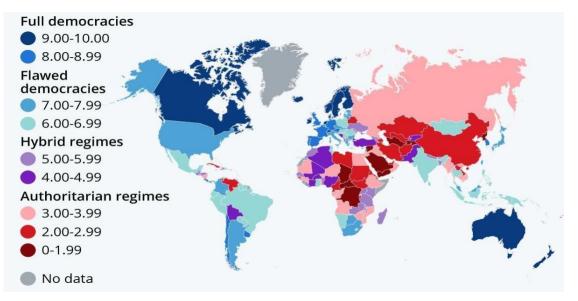
In this sense the EU has drafted a strategy based on soft power in order to achieve a leading geopolitical power. Those values are, based on the Lisbon treaty, principally, democracy, Rule of law, freedom and human dignity. In the paragraphs below, we are going to analyse how the defense of those, can become a key on the development of the soft power the EU can play on the geopolitical panorama.

#### Defense of the democracy

European Union is a unique example of defense of democracy in a supranational organization. As we can see in the map below, all of the member states of the EU are nowadays considered full democracies.

Figure 3 Global Democracy Index rates by country (2019) Statista 2019





This defense of the democracy, within the EU, and the requirements the EU makes to other states in order to ensure the respect for democracy and the rule of law have become the European Union one of the reference institutions on this area. Being the leading actor, the EU has historically tried to influence the policy making of other states, in order to engage them with democratic values. Therefore, the EU has many times penalized (Russia, Arab Emirates, Venezuela, etc.) countries that have not respected fundamental rights, rule of law or any other principle of The Union. Even if the sanctions proposed are usually strong ones, it is needed to say that these sanctions usually have not achieved their aims or have finally not been respected (Ilham, 2012).

As the results have not been positive historically, the EU fixed a new starting point on the political statement made in 2009 when the European Commission designed a new democracy support strategy based on a differentiated approach for each country, greater coherence and the participation of all stakeholders (European Commission, 2009).

The most relevant implication of this policy took place with the Arab Spring in the spring of 2011. In the wake of the 2011 Arab uprisings, the Union updated the European Neighborhood Policy to adopt an approach based on the principle of 'more for more' and to link support for the democratic transition and the establishment of a 'strong democracy'. Incentives - among others, deeper economic integration, greater financial support, enhanced mobility of people and access to the Union's internal market - were offered to those countries that were willing to undertake political reforms.

An historic change on the policy making was made this time, the subjects with whom the EU decided to cooperate were no longer the state's political institution, but the civil society(Hüllen, 2015). For the very first time the EU supported a civilian movement and it developed a strong and continuous relationship with the civil society that was organizing this political change.

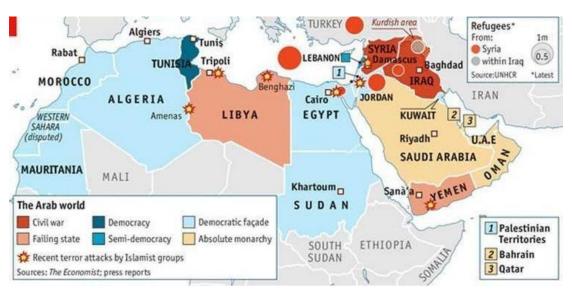
The main tools (Eurostat, 2019) used by the EU in this process for the defense of democracy in northern Africa was a financial tool called European Instrument for Democracy and Human Rights (EIDHR). The finance support given with the EIDHR



aims to support human rights, democratic reforms and political life representation and participation. Specially designed to achieve these objectives, the EIDHR finances projects, programs and electoral observation missions of the Union and grants aid to civil society organizations, non-governmental organizations and human rights defenders.

It is of justice to mention that nevertheless the efforts made by the EU in order to restore democracy in the Arabian countries; the Arab Spring has been nothing but a big deception. Tunisia is the only state that is considered a democracy after this revolution, and it seems that Egypt is on its way to become a real and internationally accepted democracy. But for the EU the implication in this international conflict, and the support to the locals has supposed a point of no return, in the defense of democracy and freedom above all the international interests.





#### Figure 4 Political situation of the countries that took part on the Arab Spring The Economist, 2019

## Protection of the cultural heritage

Related with the last previous paragraphs, the participation of the EU on the Arab Spring has carried the creation of a new instrument and a new political space, on which the EU is at the moment the leading actor. The implementation of the Project 'Protecting Cultural Heritage and Diversity in Dynamic Emergencies for Stability and Peace' was initiated in 2017 by the European External Action Service (EEAS) and the United Nations Educational, Scientific and Cultural Organization (UNESCO).

This project is an EU external action sponsored under the Instrument Contributing to Stability and Peace (IcSP), with the activities of the UNESCO-led project being implemented (UNESCO, 2020). The Project has implemented some urgently wished spots in Iraq, Libya, Syria and Yemen, to allow for the stabilization and pressing safeguarding of the cultural historical past of those decided on international locations and their population. Through this support the EEAS complements UNESCO's ability to reply extra swiftly to wishes related to the safety of tradition and variety in complicated emergencies, to reinforce the high-quality function that tradition can play in selling resilient, culturally numerous societies, and in growing extra sustainable procedures to include peace and balance in transitional contexts.

The existence of this mechanism shows us that the defense of cultural heritage opens a new path for the EU to become a soft power of reference. Therefore, the knowledge of the EU and I academics in the defense of the conservation of cultural heritage, and the promotion of new cultural creations among the member states of The Union, might become one of the new modern mechanisms on geopolitics. The EU counts on this specific area with some of the worldwide reference stakeholders (Sorbonne University, El Prado Museum, Vatican City, Island of Museums in Berlin, Greece's ancient towns, etc.), which would enable the EU to become the leading soft power.



#### Mediation on modern non-armed conflicts

The entrance of the Trump administration, the cyberattacks lead by the Russian institutions to developed democracies, the conflict incrementation on the Middle East, the loss of democracy on South American countries due to the radicalization of far-left governments, the erasing of populism and fake news on Europe, and the dumping strategies adopted by the Chinese government, have already changed the geopolitical framework, and created new international modern conflicts.

Among all the conflicts previously mentioned, under the opinion of this essay's author, the conflict between China and USA (both in 5G and exportation policies) has been the most important one for the European Citizens, due to the implications it has had on our economy.

A rethinking of the EU's strategic landscape has been triggered by US unilateralism and Chinese assertiveness during the last years. It is key finding, despite the differences between EU Member States, that all the Member States are in a similar position. They all consider the US to be their most significant ally and that they all depend upon its military protection, but they also want to try and do the maximum amount of business with China.

These contradictory trends are even more apparent considering that Washington is increasing its security presence in countries like Hungary, Greece and Poland, whereas the economic process dynamic appears to be in China's favor. Hence, off from feeling threatened by this polarity, the EU economies are attempting to keep up and even enhance their economic engagement with China, while keeping the relationship with the US.

Figure 5 Importation and exportation (Billions of €) during the 2020 for the principal trade partners of the EU EUROSTAT, 2020

Even during the health crisis situation experienced during the 2020, the commercial relationship with China has increased for the EU member states as we can see in the following graphic. The imports made from China to the EU have increased considerably, while the exportations have remained almost flat during the analyzed period.

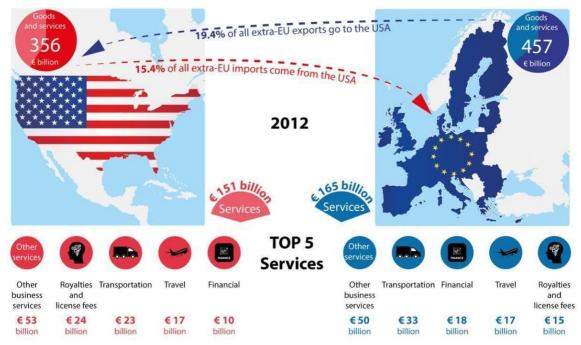
In the meantime, the EU has also maintained a strong and bigger commercial relationship with the USA, as we can see in the following infographic. As we can observe the main activities that are exported/imported are the royalties and license fees. While this activity





is mostly insignificant on the commercial relationship with China.

Figure 6 Commercial relationship between the EU and USA EUROSTAT, 2020



As we can see the EU has both interests in maintaining the trade relationships with China and USA, and as a consequence, interests to avoid the existing tensions between these economic powers. Political weight to require sides is increasing at the same time from the US and China, while numerous nations are entering into the unknown in the event that they want to take after the objective of remaining beneath the security umbrella of the US whereas seeking after as much trade with China as they can accomplish.

In order to simplify the answer given by the EU, the strategy of the member states has been to cooperate and to give a unified answer to this subject. Therefore, the geopolitical strategy has been to put it all in a single world, the union. Acting unitedly, the lobby the member states can make has proven to be bigger than expected, and the results obtained as a consequence, more fruitful.



While the USA, led by Trump Administration did not see this unifying movement with good eyes and try to focus on the belief that this strategy would interfere on the transatlantic relationships (Fiott, 2019), China adopted a neutral position, and has decided not to make any movement as long as the relationship with the Asian country, and its political interests do not get harmed.

To illustrate all of the previous ideas, and to show how that role of a united EU between these two powers is fruitful, we can analyze the geopolitical rivalry over high technology, which includes 5G, Artificial Intelligence (AI), semiconductors, the Internet of Things (IoT) and quantum computing. The EU has chosen to take its own way between the Chinese and the American strategy.

Recognizing its troublesome position, the EU has begun to talk about how to get to the next degree of technological independence, conceiving the capacity to proceed setting industry standards and fortifying the European production. At the same time, instead of endeavoring for innovative autarky, an objective that's not achievable, the EU looks for key choices to differentiate supply chains in order to decrease conditions from one or a little number of production entities/suppliers wherever possible (Rühlig & Maja, 2020)

The discussion generated by the Huawei dependence, and the security problems this can cause, China has shown enough strength to coordinate cyber-attacks, existing Huawei or not (Kleinhans, 2019). So, the real issue for the EU is the dependence on technology that has happened in China, an authoritarian country with no close security cooperation.

As a consequence, EU member states changed their previous strategies of favoring national methodologies and decided to take a common approach. In reaction, the European Commission has started a coordination program. This program is based on the Political criteria defined within the 'Prague Proposal'. Shortly, this document defends that the EU must dismiss the US request of a total boycott on Huawei but will most likely receive measures to fix security-related criteria for merchants of 5G innovation.

Summarizing, the Transatlantic Alliance will remain the most precious treasure of European security, and neither the EU nor European countries will want to see NATO lose relevance, but this topic will not be treated conjunctly with the EU-China trade relationship.

Finally, due to the topic analyzed in these last paragraphs, it is needed to be said that European integration and cooperation has led European institutions to the creation of the European CybercrimeCentre (EC3), one of the reference centers in the fight against cyber-crime. This shows us again, that a more integrated and unified Europe can play a stronger paper on the geopolitical chess table.

### International security cooperation

The recent discourse made by the French President Emanuel Macron with Austrian Chancellor Sebastian Kurzshow us that cooperation among member states of the EU, and within other states, has become crucial to maintain both the security of The Union and of its allies. The biggest step that has been taken since the Paris attacks of 2015, has been the setting up of a European border and coast guard agency (Frontex), that has enabled the member states to work on cooperation in the external borders. Once again, more union



and integration mean benefits for all the European citizens and make the EU a stronger geopolitical force.

In addition to the border and external defense, the EU has also well-developed a police and army cooperation program on the fight against international criminal requirements (Rafols, 2003). This program has two working areas that are worth to mention:

a) On the one hand, the internal cooperation between the member states on any criminal requirement extended on any national court of the EU. With the cooperation of the international police offices (Europol and Interpol) and the local authorities, the European Judge orders have become one of the most efficient legal instruments against criminals.

In this specific area, the major cooperation level is given in the counter terrorism field, where the information between states agencies is fluid and efficient thanks to the existence of the European Counter Terrorism Centre (ECTC). This coordinated strategy has rapidly given results (EUROPOL, 2020) not only in the fight against Islamic terrorism, but also in the fight against domestic terrorism, as it happened in the cooperation between France and Spain against the ETA terrorist band.

b) On the other hand, the EU works in cooperation with the UN's international criminal court and with all of the police offices around the world in order to persecute all the cases related with international criminal justice, such as genocides, war crimes, etc. Once again, the cooperation between the member states has allowed to create The "Network for investigation and prosecution of genocide, crimes against humanity and war crimes" a unique network that gives full vision to the EU in the prosecution of these crimes.

### **Conclusions and proposal**

The first conclusion of this topic, and the most relevant, is that the European Union has the strength and knowledge to become the soft power of reference in the world. The old geopolitical strategies, which were fully related with military forces, are getting to an end, and will have to coexist with new power strategies.

The second conclusion of this article is to show how the European Integration is the path to follow if we, Europeans, want to play a relevant role in the geopolitical game. The fields on which the EU has acted united, even in complex fields such as cybersecurity or trade wars, are the ones on which the EU has achieved better results and bigger leadership.

The third and last conclusion is that the European Strategy on geopolitics has to focus on the European Values and on the Pillars of the EU, in order to get the throne of the soft power. Free market and freedom of movement will be key instruments on the future of this globalized world, and the EU is the paradigm of those ideals on the world, constituting the first free trade land involving more than 25 countries at the same time.

Other values the EU has to defend, as it has been analyzed on this paper, are the defense of the cultural heritage, the mediation paper on trade conflicts, the defense of democracy (in the field as an international observatory and in different international deals). The



promotion of these ideals on the international panorama would promote the power of the EU internationally.

The defense of these values also plays an important role in the EU. As we have recently seen on the approval of the funds to deal with the COVID-19 economic crisis, the respect of the rule of law and democracy, have been some of the criteria to decide how and how much money each of the member states receives.

Therefore, this paper is based on the following policy proposals:

- 1. Promoting the action of the EU as a unified political actor in all the international relations. This unified action would benefit the member states and would allow them to take part in geopolitical decisions on which would not have a word. This unified action must be based on the fundamentals of the European Union and developed by a modern perspective that includes cultural heritage, new technologies and green ideals.
- 2. Creating an unified diplomatic corpus of the European Union. The creation of this corpus would enable the EU to negotiate as a one and only actor with other states where the EU can have a representation.
- 3. Writing and approving minimum legal requirements for the trade deals of the EU. The creation of a legal general text that should be adopted by all of the states or institutions that want to sign a deal with the EU would enable on the one hand ensuring minimum measures for the defense of EU values no matter which states the EU is negotiating with and on the other hand, bigger transparency on the deals, as long as some criteria would not be negotiated and would be legally ensured from the very beginning.
- 4. Introducing European Values regarding defense during military conflicts, As the creation of the European army would be a material to be treated in a whole new paper, this paper proposes to introduce the defense of the EU values within the military strategies of EU member states. Therefore, the EU member states' armies should be legally attached to defend EU values out of EU borders, and also to ensure their participation in military non conflictive programs such as the defense of the cultural heritage in war zones or the participation of military forces on humanitarian services.
- 5. Defending the rule of law onto the EU, as non negotiable criteria. A modification of treaties should include that the rule of law and the defense of EU values should be translated onto sanctions among member states and non negotiable material on budget or economic aid, in order to avoid the extortion made by Hungary and Poland and to protect the EU from pressures from other geopolitical actors such as Turkey, Russia or Middle East countries.



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