

The Political Economy of ‘Normative Power’ Europe: EU Environmental Leadership in International Biotechnology Regulation

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Abstract

This paper examines the transformation of the European Union from a laggard to a leader in the international politics of biotechnology regulation. The emergence of EU leadership in global environmental politics during the 1990s seems to support recent arguments about the distinctive nature of the EU as a ‘normative power’ in international relations. However, as this paper argues, this perspective lacks historical depth and fails to capture tensions between competing principles and conflict among domestic interest groups in Europe. The paper calls for a more critical reading of the normative power argument and identifies shifts in the domestic political economy of agricultural biotechnology as the key factors behind the EU’s support for a precautionary international regime on trade in genetically modified organisms.

Biotechnology regulation; environmental policy; EU foreign policy; genetically modified organisms; normative power; political economy

1. Introduction¹

Is the European Union (EU)² a different kind of international actor, not just because of its unique institutional nature but also because of its predisposition to pursue different types of interests? This question has aroused considerable interest in recent years, with academics and practitioners debating whether the EU is a civilian rather than a military power (Smith 2005; Whitman 1998) and whether it is pursuing post-national or ethical interests in an attempt to shape global order through normative change rather than use of force (Manners and Whitman 2003; Therborn 1997). The conviction is gaining ground that the EU is not a conventional great power in waiting, but a 'normative power' (Manners 2002) that acts primarily through ideas and values, and not military or economic force. This suggestion has provoked considerable interest among scholars of EU foreign policy (Adler and Crawford 2004; Diez 2005; Lucarelli and Manners 2006) and has been the subject of a special issue in this journal (Sjursen 2006).

The notion of the EU as a qualitatively different, normative, power has also informed recent research on the EU's role in international environmental politics. Indeed, the rise of European leadership on global environmental matters seems to fit in well with the argument that global interests and universal values are at the heart of European foreign policy. Of course, the EU has not escaped critical scrutiny of its many shortcomings in the environmental field (Eckley and Selin 2004; Jordan 2002), but the central role it played in creating the climate change regime (Vogler and Bretherton 2006) and promoting sustainable development at the UN (Lightfoot and Burchell 2005) arguably lends support to the claim that a commitment to global environmental norms is integral to the EU's unique foreign policy identity. With the United States refusing to provide leadership and blocking new initiatives (Falkner 2005), the EU has emerged as a pivotal actor in global environmental policy-making.

This paper investigates the notion of the EU as a 'green normative power' in an important new area of environmental diplomacy, biosafety

regulation, which is widely regarded to be driven by distinctive societal values and a discursive shift towards greater precaution (Andree 2005). The question of how to regulate genetically modified organisms (GMOs) has become the focus of a bitter conflict between a US-led group of GMO-exporting countries and those countries wishing to strengthen regulatory authority over GMO imports. In the late 1990s, the EU emerged as a global leader in this area, by setting a model for precautionary GMO regulation that many developing countries have sought to adopt. EU leadership has been critical to creating an international biosafety regime and establishing the principle of precaution in international biotechnology regulation – a highly controversial, emerging, norm in international environmental law and politics that stands in competition to the norms and principles governing international trade (Eckersley 2004).

Some proponents of the normative power perspective view the transatlantic GMO conflict as a prominent example of how a ‘constitutive difference’ (Lucarelli 2006: 4) between Europe and America shapes their international behavior, and how the EU shows ‘principled stances’ (Welsh 2006: 74) in an international context. Indeed, societal values and preferences with regard to GM food vary considerably across the Atlantic, as numerous studies have documented (for example, Jasanoff 2005). But as this paper aims to show, EU leadership on precautionary GMO regulation is a more recent development and stands in marked contrast to earlier difficulties in developing a common European position on international biotechnology regulation. It is also, and more importantly, the result of a domestic shift in societal risk perceptions and interest configurations in Europe, rather than the straightforward outgrowth of its normative identity. It is argued here that the EU’s emergence as a ‘principled actor’, or leader, in international biotechnology regulation needs to be analyzed in a broader historical context and against the background of the domestic political economy of European biotechnology. By historicizing the EU’s green normative identity and locating it in a political-economic setting, this paper aims to contribute to a more critical reading of EU foreign policy identity and normative power more generally.

The analysis proceeds in three steps. The second section reviews the debate on the EU's emerging role in global environmental politics and places it in the wider context of a political economy of environmental leadership. The third section examines the changing political economy of biotechnology policy in Europe and links it to the transformation of the EU's international role. The final section summarizes the key findings of this paper and makes a broader case for a critical perspective on EU normative power.

2. A Political Economy Perspective on EU Environmental Leadership

The EU has emerged as an important, increasingly powerful, and in some areas leading player in environmental diplomacy (Vogler 2005). Whereas in the early days of global environmentalism, after the first UN environment conference in 1972, the EU lacked an explicit environmental competence and many European countries dragged their feet on issues such as ozone layer depletion and acid rain, Europe's international role underwent a gradual 'greening' process from the late 1980s onwards. The EU gave a boost to the emerging precautionary principle in the 1992 Maastricht Treaty where it defined the principle as the basis for Community policy on the environment. It played an active role at the 1992 UN Conference on Environment and Development (UNCED) and pushed for the adoption of the Kyoto Protocol on climate change and the Cartagena Protocol on Biosafety. By the time of the 2002 World Summit on Sustainable Development in Johannesburg, many had pinned their hopes for a successful outcome on a strong EU role. The then EU Environment Commissioner Wallström herself echoed these expectations when she argued that the 'EU has to play the leading role in ensuring that Johannesburg delivers concrete proposals towards sustainability goals' (quoted in Lightfoot and Burchell 2005: 80).

A key condition for the transformation of the EU's international role was the creation of an explicit EU competence for environment (McCormick 2001: 55-68). The 1987 Single European Act provided the first legal basis, and the passage of the Maastricht Treaty in 1993 further strengthened the EU's

environmental powers, listing environmental protection as one of the EU's overall policy goals. Moreover, the Amsterdam Treaty of 1999 committed the EU to promoting sustainable development as an integral part of all EU policies, including foreign policy, and established sustainable development as a norm of EU politics (Baker 2006: 83). The gradual greening of the EU is also reflected in successive European Commission strategy papers, culminating in the 2001 strategy on sustainable development and 2002 global sustainability strategy (European Commission 2001, 2002). EU leaders now routinely claim an environmental leadership role at home and worldwide.

The EU's prominence in environmental diplomacy has not gone unnoticed among scholars of European foreign policy (Bretherton and Vogler 2005; Sbragia 2002). For some, Europe's promotion of a global sustainability agenda suggests a more deep-rooted change in the EU's foreign policy identity (Krämer 2004; Manners and Whitman 2003: 398). It is seen to reflect the particular values that the EU is based on as a polity and that it seeks to export abroad. In this view, European environmental leadership departs from the *realpolitik* tradition in foreign policy and promotes the global common good over and above the national interest. Environmental diplomacy thus becomes part of global order policy and is infused with a universalist normative dimension. As I argue in this paper, this interpretation of the EU's global green role is problematic. It provides an incomplete picture of the forces driving EU foreign policy and needs to be grounded in an analysis of the political-economic basis and persisting inconsistencies of EU foreign environmental policy.

Debate continues on what precisely the EU's identity consists of – whether it is the use of civilian, non-military means or soft power, or the use of persuasion rather than force (see Smith 2005). Manners' suggestion to view the EU as a normative power offers a new stimulus to this debate in that it provides an overarching framework of analysis based on an ideational or constructivist reading of the EU. At its heart is the claim that the EU, due to its new and distinctive political form, is committed to 'placing universal norms and principles at the centre of its relations with its Member States ... and the world

...’ (Manners 2002: 241). Sustainable development is but one of the core norms that define the EU’s normative outlook, but plays an increasingly important role in the EU’s self-definition *vis-à-vis* the outside world. As defined by the Brundlandt Commission in 1987 and further developed by the EU, sustainable development requires ‘that present needs should be met without compromising the ability of future generations to meet theirs’ (Council of the European Union 2005), and is routinely referred to in EU documents as ‘a key principle governing all the Union’s policies and activities’ (ibid.) or as a ‘deep-seated value of the European Union’³. Indeed, sustainable development is firmly established as a quasi-constitutional norm in articles 2 and 6 of the Treaty of the European Union. If, therefore, due to its distinctive nature the EU is predisposed ‘to act in a normative way in world politics’ (Manners 2002: 252), we should expect it to project a green identity to the outside as well.

At first sight, this perspective appeals as it seems to capture the new reality of international environmental politics. European legislation in areas from energy efficiency to recycling, biosafety and eco-labeling is among the most advanced worldwide. Current efforts to create a comprehensive evaluation scheme for up to 30,000 chemicals are unique in the world (Pesendorfer 2006). The EU is the key driving force behind the harmonization of environmental standards in the now 25 member states and has a model effect on neighbouring countries (*Environmental Politics* 2004). Furthermore, the drive for stricter environmental standards is underpinned by well-organized environmental groups and a public that values environmental protection highly, particularly in northern Europe. For the EU to claim international environmental leadership is, therefore, broadly consistent with societal preferences in leading European states and organized environmental lobbying in Brussels.

Should EU foreign environmental policy therefore be seen as a manifestation of normative power? As I argue below, while normative concerns may be a motivational force and inform interest formation, we can only gain a fuller understanding of the EU’s external role if we place it in its political-economic context. In this wider perspective, several shortcomings of the

normative power perspective come to light: it lends itself to an a-historical understanding of European environmental policy; it mistakes the export of domestic norms with the pursuit of global interests and universal values; it fails to take into account the domestic interest structure that underpins regulatory internationalization; and it understates the potential dissonance between different values and norms at the heart of Europe's identity. In the following, I briefly elaborate these points before moving on to examine the case of biosafety policy.

First, it is far from self-evident that the EU should have emerged as an environmental leader if we look back at the history of international environmental politics. From the 1970s onwards, it was the US that pioneered modern environmental regulation and provided the main impetus for multilateral policy-making. When US leadership began to weaken in the late 1980s, Japan was well placed to fill the emerging gap, but failed to do so against the backdrop of its deepening economic crisis of the 1990s. Instead, the EU gradually strengthened its international profile in environmental affairs, having adopted, at least in some areas, a more progressive approach to sustainability. Political change in the US thus provided Europe with a 'diplomatic windfall' that allowed European leaders to claim the mantle of leadership. As the EU acquired legislative powers in the environmental field and began to take a more united stance internationally, it was well placed to become the new international champion of precautionary environmental action (see Baker 2006: 85-88). But the US experience holds important lessons for the EU. As Vogel (2003) argues, the US entered what could be called an 'environmental policy cycle' much earlier than the EU and has been experiencing an anti-regulatory backlash in recent years. In similar fashion, Europe has spent the last two decades building a comprehensive system of EU-level regulation, but efforts to extend this into new areas are met with growing resistance from concerned business interests. The rise of the competitiveness agenda under the aegis of the EU's Lisbon Strategy has already helped to shift the ground in favour of a more deregulatory outlook in Brussels, and concerted business lobbying has forced a weakening of recent proposals to expand the coverage of European

chemicals regulation (Pesendorfer 2006). With tougher times ahead for European environmentalists, the EU may find that its self-proclaimed international leadership role is built on weak foundations.

Second, what the normative power perspective portrays as the pursuit of universal values and global concerns is more appropriately described as the internationalization of European policies. European environmental leadership is largely based on attempts to export European regulatory standards and models abroad, as has happened repeatedly in the fields of food and biosafety regulation (Ansell and Vogel 2006; Sianelli 2004). This is done either as part of a deliberate strategy to internationalize EU regulations, or indirectly through anonymous channels of policy diffusion. In the former case, the EU strives to raise international standards to the European level through multilateral negotiation or through agreeing EU accession accords (Carmin and VanDeveer 2004). In the latter, European environmental policies impact on other countries via indirect mechanisms of norm transfer and 'trading up' (Vogel 1997), involving transnational green actors and international companies. In both these scenarios, it is Europe's political clout and economic power as well as its central position in transnational green networks that allows the EU to influence environmental policy abroad. Proponents of the normative power perspective dismiss this as a 'relativist viewpoint' (Manners 2002:240). But we should be careful not to equate regulatory internationalization with a normative project, for the EU may have higher environmental standards than other countries only in some, but not all, areas. Moreover, whether the export of European standards is in the interest of other countries remains an empirical question and cannot be determined *a priori*.

Third, closely related to the last point is the question of under which conditions environmental leadership arises. The normative power perspective is largely silent on this, presuming instead that the pursuit of international policy objectives flows directly from the constitutional and normative identity of the EU. In contrast, a political economy perspective would emphasize the domestic sources of regulatory export, especially domestic interest groups that lend support to internationalization efforts. DeSombre (2000) has demonstrated in

her study of US foreign environmental policy how coalitions of environmental pressure groups and corporations that are set to benefit from international regulation play an essential role in US efforts to export regulatory standards. Similar domestic dynamics can be found in the EU, with environmentally leading member states providing an additional push factor for regulatory export (Huber 1997). Support by domestic interest groups is of critical importance to the EU's policy of regulatory export.

Fourth, the normative power perspective understates the tensions between different normative principles that make up the EU's identity. Sustainable development is not only a late arrival in the group of core principles, it also competes with other, more dominant, principles such as economic freedom and specific policy agendas such as trade liberalization (Zito 2005). The EU has, of course, been eager to promote an integrated view of sustainable development that stresses the mutual supportiveness of economic and environmental objectives. But these efforts have yielded only limited success and have tended to crowd out a deeper vision of ecological sustainability (Christoff 1996).

Adopting a political economy perspective thus provides a critical corrective to the increasingly fashionable view that European environmental leadership reflects a qualitatively distinct, normatively based, model of foreign policy. It points to the embeddedness of EU environmental policy in a wider political-economic context, and to unresolved conflicts between competing EU principles and objectives, particularly those of economic competitiveness and the interests of environmental sustainability. It highlights the crucial role played by domestic interest groups in supporting a process of regulatory export, or internationalization. And it provides clues as to why variation persists across different areas of EU foreign environmental policy, from leadership in climate change and biosafety to foot-dragging on reforming agricultural and fisheries policies.

3. The Political Economy of EU Leadership in Biosafety Politics

The EU's engagement with the international politics of biosafety changed dramatically over the last 20 years. Until the early 1990s, internal divisions held back the EU from playing a significant international role. Only in the mid-1990s did the EU come to accept the need for an international biosafety treaty and participated in the drafting of biosafety rules, though initially without attaching much political significance to them. In the late 1990s, however, the EU emerged as a key advocate of strict rules on international GMO trade. It provided crucial leadership in the final round of negotiations on the Cartagena Protocol on Biosafety. The EU pushed for the adoption of the precautionary principle in risk assessment and sought to assist developing countries in their efforts to strengthen domestic regulations, against the interests of the United States and other GMO exporters (for an overview, see Falkner (2007)).

What accounts for the EU's transformation from laggard to leader in international biosafety politics? This paper argues that we need to look at shifts in the domestic political economy of agri-biotechnology if we are to understand European leadership, or what might be seen as the rise of normative power, in this area. 'Domestic political economy' refers here to the interplay of domestic interests, both economic and societal, within Europe's multi-level governance system and the broader ideational environment that shapes societal values and preferences. Operating within a pluralistic framework of lobbying and policy-making (Mazey and Richardson 2004), industrial, agricultural, environmental and consumer interest groups have played an important role in shaping European GMO policy. As will be shown in this section, the rise of a Europe-wide anti-GM movement and the relative weakness of organized biotechnology interests provided the key background conditions for the dramatic shift in the EU's international stance. None of this was the quasi-natural outflow of the EU's normative identity. In fact, the EU's international biosafety policy was driven by two conflicting imperatives embedded within the EU's core values: the promotion of economic growth and competitiveness, on the one hand, and the protection of human health and the environment, on the other. Quite how the EU would resolve this conflict and what normative identity it would project to the outside world was an open question.

The contrast with the field of medical biotechnology is instructive here. Whereas agricultural biotechnology came to be framed in public discourses as an inherently risky technology, medical uses of genetic engineering continued to enjoy relatively high levels of popular support and industrial backing. The EU accordingly came to emphasize different principles in these two areas: innovation and growth in medical biotechnology, and precaution and consumer protection on the agricultural side. A similar division emerged at international level. When faced with demands by developing countries to subject all GMO uses to international regulatory controls, the EU insisted on retaining the distinction between GMOs as food and as pharmaceuticals, even though new developments (e.g. functional foods) were rendering this increasingly problematic. In the end, the EU – together with the US – blocked efforts by developing countries to include GMOs as pharmaceuticals in the Cartagena Protocol. It was the domestic political economy of European biotechnology, not the EU's normative identity, that explains this particular stance.

3.1 International divisions, weak international role: 1980s to early 1990s

During the 1970s and early 1980s, the scientific community was largely trusted to establish safety procedures for genetic engineering. When genetic engineering moved from the laboratory to field trials in the 1980s, however, the challenges facing scientists and governments changed. Slowly but steadily, with rising environmental awareness and growing influence of environmental campaign groups, calls for governments to regulate modern biotechnology developed momentum. The first national regulations were created in the 1980s, first in the US and some European countries and then at EU level in 1990.

Developing countries were the first to call for international regulations during the preparatory meetings for UNCED (1992), but received a frosty reception in the industrialized world. The United States and Japan did not want to see their nascent biotechnology industry subjected to international controls, and although some smaller European states and the European Commission's

Directorate-General Environment⁴ expressed sympathy for the Southern position, the leading European biotechnology countries remained skeptical about an international treaty. Britain, France and Germany advocated instead non-binding measures and merely agreed in the Convention on Biological Diversity (CBD) to a commitment to ‘consider the need for and modalities of a protocol’ dealing with the safety of trade in GMOs (CBD, Article 19.3).

During the 1980s, the EU was in process of developing an environmental policy competence but had no authority to regulate genetic engineering. As member states crafted their own policy responses, the biotechnology industry faced an increasingly uneven regulatory environment. Denmark and Germany, two countries where public opposition to biotechnology ran high, were the first to introduce comprehensive gene laws, in 1986 and 1990 respectively. Other countries (UK, France) continued to rely on voluntary or mandatory notification requirements, while some (Italy, Luxembourg) did not create any GMO-specific regulations. With the exception of Denmark, and to some extent Germany, EU member states employed a ‘light touch’ approach to biotechnology regulation. Throughout this period, the biotechnology sector enjoyed strong political support in European capitals and in Brussels, where the European Commission’s Science Directorate-General championed its cause (Patterson 2000: 321-3).

A major turning point in EU biosafety policy came in 1990 with the creation of an EU-level system of biosafety regulation. Initially, this did not change European governments’ attitude to international regulation, although it was to have profound consequences for the EU’s later international role. The European Commission had made repeated attempts during the 1980s to harmonize national regulations, driven not so much by pressing safety concerns as by economic interests, in particular the desire to catch up with the industry leaders, the United States and Japan. By linking regulatory harmonization in biotechnology with the creation of a Single European Market, it succeeded in gaining regulatory competence for biosafety and established a comprehensive system of risk regulation in 1990 (Directives 90/219/EC and 90/220/EC). This success came, however, at a considerable political cost for the pro-biotech

forces within the Commission. Following the Danish model, regulatory authority was handed to the recently created Directorate-General Environment. DG Environment had argued successfully for an integrated framework of technology-based regulation that seeks to prevent harm to the natural environment from GMO releases. The 1990 regulations established for the first time a horizontal, process-oriented approach to regulating biotechnology in Europe, in sharp contrast to the more limited approach in the United States that presumed substantial equivalence between biotech and conventional products. European regulators also introduced the precautionary principle, allowing authorities to prevent GMO releases and commercialization under conditions of scientific uncertainty, i.e. without proof of harm.

The 1990 regulations reversed the previous trend towards a business-friendly biotechnology policy in Europe. Indeed, the biotech sector was weakly involved in the drafting process. European biotechnology companies were slow to form EU-level associations and to lobby European institutions at a time when the regulatory environment was in flux. They were held back by a tradition of organizing around products, not industrial processes, and a fragmentation of the biotechnology sector into small and medium-sized firms (Greenwood and Ronit 1995). It was only in 1989, when the legislative drafting process was nearing its end, that the Council of the European Chemical Industry (CEFIC) created the Senior Advisory Group for Biotechnology (SAGB), the first European industry group on biotechnology (Cantley 1995: 633-4).

The 1990 regulations had profound, long-term, consequences for the EU's international role. While initially, the EU remained divided on the question of international regulation, the new regulations made it more difficult in the long run for it to oppose a biosafety treaty. Having created the world's most stringent biosafety rules and being committed to multilateralism, the EU had no choice but to accept the legitimacy of developing country demands for a binding international treaty. In this sense, EU foreign policy followed the logic of a normative power perspective. Moreover, the EU's new regulatory approach provided a blueprint for other countries wishing to introduce or strengthen biotechnology regulation and became a major reference point in the

development of a precautionary treaty. The 1990 EU regulations put the EU at the forefront of developing precautionary risk regulation. They set off a political dynamic that would eventually slow down the commercialization of agricultural biotechnology in Europe at a time when the United States and a handful of other countries were rapidly introducing GM crops. Instead of closing the technology gap with the US and Japan, Europe was adopting a GMO-importer perspective that prioritized risk regulation over technology promotion.

3.2 *From indifference to active international engagement: mid-1990s*

It took some time for the change in the EU's regulatory framework to feed into its international position. One important reason for this time lag was the resurgence of business lobbying and influence. In response to the 1990 regulations, the European biotech sector launched a concerted lobbying campaign in Brussels and mobilized biotech-friendly member states. With public debates on GMO safety waning in the early 1990s (Torgersen *et al.* 2002: 57-9), the scene was set for a deregulatory push in Europe. At the international level, leading EU member states continued to press ahead with the drafting of voluntary safety guidelines, the 1995 UNEP International Technical Guidelines for Safety in Biotechnology (Cantley 1995: 632-3). Developing countries reiterated their demands for a biosafety treaty at the first Conference of the Parties (COP-1) to the CBD in 1994, but the United States and leading EU member states remained skeptical and recommended instead the use of the UNEP Guidelines.

Pressure grew during the 1990s for the EU to provide a more fertile environment for biotechnology. The 1990 regulatory framework was one of industry's main sources of frustration but also provided it with a focal point for political mobilization and organization. Unlike the various anti-GM campaign groups that were mostly nationally organized, industry was quick to put its lobbying effort on a European footing and saw the power balance temporarily shift in its favor (Grabner *et al.* 2001: 17). After the creation in 1989 of SAGB, the

various national biotechnology associations joined forces and in 1991 formed the European Secretariat of National Bioindustry Associations (ESNBA) (Cantley 1995: 635), and in 1996 created *EuropaBio*, an umbrella body that has since developed into the main European biotechnology group. Their demands for a less restrictive regulatory environment were boosted by the growing perception that EU efforts to close the global technology gap were faltering. Despite the fact that Europe had increased R&D spending, the US industry remained the most dynamic worldwide. By the mid-1990s, there were twice as many start-up companies in the US than in Europe, US companies were spending ten times as much on R&D than their European competitors, and their revenues were nine times higher than those in Europe (Paugh and LaFrance 1997: 101).

When the pendulum of opinion within the Commission started to swing back temporarily in favor of deregulation (Torgersen *et al.* 2002: 50-60), this was of course in accordance with some of the EU's underlying principles and priorities (economic freedom, competition and innovation), despite the precautionary principle gaining ground in the 1990s. But the industry-friendly turn in Brussels was short-lived, as international developments took on a dynamic of their own and fed back into European policy-making. While European industry lobbying concentrated on the reform of EU legislation, the EU came under increasing international pressure to agree to the start of biosafety negotiations. The issue of whether to create a biosafety protocol was again on the agenda of the Second Conference of the Parties (COP-2), in Jakarta in 1995. Positions within the EU had moved little since the 1992 UNCED meeting, and the Council adopted a negotiation mandate for COP-2 that balanced the diverging views of member states, envisaging a two-track approach of supporting voluntary biosafety guidelines while agreeing in principle to talks on a biosafety treaty (Bail *et al.* 2002: 169). A large number of parties to the CBD were now willing to start negotiations, and the EU consented with the majority view without attaching too much importance or urgency to the process. In other words, the EU entered the international biosafety process without a clear and urgent normative commitment.

3.3 Europe's emerging leadership role: 1997 to 2000

It was only after the start of the biosafety talks in 1996 that a clearer and more coherent EU interest in international biosafety regulation began to emerge. Having self-consciously presented its role as one of promoting global interests, and particularly those of developing countries (Bail 2000: 23), the EU came to push for the adoption of an innovative biosafety treaty that emphasized ecological precaution over trade interests. This was in sharp contrast to the US and Canadian position that other countries perceived to be driven primarily by commercial concerns. However, the EU sided with the US in objecting to a comprehensive scope of the treaty and the inclusion of pharmaceuticals, as demanded by developing countries. Two major changes brought about this transformation in the EU's stance: the arrival of GM crops in international trade; and a corresponding shift in the EU's domestic GMO policy towards greater precaution.

The opening phase of the biosafety negotiations coincided with the first commercial planting of GM food crops in North America. Soon after, in the autumn of 1996, Europe received the first shipment of GM crops from the US, which attracted widespread media coverage and fuelled fears about food safety among European consumers (Pollack and Shaffer 2005: 21). Several authors have explained the strength of Europe's anti-GM movement with reference to a wider crisis in European food safety (Pollack and Shaffer 2005; Vogel 2003), particularly in the wake of the bovine spongiform encephalopathy (BSE) crisis. Although BSE, or 'mad cow disease,' was unrelated to plant genetic engineering, it cast a shadow the new technology. Activist groups such as Greenpeace and Friends of the Earth orchestrated protests against experimental GMO planting and GM food sales around Europe. Unlike in the United States, where the public remained largely indifferent to GM food, European opinion polls revealed rapidly rising anti-GM sentiment among a public concerned more with food safety than agricultural productivity (Torgersen *et al.* 2002: 61-74).

The GM controversy created a dilemma for EU authorities. Whereas the Commission believed its regulatory system was working well, some EU member states governments (especially Austria, France and Greece) reacted nervously to rising anti-GM sentiment and demanded a temporary halt to new GMO authorisations. Based on Directive 90/220, the Commission was able to approve a new GM maize variety in January 1997 despite failing to win the support of member states. But the GMO authorisation process eventually collapsed in 1999 as more and more governments invoked the Directive's safeguard clause, thus preventing the implementation of GMO approvals in member states (Pollack and Shaffer 2005: 23-4). European biotechnology policy entered a 'perfect storm' in 1998/99 as it came under simultaneous attack from different sides: parallel anti-GM campaigns by environmental and consumer groups sprang up in several member states; the European Parliament called for a strengthening of regulations; and food retailers withdrew already authorized GM food from the market. All the while, the European biotech sector struggled to overcome its fragmented industry structure and failed to win over European farmers to the new technology (Bernauer 2003: 80-86). The EU had no choice but to seek to calm the situation by introducing a *de facto* moratorium on GMO approvals while it sought to revise its regulatory framework (Skogstad 2003: 327-30). By 1999, at a crucial point in the international negotiations, precaution had won over trade liberalization and competitiveness concerns in shaping Europe's political identity in biotechnology regulation.

The domestic shift in Europe had two important consequences for international biosafety politics: First, the EU's increasingly restrictive stance on GMOs sent an important signal to those developing countries still deciding whether or not to adopt GM technology, reinforcing existing biosafety concerns there (interviews with government officials in India, 4 April 2001, and China, 17 August 2004). Moreover, with the European food market temporarily closed to GM crop imports, developing country exporters in Africa and Asia feared that their own farm products would be barred from the European market if they introduced GMOs domestically. The European GM debate was therefore closely watched in the developing world, and Europe's GMO moratorium further

hardened anti-GM positions especially in Africa and Asia (Clapp 2006; Falkner 2006).

Second, the EU's negotiation role changed as the international context gained political salience in Europe and the negotiations became a test case for the EU's ability to withstand North American pressure. American threats to open Europe's gates to GM products by bringing a legal case at the World Trade Organization (WTO) only served to underline the importance of a strong international treaty that would lend legitimacy, if not full legal cover, to Europe's regulatory framework. As the talks entered their final stage in 1999, the EU was now arguing for the adoption of stringent biosafety rules. The fact that the focus of the talks had shifted to the regulation of agricultural commodity shipments had promoted a more united EU negotiation role, as trade issues were traditionally negotiated by the Commission on behalf of the Union. In this case, however, the Commission's DG Environment, not DG Trade, led the negotiations and pushed for an international agreement that closely mirrored its own EU-wide GMO regulations.⁵

Chief among the EU's position in the final round of negotiations, from 1999 to 2000, were three elements of the treaty that were fiercely resisted by the US-led group of agricultural export countries (Falkner 2002):⁶

- The precautionary principle, allowing importing countries to restrict GMO trade under conditions of scientific uncertainty. This was seen as a major plank in the defense against potential WTO legal challenges.
- clear rules on identification of GM content in international agricultural trade, to support domestic regulatory authorities; and
- the mutual supportiveness of the biosafety treaty and international trade rules, in order to prevent agricultural exporters from challenging GMO import restrictions at the WTO.

While European negotiators aligned themselves with the developing countries to reach an agreement on these and other elements of the treaty, they did not go along with all their demands. On the whole, EU negotiators failed to offer leadership in the negotiations on issues that went beyond what was contained in the EU's domestic regulatory framework. The Like-Minded Group of

developing countries had argued from the beginning for a more comprehensive scope of the protocol than both the EU and the United States were willing to accept. Demands for a liability regime, which would oblige GMO exporters to compensate importing nations for any future damage inflicted from the release of GMOs, were also met with resistance by the US and scepticism by the EU. Finally, the inclusion of GMOs that were pharmaceuticals for humans was blocked by both the US and the EU. On the latter, the EU argued that pharmaceutical GMOs fell outside the remit of the protocol as they were covered by other international agreements and were not designed to be released into the environment, although recent advances in the medical use of GM crops and food products have started to blur this distinction. This, therefore, was not simply a question of the technical delineation of one regime context from another, but a question of political expediency. Pharmaceutical companies were lobbying hard at the biosafety negotiations to have their products exempted from the Protocol's scope and found receptive ears among the EU and US negotiation teams (interview with UK corporate representative, 28 January 2000).

A policy of regulatory export was at the centre of Europe's global leadership ambition. It was motivated by a desire to secure international legitimacy for the EU's own precautionary approach against the background of rising transatlantic tensions and threats of a WTO legal challenge.⁷ The anti-GM shift in European public opinion had precipitated a firmer international stance, but EU negotiators were keen to ensure that international treaty obligations would not go beyond domestic regulations and would not extend to the less controversial area of medical biotechnology. EU biosafety leadership was thus closely circumscribed by the calculus of economic interest, and support for the regulatory framework of the Cartagena Protocol, which was adopted in January 2000, reflected not so much a normative stance as a peculiar balancing act amidst competing principles and domestic interests.

4. Conclusion

With the help of a case study in environmental diplomacy, this paper has sought to address some bigger questions about the EU's foreign policy identity, particularly whether the EU is a different kind of power due to its distinctive political structure and value system, and whether the EU's commitment to multilateralism and sustainable development predisposes it to perform an environmental leadership function. This paper has sought to strike a cautionary note. It has argued for placing such questions in a broader context of inquiry, one that is reflective of the historical gestation of Europe's foreign policy identity and that pays closer attention to the political-economic forces that shape the EU's external role. The aim has not been to dismiss discussions about normative power, or to reject what is now a broad stream of ideational and constructivist research in EU studies (see Christiansen *et al.* 2001). Rather, the analysis in this paper suggests that we need to situate the EU's emerging identity in its historical context and connect the study of identity with that of interests, just as the study of interest formation has paid more attention to ideational sources (see Checkel 1998). Above all, we need to retain a critical perspective on any claim that power serves global interests and universal values.

Admittedly, examining a single case will not provide conclusive answers in this debate. This paper has focused on only one dimension of Europe's emerging normative power, namely global environmental leadership, and within that on the case of GMOs. But the international politics of biosafety provides an ideal vantage point for developing a more critical reading of the normative power perspective that should be useful in other areas. This concluding section briefly summarizes the main findings before sketching out an agenda for future research.

At first sight, the GMO case would seem to offer strong support for the normative power perspective. During the end phase of the biosafety negotiations, the EU provided crucial leadership in pushing for international regulations based on the precautionary principle, which has emerged as a key principle informing the EU's sustainability strategy and other policies, but remains contested internationally. The EU did so in a remarkably effective way:

it led the way with the world's most advanced system of domestic GMO regulation and was able to speak with one voice towards the end of the biosafety negotiations. Furthermore, despite losing the first round in a highly charged WTO dispute, it has stood firm in its defense of national regulatory autonomy and has strengthened GMO regulation.

But closer analysis of the EU's leadership role in biosafety reveals a more nuanced picture. Viewed over the ten-year history of international biosafety politics, it becomes clear that the EU's distinctive stance was not simply the outgrowth of a deep-rooted normative orientation but the result of often protracted domestic battles over the future of biotechnology and the right balance between competing normative principles. It was only when a rise in anti-GM sentiment forced a moratorium on new GMO authorizations that the EU attached greater importance to the biosafety talks and offered international leadership. It did so by seeking to export its own domestic regulatory model and by ensuring that international rules would not threaten the EU's economic interests in medical biotechnology, especially in the medical area. Despite its commitment to comprehensive and precautionary GMO regulation, the EU sided with the US in rejecting calls by developing countries for an international liability regime and for inclusion of pharmaceutical GMOs in the Cartagena Protocol. The EU thus largely succeeded in moulding international biosafety governance around its own regulatory model.

None of this is intended to negate the achievement of creating precautionary rules on GMO trade. But the experience of international biotechnology regulation supports the growing recognition that a policy of regulatory export follows a domestic political-economic logic. Normative intentions may be a motivating force, but they rarely suffice to sustain an effort to internationalize domestic policy through environmental diplomacy. Identity and interests are thus closely intertwined. If we wish to understand the prospects for, and inconsistencies in, the EU's emerging role as a global environmental leader, we need to pay closer attention to the political-economic foundations – and limitations – of such a role.

The lessons of the GMO case apply in other cases of environmental diplomacy, too. The EU's leadership on climate change has been widely noted, especially when compared with US intransigence, but the limitations of this role are closely connected with the political economy of energy production, manufacturing and consumption in Europe. In this sense, a political-economic analysis provides important clues for why the EU, despite a general commitment to sustainable development and precaution, appears to be a leader in some areas (biosafety, climate) but not others (agriculture, fisheries). The relative strength of different EU regulatory policies and of competing domestic interests will be a good first-cut indicator of the likelihood of EU environmental leadership.

A political-economic perspective should also prove useful outside environmental politics. Aspirations to promote development, human rights and sustainability throughout all areas of European foreign policy are now commonplace. But a considerable gap persists between the EU's support for universal norms and the reality of European international action. This is often explained with reference to implementation problems but is in fact symptomatic of deeper tensions between competing normative aspirations and between different domestic interests. In the case of trade policy, for example, the most integrated and successful foreign policy area, aspirations of normative leadership in the WTO Doha Development Round are closely circumscribed by the underlying political economy of agriculture in Europe.

A political economy of normative identity is therefore needed to add a critical dimension to the now widespread perception that Europe is a different international actor. In a field of study that is at constant risk of moral hyperbole, this would make for a more historically sensitive account of how norms and interest interact in the formation of European foreign policy and identity. This is not to deny the role of norms and values but to highlight the specific, time-bound, context in which they assume meaning and relevance for Europe's role in the world.

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² 'European Union' (EU) is uniformly used for stylistic reasons to refer to the European Community before, and the EU after, entry into force of the Maastricht Treaty in 1993.

³ European Commission, Sustainable Development website, available at http://ec.europa.eu/comm/sustainable/welcome/index_en.htm.

⁴ The European Commission's Directorate-General (DG) Environment was formerly known as DG XI, and is referred to as DG Environment for stylistic reasons.

⁵ The biosafety talks fell into the category of 'mixed negotiations', with member states and the EU having concurrent power to negotiate and sign the agreement. Unlike in other environmental negotiations, the strong trade dimension of the biosafety negotiations allowed the Commission to become the main spokesperson of the EU during the end phase of the talks (Bail, Decaestecker and Jørgensen 2002: 168-71; on mixed competence, see Bretherton and Vogler 2005, chapter 3).

⁶ The EU's final negotiation mandate for the 2000 Montreal conference was agreed by the EU Environment Ministers on 13 December 1999, and was made public in a press release on 27 January 2000 (2235th Council Meeting – Environment, Brussels, 13/14 December 1999. Conseil/99/409).

⁷ The US, together with Canada and Argentina, eventually launched a WTO case against the EU's GMO moratorium in 2003, which the EU lost in first instance in 2006. The Cartagena Protocol was cited by the EU in its defence but was not the subject of the ruling itself.