

# IS EPA AN OBSCURE COERCION? A CRITICAL REFLECTION FROM THE LITERATURE AND AGENDA FOR RESEARCH

*Collins C Ngwakwe\**

## Abstract

There is a preponderance of criticism in the literature about the EU-ACP Economic Partnership Agreement (EPA). This paper adopts a neutral stance to present some of these criticisms. The approach is a critical review that culminates in a suggested research agenda. A deduction from critical literature is critic's censure of EU-ACP EPA apparent coercive posture, described as not meeting developmental expectations both in previous and current agreement. However, some literature avows that EU-ACP EPA has some benefits to EPA, but opines that institutional problems such as corruption in some ACP countries are a hindrance to the realisation of benefits from EPA. Accordingly, the paper suggests agenda for further research as follows: can it be conclusive that the ACP countries have not benefited from EU-ACP agreements thus far and how has corruption in the ACP countries hindered the realisation of intended benefits from EU-ACP agreements?

**Keywords:** Development, Economic Partnership Agreement, European Union, African Caribbean and Pacific Countries, Coercion, Corruption, EPA, ACP

*\*Turfloop Graduate School of Leadership, Faculty of Management & Law, University of Limpopo South Africa*

## 1 Introduction

Whilst the EU demonstrates that EPA with the ACP countries offer developmental benefits to the ACP countries European Commission (2013), critics view this differently.

Consequently, there is ubiquitous criticism in the literature about the EU-ACP EPA. This paper adopts a neutral stance to present some of these criticisms. The approach is a critical review that culminates in a suggested research agenda. Critical literature highlights critics' lamentation about EU-ACP EPA apparent coercive posture, which according to critics, does not meet developmental expectations both in previous and current agreement. Nonetheless, there are positive views from the literature, which avow that EU-ACP EPA offer some benefits to ACP countries, but highlights that certain institutional problem such as corruption in some ACP countries hinder the realisation of benefits from EPA. Therefore, the question that underpins this brief review is what are critics concerned about the EU-ACP EPA and how such criticism may propel an agenda for further research. Accordingly, the objective of this paper is therefore to offer brief critical reflection from the literature about the EU-ACP EPA and to propose an agenda for further research. The following section presents a discussion of the critical literature and ends with an agenda for further research. The last section draws conclusion.

## 2 A critical reflection from the literature

Some researchers believe that the EPA between the EU and the African Caribbean and Pacific (ACP) countries is fraught with confusion (Hall, 2007; Lindsay, 2013; Langan, 2014) and suspicion (Stevens, 2006) regarding seemingly obscured objective of EU and potential benefit to ACP countries. Hence as of the expected date of January 1 2008, African countries had not signed any EPAs (Ukpe, 2010); some critics eloquently bemoan that the EPAs is a disguised coercion by the EU to further a sustained economic hegemony over ACP resources (Storey, 2006) (Stevens, 2008). This argument is supported by the threat to withdraw economic preferences by the EU from non-complying ACP members; thus, some critics argue that if the agreement were mutual, it would be devoid of coercive undertone.

Consequently there has been criticisms that the EPAs cannot be regarded as a new form of agreement that may spur growth and/development for ACP countries; it is regarded as continuation of the status-quo agreements that existed between the EU and ACP of which growth and development had been elusive (Waeijen, 2011). Thus, Olufemi and Faber (2003) described it as business as usual. Also in their work, "European Union as an Actor in Africa" (Söderbaum and Hettne, 2011), the EU EPA with the ACP is seen as soft imperialism and a replication of neoliberal self-interest economic motive by the EU that seem to represent a "triumph of realism over idealism"

(Farrell, 2005, quoted in Söderbaum and Hettne, 2011, p.2). Furthermore, certain terms and conditionality in the EPA agreement such as rule of good government are enforced on the ACP countries and are fashioned as weapons of control in the face of potential violations. Hence Flint (2009, p.79) regards the EU EPA as a “*diktat rather than a true partnership agreement*” – because negotiations lack transparent symmetry and dialogue and seems somewhat imposed on ACP countries, this fear has materialised in an EPA impasse in some Caribbean states (see e.g. Lindsay, 2013). Hence, Farrel (2005) suggests that the EU EPA is implicitly shielded by international law conditions with propensity of enforcement in the event of non-compliance by the ACP countries. Farrel (2005) maintains that the rhetoric of poverty alleviation and good governance are mere disguise for material interest of the EU in ACP countries; this is couched in what is regarded as soft imperialism ideology – that Africa is attractive because of its resources and markets. This is why (Hurt, 2003) contends that the EPA is far from cooperation, but more of a hegemonic supremacy of neoliberalism; the EU’s commercial interest on the EPA is expound by (Correa, 2014). Some critics believe there were overt insignias of coercion to EPA; according to Schnattere (2008) the EU threatened countries that would not commit to EPA with sanctions. Such indicators of pressure agitated many anti-EPA activists in Africa and Caribbean to protest against the adoption of EPA – insisting that it will lead to economic destruction and further weakening of already fragile economies in Africa and Caribbean; a seemingly related quagmire is currently being experienced in the Caribbean (see. e.g. Lindsay, 2013)

The apparent coercive tendencies obscured in the EPA led to the Hurt (2003) essay, in which he questioned whether the EPA can really be seen as an agreement or coercion. Thus adopting a neo-Gramscian perspective, Hurt (2003) demonstrates how the new EU-ACP’s Economic Partnership Agreement can be seen as a further transferral of economic relationship between the EU and ACP from a supposed collaboration to a trend of coercion (see also, Williams, 2014) who also adopts the Gramscian perspective to elucidate the European Union’s policy as a pendulum that swings between “hegemony and dominance” (p. 1). Whilst Hurt (2003) lauds one of the noble objectives of EU-ACP-EPA – poverty alleviation and eradication, he laments that the coercive conditionality to the achievement of EPA on the ACP states is indeed inimical to the actualisation of poverty eradication and other goals (see Hurt, 2003, p.165; Thallinger, 2007; Haastrup, 2013). It is not therefore surprising that the EPA conditionality, which some ACP states view as uncooperative, may have contributed to the delayed signing and/or ratification of the agreement by some ACP member states. The states’ hesitancy is indicative of their not being overly enticed and subdued by the rhetoric of free trade

reciprocity clause of EPA, but are more engrossed with an astute consideration of what is good for the unique economic development of their state (see. e.g. Munyi, 2013).

Whilst researchers have wondered why this seeming coercion subsists alongside an agreement that is supposed to be based on mutual engagement, the Drieghe (2008) argument appears to partly proffer a plausible reason for the coercive air from the EU. Drieghe (2008) claim that the EU’s new clause on reciprocity and the making of the new EPA to a WTO compliant status was based on EU’s self-interest. He applied a constructivist approach in his analysis of the EU coercive approach to the EPA. On the one hand, Drieghe (2008) analyses that, indeed time was running out on the EU’s existing legitimacy of the previous Cotonou trade regime, and on the other hand, Drieghe argues and claims that, apart from the time constraint, the EU was rather propelled by its own rhetorical action to insist on a deadline for the ACP countries.

Accordingly, Drieghe (2008) contends that the previous Cotonou trade regime was flawed within the context of WTO principles, but the EU was able to obtain a concessional waiver that thus legitimised the previous non-reciprocal EU Cotonou trade regime with the ACP countries. However, the legitimacy obtained from WTO for the Cotonou trade regime was fast approaching – to expire in January 2008 Drieghe (2008, p. 3), thus continuation with the existing regime would have made it incompatible with the WTO rules, and hence with possible sanctions for violation Drieghe (2008). Hence the EU’s resolve and apparent coercion on the ACP members to sign the agreement before 2008. This is seen as an apparent display of seeming self-aggrandisement tendencies implicit in the EU’s insistence on timeline. Although Drieghe (2008) did not doubt the WTO alignment as a plausible reason for the EU’s persistence and apparent coercion on the ACP countries, but Drieghe (2008) also adopts the constructivist approach to critique the EU’s World Trade compatibility reasons for dictating the pace of EPA. Drieghe opines that the EU’s insistence on the timeline of the EU-ACP-EPA may also have been prodded and sustained by the EU’s previous rhetoric on the EPA timeline. Thus Drieghe (2008), adopts a constructivist approach, and argues eloquently that, in order to preserve its credibility, the EU had to maintain their rhetorical emphasis on the deadline for commencement of the EPA even at the expense of degrading the long-established dignity of the EU as a pro-developmental union. Hence, to remain credible to its proclamations, the EU had to risk the denting of its image by upholding the norm and thus entrapped itself through an incessant rhetoric of deadline, the no-alternative to EPA and the threat to employ the Generalised System of preferences on the ACP countries (Drieghe, 2008; Schimmelfennig, 2001).

Accordingly some scholars have argued that the EU’s downplay of its developmental rhetoric

(Salvador, 2014), and its apparent coercion ultimately endowed the seemingly weak ACP countries to employ norm to enter the negotiation arena on the EU EPA conditions (Munyi, 2013). Thus in his research, Munyi (2013) averred that whilst the EU was able to convince some ACP countries into early acceptance of the EU's EPA conditions, some ACP countries relied on the established norm of the EU as an ACP's benign partner, to cajole and trap the EU along an unpredicted years of EPA negotiations – seeking for *partnership identity* (Munyi, 2013, p. 6) with the EU. Thus according to Munyi (2013), the power of realism boosted the dexterity of a seemingly presumed economically weak ACP counterpart to withstand a materially strong EU partner in EPA negotiation. Munyi (2013) refutes the submission of popular asymmetrical interdependent theory as determinant of state behaviour in international trade negotiations, but expressively submits that instead, it is norm and realism – and not necessarily economic dependency, that catalyse state behaviour (such as the ACP) in the EPA trade negotiations. Munyi (2013) demonstrated that despite the coercion and pressure from the EU, the disposition of ACP on EPA was more conditioned on the value of the EPA to their individual states rather than on economic dependency of the ACP states (see also, Lamprecht, 2014).

Whilst criticisms of EU-ACP EPA subsists, there are acknowledgements that the EU-EPA offer some benefits (e.g. subsidies and duty free trades) (see Clegg, 2015; Hinkle & Newfarmer, 2005) and therefore not as gloomy as may be portrayed in the literature. However impediments to the actualisation of the benefits of EPA appear to reside within the ACP countries; accordingly, Borrmann & Busse (2007) opine that institutional problems such as corruption pose a hindrance for ACP countries to realise the benefits of EPA. Consequently, given ubiquitous censure on the EU-ACP EPA and the benefits that seem to be downplayed, the paper raises questions for further research namely, can it be conclusive that the ACP countries have not benefited from EU-ACP agreements thus far and how has corruption in some ACP countries hindered the realisation of intended benefits from EU-ACP agreements? This suggested research agenda is timely since some of the criticisms were expressed before some ACP member states signed the EPA, but given the passage of time after some ACP member states have signed, this proposed research may draw practical insight from the countries currently operating within the EPA to answer the suggested research questions. Such empirical based research findings may refute or substantiate some of the criticisms.

### 3 Conclusion

This paper has highlighted only a few, amongst a myriad of ubiquitous criticisms on the EU-ACP EPA. Criticisms appear pervasive and seem to becloud

previous, existing and impending potential benefits to ACP member states. Critics are concerned that EU-ACP EPA seem coercive coupled with the fear that previous agreements did not meet developmental expectations and hence the scepticism whether current agreement will address the ACP developmental objectives. This scepticism contributed to delay the signing of agreements by ACP member states. However, some literature acknowledge that EU-ACP EPA has certain benefits to EPA, but highlights that institutional problems such as corruption in some ACP countries is a hindrance to the realisation of benefits from EPA. Accordingly, based on the positive literature about the EPA benefit, the paper suggests an agenda for further research. The suggested agenda for research is evident in two questions as follows: can it be conclusive that the ACP countries have not benefited from EU-ACP agreements thus far and how has corruption in the ACP countries hindered the realisation of intended benefits from EU-ACP agreements?

### References

1. Borrmann, A., & Busse, M. (2007). The institutional challenge of the ACP/EU Economic Partnership agreements. *Development Policy Review*, 25(4), 403-416.
2. Correa, C. (2014) The impact of the economic partnership agreements on WTO law. In *EU Bilateral Trade Agreements and Intellectual Property: For Better or Worse?* (pp. 87-108). Springer: Berlin Heidelberg.
3. Clegg, P. (2015). The Commonwealth Caribbean and Europe: The end of the affair?. *The Round Table*, 104(4), 429-440.
4. Drieghe, L. (2008) The European Union's Trade Negotiations with the ACP: Entrapped by its Own Rhetorical Strategy?. *Romanian Journal of European Affairs*, 8(4).
5. European Commission (2013) How economic partnership agreements benefit both consumers and producers in Europe and developing countries, available at: [http://trade.ec.europa.eu/doclib/docs/2013/april/tradoc\\_151010.pdf](http://trade.ec.europa.eu/doclib/docs/2013/april/tradoc_151010.pdf) [accessed 7 Oct. 2015]
6. Flint, A. (2009) The End of a 'Special Relationship'? The New EU-ACP Economic Partnership Agreements. *Review of African Political Economy*, 36(119), 79-92.
7. Farrell, M (2005) 'A Triumph of Realism over Idealism? Cooperation Between the European Union and Africa' *Journal of European Integration*, 27(3), 263-284.
8. Hall, R (2007) *Undercutting Africa*, London: Friends of the Earth.
9. Hastrup, T. (2013) EU as Mentor? Promoting regionalism as external relations practice in EU-Africa Relations. *Journal of European Integration*, 35(7), 785-800.
10. Hurt, S. (2003) 'Co-operation and Coercion? The Cotonou Agreement between the European Union and ACP States and the End of the Lome' Convention' *Third World Quarterly*, 24(1) pp. 161-176.

11. Hinkle, L. E., & Newfarmer, R. S. (2005). Risks and rewards of regional trading arrangements in Africa: Economic partnership agreements (EPAs) between the EU and SSA. World Bank, Washington, DC.
12. Lindsay, C. (2013) The EU-CARIFORUM EPA: Regulatory and Policy Changes and Lessons for Other ACP Countries. *Caribbean Journal of International Relations and Diplomacy*, 1(3).
13. Langan, M. (2014) Decent work and indecent trade agendas: the European Union and ACP countries. *Contemporary Politics*, 20(1), 23-35.
14. Lamprecht, J. P. A. (2014) Bargaining power in multilateral trade negotiations: Canada and Japan in the Uruguay Round and Doha Development Agenda (Doctoral dissertation, London School of Economics), available at: [http://etheses.lse.ac.uk/903/1/Lamprecht\\_Bargaining\\_power\\_multilateral\\_trade\\_negotiations.pdf](http://etheses.lse.ac.uk/903/1/Lamprecht_Bargaining_power_multilateral_trade_negotiations.pdf) (accessed September 12 2014)
15. Munyi, E. N. (2013) Getting to Yes: Belief Convergence and Asymmetrical Normative Entrapment in EU-ACPEPA Negotiations. Aalborg: SPIRIT. (SPIRIT PhD Series; No. 43). Available at: [http://vbn.aau.dk/files/198956147/spirit\\_phd\\_series\\_4\\_3.pdf](http://vbn.aau.dk/files/198956147/spirit_phd_series_4_3.pdf) (accessed September 12 2014).
16. Olufemi, B and Faber, G (2003) From Lomé to Cotonou: Business as Usual? the Eight Biennial Conference of the European Union Studies Association. Nashville, Tennessee: the European Union Studies Association, 2003. 2-36.
17. Söderbaum, F., & Hettne, B. (2011) The European Union as an actor in Africa, available at: [http://www.gu.se/digitalAssets/1333/1333595\\_soderbaum-och-hettne.pdf](http://www.gu.se/digitalAssets/1333/1333595_soderbaum-och-hettne.pdf) (accessed August 16 2013).
18. Stevens, C. (2006) The EU, Africa and Economic Partnership Agreements: unintended consequences of policy leverage. *The Journal of Modern African Studies*, 44(03), 441-458.
19. Storey, A. (2006) Normative power Europe? Economic partnership agreements and Africa. *Journal of Contemporary African Studies*, 24(3), 331-346.
20. Stevens, C. (2008) Economic Partnership Agreements: What Can We Learn?. *New Political Economy*, 13(2), 211-223.
21. Schnatterer, T (2008) mass protests against economic partnership agreement with EU, available at: <http://www.socialistworld.net/doc/3007> (accessed August 16 2013).
22. Thallinger, G. (2007). From Apology to Utopia: EU-ECP Economic Partnership Agreements Oscillating between WTO Conformity and Sustainability. *European Foreign Affairs Review*, 12(4), 499-516.
23. Schimmelfennig, Frank, (2001) the Community Trap: Liberal Norms, Rhetorical Action, and the Eastern Enlargement of the European Union', *International Organization*, vol. 55 (1), 47-80
24. Salvador, A. M. (2014) the drastic change of the EU relationship with ACP countries in the context of international economic relations. *Journal of International Trade Law and Policy*, 13(1), 67-79.
25. Ukpe, A. I. (2010) Will EPAs Foster the Integration of Africa Into World Trade?. *Journal of African Law*, 54(02), 212-231.
26. Waeijen, W (2011) Continuing EU ACP relations in a changing context, research seminar 111, History and International Relations - Utrecht University, available at: <http://igitur-archive.library.uu.nl/student-theses/2011-0909-200801/Thesis%20Wennie%20Waeijen,%203337537.pdf> (accessed August 16 2013).
27. Williams, Y. (2014) Shifting Between Hegemony and Dominance? A Neo-Gramscian Analysis of the EU as a Structural Foreign Policy Actor: The Singular Case of the Cariforum-EU Economic Partnership Agreement: Bruges Regional Integration & Global Governance Papers. Available at: [http://aei.pitt.edu/52752/1/BRIGG\\_1\\_2014\\_Williams.pdf](http://aei.pitt.edu/52752/1/BRIGG_1_2014_Williams.pdf) (accessed 12 October 2014).