MASTER THESIS:

The Role of the European Union: The Case of the Raw Materials Diplomacy

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Abstract

This research is aimed at analyzing the role of the European Union in the international relations in respect of critical raw materials. This role may be envisioned either as the one of an institution or as the one of a global actor. Two theoretical approaches, the liberal intergovernmentalism and the structure-agency, were considered to address the question. These theories have been integrated into a broader framework of analysis that focuses on the factors that shape economic diplomacy and the role of the European Union. These two distinct approaches were compared, and their respective explanatory powers was analyzed by using a congruence analysis. The European raw materials diplomacy, which was developed through the raw materials initiative in 2008, was taken as a case study. The outcome of this research shows that the European Union holds the role of a global actor. The analyses performed also indicate that the structure-agency theoretical approach is best suited to assess this role in the sector of raw materials. Whereas the outcome of this research cannot be generally extended to all sectors of trade, the model designed for this specific study may, however, be reproduced to address different areas of trade.

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List of abbreviations

BDI: Bundesverband der Deutschen Industrie
CBO: Congressional Budget office
CCP: Common Commercial Policy
CETA: Comprehensive Economic and Trade Agreement
COP: Conference of the Parties
CRMs: Critical Raw Materials
EC: European Commission
EU: European Union
GATT: General Agreement on Tariffs and Trade
GDP: Gross Domestic Product
G7: Group of Seven
G8: Group of Eight
G20: Group of Twenty
HREEs: Heavy Rare Earth Elements
IEA: International Energy Agency
IR: International Relations
LREEs: Light Rare Earth Elements
MEP: Member of the European Parliament
NGO: Non-governmental Organization
NRC: National Research Council
OECD: Organization for Economic Co-operation and Development
PRC: People's Republic of China
REE: Rare Earth Elements
RMD: Raw Materials Diplomacy
RMI: Raw Materials Initiative
UNCTAD: United Nations Conference on Trade and Development
UNEP: United Nations Environment Program
UNFCCC: United Nations Framework Convention on Climate Change
US: United-States
WTO: World Trade Organization

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1 Introduction

1.1 Critical Raw Materials

Raw materials can be defined as “materials or substances used in the primary production or manufacturing of goods” (Investopedia, 2006). Essential to the industry either under direct or transformed forms, these can become extremely problematic for a country’s well-being when their supply is at risk and when few substitutes can replace them. Therefore, for some of these, the adjectives “critical” or sometimes “strategic” are added to the terminology (Prometia, 2014). The term “critical raw material” (CRM) defines the raw goods that constitute for some reasons and on either side of the supply and demand, a risk for the companies and the states whose economies rely on them. They have been the focus of multiple governments’ and think tanks reports (Aguar, 2011; Humphries, 2013; Gholz, 2014; European Commission, 2008; 2011), scholarly articles (Bierdermann, 2016; Helbig et al., 2016; Massari & Ruberti, 2013), or even more recently, the focus of the media and the society in general (DDC, 2015). In all these reports and articles, the definition of these critical raw materials (CRMs) is often the same and focus on both the supply and the demand sides of the issue.

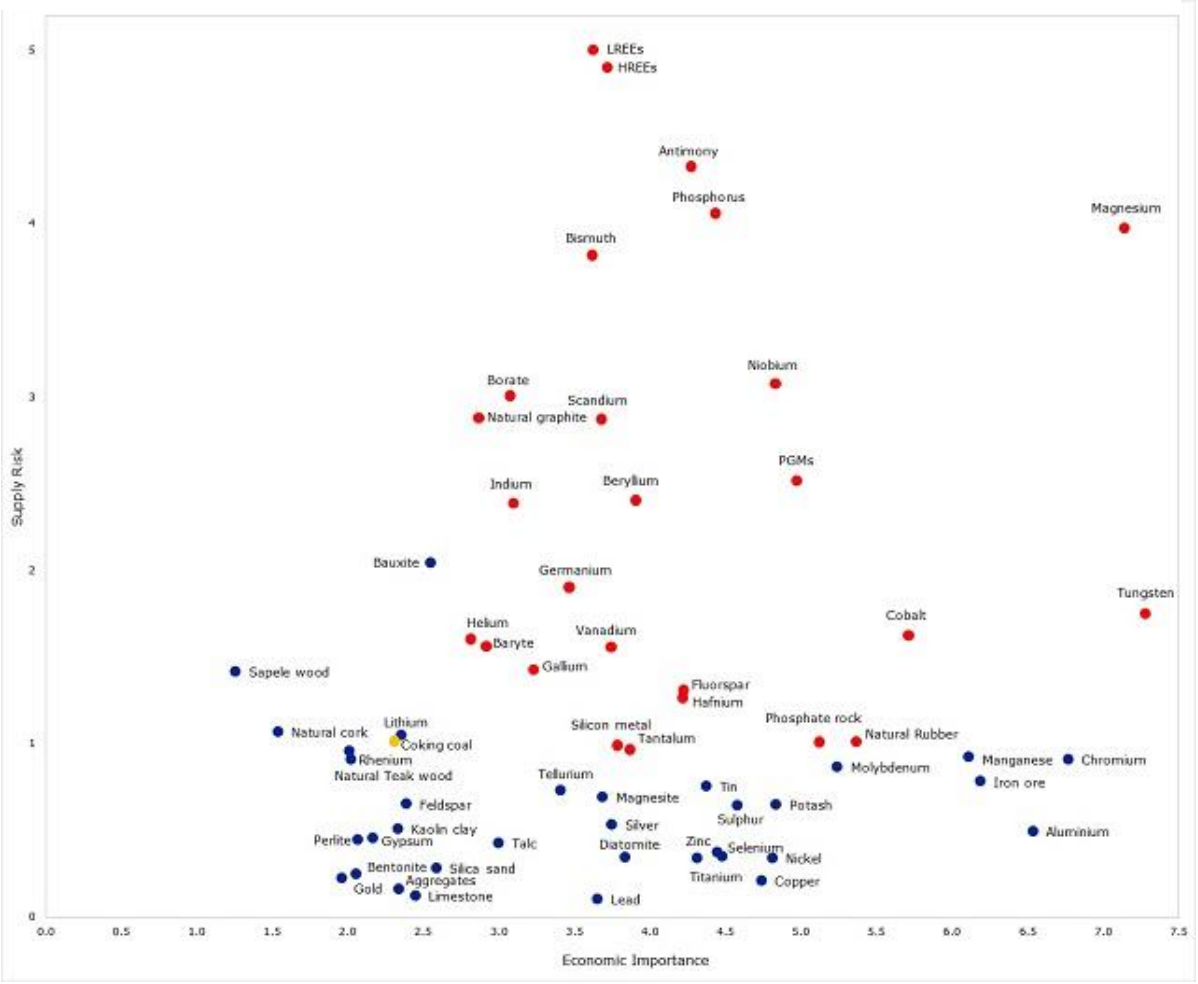
On the supply side, raw materials are called strategic/critical when the supply is uncertain for the industrial sector. These uncertainties can come from a situation of monopolistic control by certain countries, such as the case of China and rare earths elements (Biedermann, 2014). This is situation of quasi monopolistic control of China over the production and early stages of transformation of rare earths elements is perceived by the EU and other trade partners, namely the US and Japan, as a major strategic concern for their respective economies (Aguar, 2011). Uncertainty can also come from the political instability that can be seen in some resources-rich emerging countries, as an example, the case of cobalt and the Democratic Republic of Congo (Marysse & André, 2001).

Risks coming from the demand side of the raw materials market can also lead to the definition of raw goods as being strategic or critical. These risks arise when a given economy is in a situation of high dependence toward certain raw materials. This dependence can come from the low availability of substitutes, due to its robustness and extremely good conductivity, neodymium is almost irreplaceable in the production of permanent magnets for offshore wind turbines (Alonso et al., 2012). In some cases,

the criticality of such materials come from low technologic advances which don't allow the industry to be resources-efficient or to recycle high rates of the needed materials (European Commission, 2008). And according to different scholars, the demand for raw materials will continue to grow in the decades to come as they are more and more used in a large number of strategic sectors. As examples, the green technologies could be cited. The rare earths elements, mostly extracted and transformed in China (Ebner, 2014) are essential to the energetic transition encouraged by the Paris COP21 agreement. They are of crucial importance for the production offshore wind turbines' permanent magnets (Lacal-Arántegui, 2015; Kim et al., 2015), electric car batteries (Elwert, 2017; Bailey, 2017) and photovoltaic panels (Moss, 2013). The demand of rare earth will rise rapidly and become an increasingly important issue for EU's economic power and leading role in the fight against climate change.

Recognizing the criticality of this issue, the European Commission developed in 2008 the so-called raw materials initiative whose primary objective was to analyze these risks at both supply and demand perspective and dress a list of the critical materials for the European Union's economy (European Commission, 2008). This policy initiative will be scrutinized during this master thesis' research and will provide the general context of analysis. The following figure (see Figure 1) illustrates the classification of raw materials on a graph according to the risks associated to their supply and their economic importance at the European level. The graphic clearly shows that the light and heavy rare earths elements (LREEs & HREEs), increasingly used in the many highly strategic sectors mentioned previously (green technologies, communication technologies, defense industry), are ranked at the top of the supply risk scale. The riskiness or criticality of raw materials is evaluated through a combination of two assessment components. First the risks associated to the supply are determined through a detailed analysis of the governance condition in country of origin. Second, the risks associated to economic importance are calculated on the basis of the total added value of the European industrial "mega" sectors that use certain materials (European Commission, 2017). The combination of these different elements allows the European Commission to establish such figure (Figure 1).

Figure 1 Criticality of raw materials according to supply risk and economic importance (European Commission, 2018)



1.2 The European Raw Materials Diplomacy

These strategic concerns were translated into a new sector of foreign policy for the European Union, the so-called ‘Raw Materials Diplomacy’. This term was for the first time mentioned within the broader framework instituted by the ‘Raw Materials Initiative’. At the origin of this new sector of European Foreign Policy, two major preliminary findings can be found. First, the EU is very poor in terms of raw materials and depends therefore heavily on third countries to ensure a constant supply of many different raw materials (Energetics, minerals, etc.) (EC, 2008). Accompanied with the relatively high increases in price of some of these materials from 2006 to 2016 (IndexMundi, 2017a), this situation of dependency erupted in the European political agenda at the end of the 2000s as illustrated by the European Commission 2008’s communication. Second, in addition to this fragility, the EU’s economy relies massively on the supply of raw materials. In 2008, 30 million jobs were sustained by this industry

which accounted for nearly 1350 billion euros (EC, 2008). According to Bierdermann (2016), these two factors, through the combined voices of the industry and the society at large, put the pressure on the EU to develop a common framework that would secure the supply of raw materials at undistorted prices. To Bierdermann, the European raw materials initiative has to been seen as a private demand, the civil society and interest groups for European actions (Bierdermann, 2016).

The Raw Materials initiative is a policy framework that consists of three pillars.

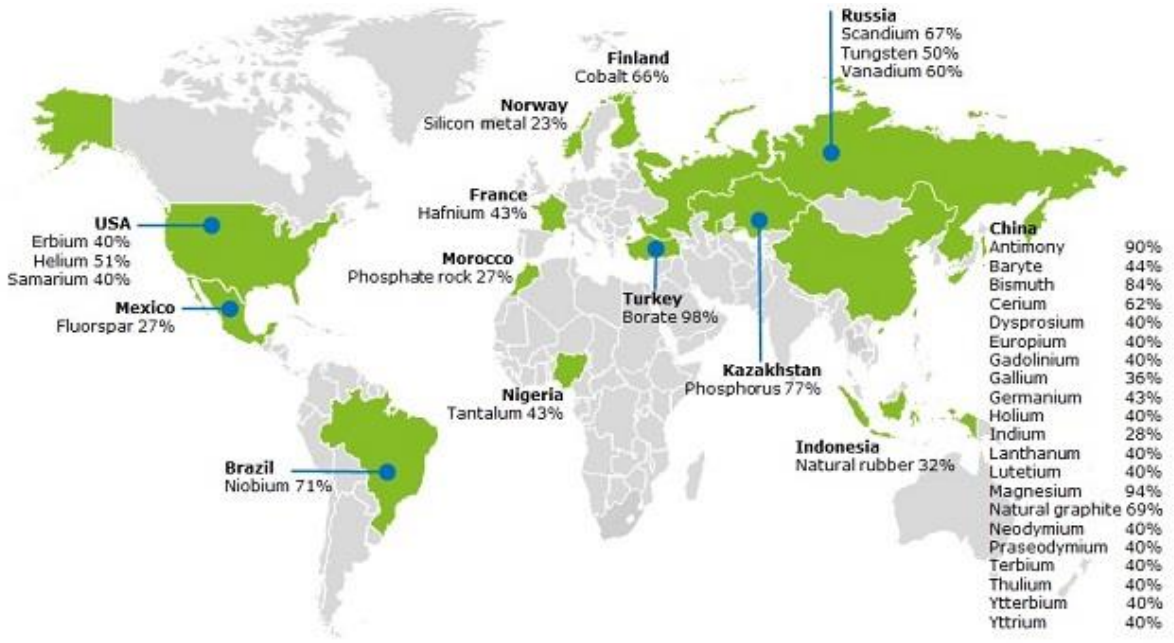
The first pillar concerns the raw material diplomacy (RMD). The European Commission must secure the provision to the industry of the materials whose supply can be associated with risks either because of their economic importance or their scarcity. These resources are called critical/strategic raw materials. To this end, the EU must develop strong and mutually enriching trade relations with third countries, resources-rich emerging countries. Moreover, this foreign policy should include attentions to the development and dialogue with other nations in similar situations (Japan and the US) (Biedermann, 2016). In other words, the raw materials diplomacy includes all the external actions necessary to ensure the access to raw materials in third countries.

To pursue this raw materials diplomacy, the European Commission must use the relevant policy instruments (trade, development) and develop an integrated strategy that must be coherent with European external policy goals.

The second pillar is rather domestically oriented. The European Commission (EC) must foster cooperation among member-states and seize the opportunities to increase supply from domestic sources in the European Union. Finally, the initiative mentions the responsibility of the European Commission to decrease the dependency to such materials by improving the recycling technologies and by reducing the needs of the industry, resources efficient goods and substitutes (European Commission, 2008).

Following the 2008's initiative, the framework was developed at three occasions and three lists of CRMs were set in other European Commission's communications (European Commission, 2011; 2014; 2017). Additionally, the method for the criticality assessment has been reviewed multiple times which increased the number of materials falling in the CRMs lists. The following figure (see Figure 2) shows the different trade partners in the sector of the critical raw materials and displays the percentages of import dependency of EU towards these countries.

Figure 2 Countries accounting for the largest share of EU supply of CRMs (European Commission, 2018)



1.3 International Trade, Economic Diplomacy and the European Union

However, if the EU only recently started to focus on the raw materials, its relations with trade, at the core of the raw materials diplomacy, has a certain historical importance. “If there is any area in which the European Union (EU) has become an uncontested power in the international system, it is clearly in the field of trade policy. No wonder: trade is the EU’s raison d’être.” (Meunier & Nicolaïdis, 2011: 276). Indeed, with its 508 million citizens, United-Kingdom included (EUROPA, 2018), the most integrated international market in the world (Rodrigue, 2017) and one of the biggest GDP in the world, alongside the Chinese and US giants, EU is undoubtedly an economic colossus whose trading power must be taken in account. But trade, more than being EU’s most powerful asset, has also been crucial in the construction of the Union as it is. From the 1957 Treaty of Rome, creating an internal market without barriers and instituting a common external tariff (Meunier & Nicolaïdis, 2011: 276), to the Lisbon Treaty which settled once for all trade policy in the exclusive competencies of the European Community, which a larger parliamentary control and the use of qualified majority voting in the decision making (Meunier & Nicolaïdis, 2011: 281), trade has been present in every steps of the European integration.

The entrenchment of trade in the exclusive competencies of the European Union after the Lisbon Treaty in 2008, gave, at least formally, the ability to the Union to speak with one voice when dealing with other countries in bilateral, regional and multilateral trade negotiations. Through the European Commission and its trade department, managed since 2014 by the Swedish commissioner Cecilia Malmström, the member states of the European Union have a common spokesperson representing the interests of all. However, if the EU has been able to build a considerable power asset that is its control over trade, some sectors, such as the supply of raw materials, still lacks a clear definition of EU's prerogatives. As raw materials can be used in highly strategic sectors such as the defense manufacturing sector industry, many countries, including some member-states of the European Union, placed a high emphasis on the issue in their political agenda (Jane's Defence industry, 2012; Birraux & Kert, 2011). For these reasons, one could wonder what the role of EU regarding the raw materials supply is and how are decision made in this quite complex sector of the strategic raw materials.

1.4 Problem Statement

Compared to its trade and overall economic power, EU seems to lose its strengths when it comes to raw materials as the Union is particularly poor in terms of domestic resources and therefore highly dependent to external actors. As the demand for raw materials, especially the ones used in the renewable energy sector and the defense industry, will continue to grow in the future decades (Hatch, 2011), an active common foreign policy response is more than crucial. To achieve that, the needed policy framework has been instituted with the raw materials initiative but the informal game of influences, the leadership, the concrete decision-making processes and the links between the different intra-Eu actors' interests are still unclear and partially understudied by the academic work (McLellan et al., 2014). As demonstrated in the literature review which will follow this chapter, the issue of the criticality of certain materials still miss a concrete and theory-based framework of analysis to address the case of EU's roles and prerogative in this matter. The problem that this thesis will attempt to solve is therefore rather the one of a lack of academic attention than the one of the delicate geostrategic situation in which EU is embedded.

1.5 Research Aim and Research Question

The research aim of the thesis is to shed the light on the role of the European Union in the sector of raw materials and to unveil the factors that shape this role. To achieve

this endeavor, the congruence analysis has been chosen as the design for the research. The suitability of different theoretical approaches will be first identified. Following this, a set of theory-based hypotheses on the role of EU and factors that shape it in the sector of raw materials trade will be developed. Then, facts will be retrieved from a tight range of sources that will come from public communications, reports or secondhand analyses.

Following this assessment, a valid model to address the issue will be created on the basis of data analysis.

Finally, the results of this congruence analysis will be discussed, and a reflection on the research will be performed.

In these concerns, the research question could be enounced as following:

Which theory better explains the role of the European Union in the raw materials diplomacy?

To answer this main research question, few sub-questions must be answered to address the research on all aspects and also to provide a guiding line of this research:

What has been done in the literature regarding raw materials?

Which factors shape the role of the European Union in the raw materials diplomacy?

What is the role of the European Union in raw materials international relations?

1.6 Theoretical and Societal relevancies

As seen with the problem statement section, this master thesis could be relevant at both scientific and societal levels.

On the societal side, it seems obvious that the monopoly of some countries and the critical dependency of Europe toward such materials form a considerable threat on EU economy. As it will be seen in the subsequent sections of the present thesis, access to raw materials is crucial for the well-being of the European economy. A broad analysis of the current situation would provide a deep but accessible firsthand analysis to anyone that might feel the need to get to know an issue that appears from time to time in the news and which will determine the success of the European energetic transition. Moreover, this case study is particularly interesting in terms of geopolitics.

For those who are uncertain about EU's ability to act as a single entity in such a strategic sector, this research could help to realize what EU's potential as an international relations actor is and what are the different foreign policy tools it can use.

On the academic side, this research finds its place in a corpus of literature that still lacks attention from scholars. The creation of a framework of analysis showing the path for further studies finds naturally its relevance in this context of academic's attention shortage. A look at the existing literature on this subject quickly makes realize that the raw materials have received yet neither the academic nor the public attention it deserves when considering the criticality of its supply (McLellan et al., 2014). The development of a theoretically-based framework of analysis could therefore be a very useful contribution to the existing corpus of literature.

1.7 Structure of the research paper

The chapter that will follow this introduction will provide a deep review of the corpus of academic literature that focused in a way or another on raw materials, rare earths, EU's trade power and its global role. This literature review will be ended by the finding of a knowledge gap that the thesis will subsequently try to fill. In the following chapters, the research design and the different theories will be developed in a way that will allow to make hypotheses. This will close the first part of this master thesis.

In a second part, the context of the research will be further explored. The empirical study will then follow and will mainly consist of interviews, reports' analysis and secondhand data analysis. These data will then be analyzed and confronted to the theory-based hypotheses. This analysis will lead to the conclusion of the research that will summarize the reflexive process, the findings and will give suggestions for further researches.

2 Literature Review: Critical Materials in perspective

The first step of any academic research is to find a question to answer. This endeavor can be a difficult task, knowing that there are no scientific rules to select it correctly (King & al., 1996). To King and his co-authors, a good topic and the related research question shall answer to two basic criterions. First, it has to be socially relevant by providing explanations on given societal issues. Second, it shall prove its scientific relevance by contributing to an existing body of scholarly literature (King & al., 1996:

15). Answering these two concerns is the main goal that a good research question and topic need to fulfill.

To address the second criteria, a meticulous literature review turns out to be a good starting point. By doing so, the searcher acquires the knowledge that has been produced on the topic and avoids duplicating inquiries that have already been done (King & al., 1996).

The following review will go through the critical materials literature. From the first conceptual definitions of material criticality to the recent evolution of the debate, the first part of this chapter will focus on defining material criticality and identifying contemporary issues related to such materials. The second section of this chapter will analyze the European response to these contemporary issues. And finally, this review will focus on the contributions that attempted to explain this European response through the use of theoretical frameworks and others analytical models.

At the end of this meticulous review, a knowledge gap should be identified and subsequently fulfilled by the research proposal that follows this chapter.

2.1 Conceptual evolution of materials criticality

2.1.1 1939 towards a first definition

The first mention of the terms ‘critical’ or ‘strategic materials’ can be found in a 1939’s American legislative document. At that time, the Strategic and Critical Materials Stock Piling act was established by the United-States congress (50 USC § 98, 1939). For the first time, the concepts of strategic and critical materials were used and were associated to certain categories of materials, the ones whose US natural resources were “deficient or insufficiently developed to supply the industrial, military, and naval needs of the country for common defense” (50 USC § 98, 1939: 1). This act gave birth to a new policy field for the US department of defense by authorizing expenses to create stock piles of materials and avoid hazardous situations of dependence in times of war or extreme situations of emergency. The scope of this policy was the national security and these materials were used in the defense industry. The act did not go further in the definition and gave to the US’ army the discretion to identify the so-called critical or strategic materials.

2.1.2 1974 and the start of critical materials studies

In 1974, the literature on critical raw materials started with the publication of an US governmental communication on the critical imported commodities (The White House, 1974). The presidential memorandum referred to commodities that were imported in the United-States, it was not yet focused on raw materials as such but closely related as the policies to tackle such issues were similar (Jin et al., 2016). This governmental memo aimed at the setting of a policy framework to identify the commodities that were "essential to the normal operation of the economy and to national defense preparedness and which are also vulnerable to artificial or natural shortages "(The White House, 1974: 1). For the first time, a document focused on the importance of the demand for materials at a national level and associated it with potential risks related to the supply. This memorandum introduced a two-steps analysis that was supposed to be applied on a predetermined list of imported commodities. A first step was dedicated to the evaluation of the economic and defense prominences of different commodities. In addition, the key producers and their relations to the US were also analyzed. A second step consisted in the development of policy alternatives to counteract the potential threats posed by both the economic importance and the risks at the level of the supply (The White House, 1974). Far from constituting an in-depth systematic methodology of assessment, it nevertheless constituted the beginning of a field of research on critical and strategic materials and a first attempt in the literature to a methodology to assess the criticality of materials. These materials whose physical properties had been already widely covered by natural sciences thus came under the focus of political and economic studies.

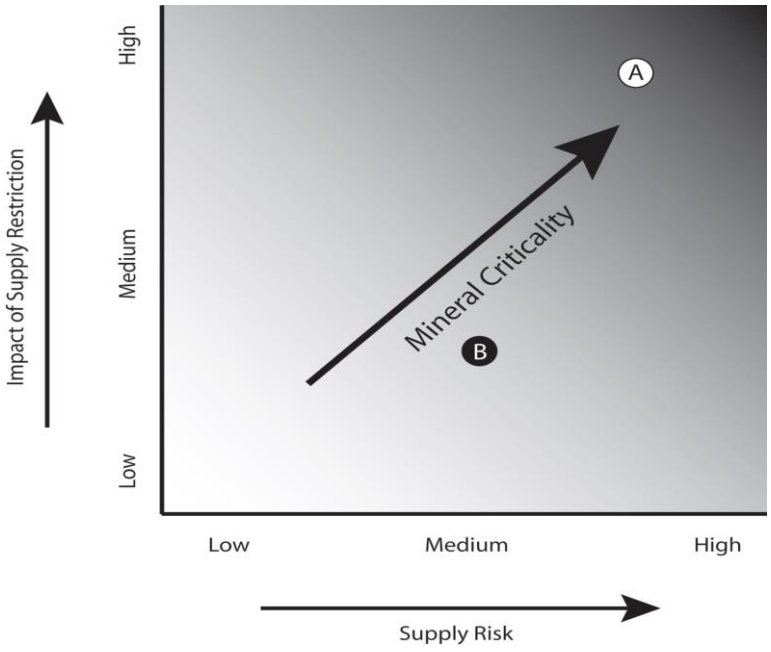
2.1.3 1980s from defense to economics

In 1983, a study of the Congressional Budget Office (CBO) further completed the brief 1974's memorandum by listing materials and by providing an in-depth analysis of nonfuel materials imported to the United-States of America. This study took a step aside from the military interests and rather analyzed the more general economic consequences that would be triggered by a disruption of the supply of imported minerals. It substantially contributed to the development of the critical material field of research as it developed a much larger scope analysis and introduced a distinction between supply factors and demand factors of risks. At the supply level, the research included an assessment of the economic risks related to supply disruption (due to

natural or human causes) and prices manipulations. At the demand level, the research assessed the risks associated to the economic importance of these materials and addressed the question of the substitutability of the imported minerals in the industrial processes (CBO, 1983). Following these risks analyzes, the study investigated in detail the situation of 8 of the 64 critical imported minerals and suggested policies to mitigate the risks at both demand and supply levels. Although it lacked the quantitative and more systematic frameworks that will be developed in the following decades, it provided the American presidential administration with a coherent methodology for assessing the criticality of critical materials. Moreover, this study illustrated the shift in public authorities' minds as the concerns were not anymore solely focused on national security but extended to the well-being of the country's economy (National Research Council, 2008). This signed the entrance of critical materials in the realm of economic diplomacy.

2.1.4 2008 assessing materials criticality: the matrix

Figure 3 The mineral criticality matrix (National Research Council, 2008)



The 1983's methodology was further enriched in 2008 by the National Research Council (NRC). The NRC concerned about the United-States economic well-being established a 'criticality matrix' with "*the importance of minerals in use*" plotted as the vertical axis and the "*availability and the reliability of the mineral supply (supply risk)*" as the horizontal axis (NRC, 2008: 20-21). The vertical axis thus reports the extent to which these materials are used in the US industry and whether these materials have existing substitutes. The horizontal axis reports the factors affecting the long-term supply (availability) and short-term supply (reliability) caused by either human or natural sources. The study results in a matrix (figure 3) allowing the classification of minerals according to their criticality. In this example the

mineral A, as it scores higher on both scales, is more critical than the mineral B (Lloyd et al., 2012: 192). In line with the NRC analytical tool, a growing number of scholars and government or professional analysts used similar metric systems for their analytical framework (Lloyd et al., 2012). However, no consensus was ever found regarding the exact definition of the concept of criticality. Moreover, significant differences may be observed in the assessment methodologies, using either metrics and quantitative methods or qualitative evaluation (Jin et al., 2016; Lloyd et al., 2012).

2.2 The political dimension of critical raw materials

The definition of criticality is still under debate and a growing number of scholars attempted to provide their own definitions and analytical methods. However, aside from these theoretical deliberations, the subject has now taken a new dimension as it received a greater political attention. Indeed, the critical raw materials became the subject of studies in different fields such as international relations, international political economy, environmental studies, etc.

2.2.1 Climate Change and the Energetic Transition

Regarding environmental studies, this outburst of interest is not surprising and is to be related to the global context. Indeed, the end of the 1990s has seen the emergence of deep concerns for climate change, illustrated by the adoption (1997) and entering into force (2005) of the Kyoto protocol (UNFCCC, n.d.). These concerns brought the critical raw materials to the front of the political stage. A growing number of studies put the emphasis on the energetic transition and the critical material requirements needed to develop clean energy technologies (Erdmann & Graedel, 2011). This change in thinking is reflected in the US department of Energy 2010's report on critical materials requirement in the development of clean energy technologies (Bauer et al., 2010). This report stresses the importance of some critical materials, especially the rare earths, in the production of clean energy technologies, expected to increase within the next 15 years, such as wind turbine technology, photovoltaic panels' thin films, electric vehicles' batteries or fluorescent lighting. At the European level, Lacal-Arántegui (2015) and also Junbeaum and col. (Junbeaum et al., 2015) analyzed the critical materials necessary for the production of offshore wind turbines and the expected needs of Europe to fulfill its sustainable development goals formulated in the Europe 2020 strategy (European Commission, 2010). A similar study was also undertaken by Moss (2013). Through the analysis of the European Union's Strategic Energy and

Technology Plan (SET-Plan), this author determined the criticality of 6 materials required for developing the 'low-carbon energy technologies. This criticality assessment also included a geopolitical dimension associated with these 6 materials (Moss, 2013). The critical materials and their supply became a key to fulfill the sustainable development goals. Thus, whereas criticality of material in the twenty-century was essentially examined for its economic impact and in the context of national defense, it now became linked to the climate change and energetic transition, challenges in which Europe is willing to play a leading role. In other words, due to climate change and the need to decarbonize world economy, the value of the mega sector renewable energy, which requires critical materials, is likely to increase. This will lead to even more economic importance of CRMs.

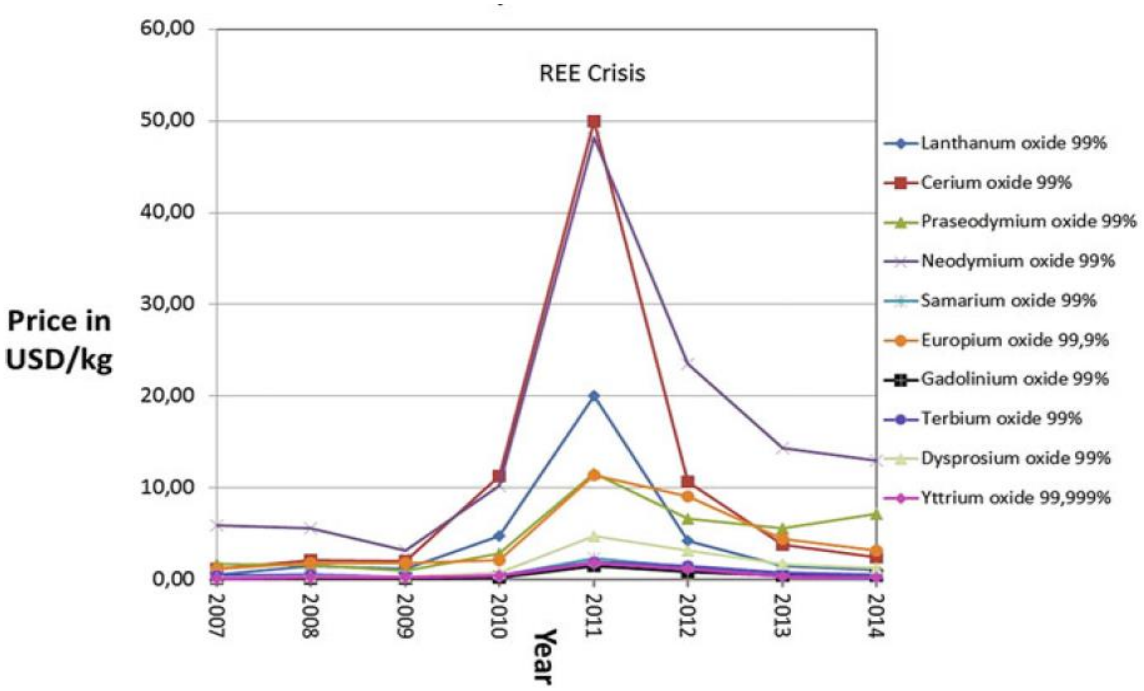
2.2.2 The geopolitical dimensions of critical materials

Along with these environmental considerations, the geopolitical tensions related to critical raw materials also became the focus of academic studies. The beginning of the 21st century was marked by the so-called the resource boom. Two factors characterized this years-long period. First, a "demand shock" was triggered by the growing use of rare materials in various technologies and the emergence of demanding economies such as China, which appropriated critical minerals for their own economic development (Radetzki et al., 2008). Second, this period witnessed the emergence of concentration areas of economically viable deposits in resources-rich countries (see figure 2) (Catinat & Anciaux, 2011). For some of these, China among others, the resources boom provided an opportunity to challenge the existing economic order (Biedermann, 2014 & 2016). For others, because of corruption issues, it increased the instability by fueling existing tensions over the control of such deposits between armed groups (Marysse & André, 2001).

The Rare Earth Crisis

As explained above, rare earths became critical in the context of the climate change. By owning the only economically viable source of rare earths' supply, in early 2000s, the people's Republic of China (PRC) turned into the most impactful player against global warming (Hurd et al., 2012; Massari & Ruberti, 2013). Accordingly, the EU-China economic relations shifted from partnership to economic rivalry as illustrated by the solar panel crisis in 2013 (Smith, 2014) and the rare earths crisis which started in early 2000 and reached a peak in 2011 (see figure 4) (Voncken, 2016).

Figure 4 Evolution of REEs' prices (Voncken, 2016)



In 2007, the Chinese Ministry of Commerce placed the rare earths in the strategic commodities and prohibited foreign direct investment in rare earths mining activities (Bauer et al., 2010: 66). In 2010, China introduced the first export restrictions for rare earths elements and triggered a wave of protest from western governments, represented by the United-States and the European Union. In March 2012, Japan, the United-States and the European Union filed a complaint to the World Trade Organization about China's restrictions on rare earth elements (REE) exportations (Voncken, 2016; Reuters, 2012). In response to this complaint, China argued that the exports restrictions were raised for environmental reasons, given the high pollutant load of REE extraction. The triple alliance further protested against a strategy that aimed at generating a power balance in favor of China, but also at attracting in China those industries that need the rare earths in their supply chains, such as the green energies sector, the high-tech, etc. (Reuters, 2012). This joint action illustrated that REE became crucial for the three major economies. Moreover, China which detains 30 % of world accessible reserves and has a monopoly on more than 90% of world outputs of REE was no more seen as a trade partner but instead as a threat to European economic and sustainable development (Ebner, 2014).

However, Maximilian Rech argues that the threat raised by China has to be put in perspective. The fact that economic but not politic actions were taken by the EU during the rare earths' crisis, namely the raw materials initiative, indicated that EU did not feel directly threaten by potential rare earth supply disruption. Among other things, these actions mainly consisted in the listing of CRMs and the definition of the criticality assessment methodology (Rech, 2016).

Nevertheless, China is consolidating its monopoly over the rare earth supply chain and in a near future, the EU will have to deal with the geopolitical objectives that the PRC intends to reach through its critical materials policies (Biedermann, 2014).

2.3 Critical materials and the European Union's response

Confronted with the challenges of global warming and China's hegemonic power over crucial critical materials, the European Union had to formulate a policy response. The latter came in 2008 under the form of the raw materials initiative. But before and meanwhile the development of this new European policy, some members states of the Union already developed their own critical materials policy framework.

2.3.1 National minerals policies

In their 2005's comparative study of the different minerals policies across Europe, Günter Tiess and his colleagues highlighted the fact that few countries had developed concrete policy frameworks. Among these states, the most common actions simply consisted of promoting a more efficient use of the resources and relying on innovation in recycling technologies (Tiess et al., 2005). With the exception of the raw materials initiative (RMI) which will be discussed in the next section, nationals' critical materials policies did not evolve significantly in the aftermath. Only Germany and France established strategic plans.

Germany is the biggest importer of raw materials and the most prolific industrial economy of Europe. Hence, any supply disruption of CRMs could have devastating consequences on its economy. This explains why Germany is currently the state with the most advanced critical materials agenda in Europe. With the help of the Bundesverband der Deutschen Industrie (BDI), the federal government developed its own raw materials strategy in 2010 (Rech, 2016). Although Germany supported the creation of the RMI, the German government pursued its own agenda as illustrated by Angela Merkel's journey to Mongolia in November 2011 (Biedermann, 2016).

The United-Kingdom followed a similar path and put the emphasis on resource security. However, the primary focus of its materials diplomacy concerned the military industry's needs. It also published its own critical materials lists following its own risk assessment (Biedermann, 2016).

As another example, the French government developed its own policy framework with the creation of the *Comité pour les métaux stratégiques* in 2011 (Biedermann, 2016). Éric Besson, representing the French government during an interview for the academic journal Geoéconomie, clearly stated that raw materials and in particular rare earths were at the core of this French initiative. The REE crisis paved the way for interesting mining perspective for France which has the largest maritime territory in Europe (Besson, 2011).

Other countries, such as the Netherlands, rely on an international approach and therefore, see the RMI as more suitable to tackle the inherently international issue that is the supply of critical raw materials. Indeed, after having briefly developed their own resources policy which also comprises biotic materials (palm oil, cocoa, coffee, etc.), they pulled over the RMI (Biedermann, 2016).

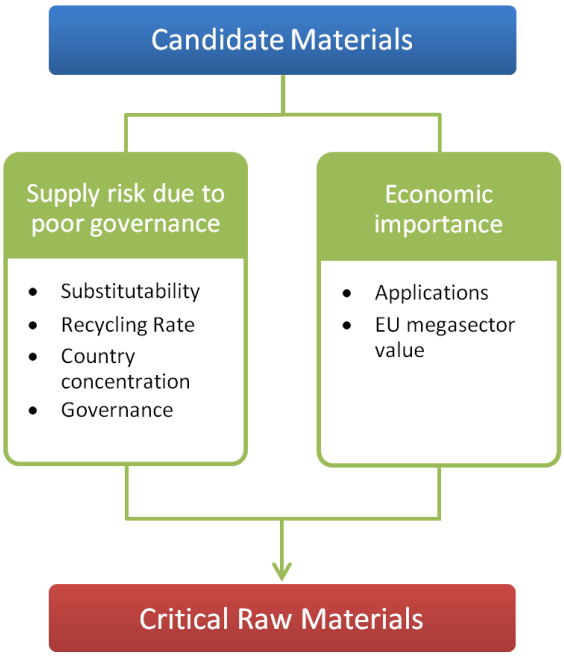
2.3.2 The European Raw Materials Initiative

The European Union policy's response to material criticality can be traced back to 2008 with the introduction of the raw materials initiative (RMI) (European Commission, 2008). Through this initiative, the European Commission, recognizes the weakness of Europe regarding minerals whose domestic production only counted for 3% of the global output (European Commission, 2008). It put forward a set of policies aiming at reducing the risk related to critical materials. This 2008's EC communication stressed the importance of raw materials, especially the metallic ones, in the European economy. For example, the import of such materials sustains several industrial sectors in Europe, combining a total value added of 1324 billion euros and employing 30 million European citizens (European Commission, 2008). The core objective of the raw materials initiative is to secure a reliable supply of raw materials at market and undistorted prices. To achieve this, the European Commission suggested a list of 10 actions with different levels of implementation (European Commission; Member-states; industry). These 10 actions formed together an integrated strategy to tackle the issue of critical materials dependency. The policy framework was divided into three

categories: first, the raw materials diplomacy, consisting of maintaining international strategic partnerships to secure the access to raw materials, second the domestic policies to foster the sustainable development of internal supply sources and third the reduction of consumption by promoting recycling and resources-efficient industrial processes through research and development (European Commission, 2008). In addition to the creation of a European criticality definition and assessment methodology, the RMI put the emphasis on the sectors of research that had to be investigated by scholars, private groups and governments agencies. Accordingly, the RMI triggered a certain enthusiasm for the critical materials among European scholars and gave birth to a new literature (Løvika et al., 2018).

The criticality assessment methodology was further developed in 2011, 2014 and 2017. The 2011's EC communication established a first list of 14 critical raw materials. These include the rare earths whose Europe is dependent for 100% of the supply and whose main supplier is China which counts for 90% of European importations (European Commission, 2011). The 2014's communication revisited the conclusions of a 2013 report, extended the list of critical materials up to twenty elements and finally unveiled a systematic methodology to assess the criticality of materials (European Commission, 2014). The following figure (figure 5) illustrates the process of criticality assessments. Following the NRC's 2008 critical assessment method, the European Commission used variables related to the supply risks and the economic importance of the materials to determine their criticality. The results of this method were also expressed under the form of a matrix (figure 1). The report of 2014 also comprised geographical analyses that were missing in the previous Commission's documents, as shown in figure 2.

Figure 5 European Commission critical assessment methodology (European Commission, 2014)



The raw materials initiative created a new field of European studies, with the particularity of mixing environmental, material criticality and geopolitical studies (Biedermann, 2016: 1). Among the different researches, some scholars focused on the geological situation of Europe (Goodenough et al., 2016; Cassard et al., 2011). Others analyzed the dependence of Europe in terms of materials and suggested policy responses in line with Europe's 2020 political agenda (Ebner, 2014; ETP SMR, 2013). A series of RMI's critical reviews were also published with, for example, the extensive report co-realized by Oakdene Hollins and Fraunhofer ISI, following a request of the DG Enterprise and Industry (Chapman et al., 2013). Maximilian Rech (2016), evaluated the effectiveness of European policies regarding rare earths elements.

On their side, Amund N. Løvika, Christian Hagelükenb and Patrick Wägera (2018) stood back and reviewed the studies triggered by the RMI. In their opinion, most emphasis of the European critical materials studies was given to the technological researches on recycling, in line with the RMI's objectives. On the other hand, too many analyzes were made on rare earths as compared to their real level of criticality (Løvika et al., 2018). In conclusion, they suggested to redirect academic efforts toward other sectors which could be dealt with within the framework of the raw materials initiative.

Yet, there is an aspect of the European materials criticality studies which was relatively underestimated vis-à-vis its relevance, namely, the origins of the RMI, the factors shaping this initiative and its link to the general theories of integration. These aspects did not receive yet much academic attention.

2.3.3 The Origins of the Raw Materials initiative

Although resources policies gave birth to the European Coal and Steel Community, which is at the origin of the European Union, the past decades did not witness any major evolution. When the six founding members agreed to harmonize their coal and steel policies under the supervision of a supranational entity, they shared what could be considered as minerals policies. Since then, the integration of materials policies at the European level has not been as fast as other sectors. Until recently, it remained essentially a national competence and for some member-states, this barely consisted of protectionist measures (Tiess, 2010). In this context the raw materials initiative arrived relatively late. Especially when analyzing the political agendas of its trade partners, which developed a long time ago, strong and coherent policies to manage

the security of the supply of raw materials. According to Günter Tiess, the causes of the RMI are to be found in the resources boom that took place between the late 1990s and 2008, the year of the financial crisis. During this period, the demand for numerous essential minerals boomed due to the growing needs of emerging countries such as China, India and Indonesia. These fast developing economies became increasingly dependent on CRMs to sustain their economic development as these are used in many modern technologies (Batteries, Smartphones, Solar and Wind power technologies). These growing global needs together with the high concentration of such materials in unstable regions or protective states induce increasing concerns among European importing countries. The 2007's G8 summit, held in Germany, revealed these concerns, which were widely discussed (Tiess, 2010). As an outcome of this summit, the critical materials eventually integrated the European Union's political agenda. A consultation process was initiated by the European Commission, resulting in the launch of the raw materials initiative in November 2008 (Tiess, 2010). Following this historical and factor analysis of the RMI, Günter Tiess critically reviewed all ten policy suggestions that were specified in the Commission's document. It should be noted that this author did not rely on any specific theoretical framework, his publication essentially consisting of a comparative analysis of European domestic policies.

In her contribution, Karin Küblböck (2013) also dissected the RMI, giving emphasis on the external dimensions of this EU policy. Being a policy document rather than a legal one, the 2008's EC communication paves the way to the raw materials diplomacy and calls for the use of different policy instruments at different governance levels to mitigate the risk associated with critical materials. While the European Commission holds the initiative for trade and investments policies, member states governmental bodies remain competent regarding extractive industry policies. As for the industrial mining sector, the "Commission acts mainly as a facilitator for the exchange of best practice and recommendations" (Küblböck, 2013: 9). The RMI follows the overarching trade strategy elaborated in 2006 under the label of "Global Europe". In response to the 2008 financial crisis, the EC replaced "Global Europe" with "Europe 2020" in 2010. "Europe 2020" constitutes a growth strategy which combines trade strategy with sustainable and global development goals. As such, it goes far beyond "Global Europe" which essentially focused on trade (Küblböck, 2013: 6).

To some NGOs such as Corporate Europe Observatory (2011) the 2008's document mainly reflects the needs and interests of the industrial sector as it focuses on securing access to raw materials across the world without considerations for development and environment. The second RMI document, published in 2011, meets these concerns by integrating development goals such as the need for good governance in resource-rich countries (Küblböck, 2013). In her conclusion, Karin Küblböck critically assesses the development of the RMI and especially highlights the contradictions between development goals and market access. Her analysis does not follow a clearly defined theoretical framework. Nevertheless, it encompasses quite interesting insights about the origins of the raw materials initiative and the way it evolved up to its 3-pillars current shape briefly described in the introduction.

In practical terms, the raw materials initiative is made up of three distinct pillars (European Commission, 2017: 9):

Pillar 1. Ensuring a level playing field in access to resources in third countries

Pillar 2. Fostering sustainable supply of raw materials from European sources

Pillar 3. Boosting resource efficiency and promoting recycling

First Pillar: Access to Raw Materials on Word Markets at Undistorted Conditions

To ensure an access to raw materials for its dependent industry, the European Commission has to "actively pursue raw materials diplomacy" (European Commission, 2017: 6). The raw materials diplomacy has to integrate all relevant EU external policies such as trade, external relations and development policies. It also has to promote the core values of international cooperation and coordination in multilateral forums such as the G7, OECD, UNCTAD and UNEP (European Commission, 2008)

The European Commission has also the responsibility to conclude international strategic partnerships with other resources-dependent countries such as the US and Japan. Common interests must be identified with these partners in order to act jointly during international negotiations (European Commission, 2008)

Regarding the emerging resource-rich countries such as China and Russia, pursuing the raw materials diplomacy requires from the European Commission to promote dialogue and the abolition of trade distortive measures. In Africa, the raw materials diplomacy must be conducted through development policies. The European Commission must fund transport infrastructure projects and help with the management

of natural resources. In addition, the raw materials diplomacy should foster multilateralism and dialogue in Africa (European Commission, 2008)

In conclusion the first pillar of the RMI, namely the raw materials diplomacy must be used to: strengthen developing resource-rich countries; promote sustainable management of resources; and, promote an investment friendly climate in resource-rich countries to increase the supply of CRMs (European Commission, 2008)

Second Pillar: Foster Sustainable Supply of Materials from European Sources.

The second pillar of the raw materials initiative is rather EU inward oriented. The European Commission has to develop a working framework to increase the supply from European sources. To do so, the European Commission must promote the development of knowledge on raw materials by funding relevant research programs across the European Union. In addition, the Commission must work actively to build network of information between the different actors of the raw materials sector (European Commission, 2008).

Third Pillar: Reduce the EU's Consumption of Primary Raw Materials.

This third and last pillar is the technological dimension of the raw materials initiative. Through the funding of research programs, the European Commission must enhance recycling process and the efficient use of resource. Innovation must be promoted, and new technologies have to be developed to increase the rate of recycling and to decrease the use of primary raw materials (European Commission, 2008).

2.3.4 Theoretical analysis of the raw materials initiative

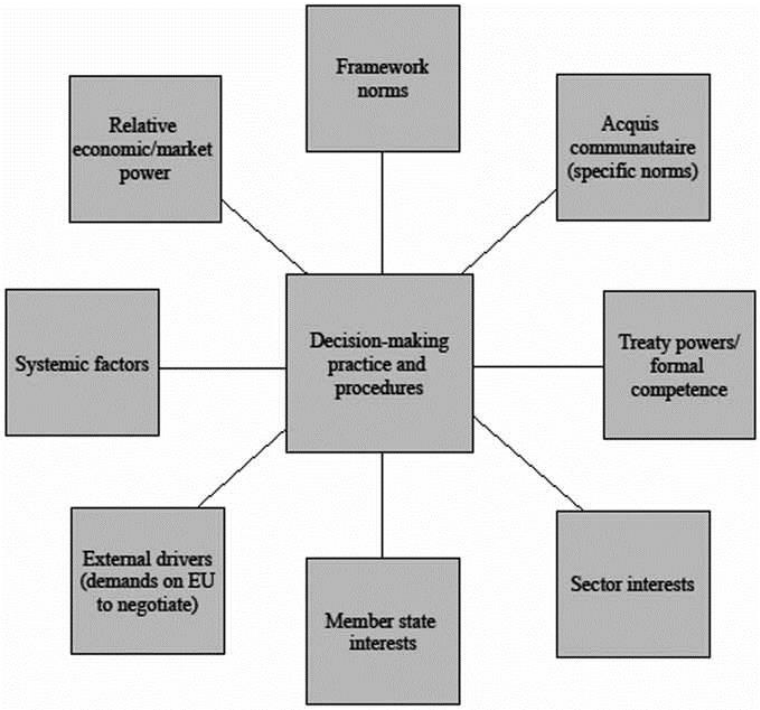
Uncovering an academic work which analyzes the raw materials initiative through a clearly defined theoretical framework proved challenging. Indeed, to our knowledge, only one author sought to address the development of the RMI through the lens of a theoretical framework, namely Reinhardt Biederman. Reinhardt Biederman (2016) provided the most complete factor analysis that has ever been done on the raw materials initiative. In his attempt to identify the origins of the raw materials initiative and its external facet, the raw materials diplomacy, Biederman relied on the theoretical framework provided in Stephen Woolcock's book on the European Union economic diplomacy (2012).

Analyzing the European Union Economic Diplomacy

Stephen Woolcock, in *European Union Economic Diplomacy: The Role of the EU in External Economic Relations* (2012), developed a framework to analyze the different factors shaping the economic diplomacy of the EU. This analytical framework enshrines the EU as an actor, relying on relevant contributions of the EU in international relations (Woolcock, 2012: 15). Here, economic diplomacy amounts to decision-making and negotiations in the context of international economic relations (Woolcock & Bayne, 2017).

The framework encompasses three categories. The first category develops the general procedure of EU negotiations and decision-making in the context of economic diplomacy. In other words, this first section conceptualizes the general making procedure of the EU diplomacy. The second category identifies different factors, or independent variables, intervening in the decision-making process. The third category assesses the impacts of the independent variables on economic diplomacy decisions' effectiveness.

Figure 6 factors shaping economic diplomacy (Woolcock, 2012)



The theoretical framework (figure 6) identifies factors that impact the European decision-making at different stages of the process. "These factors include on the one hand, 'domestic' factors such as EU competences, decision-making regimes (both formal and de facto), and on the other hand, external drivers, systemic factors and the EU's relative economic or market power". In addition, actors-related factors, namely the industrial (sector) and member states' interests, are taken into account. Finally, the normative power of the EU is also included in the model as it is related to the economic diplomacy (Woolcock, 2012: 15).

Challenged against case studies, this model allows determining when “EU’s role is more likely to be that of an actor and when more that of one forum among others.” (Woolcock, 2012: 15). Woolcock applies his analytical framework on four different areas of policy categorized as economic diplomacy, namely the Common Commercial Policy (CCP) in the area of *trade and investment*, the international financial market regulation in the area of *financial diplomacy*, the *International environmental policy* and finally the *Development policy*. For each of these policies, the EU has different levels of power reflecting different repartitions of competences between the EU and the member states (Woolcock, 2012). Without claiming to have exhaustively listed all the factors, which, to some extent, impact the EU’s economic diplomacy, Stephen Woolcock gathers the factors that can be generalized to any form of economic diplomacy.

Application to the Raw Materials Diplomacy

In his 2016’s article, Reinhard Biedermann focuses on the first pillar of the RMI, the raw materials diplomacy as a case study. He uses Woolcock’s analytical framework to identify the main variables behind the raw materials diplomacy, to assess its coherence with the Lisbon Treaty and to determine the relative effectiveness of decision-making outcomes.

Among Woolcock’s general factors impacting the raw materials diplomacy, Biedermann identifies the ‘sector interests’, the ‘member state interests’ (or ‘vertical coherence’), the ‘strategy and negotiation’ and the ‘horizontal coherence’. He also includes factors that are more specifically applicable to raw materials. For example, the criticality of raw materials to European economy is used as an independent variable. Additionally, the societal interests are included in the analysis apart from the sector interests, as these are rather related to developmental goals than purely economic ones (Biedermann, 2016).

Biedermann is successful in his attempt to identify the factors behind the raw materials diplomacy and the way these impact this policy. On the one hand the raw materials diplomacy seems horizontally coherent in the sense that member states and sector interests are well represented in the outcomes of this policy. The European Commission is very active when it comes to securing market access for raw materials. On the other hand, it seems that the horizontal coherence variable has less impact on the decision-making, even though it has gained in importance over the last years.

In my opinion, Biedermann is not successful in every point as he fails to determine whether the EU acts as an actor or as a forum in the matter of raw materials diplomacy. His application of Woolcock's framework to this particular case study seems therefore uncomplete.

2.4 identification of the literature gap

Throughout this literature review, the concept of materials criticality has been widely covered. The conceptual evolution of material criticality started in 1939 and continue to stimulate nowadays academic attention. The concept was first used in the defense sector and described the materials that were needed for military security reasons. Critical materials then became the focus of economic studies in the 1980s. Following this economic dimension, the 21st century propelled the critical materials studies in political spheres as their properties make them unavoidable in the context of climate change and energetic transition. The same decade also unveiled the first geopolitical tensions related to these materials. Emerging powers, such as China, increasingly used raw materials as power assets to challenge the current economic world order and EU ambitions to lead the fight against climate change.

At the level of the European Union, the raw materials initiative can be seen as an answer to these evolutions. Following the 2008's European Commission that initiated the RMI, numerous scholars and research institutes seized the issue and analyzed it through various multidisciplinary approaches. However, except for Reinhard Biedermann's article, the European integration facet of this recent policy initiative has been overlooked. The goal of this master thesis is therefore two-fold. First, Woolcock's theoretical framework's will be retested and conducted up to completion in order to identify the role of the EU regarding raw materials diplomacy. Second, two alternative theoretical frameworks will be formulated and tested against the European Union economic diplomacy model in order to challenge the explanatory power of this model.

Following Reinhard Biedermann's logic, this thesis will not address the raw materials initiative as a whole and will solely focus on the raw materials diplomacy for two main reasons. First of all, the raw materials diplomacy is the only pillar of the RMI in which European competences can be clearly identified. Second of all, the model of Stephen Woolcock relates to decision-making in international economic relations and does not concern the second and third pillars of the raw materials initiative.

The following chapter will attempt to fill the gap that we have identified throughout this literature review. By developing and testing alternative theoretical frameworks, the explanatory power of Woolcock's approach to European Union economic diplomacy will be assessed in this master thesis.

3 Theoretical Framework

The literature review revealed the lack of clarity regarding the actual role of the EU when it comes to raw materials economic diplomacy. To fill this gap, the following chapter will elaborate a theoretical framework to identify the role of the EU in the context of the raw materials diplomacy (RMD). To this end, the first section will attempt to clarify the concept of roles that are 'actor' and 'institution'. Subsequently, the independent variables shaping the role of the EU in the raw materials diplomacy will be identified on the basis of Stephen Woolcock and Reinhard Biedermann's works. The combination of these roles' conceptual definitions and the variables shaping EU's economic diplomacy will lead to the formulation of hypotheses that will attempt to identify the exact role or roles endorsed by the EU in the raw materials diplomacy. Identifying the role endorsed by the EU in the RMD will also be useful in the determination of the explanatory powers the paradigmatic camps behind the conceptual definitions.

3.1 The Role of the European Union in the world

Stephen Woolcock puts the emphasis on the distinction between the role of the EU as a global actor, willing to show leadership, and the role of the EU as a forum of states having a common interest in pooling sovereignty. To Woolcock, the variation of issues in economic diplomacy make the EU's role to shift from one dimension to another. The question is therefore " when its role tends towards that of a distinct actor and when that of a forum, and whether it is possible to identify the factors that determine this?" (Woolcock, 2012: 5-6). In his research, Stephen Woolcock did not go further in the definition of the types of role he is referring to. Fortunately, the literature on Europe is rich in theories on actorness and role.

Among the large corpus of theories conceptualizing the role of the European Union, two distinct paradigms come to mind as they refer to Woolcock's specific conceptions of role and seem adaptable with his framework of analysis.

First, the liberal intergovernmentalism which sees international institutions, and in this case the EU, as the outcome of a common interest between states combined with an option of international cooperation. By combining the liberal approach view on national preferences' formation and the intergovernmentalist approach to international cooperation, Andrew Moravcsik (1993) developed a two-steps process model of analysis. The latter provides useful elements to analyze the role of the European Union in the context of economic diplomacy as defined by Stephen Woolcock. The preferences of states, the interests of private groups, the decision-making procedure of the European Union are all elements that can be found in in the two-steps process and that are adaptable to Woolcock's economic diplomacy framework of analysis which refers to these elements as factors.

Second, there is the structure-agency theory which rather sees the European Union as a global actor that emerged from the interactions between the international structures and the internal capacities to act within these structures. Charlotte Bretherton and John Vogler (1999) combined the behavioral and structuralist conceptions of actorness, previously seen as opposite, to analyze the role of the European Union. Similarly with liberal intergovernmentalism, the structure-agency theory uses elements that can be adapted to some Woolcock's framework factors': the EU's decision-making procedure; recognition; private interests.

These distinct approaches have been selected as these each define one of the two forms of role that can be endorsed by the European Union in Stephen Woolcock's framework. The following two subsections will develop and will provide the theoretical background behind each theory.

3.1.1 The European Union as an Institution

The analysis of the institutionalization processes in international relations appears as a paradigm that can be dated back to the end of the First World War and the subsequent creation of the League of Nations. This approach was further enriched throughout the 20th century. It places its focus on the relationships between state-sovereignty and the processes of international institutionalization (Telò, 2009: 91). Institutionalism shares several assumptions with the realist and neo-realist paradigms such as the importance of states as actors in the international system, or the attention to the structure in international relations. Despite these shared premises, the

institutionalist approach originally emerged as a critique to Kenneth Waltz's neo-realist theory (Telò, 2009). This critique, addressed by Hedley Bull, concerns three elements of the neo-realist school of thought: the hobbesian anarchic nature of the international society; the conception on the international system itself; and, the preferences of states as actors in the international system (Telò, 2009).

Indeed, the institutionalists stated that the international system is not anymore, an anarchic world characterized by self-help and suspicion among states. Global trends, such as the increasingly complex interdependence between states and transnationalism, have made obsolete this conception of the international systems (Telò, 2009), Hedley Bull called it the 'mature anarchy'. In addition, the institutionalist school admits that international institutions condition states to behave in a certain way. Finally, states' preferences have shifted from purely survival considerations to economic preferences. In this sense, the institutionalists place themselves the liberal paradigm of international relations (Telò, 2009).

The institutionalist school of thought then incorporated elements of the "rational choice" theory to address the process by which states opt for international institutional arrangements. The rational institutionalists used the concept of individuals rational behavior and extended it to the attitude of states. Individuals, in certain contexts and seeking certain ends, behave rationally to achieve personal objectives (Scully, 2006: 20). States, like individuals, within a certain international context, seek to achieve certain objectives based on fixed preferences (Telò, 2009). Their behaviors will adapt themselves as states rationally anticipate the likely outcomes of institutional arrangements. They will then favor the arrangement that this close to their interests (Scully, 2006: 21). In line with this conception of states' interests' formation, the international institutions are therefore seen in utilitarian and instrumental terms by the states that compose them. These assumptions allow to use the game theory to capture the logic behind the emergence of international institutions and agreements (Telò, 2009). Rationalist institutionalism put the emphasis on institutional context and its impact on states' strategies to achieve fixed interests. Although this approach proved to be very useful to analyze processes of institutionalization, it deliberately overlooked the domestic politics of states which can be democracies (Telò, 2009). This explains why rational institutionalists failed to adequately capture the process of the European integration. An institutional context characterized by the democratic nature of its actors

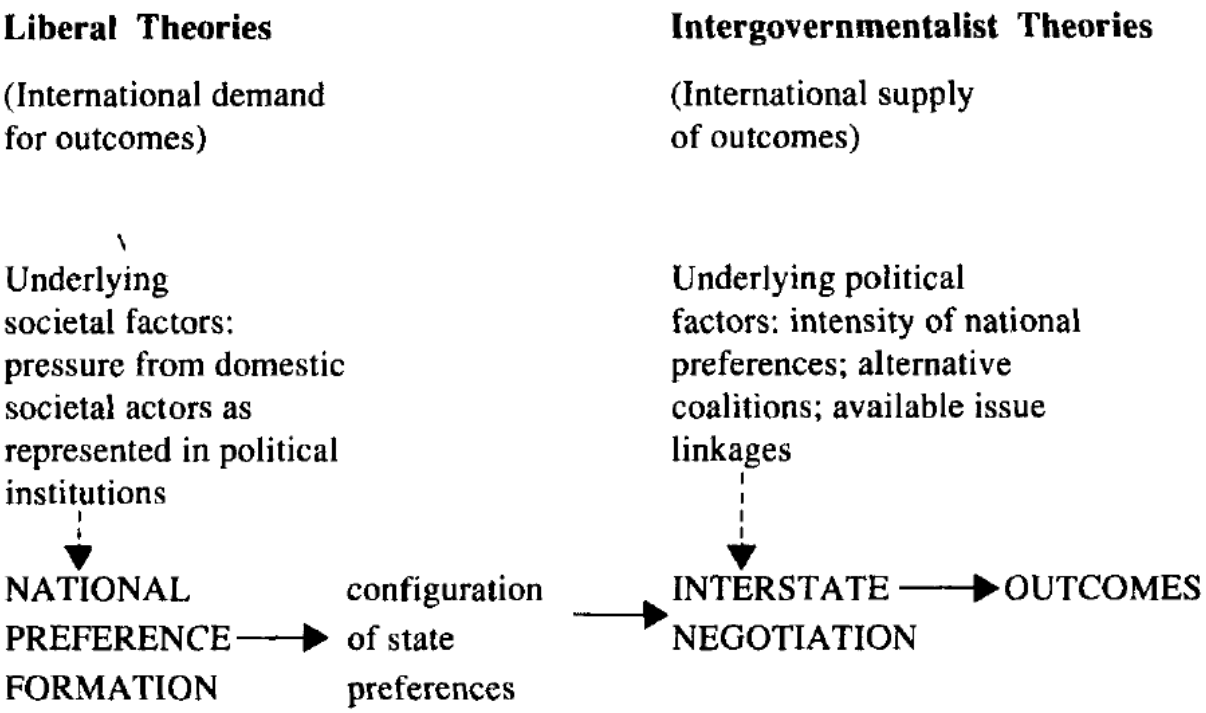
whose preferences' formation are democratic processes. This theoretical gap was fulfilled by Moravcsik and his two-steps model of analysis developed in his liberal intergovernmentalist approach to the European integration.

Liberal Intergovernmentalism

Andrew Moravcsik sought to adapt International Relations (IR) theories to explain the European integration. To do so, he chose elements from different paradigms and combined them to analyze the European case. Liberal intergovernmentalism belongs to the rationalist approach as it considers that states behave rationally in an international context that they know. In addition, liberal intergovernmentalism is also rational because it sees international institution as the rational solution to coordination problem between countries (Scully, 2006). This approach is liberal as it emphasizes the importance of economic interests in the making of states' preferences. It is then intergovernmental in the sense that it considers the integration process in Europe as primarily driven by member states who are the principal actors of the international system. Liberal intergovernmentalism is in essence, rationalist institutionalism combined to a liberal theory of national preferences' formation and an intergovernmental analysis of international decision-making (Moravcsik, 1993).

International cooperation and conflict can be seen as two-steps processes. First, the formation of national preferences at the domestic level. The national interests are formulated at the level domestic politics. At this level, different societal groups represented by interest groups, political parties and civil-society associations, compete to influence the national preferences. Coalitions between different groups can be made. And finally, new policy alternatives can emerge and impact the whole process (Moravcsik, 1993). These mechanisms of domestic competition and coalitions' formation lead to the creation of national preferences under the form of 'demand' for international cooperation. At the second step, states bargain with each other to obtain institutional outcomes that are close to their demands. The different possibilities of interstate cooperation can be understood as the 'supply' of international cooperation. The following figure (figure 7) synthesizes graphically this two-steps process.

Figure 7 two-step process of international cooperation (Moravcsik, 1993)



In conclusion, the role of the European Union in the raw material diplomacy could be understood here as the outcome of the intersection between member states' demands and the supply of European cooperation. The role of the EU would be the one of institutional arrangement that fits both the demand of states and the possibilities of interstate cooperation, in other terms, this role would be the one of an institution.

3.1.2 The European Union as a Global Actor

The second form of role suggested by Stephen Woolcock is the one of the EU as a global actor. The debates on the global role of the EU led to the development of a very large corpus of academic literature.

Charlotte Bretherton and John Vogler (1999) analyzed the different paradigms that address the concepts of actorness in international relations. Then, these scholars proposed a theory that captures the most relevant concepts of actorness and applied it to the European Union. Two distinct approaches deserve to be cited. There is first the behavioral approach of actorness, which emphasizes the autonomy of action that an entity has in an international context. Second, there are the structural approaches to actorness which consider actors as subordinated to an international system of rules and embedded practices (Bretherton & Vogler, 1999: 23). To Bretherton and Vogler,

this is precisely the interaction between internal capacity of action and international structures that make of the EU an actor (Bretherton & Vogler, 1999).

According to the behavioral approach to international actorness, actors are defined according to the degree of autonomy that they enjoy. To that extent, any entity capable of formulating purposes and acting accordingly could be seen as an actor. Although the formulation of purposes can be difficult for collective entities such as states, these have been traditionally considered as actors of the international system by international relations scholars. This issue of purposes' formulation for collective entities becomes even more salient with international organization such as the European Union. (Bretherton & Vogler, 1999). Among the different definitions of actorness on the basis of behavioral criteria, Bretherton and Vogler selected the concept of 'actor capability' in their structure-agency theory of European global actorness. To them a 'capable' actor can mobilize internal capabilities "which include the availability of policy instruments and the capacity and legitimacy of decision-making processes" (Bretherton & Vogler, 1999: 29), to match international opportunities. To conclude with the behavioral approach, it could be said that actor capability relies on the capacity of entities to generate purposive action through a combination of political will and internal capacities, whether it is a state or an international organization.

In contrast, structuralist approaches consider that systemic factors are more important than purposive actions in the definition of international actorness. All actors interact with each other in an international system characterized by embedded practices and rules. These elements condition actors, units of the system, to behave in certain ways and under certain conditions. Actor capability in this sense is therefore function of systemic factors rather than the capacity to undertake purposive actions (Bretherton & Vogler, 1999). As an example, neo-realists believe that the relative power differences between states constraint the actor capabilities of the latter. This approach emphasizes military capacities and the survival of states which were no longer determinant after the end of the Cold War. Another set of approaches, the neo-Marxist conceptions of structure conceived power in economic terms. Following this logic, the main purpose or role of the EU would be to secure the economic interests of European firms active in the most crucial sectors of development such as biotechnologies, information and telecommunications technologies (Bretherton & Vogler, 1999). To conclude, it could be said that structuralist approaches perceive international actorness as an answer to

external demands, whether these come out structural differences of power or economic pressures in a globalized and capitalist world. Charlotte Bretherton and John Vogler agree with both structuralist and behavioral approaches. To them, these should be combined instead of being taken as opposite point of views. The European Union actorness is precisely the combination of internal capacities, political will and external factors into a cyclical relationship. “the capacity to act, or actorness, is a function both of external opportunities, including those associated with the international legal and institutional framework; and internal capabilities, which include the availability of policy instruments and the capacity and legitimacy of decision-making processes” (Bretherton & Vogler, 1999: 29). They summarize this idea in the structure-agency approach.

The Structure-Agency approach

First of all, Bretherton and Vogler define five requirements that allow to consider an entity as an actor through its ability to generate purposive action. These factors form the internal side of actorness. As presented in the following sections, these elements correlate with some of the factors determining the role of the EU in economic diplomacy from Stephen Woolcock’s analytical framework.

1) Shared commitment to a set of overarching values and principles.
2) The ability to identify policy priorities and to formulate coherent policies.
3) The ability effectively to negotiate with other actors in the international system.
4) The availability of, and capacity to utilize, policy instruments.
5) Domestic legitimation of decision processes, and priorities, relating to external policy.

(Bretherton & Vogler, 1999: 37-38)

In addition to the fulfillment of these internal requirements, an entity must also be able to seize external opportunities to be recognized as an international actor. To put it another way, the EU could be considered as a global actor if it successfully seizes external opportunities through internal capacities and procedures.

3.2 Variables shaping EU Raw Materials Diplomacy

As discussed at the end of the literature review, Stephen Woolcock and Reinhardt Biedermann both contributed to the development of a model allowing to determine the role and the policy’s effectiveness of the European Union in the area and economic

diplomacy, including the raw materials diplomacy. However, they focused more on the policy effectiveness than on the role undertaken by the EU. The theoretical conceptions on the hypothetical role of the EU in external relations will now be combined with the variables impacting the role of the EU in economic diplomacy. Subsequently, different hypotheses will be made on the basis of these combinations and will synthetize the theoretical interpretations of the causal relations between the factors and the role of the EU in the specific case of the raw materials diplomacy.

3.2.1 The European Union Economic Diplomacy Decision-Making process

The decision-making in EU economic diplomacy differs according to the specific policy area concerned. In some cases, the European Commission has an exclusive competence whereas in other cases competence is shared with the member states. The policy development starts with an initiative which can come from the European Commission (EC) alone or a combination of the EC and the member states, represented by the European Council.

The policy proposal is discussed and polished within the Commission by working groups. At this level, there are already internal negotiations between the different Directorates General of the EC and external consultations with the different stakeholders concerned by the policy (Woolcock & Bayne, 2017).

In the case of the raw materials diplomacy the working group is the Raw Materials Supply Group (E01353), the different stakeholders would be the concerned industry and the civil society at large. The working groups can be assisted by specialist committees.

Following this phase, the proposal is submitted to the relevant European Council in order to get a more formal status. Following the adoption of the Lisbon Treaty, the EC actively promoted to shift toward a situation in which it is the sole negotiator for the EU (Woolcock, 2012: 16). The selected negotiator is supervised by both the EC's working groups and the European Council which can ask the agent to adopt certain positions according to the article (Art. 218 (4) TFEU) (Woolcock, 2012: 16).

At the end of the negotiations, the Council adopts the negotiated settlement. The outcome of this negotiations can then be submitted to the European Parliament if requested or be adopted as such by the Council. Depending on the policy area, the ratification of national and even regional legislative bodies can be needed. In some

case, this last step can be difficult to achieve as illustrated by the Wallonia blockade of the Comprehensive Economic and Trade Agreement (CETA) in October 2016 (Euractiv, 2016). The Post-Lisbon Treaty context is marked by a growing importance of the European Parliament, whose consent is now required for many different policies (Woolcock, 2012).

Woolcock put the emphasis on the decision-making process for two main reasons. On the one hand, the decision-making process is the back bone of his analysis, in the sense that all other factors will come into play in the decision-making and affect the role of the European Union (Figure 6). On the other hand, depending on the area of economic policy at stake (Financial, trade, development or environmental diplomacy), the decision-making process will itself become a factor affecting the role of the EU (Woolcock, 2012). This second element is particularly relevant in the present theoretical framework. The raw material diplomacy is an integrated policy framework which combines many different areas of economic policy which are not all formal and exclusive competences of the European Union. The way the decision-making process will evolve, and the origin of the initiative will affect the role of the European Union.

3.2.2 Recognition

According to Woolcock (2012), the factor recognition is an important indicator of EU actorness. Hence, the European Commission can be recognized as a negotiating partner, alone, along or in opposition to its member states. The degree of recognition tells a lot on the role that the European Union assumes in international economic relations. Recognition has two distinct forms which can be analyzed separately, *de jure* and *de facto* recognitions.

The *de jure* recognition occurs when EU is recognized by international organizations as a legal entity. The European Union, through the representation of the European Commission, enjoys a full membership in different international forums, organizations and institutions. This is for example the case with the WTO in which the European Union “has been a fully-fledged member alongside the EU member states since the establishment of the WTO in 1995” (Woolcock, 2012: 22). However, as noted by Reiter in 2009, referred to by Woolcock (2012: 23), certain international organizations grant different levels of power to its members. In these cases, some European member states occupy privileged positions in comparison to the European Union. These

situations may lead to a lack of cohesion in the conduct of European economic diplomacy.

The *de facto* recognition is often the result of Europe's economic power. Although the EU might not be formally competent for all sector of trade, third countries might naturally see the European Commission as the obvious negotiating partner (Woolcock, 2012). The United-States for example, have, in some cases, considered the European Union to be its transatlantic counterpart in the conduct of economic global affairs (Bretherton & Vogler, 1999).

In his framework of analysis, Stephen Woolcock adds another category of factors similar to recognition, the so-called 'external factors'. This category includes the pressures that are made on the European Union to integrate international rounds of negotiation. In the fight against climate change for example, the EU works along the Conferences of the Parties (COP) within the United Nations Framework Convention on Climate Change (UNFCCC) (Woolcock, 2012). These demands illustrate the recognition of the EU as a relevant actor. Situated between *de jure* and *de facto* recognitions, these external pressures often stem from global issues.

3.2.3 Sector Interests

Stephen Woolcock and Reinhardt Biedermann both placed the emphasis on the influence of sector interests on the role of the European Union in economic diplomacy. These interests can either shape the demands of the member states or directly influence the position of the European Union in international rounds of economic negotiations (Woolcock, 2012). The target of private interests' defense will vary depending on the policy area at stake and the current state of the *acquis communautaire.* In the sectors where the EU has a well-established set of rules, the preferences of members states will be more homogenous, the access to EU officials for interest groups will therefore be facilitated and their preferences will be reflected in the EU external economic policies. In contrast, in the policy areas in which the acquis communautaire is less developed, the interest groups will address themselves to the national governments. The selection of the policy level where interests will be expressed allows to determine quite precisely the role of the European Union.

3.3 Emitting Hypotheses

The liberal intergovernmentalist and the structure-agency approaches can be combined to the factors that have been analyzed hereabove. These combinations can lead to the formulation of hypotheses on the causal relations between the independent variables that are decision-making procedure, recognition and sectors interests, and the dependent variable that is, the role of the European Union.

3.3.1 Liberal Intergovernmentalism and Economic Diplomacy

Hypothesis 1: Member states Initiative

According to the liberal Intergovernmentalist approach, the raw materials diplomacy is expected to be the outcome of the intersection of member states' demands and the supply of international policy option. This expectation would be verified if an explicit member states' demand is observed and if it matches a certain international policy option.

The European Council represents the interest of the member states and has the power to initiate policy development. The first hypothesis is that if the raw materials diplomacy comes out a specific request of the European Council at the beginning of the decision-making procedure, the independent variable, the role of the EU is likely to be the one of an institution.

Hypothesis 2: De Jure Recognition and Positions of the member states

The factor "recognition" is a great determinant of the explanatory powers of each of the paradigms proposed hereabove. Liberal Intergovernmentalists see the emergence of international organizations as the outcome of the intersection between states' demands and supply of international cooperation options. Following this logic, the EU would therefore be an outcome of this process. The recognition of the European Union as a member of other international institutions is in contradiction with the liberal Intergovernmentalists' thoughts as they only consider states as actor in international institution creation. However, the existence of privileged positions for member states could undermine the overall recognition of the European Union as an actor.

The second hypothesis is that if the European Commission does not enjoy a high degree of recognition, the independent variable, as a member in the relevant international organizations, the role of the European Union is likely to be the one of an institution.

Hypothesis 3: Sector Interests in the making Member States' Preferences

To Andrew Moravcsik, sector interests is a key variables intervening in the making of member states preferences (Moravcsik, 1998). These interests vary depending on the area of policy and the state of the *acquis communautaire.* Embodied in the two-steps model, the preferences of states are determined through domestic games of influence. During this preferences-making procedure, different groups compete with each other to put forward their own interest in the governmental foreign policy's objectives. The national government will then translate these interests into demands that will be expressed in international rounds of negotiation. When the lowest common denominator is found, the states agree to create an institution that will fulfil their policy goals.

If sector interests, the independent variable, are determinant in the making of European member states' preferences, then the role of the European Union is likely to be the one of an institution.

3.3.2 Structure-Agency and Economic Diplomacy

Hypothesis 4: European Commission Initiative

The structure-agency approach expects the raw materials diplomacy to illustrate the ability of the European Union to seize international opportunities through the use of internal capacities. The European Commission represents the interest of European actorness. The commission has also the power to initiate policy development as a policy entrepreneur.

The fourth hypothesis is that if the raw materials diplomacy comes out a European Commission initiative at the beginning of the decision-making procedure, the independent variable, the role of the EU is likely to be the one of an actor as the commission act as a policy entrepreneur.

Hypothesis 5: Recognition of the European Union

The *de jure* recognition of the European Union in international institutions would go in the direction of the structure-agency view on the role of the European Union. Indeed, the structure-agency approach specified that the European Union could be considered as an actor if it successfully links its action capabilities with the international structures. The recognition of the EU as a full member of international organization would illustrate the success of Europe at making this link.

In addition, the *de facto* recognition of the European Union from third countries would also go in the direction of the structure-agency approach. It would illustrate the success of the European Union at using its internal capacities and seizing international opportunities for cooperation.

The fifth hypothesis of this research design is that if the European Commission enjoys a high degree of recognition, the independent variable, as a negotiating partner in raw materials negotiations and as a member in the relevant international organizations dealing with raw materials, its role is likely to be the one of an actor.

Hypothesis 6: Sector Interests defended at the European Level

In their definition of actorness, Charlotte Bretherton and John Vogler (1999) assume that a global actor must be capable of formulating purposes and act accordingly on the international scene. They called this, the action-capability. The selection of the European Union as the target of interests' defense would illustrate its legitimacy as a protector of European businesses' interests. In policy areas such as trade, the European Union made it clear that its purpose was to protect European interests (Bretherton & Vogler, 1999).

The six and last hypothesis is that if sector interests, the independent variable, contribute to purpose formulation process of the European Union's raw materials diplomatic stances, the role of the European Union is likely to be the one of an actor.

4 Research Design

The previous chapter identified the links that could be made between Stephen Woolcock's economic diplomacy framework of analysis and two opposite theoretical camps on the role of the European Union. The combination of these bodies of literature led to the development of theoretically informed assumptions on a social phenomenon: the role of the European Union in the Raw Materials Diplomacy. It is now essential to evaluate the validity of these hypotheses by confronting these assumptions to social reality. This is the core objective of a research design. Defining a concrete research design is the key to assess causal inference between variables (King, Keohane & Verba, 1994). Different research approaches can be selected for the analysis of this single case study. These research techniques differ on their understanding of "how causal inference can be drawn" (Blatter & Haverland, 2012: 14). The following

discussion will make the case for the selection of congruence analysis as a research design.

4.1 Research Designs: Large-N and Small-N

As covered in the literature review, the topic of the raw materials diplomacy has not been yet fully captured by social sciences. A research on this particular matter would therefore be essentially explanatory and would unveil an innovative design to approach this particular case study. Following this logic, the core objective of this research is to allow theoretical innovation: which of the two approaches, liberal Intergovernmentalism and Structure-Agency, has the more explanatory power?

A debate has long opposed two distinct groups of scholars in social sciences: the partisans of large-N and the partisans of small-N research designs. Large-N research designs are variables-centered and mainly focus on the identification of causal relations between different variables and social phenomenon. To do so, these designs isolate and test independent variables on large sets of cases and rely on statistics to measure causal inferences. On the contrary, small-n research designs are rather case-centered and focus fewer or single case. The selection of a single or few cases allow the searcher to integrate a large set of different variable and causal factors in his analysis. These designs will allow to select different paradigmatic camps in the analysis of a specific social phenomenon. By doing so, small-N research designs not only allow to build bridges between different paradigmatic camps but will also lead to the collection of “more finely grained empirical evidence” (Blatter & Haverland, 2012: 8). Such designs are particularly suited for one willing to obtain a broad understanding of a specific case.

The previous chapters identified two paradigmatic camps with distinct opinion on the role of the European Union. These approaches are based on different theoretical assumptions and provide different interpretations of the role of the European Union. Integrating these different elements into a research requires therefore the use of a small-N/ Case study design.

4.2 Congruence Analysis

In *Designing Case Studies. Explanatory Approaches in Small-N Research* (Blatter & Haverland, 2012), three case study research approaches are presented: the co-variational approach (COV); causal process tracing (CPT); and, congruence analysis

(CON). Following the research objectives of a thesis, each of them can prove to be useful. Similarly with large-N studies, the co-variational approach attaches importance to the comparison between different cases. Nonetheless, there is a major difference with large-N designs, “the number of observations that researchers take into account to arrive at the score for each variable and each case is much higher in case study research” (Blatter & Haverland, 2012: 19). In causal process tracing, a large number of observations is also important. However, there is no cross-case comparison here. What matters in this design is the variety of the observations for a single case. The aggregation of these results allows to identify causal inference through the production of “ ‘comprehensive storylines’, ‘smoking guns’, and ‘confessions’ ” (Blatter & Haverland, 2012: 19-20). Likewise, the congruence analysis leads to the realization of numerous observations. This design is useful to compare the interpretations of various set of theories on a single of few cases.

Among the different types of case study research designs that exists, the congruence analysis seems to be the best option for this master thesis research. “A congruence analysis approach (CON) is a small-N research design in which the researcher uses case studies to provide empirical evidence for the explanatory relevance or relative strength of one theoretical approach in comparison to other theoretical approaches” (Blatter & Haverland, 2012: 144). Using the congruence analysis allows to either confront or bridge distinct paradigmatic camps. The idea of this research methodology is to assess the degree of congruence between theoretically informed hypotheses and the empirical reality. The theoretical approach which shows a higher degree of congruence with the reality can be considered as more powerful in terms of explanatory power (Blatter & Haverland, 2012).

The Congruence analysis is performed in a two-steps process. First, different expectations must be first confronted to the empirical reality. The results of these tests allow to assess the validity of each hypothesis. Subsequently, the two paradigmatic camps can be compared on the basis of these outcomes. Following this comparison, it is possible to identify the theoretical stance whose hypotheses show the highest degree of congruence with the observed reality (Blatter & Haverland, 2012).

This model fits with the two-fold objective of this master thesis. On the basis of theoretically based interpretations on the role of the European Union, this research seeks to identify the variables that determine the role endorsed by the European Union

in a specific area of economic foreign policy, that is the raw materials diplomacy. By doing so, this thesis contributes to the academic literature by fulfilling a knowledge gap on the relevant theories to address this issue. This research could also reveal links between the two paradigmatic camps and allow the creation of a combined theoretical approach to the raw materials diplomacy analysis.

The previous chapter identified the theories that are relevant in the examination of the role of the European Union as an actor or as an international institution. The structure-agency and the liberal intergovernmentalism approaches both led to the formulation of hypotheses on the links between different factors and the role of the European Union in the raw materials diplomacy, the dependent variable.

4.3 Operationalization of Hypotheses

The previous section presented the arguments in favor of the congruence analysis. Following this, the present research design must elaborate the way in which the hypotheses will be tested with the so-called operationalization. To confront abstract theoretical concepts with the empirical reality, scholars must define precisely the set of indicators they intend to use. They “must invest heavily in explicitly justifying their interpretation that a specific observation is, indeed, confirming or disconfirming a specific proposition and theory” (Blatter & Haverland, 2012: 166).

4.3.1 Liberal Intergovernmentalism Hypotheses

The discussions on the Liberal Intergovernmentalism paradigm in the previous chapter led to the definition of three theoretical interpretations on the causal relationships between the independent variables and the dependent variable. In this theoretical framework, the dependent variable is the role of the EU in the raw materials diplomacy, which is either the one of an institution or the one of an actor. The liberal intergovernmentalism expects the EU to endorse the role of an institution as it considers the member states to be the determinant actors in the making of European policies. Different independent variables have been identified. For each hypothesis, the type of data that will serve the testing procedure will be discussed as well as the methods to collect these data.

Hypothesis 1: Member states Initiative

The first hypothesis is that if the raw materials diplomacy comes out a specific request of the European Council at the beginning of the decision-making procedure, the independent variable, the role of the EU is likely to be the one of an institution.

An explicit member states' willingness to promote the development of a common action for raw materials will have to be observed. To test this hypotheses, documents such as European Council communications, governmental press releases, positions papers, legal documents and other relevant elements will have to be collected. Information must be collected on how the raw materials diplomacy came into being, and which actor was behind the initiation of the policy development.

Hypothesis 2: De Jure Recognition and Positions of the member states

The second hypothesis is that if the European Commission does not enjoy a high degree of recognition, the independent variable, as a member in the relevant international organizations, the role of the European Union is likely to be the one of an institution.

To test this hypothesis, two distinct actions will have to be performed. First, the different institutions that concern the international relations on critical raw materials have to be identified. Second, the working procedures of these institutions and the relative power of member states within these institutions have to be determined. This will be done by looking at the membership rules and/or the organization practices in the different institutions that are related to critical raw materials.

Hypothesis 3: Sector Interests in the making Member States' Preferences

If sector interests, the independent variable, are determinant in the making of European member states' preferences, then the role of the European Union is likely to be the one of an institution.

This is observable by analyzing the allocation of resources of raw materials interest groups. Are these targeting national administration rather than European ones?

The validity of this hypothesis can be assessed in a two-step process. First the state of development of the *acquis* communautaire will have to be tested. Then, the influence of the private sector on member states preferences will have to be analyzed. To do so, governmental press releases, decisions or positions papers that relate to raw materials

diplomacy will be researched. In addition, the different strategies of relevant interest groups will also have to analyzed. Hence, strategic papers, position papers will have to be found to test this third hypothesis.

4.3.2 Structure-Agency Hypotheses

The integration of Woolcock's factors and the Structure-Agency approach led to the development of three hypotheses on the influence of the independent variables on the role of the European Union in the raw materials diplomacy. Linking abstract concepts to observable expectations allows this design to test the explanatory power of the Structure-Agency approach on the role of the European Union.

Hypothesis 4: European Commission Initiative

The fourth hypothesis is that if the raw materials diplomacy comes out a European Commission initiative at the beginning of the decision-making procedure, the independent variable, the role of the EU is likely to be the one of an actor as the commission act as a policy entrepreneur.

This first structure-agency hypothesis could be tested by observing and analyzing the policy development that led to the establishment of the raw materials diplomacy. Papers documenting this process for the raw materials diplomacy will be useful to test the validity this hypothesis. In contrast with the first hypothesis of the theoretical framework , it is here necessary to identify an explicit willingness from European institutions to develop a raw materials diplomacy. Similar types of documents will have to be researched to test this hypothesis. Press releases, positions papers, European legal documents and other relevant documents.

Hypothesis 5: Recognition of the European Union

The fifth hypothesis of this research design is that if the European Commission enjoys a high degree of recognition, the independent variable, as a negotiating partner in raw materials negotiations and as a member in the relevant international organizations dealing with raw materials, its role is likely to be the one of an actor.

To test this hypothesis the level of recognition of the European Commission by the relevant international actors regarding raw materials will have to be analyzed. Any elements that would suggest that the European Commission is preferred as negotiating party in the context of raw materials diplomacy would indicate that the role of the EU is the one of an actor. In other terms, press releases, third-countries policy documents,

positions of the EU in international organizations and various other relevant documents that would indicate a recognition will have to be searched for this eighth hypothesis.

Hypothesis 6: Sector Interests defended at the European Level

The last hypothesis is that if sector interests, the independent variable, contribute to purpose formulation process of the European Union's raw materials diplomatic stances, the role of the European Union is likely to be the one of an actor.

As mentioned in the operationalization of the fourth hypothesis, data regarding the strategic choices of private actor for the defense of their interests can be hard to collect as this is often done through informal processes. Nevertheless, this data can be collected among different press releases, information on companies' websites, official communications and positions papers. In addition, this research will collect documents that must attest that the purpose of the European Union in the raw materials diplomacy is to protect the European industry and that the private sector contributed to this purpose formulation.

4.4 Conclusion

The two theories and the congruence analysis method have been selected to conduct this explanatory research. Different set of indicators have been described to facilitate the observation of the empirical reality. The following chapter of this master thesis will focus on the collection of the types of data that were described in this chapter.

5 Liberal Intergovernmentalism and the Role of the European Union in the Raw Materials Diplomacy

The combination of Woolcock's framework and the two theoretical approaches on the role of the European Union led to a set of hypotheses. These have been operationalized and indicators have been defined to test these hypotheses. The following two chapters will focus on the testing of the three liberal intergovernmentalists' interpretations. The different indicators will be confronted to empirical materials to see whether or not these are observable.

This fifth chapter will confront the interpretations of the liberal Intergovernmentalist approach to observable reality. For each hypothesis, relevant empirical data to test the

validity of expectations will be presented. Subsequently, these empirical materials will be analyzed to see whether these validate or invalidate the predictions.

5.1 Member States Initiative

If the raw materials diplomacy policy-making procedure has been initiated by the European Council, the role of the EU would rather be the one of an institution.

5.1.1 Chronological Development of the Raw Materials Diplomacy

The development of the raw materials diplomacy explicitly follows a Council's request for the development of a European common policy for raw materials. Indeed, the Council, in the document 10032/07, "requests the Commission to develop a coherent political approach with regard to raw materials supplies for industry, including all relevant areas of policy (foreign affairs, trade, environmental, development and research and innovation policy) "(Council of the EU, 2007: 6). Following this request, the 2008 European Commission's communication was published and outlined the European strategy to secure a reliable and undistorted market access to raw materials (European Commission, 2008). The European Commission established three pillars that would compose the so-called Raw Materials Initiative. The Raw Materials Diplomacy is the first of these pillars and aims at ensuring to European industries "access to raw materials from international markets under the same conditions as other industrial competitors" (European Commission, 2008: 6). The policy instruments concern trade, external relations and development.

This Council's injunction suggests at first glance that the initiative to start a European raw materials policy derives from the member states. However, with further investigation, it seems that the development of the raw materials initiative can be traced back before the Council 2007's communication. On February the 5th 1975, the Commission of the European Communities addressed a communication to the Council to warn the member states on the possible supply shortages of raw materials (COM(75) 50 final) (European Commission, 1975) . The following sections of this document exposed different policy solutions such as the development of research and knowledge on raw materials or the improvement of recycling technologies. Such policy options were later included in the three-pillars framework of the raw materials initiative (European Commission, 2008). 30 years after this 1975's communication, the European Commission renewed its interest for the development of a raw materials

policy in its 2006's communication, Global Europe: Competing in the World (SEC(2006) 1230) (European Commission, 2006). This strategic document stresses the importance of raw materials for European industrial sector competitiveness. It also calls for the development of measures to mitigate the risks associated with Europe's dependency on raw materials (European Commission, 2006). The raw materials initiative, established in 2008, is the logical follow up of this global strategy.

Despite the long period of reflection on the issue of raw materials, the Commission raw materials initiative was indeed initiated by the European Council. In June 2007, few days after the Competitiveness Council's request to initiate a European minerals policy (Council of the EU, 2007: 6), the European Commission realized its first staff working document "Analysis of the competitiveness of the non-energy extractive industry in the EU" SEC(2007) 771 (European Commission, 2007). The latter constitute the second step of the policy development in which the policy proposal is polished and discussed in the Commission's working staffs.

5.1.2 Test of Hypothesis 1

Although the Commission of the European Union developed a long-term European strategy to ensure industrial competitiveness, the data suggest that the Council is the policy initiating actor behind the raw materials diplomacy. Following the Competitiveness Council late May 2007, the policy development that would lead to the 2008's RMI was launched. The results of the first hypothesis lead to the conclusion that liberal intergovernmentalism's analysis is coherent to address the decision-making behind the creation of the raw materials diplomacy. The role of the European Union seems to be one of an institution as it represents outcome of the national interests of the member states and the available policy and institutional international options.

5.2 De Jure Recognition and Positions of the member states

A weak recognition of the European Union in raw materials relevant international organizations would make of the role of the EU rather the one of an institution.

5.2.1 Relevant International Organizations for Raw Materials

The 2008 raw materials strategy document lists the relevant international organizations and fora within and with which the European Commission must promote international cooperation for raw materials governance. These are: the G8, OECD, UNCTAD, UNEP and the International Panel for Sustainable Resource Management, as well as the

World Bank and the International Seabed Authority (European Commission, 2008: 6). It is also worth mentioning the World Trade Organization (WTO) which is highly relevant regarding raw materials. As critical materials will become increasingly important in the next decades regarding the issue of climate change, the International Energy Agency can also be analyzed. The different organizational practices and relative position of member states and the European Union will be analyzed in the following sections.

G8/G7 and G20

The Group of Eight was rebranded Group of Seven after the exclusion of Russia in 2014 in the aftermath of the annexation of Crimea. The G7 is an informal block of industrialized democracies that are France, Canada, Germany, the United-Kingdom, Italy, the United-States and Japan. This group was created in 1975 to foster coordination in economic, energy and security policy. As from 1981, the European Union, represented by its presidents (Commission and Council) started to participate to G7 meetings as a "non-enumerated" member (Cfr, 2017). Under this label, the EU still enjoy a full membership equal to its member states. To some analysts, the G20 became in 2008, a globally relevant alternative to the G7 which lost a bit of prestige (Cfr, 2017). The latter is composed by the 19th world's largest countries and the European Union. Here the European Union is a fully-fledged member.

As these two organizations are relatively exclusive, it could be said that some of the member states occupy privileged positions. However, as the EU is also participating to these informal group alongside some of its member states, its role is far from being undermined by its member states' privileged positions.

OECD

The Organization for Economic Co-operation and Development (OECD) was established in 1961. Its goal is to "gather data and provide high-quality analysis and advice to promote policies aimed at improving the economic and social well-being of people around the world" (EEAS, 2016). The OECD has 35 member states, including 21 member states of the EU and the European Union itself. The latter enjoys a special but full participant status and work and fund the organization alongside its member states (EEAS, 2016).

Similarly with the G7 and G20, the EU is a fully-fledged member of the OECD. Hence, its role is not undermined by privileged European member states. The European Union is by the way a very active member of this organization. The EU was even able to add at the agenda of the OECD the question of critical raw materials (EU, 2018a).

UNCTAD

The United Nations Conference on Trade and Development (UNCTAD) was established in 1964 by the UN General Assembly to serve as a permanent body. This organization counts 194 members, including all member states of the European Union. This organization's mandate is to be the UN's focal on trade and development. Such as for the other UN agencies and the UN in general, the EU solely enjoys an observer status. However, no member states occupy any sort of privileged position within the UNCTAD and most of them rely on the Genevan European representation to deal with the UNCTAD's issues (Barone, 2016).

UNEP and International Panel for Sustainable Resource Management

The United Nations Environment Program was created in June 1972 and is the UN agency responsible for all environment and climate related issues. Based in Nairobi, this program depends on the UN Environment Assembly held every year in the Kenyan capital. The International Panel for Sustainable Resource Management (or Resource Panel) is one the action program launched by the UNEP. In 2007, the Resource Panel was established to "build and share the knowledge needed to improve our use of resources worldwide" (Resourcepanel.org, 2018). Hence, it rapidly became the main venue for raw materials multilateral discussion. As UN institutions, UNEP and the Resource Panel share the organizational model of the UNCTAD.

The European Union endorses an important role vis-à-vis the UNEP as its main voluntary financial supporter to UNEP's work programs and as a strategic partner. Between 2011 and 2014, the European Commission signed several strategic cooperation agreements with the UNEP and provided 75 million euros to support the program (European Commission, 2018c).

World Bank

The World Bank Group was established in 1946 by the ratification of the Bretton Wood agreements which followed the 1944's United Nations Monetary and Financial Conference. As the term 'group' indicates, the World Bank is not a single entity but

rather the union of five international financial organization dedicated to development. The World Bank Group is mandated by the 188 UN member states plus Kosovo. Each country is represented by its governor and 25 governors are elected among all to supervise the daily activities of the group (World Bank, 2018). The European Union has no stake in the decision-making of the World Bank, it is however regarded as a strategic partner (World Bank, 2018b). In contrast with the International Monetary Fund, there is no occupation of privileged positions by any EU member states in the World Bank decision-making framework.

International Seabed Authority

In 1984, the United Nations Conference on the Law of the Sea established the International Seabed Authority. This organization has 166 member states, including the European Union which joined it in 1998. The general Assembly formed by these 166 states plus the EU, is the “supreme organ” of this organization and has the power to mandate the permanent staff. Similar to the previous institutions reviewed, there is no such thing as privileged positions in this international organization. Member states and the EU have similar levels of power in terms of governance within the International Seabed Authority (ISA, 2018).

World Trade Organization

The world trade organization (WTO) is the most relevant institution regarding global trade governance. Established in 1995 following the so-called Uruguay round, the WTO is the successor of the General Agreement on Tariffs and Trade (GATT). For the past 70 years, the GATT and WTO provided the world with a forum to negotiate multilateral trade deals. The agreements which gave birth to the WTO created a non-discriminatory trade system that allows members to trade with each other under fair and clearly established sets of rules (WTO, 2019). Over time, the rounds of negotiation have led to a massive reduction of tariffs on manufactured goods (Molle, 2014). Membership was initially exclusively granted to developed nations. This organization now virtually includes almost all the world’s economies (Molle, 2014: 43).

The European Union clearly endorses a global role regarding the World Trade Organization. The European Commission has a direct access to WTO’s negotiation processes (Molle, 2014). As illustrated by the 2012’s joint action with Japan, Canada and the United-States, the EU has also the capacity to introduce dispute settlement procedures (DSP) (WTO, 2015). The ability of the EU to act similarly to all members

states of the WTO indicates a *de jure* recognition at the level of the World Trade Organization.

International Energy Agency

The International Energy Agency was created in 1974 in the aftermath of the 1973-74 oil supply crisis. It was therefore initially set up to help countries to cooperate on energy-related issues (IEA, 2018). Since then, the organization has evolved to include the full spectrum of energy issues, including the development of renewable energies. The reports of the IEA aim at helping policy-makers to advocate a sustainable energetic governance. In this sense, the IEA resembles the OECD. The IEA comprises 30 members states including 29 countries and the European Union (EEAS, 2016). All these member states are also members of the OECD whose membership is mandatory to access the International Energy Agency (IEA, 2018b).

In parallel with its membership at the OECD, the European Union enjoys a *de jure* recognition within the International Energy Agency.

5.2.2 Test of Hypothesis 2

In the different organization and institutions that were reviewed, the EU is either an equally powerful actor as member states or not, but where it is not, the European member states do have neither any particular privileged positions. In conclusion, this hypothesis fails the validity test, as the role of the EU is not undermined in any of these organizations, which are all relevant for international cooperation on raw materials related issues.

5.3 Acquis Communautaire and Member States' Preferences

To test this third hypothesis, the evolution of the *acquis communautaire* in trade and more specifically in raw materials will have to be assessed as well as the degree of influence of sector interests in the making of states' preferences. The different hypothetical national policy frameworks will have to be identified. A lack of homogeneity and a European policy that would reflect the lowest common denominator of member states preferences would make of the role of the EU rather the one of an institution. In addition, the existence of many different national policy framework among European member states would also indicate that the role of the EU is not so important and is rather the one of an institution.

5.3.1 Acquis Communautaire in Raw Materials.

In 2009, the Treaty of Lisbon or the Treaty on the Functioning of the European Union (TFEU) entered into force. The latter amended the Treaty Establishing the European Community and the Treaty on European Union. It constitutes the principal reference of EU law. In other terms, the *acquis communautaire* is analyzable through the Treaty of Lisbon. In terms of trade, the Treaty of Lisbon led to an important evolution regarding the role of the European Union. Indeed, the article 3 of the TFEU places the common commercial policy under the exclusive competence on the Union (TFEU Art 3.) It gives the European Commission the exclusive right to undertake international trade negotiations through the use of different policy instruments such as trade defense instrument; negotiation in multilateral organizations; and, free trade and preferential trade agreements. The Lisbon Treaty also imposes that the conduct of economic diplomacy has to be coherent with social, environmental and development policy goals of the European Union (Biedermann, 2016).

The *acquis communautaire* in international Trade which is an essential dimension of the European raw materials diplomacy (European Commission, 2008) was particularly well developed when the RMI was launched in 2008.

5.3.2 Existing National Policy Framework

Member states policy preferences regarding raw materials could be identified through the analysis of the existing policy framework. It is predicted that the existence of well-established and different policy frameworks among European member states would indicate a high level of heterogeneity in the preferences. If the raw materials diplomacy reflects the lowest common denominator between these different policy framework, the role of the EU would rather be the one of an institution.

This endeavor was undertaken by several authors (Tiess, 2005; Biedermann, 2016; Rech, 2016) that were reviewed in the section 2.3.1 of this master thesis.

Before the 2008's communication of the EU Commission, few member states had developed coherent policy framework to tackle the raw materials issue. Nevertheless, the cases of France and Germany can be pointed out.

Germany

Germany is the biggest importer of raw materials in Europe and one of the most advanced industrial economy in the world. It is therefore the most vulnerable European

member state when it comes to supply disruption. The German government recognized this weakness and developed its own strategic agenda with the help of the German Industry Association (BDI). Although the country promoted since the beginning the development of an integrated European policy framework, it kept pursuing its own raw materials diplomacy as illustrated by Merkel's journey to Mongolia in 2011 (Biederman, 2016).

France

France has also developed its own raw materials strategic plan. In 2011, the government set an action plan to tackle the issue of critical materials whose supply is at risk for the French economy. To achieve this goal, an action group, Comité Pour les Métaux Stratégiques (COMES), was established in 2011. This strategic committee elaborated different measures that could be used to tackle these supply shortages (Besson, 2011; Assemblée Nationale, 2011; COMES, 2013; Biedermann, 2016).

United-Kingdom

The United-Kingdom also drew up a list of critical materials, however the emphasis was placed on military materials requirements (Biedermann, 2016).

The Netherlands

The Netherlands, as an example, also recognized around 2010, the critical character of some materials for its economy. The government however believed that this issue would more efficiently dealt with at the international/European level. When the raw materials initiative was implemented by the European Commission, the Netherlands pulled over this policy framework (Biedermann, 2016, CRM_Innonet, 2012).

Others

Few others member states formulated policy preferences for raw materials. The cases of Denmark and Portugal can be noted. Both stated their interests for offshore minerals extraction (Biedermann, 2016).

5.3.3 Test of Hypothesis 3

In conclusion, the hypothesis 3 failed to be verified. First, the particularly well-developed *acquis communautaire* in trade gave few room for divergent national policy preferences for raw materials. Second, most member states had no specific raw materials policy framework before the introduction of the raw materials initiative in 2008. To repeat what Reinhardt Biedermann said in 2016, "although EU members may

have different priorities as defined by their factor endowments and political economy, no major hindrances exist for a common raw materials diplomacy along the vertical European political axis." (Biedermann, 2016: 131). The development of the raw materials diplomacy can be seen here as the logical evolution of the EU exclusive competence in trade over the issue of raw materials.

6 The Structure-Agency Approach and the Role of the European Union in the Raw Materials Diplomacy

6.1 European Commission Initiative

Following the test of the first hypothesis, it was revealed that the European Commission showed high level of activity in the sector of raw materials before the creation of the raw materials diplomacy. However, the results suggest that the main initiating actor was the European Competitiveness Council representing the national interests of the member states.

6.1.1 Test of Hypothesis 4

The results of the first hypothesis' analysis disprove the causal relation that was presented within the fourth hypothesis. The European Commission did not initiate the policy development that led to the RMD. In consequence, it could be said that its role is not likely to be the one of an actor.

6.2 Recognition of the European Union

International recognition is an important element for global actorness. Recognition can be *de facto* or *de jure*. A *de facto* recognition occurs when an international entity, the EU in this case, is naturally chosen as the main negotiation party by third countries. A *de jure* recognition occurs when the EU is granted full or partial membership in international organization. This second conception of recognition was tested in the validity assessment of the Hypothesis 2. To test the degree of *de facto* recognition of the EU, the choices of different negotiating third parties must be analyzed. This analysis should focus on the preferred negotiating partners of these third parties in Europe.

6.2.1 *De Facto* recognition of the EU

To test the degree of *de facto* recognition of the EU, the choices of different negotiating third parties must be analyzed. This analysis should focus on the preferred negotiating partners of these third parties in Europe.

United-States of America

In December 2010, the United-States Department of Energy published the Critical Materials Strategy (DOE, 2010). This report serves as the basis for the US critical materials policy strategy in the energy sector. The document identifies the risks and opportunities associated with critical raw materials. It also sketches paths for possible policy programs. The 6th chapter of this report addresses the 'materials strategies from other nations' (DOE, 2010: 61). It lists 7 'countries' and introduces their policy goals, business policies, research objectives and so on. The European Union is analyzed alongside 6 other countries that are: Japan, China, The Netherlands, Canada, South Korea and Australia.

On the US side, the EU is explicitly identified as a potential partners whose relations with must be fostered. The diplomacy section of the possible policy programs clearly states the need to maintain and improve the ongoing relations with the European Union. Interestingly, the Netherlands are also identified in this report. This is however not the case anymore in the 2011 second DOE's critical materials strategy (DOE, 2011). The 2011's report confirms the essential position that the EU occupies in the US critical materials strategy.

Japan

Due to the language barrier, the analysis of primary sources documents on Japanese raw materials global strategy has proved to be difficult. However, the second-hand analysis of Barteková and Kemp (2016) depicted in detail the resources strategy of Japan.

Japan, like the EU, is highly dependent on raw materials imports. As an example, the country was 100% on rare earths exports which were essentially sourced from China (90%). This high dependency combined with Chinese strategic supply distortion actions led to the emergence of critical materials in the Japanese's political agenda (Barteková & Kemp, 2016). In turn, The Japanese Ministry of Economy, Trade and Industry developed as early as 2006 the New National Energy Strategy. The Japanese

resources strategy was further developed with the Strategy for Ensuring Stable Supplies of Rare Metals. This strategy relies on four pillars. The first pillar's goal is to diversify "supply sources through strategic resource diplomacy" (Barteková & Kemp, 2016: 21). However, the countries targeted by this raw materials diplomacy are mostly resources-rich emerging countries.

In terms of political communication, the EU seems to be unrecognized by Japan as the logical European counterpart in raw materials negotiations. In terms of effective diplomatic practices however, the EU seems to benefit from a *de jure* recognition from Japan. The best illustration of this is the participation of Japan to the Trilateral Critical Materials Initiative which gathers the US, the EU and Japan on a yearly basis. This trilateral dialogue was launched in 2011 and "aims to improve collaboration on extraction, use efficiency, encouraging recycling, and finding substitutes for critical raw materials" (European Commission, 2018b). The Japanese participation to this dialogue indicates that it recognizes the EU as a relevant partner in the conduction of its raw materials diplomacy.

China

The Chinese raw materials diplomacy has two facets: Securing market access to resources for which China is dependent (KPMG, 2016) and achieving resource security regarding the raw materials that are exported, mostly rare earths (Wübbeke, 2015).

Regarding rare earths, until recently, the main focus of China's strategy was research and development. The allocated budget was mainly spent in research programs on extraction and refinery technologies. In the 1990s, the Chinese government believed that the favorable conditions (cheap labor, economically viable deposit) of REEs extraction in China could be used to improve Chinese economic superiority (Barteková & Kemp, 2016). In the years that followed, the Chinese industry move down in the supply chain. It went from a mostly exporting economy to a manufacturing one. In parallel, the Chinese rare earths sector improved its technological knowledge through foreign direct investment, as illustrated by the acquisition of Magnequench, a General Motor's subsidiary specialized in permanent magnets' production (Barteková & Kemp, 2016). The objective of this global strategy was to secure a dominant position in most steps of the rare earth supply chain.

Through the National Plan for Mineral Resources, introduced in 2008, the Chinese government adopted protective measures in its extracting industry. Foreign firms were progressively banned from the REEs supply chain and exports were placed under strict quotas. The 2012's joint complaint at the WTO from Japan, USA and the EU, forced China to abandon these protective measures. These were replaced in 2015 by taxes on the extraction of resources and export licenses (Barteková & Kemp, 2016).

The EU and China cooperate on the raw materials issues since the introduction of the Working Group on Raw Materials in 2010. The Chinese Ministry of Industry and Information Technology (MIIT) works with the European Commission DG Industry in this working group (European Commission, 2018b).

Africa and Latin America

In 2008, the European Commission insisted on the need to adopt an integrated policy framework regarding critical raw materials. The European raw materials diplomacy has to ensure a market access for its industry while fulfilling development and environmental goals. An important share of EU's CRMs imports comes from developing countries. This situation led the EU to secure bilateral and multilateral deals in Latin America and Africa.

During the Missions to help EU businesses benefit from world growth regions, Antonio Tajani, former vice-president of the European Commission and current President of the European Parliament, started several policy dialogues with Latin American and African States. Political agreements were concluded with Chile, Uruguay, Morocco, Tunisia and Egypt. Joint press releases were made with Argentina, Columbia, Mexico and Peru. In addition, the Commission conducted policy dialogues with the African Union as a whole (European Commission, 2018b). These different elements indicate the willingness, or at least the acceptance, of some Latin American and African countries to negotiate with the EU on raw materials related issues.

6.2.2 *De Jure* recognition of the EU

The test of the hypothesis 2 included an analysis of the status of the European Union in different international forums and organizations. This assessment led to the conclusion that the European Union enjoyed a relatively high degree of recognition among the different relevant international organizations.

6.2.3 Test of Hypothesis 5

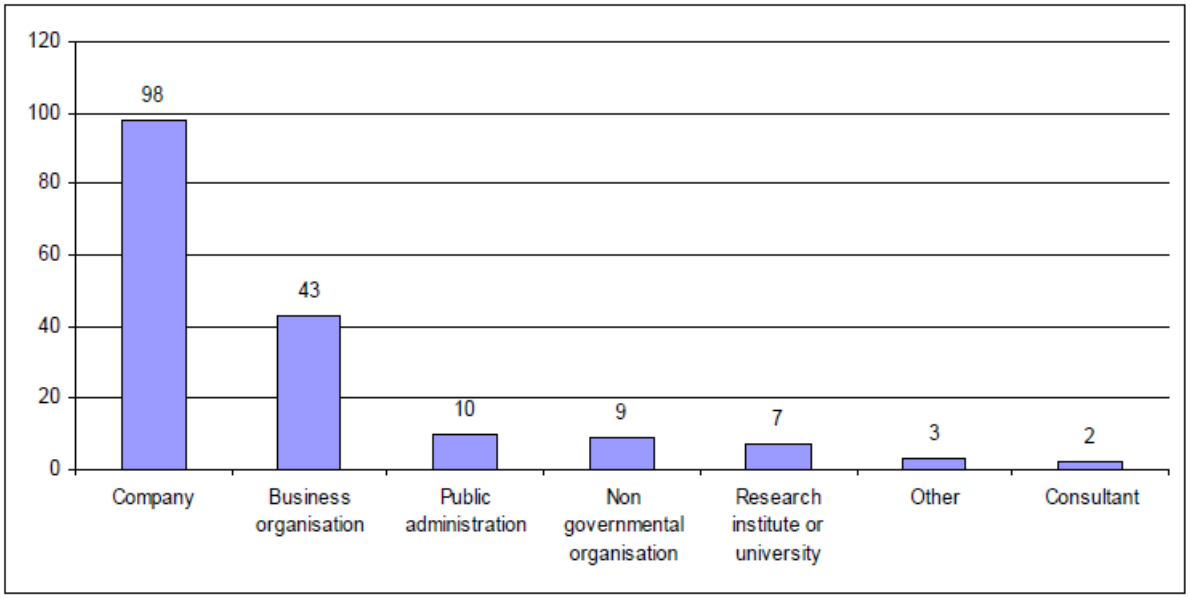
The European Union enjoys both *de jure* and *de facto* recognitions. The EU is recognized as a partner by both resources-rich and non-resources rich countries. The EU has started several policy dialogue and has conducted a very intensive raw materials diplomacy in Latin America and Africa. In addition, the EU established a working group with the Chinese Ministry of Industry and Information Technology. Finally, the European Commission successfully created the Trilateral Critical Materials Initiative with the United-States and Japan. These various examples of diplomatic actions illustrate that the EU fully enjoys recognition from many different countries. The assessment of the EU's status in a myriad of international organization also indicates that the EU enjoys recognition. These results indicate that the factor recognition seems to be coherent with the situation that was expected by the structure-agency approach. The high level of recognition suggests therefore that the role of the European Union in the sector of international raw materials relations is the one of an actor.

6.3 The Defense of Sector Interests

The test of the hypothesis 3 led to the conclusion that few private interests were defended at the level of the member states. This conclusion was made on the basis of the analysis of the member states interests for the development of the Raw Materials Initiative. With the exceptions of the BDI and the French association of mines, the defense of sector interests has almost been entirely done at the European level.

A year before the establishment of the raw materials initiative, a consultation procedure was launched by the European Commission (Anciaux, 2008). This consultation allowed participants to contribute through an online questionnaire or with free format contributions (paper, statement, printed questionnaire). The Commission received 240 replies. Among these, 68 individuals and 172 organizations. Amid the 172 organizations there were: 98 compagnies; 43 business organizations; 10 public administrations; 9 NGOs, 7 research institutes and universities; 2 consultants and 3 organizations labelled as 'other' (Table 1) (Anciaux, 2008).

Table 1 Participant organizations to the consultation procedure (Anciaux, 2008).



This consultation procedure was a success for the European Commission as it successfully reached the relevant private actors concerned by the critical raw materials supply. This high degree of participation also illustrated a growing interest from the private sector for the development of a European raw materials policy framework.

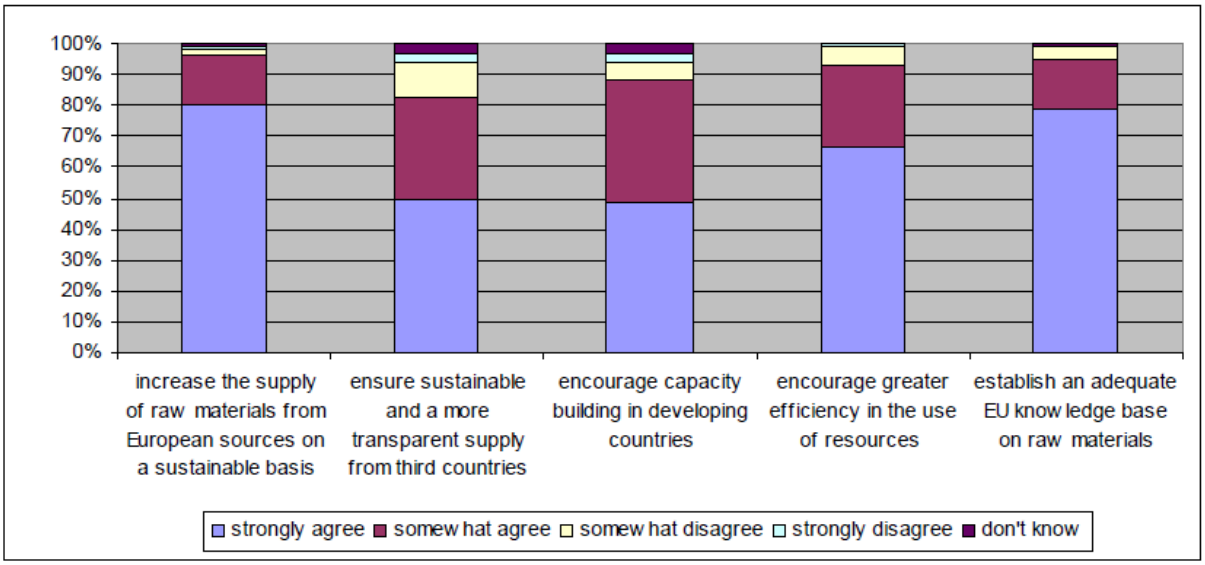
Based on these results, the European Commission established the raw materials initiative in 2008. The interest of companies and business associations did not stop there. The CRM Alliance was launched in parallel with the raw materials initiative. This business association is unquestionably the most fitted to defend the interests of the critical raw materials sector at the European level. This organization gathers the companies related to almost all the 27 critical materials listed by European Commission. The CRM Alliance has also established close linkages with the European Parliament and is currently responsible for the coordination of the critical raw materials MEP interest group (CRM Alliance, 2018).

6.3.1 Test of Hypothesis 6

In a nutshell, the representation of sector interests seems to be strongly established at the European Level. The defense of these interests is done with both the European Commission and the European Parliament. Numerous companies and business associations are promoting the development of the raw materials initiative and raw materials diplomacy (Table 2) (Anciaux, 2008). There is a strong consensus on the necessity for the European Union to be responsible for the defense of European

business interests on the global stage. The hypothesis 6 is therefore validated by the elements provided in this analysis. The European Union is an actor as it is the center of attention of the defense of sector interests.

Table 2 Replies to CRM consultation procedure (Anciaux, 2008).



7 Conclusion

7.1 Discussion

In the previous chapter the degree of congruence of the observable reality was assessed against six hypotheses issued from two distinct theoretical frameworks. In this chapter, the results of the analysis will be summarized and discussed. A reflection on the limitations of this research will then be conducted, opening up new avenues of further investigation.

7.1.1 Explanatory Power of Liberal Intergovernmentalism

Hypothesis 1. Members states Initiative

The first hypothesis proved consistent with the observable reality. The results of the analysis indicate that the initiative of developing a raw materials diplomacy stemmed from the European Council. The 2007's Council on competitiveness initiate the decision-making procedure that led to the raw materials initiative and ultimately the raw materials diplomacy. The request calls the European Commission to use any policy instruments deemed necessary to ensure the competitiveness of the European industry regarding raw materials. The integrated policy framework that is the 2008's RMI can be seen as the result of the Council's request. Following the first hypothesis'

analysis is can be said that the liberal intergovernmentalists' views on causal relation between the decision-making procedure and the role of the European Union is valid.

Hypothesis 2. De Jure Recognition and Positions of the Member States

The testing of the second hypothesis revealed that the member states do not occupy any privileged positions within the international organizations that are relevant for raw materials diplomacy. Moreover, the analysis showed that the European Union enjoys a relatively high degree of recognition by these organizations. These results invalidate the liberal intergovernmentalism paradigm as a theory to address the relation between the independent variable 'recognition' and the role of the EU.

Hypothesis 3. Acquis Communautaire and Member States' Preferences

Testing of the third hypothesis led to the conclusion that first, the *acquis communautaire* in trade was sufficiently developed to see the emergence of homogenous members states preference. Second, the agenda of the few member states who developed a mineral policy prior to the European initiative, were very limited in both content and objective. Member states often prefer the European option and do not develop their own critical materials agenda.

7.1.2 Explanatory Power of the Structure-Agency Approach

Hypothesis 4. European Commission Initiative

On the basis of the results issued from the first hypothesis analysis, the testing of the fourth hypothesis revealed that the European Commission acts as the following player in the development of the raw materials diplomacy through the raw materials initiative. The raw materials diplomacy was created by the Commission but initiated and requested by the Council. It can be assumed that the structure-agency failed to capture the causal relation between the decision-making and the role of the European Union.

Hypothesis 5. Recognition of the European Union

The analysis of the diplomatic relations between the European trading bloc and third parties revealed that in most cases, the European Union was considered as a fully-fledged actor. This third-countries' diplomatic strategies illustrated the *de facto* recognition of the European Union, which was integrated into bilateral and multilateral rounds of negotiation and working groups. All in all, the data retrieved for the analysis of the fifth hypothesis demonstrated that this interpretation is consistent with the observable reality.

Hypothesis 6. The Defense of Sector Interest

The final hypothesis of the structure-agency approach has also successfully matched with the observations. The analysis of the defense of sector interests revealed that numerous private actors were concerned by the European policy framework for raw materials. A number of private interest groups even participated in the development of the raw materials initiative. These elements led to the conclusion that the sixth hypothesis was consistent with the reality.

7.1.3 Liberal Intergovernmentalism or the Structure-Agency Approach

On the basis of these in-depth observations and data analyses, it can be concluded that the structure-agency approach shows a higher level of congruence with the reality than liberal intergovernmentalism. But, it worth mentioning that Moravcsik model was successful to capture the link between the independent variable 'decision-making' and the role of the European Union. Nevertheless, the answer to the research question:

Which theory better explains the role of the European Union in the raw materials diplomacy?

is that the only one of the hypotheses that arise from Woolcock's factors combined with Moravcsik's liberal intergovernmentalism match with the observations made on the factors impacting the role of the European Union in the raw materials initiative. Despite failing at capturing the link between decision-making and the role of the European Union, the other hypotheses of the structure-agency approach combined Woolcock's model do match with the data that were gathered. The outcome of the congruence analysis shows that the structure-agency approach appears more relevant for addressing the role of the European Union in the raw materials diplomacy and two of the underlying factors. The structure-agency is the theory that better explains the role of the European Union in the raw materials diplomacy. Regarding the question

Which factors shape the role of the European Union in the raw materials diplomacy?

the analysis showed that recognition, member states and sector interest and the decision-making process are determinant factors shaping the role of the European Union. These factors were successfully integrated into the research framework that drove this study. The two theories that were tested allow conceptualizing these three factors and put forward interpretations on their causal power. To conclude

What is the role of the European Union in raw materials international relations?

The role of the European Union is the one of a global actor but that remains at some level, dependent from the member states. This situation was already known in the case of trade in general but remained blurred when talking about the sensitive topic of raw materials. This research says a lot about the evolution of the EU and the way it will continue to function. Even with sensitive topics such as the raw materials, the European Union has successfully managed to link its internal capacities with international opportunities. In a way, the European Union is even more than a global actor. It appears as a genuine model of integration and collaboration between very different actors.

Rather than being a tool for simply analyzing the raw materials initiative; the model developed throughout this master thesis actually deals about the EU itself. This model can be used in a wide range of trade-related topics. Such a replicability makes this analytical framework a useful tool for further investigation on the European Union and its growing global actorness.

7.2 Research Limitations

Although this study has led to interesting findings on the evolving role of the EU, several hindrances have limited this documentary research at different levels, from the theoretical framework to the empirical research.

First, the combination of the selected theoretical approaches with Stephen Woolcock's model of analysis could have been more extensive. Stephen Woolcock developed a quite complete framework of analysis with thirteen different factors that shape the role of the European Union in economic diplomacy. However, for the sake of conciseness, this model was skimmed, and the most relevant variables were selected to perform this study. An in-depth research could attempt to combine all these factors with the selected theories. Performing such an in-depth research would increase the external validity of the model as it would take many different independent invariables in account and could be therefore applied on a larger set of cases.

Second, the collected data did not all come from first-hand sources. Public data on raw materials national policies for example can be difficult to gather. Several public authorities as well as private firms are particularly reluctant to make publicly available or to share this sensitive information. Since the raw materials are used in several

strategic sector, such as the defense industry, it is very challenging to collect first-hand information on national mineral policies. For this reason, second-hand analyses have been used to collect data on these policies. Ideally, an in-depth research on this matter would require access to classified information. In addition, certain set of data such the European Commission documents, could be biased. The use of biased data could hamper the internal validity of this research. The addition of other Woolcock's factors in the theoretical framework would certainly improve the internal validity by adding new elements to observe from a larger variety of sources.

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