

The European Union's policies to curtail the trade in natural resources that fund armed conflicts

Doctoral dissertation by Martijn C. Vlaskamp

Submitted for the Doctorate in International Relations and European Integration

Departament de Dret Públic i de Ciències Historicojurídiques

Universitat Autònoma de Barcelona

November 2014

Martijn C. Vlaskamp

Doctoral student

Esther Barbé Izuel

Doctoral supervisor

Professor of International Relations

Universitat Autònoma de Barcelona

ABSTRACT

Since the 2000s, the role of natural resources that are financing armed conflicts has come under increased academic scrutiny. The European Union (EU) has as well recognised the problem of these so-called “conflict resources”, but lacks so far a coherent approach to address it. In some cases the EU has opted for multilateral measures to break the link between natural resources and conflicts, but in other cases the Union acts unilaterally or not at all. This may appear surprising as the EU is usually perceived as *the* global champion of multilateral solutions for global issues. The dissertation asks therefore why the EU has chosen different policy measures for these similar-looking cases.

To answer this question an analytical framework has been designed that integrates internal and external factors. On the one hand the level of support at the EU institutions and among the Member States for measures to curtail the trade in these “conflict resources” was examined. On the other hand, the global context for such policies was studied by using the Global Production Networks (GPN)-conceptualisation. The conflict dynamics, fuelled by the revenues of natural resource exploitation, were thus embedded in broader processes of economic globalisation. This framework was applied to the cases of (I) diamonds and the Kimberley Process; (II) timber and the EU Timber Regulation; and (III) minerals from the Democratic Republic of the Congo.

On the internal level, in all studied cases a complex interplay between normative and economic considerations could be detected. The more these dimensions could be reconciled, the more support a measure had at the EU-level. For the final policy outcomes, however, the global context was the more determining factor. Firstly, due to the rise of the emerging economies that oppose for both ideational and material motives globally binding measures, the EU encounters a more adverse environment to promote its norms through multilateral forums. Secondly, transnational private regulations, often hailed as an answer to the “Global Governance Gap”, only have a limited impact on large parts of many GPNs. The EU had incorporated such schemes in its policies but they can therefore not provide genuine global solutions to this kind of problems. As a consequence of these two developments the EU is increasingly taking unilateral steps.

The thesis concludes therefore that the EU’s choices for unilateral/bilateral policies in the field of conflict resources reflect a move from supporting multilateralism at any price to a more pragmatic recognition of globalised multipolarity..

RESUMEN EN CASTELLANO¹

La investigación sobre el papel que los recursos naturales juegan en la financiación de conflictos armados ha tomado fuerza durante la década de 2000. La Unión Europea (UE) ha reconocido el problema que suponen estos recursos, llamados "recursos de conflicto", pero carece de un enfoque coherente para su gestión. En algunos casos, la UE ha optado por medidas multilaterales para romper el vínculo entre los recursos naturales y los conflictos mientras que en otros casos, la Unión ha actuado de forma unilateral o no ha actuado en absoluto. Estas posiciones pueden parecer sorprendentes, ya que la UE es percibida generalmente como la *promotora por excelencia* de soluciones multilaterales en la resolución de problemas globales. La pregunta que se responde en la tesis es, por lo tanto, por qué la UE ha optado por diferentes políticas para estos casos tan parecidos.

Para responder a esta cuestión se ha diseñado un marco analítico que integra factores internos y externos. Por un lado, se examina dentro de las instituciones de la UE y los Estados miembros el nivel de apoyo a dado a ciertas medidas para la restricción del comercio de estos "recursos de conflicto". Por otro lado, se estudia el desarrollo de este tipo de políticas en el contexto global utilizando el concepto de Redes Globales de Producción. Los conflictos son alimentados por los ingresos de la explotación de los recursos naturales y, por lo tanto, están incorporados en los procesos de globalización económica. Este marco se aplica a los casos de (I) los diamantes y el Proceso de Kimberley; (II) la madera y el Reglamento de la Madera de la UE; y (III) los minerales de la República Democrática del Congo.

En todos los casos estudiados se puede detectar una compleja interacción entre las consideraciones normativas y económicas. Cuanto más se reconcilian estas dimensiones, más apoyo tiene una medida en el ámbito de la UE. Para los resultados de las políticas finales, sin embargo, el contexto global es el factor determinante. En primer lugar, debido al auge de las economías emergentes que se oponen a medidas globales vinculantes tanto por motivos ideológicos como materiales, la UE se encuentra con un entorno más adverso para promover sus normas a través de foros multilaterales. En segundo lugar, las regulaciones privadas transnacionales, a menudo aclamadas como

¹ Thanks to Cristina Madrid López for correcting and editing this translation.

una respuesta a la "brecha de la gobernanza global", sólo tienen un impacto limitado en muchas Redes Globales de Producción. Mientras tienen una cierta presencia e importancia en la UE y otros mercados occidentales, su peso en grandes partes del resto del mundo es limitado. Como consecuencia de estos dos acontecimientos la UE decide usar medidas unilaterales cada vez más.

La tesis concluye que la elección de estas políticas unilaterales / bilaterales refleja un cambio desde el apoyo a cualquier precio al multilateralismo hacia un reconocimiento más pragmático de una multipolaridad globalizada.

RESUM EN CATALÀ²

Durant els últims 15 els recursos naturals que financen recursos armats han rebut una creixent atenció per part de la investigació acadèmica. La Unió Europea (UE) també ha reconegut la problemàtica dels anomenats “recursos de conflicte”, però fins ara li ha mancat un enfocament coherent per afrontar el problema. En alguns casos, la UE ha optat per mesures multilaterals per trencar el vincle entre els recursos naturals i els conflictes, però en altres casos, la Unió ha actuat d'una manera unilateral o no ha actuat en absolut. Aquesta falta de coherència pot semblar sorprenent ja que la UE és percebuda generalment com un ‘campió mundial’ de promoure solucions multilaterals pels problemes globals. La tesi es pregunta per tant: per què en situacions similars relacionades amb els recursos de conflicte la Unió Europea ha optat per polítiques diferents?

Per respondre a aquesta pregunta s’ha dissenyat un marc analític que integra factors externs i interns. A nivell extern, en primer lloc s’ha examinat el nivell de suport a les institucions europees i els estats membres de polítiques com la restricció del comerç d’aquests recursos de conflictes. En segon lloc, s’ha estudiat el context mundial per les polítiques d’aquest tipus, utilitzant la conceptualització de les Xarxes Globals de Producció. Les dinàmiques de conflictes, alimentades pels ingressos de l’exploració dels recursos naturals, s’emmarquen en processos més amplis de la globalització econòmica. Aquest marc s’ha aplicat als casos de (I) els diamants i el Procés de Kimberley; (II) la fusta i el Reglament de la Fusta de la UE; i (III) els minerals de la República Democràtica del Congo.

A nivell intern, en tots els casos estudiats es pot detectar una complexa interacció entre les consideracions normatives i econòmiques. Com més es poden reconciliar aquestes dues dimensions, més suport té una mesura en l'àmbit de la UE. Però pels resultats finals de les polítiques, el factor determinant és el context global. En primer lloc, perquè la UE es troba en un entorn més advers per a promoure les seves normes dins dels fòrums multilaterals com a conseqüència de l’auge de les economies emergents, reticents a mesures globals vinculants per motius ideacionals i materials. En segon lloc, perquè les normes privades transnacionals, sovint aclamades com una resposta a la

² Thanks to Jordi Mas Elias for correcting and editing this translation.

“escletxa de la governança mundial”, tenen un impacte més aviat limitat a les Xarxes Globals de Producció. Aquestes normes tenen una certa presència i importància a la UE i altres mercats occidentals, però el seu pes en altres parts de la resta del món és limitat. Com a conseqüència, la UE pren cada vegada més mesures unilaterals.

La tesi conclou que l’elecció de les polítiques unilaterals i bilaterals reflecteix un canvi des del suport a qualsevol preu al multilateralisme cap al reconeixement més pragmàtic d’una multipolaritat globalitzada.

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION.....	1
1.1 State of the Art	7
1.2 Research Question and an introduction to the analytical framework	10
1.3 Methodology/ Research Design	16
1.4 Terminology	19
1.5 Outline of the thesis	25
CHAPTER 2: NATURAL RESOURCES AND ARMED CONFLICTS.....	28
2.1 Why do people rebel?	29
2.2 Why are resource-rich countries more prone for armed conflicts?	35
2.3 Natural resource characteristics and different types of civil wars.....	41
2.4 Mechanisms of funding armed conflicts with natural resources	47
2.5 Individual characteristics of a series of natural resources	49
2.6 Measures to break the link between natural resources and armed conflicts	53
2.7 Conclusion	56
CHAPTER 3: THE EU AS A GLOBAL ACTOR	58
3.1 The EU and natural resources as part of its conflict prevention and crisis management policies	58
3.2 Possible measures of the EU to curtail the trade in conflict resources	66
3.3 Why does the EU act in a certain way in the international arena?	74
3.4 A model to evaluate the EU's support for measures to curb the trade in conflict resources	85
3.5 Conclusion	88
CHAPTER 4: THE GLOBAL CONTEXT	89
4.1 Global Production Networks.....	90
4.2 Institutional power	96
4.3 Corporate power	103
4.4 Collective power.....	106
4.5 New forms of global governance	109
4.6 A model to evaluate how favourable the global context is for measures to curb the trade in conflict resources.....	114
4.7 Conclusion	116

CHAPTER 5: THE EU AND THE KIMBERLEY PROCESS FOR DIAMONDS

.....	118
5.1 An introduction to the Kimberley Process	120
5.2 The EU and the Kimberley Process	128
5.3 The GPNs in the diamond world	132
5.4 The Marange crisis of the Kimberley Process	135
5.5 Lessons from the Marange crisis: <i>Götterdämmerung</i> approaching?	142
5.6 Discussion and conclusion	145
CHAPTER 6: THE EU AND CONFLICT TIMBER.....	148
6.1 Conflict timber, illegal timber and not-sustainable timber: What are the differences?	150
6.2 The GPNs of timber: Shipping logs around the world	155
6.3 Global measures to curb the trade in illegally logged timber	157
6.4 The EU and conflict timber	164
6.5 Discussion and Conclusion	171
CHAPTER 7: THE EU AND CONFLICT MINERALS FROM THE CONGO .	175
7.1 Minerals from the DRC as a conflict resource	177
7.2 Conflict minerals from the DRC in GPNs	179
7.3 Existing measures to curb the trade in conflict minerals	184
7.4 The EU and conflict minerals from the DRC.....	189
7.5 The Commission's draft proposal	194
7.6 Discussion and conclusion	198
CHAPTER 8: RESULTS AND CONCLUSION.....	201
8.1 Empirical findings: The EU and conflict resources	202
8.2 Theoretical findings: The EU and globalised multipolarity.....	203
8.3 Methodological considerations: The usefulness of GPNs for this study	211
8.4 Limitations of the study	212
8.5 Recommendations for future research	213
8.6 Practical implications.....	214
8.7 Concluding remarks.....	216

LIST OF TABLES

Table 1.1:	Analytical framework	11
Table 1.2:	Conceptualising key terms in the ‘Conflict Minerals’ discourse	23
Table 2.1:	Point and Diffuse Resources	43
Table 2.2:	Relation between the characteristics of resources and types of conflicts	44
Table 2.3:	Resource categories and risk of accessibility by rebel forces	48
Table 4.1:	Expected Government Preferences on International Regulation	97
Table 5.1:	Analytical framework applied to the case of diamonds	147
Table 6.1:	Analytical framework applied to the case of timber	174
Table 7.1:	Comparison between Dodd-Frank Act 1502 and the European Commission proposal	197
Table 7.2:	Analytical framework applied to minerals	200
Table 8.1:	Analytical framework applied to all cases	202
Table 8.2:	Summary of the support for measures at the EU	205
Table 8.3:	Summary of the findings of the three chapters	210

LIST OF FIGURES

Figure 2.1:	Model to explain rebellions	34
Figure 3.1:	Model to assess the EU's support for measures to curtail the trade in conflict resources	86
Figure 4.1:	Institutional power in a Global Production Networks	102
Figure 4.2:	Corporate power in a Global Production Networks	105
Figure 4.3:	Model to assess the global context for measures to curtail the trade in conflict resources	115
Figure 6.1:	Value chain in the international trade in Ramin in 2001	153
Figure 6.2:	Timber-classification pyramid	154
Figure 7.1:	The supply chain of tantalum for the electronics industry	180
Figure 8.1:	The EU in Global Production Networks	211

ACKNOWLEDGEMENTS

Writing the acknowledgement section is usually the final step of finishing a PhD thesis. Also, to be realistic, it is probably the part of the thesis that will be most read. When I was reading other acknowledgements on the internet to get some inspiration I noted the frequent leitmotif of an almost promethean struggle that many of the authors apparently had fought during their writing process. Fortunately, my PhD-experience has been different and I think that this is a good indicator of the very good guidance I had and the excellent environment I could work in during the past four years.

First and foremost, I think this is the result of the excellent mentorship of Esther Barbé, who gave me the opportunity and trust to conduct this PhD-project. When I sometimes hear stories from other PhD students about their (poor) relationships with their supervisor, I can only say that I feel very privileged of having Esther as my supervisor. During the past four years I have never been out alone in the academic dark and could always come to her for encouragement, support and helpful advice. For all this, I wish to express my thanks and gratitude to her.

Furthermore, I would like to thank everyone at the Institut Barcelona d'Estudis Internacionals (IBEI), where I worked during my PhD project. During this time IBEI has offered me a pleasant and supportive working environment and I want to express my appreciation to both the faculty and the staff. I had the luck of starting my research in a very "EU-minded" setting in the old "torreón" with Anna Herranz, Raül Hernandez and Benjamin Kienzle, which helped me a lot in the first stages of my thesis. The old torreón is gone now, but I hope that the postdoc-room in the new IBEI will offer a similar productive and pleasant atmosphere for its occupants as I encountered with all the different companions over the years in the old tower.

During the past years I have not worked on my own, but have been integrated in the two research projects DYNAMUS and EU-IANUS and the research group Observatori de Política Exterior Europea. The discussions during the meetings have also helped me to develop my ideas for this thesis and I also want to express my thanks to all the participants of these projects. A part of this work was also carried out during two very useful research stays and I want to thank my hosts Christopher Hill (University of Cambridge) and Hans Hoebeker (Egmont Institute) for inviting me to their institutions.

That I have finished my PhD-project reasonably in time is not only the result of the above mentioned persons and institutions, but also due to the funding from public institutions that allowed me to focus myself almost entirely on my dissertation. I am therefore also thankful for the financial support for this project, my research stays and conference participations by the Spanish Ministerio de Economía y Competitividad (Programa de Formación de Personal Investigador) and the Generalitat de Catalunya/Agència de Gestió d'Ajuts Universitaris i de Recerca for additional support through its project-funding.

Finally, I want to conclude my acknowledgements with thanks to family and friends for the support they provided me and in particular, to my wife, love and best friend, Cristina, who finished her thesis just two weeks before mine. *Ahora podemos elegir por fin la opción “academic title” en los billetes de la Lufthansa...*

Martijn C. Vlaskamp

Barcelona, 6 November 2014 (International Day for Preventing the Exploitation of the Environment in War and Armed Conflict)

ABBREVIATIONS

3TG	Tungsten, Tantalum, Tin, and Gold
ACP	African, Caribbean and Pacific (ACP) Group of States
BRICs	Brazil, Russia, India and China
Cfsi	Conflict-Free Sourcing Initiative
CRF	Conflict Resources Facility
CSDP	Common Security and Defence Policy
DESA	United Nations Department of Economic and Social Affairs
DG	Directorate-General
DPA	United Nations Department of Political Affairs
DRC	Democratic Republic of the Congo
DTC	Diamond Trading Company
DYNAMUS	Dynamics of the Multilateral System. Analysis of the Interaction between the EU and the Global Institutions
ECOWAS	Economic Community Of West African States
EEAS	European External Action Service
EICC	Electronic Industry Citizenship Coalition
EITI	Extractive Industries Transparency Initiative
ESDP	European Security and Defence Policy
EU	European Union
EU-FLEGT	EU Forest Law Enforcement, Governance and Trade
EU-IANUS	The EU in an unsettled international system: crisis, polarity and multilateralism
EUFOR	European Union Force
EUPOL	EU Police mission
FARC	Fuerzas Armadas Revolucionarias de Colombia
FCO	Foreign and Commonwealth Office
FLEG	Forest Law Enforcement and Governance
FPI	Foreign Policy Instruments
FSC	Forest Stewardship Council
G8	Group of Eight
GCC	Global Commodity Chain
GCV	Global Value Chain

GNP	Gross National Product
GPN	Global Production Network
ICGLR	International Conference on the Great Lakes Region
IfS	Instrument for Stability
IOM	International Organization for Migration
iTSCi	ITRI Tin Supply Chain Initiative
ITRI	International Tin Research Institute
ITTA	International Tropical Timber Agreement
KP	Kimberley Process
KPCS	Kimberley Process Certification Scheme
M23	Mouvement du 23-Mars
MONUC	United Nations Mission in the Democratic Republic of Congo
MONUSCO	United Nations Organization Stabilization Mission in the Democratic Republic of the Congo
NGO	Non-governmental organization
OECD	Organisation for Economic Co-operation and Development
OECD DD	OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
OPEC	Organization of the Petroleum Exporting Countries
PBSO	Peacebuilding Support Office
PEFC	Programme for the Endorsement of Forest Certification
RUF	Revolutionary United Front
SEC	United States Securities and Exchange Commission
TEU	Treaty on European Union
TPR	Transnational Private Regulation
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFF	United Nations Forum on Forests
UNGA	United Nations General Assembly
UNHABITAT	United Nations Human Settlements Programme
UNITA	União Nacional para a Independência Total de Angola
UNSC	United Nations Security Council
US/ USA	United States of America

USSR	Union of Soviet Socialist Republics
VPA	Voluntary Partnership Agreement
WTO	World Trade Organization
WWF	World Wildlife Fund
ZMDC	Zimbabwe Mining Development

CHAPTER 1: INTRODUCTION³

The last few years have witnessed a re-emergence of armed conflicts in the periphery of the European Union (EU). During summer 2014, civil wars were fought in three countries that form part of the European Neighbourhood Policy (Ukraine, Libya and Syria; plus the Israel-Gaza conflict). Almost the entire further periphery of Europe (the Sahel-zone with Mali and the Central African Republic; Iraq...) is or has been involved in violent conflicts in the past years. Rather than being a “ring of friends” the European neighbourhood often appears a “ring of trouble spots”.

During the Cold War most conflicts, in particular in the developing world, were framed in the larger ideological conflicts of that epoch. Both the USA and its allies and the USSR used proxies to expand or protect their sphere of influence. Government and rebel forces in the so-called Third World received funding, training and weapons from their patrons and were used as pawns in the game for global influence. Local rebel groups in the developing world were often very well aware of this logic and aligned themselves deliberately with one ideology to receive support from the corresponding super-power⁴. But since the end of the Cold War, a new form of asymmetric, intrastate wars with often less clear lines and motivations has become more dominant. Many of the above mentioned conflicts in the European periphery fit in this description: one or several armed groups challenge the state but the rebels fight at the same time also amongst themselves. In 2013, not one of the registered wars of the Uppsala Conflict Data Program took place between two countries. If two or more states were involved, it was in the context of civil wars in which an external state actor provided support for one party⁵. In other words, the classical wars between two states have become a rarity in the 21st century.

³ This thesis falls within the EU-IANUS research project (The EU in an unsettled international system: crisis, polarity and multilateralism) funded by the National R+D Plan of the Spanish Ministry of Economy and Competitiveness (CSO2012-33361).

⁴ One example is the *Frente Nacional de Libertação de Angola*, which was funded during the Angolan by the United States to counterbalance the USSR’s protégée *Movimento Popular de Libertação de Angola – Partido do Trabalho*. (Martin Meredith, *The Fate of Africa: A History of the Continent Since Independence* (New York: Public Affairs, 2011), 315ff).

⁵ Lotta Themnér and Peter Wallensteen, “Armed Conflicts, 1946-2013,” *Journal of Peace Research* 51, no. 4 (2014): 542.

This new type of conflicts also created a challenge to the classical International Relations literature whose emphasis traditionally had been on inter-state wars. In her seminal work, Mary Kaldor⁶ coined the term of “new wars” to distinguish this new category of conflicts from the “old wars” of the pre-1990 age. She argued that economic globalisation, which had gained more influence since the 1980ies and had even be faster disseminated through the fall of Communism, had also shaped a new form of conflict. Modern wars were based on claiming identity, not territory; the fight was often asymmetrical without many open and direct confrontations between the warring parties and the funding did not come from external patrons such the Cold War’s superpowers but often through transnational, criminal networks. Likewise, David Keen argued that these civil wars are not simply an anarchic chaos, but had their own rationality and persisted when the actors had rational incentives to keep them going. The state of lawlessness offered criminals the opportunity to enrich themselves through illegal activities. Armed groups could loot the civilian population, set up racketing schemes in the conflict zone or become involved in transnational criminal activities such as the smuggling of drugs or weapons. In sum, Keen adapted the famous quote from Clausewitz: “war has increasingly become the continuation of economics by other means”⁷. These dynamics can be very local and small actors may pursue their own political or economic agenda under the cover of the larger conflict⁸. A current example for such a “new war” is the conflict in Syria: what started as a popular uprising against President Bashar al-Assad with a political agenda has culminated in a complicated, fragmented conflict with an estimated 1,200 armed groups that also fight among each other for local or regional interests⁹.

One of the most profitable businesses in these war economies is often the illegal trade in natural resources. The list of commodities that have been linked to the financing of armed conflicts (“conflict resources”) is long: diamonds, minerals, timber and narcotics

⁶ Mary Kaldor, *New & Old Wars*, 2nd edition (Stanford (CA): Stanford University Press, 2007).

⁷ David Keen, *The Economic Functions of Violence in Civil Wars* (London: International Institute for Strategic Studies, 1998), 11.

⁸ Stathis N. Kalyvas, “The Ontology of ‘Political Violence’: Action and Identity in Civil Wars,” *Perspectives on Politics* 0, no. 3 (2003): 475–94.

⁹ Eric Schmitt and Mark Mazzetti, “U.S. Intelligence Official Says Syrian War Could Last for Years,” *New York Times*, July 21, 2013.

are perhaps the best-known cases¹⁰, but also commodities such as oil¹¹, ivory¹², cocoa¹³ or exotic animals¹⁴ have served as source of income for belligerents. The access to the lucrative exploitation of natural resources is therefore for many local actors a more compelling argument to fight, than the larger narrative of the conflict¹⁵. Short-term economic benefits may even trump long-term military considerations: a recent example from Syria is the local cooperation of Islamist rebel groups with government forces in the illegal trade with oil¹⁶. In general terms, it can be said that most armed groups are not very selective in their source of revenues and take any commodity in their sphere of influence that can be traded for money, weapons, food or military supply¹⁷.

These anecdotic observations fit in the larger academic discussion about the link between natural resources and armed conflicts. Different studies have shown that resource-rich countries are more prone to armed conflicts. Since 1990 at least 18 violent conflicts have been fuelled by the exploitation of natural resources and since the end of

¹⁰ Philippe Le Billon, "Natural Resource Types and Conflict Termination Initiatives," *Colombia Internacional* 70 (2009): 9–34.

¹¹ Max Fisher, "How ISIS Is Exploiting the Economics of Syria's Civil War," *Vox*, June 12, 2014, <http://www.vox.com/2014/6/12/5802824/how-isis-is-exploiting-the-economics-of-syrias-civil-war/in/5568955>.

¹² Ivory is for example one of the sources of income of the Lord's Resistance Army (LRA) in Central Africa. Defectors reported delivering 47 pieces of ivory to the group's leader Joseph Kony. Subsequently, it was traded with Arab businessmen and officers of the Sudan Armed Forces, in exchange for cash, guns, ammunition, medical supplies, and food. Most of the ivory is sold eventually on the black market in China. Source: Kasper Agger, "Kony 2013," *Foreign Policy*, July 2, 2013, http://www.foreignpolicy.com/articles/2013/07/02/joseph_kony_lords_resistance_army_elephant_poaching.

¹³ Global Witness, *Hot Chocolate: How Cocoa Fuelled the Conflict in Côte d'Ivoire* (London: Global Witness, 2007).

¹⁴ Johan Bergenas, *Killing Animals - Buying Arms* (Stimson Center, January 2014), http://www.stimson.org/images/uploads/research-pdfs/killing_animals_buying_arms_WEB.pdf.

¹⁵ Macartan Humphreys and Jeremy M. Weinstein, "Who Fights? The Determinants of Participation in Civil War," *American Journal of Political Science* 52, no. 2 (2008): 436–55.

¹⁶ Ben Hubbard, Eric Schmitt, and Clifford Krauss, "Rebels in Syria Claim Control of Resources," *New York Times*, January 29, 2014.

¹⁷ Ann Laudati, "Beyond Minerals: Broadening 'Economies of Violence' in Eastern Democratic Republic of Congo," *Review of African Political Economy* 40, no. 135 (2013): 32–50.

World War II 40 per cent of the conflicts were linked to resources¹⁸. Koubi et al conclude in a recent article in which they review the existing literature on this topic that “there is some evidence on the association of resource abundance and conflict”¹⁹. But whereas there is some agreement about a connection between natural resource abundance and the occurrence of armed conflicts, the exact links and mechanisms are still extensively discussed.

These academic discussions have also had their imprint on the policies of the EU regarding this subject. As previously stated many of these “new wars”, fuelled by natural resource revenues, are fought in the immediate neighbourhood of Europe or in the EU’s sphere of influence. The aim of this thesis is therefore to look closer on the EU’s policies with respect to conflict resources. EU policymakers are aware of the natural resource dimension and stated for example in the 2008 Report on the Implementation of the European Security Strategy that “ruthless exploitation of natural resources is often an underlying cause of conflict. There are increasing tensions over water and raw materials which require multilateral solutions”²⁰. Measures to curb the trade in these commodities are seen as a tool of conflict prevention and crisis management policies. In some cases the EU has indeed opted for multilateral cooperation to approach the link between natural resources and conflicts (e.g. in the case of the Kimberley Process for diamonds). But in other cases the EU acts unilaterally by imposing sanctions or strict import rules for certain commodities (e.g. in the case of illegal timber). And in some cases it has little done so far (e.g. in the case of minerals).

The dissertation asks therefore why the EU has chosen different policy measures for similar-looking cases. It will argue that the EU’s policies are the product of both internal considerations and priorities and the broader global context. On the EU level a complex interplay between identity, interests and institutions shapes the policy preferences. Advocacy non-governmental organisations (NGO) play an important role

¹⁸ Siri Aas Rustad and Helga Malmin Binningsbø, “A Price Worth Fighting For? Natural Resources and Conflict Recurrence,” *Journal of Peace Research* 49, no. 4 (2012): 531–46.

¹⁹ Vally Koubi et al., “Do Natural Resources Matter for Interstate and Intrastate Armed Conflict?,” *Journal of Peace Research* 51, no. 2 (2014): 239.

²⁰ Javier Solana, *Report on the Implementation of the European Security Strategy: Providing Security in a Changing World* (Brussels: European Council, December 11, 2008), 8.

in bringing an issue to the European²¹ agenda and appealing to the EU's norms and values for political action. Rules to curtail the trade in conflict resources are presented as effective tools to promote peace and development. But on the other hand regulations concerning the import of natural resources are an economically delicate issue in Brussels. In its Raw Materials Initiative, the European Commission acknowledged the EU's economic dependence on natural resource from abroad and set out a proactive strategy to gain control over crucial commodities around the globe²². The EU is thus hesitant to steps that may complicate these objectives. Within the institutions these both sides of the coin are often discussed, and the actions regarding conflict resources and their scope depend to a large extent on the economic dimension.

However, even in cases where actions are taken, the EU's ability to project its influence internationally is severely constrained by a series of factors. One important element is the economic "rise of the rest"²³, such as China and India. The growing importance of the emerging powers, in economic, political and social terms, has complicated the design of multilateral solutions to curb the trade in conflict resources. Most of the emerging economies require imported natural resources to sustain their economic growth and are reluctant to commit themselves to binding international agreements regarding this commerce if this implies negative economic consequences. Moreover, most of these states consider the idea of state sovereignty more important than most other norms, a situation that complicates the creation of international schemes²⁴. Systems that would create mechanisms to punish "bad governments" that finance their military campaigns with natural resource revenues are therefore not acceptable from this point of view. Hence the promotion of rules that may curb the trade in natural resources that have financed armed conflicts can conflict with both the norms and the material interests of these emerging powers.

²¹ If not said so otherwise, "Europe" or "European" is used in this thesis for the European Union.

²² European Commission, *Tackling the Challenges in Commodity Markets and on Raw Materials*, February 2, 2011, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0025:FIN:en:PDF>.

²³ Alice Hoffenberg Amsden, *The Rise of "the Rest": Challenges to the West from Late-Industrializing Economies* (Oxford & New York: Oxford University Press, 2001).

²⁴ Zaki Laïdia, "BRICS: Sovereignty Power and Weakness," *International Politics* 49, no. 5 (2012): 614–32.

During the 2000s the promotion of private certification was very much *en vogue* as an answer to this Global Governance Gap and also promoted by the United States and the Europeans. Whereas some of these policies are still developed within a multi-stakeholder environment that involve state actors (e.g. the OECD Due Diligence Guidance), other initiatives and certification systems are entirely driven by the industry and/or NGOs. However, in the field of conflict resources, these forms of global governance are also suffering a crisis.

Most companies are willing to engage themselves in such schemes, because they fear a possible negative publicity backlash by NGO campaigns if they cannot prove that they comply with certain social and environmental standards. The power lies thus in the hands of consumers. Likewise, in the field of conflict resources many initiatives have been driven by the desire of companies to be able to guarantee that their products did not indirectly finance war atrocities and human rights violations. However, also on this level the global changes through the economic emergence of new actors have had its impact: the tastes, desires and demands of consumers in markets like China and India carry increasingly more weight on the global scale. Western NGOs have not been able to create a similar awareness for the issue of “conflict resources” among the consumers in these countries yet, which decreases their power vis-à-vis globally operating companies. As a consequence many industry actors that do not depend on the western markets feel less compelled to engage themselves in such private certification systems.

The argument of the thesis is that these two developments –a decreasing influence of the EU in multilateral institutions and of European consumers in the global economy – have led to strategic changes of the EU in the field of conflict resources. The EU has still a preference for multilateral solutions, but instead of supporting multilateralism at any price, it has come to a more pragmatic recognition of globalised multipolarity and opts consequently more frequently for unilateral/bilateral policies to curtail the trade in conflict resources.

This introductory chapter will now first present the state of the art and summarise the (little) literature that has been written on the EU’s policies concerning natural resources that finance conflicts. It will then turn to the research question and give a brief description of the thesis’ analytical framework, which is constructed around the internal and external dimension of the EU’s decision-making processes. The different variables of this framework will be explained more in detail in the chapters 3 and 4, but this

section will already give a first outline of the idea behind this dissertation. The chapter will then, in the subsequent section, talk about the thesis' methodology and research design. In the following section, some of the core terms for the rest of the text will be defined, such as e.g. EU Foreign Policy and conflict resources. To conclude, the chapter will give a brief outline of the thesis.

1.1 State of the Art

The section about the state of the art is rather short as -to my knowledge- there has not been done any academic study of the EU's policies with respect to natural resources and conflicts yet. The few existing publications rather focus on specific actions of the EU, such as Pauwels'²⁵ 2003 chapter in an edited volume about war economies and EU policy options. She argued in her text that the EU must better use existing policy options regarding international trade, such as the Kimberley Process and industry-focused initiatives under the EU's Corporate Social Responsibility umbrella. Promoting transparency in the commodity sector would be an effective measure to tackle violent conflicts on the one hand and to build public confidence in the contribution of business to society on the other hand. Besides using the EU's trading power, she also recommended to study measures that address the structural root causes of conflicts.

Other studies about the EU's policies with regard to natural resources and conflicts have been carried out by non-academic actors. EuropeAid commissioned in 2007 a report at the research and consultancy company ECORYS, titled "Addressing the Interlinkages between Natural Resources Management and Conflict in the European Commission's External Relations"²⁶. The researchers concluded that the relationship between natural resources and conflict had been well-recognised in the EU key strategies, programmes and policies. Furthermore, they stated that the EU had made significant improvements

²⁵ Natalie Pauwels, "War Economies: EU Policy Options," in *Europe in the World - Essays on EU Foreign, Security and Development Policies* (London: BOND, 2003), 65–70, http://www.acp-eu-trade.org/library/files/Bond_EN_052003_Bond_Europe-in-the-world-essays-on-EU-foreign-security-and-development-policies.pdf.

²⁶ Alexander Carius, Dennis Tänzler, and Moira Feil, *Addressing the Interlinkages between Natural Resources Management and Conflict in the European Commission's External Relations* (Rotterdam: ECORYS Nederland BV, 2007).

in the previous years in developing policies to tackle this issue. However, ECORYS's report also included an extensive list of policy recommendations. In the context of this thesis, in particular recommendation 14 –Extend Regulatory Regimes on Conflict Resources- is worth a closer look. In this section the authors suggested that the Commission should until mid-2009:

“(I) Draw the lessons learnt from existing approaches to conflict resources with regard to the transferability of regulatory regimes. All relevant stakeholders should be involved in this exercise, including representatives from resource-rich countries and the private sector;

(II) Identify measures to accompany certification schemes (e.g. capacity building and technical assistance for weaker links in the supply chain);

(III) Elaborate on the benefits of a universal definition of conflict resources and how this would enable the global community to deal with the implications of conflict resources better;

(IV) Identify the steps necessary to reverse the effects of conflict resources and transform them into peace resources and engines of stability and development. The EU should be prepared to take advantage of political windows of opportunity to make this transition”²⁷.

Five years later, in 2012, the Stockholm International Peace Research Institute (SIPRI) published a report from Resource Consulting Services titled “Natural Resources and Conflict: A New Security Challenge for the European Union”²⁸. In their report the authors Garrett & Piccinni analysed in particular how natural resources may impact the EU's security interests. They identified four different dynamics how natural resources might be related to armed conflicts: (I) as a source of conflict financing, (II) by weakening state effectiveness in resource-rich countries; (III) by being scarce, in particular due to the climate change; and (IV) as an object of conflicts between major consumer powers in a multipolar global economy.

When describing the EU's policy responses to these problems, the report did not detect much improvement to the ECORYS-report. It argued that the EU “draws on a broad but often inconsistent and insufficiently coordinated range of strategies and instruments to manage natural resource-related security and conflict challenges”²⁹. With respect to the financing of conflicts, Garrett & Piccinni criticised that most of the existing

²⁷ Ibid., 102–103.

²⁸ Nicholas Garrett and Anna Piccinni, *Natural Resources and Conflict A New Security Challenge for the European Union* (Stockholm: SIPRI, 2012).

²⁹ Ibid., 33.

interventions to curtail this trade often missed their intended objective. Existing control mechanism, such as the Kimberley Process for diamonds, would be more suited to “achieving greater formalization and professionalization of the trade in natural resources, than preventing natural resource-related conflict financing”³⁰. In their opinion, some of these initiatives even had rather worsened the political, social and economic situation in natural resource exporting countries. They reiterated therefore the call for further research on behalf of the EU.

In interviews, during the winter of 2013, officials at the European Commission told me that they were not aware of any comprehensive study about the existing policies of the EU with respect to natural resources³¹. As DG Trade was working at that point on a proposal for a “Conflict Minerals Regulation” (which will be analysed in chapter 7), it actually had to commission itself an internal comparison of existing rules and policies. One of the main points of critic in all the above mentioned reports is the missing coordination at the EU level and the lack of coherent rules. The EU has implemented some regulations and is promoting certain policies in the international arena, but chooses for every natural resource a different approach. It still does not even have a clear definition of “conflict resources”, seven years after the ECORYS-report.

Looking on the three individual cases which will be analysed in this thesis (diamonds, timber and minerals), the situation with respect to the existing literature is also not much better. Although the EU is for example one of the key players in the Kimberley Process for conflict diamonds, there had not been written any study about its role in this scheme until my own work³². The case of timber is a bit better researched, but in the framework of the EU’s broader policies with respect to illegal logging and the 2010 EU Timber Regulation³³. As the proposed regulation concerning conflict minerals is very recent,

³⁰ Ibid., 37.

³¹ EEAS Official (c), Interview in Brussels, November 5, 2013.

³² Martijn Vlaskamp, “La UE Y El Régimen Internacional de Diamantes: ¿Perdedora En El Proceso de Kimberley?,” in *Barbé, Esther (ed.) Cambio Mundial Y Gobernanza Global: La Interacción Entre La Unión Europea Y Las Instituciones Internacionales* (Madrid: Tecnos, 2012), 199–215; Martijn C. Vlaskamp, “Balancing Fundamental Rights Protection and Effective Multilateralism: The EU and Zimbabwe’s Marange Diamonds,” *European Foreign Affairs Review* 18, no. 4/1 (2013): 529–46.

³³ Christine Overdevest and Jonathan Zeitlin, “Assembling an Experimentalist Regime: Transnational Governance Interactions in the Forest Sector,” *Regulation & Governance*, 2012.

there has not been done much academic work about it until now. The ongoing discussion has, however, caused a number of policy papers by experts³⁴, NGOs³⁵ and industry representatives³⁶. The little existing literature about the EU policies in these cases will be introduced in the corresponding chapters later.

In sum, there can be concluded that there has been done some descriptive work about the EU's policies regarding the financing of armed conflicts by natural resources, but no comprehensive academic studies have been conducted. All these policy reports lamented the lack of research about this topic and the missing coherent and comprehensive approach to the aspect of natural resources in the EU's conflict prevention and crisis management policies. There exists, therefore, a deficiency in the current literature about this issue that this dissertation seeks to close.

1.2 Research Question and an introduction to the analytical framework

Every dissertation or research project needs to start with a concrete puzzle of scientific and social relevance. The great puzzle this thesis seeks to solve is therefore, why the EU has such an incoherent policy in the field of natural resources that fund armed conflicts. Hence the main research question is:

1) Why does the EU choose different policy measures to curtail the trade in conflict resources?

The independent variables of this question will be possible explanations for the behaviour of the EU. As previously explained, the dissertation will argue that these

³⁴ Anna Bulzomi, "IPIS Insights: The EU Draft Law on Conflict Minerals Due Diligence: A Critical Assessment from a Business & Human Rights Standpoint" (International Peace Information Service, April 2014), http://www.ipisresearch.be/publications_detail.php?id=443; Jeroen Cuvelier, Koen Vlassenroot, and Jose Diemel, "Congolese Conflictmineralen Maken Onverwachte Slachtoffers" (Moniaal Nieuws (MO), September 11, 2014), <http://www.mo.be/opinie/congolese-conflictmineralen-de-kleine-zelfstandige-de-pineut>.

³⁵ Global Witness, "Proposed EU Law Will Not Keep Conflict Resources out of Europe, Campaigners Warn," March 5, 2014, <http://www.globalwitness.org/library/proposed-eu-law-will-not-keep-conflict-resources-out-europe-campaigners-warn>.

³⁶ Eurometaux, "Eurometaux Response to the EU Draft Regulation on Conflict Minerals," April 2014, <http://www.eurometaux.org/PublicNews/tabid/84/articleType/ArticleView/articleId/311/Eurometaux-Response-to-the-EU-draft-regulation-on-conflict-minerals-April-2014.aspx>.

decisions are a combination of two elements: the EU’s internal level of support for measures and the global context in a specific case. These two terms will be developed and defined in detail in the chapters 3 and 4, but a bit below in this section a brief introduction will be provided. It is important to keep in mind, that the term “global context”, instead of “international context” has been chosen deliberately: the analysis of the environment in which the EU is acting will not be limited to state actors, but will also include alternative actors such as companies, NGOs etc.

The dependent variable is the policy measures of the EU. Measure is understood as defined as in the Oxford Dictionary: “A plan or course of action taken to achieve a particular purpose”³⁷. The rather vague term measures has been chosen to incorporate all possible kinds of public policies from strict, legally binding rules to incentives for self-certifications or recommendations. Efrat’s³⁸ work on international cooperation against illicit trade has been an inspiration for the analytical framework, but was considerably modified for the purposes of this thesis. He asked in his study why it is so difficult to achieve cooperation in this field, and attributes this to different domestic preferences that are uploaded to the international level. In this thesis, however, the global context is not only limited to the interactions between state actors but does also include other actors.

Table 1.1: Analytical framework of the dissertation

		Global context for measures concerning conflict resources	
		<i>Unfavourable</i>	<i>Favourable</i>
EU: Level of support for measures concerning conflict resources	<i>Low</i>	(I.) Absence of measures	(II) Absence of measures/ Reluctant participation in globally agreed rules
	<i>High</i>	(III.) Unilateral/Bilateral measures	(IV.) Participation in globally agreed measures

³⁷ Oxford Dictionary, “Measure,” 2014, <http://www.oxforddictionaries.com/definition/english/measure>.

³⁸ Asif Efrat, *Governing Guns, Preventing Plunder: International Cooperation against Illicit Trade* (Oxford & New York: Oxford University Press, 2012).

Table 1.1 illustrates the four possible policy outcomes of the EU. On the x-axis conditions for global measures against conflict resources can be assessed as favourable or unfavourable. On the y-axis the level of support at the EU for measures concerning conflict resources can be located from low to high. Each of the four possible combinations is obviously only an ideal type and the lines between these quadrants are in reality often blurred. Moreover, the quadrants only describe a snapshot in time: the situation may also change with corresponding different policy outcomes.

At one extreme is quadrant I, with a low EU-level of support for policy measures and an unfavourable global environment. In such a situation one might expect little political action to tackle the issue of a specific case. If there is no support at all, the most probable outcome is ignorance towards the problem from the EU-side.

In quadrant II there is still little EU-support but a more favourable global context. This combination is a bit complicated to assess and two possible outcomes are possible, depending on the specific case. On the one hand the rationalist expectation would be that the EU does not act against its own will and there will be no measures. But on the other hand the EU considers the promotion of multilateral solutions to global issues as one of its core doctrines³⁹. So, according to this logic, the global environment would push the EU to implicate itself –somewhat reluctantly- in these global schemes. However, this is a very hypothetical scenario as this situation has not occurred in any case study and it is very unlikely that states like China or Russia would suddenly become more ambitious on this issue as the EU.

In the two remaining quadrants the EU is in favour of measures. In quadrant III the global context is less favourable. The expected outcome would be that the EU takes unilateral steps, e.g. by imposing import sanctions without waiting for any multilateral cooperation.

The final combination, quadrant IV, is a high level of EU-support together with a favourable global context. This is, in a certain sense, the ideal combination for the Union. Due to its commitment to multilateral solutions and the principal idea that global

³⁹ Elena Lazarou et al., “The Evolving ‘Doctrine’ of Multilateralism in the 21st Century,” *Mercury E-Paper* 3 (2010), http://www.socialwork.ed.ac.uk/_data/assets/pdf_file/0011/85286/E-paper_no3_r2010_The_Evolving_Doctrine_of_Multilateralism_in_the_21st_C.pdf.

measures are more effective on global issues than individual measures⁴⁰ the EU will participate wholeheartedly under these circumstances in such schemes.

This analytical framework requires two additional research questions that need to be answered for each case study. First, each case has to be located on the y-axis of the table.

2) How high is the level of support at the EU for measures to curtail the trade in a specific conflict resource? And why is it so?

This question has been split in two parts; the first part about the level of support for measures in a specific case is descriptive, while the second question looks for the explanation of this support (or absence of support). The independent variables of question 2 will thus be possible explanations for the behaviour of the EU. Possible explanations will be presented in chapter 3 and will be grounded in the state of the art of research about the EU as an international actor. In rough terms they can be summarised in three different categories: (I) the identity of the EU as an actor, that creates certain norms the EU has to live up to; (II) geostrategic or economic interests; and (III) institutional factors that explain the EU's Foreign Policy with the Union's complex structure and decision-making processes⁴¹.

The dependent variable will be a high or low level of support for measures concerning conflict minerals.

The second additional question is necessary to locate a case on the x-axis.

3) How favourable is the global context for measures to curtail the trade in a specific conflict resource? And why is it so?

Chapter 4 will explain in detail how the global context will be assessed. The thesis applies a completely new and innovative approach by adapting the Global Production

⁴⁰ Navin A. Bapat and T.Clifton Morgan, "Multilateral Versus Unilateral Sanctions Reconsidered: A Test Using New Data," *International Studies Quarterly* 53, no. 4 (2009): 1075–94.

⁴¹ Adrian Hyde-Price, "Hyde-Price, A., 2004. Interests, Institutions and Identities in the Study of European Foreign Policy," in *Thomas Christiansen & Ben Tonra (eds) Rethinking European Union Foreign Policy* (Manchester: Manchester University Press, 2004), 99–113.

Network (GPN)-conceptualisation from Economic Geography⁴². The idea is that measures to curb the trade in a specific conflict resource seek to exclude this commodity from all supply chains. In other words, the production process of a certain good has to be influenced in a way that it can be ensured that no conflict resources form part of it. GPN sees global production processes as a network “whose interconnected nodes and links extend spatiality across national boundaries and, in so doing, integrates parts of disparate national and subnational territories”⁴³. The group of actors that shape the spatial embeddedness does not only include state actors and multilateral organisations, but also firms, civil society, consumers and labour (and obviously the armed groups in question). Each of these actors can influence a GPN in a certain way. The independent variables are the criteria established in chapter 4 to classify a global context and the dependent variables are the assessments, whether the global context is favourable or unfavourable.

In adding so much importance to the global context the dissertation is building on the work of the research project DYNAMUS⁴⁴ to which my PhD grant was connected. DYNAMUS asked the question why the EU, despite its efforts to speak with a single voice, was apparently losing influence in multilateral institutions. Whereas the project also detected other explanations –ineffective, time-consuming internal negotiations to get a single voice and rejection of the EU as a “neo-colonial” power- an explanation that occurred in all studied cases were changes in the global constellation of power that limited the EU’s room for manoeuvre⁴⁵. Striking a balance between the internal and external factors is thus a lesson learnt in the DYNAMUS project.

⁴² Jeffrey Henderson, Peter Dicken, Martin Hess, Neil M. Coe, and Henry Wai-chung Yeung, “Global Production Networks and the Analysis of Economic Development,” *Review of International Political Economy* 9, no. 3 (2002): 436–64.

⁴³ Neil M. Coe, Peter Dicken, and Martin Hess, “Global Production Networks: Realizing the Potential,” *Journal of Economic Geography* 8, no. 3 (2008): 271–95.

⁴⁴ Institut Barcelona d’Estudis Internacionals (IBEI), “Dynamics of the Multilateral System. Analysis of the Interaction between the European Union and the Global Institutions (DYNAMUS),” 2010, http://www.ibe.org/index.php?option=com_content&task=view&id=225&Itemid=120.

⁴⁵ Esther Barbé Izuel (ed), *Cambio mundial y gobernanza global: La interacción entre la Unión Europea y las instituciones internacionales* (Madrid: Tecnos, 2012).

On the theoretical level, the main aim of the thesis is to contribute to the research about the EU as an international actor. More specifically, it studies under what conditions the EU chooses unilateral or multilateral approaches for transnational problems. It is well-known that the EU puts special emphasis on multilateral institutions and that their strengthening is one of the strategic priorities of the EU's foreign policy as reflected for instance in the European Security Strategy⁴⁶. However, in some of the cases, which will be explained in this thesis the EU has nevertheless opted for a unilateral approach as an answer to a complicated global context. DYNAMUS' follow-up project EU-IANUS (The EU in an unsettled international system: crisis, polarity and multilateralism)⁴⁷ has built on this work and seeks to answer the question how the EU reacts to such an increasingly adverse international environment. The findings of this dissertation are also incorporated in this project's research agenda.

In empirical terms, the objective is to shed some light on the very little explored field of the EU's policies regarding conflict resources. It is probably not only the first comprehensive and theoretically based study of the EU as an actor in this field, but even the first study to be ever carried out about any international public actor's policies regarding conflict resources. Most research with respect to this topic focuses on the institutions⁴⁸ or the role of transnational actors⁴⁹; but there is almost no work done that researches the role of public actors in this context. As this topic still has its place on the political agenda in most western states this thesis can therefore contribute to a broader analytical view on this issue.

The dissertation's third objective is methodological as it seeks to create an analytical framework that can also be applied to other cases. It will be the first study to use the GPN-conceptualisation in the context of International Relations. The possible

⁴⁶ Council of the EU, "A Secure Europe in a Better World: European Security Strategy," December 12, 2003, <http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf>.

⁴⁷ Institut Barcelona d'Estudis Internacionals (IBEI), "EU-IANUS (The EU in an Unsettled International System: Crisis, Polarity and Multilateralism)," 2014, www.eu-ianus.eu.

⁴⁸ Virginia Haufler, "The Kimberley Process Certification Scheme: An Innovation in Global Governance and Conflict Prevention," *Journal of Business Ethics* 89, no. 4 (2009): 403–16.

⁴⁹ Virginia Haufler, "Corporations in Zones of Conflict: Issues, Actors, and Institutions," in *Deborah D. Avant, Martha Finnemore & Susan K. Sell (eds) Who Governs the Globe?* (Cambridge: Cambridge University Press, 2010), 102–31.

applications of this framework are not limited to the case of conflict resources, but it can also be used for other products that are linked to social or environmental discussions.

1.3 Methodology/ Research Design

This thesis studies a timeframe that starts at the end of the Cold War, and in particular since the beginning of the new millennium and ends in the autumn of 2014.

To gather the empirical material, different sources have been used: (I) official documents and informal documents as primary sources; (II) newspapers, journal articles, websites etc. as secondary sources; and (III) semi-structured interviews with involved individuals. These interviews were, if possible, carried out face-to-face at different places in Europe⁵⁰. In cases in which it was not possible to conduct this interview in person, due to logistical or economic reasons, the conversation was conducted by telephone or Skype.

The aim of these interviews has been to get a fair and balanced account about the policies and motives of EU, by talking to key stakeholders. The first group of interviewees were public officials from the different related EU institutions. In general, the response rate among the contacted EU officials has been very positive and most of them were very frank and honest in the assessments of their work. A second group of interview partners were public officials of EU Member States that were particularly active in this field. Moreover a couple of contacted officials consisted out of public servants from other countries (including the United States and Switzerland) to hear outside assessments of the EU's roles in these cases. It has also been tried to contact African public officials, but unfortunately the response rate to interview requests has been very low. Whereas most European and North American public officials replied in general positively, almost none of their African colleagues answered his/her E-Mails or was willing to be interviewed. Apparently this low response rate is not related to the specific case studies, but a more general problem in research about countries from this continent, as some colleagues studying Africa have pointed out to me. Besides state actors, also voices from the private sector have been included. Both business organisations and civil society organisations were consulted about their perspectives.

⁵⁰ In Barcelona, Brussels, Cambridge (United Kingdom), London and The Hague.

Furthermore, renowned experts and academic have been consulted and their ideas, knowledge and feedback have been incorporated in this thesis. In July 2013, I also attended the 22nd Illegal Logging Stakeholder Consultation and Update Meeting at Chatham House in London, where all current issue regarding the illicit trade in timber are discussed⁵¹. This conference, and the informal conversations with the participants, has been highly useful for chapter 6 about conflict timber. Two research stays abroad – in 2012 at the Department of Politics and International Studies of the University of Cambridge and in 2013 at the Africa Programme of EGMONT, the Royal Institute for International Relations in Brussels- offered the opportunity to get input from external researchers.

All interviews have been conducted in a semi-structured or focused way. In other words, a list of questions and issues was prepared in advance to be discussed during the conversation. The conversations have been carried out under Chatham House Rules, which means that the interviewees were promised that they would only be quoted in a non-attributable manner in the thesis. The reason for this form of proceeding is that respondents could talk more freely about their work in this way. Interviewed officials will only be identified by nationality or, in the case of EU-officials, institutions. During the interviews no recording devices have been used, but there has been written a transcript of each conversation, based on notes taken during the exchange.

A large part of the thesis will be built on three case studies: (I) the EU in the Kimberley Process for conflict diamonds; (II) the EU and conflict timber, with a specific focus on the EU's Forest Law Enforcement, Governance and Trade (EU-FLEGT) Action Plan, and (III) the EU and conflict minerals from the Democratic Republic of the Congo (DRC). These three commodities have been selected due to their prominence in the academic literature and because they are continuously used as examples in EU policy documents. Almost each interviewed EU official referred unrequested to them as examples. Furthermore, they illustrate three different approaches the EU has taken for the issue of conflict resources: in the case of diamonds the EU is involved in a multilateral effort; in the case of timber it acts rather unilaterally and looks for bilateral cooperation with states; and in the case of minerals the Union did for a long time

⁵¹ Chatham House, "Illegal Logging Stakeholder Consultation and Update Meeting Number 22," July 2013, <http://www.chathamhouse.org/events/view/191183>.

nothing and is now acting between these two poles. Furthermore, the three cases also form a logical historical continuation as will be explained in the chapters.

Another initiative which is often referred to in EU-documents with respect to natural resources and conflicts is the Extractive Industry Transparency Initiative (EITI). EITI is an international standard that aims on curbing corruption in the oil, gas and mineral sector by making payments and revenues transparent. The initiative is frequently included in policy documents as a measure to stop conflict financing, which is factually not completely correct as it concentrates its efforts principally on the root causes of conflicts, but not on the actual financing. I have also studied EITI and the transparency legislation of the EU⁵², but decided eventually to focus this thesis entirely on the direct financing dynamics of armed conflicts for the purpose of analytical clarity.

Conflict resources can be extracted in all conflict regions of the world, but during the work on this thesis the emphasis has been put on cases in sub-Saharan Africa. The principal reason for this focus was that most of the better-known cases of conflict resources are located in this region. Moreover, it made more sense to study the more general policies of the EU vis-à-vis one continent profoundly, instead of only looking superficially at all places in the world. The studied policies concerning natural resources and armed conflicts are often embedded in broader EU-policies with this region in the areas of development, trade and security.

The qualitative date of these cases will be studied with the method of process tracing. Process tracing is defined by Collier as “the systematic examination of diagnostic evidence selected and analysed in light of research questions and hypotheses posed by the investigator”⁵³. He further clarifies that it is an “analytical tool for drawing descriptive and causal inferences from diagnostic pieces of evidence – often understood

⁵² Martijn C. Vlaskamp, “Bringing Natural Resource Transparency to the Tropics? The EU, the Dodd-Frank Act and the Extractive Industry Transparency Initiative (EITI)” (presented at the 54th International Studies Association (ISA) Annual Convention, San Francisco, 2013); Martijn C. Vlaskamp, “The Effects of the Financial Crisis on the EU’s Disclosure Measures for the Extractive Industry” (presented at the Workshop: “The Euro crisis – a catalyst for change? Examining the effects of the financial crisis on European Union policy,” Stockholm, 2013).

⁵³ David Collier, “Understanding Process Tracing,” *PS: Political Science and Politics* 44, no. 4 (2011): 823.

as part of a temporal sequence of events or phenomena”⁵⁴. In each of the case studies it will thus be analysed what steps the EU has taken to arrive to its final policy decision.

1.4 Terminology

Some of the terms used in this thesis probably require a more specific definition to avoid any analytical lack of clarity.

The first term, which will be used very frequently, is “EU Foreign Policy” (alternatively also the term “EU External Policy” will be applied). In fact, it is already a point of discussion to what extent the EU is able to conduct its own foreign policy, as this is traditionally the area of state actors. The EU lacks many of the traditional tools of an international actor: it does not have an army, not a real Ministry of Foreign Affairs and its diplomatic service is still embryonic. Already for more than twenty years the gap between the expectations in the EU and its real capabilities⁵⁵ is therefore thematised. The final word in matters of external relations remains generally in the hands of the Council, and thus the 28 Member States. Critics argue therefore that the EU Foreign Policy is at core some form of “outsourcing” of the Member States⁵⁶.

However, despite these shortcomings it is increasingly perceived as a relevant individual actor in the international arena⁵⁷. The EU and its institutions play a considerable role through trade regulations, development aid and cooperation with regional and global multilateral organisations. The question what kind of actor the EU is, is still disputed and the list of descriptions of this “strange animal” is seemingly

⁵⁴ Ibid., 824.

⁵⁵ Christopher Hill, “The Capability-Expectations Gap, or Conceptualizing Europe’s International Role,” *Journal of Common Market Studies* 31, no. 3 (1993): 305–28; Christopher Hill, “Closing the Capabilities-Expectations Gap?,” in *John Peterson & Helene Sjursen (eds) A Common Foreign Policy for Europe? Competing Visions of the CFSP* (London & New York: Routledge, 1998), 19–39.

⁵⁶ Adrian Hyde-Price, “‘Normative’ Power Europe: A Realist Critique,” *Journal for European Public Policy* 13, no. 2 (2006): 217–34.

⁵⁷ Sonia Lucarelli and Lorenzo Fioramonti, *External Perceptions of the European Union as a Global Actor* (Abingdon, Oxon: Taylor & Francis, 2009).

endless. Characterisations of the EU go from “Normative Power Europe”⁵⁸ and “Civilian Power”⁵⁹ over “Market Power Europe”⁶⁰ to the rather racy “Metrosexual Superpower Europe”⁶¹. What motivates the EU and shapes its *actorness* will be discussed more in detail in chapter 3, but as this short description already shows it is a very complex international actor that is often defined as *sui generis* (of its own kind)⁶².

For these reasons the thesis will use the rather broad definition of Tonra & Christiansen: EU Foreign Policy involves “the totality of the EU’s external relations, combining political, economic, humanitarian and (...) military instruments at the disposal of the Union”⁶³. This includes thus all the EU institutions, which were formally created for the EU’s Common Foreign and Security Policy (CFSP), such as the the High Representative of the Union for Foreign Affairs and Security Policy and the European External Action Service, but also all other interactions of the EU with the outside world. Hence, also decisions such as EU regulations or standards can be part of the EU Foreign Policy as they oblige external actors, who want to export products to the Single Market to adjust their behaviour accordingly⁶⁴.

There are numerous possible definitions for multilateralism, but this thesis will work with Keohane’s understanding of multilateralism and its organisations as “institutionalised collective action by an inclusively determined set of independent

⁵⁸ Ian Manners, “Normative Power Europe: A Contradiction in Terms?,” *Journal of Common Market Studies* 40, no. 2 (2002): 235–58; Ian Manners, “The Normative Ethics of the European Union,” *International Affairs* 84, no. 1 (2008): 45–60.

⁵⁹ François Duchêne, “Europe’s Role in World Peace,” in *R. Mayne (ed.) Europe Tomorrow: Sixteen Europeans Look Ahead* (London: Fontana, 1972); François Duchêne, “The European Community and the Uncertainties of Interdependence,” in *M. Kohnstamm and W. Hager (eds) A Nation Writ Large? Foreign-Policy Problems before the European Community* (London: Macmillan, 1973), 1–21.

⁶⁰ Chad Damro, “Market Power Europe,” *Journal for European Public Policy* 19, no. 5 (2012): 682–99.

⁶¹ Parag Khanna, “The Metrosexual Superpower,” *Foreign Policy* 143 (July 1, 2004): 66–68.

⁶² Fraser Cameron, *An Introduction to European Foreign Policy* (Abingdon, Oxon & New York: Routledge, 2007).

⁶³ Ben Tonra and Thomas Christiansen, “Chapter 1: The Study of EU Foreign Policy: Between International Relations and European Studies,” in *Ben Tonra & Thomas Christiansen “Rethinking European Union Foreign Policy”* (Manchester & New York: Manchester University Press, 2004), 2.

⁶⁴ Sandra Lavenex and Frank Schimmelfennig, “EU Rules beyond EU Borders: Theorizing External Governance in European Politics,” *Journal of European Public Policy* 16, no. 6 (2009): 791–812.

states. Truly multilateral organisations are open to all states meeting specified criteria. The rules of multilateral organisations are publicly known and persist over a substantial period of time.”⁶⁵

To define some of the core terms related to armed conflicts, the definitions of the Uppsala Conflict Data Program (UCDP) have been used. The program records since the 1970s ongoing violent conflicts and publishes each year a highly cited annual report in the Journal of Peace Research. Due to its wide use, its definitions are more or less the standard in peace research now, which make them the most logical choice to work with.

An armed conflict is defined as “a contested incompatibility that concerns government and/or territory where the use of armed force between two parties, of which at least one is the government of a state, results in at least 25 battle-related deaths in one calendar year”⁶⁶. SIPRI distinguishes these conflicts from non-state conflicts in which none of the warring parties is a government. A warring party, the term will be used interchangeably with the term armed group, is “a government of a state or any opposition organisation or alliance of organisations that uses armed force to promote its position in the incompatibility in an intrastate or an interstate armed conflict”⁶⁷. The term civil war will be used interchangeably during the dissertation.

A term, which is used in the context of natural resources and conflicts, is conflict resources. Until now does not exist a universally accepted definition of this term, which causes often some confusion in debates. Despite the call for a more specific definition in the ECORYS-report, also the EU still does not have a fixed definition and in fact does not use this term very often in its policy documents⁶⁸.

The Kimberley Process defines “conflict diamonds” as “rough diamonds used by rebel movements or their allies to finance conflict undermining legitimate governments, as described in relevant United Nations Security Council (UNSC) resolutions insofar as

⁶⁵ Robert O. Keohane, “The Contingent Legitimacy of Multilateralism,” in *Edward Newmann, Ramesh Thakur & John Tirman (eds) Multilateralism under Challenge? Power, International Order, and Structural Change* (Tokyo: United Nations University Press, 2006), 56.

⁶⁶ Uppsala Universitet - Department of Peace and Conflict Research, “Definitions of the Uppsala Conflict Data Program,” 2014, <http://www.pcr.uu.se/research/ucdp/definitions/>.

⁶⁷ Ibid.

⁶⁸ EEAS Official (c), Interview in Brussels.

they remain in effect, or in similar UNSC resolutions which may be adopted in the future, and as understood and recognised in United Nations General Assembly (UNGA) Resolution 55/56, or in other similar UNGA resolutions which may be adopted in future”⁶⁹. An often criticised point of this definition is that it does not include violence committed by state actors. In other words, diamonds traded by state actors can never be “conflict diamonds” in the Kimberley Process. Furthermore, by relating in this definition to UNSC-resolutions the permanent UNSC-Members have made sure that indirectly each of them has a veto right on sanctions against rebel groups. In the chapter about diamonds, this problem will be explained more in detail. Due to these problems, NGOs and western actors therefore seek to broaden this definition, but meet heavy resistance from the other participants.

On the other hand, there are also suggestions for very broad definitions. A Member of the European Parliament, Nessa Childers from the Socialists & Democrats fraction, asked for instance in 2010 in the European Parliament why Israel’s diamonds could not be labelled as “blood diamonds” as they were financing the Israeli army by taxes and contributed therefore indirectly to war and human rights violations in the occupied territories⁷⁰. In fact, not only Israel but almost each country that is involved in a war is very hesitating about a broad definition of conflict resources. When the British NGO Global Witness proposed its below written definition to the US State Department in the mid-2000s, they met US concerns whether such a definition would not also apply to Iraq⁷¹. These concerns are not exclusively American⁷²: Defining all natural resources that contribute indirectly to the financing of military operations through tax revenues as “conflict resources” would probably make the definition too broad.

Another point of discussion is, whether natural resources related to social and economic conflicts should also be labelled as “conflict resources”. Voices from South America

⁶⁹ Kimberley Process Certification Scheme, “Kimberley Process Certification Scheme,” 2002, <http://www.kimberleyprocess.com/en/kpcs-core-document>.

⁷⁰ Nessa Childers, “Question for Written Answer to the Commission- Subject: Kimberley Process,” November 26, 2010, <http://www.europarl.europa.eu/sides/getDoc.do?type=WQ&reference=E-2010-9956&language=EN>.

⁷¹ House of Lords - Select Committee on Economic Affairs, *The Impact of Economic Sanctions, Volume II: Evidence* (London: The Stationery Office Limited, 2007), 57.

⁷² If not said so otherwise, “America” or “Americans” is used in this thesis for the United States.

told EU officials for example that the often very controversial natural resource extraction in the territories of indigenous communities would also be some sort of “conflict resource”⁷³. The argument is that conflict cannot only be defined as civil war-like conflicts, but that also such social, economical and environmental conflicts have to be included.

The British consultancy Estelle Levin Ltd. has developed a system to further categorise conflict minerals. In the subsequent table, taken entirely from one of their studies about the environmental dimension in conflict minerals due diligence initiatives, gold is classified into different ethical levels⁷⁴:

Table 1.2: Conceptualising key terms in the ‘Conflict Minerals’ discourse

Type	Description	Hypothetical Examples
Sustainable gold	Ethical gold which includes a deliberate effort to ensure the mineral capital contributes to sustainable development at all levels of the supply chain.	Gold produced in compliance with the Responsible Jewellery Council’s Code of Practices or the ARM/FLO Fairtrade/ Fairmined Standard for Artisanal Gold.
Ethical gold	Gold which has been produced and traded in ways that ensure that all social and environmental risks have been managed, but there is no conscious effort to ensure that the mineral capital contributes to sustainable development.	Gold produced by a corporate mine where the producer is fully compliant with national law and has instituted management systems for mitigating social and environmental risks associated with its operations. The corporate mine may take development actions but these would be judged to be ineffectual by an audit of performance against sustainability indicators.

⁷³ European Commission Official (b), Interview in London, July 8, 2013.

⁷⁴ International Telecommunication Union (ITU) and United Nations University (UNU), *Greening ICT Supply Chains – Survey on Conflict Minerals Due Diligence Initiatives*, 2012, 19–20, <http://www.estellelevin.com/wp-content/uploads/2013/12/UN-ITU-Greening-Supply-Chains.pdf>.

Conflict-free gold	The same as for conflict-managed gold, but with a guarantee that the gold is 100% guaranteed for not having contributed to the financing of illegal armed groups.	Gold from Colombia that can be proven to have provided no benefit to the FARC. Gold assured by the EICC-GeSI ‘conflict-free’ smelter programme or the World Gold Council’s Conflict-Free Gold programme.
Conflict-managed gold	Gold where the origin is known, and on which adequate due diligence and mitigation of those risks specified in the OECD Due Diligence Guidance (DDG) (relating to human rights abuses and armed conflict only) have been conducted. This is the basic minimum for some type of ‘better’ gold over and above conventional or ‘bad’ gold.	Gold from a conflict-zone, e.g., South Kivu in DRC, where the buyer has discovered that a consignment has been illegally taxed by an armed group but continues to engage with the conflict-affected supplier and institutes methods to prevent a reoccurrence of the violation.
Conventional gold	All gold the origin of which is unknown. This gold may or may not have been produced and traded in ways that cause irreversible damage to the environment and society at large, have involved human rights abuses and/or have financed armed conflict. This gold would have to be reported as “not DRC conflict-free” under the requirements of Section 1502 of DFA.	Most gold is in this category as gold is a commodity.
‘Bad’ gold	Gold known to be produced, traded and transformed in ways that cause irreversible or serious damage to the environment and society at large, have involved human rights abuses, and/or have financed armed conflict.	Gold mining that has been subject to illegal taxation by armed groups in DRC. Gold mined in Peru by children doing hazardous labour in contravention of ILO Convention 182. Gold smuggled across international borders. Gold mined by miners who rely on meat of an endangered species (e.g., chimpanzee) as their main protein. Etc. etc.!

According to the classification of this table, a “conflict-free” natural resource is not necessarily sustainable or ethical. It may very well be related to child labour, environmental destruction or other social problems. On the other hand, “sustainable” or “ethical” products are thus almost always per definition conflict-free. This is important to keep in mind when the thesis will talk in a later stage about transnational private regulations that certify ethical/sustainable behaviour or production methods.

As previously explained, this thesis focuses itself in the first place on natural resources that are actively contributing to armed conflicts. For this reason, it needs a definition that is one on the hand not as narrow as the one employed by the Kimberley Process for diamonds, but on the other hand also not as broad as the suggestion of Nessa Childers. The dissertation will therefore apply the definition of Global Witness, which is also the most frequently used version in this field:

“Conflict resources are natural resources whose systematic exploitation and trade in a context of conflict contribute to, benefit from or result in the commission of serious violations of human rights, violations of international humanitarian law or violations amounting to crimes under international law.”⁷⁵

This definition is the best option for the thesis because it has found an adequate middle-ground between the possible options. On the one hand it also includes state-sponsored violence by not making a distinction between the actors that may enrich themselves with the trade in these natural resources. But on the other hand the scope of the definition is also sufficiently narrow for the analytical purposes of this dissertation as it only covers activities that are carried out in an actual context of conflict.

1.5 Outline of the thesis

The thesis has been divided in three parts. In the first part, the required theoretical and empirical background will be provided. The second part will turn then to the analysis of the three selected case studies. In the third –brief- part the results will be discussed and a conclusion will be presented.

Chapter 2 will explain more in detail the academic discussion about the link between natural resources and armed conflicts. It will describe how they are linked to the

⁷⁵ Global Witness, “Conflict,” 2014, <http://www.globalwitness.org/campaigns/conflict>.

prerequisites of civil wars and influence directly and indirectly the dynamics of armed conflicts. Moreover, it will discuss the existing literature about measures to curb the trade in conflict resources.

Chapter 3 and chapter 4 are closely related to the earlier explained analytical framework. Chapter 3 will deal with the EU as an international actor and aims on permitting the classification of different cases on the y-axis of Table 1.1 (level of support for measures at the EU). First, it will look on the EU's policies with respect to conflict prevention and crisis management and how it has integrated the natural resource dimension in it. Then, it will present possible policy measures by the EU. In the subsequent section, this chapter will discuss how identity, interest and institutions may influence the behaviour of the EU and create a model that explains the level of support for measures at the EU.

In chapter 4, the Global Production Network-conceptualisation will be introduced and how it can be used to analyse the trade in conflict resources. The chapter introduces the different types of powers that may influence the dynamics of the network: institutional powers (states, multilateral organisations etc.), collective powers (NGOs, consumers etc.) and corporate powers (companies). In this context the chapter will also explain the logics behind different possible public and private initiatives to tackle the trade in conflict resources. Subsequently, the chapter will present a model to classify each case on the x-axis of Table 1.1 that indicates how favourable the global conditions for measures against the trade in conflict resources are. This chapter concludes the first part of the thesis, which will then move on to the case studies.

The first case is diamonds and the related Kimberley Process, which is often presented as a positive example of how to tackle the problems with conflict resources. The EU speaks almost since the establishment of the Process with one voice in its meetings and is generally seen as one of its key actors. However, despite its successes in reducing the trade in "blood diamonds" the Kimberley Process experienced a serious crisis in the past years, due to an increasing politicisation of the debates and growing tensions between the western actors (both NGOs and state actors) and the rest about a reform of the Process.

The second case is the EU's policies with respect to illegally logged timber. Albeit not exclusively designed for the case of conflict timber, the current EU Timber Regulation that prohibits any import of illegal timber to the Single Market is widely considered as

the world's strictest legislation in this field. The EU Timber Regulation is an example of a unilateral measure taken by the EU in an unfavourable global context. In this chapter the reasons behind this regulation will be studied. Furthermore, it will also dedicate some space to a discussion of the important role of private certification schemes in the field of global forest governance (e.g. by the Forest Stewardship Council (FSC) and how the EU deals with them.

The third and final case is "conflict minerals" from the Great Lakes Region, and in particular from the Democratic Republic of the Congo (DRC). Despite its wealth in resources the DRC is one of world's poorest countries, and until the present day the scene of violent conflicts. Almost all warring parties profit from the trade with the country's natural resources, often summarised with the abbreviation 3TG (Tantalum, Tin, Tungsten and Gold). The EU has invested much effort and finances in the DRC as part of its conflict prevention and crisis management strategy and also takes the trade with these resources into account. This chapter will pay special attention to the proposal of the European Commission for a Conflict Minerals Regulation. With this case study the empirical part will be concluded.

In the subsequent third part the results and the conclusion of the thesis will be provided. The final chapter will compare the three cases with each other and answer the dissertation's main research question.

CHAPTER 2: NATURAL RESOURCES AND ARMED CONFLICTS

In this chapter the link between natural resources and armed conflicts will be examined. The exploitation of natural resources as part of warfare is probably as old as warfare itself. Already Cato the Elder coined the phrase “bellum se ipsum alit” (The war nourishes itself) in 195 BC during the conquest of Hispania. This strategic consideration lives on until our days: but while in the days of Cato the Elder the nurture of the war took place through plundering the local population, nowadays warlords can make their profits by selling resources via modern technology directly from the jungle to the world markets. Laurent Kabila, who overthrew the regime of Mobutu Sese Seko in 1997, boasted once that all you need to take over the DR Congo was ten thousand US-Dollars and a satellite phone: the money to recruit a small army, and the cell phone to do business with international companies regarding the resources⁷⁶.

In the past twenty years numerous studies have discussed the relationship between natural resources and armed conflicts. And yet, there is still no general conclusion about all dimensions of this nexus in the academic literature except the provisional consensus that there is some link between resource abundance and armed conflicts⁷⁷. But when the exact mechanisms are analysed there are plenty of disputes: whereas some scholars argue that resource wealth causes directly and indirectly motivations for rebellion, other authors state that it creates in the first place the opportunity for an armed uprising through the profits of natural resource looting. At the same time, most studies argue that in situations of resource scarcity, the scarcity is seldom the main cause for armed conflicts and that in such cases economic and political factors carry more explanative power⁷⁸. As this thesis is only focused on the EU’s policies regarding natural resources that actively finance armed conflicts it will also not discuss such cases of scarcity.

The purpose of this chapter is to explain the role of abundant natural resources in armed conflicts, so that the effect of the different public policies explained in the case studies can be better understood. In the first section, the chapter will give a brief introduction to

⁷⁶ Paul Collier, *The Bottom Billion* (New York: Oxford University Press, 2007), 21.

⁷⁷ Koubi et al., “Do Natural Resources Matter for Interstate and Intrastate Armed Conflict?”

⁷⁸ Ole Magnus Theisen, “Blood and Soil? Resource Scarcity and Internal Armed Conflict Revisited,” *Journal of Peace Research* 45, no. 6 (2008): 801–18; Vally Koubi et al., “Climate Variability, Economic Growth, and Civil Conflict,” *Journal of Peace Research* 49, no. 1 (2012): 113–25.

some general theories about the reasons behind the onset of civil wars and present a simple model. The second section will then explain how natural resources can influence these dynamics. In section three it will be examined how natural resource characteristics can cause different types of civil wars, and section four explains how they can fund rebel groups. Section five asks whether all types of resources or only a subset (e.g. oil or diamonds) are linked to conflicts. The sixth section studies the logic of measures against conflict resources and how they seek to cut off the revenue streams of rebel groups. In the final section a summary of the detected mechanisms will be presented.

2.1 Why do people rebel?

In this section a simple explanative model for the outbreak of civil wars will be presented. Most scholars agree that the onset of an armed rebellion requires three preconditions: a shared group identity of the rebels, a motivation (sometimes called frustration) to rebel and the opportunity to do so⁷⁹. While some authors argue that all three preconditions have to be fulfilled for the outbreak of a civil conflict⁸⁰, other scholars prioritise one of these variables over the others. Collier et al put for example a special emphasis on “opportunity” and argue that there are always some groups, who would be motivated to take matters in their own hands, so “where rebellion is feasible it will occur”⁸¹.

The first variable of this model is identity. Almost every individual identifies himself/herself to some extent with a larger social group. For example, ethnic⁸² or

⁷⁹ Ted Robert Gurr, *Why Men Rebel* (Princeton: Princeton University Press, 1970); Tanja Ellingsen, “Colourful Community or Ethnic Witches’ Brew? Multiethnicity and Domestic Conflict During and After the Cold War,” *Journal of Conflict Resolution* 44, no. 2 (2000): 229.

⁸⁰ Ellingsen, “Colourful Community or Ethnic Witches’ Brew? Multiethnicity and Domestic Conflict During and After the Cold War,” 239.

⁸¹ Paul Collier, Anke Hoefler, and Dominic Rohner, “Beyond Greed and Grievance: Feasibility and Civil War,” *Oxford Economic Papers* 61, no. 1 (2009): 24.

⁸² Ellingsen, “Colourful Community or Ethnic Witches’ Brew? Multiethnicity and Domestic Conflict During and After the Cold War”; Ibrahim Elbadawi and Nicholas Sambanis, “How Much War Will We See? Explaining the Prevalence of Civil War,” *Journal of Conflict Resolution* 46, no. 3 (2002): 307–34.

religious⁸³ differences are linked to the onset of armed conflicts and their duration⁸⁴. In this context, some work also points out that the degree of ethno-linguistic fractionalisation can play a role: very homogenous and very heterogeneous countries have a much lower probability of an outbreak of an armed group, than countries with two more or less evenly large groups. Collier & Hoeffler explain this with the high coordination costs of rebellion⁸⁵. In a very homogenous state the minority is not strong enough to start a rebellion against the majority, whereas in very fractionalised states no group has the potential to dominate the rest. Only in a much polarised setting, one group can dominate the other after a civil war. An exception to that rule is secessionist conflicts, when one group considers itself strong enough to secede from the current state. Elbadawi and Sambanis argue therefore that civil wars in Africa are better explained by political and economic factors as by the high extent of ethnic, cultural, and religious diversity in the society. Many countries in Asia –that are ethnically much more polarised- are according to them much more in risk of civil wars⁸⁶.

However, identity is never the unique root cause of armed conflict itself and comes always together with a motivation to rebel and the opportunity to do. Identities can form a focal point for experienced collective grievances and help to channel them. Moreover, identities can contribute to a more rapid and organised mobilisation and guarantee some initial cohesion for a rebellion. But identity is not an explanative variable on itself, it is rather a precondition: if there cannot be defined a common identity rebellion is unlikely, but if there is a common identity this is not enough to explain a rebellion.

The second variable is the motivation to rebel. Possible explanations are often divided among the greed vs. grievance-debate. The grievance-side argues that rebellion is

⁸³ Marta Reynal-Querol, “Ethnicity, Political Systems, and Civil Wars,” *Journal of Conflict Resolution* 46, no. 1 (2002): 29–54; Matthias Basedau, Birte Pfeiffer, and Johannes Vullers, “Bad Religion? Religion, Collective Action, and the Onset of Armed Conflict in Developing Countries,” *Journal of Conflict Resolution*, 2014, 1–30.

⁸⁴ Patrick M. Regan and Aysegul Aydin, “Diplomacy and Other Forms of Intervention in Civil Wars,” *Journal of Conflict Resolution* 50, no. 5 (2006): 751.

Elbadawi and Sambanis, ‘How Much War Will We See? Explaining the Prevalence of Civil War’.

⁸⁵ Paul Collier and Anke Hoeffler, “On Economic Causes of Civil War,” *Oxford Economic Papers* 50 (1998): 563–73; Paul Collier and Anke Hoeffler, “Greed and Grievance in Civil War,” *Oxford Economic Papers* 56, no. 4 (2004): 563–95.

⁸⁶ Elbadawi and Sambanis, “How Much War Will We See? Explaining the Prevalence of Civil War.”

mostly the result of economic, political, social or environmental problems⁸⁷. According to Gurr people start to rebel as a consequence of relative deprivation, which means that they expect/suppose that they deserve more as what they actually receive. These gaps can be about political freedom, economic benefits etc. and the larger they are, the more frustrated people get⁸⁸. If these grievances and perceptions of relative deprivation or horizontal inequalities are not only felt by individuals but by larger groups (e.g. ethnicities or classes) it can lead to dynamics of a growing group feeling and an idea of “we” against “them”. Gurr and Moore define grievances therefore as “widely shared dissatisfaction among group members about their cultural, political, and/or economic standing vis à vis dominant groups”⁸⁹. These grievances against the “other” who is seen as the cause of the misery can manifest itself in violence against this group. If one dominant or well-off group is associated with these grievances the frustrations among the other groups can lead to violence targeted on this particular group (e.g. through pogroms). In cases in which this dominant group is associated with the state itself the frustration will be aimed at this state and can escalate in an armed rebellion.

The alternative to grievance-based motivations is the greed-explanation, which is usually associated with the work of Collier and Hoeffler⁹⁰. The principal argument is that people will wage a civil war when they feel that the perceived benefits outweigh the costs. Rebellion is thus in the first place a cost/benefit-calculation. Participating in an uprising carries on the one hand substantial physical and economical risks, but on the other hand lure the expected benefits, such as access to tax revenues. So the initiators of a rebellion make a cost/benefit analysis to see if an uprising would pay off for them. Particularly in economically precarious situations, the possible benefits may outweigh for desperate individuals the enormous risks of joining an armed group⁹¹. Following this

⁸⁷ Wenche Hauge and Tanja Ellingsen, “Beyond Environmental Scarcity: Causal Pathways to Conflict,” *Journal of Peace Research* 35, no. 3 (1998): 299–317.

⁸⁸ Gurr, *Why Men Rebel*.

⁸⁹ Ted Robert Gurr and Will H. Moore, “Ethnopolitical Rebellion: A Cross-Sectional Analysis of the 1980s with Risk Assessments for the 1990s,” *American Political Science Review* 41, no. 4 (1997): 1081.

⁹⁰ Collier and Hoeffler, “On Economic Causes of Civil War”; Collier and Hoeffler, “Greed and Grievance in Civil War.”

⁹¹ Håvard Hegre, “Some Social Requisites of a Democratic Civil Peace: Democracy, Development, and Armed Conflict,” Working Paper presented at the American Political Science Association (2002 Annual Meeting, Boston (MA); 29 August-1 September 2002, August 23, 2002), 34.

logic there are three different concepts which are used to explain the outbreak of a civil war⁹²: (I) rebellion as investment: rebels accept during the fights net costs because of the expected benefits once the aim of the organisation is achieved; (II) rebellion-as-mistake: the rebels expected fewer costs for the expected benefits, but due to unexpected resistance they find themselves in a quagmire of a civil war; and (III) rebellion-as-business: the rebels can profit already during the conflict by quasi-criminal activities, such as the looting of natural resources, which they could not deploy in a peaceful situation⁹³.

Weinberg⁹⁴ distinguishes therefore between “activist” rebel groups that are motivated by non-material goals and which are usually rather disciplined and use violence only selectively; and “opportunistic” rebel organisations who are motivated by greed, less disciplined and use violence excessively, especially in order to plunder etc. The concepts of greed and grievance are often depicted as dichotomy, but as Collier himself pointed out they can also be complementary: “greed may need to incite grievance; grievance may enable a rebel organisation to grow to the point at which it is viable as a predator, greed may sustain the organisation once it has reached this point”⁹⁵. Also empirical evidence, for example from Sierra Leone, shows that multiple logics of participation can exist within a group at the same time⁹⁶.

The third precondition is, whether potential rebels actually have the opportunity to rebel. The two most obvious material limitations to make a rebellion feasible are financial and military constraints. A military rebellion requires substantial financial resources in order to pay weapons, ammunition, military equipment etc. Therefore, one of the primary preoccupations of rebel groups is to make their movement financially feasible. During the Cold War, foreign financing, usually from the United States or from the USSR provided a good way of income for rebel groups. Many of them did not have any hesitations to trim their ideological sails to every wind that blew to get

⁹² Collier and Hoeffler, “Greed and Grievance in Civil War.”

⁹³ Paul Collier, “Rebellion as a Quasi-Criminal Activity,” *The Journal of Conflict Resolution* 44, no. 6 (2000): 839–53.

⁹⁴ Jeremy M. Weinstein, *Inside Rebellion: The Politics of Insurgent Violence* (Cambridge: Cambridge University Press, 2007).

⁹⁵ Collier, “Rebellion as a Quasi-Criminal Activity,” 852.

⁹⁶ Humphreys and Weinstein, “Who Fights? The Determinants of Participation in Civil War.”

funding. But the end of the Cold War finished this source of revenue and many armed groups either gave up their fight or turned to alternative ways to finance itself.

The main sources of funding can be divided in three categories⁹⁷. The first source is financing by diaspora groups who feel the need to support the struggle in their old home country and give therefore money for “the cause” (e.g. Croats during the wars in Yugoslavia). A second source of revenues and material support is by third parties for political, economic or ideological reasons. Some states still provide structural support for armed groups (e.g. some Persian Gulf States for the Free Syrian Army) or by private persons (e.g. wealthy Arabs that beefed up radical Islamist groups in Iraq and Syria). Groups that rely on external funding tend to be more violent, as they do not require any domestic support (the only exception are groups that are exclusively financed by democracies for their sponsors are more critical about the methods to achieve certain results)⁹⁸. A third mode of financing, which has become more popular since the end of the Cold War⁹⁹, is funding by illicit activities. Looting natural resources is one of the profitable ways of auto-funding, but other possible options are for example imposing “revolutionary taxes”, pillaging or holding people for ransom.

Additionally to these financial conditions, there are also military factors that determine the feasibility of an armed rebellion, e.g. the strength of the government military and counter-insurgency measures or the territory. In cases in which the armed group is not strong enough to confront the government openly, rebels need safe harbours like jungles or mountains to hide themselves¹⁰⁰. Moreover, armed groups also need a pool of potential fighters (predominantly young men) from where they can recruit new members. People in an economically or socially precarious situation, are easier to recruit for such a risky enterprise that could cost their life, than people in a more settled

⁹⁷ Collier and Hoeffler, “Greed and Grievance in Civil War,” 565.

⁹⁸ Idean Salehyan, David Siroky, and Reed M. Wood, “External Rebel Sponsorship and Civilian Abuse: A Principal-Agent Analysis of Wartime Atrocities,” *International Organization* 68, no. 3 (2014): 633–61.

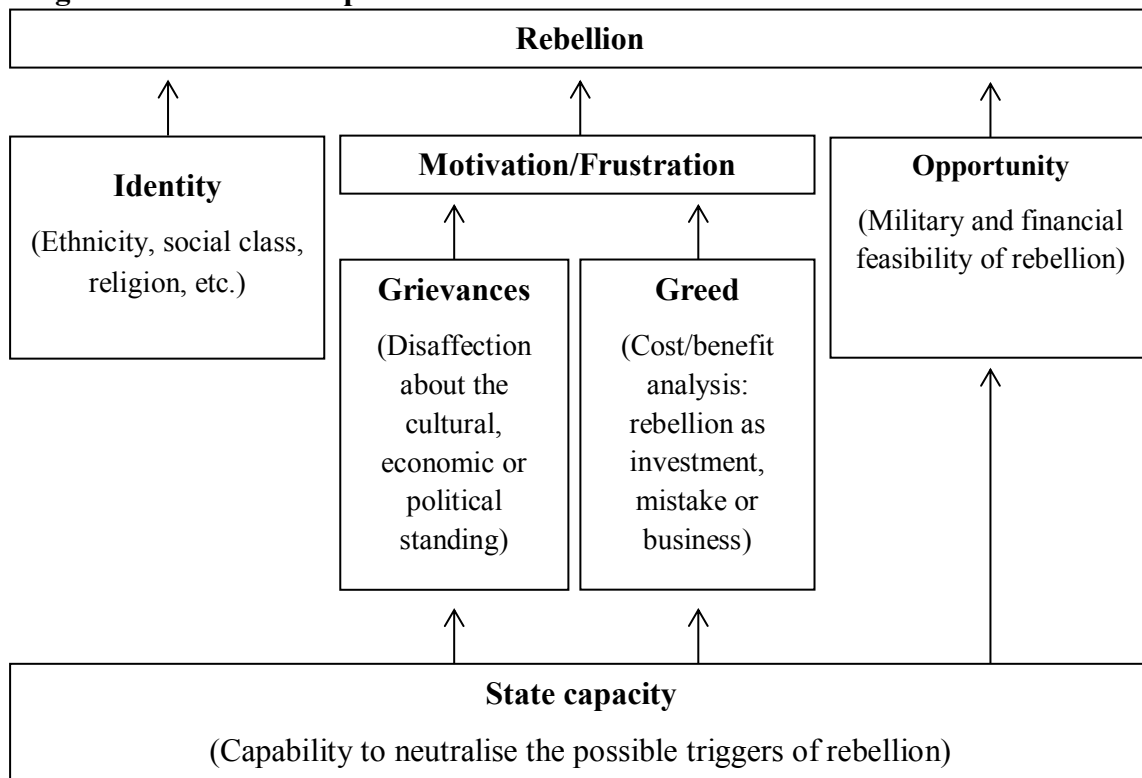
⁹⁹ Michael L. Ross, “A Closer Look at Oil, Diamonds and Civil War,” *Annual Review of Political Science* 9 (2006): 265–300.

¹⁰⁰ Collier, Hoeffler, and Rohner, “Beyond Greed and Grievance: Feasibility and Civil War,” 16.

environment¹⁰¹. A motivation for the rebellion that attracts foreign fighters can also be helpful to fill the ranks (e.g. jihadism).

While there is agreement that the opportunity to rebel is a key factor in an analysis of armed conflicts, there is some debate how to frame it. Humphreys argues that these points are rather “permissive causes” than root causes¹⁰². Collier and Hoeffler, however, claim that this is the determining factor for rebellion to take place. In their words “motivation is indeterminate, being supplied by whatever agenda happens to be adopted by the first social entrepreneur to occupy the viable niche, or itself endogenous to the opportunities theory opened for illegal income”¹⁰³. According to their argument, there are always some people that would like to start a rebellion, but what really matters is the question whether such a rebellion is feasible or not.

Figure 2.1: Model to explain rebellions



¹⁰¹ Ibrahim Elbadawi and Nicholas Sambanis, “Why Are There So Many Civil Wars in Africa? Understanding and Preventing Violent Conflict,” *Journal of African Economies* 9, no. 3 (2000): 253.

¹⁰² Macartan Humphreys, “Natural Resources, Conflict, and Conflict Resolution,” *Journal of Conflict Resolution* 49, no. 4 (2005): 512.

¹⁰³ Collier, Hoeffler, and Rohner, “Beyond Greed and Grievance: Feasibility and Civil War,” 24.

The three elements have been integrated in the table above. However, all of them are also influenced by an additional element that has not been mentioned until now: the capacity of the state, where a rebellion can occur. The most influential text in this school of thought has been written by Fearon & Laitin¹⁰⁴, who argue that poverty – which leaves states financially, and bureaucratically weak- and political instability are the key explanations for civil wars (plus mountainous territory, which relates to the opportunity aspect). This work does not per se contradict the other explanations, but rather complements it: a weak and poor state almost automatically causes more grievances among its population; it makes the recruitment of rebels that are driven by greed easier; and offers through its low state capacity (e.g. insufficient counter-insurgency forces) the opportunity to effectively challenge its authority.

2.2 Why are resource-rich countries more prone for armed conflicts?

After the previous section has provided a simple explanation for the onset of armed conflicts, this section will explain where natural resources fit in this model. In their influential article, Collier and Hoeffler show that countries whose Gross Domestic Product is generated by around a quarter by natural resource exports have a five times higher probability of armed conflicts as countries without resources¹⁰⁵.

From their point of view, one explanation for these higher odds is that natural resources add some extra motivations for rebels. In the long run they make the “price” of controlling the state -or at least a part of it- and its tax revenues more attractive (rebellion-as-investment). So, in resource-poor environments leaders have to persuade new members for their armed group with credible promises about the private rewards that will come after victory. In resource-rich environments rebel leaders can attract possible new recruits by using the short-term financial incentives through the exploitation of natural resources as motivation (Rebellion as business)¹⁰⁶. This gives “greedy” rebel organisations an advantage to more idealist competitors: “Where

¹⁰⁴ James D. Fearon and David D. Laitin, “Ethnicity, Insurgency, and Civil War,” *American Political Science Review* 97, no. 1 (2003): 75–90.

¹⁰⁵ Collier and Hoeffler, “On Economic Causes of Civil War.”

¹⁰⁶ Paul Collier, Anke Hoeffler, and Måns Söderbom, “On the Duration of Civil War,” *Journal of Peace Research* 41, no. 3 (2004): 253–73.

resources permit, opportunistic rebel leaders crowd out ideological leaders”¹⁰⁷ as it is usually easier to convince people with direct personal benefits instead of some possible future collective objectives. A consequence is that the commitment of these new members to the long-term objectives of the rebel group is often not very strong¹⁰⁸. The leader of the rebel groups therefore have to find constantly ways to satisfy their “greedy” soldiers. In many cases, maintaining the anarchy of war can even become a motivation on itself because under these conditions rebel groups can continue with illicit activities they could not carry out in a peaceful setting¹⁰⁹. This dynamic is often incorporated in the idea of “new wars”¹¹⁰: in these conflicts the line between warring parties and criminal organisations is not too clear anymore. In fact, it can also be beneficial for the government to deliberately perpetuate the conflict in order to receive for example military funding from abroad or enrich itself through black market activities¹¹¹. In such a situation, all involved sides are not interested in a peace solution, as long as it does not promise a substantial material improvement to the status quo. This can lead to very perverse incentives. In the DRC, for example, rebel groups that surrender are often integrated in the Congolese army as part of the peace deal and their leaders are appointed to high officer functions. For this logic, some rebel leaders continue their fight until they are sufficiently notorious to demand high, well-paid functions in the army as part of their peace agreement¹¹².

The looting of natural resources cannot only be a motivation to fight, but also shapes the opportunity to make a rebellion feasible and viable. In this way, natural resources also contribute to the duration of civil wars: according to Collier et al a decrease of world prices of a primary commodity involved in a conflict improves the prospects of peace

¹⁰⁷ Paul Collier and Anke Hoeffler, “Resource Rents, Governance and Conflict,” *The Journal of Conflict Resolution* 49, no. 4 (2005): 626.

¹⁰⁸ Jeremy M. Weinstein, “Resources and the Information Problem in Rebel Recruitment,” *The Journal of Conflict Resolution* 49, no. 4 (2005): 598–624.

¹⁰⁹ Keen, *The Economic Functions of Violence in Civil Wars*.

¹¹⁰ Mary Kaldor, *New & Old Wars*, 2nd edition (Stanford: Stanford University Press, 2007); Mary Kaldor, “In Defence of New Wars,” *Stability* 2(1), no. 4 (2013): 1–16.

¹¹¹ David Keen, *Useful Enemies: When Waging Wars Is More Important Than Winning Them* (New Haven: Yale University Press, 2012).

¹¹² Judith Sargentini, “Debriefing Mission to the Great Lakes Region by the MEPs Judith Sargentini and Catherine Bearder” (Brussels, November 12, 2013).

because it implies a squeeze on the finances of rebel group. On the other hand an increase of the world prices contributes to a longer duration because the rebel group can finance a continuation of its war efforts like this¹¹³.

Collier's arguments have had a strong influence in policy-making and academic circles, but have also been vigorously challenged in recent years by a number of writers. James Fearon¹¹⁴ advocates a state-capacity model as explanation and argues that natural resource abundance weakens the state, which makes rebellion more likely¹¹⁵. According to the proponents of this argument, natural resource abundance can be responsible for (I) lower economic performance; (II) weaker institutions; and (III) less democratic regimes. These three points will now be analysed a bit closer.

Contrary to intuitive reasoning there is plenty of evidence that countries rich in natural resources tend to perform badly in economic terms¹¹⁶. This phenomenon, usually described as the "resource curse", affects the likelihood of civil wars, since poor countries are also significantly more prone to conflicts, even if they are democracies¹¹⁷. There are several reasons for this "paradox of the plenty" that can only briefly be mentioned here. Firstly, an export economy completely focused on resources weakens all other sectors of the industry (the so-called "Dutch disease") and makes the country very vulnerable for price shocks¹¹⁸. A sudden decline in prices or demand of their primary export product can have devastating consequences. An example is the case of Côte d'Ivoire, which was during the 1970s one of the most prosperous and stable countries of Africa. A price explosion for cacao and coffee (two of the country's main export products) brought suddenly huge quantities of money for the public purse. As a consequence of new-found wealth, between 1975 and 1978 public spending tripled and

¹¹³ Collier, Hoeffler, and Söderbom, "On the Duration of Civil War," 250.

¹¹⁴ James D. Fearon, "Primary Commodity Exports and Civil War," *Journal of Conflict Resolution* 49, no. 4 (2005): 483–507.

¹¹⁵ Fearon and Laitin, "Ethnicity, Insurgency, and Civil War."

¹¹⁶ Jeffrey D. Sachs and Andrew M. Warner, "Natural Resources and Economic Development: The Curse of Natural Resources," *European Economic Review* 45 (2001): 827–38; Thorvaldur Gylfason, "Natural Resources and Economic Growth: What Is the Connection?," *CESifo Working Paper* 530 (2001).

¹¹⁷ Hegre, "Some Social Requisites of a Democratic Civil Peace: Democracy, Development, and Armed Conflict."

¹¹⁸ Sachs and Warner, "Natural Resources and Economic Development: The Curse of Natural Resources."

many parastatal enterprises were set up. However, in 1978 the prizes for cacao and coffee collapsed and in 1979-1980 revenues decreased by more than 1 billion US-Dollars. In such a short time the government could not adjust the public budget to the new situation and so Côte d'Ivoire was left with increasing foreign debts, a declining income and a huge quantity of loss making enterprises. In 1987, less than ten years after the boom, the country had to declare its insolvency¹¹⁹.

Besides causing economic problems, natural resource abundance can also make civil war more likely by affecting the functioning of the state and its institutions¹²⁰. One reason is the low dependence of the state on its citizen's tax money due to its natural resource revenues. Citizens have lesser incentives to trace the government finances because it is not "their" money and the government feels also less accountable to the population for that reason¹²¹. Another reason is that the reliance of primary commodity exports makes it less attractive for the government to create strong bureaucratic institutions as the revenues flow anyway¹²². But the breakdown or absence of institutions makes it easier for rebels to organise themselves and swoop into the power vacuum¹²³.

Resource-wealth can also lead to an increased level of corruption¹²⁴. Due to the sudden inflow of revenues without too much effort governments and public servants in such countries are tempted into rent-seeking behaviour and possible corruption instead of developing more sustainable growth-promoting policies. Much of the revenues is spent on pointless prestige projects or ends in the pockets of domestic politicians and

¹¹⁹ Martin Meredith, *The State of Africa: A History of Fifty Years of Independence* (London: The Free Press, 2005), 289.

¹²⁰ Humphreys, "Natural Resources, Conflict, and Conflict Resolution."

¹²¹ *Ibid.*, 512.

¹²² Fearon and Laitin, "Ethnicity, Insurgency, and Civil War."

¹²³ Richard Snyder, "Does Lootable Wealth Breed Disorder?," *Comparative Political Studies* 39, no. 8 (2006): 943–68.

¹²⁴ Carlos A. Leite and Jens Weidmann, "Does Mother Nature Corrupt? Natural Resources, Corruption, and Economic Growth," *IMF Working Paper* W/99/85 (1999), <http://ssrn.com/abstract=259928>; Xavier Sala-i-Martin and Arvind Subramanian, "Addressing the Natural Resource Curse: An Illustration from Nigeria," *Columbia University Department of Economics Discussion Paper Series* Discussion Paper #:0203–15 (2003).

officials¹²⁵. But while it is often demonstrated that corruption affects the economic development of a country it is less clear to what extent it affects its stability. In some cases it is rather an alternative system of governance and can even have a stabilising and integrative function if it is seen as legitimate by the population¹²⁶. As long as all groups of the population have the idea that they can occasionally benefit from this system it does not per se contribute to grievances. The problems start when only a small elite of “insiders” (e.g. one class or tribe) can use the state as a self-service shop or the leaders are financially not able anymore to uphold their patronage-system of bribery. If the corruption takes a chaotic and disorganised form it can lead to grievances, a destabilisation of the state and its collapse. In sum, corruption is in most cases rather a symptom of a situation that can cause a violent conflict than in itself a sufficient or even necessary motivation for the outbreak of armed conflicts¹²⁷.

A third indirect relationship between natural resource abundance and an increased likelihood for armed conflicts goes along the regime type. Numerous studies have shown that democracies are the most stable political systems with the lowest probability of civil wars (alternatively are well-established dictatorships relatively stable, the highest probability of civil conflict occurs in semi-democratic systems which often foster political instability)^{128 129}. Ross argues that there are three effects how oil and mineral wealth can hamper democratic developments in these countries.

¹²⁵ Macartan Humphreys, Jeffrey D. Sachs, and Joseph E. Stiglitz, “Introduction: What Is the Problem with Natural Resource Wealth?,” in *Escaping the Resource Curse* (New York: Columbia University Press, 2007), 8.

¹²⁶ Hanne Fjelde, “Buying Peace? Oil Wealth, Corruption and Civil War, 1985-99,” *Journal of Peace Research* 46, no. 2 (2009): 199–218.

¹²⁷ Philippe Le Billon, “Buying Peace or Fuelling War: The Role of Corruption in Armed Conflicts,” *Journal of International Development* 15, no. 4 (2003): 424.

¹²⁸ Michael L. Ross, “Does Oil Hinder Democracy?,” *World Politics* 53, no. 3 (2001): 325–61; Michael L. Ross, *The Oil Curse: How Petroleum Wealth Shapes the Development of Nations* (Princeton: Princeton University Press, 2012); Jørgen J. Andersen and Michael L. Ross, “The Big Oil Change: A Closer Look at the Haber–Menaldo Analysis,” *Comparative Political Studies* 47, no. 7 (2014): 993–1021.

¹²⁹ Haber and Menaldo question these findings and argue that there as well resource-blessed countries (where the level of democracy and polity stayed the same or even increased during or after a resource boom), as resource-cursed states (where the contrary took place and the countries were in democratic and polity terms worse off). A large group of states was not affected at all from the resource curse and

First, there is the *rentier state effect*, which means “that the governments use their natural resource revenues to relieve social pressures that might otherwise lead to demands for greater accountability”¹³⁰. Large groups of the population can be kept quiet with low taxes and a high level of benefits; and on the other hand potentially threatening elite actors are integrated through a politics of patronage. Second, the *repression effect* can occur, when the government uses the revenues of natural resources to finance an oppressive governmental regime, or to ward off democratic pressure¹³¹. The risk of a civil war also decreases from a certain level of primary commodity exports, and Collier and Hoeffler suggest that from that point on the state can finance an effective counter-insurgency system that reduces the opportunities to rebel¹³². The third effect is the *modernisation retarding effect* which means that the dependence on primary commodity exports prevents socio-economic and cultural changes, which otherwise would promote a development towards democracy¹³³. A more diverse economic development leads to occupational specialisation, urbanisation and a higher level of education which in return favours democracy. However, as result of the industry’s focus on commodity exports these changes do not take place and therefore the social mechanisms leading to democracy also do not occur.

Looking on the direct and indirect mechanisms, it can be concluded that these two explanations are not per se conflicting. Many civil wars are very complex and combine local motives with supralocal considerations of larger political and strategic alliances¹³⁴. Moreover, going completely along with the greed-argument carries the thread to ignore justified grievances by rebels¹³⁵. Ross researched 13 cases of civil wars and concluded that a lot of mixtures and varieties of mechanisms related to natural resources occur

remained an autocracy admit that natural resource abundance. (Stephen Haber and Victor Menaldo, “Do Natural Resources Fuel Authoritarianism? A Reappraisal of the Resource Curse,” *American Political Science Review* 105, no. 1 (2011): 1–26.)

¹³⁰ Ross, “Does Oil Hinder Democracy?,” 332.

¹³¹ *Ibid.*, 335.

¹³² Collier and Hoeffler, “On Economic Causes of Civil War.”

¹³³ Ross, “Does Oil Hinder Democracy?,” 336.

¹³⁴ Kalyvas, “The Ontology of ‘Political Violence’: Action and Identity in Civil Wars,” 2003.

¹³⁵ David Keen, “Greed and Grievance in Civil War,” *International Affairs* 88, no. 4 (2012): 772.

(often at the same time) which makes a comprehensive approach rather difficult¹³⁶. Likewise, Cuvelier et al.¹³⁷ concluded after a recent literature review that there is still limited consensus on how to approach and conceptualise resource-related issues in conflict-affected areas. They lament especially the lack of research in hybrid resource governance, rebel resource governance, and the position and strategies of conflict-affected populations. In sum, it is only evident that natural resources can be an important variable in explaining the outbreak of armed conflicts, but that there is still plenty of research to do.

2.3 Natural resource characteristics and different types of civil wars

In the two mechanisms which were described in the last section natural resources were seen as one unit. However, in the literature there are debates to what extent all primary commodities are equally related to civil wars. Most authors link at least oil and diamonds to the onset and duration of war¹³⁸, but there also some studies that doubt this link¹³⁹. Hegre and Sambanis have made a robustness check of these studies and argue that there is no statistical robust proof at all¹⁴⁰.

¹³⁶ Michael L. Ross, "How Do Natural Resources Influence Civil War? Evidence from Thirteen Cases," *International Organization* 58, no. 1 (2004): 35–67.

¹³⁷ Jeroen Cuvelier, Koen Vlassenroot, and Nathaniel Olin, *Resources, Conflict and Governance: A Critical Review of the Evidence*, Justice and Security Research Programme (JSRP) Paper (London: International Development Department, London School of Economics and Political Science, 2013).

¹³⁸ Collier and Hoeffler, "On Economic Causes of Civil War"; Collier, Hoeffler, and Söderbom, "On the Duration of Civil War"; Indra De Soysa, "Paradise Is a Bazaar? Greed, Creed, and Governance in Civil War, 1989-99," *Journal of Peace Research* 39, no. 4 (2002): 395–416; Fearon and Laitin, "Ethnicity, Insurgency, and Civil War"; James D. Fearon, "Why Do Some Civil Wars Last So Much Longer Than Others?," *Journal of Peace Research* 41, no. 3 (2004): 275–301; Päivi Lujala, Nils Peter Gleditsch, and Elisabeth Gilmore, "A Diamond Curse? Civil War and a Lootable Resource," *Journal of Conflict Resolution* 49, no. 4 (2005): 538–62; Indra De Soysa and Eric Neumayer, "Resource Wealth and the Risk of Civil War Onset: Results from a New Dataset of Natural Resource Rents, 1970-1999," *Conflict Management and Peace Science* 24, no. 3 (2007): 201–18; Humphreys, "Natural Resources, Conflict, and Conflict Resolution"; Ross, "A Closer Look at Oil, Diamonds and Civil War."

¹³⁹ Elbadawi and Sambanis, "How Much War Will We See? Explaining the Prevalence of Civil War"; Patrick M. Regan and Daniel Norton, "Greed, Grievance, and Mobilization in Civil Wars," *Journal of*

Most of the older, quantitative studies suffer from some similar problems. First, they rely on relatively poor data material as most data from Africa is not very reliable¹⁴¹. Moreover, illegally traded or produced conflict resources are for apparent reasons not included in these official statistics. Secondly, these datasets often underestimate regional differences in a country and take it as a whole¹⁴². But the production of some natural resources can only have a large impact on one part or region of the state, while its importance on national scale is rather marginal. Thirdly, in many of these studies all natural resources are lumped together under a rather dubious proxy as for instance “primary commodity exports”. Newer research shows that the relationships are much more complicated and research therefore also requires more nuanced and valid quantitative measures of lootable resources to get better results¹⁴³.

More recent research has tried to get more detailed insights in these dynamics and solve these issues. Le Billion developed a model in which he argued that the characteristics of natural resources can influence the type of armed conflict. He puts different commodities on two axes.

The first distinction is made in terms of the nature and concentration of the resources. Diffuse resources are more widely spread and include mainly resources exploited over large areas, often by less capital-intensive industries that can employ a large workforce. Examples are agricultural products, alluvial gems and timber¹⁴⁴. Point resources are concentrated in small areas and can only be exploited by capital-intensive extractive industries, such as deep-shaft mining and oil-exploitation. They generally employ a small workforce¹⁴⁵. Due to this concentration they are also easier to protect for the

Conflict Resolution 49, no. 3 (2005): 319–36; Reynal-Querol, “Ethnicity, Political Systems, and Civil Wars.”

¹⁴⁰ Håvard Hegre and Nicholas Sambanis, “Sensitivity Analysis of Empirical Results on Civil War Onset,” *Journal of Conflict Resolution* 50, no. 4 (2006): 508–35.

¹⁴¹ Morten Jerven, *Poor Numbers: How We Are Misled by African Development Statistics and What to Do about It* (Ithaca and London: Cornell University Press, 2013).

¹⁴² Fearon and Laitin, “Ethnicity, Insurgency, and Civil War,” 87.

¹⁴³ Snyder, “Does Lootable Wealth Breed Disorder?,” 963.

¹⁴⁴ Philippe Le Billion, *Fuelling War: Natural Resources and Armed Conflicts*, vol. 357, Adelphi Paper (London: IISS and Routledge, 2001), 34.

¹⁴⁵ *Ibid.*, 357:36.

government than diffuse resource and are therefore less frequently conflict resources that fund rebel groups¹⁴⁶.

Table 2.1: Point and Diffuse Resources

Point	Diffuse
Deep-shaft minerals, gas, kimberlite diamonds ¹⁴⁷ and oil (on- and offshore)	Agricultural commodities, alluvial diamonds and minerals, narcotics (opiates and cocaine) and timber

Le Billon’s second distinction is made by their proximity to the centre of power, in as well spatial as political terms. On the one hand there are proximate resources which are close to the centre of power and less likely to be captured by rebels due to a stronger state presence in the region. On the other hand are distant resources which are located in remote territories along porous borders, or within the territory of social groups politically marginalised or in opposition to the extant regime¹⁴⁸. Conflicts related to these resources have, according to Buhaug, a substantially longer duration¹⁴⁹. An explanation could be that it is for the rebel group not necessary to control the entire state but only a part of it, which costs fewer capacities and makes it for the government more difficult to regain control.

¹⁴⁶ Richard Snyder and Ravi Bhavani, “Diamonds, Blood, and Taxes,” *Journal of Conflict Resolution* 49, no. 4 (2005): 563–97.

¹⁴⁷ It has to be made a distinction between two types of diamonds, referred to as primary and secondary. Primary diamonds, or kimberlite diamonds, are forced up the surface in blocks of kimberlite. These blocks have to be extracted through mining and industrially processed for the production of diamonds. Therefore it requires relatively advanced technological know-how and financial investments to set up such a mining venture. Secondary, or alluvial, diamonds are the product of natural erosion of these kimberlite blocks. These diamonds wash down the river and can be found there in sand banks. Here the extraction is often done with the help of technically advanced machines, but it can also be done by simple hand-work.

¹⁴⁸ Le Billon, *Fuelling War: Natural Resources and Armed Conflicts*, 357:33.

¹⁴⁹ Halvard Buhaug, Scott Gates, and Päivi Lujala, “Geography, Rebel Capability, and the Duration of Civil Conflict,” *Journal of Conflict Resolution* 53, no. 4 (2009): 544–69.

Using these two axes Le Billon links the characteristics of the resources to four different types of conflict as shown in the following table.

Table 2.2: Relation between the characteristics of resources and types of conflicts¹⁵⁰

<i>Resource characteristics</i>	Point	Diffuse
Proximate	State control/ coup d'etat	Peasant/mass rebellion
Distant	Secession	Warlordism

In a situation of a proximate and point resource the most likely target of a rebel group is to control the state. Point resources as oil and deep-shaft mining are in general much more difficult to loot as diffuse resources because they require a level of technological knowledge and financial resources which most rebel group do not have. As such they form basically only a potential source of income for the government and to get access to them it requires the control over the entire state. Often this happens via a coup d'état when some groups attempt to take over the control in a swift, well-organised move. An example could be the 2008 coup d'état in mineral-rich Guinea by the military.

A similar pattern takes place in the case of secessionism, but while in the case of a coup d'état the rebels intent to take over the entire state, in this case the initiators only focus on the resources of a particular region. Social entrepreneurs can use already existing grievances among the population and their shared identity to initiate an uprising with the objective to secede from the state. These grievances can e.g. be related to a perceived oppression of the local culture but can also be fuelled by the idea that the central state does not give this region the share from its natural resource benefits which it would deserve. A strong presence of oil in ethnically divided countries increases for example the likelihood of conflicts¹⁵¹. Sometimes these separatist movements also get support from external actors that hope to get influence over the lucrative, peripheral

¹⁵⁰ Le Billon, *Fuelling War: Natural Resources and Armed Conflicts*, 357:39.

¹⁵¹ Tim C. Wegenast and Matthias Basedau, "Ethnic Fractionalization, Natural Resources and Armed Conflict," *Conflict Management and Peace Science* 31, no. 4 (2014): 432–57.

regions¹⁵². However, the revenues of such a region also increase the stake of the government in this conflict and can have a negative impact on the rebel parties' opportunity structure to engage in armed violence¹⁵³. Due to the economic importance of the region the state puts considerable effort in keeping it under its control. An example of such an armed conflict would be the secession war of oil-rich South Sudan against the rest of the country.

Diffuse resources close to the centre involving large numbers of producers are more likely to be associated with peasants/mass rebellions in the centres of power as form of protest by marginalised groups of the society. These uprisings are often motivated by the precarious circumstances under which large parts of the workers and peasants work and live. As a reaction to these social and economic grievances revolutionary groups are formed to act against the state. In many cases these revolutionary movements finance themselves after some time by the instalment of protection rackets or evolve into warlordism.

Warlordism often takes place in cases of diffuse resources that are far away from the centres of state power. In these wars some rebel groups have created areas of de-facto sovereignty imposed by violence from where they operate and create revenues through the trade in conflict resources. The political targets of these wars are often quite unclear and the de facto principal objective of these groups is the economic control over the its territory. Examples for warlordism can be observed in Afghanistan, where local warlords have installed their little empires outside of Kabul and benefit from the trade in opium poppies.

These four models are of course often also interlinked with each other and can go through different stages. There are many cases in which secession movements or peasant rebellions could not achieve the expected success and therefore had a slippery slope in outright warlordism, in which the rebellion leaders were rather interested in securing their lavish lifestyle as achieving the initial political ambitions. For example, the later President of the DRC, Laurent Kabila, passed in his political career through all four categories. First, he tried in the 1960ies a Cuban-style revolution in his country

¹⁵² Ross, "How Do Natural Resources Influence Civil War? Evidence from Thirteen Cases," 63.

¹⁵³ Jason Sorens, "Mineral Production, Territory, and Ethnic Rebellion: The Role of Rebel Constituencies," *Journal of Peace Research* 48, no. 5 (2011): 571–85.

(mass rebellion), but when this plan failed miserably he made the next thirty years a living through smuggling gold and timber across the Lake Tanganyika (warlordism). At the same time he ran a small rather criminal “Marxist mini-state” in the border region (secessionism). Having accumulated some wealth, he then was approached in 1997 by Rwanda and other neighbouring countries to be their “Congolese face” for an invasion in the Congo and took within a couple of months power in Kinshasa (state control).

Another factor which is not included in the table of Le Billon, but can occur in all four types of civil war is a foreign intervention. These foreign interventions can come from other state actors as well as from economic players, which have interests at stake in the country. During the Cold War the most prominent external players were usually the United States, the USSR and in many cases also former colonial powers, who tried to maintain some influence through the backdoor in their former dominions. On the one hand are often geostrategic or humanitarian reasons motives at stake, but on the other hand an important motivation to intervene in other countries can be to obtain influence over their natural resources¹⁵⁴. At the same time, external state actors can also give security guarantees to regimes in order to maintain their grip on the country’s natural resources and discourage potential rebel groups. A classic example for this approach has been for a long time France’s policies in its former colonies in Africa (e.g. to keep control over its uranium supply from Niger)¹⁵⁵. But not only state actors try to influence resource-rich countries from the outside, also large companies can intent to obtain control over resources by financing rebel movements. Ross pinned the term “booty futures” to explain the phenomenon, in which the future exploitation rights to resources are not (yet) under the seller’s control¹⁵⁶. This means that an external actor finances a rebel movement to launch an offensive against a government, which in return promises to give exploitation rights to their sponsors once they have obtained control over the resources.

¹⁵⁴ Le Billon, *Fuelling War: Natural Resources and Armed Conflicts*, 357:44.

¹⁵⁵ Douglas A. Yates, “France, the EU, and Africa,” in *Adekeye Adebajo & Kaye Whiteman (eds) The EU and Africa: From Eurafrique to Afro-Europa* (London: C.Hurst & Co., 2012), 317–42.

¹⁵⁶ Michael L. Ross, “What Do We Know About Natural Resources and Civil War?,” *Journal of Peace Research* 41, no. 3 (2004): 337–56.

2.4 Mechanisms of funding armed conflicts with natural resources

As the previous section has explained, natural resources can be related to different mechanisms that motivate people to rebel against the state. At the same time, the revenues of natural resource can offer the opportunity to start or maintain the fight. However, also in this case it is necessary to not lump all commodities together for there are substantial differences between the related mechanisms. One of the key questions is how accessible they are for rebels. The table below shows the three different ways for rebel groups of financing an ongoing conflict: (I) through the exploitation of natural resources, (II) through stealing them and (III) through the extortion of its producers.

The first limitation is the ability to extort the resources (Production): the required investment, technological demand for exploitation and price/weight ration determine the profitability of different resources. Because of these limitations the exploitation of products as on- and offshore oil, deep-shaft minerals and kimberlite diamonds are not a very interesting source of income for rebel groups during a conflict. Usually rebel groups have neither the technological knowledge nor the financial resources to set up and maintain an advanced production process.

Another limiting factor are the opportunities to transport and contraband the products: in a war-torn country it is usually difficult to transport large quantities of heavy goods since most infrastructures are destroyed. Therefore small goods with a high price/weight ratio (as alluvial gems and minerals) are a more interesting resource for rebel groups. The most famous example is arguably the so-called alluvial “blood diamonds”: they almost do not require any investment costs, it is not too complicated to exploit them and they are easily tradable at the international markets for a relative fixed price. Furthermore, due to their generic nature illegally and legally produced resources can be easily mixed. Resources whose production results more difficult are thus rather an incentive to start a rebellion (to take control over the state or secede from it) but not an adequate way of financing during the conflict¹⁵⁷.

¹⁵⁷ De Soysa and Neumayer, “Resource Wealth and the Risk of Civil War Onset: Results from a New Dataset of Natural Resource Rents, 1970-1999,” 215.

Table 2.3: Resource categories and risk of accessibility by rebel forces¹⁵⁸

Resource	Risk of accessibility by rebel forces			Price range (\$/kg)
	Production	Theft	Extortion	
<i>Point resources</i>				
Deep-shaft minerals	Low	Low	Medium	2 (copper)
Kimberlite diamonds	Low	Medium	Medium	20.000-500.000
Off-shore oil	Low	Low	Low	0.12
On-shore oil	Low	Medium	High	0.12
<i>Diffuse resources</i>				
Agricultural goods	Low	Medium	Medium	1.5 (coffee)
Alluvial gems and minerals (including secondary diamonds)	High	High	High	20.000-500.000
Narcotics (opiates and cocaine)	High	High	High	5.000-6.000
Timber	Medium	Medium	High	0.1

However, even though the rebels cannot exploit this type of resources themselves it can still provide a source of income for them. One possibility is to steal the produced commodities and sell it, e.g. by tapping oil from pipelines (as is happening in Nigeria¹⁵⁹) or robbing diamonds and minerals from deep-shaft mining. Another possibility is to extort money from local producers. This can take a lot of different forms from asking

¹⁵⁸ Philippe Le Billon, "Natural Resource Types and Conflict Termination Initiatives," *Colombia Internacional* 70 (2009): 19.

¹⁵⁹ Collier and Hoeffler, "Resource Rents, Governance and Conflict," 632.

for a “road charge” of some Euros for every lorry that passes a certain control point until multi-million agreements with companies about concessions to extract resources. These companies have often already made large investments in extraction and production facilities and try therefore to continue their enterprises. In many cases rebel groups create some revenues by blackmailing producing companies and threatening them with the destruction of their production facilities or the kidnapping of employees. It is estimated that for instance in Colombia the producing oil companies paid in some years on the one hand almost 100 million US-Dollars a year to guerrillas and paramilitary groups to make sure that they would not destroy their pipelines, while they paid on the other hand a “war tax” of 250 million US-Dollars to the Colombian government¹⁶⁰.

2.5 Individual characteristics of a series of natural resources

In this section, the specific literature about the natural resources that are most frequently named in the context of armed conflicts will be explained. There is a huge quantity of literature that links *on- and offshore oil* to civil wars and argue that substantial oil revenues increase a country’s odds for civil wars¹⁶¹. As previously explained the proponents of a indirect link between natural resources and armed conflicts, argue that oil wealth weakens the state and makes therefore rebellion more likely¹⁶². Different studies have shown that the presence of oil or gas also influences the dynamics of civil wars: a presence of oil in the conflict zone doubles the duration of conflicts¹⁶³ and makes it more severe¹⁶⁴. Lujala explains the higher severity of the conflict with the potential value of oil: its control is so important for all actors (and probably also for external interveners) that they try to gain control over this zone for any price. This is

¹⁶⁰ Le Billon, *Fuelling War: Natural Resources and Armed Conflicts*, 357:37.

¹⁶¹ Fearon and Laitin, “Ethnicity, Insurgency, and Civil War”; De Soysa, “Paradise Is a Bazaar? Greed, Creed, and Governance in Civil War, 1989-99.”

¹⁶² Fearon, “Primary Commodity Exports and Civil War.”

¹⁶³ Buhaug, Gates, and Lujala, “Geography, Rebel Capability, and the Duration of Civil Conflict,” 562; Päivi Lujala, “Deadly Combat over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict,” *Journal of Conflict Resolution* 53, no. 1 (2009): 26.

¹⁶⁴ Lujala, “Deadly Combat over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict.”

also backed by her finding that only the location of oil in the conflict zone, thus even if there is not yet a production, makes the conflict already significantly more severe. But there are also significant differences between the onshore and offshore production of oil: only onshore oil increases the probability of civil war¹⁶⁵. The most probable explanation is, as previously mentioned, that offshore oil platforms are usually very well-protected and it is therefore more difficult for a rebel group to steal oil from it or to blackmail the producing company. Therefore the offshore production only serves as a possible prey after a conflict but not as a way of financing during the conflict.

Next to oil are *diamonds* arguable the resources most prominently linked to conflict in the public mind. A problem with many studies related to diamonds and civil wars is that they do not distinguish between kimberlite diamonds (a point resource) and alluvial diamonds (a diffuse resource). So a lot of these studies¹⁶⁶ are not very helpful. The case of kimberlite diamonds is comparable to the case of oil exploitation: due to its relatively complicated extraction it usually can only serve as the “prize” for a state, but it is only to a limited level a possible source of revenue during the conflict. In fact, kimberlite diamonds even depress the risk of civil war onset and incidence¹⁶⁷. However, alluvial diamonds can be theoretically extracted by everyone with few tools and increase the risk of conflict dramatically¹⁶⁸. It requires enormous work – to find one carat (a fifth of a gram) diamond you have to move around 250 tons of stones, sand and gravel- but it can also be done under very primitive circumstances. Therefore it is a much more interesting source of income for rebel groups, especially in ethnically fractionalised states. Conflicts with lootable gemstones in the conflict zone are significantly more

¹⁶⁵ Ross, “A Closer Look at Oil, Diamonds and Civil War,” 286; Päivi Lujala, “The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources,” *Journal of Peace Research* 47, no. 1 (2010): 26.

¹⁶⁶ Humphreys, “Natural Resources, Conflict, and Conflict Resolution”; Regan and Norton, “Greed, Grievance, and Mobilization in Civil Wars”; Regan and Aydin, “Diplomacy and Other Forms of Intervention in Civil Wars.”

¹⁶⁷ Lujala, Gleditsch, and Gilmore, “A Diamond Curse? Civil War and a Lootable Resource.”

¹⁶⁸ Lujala, “The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources.”

durable¹⁶⁹ and have more casualties, but this can be at least partly explained by their longer duration¹⁷⁰.

A similar problem as the distinction between kimberlite and alluvial diamonds also occurs in the case of *minerals*: most studies do not distinguish between the methods of mining used. Perhaps also for this reason the results are not very clear: some large quantitative studies did not detect a link¹⁷¹, but numerous empirical in-depth case studies identified a role of minerals as a mode of financing of rebels¹⁷². A possible explanation for this paradox is probably the fact that many minerals are illicitly trafficked (and therefore not included in his regression analysis) and there is no study yet that looks on the local dynamics instead of the national level¹⁷³. For example in India¹⁷⁴ and the DRC¹⁷⁵, the conflicts related to mineral exploitation are very geographically limited.

While there are different empirical studies done about the role of point resources there is only little knowledge about the correlation of several diffused resources (as *agricultural commodities* and *timber*) and civil war, and usually their role is disputed. In the thirteen case studies Ross analyses he does not find proof that there is a role of agricultural commodities and claims that they can be excluded as conflict resource¹⁷⁶, but in a later article he revises his assessment and asks for more studies about this topic¹⁷⁷. Likewise, Humphreys argues that countries dependent on agricultural commodities are as well at

¹⁶⁹ Buhaug, Gates, and Lujala, "Geography, Rebel Capability, and the Duration of Civil Conflict," 562; Lujala, "The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources," 26.

¹⁷⁰ Lujala, "Deadly Combat over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict."

¹⁷¹ De Soysa and Neumayer, "Resource Wealth and the Risk of Civil War Onset: Results from a New Dataset of Natural Resource Rents, 1970-1999," 215.

¹⁷² Ross, "How Do Natural Resources Influence Civil War? Evidence from Thirteen Cases."

¹⁷³ Hegre, "Some Social Requisites of a Democratic Civil Peace: Democracy, Development, and Armed Conflict," 30.

¹⁷⁴ Kristian Hoelscher, Jason Miklian, and Krishna Chaitanya Vadlamannati, "Hearts and Mines: A District-Level Analysis of the Maoist Conflict in India," *International Area Studies Review* 15, no. 2 (2012): 141–60.

¹⁷⁵ Michael Nest, *Coltan* (Cambridge & Malden: Polity Press, 2011).

¹⁷⁶ Ross, "How Do Natural Resources Influence Civil War? Evidence from Thirteen Cases."

¹⁷⁷ Ross, "A Closer Look at Oil, Diamonds and Civil War," 296.

risk, independent of their endowments of oil and diamonds¹⁷⁸. In the case of agricultural commodities there is anecdotic evidence that it has served as a way to finance rebel groups through the extortion of producers. An example is Côte d'Ivoire where rebels, created revenues by setting up control post at the street to charge passing cocoa lorries¹⁷⁹. A similar pattern happens in the case of timber. Albeit most quantitative studies do not detect a systematic link between timber production and the outbreak of civil wars, there are numerous case studies in which illegally logged timber funded armed conflicts (e.g. in Liberia and Myanmar)¹⁸⁰.

A problem of many of these resources is the lack of trustworthy data. This is especially evident in studies about the link between the production of illegal *narcotics* and conflict. For evident reasons most statistical numbers are only estimations. However, there is strong anecdotic evidence for a connection between the production of drugs and civil wars (e.g. in the case of Colombia). Admittedly, there are only few cases in which its production was directly linked to the outbreak but the production of narcotics often influences the duration of the conflict¹⁸¹. The production of drugs has often developed into a very profitable business for armed groups, so they have no economic interest in reaching a peace agreement¹⁸². Instead, they are rather interested in a as long as possible duration of the war, not in pursuit of a victory but rather to maintain the lawless situation in some parts of the countries which permits them to produce narcotics¹⁸³. However, there are also studies who doubt this finding: Buhaug et al argue that drug production in the conflict zone does not have a systematic relationship to the duration of the conflict¹⁸⁴. Lujala says that conflicts with drug production in the conflict zone have fewer combat deaths and are less intensive. If there was already drug production before

¹⁷⁸ Humphreys, "Natural Resources, Conflict, and Conflict Resolution," 534.

¹⁷⁹ Global Witness, *Hot Chocolate: How Cocoa Fuelled the Conflict in Côte d'Ivoire* (London: Global Witness, 2007).

¹⁸⁰ Steven Price, Deanna Donovan, and Wil de Jong, "Confronting Conflict Timber," in *Wil de Jong, Deanna Donovan & Ken-Ichi Abe (eds) Extreme Conflict and Tropical Forests* (Dordrecht: Springer, 2007), 117–32.

¹⁸¹ Ross, "How Do Natural Resources Influence Civil War? Evidence from Thirteen Cases," 62.

¹⁸² Svante E. Cornell, "Narcotics and Armed Conflict: Interaction and Implications," *Studies in Conflict & Terrorism* 30, no. 3 (2007): 207–27.

¹⁸³ Regan and Aydin, "Diplomacy and Other Forms of Intervention in Civil Wars," 751.

¹⁸⁴ Buhaug, Gates, and Lujala, "Geography, Rebel Capability, and the Duration of Civil Conflict."

the war onset the conflict is less severe¹⁸⁵. And Snyder & Duran-Martinez argue by means of the example of Myanmar that the production of illicit drugs can even contribute to peace-making. In that particular case rebel leaders that got rich through the trade in opiates could be reintegrated in the state as businessmen¹⁸⁶.

2.6 Measures to break the link between natural resources and armed conflicts

The previous sections have described the possible links between natural resources and armed conflicts. Access to natural resource revenues by belligerent parties generally prolongs armed conflicts, as they have the “opportunity” to fight and are often also motivated by the related income.

Curtailling the access to resource revenues for the warring parties can therefore be an effective tool to promote peacemaking and peacekeeping¹⁸⁷. Measures to end this source of income can follow three broad strategies (I) cutting the source of revenue militarily; (II) cutting the source of revenue indirectly through sanctions etc.; or (III) offering a revenue-sharing mechanism as part of a peace deal. This section will describe these three options in rather broad strokes, while chapter 3 will offer a more specific description of the policy options of the EU and chapter 4 how they fit in the broader global context.

The first -probably most radical option- is to the occupation of the resource production to end like this the stream of revenues¹⁸⁸. In some conflicts, international peace troops or external intervention forces focused their efforts on this target. One example for such an operation has been the British intervention in Sierra Leone that also concentrated on recovering control over the diamond fields that provided the rebels funding. If it is

¹⁸⁵ Lujala, “Deadly Combat over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict.”

¹⁸⁶ Richard Snyder and Angelica Duran-Martinez, “Does Illegality Breed Violence? Drug Trafficking and State-Sponsored Protection Rackets,” *Crime, Law and Social Change* 52, no. 3 (2009): 253–73.

¹⁸⁷ Conflict termination is often presented in three stages that can also overlap: peacemaking, peacekeeping and peacebuilding. Peacemaking means that a conflict is settled through negotiations or a military intervention by a Third party. Peacekeeping consists in preventing further hostilities by taking a military interposition between the belligerent parties, and peacebuilding aims on normalising the relations between the former adversaries and promoting reconciliation¹⁸⁷.

¹⁸⁸ Le Billon, “Natural Resource Types and Conflict Termination Initiatives,” 2009, 20ff.

militarily not feasible to regain control over the natural resources, an alternative option is the destruction of the extraction facilities. A recent example is the US-lead air strikes on oil installations of Islamic State in Iraq and Syria.

The second group of options concentrates on the trade in these commodities and seeks to avoid that they can generate benefits for the warring parties. The most obvious option is sanctions regimes that prevent the export or import, imposed by states or multilateral organisations. Such sanctions may be aimed on specific commodities or on persons and entities that are dealing with some natural resources in conflict with existing sanctions. The UN, for example, has imposed only few sanctions on specific resources but has listed some persons and entities that traded illegally arms for these commodities¹⁸⁹. To prevent economic actors from trading with armed groups, disclosure regimes can be installed¹⁹⁰. Such regimes are not necessarily mandatory but can also work with economic incentives or form an insurance against “naming and shaming” by NGOs of companies that are trading with armed groups.

The third option is creating revenue-sharing mechanisms to end a conflict. In secessionist wars the rebels may be offered a large share of the natural resource revenues for the separatist region. In other types of conflicts, rebel leaders can for example be named Ministers of Mining or get another lucrative position in the state apparatus.

A study by Le Billon¹⁹¹ shows that curbing the trade in conflict resources has effectively ended a number of conflicts within a relative short delay of time. Based on his study, he argues that the most appropriate policy depends on the characteristics of the commodity.

¹⁸⁹ The following commodities have been subject to sanctions: Charcoal (Somalia/ 22 February 2012 – present); diamonds (Côte d’Ivoire/ 15 December 2005 – 30 April 2014; Liberia/ 7 March 2001 – 27 April 2007; Sierra Leone/ 5 July 2000 – 4 June 2003); oil (Iraq/ 14 April 1995 – 21 November 2003; oil for food programme); Oil and gas (Libya/ 17 March 2011 – 16 September 2011; asset freeze on oil corporations) and timber (Liberia/ 6 May 2003 – 20 June 2006). (UNSC, “Conflict Prevention and Natural Resources,” May 31, 2013, http://www.securitycouncilreport.org/monthly-forecast/2013-06/conflict_prevention_and_natural_resources.php).

¹⁹⁰ Jonathan M. Winer and Trifin J. Roule, “Follow the Money: The Finance of Illicit Resource Extraction,” in *Ian Bannon & Paul Collier (eds) Natural Resources and Violent Conflict: Options and Actions* (Washington DC: The World Bank, 2003), 161–214.

¹⁹¹ Le Billon, “Natural Resource Types and Conflict Termination Initiatives,” 2009, 27ff.

Legal lootable resources (on-shore oil, alluvial diamonds, crops and timber) are, according to Le Billon, best approached by sanctions in the long run, despite a low implementation success rate. In the short run, military interventions were most successful but once the troops left the conflict often started again as the root causes had not been removed. The most successful manner to tackle non-lootable resources (off-shore oil, deep-shaft minerals) was in Le Billon's study a military intervention. But he admits that the number of cases was very low and influenced by the fact that some governments did not respond to sanctions (Iraq) or secessionist groups were not willing to participate in sharing agreements.

Conflicts involving in the first place illegal lootable resources (narcotics) are, according to him, best addressed by (tacit) income-sharing agreements, as state officials are often also involved in this business and the revenues form a substantial source of revenue for the country's economy. The problem about illegal goods is that they are per definition "under sanctions". Whereas the illegalisation of legal goods usually lowers their sales prices and therefore decreases the benefit margins, the logic works differently in the case of resources as narcotics. Any successful measure to curb supply only increases the price as long as the demand remains the same. As a consequence the financial benefit of the sellers does not change very much. In that sense the problem cannot be solved at the "supply-side", but has to be solved at the "demand-side", where the narcotics are sold. In the meantime, a tacit agreement of "dividing the pie" is therefore in his opinion the best way to create some stability for all involved actors. (An alternative option would be to legalise the production of such products in their country of origin, but this is a politically very delicate topic).

Likewise, Weinstein¹⁹² sees potential for sanctions as a tool to end conflicts, but argues that their success requires some conditions. Firstly, sanctions make only sense when a rebel organisation is sufficiently dependent on a specific natural resource for its war efforts. Secondly, the organisational leadership must have enough control over its fighters to provide incentives for a peace settlement or a change of behaviour. In cases of "opportunistic" insurgencies in which the rebels have been motivated by economic incentives, sanctions can be an effective tool as it removes the glue that keeps the organisation together and can cause its collapse. But if these prerequisites are not

¹⁹² Weinstein, *Inside Rebellion: The Politics of Insurgent Violence*, 347ff.

fulfilled, sanctions do not make sense or can even lead to counterproductive results. In any case, sanctions often lead to a short-term increase in predation and violence as greedy rebels search for alternative ways to finance themselves. In the long run they can weaken a rebel group and either lead to its dissolution, increase its willingness to negotiate a peace agreement or its military defeat by the government or other warring parties.

However, such policies are not a panacea: in many cases new conflicts broke out after some time. This usually occurs when the initial policies are not backed up with other measures to deal with the more structural causes and deal with the resource curse, such as institutional and economic reforms¹⁹³. In fact, the lowest reoccurrence of civil wars after a conflict happens when one side (preferably the rebel side) has militarily won. Negotiated settlements halt the violence in the short term and tend to lead to greater democratisation, but both peace and democratisation are often short-lived and end after the first or second election cycle¹⁹⁴. Consequently, it can also be the aim of measures to curb the trade in conflict resources for only one side in order to give the other side an advantage and enable it to end the conflict victoriously.

2.7 Conclusion

This chapter has explained how natural resource abundance can be linked to armed conflicts. In general, such conflicts require a common identity by the rebels, a motivation to start the fight and the opportunity to do so. Natural resources can influence these dynamics in different ways.

Firstly, they can be linked to the grievances that motivate the rebels through indirect mechanisms. Many resource-rich countries experience a resource curse, which leads to economic problems and weak institutions; two of the causes of an increased risk for armed conflicts. But they can also be a direct motivation as the revenues of natural resources can form a “prey” for greedy rebels: either as the reward once the war is over, or as a source of income in the anarchical war situation.

¹⁹³ Le Billon, “Natural Resource Types and Conflict Termination Initiatives,” 2009.

¹⁹⁴ Monica D. Toft, “Ending Civil Wars: A Case for Rebel Victory?,” *International Security* 34, no. 4 (2010): 7–36.

Secondly, natural resources can shape the opportunity to actually start a rebellion and finance the fight. These revenues can make the armed conflict feasible and influence its duration. As long as a rebel group can finance itself through resources it can continue its fight. However, once the income dries up it either has to give up due to the lack of financial means or will be militarily beaten by a then superior adversary. External policies that curb the trade in conflict resources can therefore have a direct impact on the conflict dynamics.

CHAPTER 3: THE EU AS A GLOBAL ACTOR

The previous chapter has explained the possible links between natural resources and armed conflicts and also discussed briefly different policy options to break them. As explained in the introduction, the EU's often chooses different policy responses in this field for apparently similar cases. The thesis' principal research question is therefore why the EU acts so inconsistently with respect to conflict resources.

According to the dissertation's analytical framework, which was briefly introduced in the first chapter, these differences are the result of the global context in which the EU is acting, and the internal support for such measures. The aim of this chapter is to provide now the required analytical tools to explain later in the three case studies the EU's level of support.

The chapter will start in the first section with a brief overview over the EU's conflict prevention and crisis management policies with a special emphasis on the role of natural resources in this context. It will then discuss possible measures the EU can take to curtail the trade in conflict resources or has already taken in some cases. These policies are divided in three main categories: regulations, economic policies and information. In the subsequent section the chapter will discuss the theoretical explanations why the EU takes certain decisions in the international arena. For this aim, the possible motives are distinguished in three groups: identity, interests and institutions. Based on these three different types of explanations, the fourth section will develop a model to explain in what cases the EU supports measures against certain conflict resources highly and in what cases it does not. The final section will conclude this chapter and sum up the most relevant information for the total argument of the dissertation.

3.1 The EU and natural resources as part of its conflict prevention and crisis management policies

This section will give an introduction to the EU's conflict prevention and crisis management policies with a special emphasis on its actions concerning natural resources and conflicts. Conflict prevention and crisis management is not limited to Common Security and Defence Policy (CSDP)-missions, but has to be seen in a broader context. At the 2013 UN Security Council Open Debate on Conflict prevention and natural resources, the EU stated therefore that "experience shows that, to curb the

linkages between instability and violent conflict in mineral-rich countries, a more comprehensive approach is needed, deploying the full range of development, trade, security and diplomatic instruments at the disposal of the international community, and ensuring a human rights perspective.”¹⁹⁵. In other words, security is increasingly conceptually linked to economic development and vice versa (the so-called security-development nexus).

The thesis’ focus lies only on conflict resources, hence natural resources that are already actively funding armed conflicts, but this section will nevertheless as well describe some of the more preventive policies regarding the link between natural resources and armed conflicts. In most EU policy documents there is no clear line between these two aspects as the measures seek to both discourage greedy rebels from rising up and make it impossible for armed groups to finance themselves with the revenues of conflict resources.

But it is probably best to first spend some words on the more general EU policies on conflict prevention and crisis management. As an international actor the EU has anchored these objectives firmly in its institutional framework: the Treaty on European Union (TEU) stipulates that the “promotion of peace”¹⁹⁶ (article 3.1) is one of the EU’s aims and that to “preserve peace, prevent conflicts and strengthen international security”¹⁹⁷ (article 21.2c) belongs therefore to the core objectives of the Union’s external actions. This deep-rooted emphasis on conflict prevention as an objective can be partly explained by the EU’s history: in fact the EU itself was founded as a peace project¹⁹⁸. Promoting peace in the world is therefore quite universally accepted as an aim of EU Foreign Policy and, to quote Christopher Hill, “seen by many as providing

¹⁹⁵ Ioannis Vrailas, “Statement on Behalf of the European Union and Its Member States” (presented at the United Nations Security Council Open Debate on Conflict prevention and natural resources, New York, June 19, 2013), http://eu-un.europa.eu/articles/en/article_13671_en.htm.

¹⁹⁶ European Union, “Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union” (Official Journal of the European Union, March 30, 2010), <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=OJ:C:2010:083:TOC>.

¹⁹⁷ Ibid.

¹⁹⁸ Karen E. Smith, *European Union Foreign Policy in a Changing World*, 2nd edition (London: Polity Press, 2008), 171.

the common thread, in terms of values, objectives and instruments, which holds the system together and gives it purpose”¹⁹⁹.

Despite this ideal, the EU did not develop much practical capabilities in this field until the end of the Cold War. But the events in its backyard, on the Balkans, made the impotence of the Europeans painfully visible. Neither had they been able to prevent the bloodiest conflict on European soil since World War II from outbreak, nor were they able to stop it without military help from the Americans. Likewise, the genocide in Rwanda made the great gap between the Europe’s expected role in the world and its real capabilities evident. Besides the previously mentioned normative incentives for conflict prevention and crisis management, the development of mechanisms to avoid wars was also seen as a contribution to the establishment of more stability in the EU’s neighbourhood and periphery²⁰⁰. The Union feared that permanent instability would sabotage any of its external policy objectives –for example in terms of the EU’s development agenda- and cause also immediate problems such as an increased influx of asylum seekers, a spill-over of this instability to the territory of the Union and the disruption of trade²⁰¹.

The conclusions drawn from this situation were twofold: on the one hand, the EU Member States increased their military collaboration in order to develop the required crisis management capabilities for interventions; and on the other hand a new emphasis was placed on civil means for the prevention of conflicts.

The military dimension was pushed forward in the first place by the United Kingdom and France. In 1998, the new Blair government ended the traditional British reluctance to plans of a closer European cooperation in defence and security policies and endorsed them in a bilateral Anglo-French declaration in Saint-Malo²⁰². At the European Council in Cologne (1999) the Member States agreed that “the Council should have the ability to take decisions on the full range of conflict prevention and crisis management tasks

¹⁹⁹ Christopher Hill, “The EU’s Capacity for Conflict Prevention,” *European Foreign Affairs Review* 6, no. 3 (2001): 315.

²⁰⁰ Emma J. Stewart, “Capabilities and Coherence? The Evolution of European Union Conflict Prevention,” *European Foreign Affairs Review* 13, no. 2 (2008): 231.

²⁰¹ Hill, “The EU’s Capacity for Conflict Prevention,” 316.

²⁰² France and United Kingdom, “Franco-British Summit Joint Declaration on European Defence,” December 4, 1998, <http://www.atlanticcommunity.org/Saint-Malo%20Declaration%20Text.html>.

defined in the Treaty on European Union, the ‘Petersberg tasks’²⁰³. The EU decided to establish a European Security and Defence Policy” (ESDP) and to set up a 60.000 men Rapid Reaction Force to intervene in crisis situations. According to Karen Smith, the post-Cold War zeitgeist regarding conflict prevention and crisis management created for actors that had already hoped for a longer time for a further development of the EU’s security dimension this window of opportunity, as they would not have to touch more delicate aspects (e.g. territorial defence)²⁰⁴.

As a form of counterbalance to this strengthened military component of the EU the Commission, a couple of Member States (especially the non-NATO members and the Netherlands), and NGOs promoted civil policies of conflict prevention²⁰⁵. For both political and economical motives, prioritising the prevention of conflicts was seen by the EU as the preferred option²⁰⁶. In political terms, it is often difficult to gain enough support by the Member States for military missions of the EU. Furthermore, crisis management and post-conflict missions are usually very expensive, so preventing them from escalating is also in economic terms a much better option. This combination of factors, together with the Kosovo war in 1999, led to the December 2000 seminal report “Improving the Coherence and Effectiveness of EU Action in the Field of Conflict Prevention”²⁰⁷ by Javier Solana, High Representative for Common Foreign and Security Policy, and the European Commissioner for External Relations Chris Patten.

The result of this work was the landmark EU Programme for the Prevention of Violent Conflicts (the so-called Gothenborg programme), during the Swedish Presidency in 2001, which promised to “pursue conflict prevention of the main objectives of the EU’s

²⁰³ Council of the EU, “European Council Declaration on Strengthening the Common European Policy on Security and Defence,” June 4, 1999, http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/kolnen.htm.

²⁰⁴ Smith, *European Union Foreign Policy in a Changing World*, 2008, 178.

²⁰⁵ Annika Björkdahl, “Norm Advocacy: A Small State Strategy to Influence the EU,” *Journal of European Public Policy* 15, no. 1 (2008): 135–54.

²⁰⁶ Smith, *European Union Foreign Policy in a Changing World*, 2008, 167.

²⁰⁷ Javier Solana and Chris Patten, *Improving the Coherence and Effectiveness of the European Union Action in the Field of Conflict Prevention*, Report Presented to the Nice European Council by the Secretary General/High Representative and the Commission (Nice: European Council, December 7, 2000), http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/EN/reports/98328.pdf.

external relation”²⁰⁸. In this programme the EU provided for the first time a concrete distinction between conflict prevention, crisis management and peace-building supports.

- Conflict prevention targets the direct causes (trigger factors) and more structural root causes of violent conflict;
- Crisis management addresses acute phases of conflicts, supporting efforts to end violence; and
- Peace-building supports initiatives to contain violent conflict and prepare for and sustain peaceful solutions

Conflict prevention combines the EU’s external economic policies (e.g. trade and development aid) with the high politics of the CFSP and the CSDP. Recalling the security-development-nexus, any support for economic development is thus some form of conflict prevention, while conflict prevention and policies contribute to economic development.

Already from this stage the issue of conflict resources has been a part of the EU’s conflict prevention and crisis management policies. The Gothenborg programme includes the aim of tackling the “illicit trade in high-value commodities”, and mentions in particular diamonds and the Kimberley Process. From that point on natural resources were frequently mentioned in core documents related to the EU’s conflict prevention capacities. In its 2002 Check-list for Root Causes of Conflict the Commission defines “possible internal or external conflicts over natural resources”²⁰⁹ as a possible conflict indicator that ought to be included in country strategy papers and indicative programmes. One year later, in the European Security Strategy, natural resources are mentioned on the one hand in the context of scarcity as a possible root cause of conflict²¹⁰ and on the other hand the trade in gemstones and timber are classified as activities of organised crime that fuel conflicts and undermine the rule of law and social

²⁰⁸ Council of the EU, “EU Programme for the Prevention of Violent Conflicts,” January 22, 2001, http://www.eplo.org/assets/files/3.%20Resources/EU%20Documents/EU_EU_Programme_for_the_Prevention_of_Violent_Conflicts.pdf.

²⁰⁹ European Commission, “European Commission Check-List for Root Causes of Conflict,” 2001, http://www.ceipaz.org/images/contenido/European%20Commission%20Check-list%20for%20Root%20Causes%20of%20Conflict_ENG.pdf.

²¹⁰ Council of the EU, “A Secure Europe in a Better World: European Security Strategy,” 3.

order²¹¹. In the report about the implementation of the Strategy—five years later- the “ruthless exploitation” of natural resources was seen as an underlying cause of conflict that required multilateral solutions²¹². Similar statements could for example also be found in the Council Common Position on conflict prevention, management and resolution in Africa, where the Member States promised to “actively work towards finding means to suppress illegal exploitation of natural resources which contributes to the eruption, escalation and continuation of violent conflicts”²¹³. In the policy papers, particular emphasis was attributed to three cases: diamonds and the related Kimberley Process (KP); the Forest Law Enforcement, Governance and Trade (EU-FLEGT) Action Plan and the European Water Framework.

These examples illustrate the growing importance of this issue during the first decade of the 2000s in EU policy documents. One reason was the parallel academic discussion, which was described in the previous chapter and whose ideas also entered into the policy-making circles. A 2008 document about conflict prevention paraphrased for example the terms of the academic debate and recommended to address “successfully (...) the grievances and greed caused by access to and distribution of natural resources and wider economic development”²¹⁴. Furthermore, the conflicts in Sierra Leone, Angola and the DRC with their prominent role for natural resources also helped to reinforce this image of greedy rebels. Also beyond the EU the issue of natural resources had therefore gained a certain salience at the end of the 1990s and the beginning of the 2000s. In 2001, the UNGA declared 6 November of each year as the International Day for Preventing the Exploitation of the Environment in War and Armed Conflict²¹⁵.

²¹¹ Ibid., 4.

²¹² Javier Solana, *Report on the Implementation of the European Security Strategy: Providing Security in a Changing World* (Brussels: European Council, December 11, 2008), 8.

²¹³ Council of the EU, “Council Common Position 2004/85/CFSP of 26 January 2004 Concerning Conflict Prevention, Management and Resolution in Africa and Repealing Common Position 2001/374/CFSP,” January 26, 2004, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32004E0085>.

²¹⁴ European Commission, “Programming Guide for Strategy Papers: Conflict Prevention,” November 2008, 8, http://ec.europa.eu/development/icenter/repository/F29_conflictprevention_fin_en.pdf.

²¹⁵ UNGA, “UN General Assembly Resolution 56/4: Observance of the International Day for Preventing the Exploitation of the Environment in War and Armed Conflict,” November 13, 2001, http://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/56/4.

Keen²¹⁶ argues that these “greed-arguments”, explained in the previous chapter, also had so much impact in policy-making circles because they were politically convenient in the sense that they gave clear prescriptions to act and attributed certain guilt to the people in the conflict regions themselves instead of causing larger questions about the economic order that caused many of the conflicts. Especially in the British Foreign and Commonwealth Office (FCO) these argument got very popular and it is not in the last place for this reason that the United Kingdom was (and still is) one of the large promoters of policies concerning natural resources both on the European and global level.

A particular active year in this field was 2007. First, the EU chaired this year the Kimberley Process for diamonds. But the German EU Presidency also included the theme of "Integrating Environment, Development and Conflict Prevention" among its priorities and, in close co-ordination with the European Commission, promoted an exchange of views on national and European approaches hosting two conferences in Berlin and Brussels in the spring of 2007. The same year saw the launching of the Conflict Resources Facility (CRF) under the Instrument for Stability (IfS) crisis response component, provided with 2 Million Euro. CRF was the first specific financing facility dedicated to the issue of Natural Resources and Conflicts and designed to offer third countries assistance directed at the natural resources sector. The two million Euros were spent on scientific and technical support for the Kimberley Process (€ 569,356), mainstreaming natural resources into peacekeeping and peacebuilding (€ 275,824), policy advice on strengthening diamond-related internal controls in Liberia (Implementation of Kimberley Process Controls) (€ 317,000) and a Global Atlas and Information Centre for Conflicts and Natural Resources (€ 837,820), implemented by the EC's Joint Research Centre, to analyse the links between the exploitation of natural resources and conflicts in specific crisis regions of the world²¹⁷. The CRF was not prolonged in 2009 as the Commission decided that there was only limited need for such smaller actions and it was therefore more useful to allocate these resources under a newly created “Third Facility for urgent actions involving Policy Advice, Technical Assistance, Mediation and Reconciliation for the benefit of third countries affected by

²¹⁶ Keen, “Greed and Grievance in Civil War.”

²¹⁷ European Commission, “Annual Report from the European Commission on the Instrument for Stability in 2008,” 2008, 55, http://eeas.europa.eu/ifs/docs/sec09_932_en.pdf.

crisis situations (PAMF 3)” This new facility got, among others, the task to support measures that “promote equitable access to and transparent management of natural resources in a situation of crisis or emerging crisis”²¹⁸, which included a huge variety of possible actions to prevent, deter and combat the illegal exploitation and trade of natural resources which were influencing conflicts. Possible actions included e.g. technical assistance and the deployment of experts as well as support to state- and non-state actors or international organisations.

As in most fields in the international arena, the EU puts special emphasis on multilateral means and argues that “it is important that the international community, including the Security Council and relevant UN bodies, build on existing initiatives and seek convergence and complementarities”²¹⁹. With respect to the UN, the EU financed since 2008 through its IfS the “EU-UN Partnership on Land, Natural Resources and Conflicts”²²⁰ that brings seven UN agencies and departments (DESA, DPA, IOM, PBSO, UNEP, UNDP and UNHABITAT²²¹), coordinated by the UN Framework Team for Preventive Action, together with the EU. The first outcome of the project was an inventory of existing tools and capacity within the UN system and a set of Guidance Notes on addressing NRM and conflict prevention²²². The second result was a series of

²¹⁸ European Commission, “Commission Decision Instrument for Stability – Third Facility for Urgent Actions Involving Policy Advice, Technical Assistance, Mediation and Reconciliation for the Benefit of Third Countries Affected by Crisis Situations (PAMF 3),” August 4, 2009, 7ff, http://eeas.europa.eu/ifs/docs/com09_6212_en.pdf.

²¹⁹ Vrailas, “Statement on Behalf of the European Union and Its Member States.”

²²⁰ United Nations, “Land, Natural Resources and Conflict Prevention: From Curse to Opportunity An EU-UN Partnership,” 2014, <http://www.un.org/en/land-natural-resources-conflict/offer/eu-un-partnership-offer.shtml>.

²²¹ DESA (United Nations Department of Economic and Social Affairs), DPA (United Nations Department of Political Affairs), IOM (International Organization for Migration), PBSO (Peacebuilding Support Office), UNDP (United Nations Development Programme), UNEP (United Nations Environment Programme) and UNHABITAT (United Nations Human Settlements Programme)

²²² The Guidance Notes cover: (I) land and conflict, (II) extractive industries, (III) renewable resources and conflict, (IV) strengthening capacities for natural resource management, (V) conflict prevention in resource rich economies, (VI) capacity inventory for natural resource management.

training material and an online, interactive training module for UN and EU country staff to take preventive measures in relation to natural-resource related conflicts²²³.

To recapitulate: since the beginning of the millennium the relationship between natural resources and conflict has been integrated in the EU's discourse regarding conflict prevention and crisis management. A special emphasis has put on the cooperation with existing global institutions. The next section will now look how these ideas have been translated in concrete policy actions.

3.2 Possible measures of the EU to curtail the trade in conflict resources

In the analytical framework, presented in chapter 1, the term “measures” has been defined as a “plan or course of action taken to achieve a particular purpose”. In this section the EU's measures to curtail the trade in conflict resources will be described more in detail. Possible measures *ad intra* can be divided, according to Vedung's conceptualisation, in regulations (‘sticks’), economic means (‘carrots’) and information (‘sermons’)²²⁴. Needless to say that there is also the fourth possible option of doing nothing.

Regulations

Regulations are defined as “measures undertaken by governmental units to influence people by means of formulated rules and directives which mandate receivers to act in accordance what is ordered in these rules and directives.”²²⁵.

The clearest example of such policies is EU sanctions/ restrictive measures (the two terms are used interchangeably in EU documents). Most sanctions implemented by the EU and its Member States are implementations of resolutions of the UN Security Council. Due to the EU's preference for multilateral solutions it usually prefers such

²²³ United Nations, “Course Description and Modules,” 2014, <http://www.un.org/en/land-natural-resources-conflict/onlinetraining/overview.shtml>.

²²⁴ Thanks to Carlo Dieth for suggesting me this literature.

²²⁵ Evert Vedung, “Policy Instruments: Typologies and Theories,” in *Marie-Louise Bemelmans-Vidéc, Ray C. Rist, Evert Vedung (eds) Carrots, Sticks, and Sermons: Policy Instruments and Their Evaluation* (New Brunswick: Transaction Publishers, 1998), 31.

measures to autonomous European sanctions and also seeks to upload its own preferences to the UN level²²⁶. One example of UN sanctions that have been implemented at the EU-level is the measures against charcoal from Somalia since 2012, due to their role in funding Al Shabaab²²⁷.

However, UN-sanctions that are targeting special commodities are not very common. In most cases, specific persons or entities are on the sanctions list for breaching existing UN sanctions. To give an example: a couple of gold trading houses and gold export companies in the DRC and Uganda are on the sanctions list because they had bought directly and indirectly gold from militias in the war in Eastern DRC²²⁸. As these militias were subject to UN sanctions, the economic activities were assessed as illegal funding of the armed conflict.

In cases in which the UN Security Council does not impose clear sanctions, the EU occasionally sets up its own autonomous or additional sanctions²²⁹. According to Portela it is not always clear to what extent some of these sanctions are supplementary imposed by the EU or rather a specification of the often vaguely formulated UNSC Resolutions²³⁰. One example of “upgraded UN-sanctions” concerning natural resources is the sanctions against Côte d’Ivoire in 2011, which sought to dry out the funding of the government of Laurent Gbagbo and surpassed the sanctions imposed by the UN Security Council²³¹. On the UN sanctions list were only a number of individuals but the

²²⁶ Clara Portela, “Where and Why Does the EU Impose Sanctions?,” *Politique Européenne* 17 (March 2005): 85.

²²⁷ UNSC, “UN Security Council Resolution 2036 (2012) on Somalia,” February 22, 2012, http://www.un.org/ga/search/view_doc.asp?symbol=S/RES/2036%282012%29; Council of the EU, “Council Decision 2012/388/CFSP of 16 July 2012 Amending Decision 2010/231/CFSP Concerning Restrictive Measures against Somalia,” July 16, 2012, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:187:0038:0039:EN:PDF>.

²²⁸ Council of the EU, “Council Decision 2010/788/CFSP Concerning Restrictive Measures against the Democratic Republic of the Congo and Repealing Common Position 2008/369/CFSP,” December 20, 2010, 11ff, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:336:0030:0042:EN:PDF>.

²²⁹ Portela, “Where and Why Does the EU Impose Sanctions?,” 85.

²³⁰ Clara Portela, *European Union Sanctions and Foreign Policy: When and Why Do They Work?* (London & New York: Routledge, 2010), 20.

²³¹ UNSC, “United Nations Security Council Resolution 1975 (The Situation in Côte d’Ivoire),” March 30, 2011, <http://daccess-ods.un.org/TMP/3868233.85953903.html>.

EU (and particularly France) also wanted to target the government's economic assets. Consequently, the EU sanctions list included as well a number of economic entities related to the country's trade in natural resources²³², such as the Autonomous Ports of Abidjan and San Pedro from where the countries cocoa and coffee products were shipped for export²³³.

EU sanctions can be divided in four main categories: (I) arms embargoes; (II) travel bans, (III) economic and financial sanctions; and (IV) commodity and service boycotts, which represent the rarest form of sanctioning, which the EU practises²³⁴. As in the case of UN sanctions, economic sanctions against entities that have traded with sanctioned entities are more common.

Usually there are two main constraints on the imposition of EU sanctions. First, there are frequent differences of opinion between Member States about the scope and appropriateness of this instrument. Whereas some Member States consider sanctions as a useful tool to pressure the target country in a certain direction, other Member States often fear that they worsen the relationships with the target country until a level that the EU loses any leverage²³⁵. Second, some EU Member States, in particular the United Kingdom and the Scandinavian countries, tend to perceiving sanctions as a useful policy tool, whereas Mediterranean Member States are traditionally more sceptical. The decision whether to impose sanctions or not is therefore usually also the result of a political process between the Member States.

EU-Sanctions have a two-phase character. The first step, the political decision to impose sanctions is the result of a Common Position of all Member States, which requires under

²³² PETROCI (National Petroleum Operations Company of Côte d'Ivoire); SIR (Ivorian Refining Company); CGFCC (Coffee and Cocoa Trade Management Committee) and APROCANCI (Côte d'Ivoire Association of Natural Rubber Producers).

²³³ Council of the EU, "Council Regulation No 25/2011 amending Regulation (EC) No 560/2005 Imposing Certain Specific Restrictive Measures Directed against Certain Persons and Entities in View of the Situation in Côte d'Ivoire," January 14, 2011, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:011:0001:0017:EN:PDF>.

²³⁴ Francesco Giumelli, "How EU Sanctions Work: A New Narrative," *Chaillot Paper* 129 (May 2013): 24, http://www.iss.europa.eu/uploads/media/Chaillot_129.pdf.

²³⁵ Daniela Sicurelli, *The European Union's Africa Policies: Norms, Interests and Impact*. (Farnham: Ashgate Publishing Limited, 2010), 66ff.

article 15(4) TEU consensus of all Member States in the European Council. The TEU does not permit individual Member States to impose sanctions if they conflict with EU Foreign Policy aims²³⁶. But from that point on it depends on the nature of the sanctions how they are implemented. Arms embargos, diplomatic sanctions and visa bans are still a competence of the Member States and therefore have to be implemented directly by them. Financial sanctions, partial trade measures and flight bans, on the other hand, are a competence of the Community and require consequently a Council Regulation²³⁷. Article 215 TEU states that a decision to interrupt or reduce the economic and financial relations with third countries has to be proposed jointly by the High Representative and the Commission and requires a qualified majority from the Council²³⁸. The same applies for restrictive measures against natural or legal persons and groups or non-State entities.

The most successful measure of the EU in terms of policy change is actually the suspension of an international agreement and in particular on basis of article 96 of the Cotonou Convention between the members of the ACP states and the EU²³⁹. This article permits the signing parties (de facto thus the EU) to take “appropriate measures” against an actor who “has failed to fulfil an obligation stemming from respect for human rights, democratic principles and the rule of law”²⁴⁰. These measures can even include the suspension of a member as the final option, but in practical terms this often means a withdrawal of development aid.

²³⁶ Ibid., 67.

²³⁷ Portela, *European Union Sanctions and Foreign Policy: When and Why Do They Work?*, 20.

²³⁸ A qualified majority in the Council required, until November 2014, the following three conditions to take decisions: a majority of Member States (50 per cent if the proposal is made by the Commission, or else 67 per cent); a Majority of voting weights (74 per cent) and a Majority of the EU’s population (62 per cent). From that date on a double majority will be needed, which requires the support of at least 55 per cent of the EU Member States who must also represent at least 65 per cent of the EU’s citizens.

²³⁹ Article 60 of the Vienna Convention, permits the suspension of bilateral and multilateral treaties if the other party has violated an essential provision. For this reason the EU often includes “human rights clauses” in its international treaties with third countries which gives it legally the option to suspend it as a reaction to human rights violations by the other side.

²⁴⁰ European Commission, “Partnership Agreement between the Members of the African, Caribbean and Pacific Group of States of the One Part, and the European Community and Its Member States, of the Other Part, Signed in Cotonou on 23 June 2000,” June 23, 2000, <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:22000A1215%2801%29>.

A second set of measures to curb the trade in conflict resources are transparency regimes that oblige economic actors in the EU to disclosure regarding their business deals²⁴¹. In the past decade the global promotion of transparency for the extractive sector -oil, gas and mining -has become increasingly seen as the most appropriate solution to weaknesses in governance in resource-rich developing nations. Transparency is often seen as some form of “Swiss army knife”²⁴² that resolves all the problems of the resource curse, described in the previous chapter. Anticorruption and transparency standards and norms are expected to directly and indirectly criminalise the activities of officials, private and companies involved in the trade of conflict resources.

Such a package of measures includes as well financial measures to tackle money-laundering and other financial transactions made by armed groups and their supporters involved in the exploitation of illicit commodities. The EU has taken in the past years big steps to promote transparency in the extractive industry. In the international agenda the EU is promoting the Extractive Industries Transparency Initiative (EITI) that seeks to end corruption in the extractive sector by making agreements between companies and receiving states transparent²⁴³. To further strengthen this initiative the EU has imposed in 2013 the Accounting and Transparency directives, which oblige EU-listed oil, gas, mining and timber companies to publish specific payments to partner governments. These policies permit NGOs and citizens to detect and denounce discrepancies between the paid amounts by European companies and the officially received sums in the producing country. In cases in which governments perpetrate war atrocities in the context of resource extraction, EITI and the Accounting and Transparency directives could theoretically be a tool to identify the companies that finance the regime. But as long as these states are not under any sanctions, these measures are not directly realted

²⁴¹ Winer and Roule, “Follow the Money: The Finance of Illicit Resource Extraction.”

²⁴² Virginia Haufler, “Disclosure as Governance: The Extractive Industries Transparency Initiative and Resource Management in the Developing World,” *Global Environmental Politics* 10, no. 3 (2010): 53–73.

²⁴³ Vlaskamp, “Bringing Natural Resource Transparency to the Tropics? The EU, the Dodd-Frank Act and the Extractive Industry Transparency Initiative (EITI).”

to conflict resources. Furthermore, such EU transparency and anti-corruption measures are used to tackle the issue of “booty futures”²⁴⁴.

A third, still less known option, is the application of domestic or international law in European courts to persecute individuals and companies that have participated in the trade in conflict resources²⁴⁵. Some legal scholars have argued that the illegal looting of natural resources in the context of an armed conflict constitutes the war crime of “pillaging”. In different EU Member States, crimes are as well susceptible to prosecution before local courts even if they are committed outside the national territory²⁴⁶. In other words, if for example a company buys illegally obtained goods in the DRC, it could be persecuted for this act in some Member States court, provided that the action conflicts with the domestic law²⁴⁷. Alternatively, all EU Member States can apply universal jurisdiction and persecute crimes committed under international law²⁴⁸. With the exception of Greece all EU Member States have the legal tools to persecute war crimes, such as pillaging²⁴⁹. A court in Frankfurt judged for example in February 2014 a Rwandan citizen, who lived in Germany, to 14 years in prison for his participation in the 1994 genocide²⁵⁰. However, these legal tools are for a series of

²⁴⁴ Paul Collier et al., “What Works Where?,” in *Paul Collier, V. L. Elliott, Håvard Hegre, Anke Hoeffler, Marta Reynal-Querol & Nicholas Sambanis; Breaking the Conflict Trap: Civil War and Development Policy* (Washington DC: The International Bank for Reconstruction and Development / The World Bank, 2003), 128.

²⁴⁵ James G. Stewart, *Corporate War Crimes: Prosecuting the Pillage of Natural Resources* (New York: Open Society Foundation, 2011).

²⁴⁶ REDRESS and FIDH, *Extraterritorial Jurisdiction in the European Union - A Study of the Laws and Practice in the 27 Member States of the European Union* (London & Paris, December 2010), http://www.redress.org/downloads/publications/Extraterritorial_Jurisdiction_In_the_27_Member_States_of_the_European_Union.pdf.

²⁴⁷ Jordi Palou Loverdos, “Justicia Internacional, Pillaje de Guerra, Derechos Humanos Y Multinacionales,” *Materiales de Paz Y Derechos Humanos* 16 (2010): 37, http://www.gencat.cat/governacio/pub/sum/dgrip/MPDH_16_cast.pdf.

²⁴⁸ REDRESS and FIDH, *Extraterritorial Jurisdiction in the European Union - A Study of the Laws and Practice in the 27 Member States of the European Union*, 21.

²⁴⁹ *Ibid.*, 22.

²⁵⁰ Süddeutsche Zeitung, “Ruander wegen Beihilfe zum Völkermord verurteilt,” February 18, 2014, <http://www.sueddeutsche.de/politik/schuldspruch-in-frankfurt-ruander-wegen-beihilfe-zum-voelkermord-verurteilt-1.1891684>.

reasons only seldom used. One of the main arguments against it is the norm of subsidiarity, and in most cases the public prosecutors consider the country where the crime took place the most appropriate case for the process²⁵¹. However, in the past years some NGOs have sued western companies in European courts for their implications in the pillaging of natural resources²⁵².

Economic means

Vedung's second category -economic means- is measures which "involve either the handing out or the taking away of material resources, be they in cash or in kind"²⁵³. There is no obligation for the receiving side to act in a certain way and there is still some leeway of action. Possible examples for such incentives are fiscal advantages or prerequisites for public procurements.

Establishing certain standards in public tenders can be an effective tool to achieve policy changes. Public actors in the EU carry considerable economic clout through their purchasing decisions and each year about 17 percent of the EU's GNP is spent by public authorities for public works or its own functioning. The EU Directives 2004/17²⁵⁴ and 2004/18²⁵⁵ have made it possible to incorporate social and environmental standards in public procurement decisions. Public actors can for example request in their call for tender that all interested companies provide evidence that they will only work with timber from legal production. Such requirements create strong incentives for companies

²⁵¹ REDRESS and FIDH, *Extraterritorial Jurisdiction in the European Union - A Study of the Laws and Practice in the 27 Member States of the European Union*, 25ff.

²⁵² Illegal-logging.info, "French Logging Company Sued for Role in Liberian Civil War," November 2009, <http://www.illegal-logging.info/content/french-logging-company-sued-role-liberian-civil-war>.

²⁵³ Vedung, "Policy Instruments: Typologies and Theories," 32.

²⁵⁴ Council of the EU and European Parliament, "Directive 2004/17/EC of the European Parliament and of the Council Coordinating the Procurement Procedures of Entities Operating in the Water, Energy, Transport and Postal Services Sectors," March 31, 2004, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:134:0001:0113:en:PDF>.

²⁵⁵ Council of the EU and European Parliament, "Directive 2004/18/EC of the European Parliament and of the Council on the Coordination of Procedures for the Award of Public Works Contracts, Public Supply Contracts and Public Service Contracts," March 31, 2004, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:134:0114:0240:en:PDF>.

to join certification systems, in order to comply with these standards²⁵⁶. Alternative tools to stimulate certain behaviour are support for technical capacity building in developing markets or organisational and institutional support²⁵⁷. The EU and their Member States can stimulate financially companies to engage themselves in a responsible way in regions that are in risk of conflict are to contribute to conflict prevention²⁵⁸. This aspect will be explained more in detail in chapter 6 on timber.

Information

The third category, information covers measures that attempt to “influence people through the transfer of knowledge, the communication of reasoned argument, and persuasion”²⁵⁹. This category includes campaigns to create consumer awareness for certain issues or to inform industry actors about the advantages, particular decisions could bring them. An example is the proposal by the European Commission for the regulation on conflict minerals, which will be analysed in chapter 7. The draft suggests a system, which would permit importers of conflict minerals to let themselves certify by the Commission to be a “responsible importer”. The proposal does not provide any specific material incentives, except the idea that the importer could use this label as a tool to distinguish itself from its competitors²⁶⁰.

The three described measures –regulation, economic means and information- do not only affect actors in the EU. Due to the size of the EU’s Single Market the different

²⁵⁶ Martijn C. Vlaskamp, “La Unión Europea Frente a Las Autoridades Privadas,” in *Esther Barbé (ed) La Unión Europea En Las Relaciones Internacionales* (Madrid: Tecnos, 2014), 426ff.

²⁵⁷ David D’Hollander and Axel Marx, *Private Certification Systems and Government Policy - An Overview and Assessment* (Leuven: Pulse Research Platform, 2012), 40ff, http://www.acodev.be/system/files/ressources/governments_and_private_standards_finalv.pdf.

²⁵⁸ Vincent Kronenberger, “The European Union’s Role in Promoting the Prevention of Violent Conflicts within the Business Sector,” in *Vincent Kronenberger & Jan Wouters (eds) The European Union and Conflict Prevention: Policy and Legal Aspects* (The Hague: T.M.C. Asser Press, 2004), 537–71.

²⁵⁹ Vedung, “Policy Instruments: Typologies and Theories,” 33.

²⁶⁰ European Commission, “Proposal for a Regulation of the European Parliament and of the Council Setting up a Union System for Supply Chain Due Diligence Self-Certification of Responsible Importers of Tin, Tantalum and Tungsten, Their Ores, and Gold Originating in Conflictaffected and High-Risk Areas (2014/0059 (COD)),” March 5, 2014, trade.ec.europa.eu/doclib/html/152227.htm.

internal rules and policies of the EU are also extended beyond the formal membership²⁶¹. Lavenex talked in her concept of “external governance” initially about the neighbourhood of the EU but the same logic applies to all countries and firms with an interest in exporting to the EU market²⁶² (Damro speaks therefore about “Market Power Europe”²⁶³). Sanctions on goods that may have used conflict resources for their production or public procurement policies for construction projects that favour competitors that can proof the legal origin of the material also affect industry actors outside of the EU. The relationships in these global networks, and possible EU policies *ad extra*, will be explained more in detail in the next chapter.

3.3 Why does the EU act in a certain way in the international arena?

Until now the thesis has spoken about the EU as if it were an ordinary nation-state, but in fact European Foreign Policy is “usually the result of a complex interplay of (the) national governments with the ‘European’ institutions: the Commission, the Council of Ministers, the Parliament and the Court”²⁶⁴. These particular characteristics make it often difficult to analyse the EU’s External Policy. Whereas the foreign policy of most ordinary nation-states can be studied through the same prisms of International Relations-theories, the nature of the EU causes very different questions. On the one hand it is more than just a regional organisation, but on the other hand it is less than a federal state. A frequent description is therefore that the EU is *sui generis*²⁶⁵, one of its own. Consequently, more “normal” theories to explain its international behaviour have only some limited explanatory power.

This thesis will follow Hyde-Price’s suggestion and look for a holistic approach that combines elements of social-constructivism, neo-classical realism and new

²⁶¹ Sandra Lavenex, “EU External Governance in ‘Wider Europe,’” *Journal of European Public Policy* 11, no. 4 (2004): 680–700.

²⁶² Sandra Lavenex and Frank Schimmelfennig, “EU Rules beyond EU Borders: Theorizing External Governance in European Politics,” *Journal of European Public Policy* 16, no. 6 (2009): 794.

²⁶³ Chad Damro, “Market Power Europe,” *Journal for European Public Policy* 19, no. 5 (2012): 682–99.

²⁶⁴ Hans W. Maull, “Europe and the New Balance of Global Order,” *International Affairs* 81, no. 4 (2005): 791.

²⁶⁵ Cameron, *An Introduction to European Foreign Policy*.

institutionalism to look on the EU²⁶⁶. In other words, the analytical framework is based on three main concepts: identities, interests and institutions and argues that policy outcomes are often the result of interplay between these three components. This section will now give a brief introduction to each of them. Due to space constraints these descriptions can only tap very superficially from the very rich literature about the EU's Foreign Policy. In order to illustrate their different logics, each of the three concepts will be applied to the EU's policies concerning conflict prevention and crisis management in Africa.

Identity

A broad strand of literature about the external policy of the EU can be located in the broader social constructivist literature due to its emphasise on the particular identity of the Union. One of the main issues of EU Foreign Policy is the aim of the EU to be recognised as an international actor. Being recognised by others is the “sine qua non of global actorhood”²⁶⁷. While every little state, whether it is Andorra, Luxembourg or Botswana, is per definition seen as an actor in the international arena, the EU has to demonstrate its added value both to the outside world as to the Europeans. This has led to the creation of a word that only exists in this field of study: the term *actorness*, defined as “the ability to function actively and deliberately in relation to other actors in the international system”²⁶⁸. In fact, some critics state that for the EU it is sometimes more important to be coherent and to be seen as a peer by nation-states than achieving

²⁶⁶ Joseph Jupille, James A. Caporaso, and Jeffrey T. Checkel, “Integrating Institutions, Rationalism, Constructivism, and the Study of the European Union,” *Comparative Political Studies* 36, no. 1–2 (2003): 7–40; Hyde-Price, “Hyde-Price, A., 2004. Interests, Institutions and Identities in the Study of European Foreign Policy.”

²⁶⁷ Joseph Jupille and James A. Caporaso, “States, Agency and Rules: The European Union in Global Environmental Politics,” in Carolyn Rhodes (ed.) *The European Union in the World Community* (Boulder (CO): Lynne Rienner, 1998), 214.

²⁶⁸ Karen E. Smith, *European Union Foreign Policy in a Changing World*, 2nd edition (London: Polity Press, 2008), 25.

real policy impact²⁶⁹. In sum, there are probably few other international actors, who reflect so much about their own identity and *raison d'être*.

A broad stream in the literature argues that the EU is not simply the sum of its 28 Member States parts, but has its own international identity as a norm community with shared principles, such as sustainable peace, freedom, democracy, human rights, rule of law, equality, social solidarity, sustainable development and good governance²⁷⁰. Instead of pursuing its objectives on the basis of rationalist cost/benefit calculations, the EU is supposed to make its decisions in virtue of these characteristics. This is an image that also the EU likes to promote and official EU documents are full with references to the EU's special characteristics and its responsibilities to be a "force for good" in the world²⁷¹.

After Duchêne's²⁷² very vague description of the European Community in the early 1970ies as a "civilian power", which would wield its power not through military but civil means, the issue of the EU's international actorness was for a long time not very present in scholarly debates²⁷³. But as a consequence of the dramatic institutional changes during the 1990s and 2000s with respect to the European Foreign Policy²⁷⁴, different scholars started again to conceptualise the role of the EU as an international actor. Since then a plethora of definitions has appeared that seek to grasp the nature of

²⁶⁹ Esther Barbé, "La Unión Europea En Las Instituciones de Gobernanza Global: Marco Analítico Y Preguntas de Investigación," in *Esther Barbé (ed) Cambio Mundial Y Gobernanza Global: La Interacción Entre La Unión Europea Y Las Instituciones Internacionales* (Madrid: Tecnos, 2012), 21.

²⁷⁰ Ian Manners, "The Normative Ethics of the European Union," *International Affairs* 84, no. 1 (2008): 46.

²⁷¹ Esther Barbé and Elisabeth Johansson-Nogués, "The EU as a Modest 'Force for Good': The European Neighbourhood Policy," *International Affairs* 84, no. 1 (2008): 81–96.

²⁷² François Duchêne, "Europe's Role in World Peace," in *R. Mayne (ed.) Europe Tomorrow: Sixteen Europeans Look Ahead* (London: Fontana, 1972); François Duchêne, "The European Community and the Uncertainties of Interdependence," in *M. Kohnstamm and W. Hager (eds) A Nation Writ Large? Foreign-Policy Problems before the European Community* (London: Macmillan, 1973), 1–21.

²⁷³ Jan Orbie, "Civilian Power Europe: Review of the Original and Current Debates," *Cooperation and Conflict* 41, no. 1 (2006): 123–28.

²⁷⁴ Particular noteworthy accomplishments during the 1990s were the Maastricht Treaty (1992), which created the Common Foreign and Security Policy-pillar of the EU, and the Amsterdam Treaty (1997), which established the function of a High Representative of the Union for Foreign Affairs and Security Policy.

the EU. The possible labels go now from more conventional terms such as “Ethical Power Europe”²⁷⁵ and “Market Power Europe”²⁷⁶ to rather exotic descriptions of the EU as a “Metrosexual Superpower”²⁷⁷ or a “Don Juan in his infancy”²⁷⁸.

By far the deepest impact left Manners’ article, who suggested “to think about the ideational impact of the EU’s international identity/role as representing normative power”²⁷⁹. He argued that the EU due to its particular historical evolution as a peace and liberty project, its hybrid polity of supranational and intergovernmental governance, and its political-legal constitution had a normatively distinctive basis for its relations with the rest of the world. The EU was not only constructed on a normative basis, but was also predisposed to act in the world according to the same norms that were shaping its identity.

Norms is understood in this context as “a standard of appropriate behaviour for actors with a given identity”²⁸⁰. One of these normative prescriptions for the EU as a consequence of its identity is the strong support of multilateralism, as the Union was founded itself in the end as a multilateral organisations²⁸¹. Another consequence of the EU’s history as a peace project is its supposed resistance to violent means that motivate the Union to diffuse its norms by giving an example, instead of coercing the other side. This unique form was in Manners’ eyes a strength, as it permitted the EU, next to the abilities to use civilian and military instruments, also to wield the “greatest power of all²⁸²”, the ability to “shape conceptions of normal²⁸³”.

²⁷⁵ Lisbeth Aggestam, “Introduction: Ethical Power Europe?,” *International Affairs* 84, no. 1 (2008): 1–11.

²⁷⁶ Damro, “Market Power Europe,” 2012.

²⁷⁷ Khanna, “The Metrosexual Superpower.”

²⁷⁸ Caterina Carta, “Use of Metaphors and International Discourse: The EU as an Idiot Power, a Deceptive Pangloss and a Don Juan in His Infancy,” *Cooperation and Conflict* 49, no. 3 (2014): 334–53.

²⁷⁹ Ian Manners, “Normative Power Europe: A Contradiction in Terms?,” *Journal of Common Market Studies* 40, no. 2 (2002): 238.

²⁸⁰ Martha Finnemore and Kathryn Sikkink, “International Norm Dynamics and Political Change,” *International Organization* 52, no. 4 (Autumn) (1998): 891.

²⁸¹ Knud Erik Jørgensen, “Intersecting Multilateralisms: The European Union and Multilateral Institutions,” in *K. V. Laatikainen and K. E. Smith (eds) The European Union at the United Nations: Intersecting Multilateralisms* (Basingstoke: Palgrave Macmillan, 2006), 195–211.

²⁸² Manners, “Normative Power Europe: A Contradiction in Terms?,” 2002, 253.

Besides some expected criticism from the realist corner²⁸⁴, the idea of a “Normative Power Europe” was also received with scepticism by other more constructivist authors. According to Diez²⁸⁵ this concept was not something exclusively European, and that the USA could as well be described as a “normative power”. In his eyes, the discourse was rather an attempt to establish a particular identity for the EU through “othering” other international actors and to depict the EU as a positive force in the world. Scheipers & Sicurelli²⁸⁶ supported this point in the case of Africa and argued as well that the EU presented itself as an altruist actor and advocate of the African countries to distinguish itself from the Americans. But an actor can only be a normative power if the other side sees him as such. Considering that “EU-Africa relations have fundamentally been shaped by colonialism and that, for better or for worse, this has had a determining and formative effect on how political and economic frameworks have evolved”²⁸⁷, it is questionable to what extent the concept of Europe as a normative power is so universally accepted at the southern side of the Mediterranean Sea.

There exists thus a thin line between a legitimate pursuit of norms and cultural imperialism²⁸⁸. What Europe experiences as universal norms, can be perceived in other parts of the world as neo-colonialism and meet “automatic opposition”²⁸⁹. Furthermore,

²⁸³ Ibid., 240.

²⁸⁴ Hyde-Price, “‘Normative’ Power Europe: A Realist Critique.”

²⁸⁵ Thomas Diez, “Constructing the Self and Changing Others: Reconsidering ‘Normative Power Europe’,” *Millennium* 33, no. 3 (2005): 613–36.

²⁸⁶ Sibylle Scheipers and Daniela Sicurelli, “Empowering Africa: Normative Power in EU–Africa Relations,” *Journal of European Public Policy* 15, no. 4 (2008): 607–23.

²⁸⁷ Garth Le Pere, “AU-EU Security and Governance Cooperation,” in *Adekeye Adebajo & Kaye Whiteman (eds) The EU and Africa: From Eurafrique to Afro-Europa* (London: C.Hurst & Co., 2012), 275.

²⁸⁸ Helene Sjusren, “The EU as a ‘Normative’ power: How Can This Be?,” *Journal of European Public Policy* 13, no. 2 (2006): 235–51.

²⁸⁹ Karen E. Smith, “Speaking with One Voice? European Union Co-Ordination on Human Rights Issues at the United Nations,” *Journal of Common Market Studies* 44, no. 1 (2006): 132.

many of the norms the EU is spreading are not so lofty ideals as the name may suggest, but can be quite controversial, such as the global promotion of market-liberalism²⁹⁰.

Hettne & Söderbaum's characterisation of the EU distinguishes therefore between civilian power and soft imperialism. Soft imperialism means "soft power applied in a hard way, that is an asymmetric form of dialogue or even the imposition or strategic use of norms and conditionalities enforced for reasons of self-interest rather than for the creation of a genuine (interregional) dialogue"²⁹¹. Hence instead of promoting its internal norms (social pluralism; the rule of law etc.) in a voluntary way and based on consensus-building, the EU imposes in these cases its norms aggressively to weaker counterparts. Civilian power is more prominent in issue areas such as development and environment; whereas the EU more often applies "soft imperialism" in trade and security. Moreover, relative "weak" regions such as sub-Saharan Africa are also more frequently the target of soft imperialism and "stronger" regions (Southeast Asia) are the object of civilian power. An example is neoliberal trade norms, forming part of EU-African trade agreements that benefit particularly the Europeans. Hettne & Söderbaum conclude therefore that "normative power is often a cover for more cynical designs"²⁹².

A final point to keep in mind about these arguments is the possible situation that some norms may conflict among each other. The EU sees for example on the one hand the promotion of multilateralism as one of its key objectives, and promotes on the other hand the "Responsibility to Protect" (R2P). However, these two norms can be in conflict with each other: whereas R2P allocates universal values above the norm of state sovereignty, multilateralism still holds state sovereignty at this core²⁹³.

As previously said, each of the three concepts –identity, interests and institutions- will be briefly applied to the case of conflict prevention and crisis management in Africa to illustrate its logic. In general, the EU's policies in this region are guided by three

²⁹⁰ Owen Parker and Ben Rosamund, "'Normative Power Europe' Meets Economic Liberalism: Complicating Cosmopolitanism Inside/outside the EU," *Cooperation and Conflict* 48, no. 2 (2013): 229–46.

²⁹¹ Björn Hettne and Fredrik Söderbaum, "Civilian Power or Soft Imperialism? The EU as a Global Actor and the Role of Interregionalism," *European Foreign Affairs Review* 10, no. 4 (2005): 539.

²⁹² *Ibid.*, 551.

²⁹³ Sjørnsen, "The EU as a 'Normative' power: How Can This Be?"

principles²⁹⁴, namely (I) regionalism (support for African Union peace operations); (II) structural stability (priority to development as an instrument of conflict prevention); and (III) the promotion of international law (support for military humanitarian operations under UN mandate, promotion of the International Criminal Court etc.). From an identity-based position they would be explained by the EU's own identity and experiences. The EU supports the African Union, because it sees regional organisations (like itself) as the best mean to create a stable order on a continent. It promotes development as a tool of conflict prevention, because the EU itself also started partly as an economic growth project. And international law is promoted due to EU's identity as a champion of multilateralism and a Lockean world. However, as the next section will illustrate these three principles can as well be explained with more rationalist interests.

To summarise this section: in this literature the EU is seen as a political entity, whose values, images and principles shape the discourse and practise of its relations with the rest of the world²⁹⁵. Or, in other words, "principled foreign policy is not simply the external actions of a consolidated polity, but in the case of the EU is part of constituting the political and international identity of the Union self"²⁹⁶. The EU has thus to live up to some standards and other actors can also appeal to them. If there can be detected a high degree of shared norms, it is possible to speak about "normative and value cohesion"²⁹⁷. For the analytical framework the following assumption will be used:

"The more/less a specific case can be linked to the EU's common identity and norms, the more/less support there is for measures to curb the trade in this conflict resource."

²⁹⁴ Sicurelli, *The European Union's Africa Policies: Norms, Interests and Impact.*, 58ff.

²⁹⁵ Sonia Lucarelli, "Introduction: Values, Principles, Identity and European Union Foreign Policy," in *Values and Principles in European Union Foreign Policy (Edited by Sonia Lucarelli and Ian Manners)* (London & New York: Routledge, 2006), 1.

²⁹⁶ Sonia Lucarelli and Ian Manners, "Conclusion: Valuing Principles in European Union Foreign Policy," in *Values and Principles in European Union Foreign Policy (Edited by Sonia Lucarelli and Ian Manners)* (Abingdon, Oxon & New York: Routledge, 2006), 212.

²⁹⁷ Martijn L.P. Groenleer and Louise G. van Schaik, "United We Stand? The European Union's International Actorness in the Cases of the International Criminal Court and the Kyoyo Protocol," *Journal of Common Market Studies* 45, no. 5 (2007): 975.

Interests

The second perspective regarding the EU relates to more material arguments and is closely related to rationalist approaches. It allocates the Member States in the centre and argues that the policies of the EU are the sum of the Member State's self-interested cost/benefit analyses. In some cases, these may also be common Europe interests.

From a structural realist stance, the Member States' see their security interests as first priorities. In his critic on the concept of normative power, Hyde-Price²⁹⁸ argues that the Common Foreign and Security Policy (CFSP) is the result of a unipolar world (with the US as sole superpower) and a multipolar Europe. Under these circumstances, the key Member States perceived the creation of the CFSP as a collective instrument useful for their national interest, because it permitted them to shape Europe's neighbourhood by both hard and soft power. EU Foreign Policy is in this perspective only an "institutional repository" for the Member States: a useful institution to promote "second-order concerns", while the control over the core interests remains in the 28 capitals.

Similarly, to realist state-centrists, liberal intergovernmentalists see the EU's external policies as the result of an intrastate bargaining process between rational state actors²⁹⁹. However, they accept the existence of truly supranational foreign policy institutions, e.g. to the Commission for trade negotiations, but explain them with domestic interests. Firstly, these EU institutions increase the efficiency of interstate bargaining. Secondly, supranational institutions strengthen the position of national leaders towards domestic groups. EU Foreign Policy is thus seen as the result of a cost-benefit analysis of the Member States between these advantages and acceptable political risks³⁰⁰.

Different authors use such arguments in the context of the EU's policies in Africa³⁰¹. EU Member States "upload" their own policies to the European level to gain more strength

²⁹⁸ Hyde-Price, "Normative' Power Europe: A Realist Critique."

²⁹⁹ Andrew Moravcsik, "Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach," *Journal of Common Market Studies* 31, no. 4 (1993): 473–524; Andrew Moravcsik and Frank Schimmelfennig, "Liberal Intergovernmentalism," in *Antje Wiener & Thomas Diez (eds) European Integration Theory*, 2nd edition (Oxford: Oxford University Press, 2009), 67–87.

³⁰⁰ Moravcsik, "Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach," 507.

³⁰¹ Niagalé Bagoyoko and Marie V. Gibert, *The European Union in Africa: The Linkage between Security, Governance and Development from an Institutional Perspective*, IDS Working Paper (Brighton:

on the global level. Crisis management policies in Africa are therefore not perceived as driven by norms or ideas, but rather the product of more material European concerns³⁰². According to these explanations, in particular France has often used the EU as an instrument to promote its own strategic and economic interests on the continent without facing accusations of neo-colonial behaviour³⁰³. But at the same time, the EU can also be an instrument for smaller Member States (e.g. the Scandinavian countries) to give their positions a stronger voice³⁰⁴.

Applying this approach to the three principles that guide the EU's conflict prevention and management policies in Africa, it leads to other explanations³⁰⁵. Firstly, regionalism, and concretely the support for African Union peace operations, would be seen as the result of economic and political considerations. Military missions in Africa are in most European countries not very popular and they also cost substantial amounts of money. Hence many EU politicians consider it a better option to "outsource" African problems to Africans as this is less expensive and does not implicate the political risk that European soldiers might get killed. Secondly, the emphasis on development as a tool of conflict prevention could be interpreted with the broader critic at development aid as a tool of donor countries to maintain political influence in the so-called "third world" in a dependence relationship to the donor countries. Reviewing five books about the EU development policies Hurt came to the conclusion that "it is clear that a concern for the needs of developing countries is often of secondary importance"³⁰⁶ to the EU's interests. And thirdly, the emphasis on international law and UN-mission would be

Institute of Development Studies, May 2007), <http://www.ids.ac.uk/publication/the-european-union-in-africa-the-linkage-between-security-governance-and-development-from-an-institutional-perspective1>;

Catherine Gegout, "EU Conflict Management in Africa: The Limits of an International Actor," *Ethnopolitics: Formerly Global Review of Ethnopolitics* 8, no. 3-4 (2009): 403-15.

³⁰² Gorm Rye Olsen, "The EU and Military Conflict Management in Africa: For the Good of Africa or Europe?," *International Peacekeeping* 16, no. 2 (2009): 245-60.

³⁰³ Ibid.

³⁰⁴ Björkdahl, "Norm Advocacy: A Small State Strategy to Influence the EU"; Gorm Rye Olsen, "The European Union's Africa Policy: The Result of Nordicization or Europeanization?," *Journal of European Integration*, 2012.

³⁰⁵ Sicurelli, *The European Union's Africa Policies: Norms, Interests and Impact.*, 58ff.

³⁰⁶ Stephen R. Hurt, "Understanding EU Development Policy: History, Global Context and Self-Interest?," *Third World Quarterly* 31, no. 1 (2010): 165.

interpreted as a tactic that gives former colonial powers an opportunity to provide legitimacy to their national Africa policy. These actors could frame their interests in a multilateral discourse to avoid criticism of neo-colonial mingling in African affairs.

In sum, EU Foreign Policy is thus seen as the result of self-interested calculations of the Member States based on perceived cost and benefits of its actions in terms of security and economic benefits. The assumption for the analytical framework is:

“The more/less benefits are expected by measures to curtail the trade in a certain conflict resource (in security or economic terms) the more/less support there is for this measure at the EU”.

Institutions

The third group of explanations can be summarised under the term institutional factors. The EU Foreign Policy has a relatively complex system of institutions and decision-making, which makes it sometimes difficult to retrace final policy decisions³⁰⁷. Krahnmann conceptualises the decision-making process for example as a multilevel network in which not only the EU institutions and Member States are involved, but also parties, national parliaments, ministries, civil servants etc...

A lack of inter-institutional cohesion and competition between the different EU institutions and Member States can therefore be a serious obstacle for an effective external policy. This is obviously not a pattern that is exclusive to the EU: Allison described already almost 50 years ago in his seminal article governments as a congeries

³⁰⁷ With the entry into force of the Lisbon Treaty (2009) the post of High Representative of the Union for Foreign Affairs and Security Policy was created, which is at the moment held by Catherine Ashton. In this post are three functions united: the EU representative for the CFSP, the President of the Foreign Affairs Council and Vice-President of the Commission. The High Representative is assisted by the European External Action Service (EEAS), which is supposed to serve as a kind of Foreign Ministry and Diplomatic Corps. The EEAS is sitting outside of the Council and the Commission and its function is in to propose and implement policy. Making policy is a function of the Foreign Affairs Council (FAC), which is a configuration of the Council of the European Union. In the FAC the Foreign Ministers of the EU Member States meet once a month to discuss current issues and form common positions. Occasionally also other Ministers (e.g. for Defence or Trade) participate if the discussed issues also fall in their area of responsibility.

of organisations with their own traditions, routines and interests that affect the policy outcomes and implementations³⁰⁸. These problems are not limited to the interactions between different institutions, but even within the institutions there can be tensions. In the context of the policies regarding Africa, there are for example frequent turf battles between DG Development, DG Trade and other DGs, as each of them puts different policy priorities. For DG Development poverty reduction, good governance and human rights provisions are often the first propriety, whereas DG Trade aims in many cases in the first place on the EU's economic interests and trade liberalisation³⁰⁹. At the same, the Member States may as well have their own agenda and seek to influence the policies of the EU³¹⁰. Each of these actors may have its own positions, based on some of identity-based norms or material interests mentioned in the previous sections. The final policy outcome is therefore the result of discussions and compromises between the institutions.

This logic applies as well in the case of the EU's conflict prevention and crisis management policies in Africa. One example is the establishment of the African Peace Facility, and instrument that is that main source of funding for African Union military missions and other elements of the African Peace and Security Architecture. When the African Union requested its establishment in 2004, the Commission and the Council responded positively but had very different ideas about the responsibilities over the funding. The Commission argued that it was a development tool –referring to the security-development nexus- and would hence fall under its competences. The Council, however, claimed that it was a Foreign Policy tool and therefore a matter of the Member States. In the end, the compromise was a complicated system in which –to describe it somewhat simplified- the Commission's funds were used and it could propose what to do with it, but the Member States had the final word about these suggestions³¹¹.

³⁰⁸ Graham T. Allison, "Conceptual Models and the Cuban Missile Crisis," *American Political Science Review* 63, no. 3 (1969): 689–718.

³⁰⁹ Stephan Keukeleire and Jennifer MacNaughtan, *Foreign Policy of the European Union* (Basingstoke: Palgrave Macmillan, 2008), 87.

³¹⁰ Maurizio Carbone, "Between EU Actorness and Aid Effectiveness: The Logics of EU Aid to Sub-Saharan Africa," *International Relations* 27, no. 3 (2013): 341–55.

³¹¹ Sicurelli, *The European Union's Africa Policies: Norms, Interests and Impact.*, 64ff.

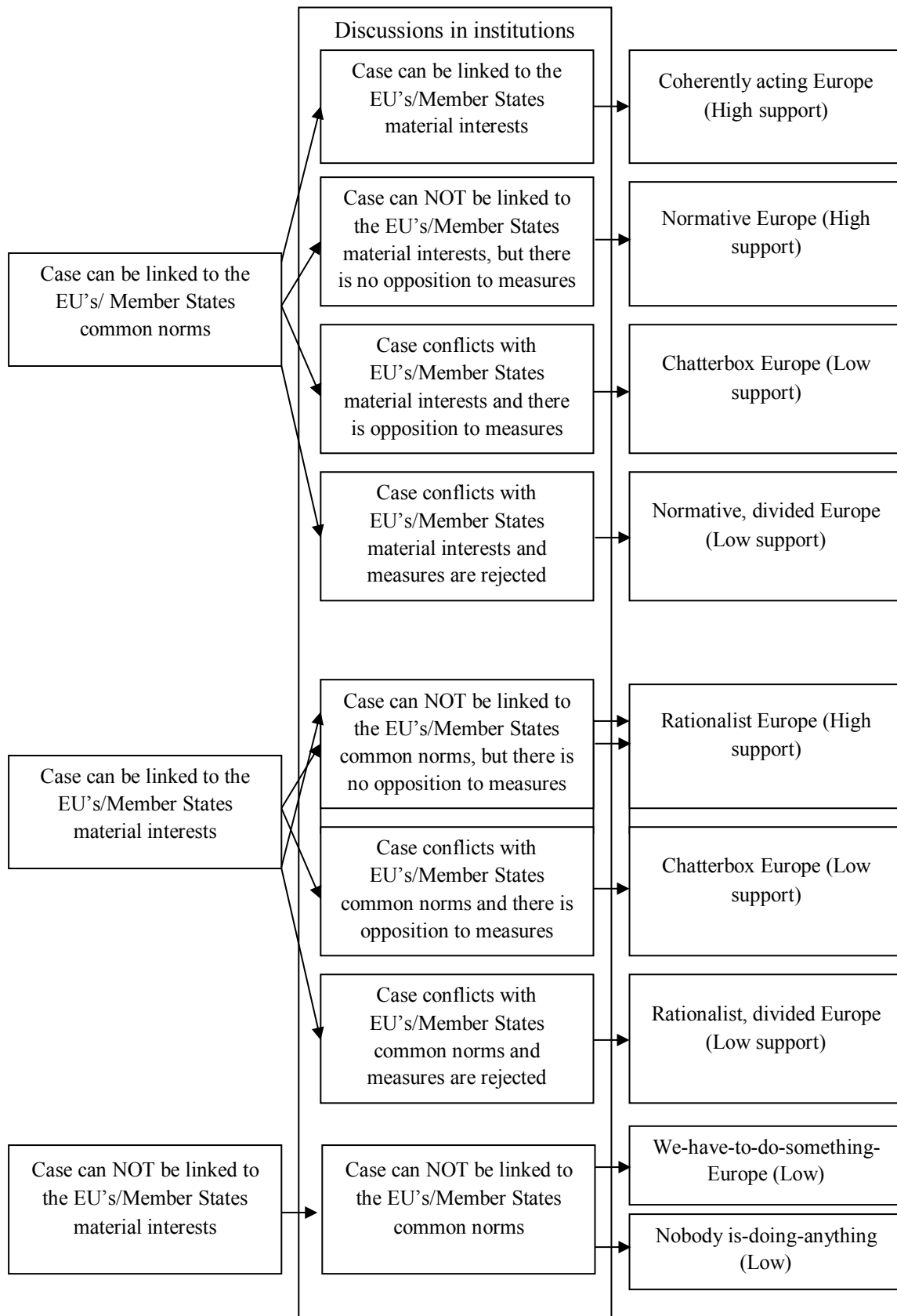
In sum, the more the EU-institutions (counting the Council with the Member State as part of them) share the same objectives, the more support there is for measures and less complications are to expect, as nobody of them has to water down his positions. The assumption for the analytical framework is therefore:

The more/less the EU institutions share the same objectives and perceptions in a case, the more/less support there is for measures to curb the trade in this conflict resource.

3.4 A model to evaluate the EU's support for measures to curb the trade in conflict resources

Based on the three assumptions, a model with eight possible outcomes can be constructed to explain the possible EU stances towards measures against conflict resources. In this model it is assumed that a measure is either by the identity/norms-dimension or by the interests-dimension motivated. Bringing these two dimensions together is the institutional dimension. At the second stage we can see different outcomes: (I) both dimensions (identity and interests) can be harmonised and there can be achieved a very coherent policy (II) the second dimension does neither provide positive nor negative incentives towards the issue (III) the second dimension creates opposition and a compromise has to found, or (IV) the second dimension diametrical opposes the preferences of the first dimension and the suggestion is rejected.

Figure 3.1: Model to assess the EU's support for measures to curtail the trade in conflict resources



The highest level of support is given to a case in the type **Coherently acting Europe**: there are clear normative prescriptions, material motivations are at stake and the EU institutions and Member States agree on what to do to. So here we can expect the maximum level of support for measures to achieve a goal.

In the case of **Rationalist Europe** the EU actors do not have clear normative motivations or an agreement about them, but they are led by shared material motivations (of one or several Member States), which trump these problems. One might argue that the EU's policies towards many friendly dictatorships could be qualified like this: the EU feels on the one side the obligation to promote democracy, but stability in its neighbourhood and/or good trade contacts are deemed more important.

In the third type, **Normative Europe**, the EU is thus guided by its norms and takes consequently action. Material considerations are thus either not at stake or these normative prescriptions trump the material aspects. An example is the fierce opposition of the EU to the death penalty: there are no material interests in the game, but the EU has nevertheless –due to its norms- decided to take a strong stance on this issue.

These three scenarios will be classified as a high level of support for binding measures, when the cases are analysed. There are, however, also numerous other situations possible that will be considered as low level of support.

First, we have **Chatterbox Europe**: the EU has a clear normative guidance for a special situation and there are also material interests at stake, but there is no agreement between the EU-Member States and/or institutions, about the plan of action and if there is a real need to do something at all. One reason may be that the normative and material goals clash; another possible explanation can be that there are discussions about the best way how to approach an issue.

The second type is **We-have-to-do-something Europe**, which is to some extent the contrary. There are no clear normative ideas about an issue, there are also no real material interests at stake, but the EU still takes action. In many cases this action will only be the lowest common denominator of all actors, but the EU may feel (due to media pressure or NGOs) the need to do something. Hollow declarations without any substantial backing fit in this category.

Even lower is the level of salience in the following two combinations: **Normative, divided Europe** and **Rationalist, divided Europe**. In the first case, the Member States

have a high degree of normative and value cohesion, but apparently there are conflicts about the material dimension of an issue. As a consequence, the EU Institutions and Member States are divided about the approach. In the second case, there are shared material interests at stake, but there is a fundamental conflict about the normative dimension of the issue, that prevents the EU institutions and Member States to come up with a solution.

The final option, called **Nobody-is-doing-anything Europe**, occurs when there is both a low degree of normative and value cohesion; and the Member States do not share security, geo-strategic or economic interests. The differences are so big or the stakes so low that the EU does not even come up with some form of lowest-common-denominator answer.

3.5 Conclusion

The aim of this chapter has been to specify more the level of support the EU can give for measures to curb the trade in conflict resources and explain possible variations. First, it has explained in general lines the conflict prevention and crisis management policies of the EU and where policies regarding conflict resources fit in them. Then, it has turned to possible measures the EU can take to curtail the trade in these resources. It has given four possible policy options: (I) regulations ('sticks'), (II) economic policy instruments ('carrots'), (III) information ('sermons') or (IV) doing nothing about the issue.

In the following section, it has presented three ways to explain the behaviour of the EU in the international arena: identity (the EU is guided by shared norms and values); interests (the EU and its Member States are guided by material interests); and institutions (policy outcomes are the result of the EU's complicated decision-making procedures). Based on these three explanations, it has developed a model that unifies these approaches to explain the different degrees of support for measures concerning the trade in conflict resources. This model will be used in the empirical part of the dissertation to analyse the cases on the y-axis of the general model.

CHAPTER 4: THE GLOBAL CONTEXT

The previous chapter has taken a closer look on the EU and the motivations that guide its foreign policy. It explained what factors caused a high or low degree of support for measures to curtail the trade in some natural resources that fund armed conflicts. In this chapter the other dimension of the thesis' framework –the global context in which such decisions are taken- will be examined.

Put in somewhat simplified terms, the aim of the EU's policies is to avoid that these conflict resources can enter the supply chain of products and create financial benefits for armed groups. The degree to which the global context is favourable for measures to curtail the trade in these commodities is thus a matter of these production processes' governance. The thesis will use an adapted version of the Global Production Networks (GPN)-conceptualisation from Economic Geography, to analyse this dimension.

In this chapter's first section the conceptualisation will be explained more in detail. In a nutshell, the idea behind this concept is that global production is nowadays connected by an infinite number of nodes and connections. For example, if an armed group from the Central African Republic sells rough diamonds to local traders, it can be connected via different links to an unknowing consumer in the US who just wants to buy an engagement ring for his fiancée. Like in this case, the connections between legal and illegal actors are often not clear to all participants of the network.

In its original conceptualisation, GPNs are made of public actors (states, international organisations etc.) and private actors, such as companies, NGOs, workers and end consumers. This thesis expands this traditional model by also taking illegal actors into account. Armed groups, smugglers, illegal arms trafficker etc. can as well be members of a GPN that involves conflict resources. There is a considerable variance to what extent actors may collaborate in illicit activities: some actors may smuggle illegally extracted natural resources across a border, but other actors may just “not ask any questions” about the origins of a load of suspiciously cheap goods.

The first section of this chapter will elaborate a bit more on the GPN-conceptualisation and the different actors' powers that shape together the governance in these networks. In the following three sections, these three types of powers will be described more in detail. First, in section 2, the institutional power of states and multilateral organisations will be explained. This part will as well discuss the problems to find global solutions

within multilateral institutions and the difficulties many states encounter to implement policy measures. Conflict resources come by definition from a conflict zone, which makes it for states more difficult to enforce their rules in this territory. Hence these geographical sections of the GPNs are often characterised by a very weak presence of the state. Section 3 will then address the issue of the industry's corporate power in GPNs. It will look specifically on the power relations within an industrial sector and build on the concept of Global Commodity Chains/Global Value Chains (GCC/GVC). The fourth section examines collective power, which means the actions of collective actors (e.g. advocacy NGOs) that seek to influence companies, states or international organisations.

The fifth section will bring these three different powers together and explain how they can form new forms of governance. In particular, this section will discuss the background and motivations for the creation of transnational private regulations. Based on the work in the previous sections, the sixth section will present a model to evaluate the global context in the three case studies. The final section will summarise this chapter's content.

4.1 Global Production Networks³¹²

As explained, this thesis understands the global context in which measures against the trade in conflict resources can be employed as a network of public and private actors. Until now, the discipline of International Relations has few times treated networks as structures that can influence the behaviour of international actors and therefore shape international outcomes³¹³. Some studies look on transnational networks (e.g. activist networks or criminal networks) that have an impact on international issues, but do not analyse an entire issue using a network perspective. As Hafner-Burton et al criticise in a plea for a the inclusion of network analysis in international relations: "Too often, (...) a definition of networks as any nonhierarchical mode of organization in international

³¹² Thanks to Stefan Renckens for suggesting me to read this literature for my thesis.

³¹³ Emilie M. Hafner-Burton, Miles Kahler, and Alexander H. Montgomery, "Network Analysis for International Relations," *International Organization* 63, no. 2 (2009): 561.

relations has obscured a broader, structural perspective on their place in world politics”³¹⁴.

The GPN-conceptualisation, which has been developed since the beginning of the millennium by scholars as Henderson et al³¹⁵ and Ernst³¹⁶ builds on Wallerstein’s World Systems Analysis³¹⁷. It sees itself as an answer to the increased economic globalisation caused by the fragmentation of production, economic liberalisation and technological innovations (above all the internet revolution)³¹⁸. As a consequence of the emergence of global (and not per se international) structures and actors, it is argued that the traditionally state-centred forms of social science have to be revised and that there is a need for analytical frameworks that examine the global economic governance in a way that incorporates non-state actors³¹⁹. Governance is seen in this context as the framework and institutional structures by which rules (which include laws at one extreme and norms at the other) are set and implemented³²⁰.

A GPN can be defined as a network “whose interconnected nodes and links extend spatiality across national boundaries and, in so doing, integrates parts of disparate national and subnational territories”³²¹. An analysis of a GPN does not look on the

³¹⁴ Ibid.

³¹⁵ Jeffrey Henderson, Peter Dicken, Martin Hess, Neil M. Coe, and Henry Wai-Chung Yeun, “Global Production Networks and the Analysis of Economic Development,” *Review of International Political Economy* 9, no. 3 (2002): 436–64.

³¹⁶ Dieter Ernst, “Global Production Networks and the Changing Geography of Innovation Systems. Implications for Developing Countries,” *Economics of Innovation and New Technology* 11, no. 6 (2002): 497–523; Dieter Ernst and Linsu Kim, “Global Production Networks, Knowledge Diffusion, and Local Capability Formation,” *Research Policy* 31, no. 8–9 (2002): 1417–29.

³¹⁷ Immanuel M. Wallerstein, “The Modern World-System as a Capitalist World-Economy: Production, Surplus Value, and Polarization,” in *World Systems Analysis - An Introduction* (Durham: Duke University Press, 2004), 23–59.

³¹⁸ Robert C. Feenstra, “Integration of Trade and Disintegration of Production in the Global Economy,” *The Journal of Economic Perspectives* 12, no. 4 (1998): 31–50.

³¹⁹ Henderson, Dicken, Hess, Coe, and Wai-Chung Yeun, “Global Production Networks and the Analysis of Economic Development,” 438.

³²⁰ Khalid Nadvi, “Global Standards, Global Governance and the Organization of Global Value Chains,” *Journal of Economic Geography* 8, no. 3 (2008): 324.

³²¹ Neil M. Coe, Peter Dicken, and Martin Hess, “Global Production Networks: Realizing the Potential,” *Journal of Economic Geography* 8, no. 3 (2008): 274.

production process as sequel chain of steps, but seeks to incorporate also all kinds of networks, feedback loops and other non-linear structures³²². In other words, GPN analysis looks principally on the inter-related actions of the involved actors, which are, themselves, embedded in the broader structures and institutions of the global economy³²³. This term of embeddedness is one of the key concepts of GPN: the networks are not flying around in the empty space but are also nestled in a spatial context³²⁴. As Coe et al state “the precise nature and articulation of GPNs are deeply influenced by the concrete socio-political, institutional and cultural places within which they are embedded, produced and reproduced”³²⁵. Hess³²⁶ has conceptualised embeddedness in three major dimensions: (I) societal embeddedness (the cultural/social/political background of an actor and how it shapes his/her behaviour); (II) network embeddedness (the structure of relationships in which an actor is integrated); and (III) territorial embeddedness (the extent to which an actor is anchored in a specific place).

The embeddedness of parts of the GPN can be very different and caused by many factors, including geopolitical developments³²⁷. In the case of natural resources, the territorial dimension is particularly important due to the “landed nature” of these assets, which is formed by “materiality” and “territoriality”³²⁸. In contrast to other GPNs, cases with natural resources are less spatial flexible: whereas e.g. a multinational can move a textile factory relatively simple from Bangladesh to Tunisia, it is not possible to move an oil field from Nigeria to a safer country. So this element of a GPN may be “locked in”, but the other parts are not fixed: for example once the oil is extracted there are countless refineries over the globe to which it can be transported. The economic

³²² Ibid., 272.

³²³ Ibid., 273.

³²⁴ Neil M. Coe, “Geographies of Production II: A Global Production Network A-Z,” *Progress in Human Geography* 36, no. 3 (2012): 391.

³²⁵ Coe, Dicken, and Hess, “Global Production Networks: Realizing the Potential,” 2008, 279.

³²⁶ Martin Hess, “ ‘Spatial’ relationships? Towards a Reconceptualization of Embeddedness,” *Progress in Human Geography* 28, no. 2 (2004): 165–86.

³²⁷ Jim Glassman, “The Geo-Political Economy of Global Production Networks,” *Geography Compass* 5, no. 4 (2011): 154–64.

³²⁸ Gavin Bridge, “Global Production Networks and the Extractive Sector: Governing Resource-Based Development,” *Journal of Economic Geography* 8, no. 3 (2008): 412–414.

liberalisation of the past decades and the internet revolution has made most GPNs very flexible and in a permanent movement creating new connections.

The application of the GPN-conceptualisation for the trade in illegal goods is somewhat unconventional and unprecedented. GPN it is usually used in development studies as a tool to analyse how developing countries are integrated in the global economy³²⁹. However, as the next three chapters will illustrate, its approach is also applicable to the analyses of the case studies in this thesis.

The three cases of conflict resources this thesis will study –diamonds, timber and minerals- are all products that are not per se illegal. The large majority of the trade in each of these natural resources has nothing to do with the financing of armed conflicts. So each of these conflict resources is integrated in completely legal GPNs (the case would be different with narcotics from Afghanistan or Colombia as a case study, whose GPNs are per definition mostly illegality). But this makes it also the key objective of possible policies by the EU (or other actors) to guarantee that conflict resources cannot enter these network structures. The line between the legal and illegal global trade in natural resources is often difficult to see, for example legal companies may purchase – without knowing it- illegally extracted natural resources from Africa and therefore contribute unconsciously to the financing of criminal groups and/or armed groups.

Numerous authors have remarked that the past decades have witnessed a dramatic increase in illegal trade³³⁰. In many regards the increase of the illicit global economy and illegal trafficking is triggered by the same factors as the legal economic globalisation. For example, the removal of trade barriers and the resulting dramatic growth of cross-border economic flows have made it almost impossible for customs authorities to control all containers that enter the country. In large ports, such as Rotterdam or Antwerp, often only 3 percent of all containers can really be checked by customs authority, which makes it highly unlikely that due to customs control a

³²⁹ Neil M. Coe et al., “‘Globalizing’ Regional Development: A Global Production Networks Perspective,” *Transactions of the Institute of British Geographers* 29, no. 4 (2004): 468–84; Jenn-Hwan Wang and Chuan-Kai Lee, “Global Production Networks and Local Institution Building: The Development of the Information-Technology Industry in Suzhou, China,” *Environment and Planning* 39, no. 8 (2007): 1873–88.

³³⁰ Moisés Naím, *Illicit: How Smugglers, Traffickers, and Copycats Are Hijacking the Global Economy* (New York: Anchor Books, 2005).

shipping of sanction-violating goods will really be stopped at the border³³¹. Furthermore, criminal networks use –just as their legal counterparts- the technological opportunities of the information age to coordinate their shipments³³². Illegal goods may take a complex and long road until they arrive at their final destination and are often mixed with legal goods at one point of the supply chain to hide their true origin. Illegal traders in timber may for instance transport the logs from Africa to Brazil, leave them there for over a year and transport them then to Europe, mixed with Brazilian logs³³³. In such cases of potentially legally shipments the aim is to cover up all tracks to the illegal origin; in the case of drugs or arms the objective is to find the safest entrance to the market.

Any policy that seeks to curtail the trade in illegally produced natural resources, and thus also conflict resources, cannot limit itself to the “underworld” of criminal networks and armed rebel groups, but has to look as well on the world of legitimate actors. This group of actors is also a more convenient target for any policies as their behaviour is easier to influence and alter than that of criminal groups. Some of these actors may make themselves accomplice of criminal transactions by turning a blind eye, but they still act in the open. This makes it possible to monitor them and hold them more easily responsible for their behaviour³³⁴.

For this reason it is therefore important to map the GPNs of the legitimate businesses that might integrate illegally produced natural resources and their dynamics and power structures. Influencing the governance of this production can be a tool to indirectly have influence on the illegal members of the supply chain. According to Levy GPNs are “simultaneously economic and political phenomena ...(they)...resemble contested organisational fields in which actors struggle over the constitution of economic relationships, governance structures, institutional rules and norms, and discursive

³³¹ H.Richard Friman and Peter Andreas, “Introduction: International Relations and the Illicit Global Economy,” in *H.Richard Friman & Peter Andreas (eds) The Illicit Global Economy and State Power* (Lanham (MD): Rowman & Littlefield Publishers, 1999), 11ff.

³³² Naím, *Illicit: How Smugglers, Traffickers, and Copycats Are Hijacking the Global Economy*, 4.

³³³ Lieselot Bisschop, “Out of the Woods: The Illegal Trade in Tropical Timber and a European Trade Hub,” *Global Crime* 13, no. 3 (2012): 191–212.

³³⁴ Efrat, *Governing Guns, Preventing Plunder: International Cooperation against Illicit Trade*, 29.

frames...GPNs thus exist within the ‘transnational space’ that is constituted and structured by transnational elites, institutions and ideologies”³³⁵.

In these contested organisational fields, the actors have their own powers to achieve their objectives and design or influence the network in a desired dense. In this sense the concept also fits in Finkelstein’s definition of global governance as “governing, without sovereign authority, relationships that transcend national frontiers. Global governance is doing internationally what governments do at home”³³⁶. Coe et al state that “the relative power of actors within a network depends, in large part, on the extent to which each possesses assets sought by the other party and the extent to which access to such assets can be controlled”³³⁷. Starting from this idea, Henderson sees three different forms of powers in GPNs:

- (I) Institutional power; which is the exercise of power by states and multilateral institutions in order to influence the dynamics of the GPN³³⁸
- (II) Corporate power; which “is the extent to which the lead firm in a GPN has the capacity to influence decisions and resource allocations –vis-à-vis other firms in the network- decisively and consistently in its own interest”³³⁹
- (III) Collective power, which are “the actions of collective agents who seek the influence companies at particular locations in GPN’s, their respective governments and sometimes international agencies”³⁴⁰. These collective actors may include for example trade unions, that defend the rights of workers, or NGOs that are concerned about violations of human rights or environmental damage.

In the next three sections these three different forms of powers in GPNs will be explained more in detail.

³³⁵ David Levy, “Political Contestation in Global Production Networks,” *Academy of Management Review* 33, no. 4 (2008): 3.

³³⁶ Lawrence S. Finkelstein, “What Is Global Governance?,” *Global Governance* 1, no. 3 (1995): 369.

³³⁷ Coe, Dicken, and Hess, “Global Production Networks: Realizing the Potential,” 2008, 276.

³³⁸ Henderson, Dicken, Hess, Coe, and Wai-Chung Yeun, “Global Production Networks and the Analysis of Economic Development,” 450.

³³⁹ Ibid.

³⁴⁰ Ibid.

4.2 Institutional power

Although the GPN had been designed as “an explicit attempt to break with state-centric conceptualisation”³⁴¹, it still allocates a crucial role to the state. As Coe et al argue “the nation-state remains a key actor in GPNs. *All* the elements in GPN are regulated within some kind of political structure whose basic unit is the national state”³⁴². Another indirect form of institutional power within GPNs can be wielded by multilateral organisations, such as the United Nations, the WTO etc.

This section seeks to see under what conditions states upload their policies to curtail the trade in conflict resources to the global level, especially to multilateral institutions. In other words, under what conditions state actors are effectively interested in taking action. On the other hand, the section also looks to what extent states can download such global agreements and implement for example multilateral stipulations.

Uploading policies to the global level

In a large study about international cooperation against illicit trade, Efrat makes the argument that states are only under very special circumstances interested in affronting this issue. He argues that the expected government preferences on international regulation are the result of the primary and secondary negative externalities on the one hand and the influence of consumers and exporters on the other.

Primary negative externalities of illicit trade are defined by him as “the negative effects on one’s own country resulting from the production, sale, or use of the goods or the provision of the service”³⁴³. For example, if the rebels in a civil war are financing themselves with the revenues of conflict resources it is very likely that the government of that country will seek to use its influence to stop this business both on the domestic and international level³⁴⁴. Secondary negative externalities are “the externalities born by

³⁴¹ Ibid., 458.

³⁴² Coe, Dicken, and Hess, “Global Production Networks: Realizing the Potential,” 2008, 282.

³⁴³ Efrat, *Governing Guns, Preventing Plunder: International Cooperation against Illicit Trade*, 35.

³⁴⁴ As Herbst notes, not all leaders are intrinsically interested in controlling the entire soil of their state; in fact formal control over territory can even conflict with their personal interests. For corrupt leaders it is often financially more lucrative to enrich themselves by pursuing illegal trade through informal international commerce networks, instead of investing substantial financial resources in regaining control

countries other than one's own"³⁴⁵. To stick with the example of the illegal trade in conflict resources: as explained in the previous chapter on the EU, actors may have both normative and material incentives to take action. Moral entrepreneurs may push for measures or the state has some political reasons to curtail this trade.

Efrat's model includes as well exporters and consumers in these states and he assumes that they tend to oppose more regulation for the expected extra costs of additional red tape. In the case of conflict resources, he would probably reason that both the industry and consumers would not care about their origin if the products are therefore cheaper than the products of their conflict-free competitors (as will be shown in the fourth section of this chapter, this part of his argument is somewhat simplifying).

Table 4.1: Expected Government Preferences on International Regulation³⁴⁶

		Influence of Primary/ Secondary Negative Externalities	
		Low	High
Exporter / Consumer Influence	Low	I. Bystander governments Moderate regulation	II. Pro-regulation governments
	High	III. Anti-regulation governments	IV. Cross-pressured governments Preference varies

Based on this framework, which can be seen in table 4.1, Efrat claims that a state will only support stricter regulation against illicit trade in the case of a high influence of primary/secondary negative externalities and a low influence of exporters and

over some peripheral territories. As long as these parallel systems do not form a credible threat to the state control, they frequently do not form a serious worry for the state's leaders. (Jeffrey Herbst, "Let Them Fail: State Failure in Theory and Practice - Implications for Policy," in *Rotberg, Robert I. (ed.) When States Fail: Causes and Consequences* (Princeton and Oxford: Princeton University Press, 2004), 306).

³⁴⁵ Efrat, *Governing Guns, Preventing Plunder: International Cooperation against Illicit Trade*, 36.

³⁴⁶ *Ibid.*, 45.

consumers. However, there are only few cases in which these prerequisites are fulfilled by all key actors. There are always some states that can benefit from the illegal trade. Therefore, Efrat argues that it is difficult to achieve international cooperation against illicit trade. So in many cases –especially in countries without primary externalities– according to Efrat’s model there is little appetite for using institutional power to create regulations if this implies possible economic harm.

In cases in which states are exporting conflict resources –thus natural resources they have extracted in a context of conflict– sanctions on these commodities may be considered. However, measures regarding natural resources are often a delicate issue in multilateral forums, as for most countries their “natural resource sovereignty” is extremely important³⁴⁷. To give a recent example: in the Open Debate on Conflict prevention and natural resources at the UN Security Council, there could not even be reached agreement on a presidential statement on this issue. Especially Russia and China argued that the issue did not fall within the Council’s mandate of maintaining international peace and security. Even a compromise formulation that clarified that it would only affect “countries in armed conflict and post-conflict situations that pose a threat to international peace and security” could not bring them aboard as they perceived this statement already as a potential infringement of state sovereignty³⁴⁸.

If no cooperation can be achieved, there always remains the option for states to impose unilaterally sanctions (as described in the case of the EU in the previous chapter) or to forge a “coalition of sanction-willing”. However, there are some limitations to this policy option. Such actions may be considered as hidden trade barriers and conflict with international agreements about free trade³⁴⁹.

³⁴⁷ United Nations, “Natural Resource Wealth Fails to Translate into ‘Equivalent’ Benefits for People, Fuelling Conflict, Instability, Deputy Secretary-General Tells Security Council,” June 19, 2013, <http://www.un.org/press/en/2013/sc11037.doc.htm>.

³⁴⁸ United Nations, “Open Debate on Conflict Prevention and Natural Resources,” *What’s in Blue: Insights on the Work of the UN Security Council*, June 18, 2013, <http://www.whatsinblue.org/2013/06/open-debate-on-conflict-prevention-and-natural-resources.php>.

Gary Gereffi, Ronie Garcia-Johnson, and Erika Sasser, ‘The NGO-Industrial Complex’, *Foreign Policy* 125 (2001): 64.

³⁴⁹ Christine Overdeest, “Comparing Forest Certification Schemes: The Case of Ratcheting Standards in the Forest Sector,” *Socio-Economic Review* 8, no. 1 (2010): 49.

Secondly, in terms of effectiveness, there is some discussion what forms of sanctions are most effective. Different authors argue that a loose alliance of actors imposing sanctions is often less effective in achieving its aims than a unilateral actor. They give three reasons to explain this somewhat counterintuitive finding³⁵⁰: (I) it is very hard to forge such an alliance, so in most cases in which this happens the issue is also so salient for the sanction target that it does not give it; (II) such an alliance may create public goods for the senders and motivations to free-ride by ignoring these measures; and (III) as it is hard to keep a diverse coalition of senders together, they are more likely to fall apart as a determined target. Some of these effects can be prevented by a strong, established international organisation (such as the UN) that keeps the senders together³⁵¹. If an established multilateral organisation backs the sanctions the effect is apparently stronger than in cases of unilateral sanctions³⁵².

Downloading policies from to the global arena

An obstacle to keep in mind is that many of the states that experience the primary negative externalities of the trade in conflict resources -the states where the armed conflict is fought- can hardly control any multilateral regulation they are agreeing to. They may make rules and sign international agreements, but there is a significant difference between claiming authority over a country and having the ability to enforce your rules³⁵³. Studies about the trade in natural resources have shown that in many countries in Africa and Asia illegal exports may amount to as much as 50 percent of legal exports, mainly as a result of rampant corruption³⁵⁴.

³⁵⁰ Daniel W. Drezner, "Bargaining, Enforcement, and Multilateral Sanctions: When Is Cooperation Counterproductive?," *International Organization* 54, no. 1 (2000): 73–102; William H Kaempfer and Anton D. Lowenberg, "Unilateral Versus Multilateral International Sanctions: A Public Choice Perspective," *International Studies Quarterly* 43, no. 1 (1999): 37–58.

³⁵¹ Drezner, "Bargaining, Enforcement, and Multilateral Sanctions: When Is Cooperation Counterproductive?"

³⁵² Bapat and Morgan, "Multilateral Versus Unilateral Sanctions Reconsidered: A Test Using New Data."

³⁵³ Friman and Andreas, "Introduction: International Relations and the Illicit Global Economy," 9.

³⁵⁴ Pierre-Louis Vézina, *Illegal Trade in Natural Resources: Evidence from Missing Exports*, OxCarre Research Paper (Oxford: Oxford Centre for the Analysis of Resource Rich Economies, 2014).

A somewhat rough distinction between the different degrees of state control was made by Rotberg, who classified states in four categories. Most European and North American are (I) strong states that “unquestionably control their territories and deliver a full range and a high quality of political goods to their citizens”³⁵⁵. His category (II) are weak states, or “states in crisis”, that suffer numerous internal social, economic and political problems, but are at least more or less peaceful. Even worse is the situation in (III) failed states, which are described as “tense, deeply conflicted, dangerous, and contested bitterly by warring factions”³⁵⁶. The state has lost the authority about the country and many citizens turn to militias or warlord as security providers, which are usually structured along ethnic, clan or religious lines. Rotberg defines a failed state as a “polity that is no longer able or willing to perform the fundamental tasks of a nation-state in the modern world”³⁵⁷. Even worse is the situation in a (IV) collapsed state, in which any order has disappeared and the rule of the strong prevails. Such a state exhibits a vacuum of authority: the state has ceased to exist as a relevant force and not even private actors (such as local militias) provide some security and stability.

This classification is useful, but has also its flaws: in many cases the level of state control depends on the place or situation a citizen is. A Colombian living in the country’s capital Bogotá, for example, is very conscious of the state presence, whereas a Colombian living in some FARC-hold territory is not. Moreover, there are a lot of grey zones: the state may exist but not be able to control and enforce its own rules for the lack of resources. Alternatively, public officials may be so incompetent and/or corrupt that it affects the state performance severely. In many developing countries the public service is not much more as thinly disguised racketeering scheme and rather kleptocracy than the rule of law the ordering principle³⁵⁸. So the state may be present, but be itself rather a problem than a solution.

³⁵⁵ Robert I. Rotberg, “The Failure and Collapse of Nation-States: Breakdown, Prevention, and Repair,” in Rotberg, Robert I. (ed.) *When States Fail: Causes and Consequences* (Princeton and Oxford: Princeton University Press, 2004), 2.

³⁵⁶ Ibid., 6.

³⁵⁷ Ibid.

³⁵⁸ Collins Emeka Okafor, L. Murphy Smith, and Nacadius U. Ujah, “Kleptocracy, Nepotism, Kakistocracy: Impact of Corruption in Sub-Saharan African Countries,” *International Journal of Economics and Accounting* 5, no. 2 (2014).

A better conceptualisation is therefore the idea of “areas of limited statehood”, defined by Risse as: “those parts of a country in which central authorities (governments) lack the ability to implement and enforce rules and decisions or in which the legitimate monopoly over the means of violence is lacking, at least temporarily. The ability to enforce rules or to control the means of violence can be restricted along various dimensions: (1) territorial, that is, parts of a country’s territorial spaces; (2) sectoral, that is, with regard to specific policy areas; (3) social, that is, with regard to specific parts of the population; and (4) temporal.”³⁵⁹ A key term in this context is the “shadow of hierarchy”, thus the ability of a state to yield control over its territory. Risse argues that around 80 percent of the global population lives (to some degree) in an area of limited statehood³⁶⁰.

Nevertheless, zones of limited statehood do not always fall in some form of Hobbesian anarchy but new forms of governance can emerge. Herbst states about failed states “while neighbours almost certainly play a role in all failing states, the pattern of failing is overwhelmingly toward the devolution of power to actors controlling smaller pieces of territory”³⁶¹. These smaller pieces can be organised around tribal and clan leaders, warlords or whatever group that organises itself (and occasionally does so more effectively than the state). Whether armed groups terrorise the civil population or rather invest in alternative forms of providing security may depend on the “logic of security markets”³⁶². Branović & Chojnacki argue that the absence of a state first opens the “market” for various armed groups to exploit this territory, e.g. through the looting of natural resources. However, from a certain point the more powerful groups focus on establishing some form of security governance to eliminate potential (smaller) competitors. As a consequence local warlords set up alternative security structures that finance themselves e.g. with the sales of natural resources. Although these actors are

³⁵⁹ Thomas Risse, “Governance in Areas of Limited Statehood- Introduction and Overview,” in *Thomas Risse (ed) Governance Without a State: Policies and Politics in Areas of Limited Statehood* (New York: Columbia University Press, 2011), 3.

³⁶⁰ *Ibid.*, 6.

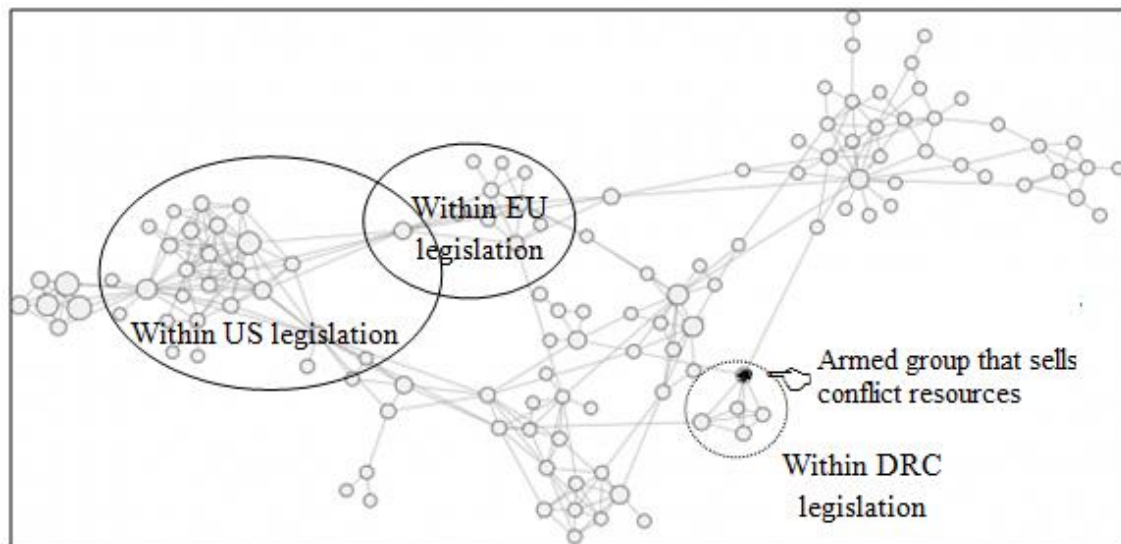
³⁶¹ Herbst, “Let Them Fail: State Failure in Theory and Practice - Implications for Policy,” 304.

³⁶² Željko Branović and Sven Chojnacki, “The Logic of Security Markets: Security Governance in Failed States,” *Security Dialogue* 42, no. 6 (2011): 553–69.

often not internationally recognised that may wield some influence in the GPNs of products that use these commodities.

The figure below illustrates a bit the impact of institutional power on GPNs. In this specific cases only the institutional power of the EU, the United States and the DRC are included. As this figure shows these three actors may wield certain power over a number of actors in the GPNs but many nodes and connections are outside of their scope. On the other hand some actors (e.g. this little ball which is covered by both the American and European circle) can also be subject to different legislations. An example would be a multinational company like Shell, which is listed on stock exchanges in the U.S. and Europe. In the lower right corner –marked in black- an armed group in the DRC is included that is selling conflict resources and is therefore as well part of this GPN. As previously explained, weak states may not be able to prevent such illegal actors from conducting its illicit activities. Multilateral agreements would cover all the circles in this figure but is in reality often only as strong as the weakest links. If the real origin of the conflict resource from the DRC is already hidden within this “limited statehood-circle” it is very difficult to trace its roots back in the later stages of the chain.

Figure 4.1: Institutional power in a GPN



To recapitulate this section: State actors can carry considerable influence in a GPN, but they are hard to coordinate on measures against conflict resources. In case of commodities that finance rebel groups, they may have economic benefits at stake, and in case of resources that are used by states many other state parties oppose steps that

could infringe “resource sovereignty”. The assumption, which will be used for the analytical framework, is:

The more/less key institutional powers agree on the need of measures to curb the trade in a conflict resource the more/less favourable is the global context.

4.3 Corporate power

Besides the institutional power of state actors, the corporate power of industry actors can shape the governance of GPNs³⁶³. All economic actors in the production chain wield some influence, from the mine/ artisanal miners somewhere in Africa until multinationals like DeBeers, Apple or Ikea, but there are obviously large discrepancies in the power relations between these actors.

The relationships between the firms can be analysed with the Global Commodity Chain –conceptualisation (GCC) which has later evolved into the Global Value Chain-conceptualisation (GVC). Both study the nexus of “interconnected functions, operations and transactions through which a specific product or service is produced, distributed and consumed”³⁶⁴ but have also some differences. The GCC, which was developed by Gereffi et al. in the 1990ies, developed a framework that sought to tie the concept of value-added chains with the global organisation of industries. Gereffi et al defined GCC as “sets of interorganisational networks clustered around one commodity or products, linking households, enterprises, and states to one another within the world-economy. These networks are situationally specific, socially constructed, and locally integrated, underscoring the social embeddedness of economic organisation”³⁶⁵. The authors identified two different ways of governance in these chains: they were either buyer or supply-driven. Supply-driven chains include industries or producers in which they provider controls the chain to a large extent. An example forms the oil industry, and oil-producing countries that sought to maximise its influence in the 1960s even more by

³⁶³ Henderson, Dicken, Hess, Coe, and Wai-Chung Yeun, “Global Production Networks and the Analysis of Economic Development,” 450.

³⁶⁴ Coe, Dicken, and Hess, “Global Production Networks: Realizing the Potential,” 2008, 272.

³⁶⁵ Gary Gereffi, Miguel Korzeniewicz, and Roberto P. Korzeniewicz, “Introduction: Global Commodity Chains,” in *Gary Gereffi & Miguel Korzeniewicz (eds) Commodity Chains and Global Capitalism* (Westport (CT): Greenwood Publishing Group, 1994), 2.

forming OPEC. In the cases of buyer-driven commodity chains, the consumers (retailers, brand marketers) coordinate themselves to create a “highly competent supply-base upon which global-scale production and distribution systems could be built without direct ownership”³⁶⁶. Gereffi argued that the tendency went to buyer-driven chains and that therefore actors such as e.g. Wall Mart, Carrefour or Tesco got increasingly more powerful³⁶⁷.

In contrast to GCCs, GVCs focus more on the individual inter-firm relationships taking place in these chains. Three variables play a large role in the governance of GVCs: (1) the complexity of transactions between the different members; (2) the ability to codify transactions; and (3) the capabilities in the supply base³⁶⁸. At the same time, GVC presents five possible types of GVC governance (in descending order of the degree of power asymmetry): (1) hierarchic, in which the GVC is characterised by vertical integration; (2) captive; in which small suppliers are transactionally dependent on larger buyers; (3) relational, a system of mutual interdependence; (4) modular; suppliers make products to a customer’s specification; and (5) market; there are low switching costs for the parts of the GVC and consequently the market governs it³⁶⁹. As GCC/GVC is intended to form a “transaction-, firm- and industry-centric theory of governance among the firm- and establishment-level actors in the (global value) chain”³⁷⁰ it does not devote too much intention to the role of institutions (governmental and non-governmental) in its design.

“Parameter-setting actors”³⁷¹ in a GPN may use their corporate power to also coerce smaller actors into complying with their standards. In particular in the case of buyer-driven GCC/GCVs, the large companies that are at the end of the chain can demand from their suppliers to guarantee them that the products comply with certain standards.

³⁶⁶ Gary Gereffi, John Humphrey, and Timothy Sturgeon, “The Governance of Global Value Chains,” *Review of International Political Economy* 12, no. 1 (2005): 82.

³⁶⁷ Ibid.

³⁶⁸ Gereffi, Humphrey, and Sturgeon, “The Governance of Global Value Chains.”

³⁶⁹ Ibid., 83ff.

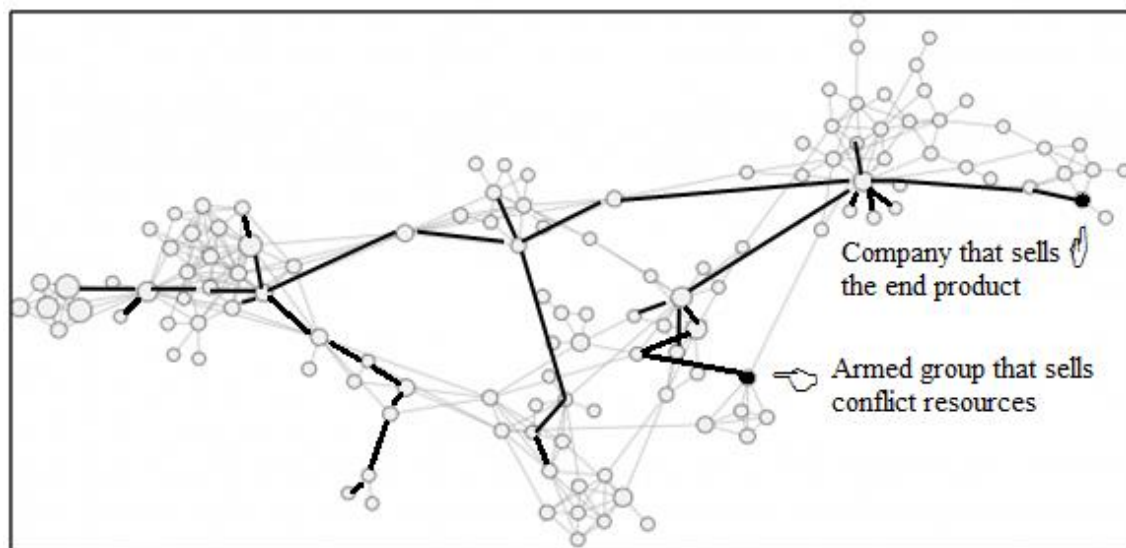
³⁷⁰ Timothy J. Sturgeon, “From Commodity Chains to Value Chains: Interdisciplinary Theory Building in an Age of Globalization,” in Bair, Jennifer (ed.) *Frontiers of Commodity Chain Research* (Stanford (CA): Stanford University Press, 2009), 110–35.

³⁷¹ Gereffi, Humphrey, and Sturgeon, “The Governance of Global Value Chains,” 98.

If they cannot comply with these demands they are excluded from the possibility to sell their products in these markets. This demand is one of the causes of traceability certification systems that are supposed to make the entire supply chain transparent: the consumer asks his retailer about the characteristics of a product, the retailer asks his provider, the provider asks his provider etc. The idea is that a shopkeeper can tell a consumer for example for sure that his product did not finance any armed groups in Africa.

In some cases these systems can rely on existing state controls, but weak states in the supply chain can make any tracing system obsolete: if the customs official in the neighbour country of the conflict-affected country can be bought for a few Euros or Dollars, the entire system loses its credibility³⁷². For this reason many industries have designed their own independent systems to provide their consumers this assurance. An example is system for conflict-free gold, which is sponsored by the industry itself³⁷³.

Figure 4.2: Corporate power in a GPN



³⁷² However, as Friman & Andreas argue; if there is at least an official that has to be bribed, the state has not collapsed entirely and has to be taken into account as a rule-setter. (Friman and Andreas, “Introduction: International Relations and the Illicit Global Economy,” 10.)

³⁷³ World Gold Council, “Conflict-Free Standard,” 2014, <http://www.gold.org/research/conflict-free-standard-english>.

The upper figure illustrates the idea of corporate power in a GPN. The company that sells the end product (in black at the right) has indirectly also influence over all its suppliers and the suppliers of its suppliers. It can impose a traceability scheme, or demand certain guarantees by these companies, to be sure that its end product is not somehow connected to the armed group that is selling conflict resources.

If a GPN has a very concentrated corporate power it is easier to achieve policy changes, which makes the context more favourable. The reason is that it is that once one or two “parameter-setting actors” are changing their behaviour it has directly repercussions in the entire network. However, this does not necessarily mean that these actors have to be individual companies: if for example the retailers association of the United States agrees on certain standards this has also a strong impact. The assumption for the analytical framework is therefore:

The more/less concentrated the corporate power in the GPN is the more/less favourable is the global context to curb the trade in a conflict resource.

4.4 Collective power

The collective power of other non-state actors is a very heterogeneous term that includes the influence of organised labour, civil society and consumers. It is understood as the actions of collective agents who seek to influence the behaviour of states, companies or international organisations.

One source of collective power is organised labour as it forms an “intrinsic part of the production process (labour as commodity)”³⁷⁴. Both the quantity and quality of the available workforce are important factors to take into account. The GPN-literature seldom speaks about this factor, and often focuses on actions of organised labour (unions)³⁷⁵. In the context of this thesis this dimension is only of secondary importance as the workers involved in the production processes of conflict resources are not really organised in trade unions or similar organisations. This does not mean that they are irrelevant in this context, but their ability to influence the dynamics of the studied GPN is very limited.

³⁷⁴ Coe, Dicken, and Hess, “Global Production Networks: Realizing the Potential,” 2008, 284.

³⁷⁵ Ibid., 284–285.

More important in this thesis is the collective power of civil society organisations on consumers, companies and the state. Numerous organisations are dedicated to the issue of armed conflicts and some of them work almost exclusively on the issue of natural resources in this context (e.g. Global Witness). Beck argues that “the advocacy movements of global civil society are the originators, advocates and judges of global values and norms. The way they create and hone this every day, local and global awareness of values is by sparking public outrage and generating global public indignation over spectacular norm violations. They do this by focusing on individual cases”³⁷⁶. The aim of such campaigns is to achieve a “norm cascade”³⁷⁷ that outcasts any actor that does not comply with certain norms and achieve policy changes. This way, ethical campaigning can have a profound impact on the GPNs of products³⁷⁸.

The collective power of NGOs works in this context usually indirectly via consumer power. By influencing the opinions and actions of consumers via campaigns in mass media or social media, NGOs can mount pressure on companies. The idea behind this strategy is that many consumers do not only consider the product’s price in their purchasing decisions, but also look on soft factors such as the brand’s image. Morally reprehensible behaviour, e.g. environmentally or socially ruthless business policies, can tarnish the brand’s image and cause some consumers to stop buying products from this company. In the words of Beck, the consumer has the “global power to say no”³⁷⁹, he/she can always decide to stop consuming a certain product or brand as a form of protest.

The collective power of NGOs is based on the ability to influence consumer behaviour, for example by *naming and shaming* companies in public that make themselves guilty of ethically questionable behaviour. These mechanisms also work in the context of conflict resources: NGOs mounted in their campaigns against “blood diamonds” pressure on industry actor by creating a direct link between the war atrocities in West

³⁷⁶ Ulrich Beck, *Macht Und Gegenmacht Im Globalen Zeitalter: Neue Weltpolitische Ökonomie* (Frankfurt am Main: Suhrkamp Verlag, 2002), 350.

³⁷⁷ Finnemore and Sikkink, “International Norm Dynamics and Political Change.”

³⁷⁸ Alex Hughes, Neil Wrigley, and Martin Buttle, “Global Production Networks, Ethical Campaigning, and the Embeddedness of Responsible Governance,” *Journal of Economic Geography* 8, no. 3 (2008): 345–67.

³⁷⁹ Beck, *Macht Und Gegenmacht Im Globalen Zeitalter: Neue Weltpolitische Ökonomie*, 349.

Africa and the purchasing decisions of western consumers, by asking in ads whether their engagement ring was worth somebody else's hand³⁸⁰.

For tactical reasons, NGOs usually concentrate their campaigns on larger companies, since a change in their attitude has on the one hand greater impact due to their corporate power and, on the other hand, these companies are usually more sensitive to issues of reputation. Globally operating companies such as Nike, IKEA or Zara are very concerned about their reputation and take any possible stain on their brand image very seriously. According to a member of Greenpeace, the development of this tactic in the 1990s was "like discovering gunpowder for environmentalists."³⁸¹

Collective power itself can almost only have influence, when it is used to channel corporate or institutional power in a certain direction. A warlord in Africa, who enriches himself with conflict resources, is probably not particularly impressed by western NGO campaigns, but when they lead to certification systems (corporate power) or sanctions regimes (institutional power) he can feel the consequences.

To sum up, collective power carries an important role in the GPNs of products that may include conflict resources. NGOs can serve as norm entrepreneurs that put this issue on the agenda of companies and state actors. This leads to the third assumption about the global context for the analytical framework:

The more/less influence the collective powers have in the GPN the more/less favourable is the global context for measures to curb the trade in conflict resources.

³⁸⁰ Franziska Bieri and John Boli, "Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility," *Sociological Forum* 26, no. 3 (2011): 501–26.

³⁸¹ Gary Gereffi, Ronie Garcia-Johnson, and Erika Sasser, "The NGO-Industrial Complex," *Foreign Policy* 125 (2001): 64.

4.5 New forms of global governance

While states can create multilateral, binding agreements for social and environmental problems, their success has often been limited, and some speak therefore about a “global governance gap” between political and economic internationalisation³⁸². To find multilateral responses to global problems is usually a very time-consuming and highly complex process, whereas transnational markets are extremely volatile. Moreover, the norm of state sovereignty –jealously protected by various key international actors– limits the room of manoeuvre for multilateral solutions³⁸³.

To fill this gap, the past decades have witnessed an emergence of transnational private regulations (TPR) in which non-state actors create mutual agreements with a limited role of public actors³⁸⁴. Bartley defines TPRs as “coalitions of non-state actors (that) codify, monitor, and in some cases certify firm’s compliance with labour, environmental, human rights or other standards of accountability”³⁸⁵. They are not a completely new invention and have already been used for a long time by financial institutions or industrial producers to create their own standards to coordinate global trade. But, since the 1990s³⁸⁶ a “certification revolution”³⁸⁷ has started due to the promotion of TPRs by NGOs as a tool to fill the global governance gap in social and environmental regulations³⁸⁸.

³⁸² Christoph Knill and Dirk Lehmkuhl, “Private Actors and the State: Internationalization and Changing Patterns of Governance,” *Governance* 15, no. 1 (2002): 41–63.

³⁸³ Laïdia, “BRICS: Sovereignty Power and Weakness.”

³⁸⁴ Axel Marx et al., “Introduction: Private Standards and Global Governance,” in *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds) Private Standards and Global Governance* (Cheltenham & Northampton: Edward Elgar, 2012), 1.

³⁸⁵ Tim Bartley, “Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions,” *American Journal of Sociology* 113, no. 2 (2007): 298.

³⁸⁶ Philipp Pattberg, “The Institutionalization of Private Governance - How Business and Nonprofit Organizations Agree on Transnational Rules,” *Governance* 18, no. 4 (2005): 589–610.

³⁸⁷ Axel Marx, “Global Governance and the Certification Revolution: Types, Trends and Challenges,” in *David Levi-Faur (ed) Handbook on the Politics of Regulation* (Cheltenham: Edward Elgar, 2011), 590–603.

³⁸⁸ John G. Ruggie, “Taking Embedded Liberalism Global,” in *David Held & Matias Koenig-Archibugi (eds) Taming Globalization: Frontiers of Governance* (Cambridge: Polity Press, 2003), 96.

In cases of social and environmental certification, they are in most cases a direct or indirect consequence of a relatively high degree of collective power in a GPN. From the point of view of many NGOs, the behaviour of most states –who could wield institutional power to achieve policy change- is often too much determined by economic and political considerations. They therefore prefer to confront companies directly and bypass states.

The explosive growth of TPRs can be explained by a series of factors, which can be divided in a market-based approach and political view on their emergence. These new explanations are not mutually exclusive but rather different perspectives on the same phenomenon. Potoski & Prakash³⁸⁹ compare voluntary programs to clubs, which on the one hand promulgate public benefits by changing its member's behaviour in the sense that they have to implement certain standards, but on the other hand give its members also the excludable and nonrivalrous (club) benefits. More specifically, the market-based approach contends that industry actors adapt TPRs for four different reasons: reputation, information, competition³⁹⁰ and strategic consideration.

Firstly, most companies care very much about their *reputation* and are afraid of potential negative publicity that could affect their image. This argument is obviously in particular valid for firms with a high degree of brand recognition. Assuming that companies are rational actors that make cost/benefit analyses to maximise their profit, they do not join voluntary programs for some altruist motives but for more practical reasons. TPRs are therefore often the reaction to pressure from collective power to improve a company's or sector's performance in social or environmental issue. But they can also be set up pre-emptively to avoid any future “naming and shaming campaign”³⁹¹. For example, a director of English retailer B & Q explained his decision to implement standards for sustainable timber as follows: “Even though we were never going to have customers that would require us to sustainable wood in our stores, we

³⁸⁹ Matthew Potoski and Aseem Prakash, “Green Clubs and Voluntary Governance: ISO 14001 and Firms' Regulatory Compliance,” *American Journal of Political Science* 49, no. 2 (2005): 235–48.

³⁹⁰ Bartley, “Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions,” 306ff.

³⁹¹ Lars H. Gulbrandsen, “Creating Markets for Eco-Labeling: Are Consumers Insignificant?,” *International Journal of Consumer Studies* 30, no. 5 (2006): 477–89.

knew that if our name, B & Q, was associated with the destruction of rainforests or temperate forests, our brand would suffer.³⁹²”

Furthermore, Creating a credible certification system generates a potential solution to the “reputation commons problem” that some black sheep can ruin the reputation of an entire line of business. By making a distinction between “the good guys” and “the bad guys” in an industry, serious actors in a sector can distinguish themselves from the wrongdoers by committing themselves to certain standards. Moreover, designing some system of certification prevents that free riders can benefit from an improved reputation of an industry as this system excludes the bad apples from the good ones. Finally, getting certified can give some prestige to a product and, therefore, be a reason to significantly increase its price³⁹³. While organic products may for example be more expensive to produce, than regular agricultural products, they are today also a lifestyle product for a certain target group. Companies that sell them, therefore often can expand their profit margin even more, as they know that the consumer also pays for the positive reputation of these products.

The second argument states that firms create external systems to provide their consumers with credible *information* about their supply chains³⁹⁴. As most consumers would not trust an exclusive monitoring system of the producing company, the industry has an interest in creating an –at least partially- independent monitoring system to certificate its products. By cooperating with well-known NGOs, such a scheme gains obviously a lot of credibility for consumers.

The third point, *competition*, is related to a “collective action problem”³⁹⁵. If only one or two companies seek to improve conditions of production, they could suffer some market disadvantages. In their quest to lower production costs, firms are in a continuous “race to the bottom”. Hence if a company has to employ higher social and environmental standards, it has an interest in imposing similar costs to its direct competitors. By

³⁹² Frans van Waarden, “Governing Global Commons: The Public-Private Protection of Fish and Forests,” in *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds) Private Standards and Global Governance* (Cheltenham & Northampton: Edward Elgar, 2012), 29.

³⁹³ Gulbrandsen, “Creating Markets for Eco-Labeling: Are Consumers Insignificant?,” 478.

³⁹⁴ Bartley, “Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions,” 306ff.

³⁹⁵ *Ibid.*

shaping certification systems, quasi-cartels are created to ensure themselves that they will not suffer competitive disadvantages from using higher standards.

Finally, creating and implementing TPRs can also be a *strategic decision* to anticipate rules imposed by the states³⁹⁶. From the business perspective, many state rules are somewhat one-dimensional and not very efficient. Therefore, the industry may be interested to create its own rules to avoid pressure from the states or international organisations. The rules created by the companies can be, on the one hand, less stringent than those which would have been established the states and on the other hand, also more easily adaptable to the changes imposed by the preferences of consumers and the development of new technologies.

An alternative explanation to the market-based approach is proposed by Bartley³⁹⁷, who argues in favour of a political view of TPRs. According to his argument, these regulations are rather the outcome of broader conflicts about global governance between states, industry and civil society in the context of neoliberal globalisation than just solutions to collective action problems. He summarises this argument in three main claims: first, these new forms of governance are not the result of the initiatives of market, but negotiated settlements between various involved actors. States, NGOs and social movements are not simply pressuring firms, but also take other key roles in the design of certification systems. Second, the formation of certification is a process of negotiation and part of a complex, multilevel institutional landscape. Whereas firms usually aim on the smallest common denominator to create a certificate, social movements want strong, binding agreements. Consequently, the final result is the consequence of negotiations in different arenas. Third, the rise of TPRs is the result of institutionalised rules and cultural scripts rooted in neoliberalism. Neoliberalism's emphasis on market-solutions and free trade channel institutional entrepreneurship away from states and towards the private sector. In this sense these voluntary regulations reflect also the neoliberal zeitgeist of the 1990ies and 2000s, as it transfers the responsibility from states to the consumers, or in other words, to the markets. The

³⁹⁶ Jill J. McCluskey and Jason A. Winfree, "Pre-Empting Public Regulation with Private Food Quality Standards," *European Review of Agricultural Economics* 36, no. 4 (2009): 525–39.

³⁹⁷ Bartley, "Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions."

consumer determines to what extent his purchasing decision depends on certifications, and to what extent he is willing to pay more for a product when it complies with certain social or environmental standards. Hence the “price” of non-compliance with these standards is set by market forces and not by administrative authorities³⁹⁸. If companies feel obliged to react to possible negative publicity about their use of possible conflict resources, they can either try to influence the governance in conflict zones³⁹⁹ or simply not purchase any natural resources from that region anymore. Bartley does not dismiss the market based approach completely, but argues that both theoretical approaches are needed to analyse the construction of market institutions. The rise of TPRs is in his view to a large extent a consequence of conscious practical and ideological choices in the past decades.

Recalling the concept of corporate power, it can be assumed that “parameter-setting” actors may use their power to also coerce smaller actors into complying with these standards. In particular in the case of buyer-driven GCCs, the large companies that are at the end of the chain can demand from their suppliers to guarantee them that the products comply with certain standards. If they cannot comply with these demands they are excluded from the possibility to sell their products to them. This demand is one of the causes of traceability certification systems that are supposed to make the entire supply chain transparent: the consumer asks his retailer about the characteristics of a product, the retailer asks his provider, the provider asks his provider etc.

Thus both NGOs and major industry actors have various incentives to create new forms of governance in which public actors have a more limited role. Because of the potential importance for business purposes of having a certification, there has been an uncontrolled growth of certification systems, of which not all are evenly transparent or serious. In principle, any person or institution could create his own standard and award oneself the certificate. For this reason, the issue of the credibility of a private standard is transcendental. Most consumers, for example, would probably not trust to much an environmental certification system of the oil industry which is only controlled by the industry itself. To gain credibility, industry sectors often seek cooperation with NGOs

³⁹⁸ Tim Bartley, “Certification as a Mode of Social Regulation,” in *David Levi-Faur (ed) Handbook on the Politics of Regulation* (Cheltenham: Edward Elgar, 2011), 442.

³⁹⁹ Haufler, “Corporations in Zones of Conflict: Issues, Actors, and Institutions.”

in the design and compliance control of these standards. Also multilateral organisations can find a new place in such networks and serve as “nodal points” to connect public and private initiatives⁴⁰⁰.

4.6 A model to evaluate how favourable the global context is for measures to curb the trade in conflict resources

As the previous three sections have explained GPNs are “contested fields”⁴⁰¹ between a diversity of actors and institutions with different agendas and preferences. These actors can be competitors and allies at the same time, depending on the issue: e.g. different companies may compete with each other for natural resources or market shares, but defend together their common interests against government plans⁴⁰².

The aim of this section is to present a model to evaluate how favourable the global context is for measures to curb the trade in a specific conflict resource. Institutional, corporate and collective powers may all influence GPNs but follow different mechanisms. While institutional power and corporate powers have a direct impact on the supply chain, collective power relies on the ability of NGOs to influence the behaviour of states and companies.

A simplified graphical illustration of these mechanisms can be found below. The first question is the level of influence of NGOs in the GPN. Large organisations, such as Greenpeace or Amnesty International, may carry a certain clout and be listened to by companies and governments, while small NGOs often struggle to make their demands heard. In such cases it is highly unlikely that companies will put any effort in the creation of cost-intensive TPRs, as they do not feel any pressure from the civil society’s collective power.

In cases in which civil society does carry sufficiently collective power to push for TPRs, the next question is how concentrated the corporate power in the GPN is. As explained in section 4.4 situations of concentrated corporate power make it much more likely to

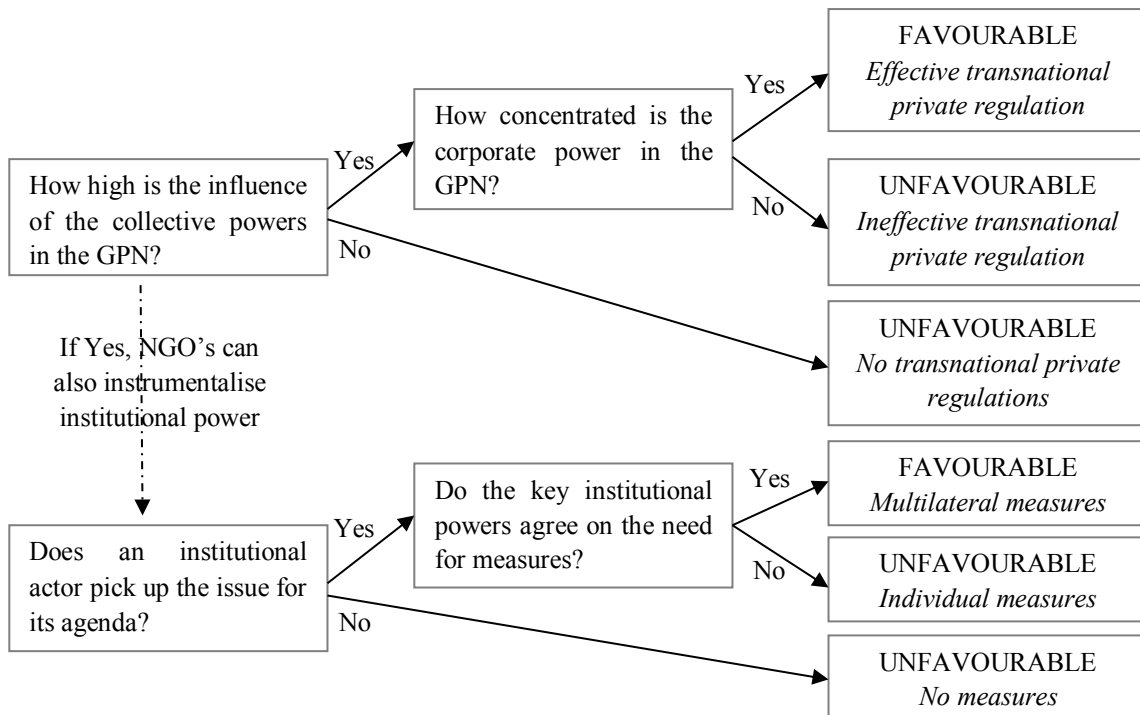
⁴⁰⁰ Benedicte Bull, Morten Bøås, and Desmond McNeill, “Private Sector Influence in the Multilateral System: A Changing Structure of World Governance?,” *Global Governance* 10, no. 4 (2004): 481–98.

⁴⁰¹ Levy, “Political Contestation in Global Production Networks.”

⁴⁰² Coe, Dicken, and Hess, “Global Production Networks: Realizing the Potential,” 2008, 288.

achieve concrete results than situation in which the corporate power is very scattered. If this is the case, the possible outcome will be a favourable global context, which can translate itself in effective transnational private regulations. However, in cases of scattered corporate power the global environment can be assessed as unfavourable and TPRs will be ineffective. These situations are always snapshots in time and can vary over the years: if the corporate power becomes for example more scattered through the appearance of new companies a formerly effective certification system may be devaluated if the newcomers do not join it.

Figure 4.3: Model to assess the global context for measures to curtail the trade in conflict resources



A similar mechanism happens in the case of institutional actors, which are de facto in the cases of this thesis almost only the EU, states and international organisations. The first question is whether one of these actors picks up the issue of a specific conflict resource for its agenda. If not one actor does so, there obviously will not be any measure based on institutional power.

Assuming that one actor promotes measures to curb the trade in a or several conflict resource, the next question is whether he can convince all key actors to use their institutional powers to achieve this aim. If an agreement between all key actors can be

found a favourable environment is given, which can lead for example to multilateral measures. If this is not the case, there is an unfavourable global context. The actor may still turn to unilateral or regional measures but they are a priori less successful (provided that not all actors decide unilaterally the same).

Needless to say that the favourable conditions cannot always be translated automatically in more effective policy outcomes. Strict import sanctions by a key actor as the United States have in the short run more impact than less ambitious multilateral measures. Furthermore, multilateral measures always suffer from the limited statehood of many of states that prevents them from controlling the obedience to the regulations on the ground. The ideal case is therefore a combination of effective transnational regulations and multilateral measures.

But keeping these limitations in mind, this model permits the evaluation of the case studies in the next three chapters in terms of the global conditions for measures to curb the trade in conflict resources.

4.7 Conclusion

The aim of this chapter has been to look on the question, when a global context is favourable or unfavourable for global policies concerning the trade in conflict resources. In order to do so, it has introduced the GPN-conceptualisation that analyses the global order in terms of production networks. These networks can be influenced by three different forms of power: institutional power (states and international organisations) corporate power (firms) and collective power (NGOs). The state, and also the EU, is a potential key actor in these networks as it can theoretically influence almost all other actors to some extent. Multilateral agreements can have a strong impact, but in many cases states are not interested in collaborating against the illicit trade of goods or are not able to enforce the rules.

This gap is occasionally filled by private actors with TPRs that certify the legality or legitimacy of goods. The main driver for this development is an assumed interest by end consumers in morally responsible products. NGOs use this demand as a tool to pressure firms into designing systems to proof that their products comply with these standards.

These dynamics can lead to alternative forms of governance between the state, firms and civil society.

Taking this into account, a favourable global context is thus given when an alliance of public and/or private actors is willing and able to curb significantly the trade in a conflict resource. This means that a state and his institutional powers is not in all cases required. If there are no international agreements this gap can also be filled by private actors, provided that they carry the necessary clout to have sufficiently corporate or collective power in the GPN. If this is not the case, one may speak about an unfavourable international context.

CHAPTER 5: THE EU AND THE KIMBERLEY PROCESS FOR DIAMONDS

The best-known example of a conflict resource is probably diamonds. The case of so-called “blood diamonds” gained prominence in the 1990s and 2000s due to media reports and NGO campaigns and were even integrated in popular culture, such as the 2002-James Bond film “Die Another Day”, in which the hero’s antagonist uses African conflict diamonds to finance his sinister plans. Not only for Bond-villains, but also in real life the gem had become at that time an instrument of choice for illegal trafficking, money laundering and payments of arms trades. In particular, the diamond-fuelled wars in Sierra Leone and Angola created much awareness of this problem and threatened to hurt the glamorous reputation of the “girl’s best friend”.

As a reaction to these developments and to protect the positive image of diamonds, from 2000 on the Kimberley Process (KP) was launched that created the “Kimberley Process Certification System” (KPCS) for rough diamonds. The primary aim of this certification system, which went into force in 2003, is to guarantee consumers that their purchases did not finance armed rebel groups. Due to its strict provisions and rules it has been described as the “most far-reaching trade regulation regime instituted in the past decades”⁴⁰³. In the KP, state actors, the industry and civil society work together and it is therefore often used as a poster-child for public-private cooperation against global problems⁴⁰⁴. Numerous studies have since then examined the KP in terms of its design, achievements and drawbacks⁴⁰⁵; and the contributions by NGOs⁴⁰⁶, industry⁴⁰⁷ and states⁴⁰⁸.

⁴⁰³ Franziska Bieri and John Boli, “Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility,” *Sociological Forum* 26, no. 3 (2011): 501.

⁴⁰⁴ Haufler, “The Kimberley Process Certification Scheme: An Innovation in Global Governance and Conflict Prevention.”

⁴⁰⁵ J. Andrew Grant and Ian Taylor, ‘Global Governance and Conflict Diamonds: The Kimberley Process and the Quest for Clean Gems’, *The Round Table* 93, no. 375 (July 2004): 385–401; J. Andrew Grant, ‘The Kimberly Process at Ten: Reflections on a Decade of Efforts to End the Trade in Conflict Diamonds’, in Päivi Lujala & Siri Aas Rustad, *High-Value Natural Resources and Post-Conflict Peacebuilding* (London: Earthscan, 2012), 159–79; Tim Hughes, ‘Conflict Diamonds and the Kimberley Process: Mission Accomplished—or Mission Impossible?’, *South African Journal of International Affairs* 13, no. 2 (2006): 115–30; Ian Smillie, *Blood on the Stone: Greed, Corruption and War in the Global Diamond Trade* (London & New York: Anthem Press, 2010).

It is generally assumed that the KPCS had considerable successes in achieving its initial aims: the share of conflict diamonds during the 1990s was estimated with about 7-14 per cent of the world market, but this number has dropped to around 0.3 per cent now⁴⁰⁹. Most of the civil wars that caused the establishment of the KPCS are over now (Angola, Sierra Leone, Liberia), but there are still black spots in the diamond world. Different undercover journalists have revealed that it is possible to sell diamonds under the radar of the KPCS⁴¹⁰. Moreover, the KP also faces serious problems related to its exact definition of “conflict diamonds”. While the current definition includes only diamonds that have financed rebel groups, western countries and NGOs seek to expand to state-sponsored violent activities. The discussion about the question what diamond is actually a “conflict diamond” culminated in the crisis about the gems from the Marange fields in Zimbabwe between 2009 and 2011 that brought the entire KP on the brink of collapse.

Until now, there has not been a comprehensive study of the EU’s role in the KP, despite the Union’s prominent role in the process. In the chapter’s first section, a brief introduction to the KP will be given and its workings and historical background will be explained. Then, the chapter will look in the second section on the role of the EU in the KP since the scheme’s establishment and examine the European interests more in detail.

⁴⁰⁶ Franziska Bieri, *From Blood Diamonds to the Kimberley Process: How NGOs Cleaned up the Global Diamond Industry* (Farnham: Ashgate Publishing Limited, 2010); Franziska Bieri, “The Roles of NGOs in the Kimberley Process,” *Globality Studies Journal*, no. 20 (2010): 1–13; Lansana Gberie, “African Civil Society, ‘Blood Diamonds’ and the Kimberley Process” (Leiden (NL) and Boston (USA): Brill, 2009), 63–86; Ian Smillie, “Blood Diamonds and Non-State Actors,” *Vanderbilt Journal of Transnational Law* 46, no. 4 (2013): 1003–23.

⁴⁰⁷ Andrew Bone, “The Kimberley Process Certification Scheme: The Primary Safeguard for the Diamond Industry,” in Päivi Lujala & Siri Aas Rustad, *High-Value Natural Resources and Post-Conflict Peacebuilding* (New York: Earthscan, 2012), 189–94.

⁴⁰⁸ J. Andrew Grant, ‘Commonwealth Cousins Combating Conflict Diamonds: An Examination of South African and Canadian Contributions to the Kimberley Process’, *Commonwealth & Comparative Politics* 51, no. 2 (2013): 210–33.

⁴⁰⁹ Ian Smillie, “Natural Resources: Diamonds and Human Security,” in G. Honor Fagan & Ronaldo Munck (eds.) *Globalization and Security - An Encyclopedia (Volume 1: Economic and Political Aspects)* (Santa Barbara (USA), Denver (USA) & Oxford (UK): Praeger Security International, 2009), 250.

⁴¹⁰ A recent example is the Danish undercover-documentary “The Ambassador” in which the director Mads Brügger purchases Liberian diplomatic credentials, in order to smuggle diamonds from the Central African Republic. (Mads Brügger, *The Ambassador* (Drafthouse Films, 2011)).

The third section will analyse the GPN of the diamond world and the profound changes it is undergoing in the past decade. These changes will be illustrated in the fourth section on the basis of the discussion about the Marange diamonds in the KP. Despite the fact that these gems were not “conflict diamonds” in the literal sense of the KPCS, the conflict illustrates some of the current problems of the KP and the EU’s positioning towards them. The sixth section scrutinises the impact of these changes on the KP and how it is affecting the EU’s policies vis-à-vis conflict diamonds. In the final section, the chapter will conclude with a brief summary of the content, using the thesis’ framework.

5.1 An introduction to the Kimberley Process

The trade in so-called “blood diamonds” started on a large scale in the early 1990s with Jonas Savimbi’s União Nacional para a Independência Total de Angola (UNITA), but was soon emulated by the Revolutionary United Front (RUF) in Sierra Leone with the assistance of first warlord, then President of Liberia Charles Taylor⁴¹¹. It was then as well copied by rebel armies in the DRC and affected also the diamond industries of Guinea, Liberia and Côte d’Ivoire. As for example a UN Report concerning the role of diamonds in UNITA’s economy showed⁴¹², the gems had three key roles for these rebel groups: (I) they provided them the required economic resources to buy weapons and other military equipment; (II) they were an important component for acquiring friends and maintaining external support; and (III) they were the primary and preferred means of stockpiling wealth. Due to their importance for the military and political strategy of these rebel groups, rough diamonds became an important factor in the conflict dynamics. By 1997, the trade in conflict diamonds had an estimated volume of 1.4 billion US-Dollars and about 15 percent of the global trade volume⁴¹³. International sanctions had only little effect due to the porous borders to neighbouring countries.

⁴¹¹ Marilyn Silberfein, “The Geopolitics of Conflict and Diamonds in Sierra Leone,” *Geopolitics* 9, no. 1 (2004): 213–41.

⁴¹² UNSC, *Report of the Panel of Experts on Violations of Security Council Sanctions against UNITA* (New York (USA): United Nations, March 10, 2000), 77, http://www.un.org/news/dh/latest/angolareport_eng.htm.

⁴¹³ Smillie, “Natural Resources: Diamonds and Human Security,” 241.

Until the mid-1990s, this phenomenon did not receive much attention, which can also be attributed to some of the characteristics of the diamond industry. The entire diamond world is in general very low-profile and it is perhaps one of the most secretive business sectors in the world. In the pre-KP age, multi-million dollar deals were made on a handshake, based on mutual trust of the participating sides without much paperwork. One of the reasons for this secrecy were security concerns, due to the high value of diamonds, but the sector's opaqueness made it also interesting for illegal purposes⁴¹⁴. Due to the gems' small size, which makes them easy to transport, and relative stable value, diamonds have traditionally often been used for money laundering, for tax evasion and for a variety of other illicit activities such as barter for drugs, arms and other banned or controlled good. For these characteristics, the influx of these illicit goods into the global diamond markets remained for quite some time in a dark zone outside of the public eye.

The first report about the role of diamonds in the Angolan civil war was published in 1998 by British NGO Global Witness that described the gems' role in the conflict and the responsibility of legitimate industry actors for supporting UNITA's structures by purchasing UN-sanctioned diamonds from them⁴¹⁵. In 2000, another NGO –Partnership Africa Canada- documented in a report similar patterns regarding the role of diamonds in the civil war in Sierra Leone and argued that “the point of the war may not actually have been to win it, but to engage in profitable crime under the cover of warfare”⁴¹⁶. In the same year, the influential “Fowler Report” on Angola was issued in the UN that confirmed basically the NGO's findings⁴¹⁷.

⁴¹⁴ Smillie, *Blood on the Stone: Greed, Corruption and War in the Global Diamond Trade*, 20.

⁴¹⁵ Global Witness, *A Rough Trade: The Role of Companies and Government in the Angolan Conflict*, December 1, 1998, http://www.globalwitness.org/media_library_get.php/151/1288870402/A_Rough_Trade.pdf.

⁴¹⁶ Ian Smillie, Lansana Gberie, and Ralph Hazleton, *The Heart of the Matter: Sierra Leone, Diamonds and Human Security* (Ottawa (CA): Partnership Africa Canada, January 2000), 2, http://www.pacweb.org/Documents/diamonds_KP/heart_of_the_matter-full-2000-01-eng.pdf.

⁴¹⁷ UNSC, *Report of the Panel of Experts on Violations of Security Council Sanctions against UNITA*.

The UNSC had already previously imposed different sanctions on the trade of unofficial diamonds. In the case of Angola (UNSC 1173 and 1176⁴¹⁸), the direct or indirect export of unofficial Angolan diamonds (those not accompanied by a Certificate of Origin issued by the Angolan government) was prohibited. In the case of Sierra Leone, all diamond exports at all were prohibited (UNSC 1306⁴¹⁹) and this sanctions regimes was subsequently expanded to neighbouring Liberia (UNSC 1343⁴²⁰) from where smuggled diamonds had been exported. However, the “Fowler Report” stated that the sanctions had only a very limited effect and revealed in detail what countries, companies and individuals were involved in this trade (including even several African presidents) and that large parts of the diamond world turned a blind eye to sanction-busting. There harsh judgements also included the main trading centre Antwerp, whose “extremely lax controls and regulations (...) facilitate and perhaps even encourage illegal trading activity”⁴²¹ and the Belgian authorities who had “failed to establish an effective import identification regime with respect to diamonds”⁴²². A couple of months later a similar UN-report on the situation in Sierra Leone was published by a group of experts, who came to comparable conclusions. Despite the prohibition of the Sierra Leonean government of non-certified diamond exports, the difference between the official rough diamond exports from Sierra Leone and its neighbours Côte d’Ivoire, Gabon, Gambia and Liberia, and imports into Belgium during 1994-1999 averaged about 660 million Dollars a year⁴²³.

The exposures from the UN Groups of Experts and NGOs, started to cause around that time severe preoccupations in the diamond industry. Most consumers had not taken yet too much notice of “conflict diamonds” at that time, but the business sector considered

⁴¹⁸ UNSC, *UN Security Council Resolution 1173 (1998) on the Situation in Angola*, June 12, 1998, [http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1173%20\(1998\)&Lang=E&Area=UNDOC](http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1173%20(1998)&Lang=E&Area=UNDOC); UNSC, *UN Security Council Resolution 1176 (1998) on the Situation in Angola*, June 24, 1998, [http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1176%20\(1998\)&Lang=E&Area=UNDOC](http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1176%20(1998)&Lang=E&Area=UNDOC).

⁴¹⁹ UNSC, *UN Security Council Resolution 1306 (2000) on the Situation in Sierra Leone*, July 5, 2000, <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N00/517/01/PDF/N0051701.pdf?OpenElement>.

⁴²⁰ UNSC, *UN Security Council Resolution 1343 (2001) on the Situation in Liberia*, March 7, 2001, <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N01/276/08/PDF/N0127608.pdf?OpenElement>.

⁴²¹ UNSC, *Report of the Panel of Experts on Violations of Security Council Sanctions against UNITA*, 87.

⁴²² *Ibid.*, 90.

⁴²³ Smillie, *Blood on the Stone: Greed, Corruption and War in the Global Diamond Trade*, 23.

the issue as a ticking time bomb. An industry's or company's reputation is in most industries important, but in the diamond business this element is probably even more crucial than in other industry sectors. The reason is that a large share of the product's value is socially constructed and therefore very dependent on external perceptions. In a practical sense the value of diamonds is rather limited, except for industrial applications such as power drills or cutting machines. But the industry giant DeBeers has managed since the 1950s to create an aura of love, eternity and exclusivity around the gems⁴²⁴. The idea that consumers would not associate diamonds anymore with love, glamour and Marilyn Monroe, but with killings, mass rapes and blood-thirsty rebel leaders caused the industry serious headache. An interviewed industry representative asserted that especially the case of Sierra Leone was deemed as potentially dangerous: "Angola was by the public perceived as something far away and both government and rebels were seen as evenly bad guys. But the pictures of children that got their hands chopped off in Sierra Leone brought the issue to a whole new level⁴²⁵".

In fact, NGOs did not even openly threaten the industry with boycott calls, but even awareness campaigns were already seen as a potential risk by the extremely nervous diamond sector⁴²⁶. The industry feared that the NGO's message of more transparency and control mechanisms in the diamond trade would be too complex for most consumers and that such awareness campaigns -fuelled by simplistic media reports- could potentially escalate into a consumer boycott⁴²⁷. This nervousness in the diamond business made it possible that relative small NGOs (Global Witness and Partnership Africa Canada) could mount enormous pressure on the industry and had so much "collective power"⁴²⁸. Only after relatively little pressure, De Beers felt the need to include for example in its 2000 Annual Report that "it is appalling that a product which

⁴²⁴ Ian Smillie, *Diamonds* (Cambridge & Malden: Polity Press, 2014), 38ff.

⁴²⁵ Industry representative, Interview in London, June 19, 2012.

⁴²⁶ Gberie, "African Civil Society, 'Blood Diamonds' and the Kimberley Process," 79.

Smillie, 'Natural Resources: Diamonds and Human Security', 253.

⁴²⁷ Bieri and Boli, "Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility," 2011, 513.

⁴²⁸ Bieri, *From Blood Diamonds to the Kimberley Process: How NGOs Cleaned up the Global Diamond Industry*.

is the ultimate symbol of enduring love and purity and all that is best in mankind should be linked in any way with the obscenity of war and the suffering of the innocent.”⁴²⁹.

The diamond industry was at this point a highly centralised industry with a dominant company- DeBeers- and a dominant trading centre –Antwerp-, who both carried enormous “corporate power” in the GPN of these products⁴³⁰. The South African company had had for decades a monopolistic market position in the trade of the world’s rough diamonds. Its business strategy had been very much based on the idea of controlling the supply of rough diamonds and managing how much of its inventory went to market at any time. For this aim DeBeers stockpiled enormous quantities of diamonds in its vaults in London to be able to manipulate the global diamond prices in a way it deemed useful. But already prior to the beginning of the KP, DeBeers was losing some influence in the diamond world for different external factors⁴³¹. The company’s share of the global rough diamond supply had dropped from 80 percent to 60 percent in a couple of years. As a consequence, DeBeers was around the end of the 1990s in a process of radically restructuring its business operations and started its “supplier of choice”-strategy: instead of focusing on the diamond supply it sought to influence the decreasing demand. Brand-conscious consumers viewed the stones as anonymous commodities, and DeBeers decided therefore to revamp its advertising and to create some strong brands (e.g. “Forevermark”) themselves. Part of this strategy was to even sell, through a partnership with the luxury manufacturer LVMH, cut diamonds themselves to consumers. Due to this new strategy DeBeers also started to put more emphasis on the image of its specific products (and the generic product “diamonds”) and sought to distinguish itself by guaranteeing to consumers that their products were “conflict-free”⁴³².

⁴²⁹ De Beers Group, *Annual Report 2000* (London: De Beers Consolidated Mines Limited and De Beers Centenary AG, 2001), 14.

⁴³⁰ Bieri and Boli, “Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility,” 2011, 509.

⁴³¹ Smillie gives three main reasons for the decreasing share of DeBeers in the global rough diamond trade during the 1990s: (I) the inflow of post-Soviet and Angolan diamonds in the markets; (II) the world’s largest diamond producer -Australia’s Argyle diamond mine- went independent of DeBeers; and (III) the discovery of diamonds in Canada by firms on which DeBeers did not have any grip.

⁴³² Smillie, *Blood on the Stone: Greed, Corruption and War in the Global Diamond Trade*, 48.

At the same time, around 90 percent of the world's rough diamonds were traded in Antwerp. Its institutions, such as the *Hoge Raad voor Diamant* and the Antwerp World Diamond Centre carried therefore also an enormous clout in the diamond world. This made both DeBeers and the diamond industry in Antwerp to the primary targets of the “collective power” of NGOs campaigns, as they knew that a change of mind of these parameter-setting actors would have a dramatic impact on the entire diamond world.

The UNSC's Fowler Report had concluded with the recommendation for a “conference of experts convene for the purpose of determining a system of controls that would allow for increased transparency and accountability in the control of diamonds from the source of origin to the bourses”⁴³³. As a result of these dynamics, industry, key states and NGOs met in May 2000 in Kimberley (South Africa), the seat of DeBeers, to discuss on an invitation of the South African government ways to end the trade in “conflict diamonds”. This meeting formed a nucleus for the KP. Two months later, the World Federation of Diamond Bourses and the International Diamond Manufacturers Association established in Antwerp the World Diamond Congress (WDC), whose aim was to develop and implement a tracking system for the export and import of rough diamonds to prevent the exploitation for illegal purposes. In the following months, delegates from almost all main diamond exporting and importing countries as well as representatives from the industry and civil society discussed at several meetings such a scheme. Among the participants were also some EU Member states, most notably the United Kingdom and Belgium. At the end of October at an intergovernmental conference in London the participants established a working document to put forward for discussion at the UN General Assembly at the end of the year. In December 2000, the UN General Assembly adopted, unanimously, Resolution 55/56⁴³⁴ on the role of diamonds in fuelling conflict, and passed a draft resolution on conflict diamonds which would serve as a framework for the introduction of a global certification system.

The motives of the participating states were mixed: major diamond producers (e.g. South Africa, Botswana and Namibia) and trading states (Belgium, Israel, United

⁴³³ UNSC, *Report of the Panel of Experts on Violations of Security Council Sanctions against UNITA*, 113.

⁴³⁴ UNGA, *UN General Assembly Resolution 55/56*, January 29, 2001, 56, <http://www.undemocracy.com/A-RES-56-263.pdf>.

Kingdom) shared the industry's preoccupations about the possible threat for the diamond's reputation⁴³⁵. In the case of South Africa political motives were as well at stake: after the end of the Apartheid-regime, South Africa sought to gain international credibility by promoting a moral agenda⁴³⁶. Other states were also motivated by normative motives and hoped to end some of the armed conflicts in Africa by curtailing this trade. The motivations of the EU and its Member States will be described in the next section in detail.

Not all states were directly too enthusiast about these plans. The world's largest producer –Russia- considered its diamonds as a matter of “national security” and the largest consumer of polished diamonds –the United States- was for political reasons against binding multilateral agreements. The Bush Administration sought exactly to reduce its engagement in multilateral institutions and the American delegates had therefore initially the instructions to not agree on binding agreements⁴³⁷. However, the events of 9/11 added a new dimension to the discussion as Al Qaeda had used diamonds from Sierra Leone for its operations. Before the terrorist attacks on New York and Washington DC, the terrorist network had converted 20 million US-Dollars in diamonds, in order to be prepared for the possible freezing of its bank accounts⁴³⁸. This aspect gave the entire diamond-problems a new security-dimension and converted the first reluctant US-government to a supporter of this initiative.

The final result, on which an agreement was reached in 2002 and which went into force on 1 January 2003 was system of a closed circle of countries in which “conflict free diamonds” are traded, and that neither imports from nor exports to non-participating countries. Rough diamonds are traded in tampered containers and have to be accompanied by a government-issued certificate on import and export. “Conflict diamonds” were defined as “rough diamonds used by rebel movements or their allies to finance conflict aimed at undermining legitimate governments, as described in relevant Security Council (UNSC) resolutions insofar as they remain in effect, or in other similar UNSC resolutions which may be adopted in the future, and as understood and

⁴³⁵ Gberie, “African Civil Society, ‘Blood Diamonds’ and the Kimberley Process,” 78.

⁴³⁶ Grant, “Commonwealth Cousins Combating Conflict Diamonds: An Examination of South African and Canadian Contributions to the Kimberley Process,” 213.

⁴³⁷ NGO representative, Interview by telephone, Telephone, July 22, 2011.

⁴³⁸ Douglas Farah, “Al Qaeda Cash Tied to Diamond Trade,” *Washington Post*, November 2, 2001.

recognised in United Nations General Assembly (UNGA) Resolution 55/56, or in other similar UNGA resolutions which may be adopted in future”⁴³⁹. According to this definition, conflict diamonds originate *only* from rebel-controlled mines and are used exclusively to finance armed groups that rebel against an internationally recognised government⁴⁴⁰.

In this formally voluntary system, all participating states have implemented legislation that make the minimum standards of the KP mandatory, such as comprehensive control systems and the obligation to issue KP certificates for all traded rough diamonds. In essence, this voluntary scheme has therefore become compulsory for any trade trading in rough diamonds, as the KPCS stipulates that states are only permitted to trade with other participants of the scheme⁴⁴¹. This made the KPCS to a legally complicated construct as it is in essence “trade cartel” and conflicts with provisions of the WTO regarding the global free trade. The WTO solved this problem by giving the KPCS participants a waiver for the required measures, due the “extraordinary humanitarian nature” of this issue⁴⁴².

The structure of the KP is as well rather unique in the sense that it incorporates both NGOs and industry in its institutional framework. It does not have a permanent secretariat, but each year a chair and vice-chair (the incoming chair) coordinate the KP’s work, elected by the Plenary Session. Most of the work is done in seven different working groups where participating states and representatives of industry and civil society discuss issues related to the global diamond trade. Once a year –around November- all participants meet in annual plenary meeting, where usually most of the work done in the workgroups is rubberstamped. In this general plenary only the participating state actors (the EU as one actor) have the right to vote and the decisions

⁴³⁹ Kimberley Process Certification Scheme, “Kimberley Process Certification Scheme,” 2.

⁴⁴⁰ Aleksis Ylönen, “Conflict Diamonds ‘alive and Well,’” *African Security Review* 21, no. 3 (2012): 64.

⁴⁴¹ Bieri and Boli, “Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility,” 2011, 502.

⁴⁴² Frans Schram, *The Legal Aspects of the Kimberley Process* (Antwerpen: International Peace Information Service (IPIS), January 2007), <http://www.ipisresearch.be/download.php?id=153>.

have to be unanimous. This makes the KP in most cases a very consensus-oriented institution⁴⁴³.

NGOs are officially only observers, but their role in the KP structures goes beyond that. The two most relevant NGOs in this specific field –Partnership Africa Canada and Global Witness (until its departure from the KP in 2011)- have the most prominent role. Initially, also many more campaign-oriented NGOs, such as Amnesty International and Oxfam participated in the meetings, but due to resource constraints and the increasingly technical nature of the debates, they left their seats at the KP table. At the same time, also several smaller African NGOs participate in the NGOs, but the high costs of attending NGO meetings makes it for them difficult to attend regularly and limits their impact⁴⁴⁴.

As of 2014, there are 75 participants in the KP, including all major diamond producing, trading and processing countries. More than 99 percent of the global rough diamond trade is included⁴⁴⁵. In sum, the creation of the KP is a story where NGOs managed to bring an issue to the global agenda and achieved, with the help of willing states and concentrated industry actors, to transform their norms into binding legislation.

5.2 The EU and the Kimberley Process

The EU is a player with a considerable influence in the diamond world. In most of the past ten years it has been both the largest importer and exporter of rough diamonds, due to the very important role of Antwerp as a trading hub. The diamond sector in the Flemish city had in 2012 a total value added of 690 million Euros⁴⁴⁶. About 84 percent of the world's rough diamonds and 50 percent of the polished diamonds pass the few

⁴⁴³ J.Andrew Grant, “Consensus Dynamics and Global Governance Frameworks: Insights from the Kimberley Process on Conflict Diamonds,” *Canadian Foreign Policy Journal* 19, no. 3 (2013): 323–39.

⁴⁴⁴ Bieri and Boli, “Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility,” 2011, 503.

⁴⁴⁵ *Ibid.*, 502.

⁴⁴⁶ Antwerp World Diamond Centre, “2013 Tweede Beste Jaar Ooit Voor Antwerpse Diamanthatel,” January 30, 2014, <https://www.awdc.be/nl/2013-tweede-beste-jaar-ooit-voor-antwerpse-diamanthatel>.

blocks of the city's *Diamantwijk* (Diamond district), where four trading exchanges can be found⁴⁴⁷.

In the KP, the Union is represented by the Commission, although representatives of interested Member States form often part of the delegation and the working groups and there is a frequent contact between Brussels and the different Member States. When the KP was set up, some Member States acted as individual members, but when it became clear that the final result would be a trade scheme the Council authorised the Commission "to negotiate an international certification scheme in the framework of a binding international agreement"⁴⁴⁸. One year later, the Council confirmed that the Commission would represent the EU as one single participant in the KP⁴⁴⁹. The Union's representation can be thus be characterised as "supervised delegation"⁴⁵⁰: interested Member States remain until the present day part of the EU delegation and the single EU negotiating positions are usually the result of prior talks between the Commission and these countries (since 2014 the EU also speaks on behalf of diamond-producing Greenland). In reality, the discussions are often held among the limited amount of Member States, who have economic or political interests at stake⁴⁵¹.

In specific cases, officials and experts from these Member States' ministries are consulted to share their knowledge and experiences (e.g. in the case of Zimbabwe, the British Foreign and Commonwealth Office (FCO) was a point of reference⁴⁵²). In principle, the issue is handled by the Unit Foreign Policy Instruments (FPI) 2 - Stability

⁴⁴⁷ Ibid.

⁴⁴⁸ Council of the EU, "2001/758/CFSP: Council Common Position of 29 October 2001 on Combating the Illicit Traffic in Conflict Diamonds, as a Contribution to Prevention and Settlement of Conflicts," October 29, 2001, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32001E0758:EN:HTML>.

⁴⁴⁹ Council of the EU, "Council Regulation (EC) No. 2368/2002: Implementing the Kimberley Process Certification Scheme for the International Trade in Rough Diamonds," December 20, 2002, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2002:358:0028:0048:EN:PDF>.

⁴⁵⁰ Benoît Coeuré and Jean Pisani-Ferry, "The Governance of the European Union's International Economic Relations: How Many Voices?," in *A.Sapir (ed.) Fragmented Power: The EU and the World Economy* (Brussels: Bruegel, 2007), 31, <http://www.bruegel.org/download/parent/54-fragmented-power-europe-and-the-global-economy/file/409-fragmented-power-europe-and-the-global-economy-english/>.

⁴⁵¹ European Commission Official (a), Interview in Brussels, May 2, 2012.

⁴⁵² Ibid.

Instrument Operations (Crisis Response and Peace-Building). However, depending on the issue also other actors get involved, such as for example the EEAS and its Africa directorate. Moreover, also non-state actors such as NGOs are frequently consulted for their opinions and information⁴⁵³.

Within the EU, Belgium is for obvious reason often the voice of the economic concerns. Diamonds represent 5 percent of Belgium's overall value of exports⁴⁵⁴, and are comfortably the single most common and valuable export to countries outside the EU. In some years they represent even up to 70 percent of the country's trade surplus⁴⁵⁵. Furthermore, the diamond sector is responsible for 6,000 direct and 26,000 indirect jobs in the country⁴⁵⁶. As previously mentioned Belgium was therefore also one of the first state actors to jump on the KP bandwagon and took a role in the design of the KPCS in its initial stages. The harsh assessment in the Fowler Report had caused some embarrassment in Belgium and created both domestic and international pressure on the authorities to come up with a solution to this problem that also threatened this profitable business sector.

Other actors (and also Belgium to some extent) support the KP since its beginning as an opportunity to act against the illegal financing of conflicts and conflict prevention. One of the main promoters of this agenda was (and still often is) the United Kingdom. When the KP was set up, Tony Blair's Labour government had put Africa on a prominent spot of its political agenda and defined the promotion of peace, good governance and prosperity as the three core objectives of British policies on the continent. In fact, the responsible Minister of State at the FCO –Peter Hain- had lived his entire childhood and youth in southern Africa and had therefore a special interest in the continent's problems⁴⁵⁷. As explained in section 3.1, a part of this new British approach towards the problems of Africa was an increased focus on the role of resources in conflicts⁴⁵⁸.

⁴⁵³ Ibid.

⁴⁵⁴ Antwerp World Diamond Centre, "2013 Tweede Beste Jaar Ooit Voor Antwerpse Diamanthatel."

⁴⁵⁵ Leander Schaerlaeckens, "Diamond in the Rough," *Flanders Today*, July 28, 2009.

⁴⁵⁶ Antwerp World Diamond Centre, "2013 Tweede Beste Jaar Ooit Voor Antwerpse Diamanthatel."

⁴⁵⁷ NGO representative, Interview by telephone.

⁴⁵⁸ Paul D. Williams, "Britain and Africa in the Twenty-First Century," in *Jack Mangala (ed.) Africa and the New World Era: From Humanitarianism to a Strategic View* (Houndmills, Basingstoke: Palgrave Macmillan, 2010), 37–51.

The EU embraced thus for both economic and political motives the KP from its beginnings. The 2001 “EU Programme for the Prevention of Violent Conflicts” (also known as Göteborg Programme) stated that the Member States would tackle jointly with the Commission “the illicit trade in high-value commodities, including by taking forward work to identify ways of breaking the link between rough diamonds and violent conflicts and through support for the Kimberly (sic) process”⁴⁵⁹. The KPCS was implemented by a Council Regulation, adopted on 20 December 2002, which laid down the procedures and criteria to be followed in the import and export of rough diamonds into and from the EC, and creates a uniform EC Kimberley Process certificate, which is used for all shipments⁴⁶⁰. The Regulation also provides for EU Member States which wish to do so to designate ‘Community authorities’ which can then carry out the import and export procedures foreseen under the KPCS. The Regulation further sets out provisions for self-regulation by the diamond industry in the EC.

Since then, the EU has been one of the strongest promoters of the KP and occasionally singled it out as a positive example of effective multilateralism and new forms of governance. In 2007 the EU was the chair of the KP and until the present the Union chairs the influential Working Group on Monitoring that deals with issues and problems related to the implementation of the KPCS by its participants. The EU has contributed funding to the KP; one example is the funding of measures to facilitate the reintegration of Côte d’Ivoire to the KPCS by the Instrument for Stability⁴⁶¹. Non-EU officials and representatives from civil society and industry that were interviewed for this thesis confirmed that the EU carried a considerable weight in the KP⁴⁶². A part of this emphasis on diamonds is also the EU’s engagement in the Diamond Development Initiative (DDI) that seeks to confront the root causes of conflicts by improving the working circumstances etc. for artisanal miners.

⁴⁵⁹ Council of the EU, “EU Programme for the Prevention of Violent Conflicts,” 4.

⁴⁶⁰ Council of the EU, “Council Regulation (EC) No. 2368/2002: Implementing the Kimberley Process Certification Scheme for the International Trade in Rough Diamonds.”

⁴⁶¹ EEAS, “EU Supports Côte d’Ivoire’s Efforts to Comply with the Kimberly Process,” December 11, 2012, http://eeas.europa.eu/delegations/cote_ivoire/press_corner/all_news/news/2012/20121211_fr.htm.

⁴⁶² For example: Swiss diplomat, Interview by phone, March 5, 2012; US-American diplomat, Interview by Skype, June 26, 2012.

In summary, on an internal level the EU has operated in general lines in an ideal constellation in the past 15 years as the normative and material objectives could be harmonised without major conflicts: on the one hand the KPCS is seen as a useful tool to comply with the Union's objectives in regard to conflict prevention and human rights, and on the other hand the KPCS also serves as a safeguard for the European diamond industry. For these reasons, there is a very high degree of support for the KP in the EU.

5.3 The GPNs in the diamond world

In this section the different actors will be identified that form together the GPN of the diamond industry. The best way to explain this part is probably to go along the different steps of the diamond pipeline, and illustrate the role of the different actors at each stage. The pipeline has been divided for this section in five steps, which is a bit simplified but catches the main idea: (1) Mining; (2) Rough diamonds trading; (3) cutting and polishing of the diamonds; (4) trading of the polished diamonds; and (5) the wholesale and retail sales of the diamonds.

The first step in the diamond pipeline is the mining of the diamonds. There is a high variety of structures: huge, modern kimberlite mining complexes are usually run by multinational mining companies or state-owned enterprises (e.g. Botswana). On the other hand, alluvial diamonds are in many cases extracted under more precarious circumstances by the local population or local companies. Diamonds can be found on the entire globe, but the world's largest producers of rough diamonds (in terms of carat) are Russia, Botswana and the DRC⁴⁶³. The production volume of a mine is not intrinsically linked to its profitability: only 20 percent of the extracted rough diamonds are of gem quality and the remaining 80 percent is classified as industrial quality. Having a large diamond production is thus not automatically linked to higher profits as the quality of diamond can vary a lot. For example, the Marange project in Zimbabwe has in 2014 an expected output of 12 million carats, worth 720 million US-Dollars,

⁴⁶³ DeBeers, *The Diamond Insight Report 2014* (London: De Beers UK Ltd, 2014), 42, http://angloamerican.com/~media/Files/A/Anglo-American-Plc/investors/reports/DeBeers_OFR_2011.pdf.

while the Diavik project (Canada) produces only 6.1 million carat, but generates 763 million US-Dollars⁴⁶⁴.

The idea of the KPCS is to ensure that diamonds receive already at this point a certificate that proves that they have been extracted under legal circumstances. As explained in chapter 2, especially alluvial diamonds are in danger of becoming conflict diamonds as it is more difficult to control their production. In cases of professionally managed, legal diamond production places this is only a matter of extra paperwork to get a KPCS-certificate, but not a major practical problem. Illegally mined diamonds, however, would thus lack this documentation and could not be traded in states that participate in the KP.

These rough diamonds are usually sold via one or more traders to the large diamond bourses, where they are sorted for classification by experts and government diamond assessors. In the heydays of DeBeers it controlled via its Diamond Trading Company (DTC) this part of the chain almost completely and wielded therefore an enormous corporate power on the entire network. Major diamond bourses can be found in Tel Aviv, Mumbai, Johannesburg and New York, but the most important place is still Antwerp. This is thus the bottleneck, where the EU can push most in the GPN of the diamond world. But other actors, such as the Dubai, are gaining importance as trade centres due to their favourable location between Europe, Africa and Asia⁴⁶⁵.

After the rough diamonds are sold, most of them leave the EU again to be cut and polished. Historically this has also often been done in Antwerp, but much of this work has moved to low wage centres elsewhere now. Especially the western Indian city Surat is the heart of the world's diamond-polishing industry, where about 90 percent of the global diamond production is cut and polished. China, which has made giant steps in this area in the last two decades, is the second largest diamond polishing center now. Other polishing centres are in places as far afield as Armenia, Mauritius and Thailand⁴⁶⁶. Only some very complicated and delicate cutting operations are still carried out in

⁴⁶⁴ Paul Zimmisky, "The State of Global Rough Diamond Supply 2014," *Kitco Metals Inc.*, March 10, 2014, <http://www.kitco.com/ind/Zimmisky/2014-03-10-The-State-of-Global-Rough-Diamond-Supply-2014.html>.

⁴⁶⁵ Smillie, "Natural Resources: Diamonds and Human Security," 240.

⁴⁶⁶ *Ibid.*

Europe and North America. Only from this step diamonds get the characteristic brilliant look most people know, before these processing steps they rather look like shards of glass and are oily and dull. The KPCS only applies until this stage of the diamond pipeline, once the rough diamonds are cut and polished a system of warranties is supposed to guarantee that the gems comply with the standards of the KP.

These polished diamonds are traded again at diamond trading exchanges around the globe, in order to sell them to jewellers or other producers of jewellery. A considerable amount of these diamonds returns now to the Union: around 50 percent of the world's polished diamonds are traded in Antwerp again. Other trading centres are again places like Tel Aviv or Dubai.

The final step is the sale of these diamonds to end consumers. Traditionally the largest market is the United States, which accounts for about 40 percent of global market for polished diamonds⁴⁶⁷. However, in the past years the emerging economies in Asia become more important due to the creation of a larger upper- and middle class that can permit itself luxury goods⁴⁶⁸. The United States are still by far the largest market for polished diamonds, but is already followed by China/Hong Kong/Macau (app. 15 percent), India (app. eight percent), the Gulf Region (app. eight percent) and Japan (app. six percent). And some of the growth rates are astonishing: between 2008 and 2013 the market in China has grown for 20 percent⁴⁶⁹.

As this summary illustrates, the trade in diamonds is a truly global production network with connections all over the world. When NGOs started their campaigns against “blood diamonds” they focused themselves in the first place on consumers in western countries, above all the US, because they knew that this was the most sensitive spot of the network. Ian Smillie of Partnership Africa Canada, often named as one of the KP's architects put it 2006 this way: “It was really because the American jewellery industry was so scared of what would happen if there wasn't an agreement that they pushed the government to do the right thing. NGO's pushed the industry. Industry pushed the

⁴⁶⁷ DeBeers, *The Diamond Insight Report 2014*, 20.

⁴⁶⁸ Tuo Yannan, “Diamonds Are China's Best Friend,” *China Daily*, June 9, 2013, sec. Africa Weekly, 18.

⁴⁶⁹ DeBeers, *The Diamond Insight Report 2014*, 20ff.

government”.⁴⁷⁰ The civil society’s aim was thus to use the “collective power” of American consumers, in order to instrumentalise the corporate power of the major industry players and the institutional power of the relevant state actors to achieve policy changes in the GPN. According to Smillie one of the basic lessons from the KP experience has been that it could only work by bringing all three parties aboard. The NGOs provided the required pressure to keep the momentum going, the industry knew where the problems lay and how to could be addressed effectively and the state actors and international institutions helped with momentum and legitimacy⁴⁷¹.

The NGOs have been successful in this endeavour and the KP is now even called the “primary safeguard for the diamond industry”⁴⁷² by DeBeer’s Andrew Bone, as it gives a consumer the guarantee that he or she can purchase a diamond with a good consciousness. In conclusion, a very favourable global context for cooperation made the establishment of the KPCS possible. However, as the next two sections will explain this consensus starts to have its first cracks.

5.4 The Marange crisis of the Kimberley Process⁴⁷³

Looking on the numbers, the KP has been a success as the amount of traded conflict diamonds has substantially dropped since its establishment. However, both the Angolan and Sierra Leonean civil war had already been finished for other reasons, before the KP went into force. In Angola, UNITA’s leader Jonas Savimbi and his deputy has been killed in an ambush by government troops in February 2002 and already six weeks later peace talks commenced. In Sierra Leone, a British military intervention shifted the balance of power in favour of the government, so that the war had already been declared as finished in 2002. So, at least in two of the cases that provoked the establishment of

⁴⁷⁰ Smillie, 2006, cited in: Bieri and Boli, “Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility,” 2011, 514.

⁴⁷¹ Smillie, “Natural Resources: Diamonds and Human Security,” 253.

⁴⁷² Bone, “The Kimberley Process Certification Scheme: The Primary Safeguard for the Diamond Industry.”

⁴⁷³ The two sections on the Marange diamonds will draw from my previous article on this topic: Martijn C. Vlaskamp, “Balancing Fundamental Rights Protection and Effective Multilateralism: The EU and Zimbabwe’s Marange Diamonds,” *European Foreign Affairs Review* 18, no. 4/1 (2013): 529–46.

the KP, the conflicts were already ended to a large extent before the KPCS went into force.

Since then a number of conflicts have been linked to the exploitation of diamonds, especially the civil wars in Côte d'Ivoire and the DRC are often named. Between 2004 and 2014 Côte d'Ivoire was not permitted to sell diamonds, due to the UN sanctions⁴⁷⁴. Diamonds that may finance rebel groups in the DRC also fall under UN Sanctions. These “conflict diamonds” would normally be excluded from the KPCS, but often find their way in the legal circuit by receiving the certificates in neighbouring countries that suddenly start to experience mysterious increases in their diamond production. In the case of Côte d'Ivoire, considerable amounts of diamond were smuggled to neighbouring Ghana and Mali⁴⁷⁵ and the diamonds from the DRC appeared in the Republic Congo⁴⁷⁶. A similar case is Venezuela that self-suspended itself from the KP due to compliance issues, but whose diamonds are easily smuggled to Brazil and Guyana where they received the required documentation⁴⁷⁷. The limited statehood of many participating states and their incapacity to control their border crossings are thus an impediment. The KP has reacted to these problems by excluding also some of the neighbouring countries from the KPCS, but a country can only be banned from trading diamonds after a unanimous vote in the plenary, which is often rather difficult for political reasons⁴⁷⁸.

While these cases deal with the enforcement of the existing rules, a more fundamental issue is the question what defines a “conflict diamond”. This issue was one of the root causes of the discussions about the Marange diamonds from Zimbabwe between 2009 and 2011, which created a profound crisis of the KP. This case is worth a closer look because in this conflict so many of the changes in the diamonds' GPN are reflected and

⁴⁷⁴ UNSC, “UN Security Council Resolution 2153 (2014) on Modification and Renewal of Sanctions against Côte d'Ivoire until 30 Apr. 2015 and on Extension of the Mandate of the UN Group of Experts until 30 May 2015,” April 29, 2014, http://www.un.org/ga/search/view_doc.asp?symbol=S/RES/2153%282014%29&referer=/english/&Lang=E.

⁴⁷⁵ Bieri and Boli, “Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility,” 2011, 503.

⁴⁷⁶ Smillie, *Diamonds*, 102ff.

⁴⁷⁷ *Ibid.*, 110ff.

⁴⁷⁸ *Ibid.*, 103.

can therefore serve as a good illustration of the EU's difficult position in such discussions now.

In 2006 Zimbabwe experienced a sudden diamond fever, when new rich alluvial diamond deposits were found in the country's east in Marange (Chiadzwa). Within a couple of months thousands of miners streamed into the area and started to dig for the gems in a very anarchical and unstructured manner⁴⁷⁹. The authorities sent police forces in the mining region, but the effect was only limited and many of them started to set up protecting racketeering schemes themselves. Zimbabwe informed the other participants of the KP about its troubles in this region in an intersessional meeting in 2008, but this issue did not receive much attention as the principal problem was at that point Venezuela's compliance issues⁴⁸⁰.

A couple of months later, during the broader post-electoral unrests Harare took matters in its own hand and sent a massive police and military force into the mining area. According to Global Witness, more than 200 miners were killed during this operation Hakudzokwi ("No return") and even more injured or mutilated. The Zimbabwean authorities justified the operation with the need to reinstall order in the mining area. However, the principal objective was rather that the central state sought to seize control in the contested mining areas on behalf of its favoured mining companies (predominantly Chinese) that were aligned to state and party interests⁴⁸¹. NGOs criticised these violent operations harshly and called for an expulsion of Zimbabwe from the KPCS⁴⁸².

In January 2009 the Council of EU Foreign Ministers noted its concern for "Zimbabwe's growing trade in illicit diamonds"⁴⁸³ and expanded its already existing

⁴⁷⁹ Tinashe Nyamunda and Patience Mukwambo, "The State and the Bloody Diamond Rush in Chiadzwa: Unpacking the Contesting Interests in the Development of Illicit Mining and Trading, c.2006–2009," *Journal of Southern African Studies* 38, no. 1 (2012): 145–66.

⁴⁸⁰ Industry representative, Interview in London.

⁴⁸¹ Nyamunda and Mukwambo, "The State and the Bloody Diamond Rush in Chiadzwa: Unpacking the Contesting Interests in the Development of Illicit Mining and Trading, c.2006–2009," 152.

⁴⁸² Global Witness, "Conflict Diamond Scheme Must Suspend Zimbabwe," December 12, 2008, <http://www.globalwitness.org/library/conflict-diamond-scheme-must-suspend-zimbabwe>.

⁴⁸³ Council of the EU, "Council Conclusions on Zimbabwe," January 26, 2009, http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/gena/105539.pdf.

sanctions on persons and entities due to the violence in the aftermath of the elections⁴⁸⁴. In particular the United Kingdom took a firm stance in this matter and rallied for strong measures against Zimbabwe, including complete sanctions on all diamond exports. This stance has to be understood in the broader context of the British politics concerning Zimbabwe that sought to mount pressure on Mugabe's government for its human rights violations⁴⁸⁵. Belgium, on the other hand, preferred a multilateral solution as it feared that such unilateral measures would hurt Antwerp's competitive position. The Belgians argues that a complete end of diamond trade relations would remove any future leverage on Zimbabwe⁴⁸⁶. The Member States decided, as some form of compromise, to add, among other persons and entities, the Zimbabwe Mining Development Cooperation (ZMDC), to the sanctions list but to not prohibit the import of all diamonds from Zimbabwe⁴⁸⁷. In terms of value, 93 percent of the Zimbabwean diamond exports in 2008 went to the EU, but all these diamonds came from a well-managed mining plant run by the Australian company Rio Tinto in another part of the country and did not fall under these measures. Most of the diamonds from Marange were suspected to be traded to the United Arab Emirates so the immediate impact of the EU sanctions on Zimbabwe was rather limited⁴⁸⁸. However, the measure had still a considerable impact in the long-run, as Marange was seen as one of the largest diamond discoveries in the past decades that could have a profound impact on the industry (in 2014, the Marange project is the

⁴⁸⁴ Council of the EU, "Council Common Position Concerning Restrictive Measures Against Zimbabwe, 5951/02," February 15, 2002, <http://register.consilium.europa.eu/pdf/en/02/st05/st05951.en02.pdf>; Council of the EU, "Council Common Position Renewing Restrictive Measures Against Zimbabwe, 5641/04," February 17, 2004, <http://register.consilium.europa.eu/pdf/en/04/st05/st05641.en04.pdf>.

⁴⁸⁵ Vlaskamp, "Balancing Fundamental Rights Protection and Effective Multilateralism: The EU and Zimbabwe's Marange Diamonds," 2013.

⁴⁸⁶ Belgian diplomate, Interview by phone, May 31, 2012.

⁴⁸⁷ Council of the EU, "Council Common Position Renewing Restrictive Measures Against Zimbabwe, 5304/09," January 26, 2009, 50, <http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%205304%202009%20ADD%201%20REV%201>.

⁴⁸⁸ Kimberley Process Certification Scheme, *Final Report of the KPCS Review Mission to Zimbabwe, 30 June– 4 July 2009*, 2009, 20.

world's largest producer in terms of carat output⁴⁸⁹). During the debates the EU's positions was therefore primarily a result of the Belgian-British-Commission-triangle⁴⁹⁰.

Six months later, a KP review mission visited Zimbabwe and concluded on indications of serious non-compliance with KP requirements. Due to the mandate of the KP, the report could not discuss any human rights violations but had to limit itself on technical issues that violated rules of the KP; such as for example the fact that it was very easy to mix legally and illegally mined diamonds in the digging process. Another major point of critic was the militarisation of the mining zones by Zimbabwean security forces. The KPCS review team therefore recommended either a self-suspension of Zimbabwe or, if the authorities would not follow its advice, a suspension by the KPCS from rough diamond trading until the minimum standards had been met⁴⁹¹.

The sphere was not too good for Zimbabwe on the subsequent meeting of the KP in the Namibian coastal town Swakopmund and a temporary expulsion of the entire country from the KPCS –demanded by civil society organisation⁴⁹²- was by some participants considered as a real possibility. Harare admitted its compliance issues and in the end Zimbabwe and the other state participants agreed on the “*Swakopmund Decision and Joint Work Plan*” to end these problems. A part of the agreement was that the Marange diamonds were expelled from trading until the compliance issues would be solved.

Until that point, the discussions in the KP had been rather normal and were conducted in the characteristic consensus-style of the KP. As Zimbabwe made some progress with the work plan it was even allowed to sell two shipments of its stockpiled diamonds in spring 2010. However, on the 2010 plenary session in Jerusalem the discussions took an aggressive turn⁴⁹³. Zimbabwe had come to this meeting with the idea that its Marange diamond would be reintegrated in the KPCS. But the United States, which participated with a very high-profile delegation, demanded an unprecedented so-called ‘violence clause’ (section 3b) that stated that any occurrence of violence, lawlessness or

⁴⁸⁹ Zimmisky, “The State of Global Rough Diamond Supply 2014.”

⁴⁹⁰ EEAS Official (a), Interview by phone, June 15, 2012; Belgian diplomat, Interview by phone; British diplomats, Interview in London, June 19, 2012.

⁴⁹¹ Kimberley Process Certification Scheme, *Final Report of the KPCS Review Mission to Zimbabwe, 30 June– 4 July 2009*, 39–44.

⁴⁹² Global Witness, “Conflict Diamond Scheme Must Suspend Zimbabwe.”

⁴⁹³ European Commission Official (a), Interview in Brussels.

harassment in the Marange region would result in a new suspension of the exports. To activate this clause only four Members of the Working Group of Monitoring would have to submit a report on a serious breach of the Joint Work Plan commitments. This new element was close to the desires of NGOs that had already rallied for some time for a broader definition of the term “conflict diamonds” in the KP that would also cover violence and grave human rights violations committed by states⁴⁹⁴.

The new demand by the United States was received with anger and frustration by Zimbabwe, which suspected a political agenda behind this proposal and started to frame the entire issue in a neo-colonial discourse. The EU saw itself as a “consensus builder”⁴⁹⁵ and pursued a policy that human rights violation were tackled by the EU sanctions, whereas the discussion in the KP should be primarily an issue of compliance. The EU stretched the existing framework quite far to mount pressure on Harare, but did not propose any fundamental reform at that stage. Moreover, the EU as head of the Working Group on Monitoring argued that this group was neither designed nor equipped to evaluate human rights violations⁴⁹⁶. From that point on the entire issue escalated in an unprecedented power battle in the usually so consensus-oriented KP.

In this game, Zimbabwe managed to get the best cards. Harare managed to forge an alliance with most other diamond producing countries from southern Africa (e.g. Namibia and Angola) by picturing itself as a victim of a white-western conspiracy to prevent it from economic recovery with its diamonds. Zimbabwe’s President Mugabe may be perceived by many Europeans or Americans as the prototype of an African dictator, but he still carries a considerable moral clout in sub-Saharan Africa as a hero of the liberation struggle. Besides these more idealist elements, for the African states also more practical issues were at stake: due to their own situation they were not keen on stricter compliance rules or even human-rights provisions, set by western actors⁴⁹⁷. This violence-clause was as well a major stumble block for actors such as China and Russia, that jealously seek to protect their national resource sovereignty and feared some human

⁴⁹⁴ Ian Smillie, *Paddles for Kimberley: An Agenda for Reform* (Partnership Africa Canada, June 2010), http://www.pacweb.org/Documents/diamonds_KP/Paddles_for_Kimberley-June_2010.pdf.

⁴⁹⁵ European Commission Official (d), Interview by telephone, March 15, 2014.

⁴⁹⁶ Industry representative, Interview in London.

⁴⁹⁷ British diplomats, Interview in London.

rights language in the KP through this backdoor⁴⁹⁸. Another major trump of Zimbabwe was its support by diamond superpower South Africa. The South African policy is often to engage very critically with Zimbabwe in bilateral discussions, but protect their neighbour in international settings⁴⁹⁹. One reason is the reputation of Mugabe (and old links between his party ZANU-PF and South Africa's ruling ANC⁵⁰⁰), and another important factor is that South Africa seeks to prevent political instability at its northern border.

The situation got increasingly delicate until a point that some observers feared a collapse of the entire KP: Zimbabwe had stockpiled for years its Marange diamonds (due to its export prohibition) and threatened to throw them on the market, which would have had a dramatic impact on the global diamond prices and probably blow up the entire KP. Furthermore, South Africa declared unilaterally that it would allow the import of diamonds from Marange.

All these development worried the EU that considered the KP as one positive example of “effective multilateralism” and feared that the Marange episode could delegitimize the scheme completely. In the end it was South Africa and the EU together that worked out a compromise between Zimbabwe and the US. The EU had always focused its strategy on convincing all actors to comply with the initial “*Swakopmund Decision and Joint Work Plan*”. Zimbabwe was allowed to export diamonds from the mining operations of two companies and within two weeks later a third plant was planned to be examined regarding its KPCS compliance (this mine was subsequently also permitted to export again). In sum, the final compromise permitted Zimbabwe to export all its diamonds from Marange but included also some provisions for oversight and reporting by civil society groups. The USA admitted that it absented in the decisive vote for the most part only to end the stalemate and keep the KP alive. Since then, even critics admit that the human rights situation in the Marange fields has improved due to the pressure from the KP, and the Annual Plenary 2012 in Washington commended Zimbabwe for its progress in this regard. However, while the violence stopped the diamonds did not

⁴⁹⁸ US-American diplomat, Interview by Skype.

⁴⁹⁹ Linda Freeman, “South Africa’s Zimbabwe Policy: Unravelling the Contradictions,” *Journal of Contemporary African Studies* XXII, no. 2 (2005): 147–72.

⁵⁰⁰ NGO representative, “Interview by Phone,” July 27, 2011.

benefit the state of the local population but the revenues end almost entirely in the war chest of Mugabe's ZANU-PF party⁵⁰¹. Nevertheless, the EU has changed since then its policies and removed after the 2014 elections in Zimbabwe step by step almost all sanctions, including the sanctions on the ZMDC⁵⁰².

5.5 Lessons from the Marange crisis: *Götterdämmerung* approaching?

The discussions about the Marange diamonds illustrated the large power shifts in the diamond world in the past decades. In all three fields of the diamond's GPN –collective, competitive and institutional power- substantial changes could be detected.

One conclusion of the Marange episode was that it made the decreasing collective power of the NGOs in the diamond world evident. The NGO supported from the beginning a tough line against Zimbabwe and used all tools at its disposal: at one point it issued a symbolic “vote of no-confidence” in the KP and left the Assembly demonstratively as a reaction to its ‘perceived inability to tackle the problems with countries that repeatedly break the rules and to guarantee that diamonds are not fuelling violence and human rights violations’⁵⁰³. Global Witness used all the tools at its disposal to transform the case of Zimbabwe in a cause célèbre for broader reforms of the KP, but in the end the NGO had raised the stakes so high that it could not continue in the KP without discrediting itself completely. Consequently, it left disgruntled the process in December 2011⁵⁰⁴.

⁵⁰¹ Zimbabwe Ministry of Finance, “The 2011 Mid-Year Fiscal Policy Review: ‘Riding the Storm: Economics in the Time of Challenges,’” July 26, 2011.

⁵⁰² EEAS, “Statement by the Spokesperson on the Expiration of the Appropriate Measures under Article 96 of the Cotonou Agreement Concerning Zimbabwe,” October 31, 2014, http://eeas.europa.eu/statements/docs/2014/141031_01_en.pdf.

NGO representative, “Interview by Phone,” July 27, 2011; NGO representative, Interview by telephone.

⁵⁰³ Global Witness, “Civil Society Expresses Vote of No Confidence in Conflict Diamond Scheme,” June 23, 2011, <http://www.globalwitness.org/library/civil-society-expresses-vote-no-confidence-conflict-diamond-scheme>.

⁵⁰⁴ Global Witness, “Global Witness Leaves Kimberley Process, Calls for Diamond Trade to Be Held Accountable,” December 5, 2011, <http://www.globalwitness.org/library/global-witness-leaves-kimberley-process-calls-diamond-trade-be-held-accountable>.

The influence of NGOs has always been based in its potential to launch campaigns that could harm the good name of companies or the entire sector. But this mechanism only works when consumers care about this issue, or at least the industry thinks that consumers do care. Among parts of the diamond industry exists the idea that consumers in the emerging economies in Eastern Asia are less conscious about the social implications of “blood diamonds” (whether this assessment is justified or not is another question). To quote a diamond trader: “The industry doesn’t have to care about these issues anymore, because consumers in India and China don’t”⁵⁰⁵. Although this statement is somewhat exaggerated – the USA still remains for the foreseeable future the largest individual retail market and Chinese consumers are not completely insensitive to ethical sourcing labels⁵⁰⁶ – it reflects the climate of opinion among some parts of the diamond industry and producing countries. For these reasons the demands for a broader definition of conflict resources were rather unrealistic and even the EU, who in principle supports such plans, remained rather cautious about their feasibility. Answering a question of a Member of the European Parliament, Catherine Ashton declared that “civil society’s proposals to extend the remit of the Kimberly (sic) Process raise a number of issues, both technical and political, and have proved to be controversial and unlikely to gain the necessary consensus for a move in that direction”⁵⁰⁷.

Besides the decreasing collective power of NGOs, as well changes in the corporate power constellation could be detected. Both DeBeers, as company, and Antwerp as

⁵⁰⁵ Rob Bates, “The Kimberley Process, the Industry, and the NGOs,” JCK Online, *Cutting Remarks*, (October 20, 2011), <http://www.jckonline.com/blogs/cutting-remarks/2011/10/20/kimberley-process-industry-and-ngos>.

⁵⁰⁶ Market research by DeBeers identifies different consumer patterns in the US and China. In the United States, almost half of the consumers consider responsible sourcing as differentiator when choosing between brands, as it is thought to provide distinctiveness to a brand (and a good consciousness about the purchase). In China, ethical sourcing is reportedly appealing to consumers as it indicates that the company is also more likely to be honest with them and to provide a high quality product. For Chinese consumers “trust” is one of the key factors in deciding what diamond they buy. Source: DeBeers, *The Diamond Insight Report 2014*, 51ff.

⁵⁰⁷ Catherine Ashton, “Answer to a Written Question to the European Commission by MEP Marian Harkin (ALDE),” March 11, 2011, <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2011-000061&language=EN>.

trading centre do not have such a dominating role anymore as they used to have. Zimbabwe's Minister of Mining stated explicitly that the western countries "do not constitute the entire market of diamonds. We will sell our stones to countries where they are welcome. We have countries like Russia, China, India and other Asian countries where we can market our diamonds"⁵⁰⁸. Western companies and trading places are still very important, but meet increasingly more competence. There have always been national differences regarding the extent to which companies cared about the CSR dimension as Biero & Boli remark and "they are not easily explained (and) this issue is more than ripe for systematic research"⁵⁰⁹. But previously the corporate power of DeBeers, who did care about these issues, was enough to coerce most other actors in complying with such norms. The changes in the industry have limited the corporate power of these companies on the entire sector now. In other words, a shift from a GPN, dominated by DeBeers supply power, to more buyer power in the hand of Asian jewellers could be detected.

A third important element is the transitions in the institutional power of the involved actors. Actors, such as the Europeans and the United States, are in relative terms less important due to their decreased role as markets and trade places for diamonds. 10, 15 years ago, joint sanctions by these two actors would have shut off almost all exploitation options for diamonds. However, due to the above mentioned developments both actors do not possess this power anymore. Furthermore, the broader political shift in many African countries from the former colonial powers to China has also affected the power relationships in the KP⁵¹⁰. In the case of Marange, the Zimbabwean army had for example closed deals with the Chinese People's army to trade diamonds for arms, and could avoid this way the American and EU-arms embargos⁵¹¹. All these developments together also affected the institutional power of the KP, as an institution

⁵⁰⁸ Staff reporter, "Zim Shrugs Off Diamond Ban: Will 'Look East,'" *Mail & Guardian Online*, August 17, 2010, <http://mg.co.za/article/2010-08-17-zim-shrugs-off-diamond-ban-will-look-east>.

⁵⁰⁹ Biero and Boli, "Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility," 2011, 523.

⁵¹⁰ Ylönen, 'Conflict Diamonds "Alive and well"', 66.

⁵¹¹ David Towriss, "Buying Loyalty: Zimbabwe's Marange Diamonds," *Journal of Southern African Studies* 39, no. 1 (2013): 99–117.

itself, negatively. It was still deemed as useful by many actors in Africa and Asia, but not worth any price.

5.6 Discussion and conclusion

The KP is probably the most advanced international scheme to curtail the trade in a conflict resource and could achieve significant successes in its initial objectives since the establishment of its certification system more than a decade ago. Also, for these achievements the EU is still one of the staunchest promoters of the KP. Both for normative and economic motives there is a wide consensus that the KPCS is worth preserving. Furthermore, the coordination between the institutions works very well and all differences of opinion –such as in the case of Zimbabwe between Belgium and the United Kingdom- are dealt with in an adequate manner. Using the thesis' framework the EU can thus be classified as *Coherently acting Europe*

But the case of the KP is also an example to what extent the broader international context influences the EU's possibilities to promote its agenda with respect to conflict resources. The KP was established in a very favourable global environment: NGOs had created awareness of the issue of so-called "blood diamonds" among consumers; the industry recognised the need for more regulation in the global diamond trade to meet this pressure and different crucial state actors were for economic and idealist reasons willing, to join this voluntary initiative and make its certification scheme into binding legislation. Recalling the dissertation's framework, we can thus observe a combination of factors that would have permitted both an effective transnational private regulation and multilateral measures. This especial situation allowed the creation of the KPCS' tripartite-structure that combines both elements: a certification scheme which is made into binding law. For the EU it was therefore also easier to promote its own agendas in this more *favourable* global context.

However, since the end of 2000s the global environment has been more complicated. Few state and non-state actors would openly leave the KP, also due to its structure that prohibits any trade with countries that do not form part of the KPCS-circle, but the initial motivations appear to many actors less compelling than 10, 15 years ago. The growing importance of Eastern Asia as retail market for diamonds, with consumers who are believed to be less concerned about the issue of conflict diamonds, has decreased the

collective power of western NGOs and audiences in the diamonds' GPN. During the establishment of the KP, almost exclusively western NGOs focused their campaigns on western audiences in order to pressure state actors and companies to use their corporate and institutional power to curtail the trade in conflict diamonds. The NGOs still use the same strategy, but have less influence as they cannot connect to non-western audiences (especially Eastern Asian consumers) and are therefore not able to instrumentalise the respective states and companies. When Global Witness, one of the KPs pioneers, left in 2011 the Process it declared in its withdrawal message frustrated that the KP had "proved beyond doubt that voluntary schemes are not going to cut it in a multi-polar world where companies and countries compete for mineral resources"⁵¹². Most state actors see the KP as a useful tool to regulate the global diamond trade, but would not permit it to interfere in their state sovereignty, especially when terms as "human rights" are involved. Therefore, calls by NGOs and western state actors for a broader definition of the term "conflict diamond" that is not only limited to the financing of rebel groups have only little prospects of success. In cases in which violations of state actors are involved the global context is therefore *unfavourable*.

This situation has created a complicated dilemma for the EU, which on the one hand would prefer to increase the scope of the KP with stricter rules, but on the other hand also cannot push until a level that would threaten the entire Process. During the Marange crisis, avoid losing the entire KPCS was the top priority of the EU, which made them to an object of criticism by NGOs. For these changes, an interviewed spokesperson assessed the EU's role as "important in the beginning of the KP, but later compromised on every issue"⁵¹³. The EU was torn between two normative prescriptions: on the one hand it wanted to punish Zimbabwe for its behaviour due to its self-image as a "force for good" in the world, but on the other hand it also considers itself as a defender of effective multilateralism. To adapt Maull's definition, in the short run the Union therefore aimed rather on a "thin" order to create some arrangement of governance, instead of a "thick" order of more normative objectives⁵¹⁴.

⁵¹² Global Witness, "Global Witness Leaves Kimberley Process, Calls for Diamond Trade to Be Held Accountable."

⁵¹³ NGO representative, Interview by telephone.

⁵¹⁴ Maull, "Europe and the New Balance of Global Order," 775.

Table 5.1: Analytical framework applied to the case of conflict diamonds

		Global context for measures concerning conflict resources	
		<i>Unfavourable</i>	<i>Favourable</i>
EU: Level of support for measures concerning conflict resources	<i>Low</i>	(I.) Absence of measures	(II.) Absence of measures/ Reluctant participation in globally agreed rules
	<i>High</i>	(III.) Unilateral/Bilateral measures (When states are involved, e.g. during the Marange crisis)	(IV.) Participation in globally agreed measures (When rebels are involved: Kimberley Process)

Using the thesis's framework in the upper table we see thus two different scenarios. In cases in which rebel groups are financing themselves with diamonds –as for example recently in the Central African Republic- the KP is still a powerful instrument and a favourable global context can be detected. However, in cases in which states are committing violence, the global context is unfavourable for similar measures. The norm of state sovereignty that almost all participating states hold so dear make it also very unlikely that similar provisions will be included in the nearby future. In these situations, as in the case of the Marange diamonds, the EU turns to unilateral measures as this is the only way to live up to its own standards.

CHAPTER 6: THE EU AND CONFLICT TIMBER⁵¹⁵

Whereas the link between diamonds and civil wars is relatively well-known, the case of timber is much less noted. This difference can be explained to a large extent through the importance of media campaigns. A spokesperson of Global Witness once remarked that her NGO had “worked on the issue of timber funding conflict in Cambodia and (had) not obtained a fraction of the public awareness that (had) been achieved on the conflict diamond issue... Basically, diamonds are sexy and logs are not”⁵¹⁶.

As a consequence of timber’s lack of sex appeal to the broad public, there have also only been done few studies on the financing of conflicts by timber⁵¹⁷. However, the little attention timber receives as a tool of conflict financing by both the media and the scholarly research, does not mean that this link does not exist. In fact, the term “conflict timber” was already coined in 2001 by a UN panel of experts investigating the illegal exploitation of natural resources in the 2nd Congo War⁵¹⁸. Besides this conflict, also the civil wars in Cambodia⁵¹⁹ and Liberia⁵²⁰ were (partly) financed through the exploitation of the countries’ forests. As described in chapter 2, timber is a diffuse resource that is often far away of the country’s centre and provides therefore the prerequisites for

⁵¹⁵ Elements of this chapter have been presented at the 55th Annual Convention of the International Studies Association (ISA) in Toronto (26-29 March 2014); at The European Union in International Affairs IV in Brussels (22-24 May 2014); and the 7th Pan-European Conference on the European Union in the Hague (5-7 June 2014).

⁵¹⁶ Philippe Le Billon, “Fatal Transactions,” in *Derek Gregory & Allan Pred (eds) Violent Geographies: Fear, Terror, and Political Violence* (Oxon (UK) & New York (USA): Routledge, 2007), 141.

⁵¹⁷ Jamie Thomson and Ramzy Kanaan, *Conflict Timber: Dimensions of the Problem in Asia and Africa* (Washington DC: United States Agency for International Development (USAID), 2003); Wil de Jong, Deanna Donovan, and Ken-Ichi Abe, *Extreme Conflict and Tropical Forests* (Dordrecht (The Netherlands): Springer, 2007).

⁵¹⁸ Safiatou Ba-N’Daw et al., *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo* (New York: United Nations, April 12, 2001), 33, <http://www.un.org/News/dh/latest/drcongo.htm>.

⁵¹⁹ Philippe Le Billon and Simon Springer, “Between War and Peace: Violence and Accommodation in the Cambodian Logging Sector,” in *Wil de Jong, Deanna Donovan & Ken-Ichi Abe (eds) Extreme Conflict and Tropical Forests* (Dordrecht: Springer, 2007), 17–36.

⁵²⁰ Ruben De Koning, “Greed or Grievance in West Africa’s Forest Wars?,” in *Wil de Jong, Deanna Donovan & Ken-Ichi Abe (eds) Extreme Conflict and Tropical Forests* (Dordrecht: Springer, 2012), 37–56.

“warlordism”-type of rebellion. Still today, timber is used as a source of revenue for armed groups, for example in the conflicts in the DRC⁵²¹, in Northern Myanmar⁵²² or in Northern Pakistan⁵²³. But as these conflicts are thus less visible and relatively limited in geographic terms, the issue of conflict timber does not call much attention anymore.

Since the mid-2000s, the topic has been framed in the broader issue of illegal logging. In an attempt to kill two birds with one stone, public policies in Northern America and Europe have concentrated themselves on the legality of timber. By closing their markets for logs whose legal origin cannot be proven, the Americans and Europeans hope to tackle the possible social and environmental problems caused by these illicit activities. The EU has taken a vanguard role in this field with its EU-FLEGT (Forest Law Enforcement, Governance and Trade)-action plans and the 2010 EU Timber Regulation that obliges each timber importer to the Single Market to provide evidence that his goods are legally logged. These provisions apply implicitly also to all conflict timber and strengthen international sanction regimes against governments and rebel groups. Without being specifically designed for it, the EU Timber Regulation is at the moment probably the most comprehensive and advance EU legislation concerning the trade in conflict resources.

The case is not only interesting for this thesis because of the EU’s remarkably strict measures, but also due to the particular global context of the timber world. While the Kimberley Process in the previous chapter involved state actors, in the timber sector transnational private regulations carry much more weight.. The chapter will throw some light on the reasons for these special characteristics and how the EU is dealing with them.

In the first section the chapter will look on timber as a conflict resource and explain the role this resource can have in armed conflicts. Furthermore, this part will also relate the

⁵²¹ Laudati, “Beyond Minerals: Broadening ‘Economies of Violence’ in Eastern Democratic Republic of Congo,” 2013, 36ff.

⁵²² Kevin Woods, *Timber Trade Flows and Actors in Myanmar: The Political Economy of Myanmar’s Timber Trade* (London: Forest Trends & UK aid, November 2013), 13, http://www.forest-trends.org/documents/files/doc_4133.pdf.

⁵²³ Ashfaq Yusufzai, “Pakistan’s Forests Fall Victim to the Taliban,” *The Guardian*, January 17, 2012, sec. Guardian Environment Network, <http://www.theguardian.com/environment/2012/jan/17/pakistan-forests-taliban>.

concept with other “labels” for timber products, such as ‘legally’ and ‘sustainably’ produced’. As many policy options refer to these terms it is important to identify the similarities and differences of these concepts. The second section discusses the GPNs of timber with its dynamics and power relationships. Subsequently, in section 3, the public and private global measures to curb the trade in illegally logged timber (and conflict timber) will be expounded. This part will be concluded with an assessment of the global context for such measures. In section 4 the EU and the motivations for its far-reaching measures against illegally logged timber will be scrutinised. The chapter’s concluding section will discuss whether the empirical findings in the case of timber confirm the dissertation’s initial assumptions or not.

6.1 Conflict timber, illegal timber and not-sustainable timber: What are the differences?

Timber has been one of the first natural resources, which has been defined as a conflict resource. In fact, the first campaign of the leading NGO in the field of conflict resources –Global Witness- denounced in the mid-1990s the financing of the Cambodian Khmer Rouge through the illegal trade in timber. After its ousting from power in 1975 by Vietnamese troops the organisation had retreated to the border region with Thailand, where it continued to control certain regions until the end of 1990s. In order to sustain its bases the Khmer Rouge relied on funding from China and the illegal trade with foreign companies in natural resources, such as timber. Global Witness estimated in its 1995-report that the Khmer Rouge gained potentially US\$1 million per week from just two logging sites visited by its investigators⁵²⁴. These illicit smuggling activities did not only involve officials from Thailand, but even Cambodian military and border controls were bribed to look the other way.

As a source of conflict funding, timber has several advantages for armed groups. Firstly, it does not require much technique for its exploitation: a simple chainsaw is often already enough to cut a tree that may be worth several thousands of Euros. Secondly, it

⁵²⁴ Global Witness, *Forests, Famine and War - The Key to Cambodia’s Future* (London (UK): Global Witness, 1995), http://www.globalwitness.org/sites/default/files/pdfs/forests_famine_and_war_the_key_to_cambodias_future.htm.

is often “simply there”. As has been explained in chapter 2, armed groups are often not too picky about their source of revenues and take whatever option offers them considerable benefits. Rebel groups often use to hide in dense forests for their guerrilla war, so both armed groups and corrupt counterinsurgency units have plenty of opportunity to make some extra money by selling illegally logged timber.

But timber has also some considerable disadvantages as a source of revenues for rebel groups: it may be easy to chop off a tree, but it is less easy to transport a massive tree-trunk along enemy border- or military controls to the global markets. Whereas for example diamonds are relatively easy to transport and smuggle, illegal timber requires a much more elaborate system of logistics and officials that must be bribed. This makes such systems of conflict financing on the one hand more fragile, but on the other it is more difficult to end this trade as so many people profit from it financially and have an interest to sabotage all measures that seek to curb these activities⁵²⁵. In other words, there are plenty of actors in these GPNs on a local and regional level that resist any influences to move the network’s governance in a more structured direction.

An alternative way for rebel groups of conflict financing through timber is extortion by selling “cutting licenses” in their areas of influence. For a state it is often difficult to protect all isolated logging camps in large and dense forests and logging companies can therefore be blackmailed by local armed groups. Threats can include: laying out mines around camps or on transport routes, kidnappings and killings of workers or sabotage of the logging activities⁵²⁶. For many companies it is therefore more economic to give in to this blackmailing and pay some money to the rebel groups.

However, in general the characteristics of timber make it a more appropriate natural resource of funding for government forces than for rebels as they do not face the logistical problems. Moreover, states can also sell “cutting licenses” themselves to finance their war efforts. One of the best-known cases is probably Charles Taylor, who used Liberia’s forests during his Presidency (1997-2003) as a way to fill his war chest. With his brother in charge of logging concessions, Taylor gave numerous mega-

⁵²⁵ Ramsay M. Ravenel and Ilmi M.E. Granoff, “Illegal Logging in the Tropics,” *Journal of Sustainable Forestry* 19, no. 1–3 (2004): 364.

⁵²⁶ Philippe Le Billon, “Timber,” in *Philippe Le Billon, Wars of Plunder: Conflicts, Profits and the Politics of Resources* (London: C.Hurst & Co., 2012), 136.

concessions to cronies and arms dealers in exchange for financing and arms supplies, which were used to support the RUF in neighbouring Sierra Leone. But the timber was not only sold to some dodgy mobster-figures, but also well-established western companies (e.g. the European companies DLH and Danzer) were importing timber from Liberia, despite their claims to buy only from responsible, sustainable providers. The country's diamonds were put in 2001 under UN sanctions, but any sanctions on timber were blocked until 2003 (when Taylor's regime was close to collapse) by China and France, the two main importers of Liberia's timber (46 percent and 18 percent respectively)⁵²⁷.

Since the end of the 1990s the legality of timber entered the international agenda. Legality is defined by the EU Timber Regulation as "harvested in accordance with the applicable legislation in the country of harvest" (Article 2g)⁵²⁸. This was to a large extent the result of the inclusion of illegal logging in the 1998–2002 G8 Action Programme on Forests which, was intended to accelerate implementation of the actions that had been proposed in 1997 by the United Nations Intergovernmental Panel on Forests (UNFF)⁵²⁹. The issue of illegally logged timber has gained increasingly more attention as it covers both social and environmental issues related to forest governance. According to estimations, in 2009 the volume of illegal global harvesting of industrial roundwood represented between 7 and 17 percent of the world production⁵³⁰. Needless to say that most of this illegally logged timber comes from areas of limited statehood in Africa, South America and Asia. In some countries, more than 70 percent of the timber

⁵²⁷ Patrick B. Johnston, "Timber Booms, State Busts: The Political Economy of Liberian Timber," *Review of African Political Economy* 31, no. 101 (2004): 446ff.

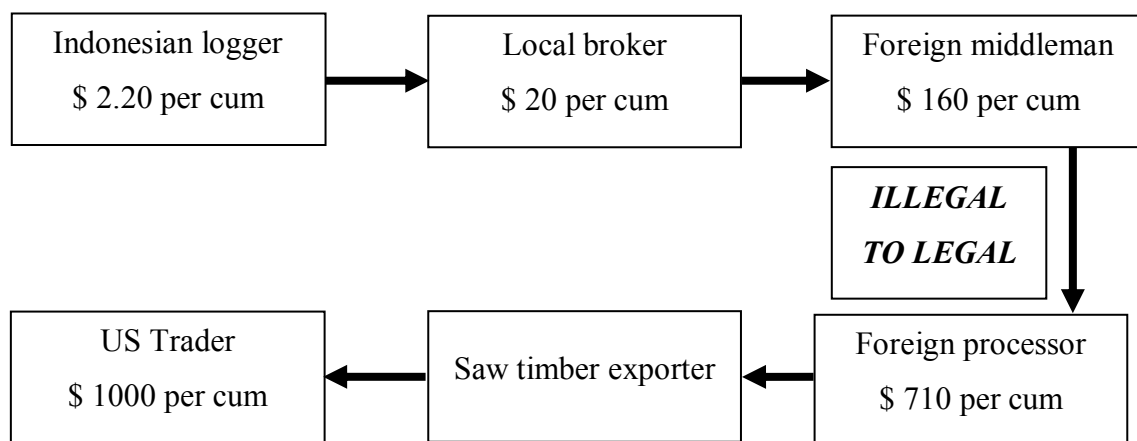
⁵²⁸ European Parliament and Council of the EU, "Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 Laying down the Obligations of Operators Who Place Timber and Timber Products on the Market Text with EEA Relevance," October 20, 2010, <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010R0995&from=EN>.

⁵²⁹ Duncan Brack, "Excluding Illegal Timber and Improving Forest Governance: The European Union's Forest Law Enforcement, Governance and Trade Initiative," in *Päivi Lujala & Siri Aas Rustad, High-Value Natural Resources and Post-Conflict Peacebuilding* (London: Earthscan, 2012), 212.

⁵³⁰ Matthias Dieter, Hermann Englert, and Holger Weimar, "Wood from Illegal Harvesting in EU Markets: Estimations and Open Issues," *Landbauforschung - Applied Agricultural and Forestry Research* 62, no. 4 (2012): 247–54.

production is estimated to be illegal⁵³¹. The global trade in illegal timber accounts for 30-100 billion US-Dollar a year⁵³². A study conducted by the NGO Environmental Investigation Agency, showed the enormous benefits that can be made in this business (see table below). Whereas the local logger only received 2.20 \$ per cum, the US-trader at the end of the supply chain earned 1000 \$ for it. But even local brokers had already a profit margin of about 1000%⁵³³.

Figure 6.1: Value chain in the international trade in Ramin in 2001⁵³⁴



These profit margins attract obviously very diverse groups: sometimes trees are cut by the local population to gain some extra money⁵³⁵, but in many cases the illegal production of timber is also part of criminal, armed networks. In Mexico's Monarch Butterfly Reserve, for example, local forest rangers have to face the drugs mafia

⁵³¹ This is not only a problem of developing countries. The same studies estimate that there is also a considerable amount of illegal logging in EU-Member States, such as Estonia, Latvia and Bulgaria.

⁵³² Environmental Investigation Agency, *Appetite for Destruction: China's Trade in Illegal Timber* (London (UK): Environmental Investigation Agency, November 2012), <http://www.eia-international.org/wp-content/uploads/EIA-Appetite-for-Destruction-lo-res.pdf>.

⁵³³ Environmental Investigation Agency, and telepak Indonesia, *Timber Trafficking: Illegal Logging in Indonesia, South East Asia and International Consumption of Illegally Sourced Timber*, 2001, 28, <http://eia-international.org/timber-trafficking>.

⁵³⁴ Nalin Kishor and Guillaume Lescuyer, "Controlling Illegal Logging in Domestic and International Markets by Harnessing Multi-Level Governance Opportunities," *International Journal of the Commons* 6, no. 2 (2012): 260.

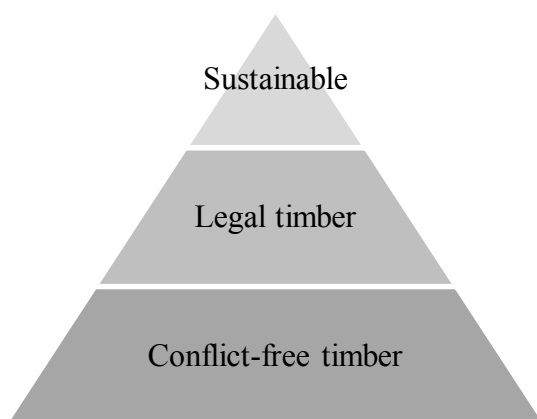
⁵³⁵ Jordi Honey-Rosés, "Illegal Logging in Common Property Forests," *Society & Natural Resources: An International Journal* 22, no. 10 (2009): 916–30.

networks, which have discovered the illegal timber production as a lucrative side business⁵³⁶. The companies, trade networks, financial mechanisms and entrepreneurial methods that facilitate the illegal trade by criminal organisations are often the same as in the trade of conflict resources⁵³⁷.

As a rule of thumb, when timber is legal it is not a conflict resource. Measures that tackle the trade in illegally logged timber cover therefore as well the trade in conflict timber. However, there are also some footnotes to that: while rebel groups can almost per definition only finance themselves with illegally logged timber, the situation is more complicated in the case of state-funded violence. Until the UN Security Council imposed in 2003 a ban on all Liberian timber, the above mentioned timber that financed Charles Taylor was thus “conflict timber” but still legal. In 2009, an alliance of NGOs sought to sue DHL in a French court for *recel*, re-selling stolen goods, because they allegedly had bought during the Taylor-years timber from suppliers that had not received their concessions under legal circumstances⁵³⁸.

Another distinction to classify timber products is whether they are produced sustainably or not. A state may for example legalise a completely reckless exploitation of its natural resources, which can lead to grievances among the inhabitants. For Europe, the concept

Figure 6.2: Timber-classification pyramide



of sustainable forest management was defined in 1993 at the pan-European Ministerial Conference on the Protection of Forests in Europe as: "The stewardship and use of forest lands in a way and at a rate that maintains their productivity, biodiversity, regeneration capacity, vitality and their potential to fulfil now and in the future relevant ecological, economic and social functions at local, national and

⁵³⁶ Environmentalist in Mexico, E-Mail exchange, January 7, 2013.

⁵³⁷ Price, Donovan, and de Jong, “Confronting Conflict Timber,” 118.

⁵³⁸ Illegal-logging.info, “French Logging Company Sued for Role in Liberian Civil War.”

global levels and that does not cause damage to other ecosystems."⁵³⁹ Most systems that certificate sustainable timber, such as the labels of the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC), include provisions that stipulate that sustainable timber is supposed to be legal and also not financing armed conflicts.

The upper illustration shows the different levels of certification that timber may carry. So, when a timber is labelled as “sustainable” or “legal” it is –except some odd cases– also conflict-free.

6.2 The GPNs of timber: Shipping logs around the world

Historically, during most of the 20th century, the majority of the industrial timber was cut and consumed in Northern American, Europe and Russia/ Soviet Union. There was only little global trade and most people in the global south only cut their forests for their own use⁵⁴⁰. But timber is of enormous importance for our modern life as it is used in so many products, such as furniture, packaging material, newspapers, biomass fuel, the paper for this thesis, etc... Consequently, it has also become an object of global trading networks: a tree may be logged in Africa, shipped to eastern Asia for the production of furniture, and end in a retail market in Europe. Only in China’s wood sector about 200,000 small- to medium-scale manufacturers are connected to timber suppliers in low-cost regions on the one hand and large northern consumer markets on the other hand⁵⁴¹.

Using Gereffi’s conceptualisation, the global timber industry could be described for a long time as “buyer-driven”. Large retail chains and wood product buyers, such as IKEA or Wal-Mart, held immense power over suppliers around the globe. When IKEA requests some sawmill to produce the prefabricated elements for a Billy-bookcase, the company makes itself often completely dependent on the Swedish furniture store chain. Once it has invested in production facilities for such a large order, IKEA can demand

⁵³⁹ European Commission, “Sustainable Forest Resources,” 1993, http://ec.europa.eu/enterprise/sectors/wood-paper-printing/forestry/sustainable/index_en.htm.

⁵⁴⁰ Peter Dauvergne and Jane Lister, *Timber* (Cambridge (UK) & Malden (USA): Polity Press, 2011), 12ff.

⁵⁴¹ *Ibid.*, 16.

almost everything from this sawmill because it knows that the provider will almost impossibly find a client of the same volume⁵⁴². However, the supply lines of these mega retailers get increasingly more complex and networked, which also offers opportunities for suppliers in the developing world to grow and capture global market chairs⁵⁴³. The last decades have therefore witnessed an increasing timber processing capacity in the Third World. On the one hand this trend is a consequence of investments by western companies in these timber processing facilities in order to cut costs. On the other hand, many developing countries have also prohibited the export of raw logs in order to stimulate the creation of a domestic timber industry⁵⁴⁴.

The globalisation of the timber trade is especially notable in the case of China. China is now the world's second largest wooden furniture maker and paper producer. To satisfy this appetite for timber, China struggled for a long time with problems of deforestation and illegal logging itself. But since the late 1990s, Beijing has taken strong measures and relatively successful measures to protect and grow its own forests. As a consequence the country's industry is suffering from a shortage of timber and it depends on imports. Half of the world's traded timber goes now through or lands in China. The Chinese government has not imposed strict import regulations yet, and it is assessed that China is also the world's largest importer of illegally logged timber now⁵⁴⁵. Among this illegally logged timber is also conflict timber, e.g. from the thickly forested "Kachin State" in Northern Myanmar, where the Kachin Independence Army fights the authorities⁵⁴⁶.

For a long time China had mainly been a processor of timber-products, so the end markets (in the West) still held considerable consumer power. But these dynamics are changing due to the increasing domestic demand in China. Recent studies show that 75-85 percent of the country's overall timber production is now for the Chinese market⁵⁴⁷. In other words, Chinese companies can utilize the nicely certificated logs for the

⁵⁴² Ibid., 27ff.

⁵⁴³ Ibid., 5.

⁵⁴⁴ Ibid., 14.

⁵⁴⁵ Environmental Investigation Agency, *Appetite for Destruction: China's Trade in Illegal Timber*, 4ff.

⁵⁴⁶ Woods, *Timber Trade Flows and Actors in Myanmar: The Political Economy of Myanmar's Timber Trade*.

⁵⁴⁷ Environmental Investigation Agency, *Appetite for Destruction: China's Trade in Illegal Timber*, 6.

western markets, while they can use the timber without such certifications for the domestic market. This has obviously profound effects on the GPNs of timber-products as Chinese consumers and retailers gain more collective power, while the influence of the large western retailers is crumbling away.

6.3 Global measures to curb the trade in illegally logged timber

The issue of illegal logging entered the international agenda in the 1990s, but has only produced few measures. In the case of conflict timber, leadership from the UN and the investigations of Group of Experts have created some awareness, which led to sanctions, such as in the case of Liberia. But the UN sanctions are often ineffective, due to violations by smugglers, ineffective enforcement and lack of political will for political and commercial interests⁵⁴⁸. Resuming the futile efforts of the regional sanctions regime against Liberia, Kwesi concluded: “both ECOWAS’s institutional capacity and that of individual West African states to regulate the illicit trade in natural resources to armed conflict zones are characterised by weak legislative frameworks, negligent attitudes, low institutional capacity, endemic corruption and a strong incentive to engage in sanctions busting whether wittingly or unwittingly for personal gain”⁵⁴⁹.

Likewise, the broader problem of illegal logging has not lead to many concrete international agreements. In 1994, the International Tropical Timber Agreement (ITTA) mentioned for the first time the “undocumented trade” as a problem. In 2006, the 3rd ITTA Timber Agreement mentioned –as the first binding multilateral agreement– explicitly “illegal logging” as a problem. Its annual reports are now supposed to include information “supplied by members on their progress towards the establishment of control and information mechanisms regarding illegal harvesting and illegal trade in tropical timber and non-timber forest products”⁵⁵⁰.

As previously mentioned, the term “conflict timber” was for the first time used in an official document by the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo in

⁵⁴⁸ Price, Donovan, and de Jong, “Confronting Conflict Timber,” 128.

⁵⁴⁹ Emmanuel Kwesi Aning, “Regulating Illicit Trade in Natural Resources: The Role of Regional Actors in West Africa,” *Review of African Political Economy* 30, no. 95 (2003): 106.

⁵⁵⁰ ITTO, “International Tropical Timber Agreement,” 2006, <http://www.itto.int/itita/>.

2001. The report recommended in this context the UN Forum on Forests (UNFF) to develop a unified timber certification system to stop the trade in illegally logged timber⁵⁵¹. Some western actors (mainly the Europeans and the United States) sought to include binding provisions, similar to those in the ITTA, in the UNFF but were blocked by producing countries from the developing world. The UNFF's Non-Legally Binding Instrument on All Types of Forests (NLBI) only gives some very broad recommendations concerning this issue to the participants in the context of the objective of stopping deforestation.

This situation forms part of the broader problem that multilateral initiatives in the field of forest governance have failed and are not able to have much impact⁵⁵². Dimitrov argues that the entire UNFF has been created as an institution with the aim of offering ad fig leaf for inactivity: all actors can give the impression that they are doing something on the issue of deforestation, without ever making any significant progress⁵⁵³. Developing countries with a significant timber production were (and often still are) against globally binding solutions as they fear that these rules would infringe their sovereignty about their national resources. Moreover, these countries also suspect less benign motives behind initiatives from the western states and are afraid that they are designed to favour the much more stable and regulated production in developed countries. Western countries (including the EU) and NGOs, on the other side, assume that any possible compromise in the UNFF would lower the bar they have already established domestically and they are therefore also not too much interested in an agreement⁵⁵⁴. An interviewed EU official stated in this context: "In a bilateral

⁵⁵¹ Ba-N'Daw et al., *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo*, 33.

⁵⁵² Axel Marx, Emilie Bécault, and Jan Wouters, "Private Standards in Forestry: Assessing the Legitimacy and Effectiveness of the Forest Stewardship Council," in *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds.) "Private Standards and Global Governance"* (Cheltenham (UK) and Northampton (USA): Edward Elgar, 2012).

⁵⁵³ Radoslav S. Dimitrov, "Hostage to Norms: States, Institutions and Global Forest Politics," *Global Environmental Politics* 5, no. 4 (2005): 1–24.

⁵⁵⁴ *Ibid.*, 15.

negotiation you can always walk away, if the other side wants completely unreasonable standards. In a multilateral setting this is less easy”⁵⁵⁵.

Instead of reaching out for compromises in global institutions, the response by western state actors to this “global governance gap” in the field of timber has been to use their “own” institutions to promote stricter rules against illegal logging. The G8 Action Programme on Forests led indirectly to three regional FLEGs (Forest Law Enforcement and Governance) which were promoted by the World Bank: in East Asia/Pacific (2001), in Africa (2003) and in Europe/North Asia (2005). A specific incentive was the 1998-fall of the Suharto-regime in Indonesia, which caused an anarchic situation in this important producer country of tropical timber: suddenly all local and regional entities started to give logging permissions without much coordination. This situation created a sense of urgency to improve the forest governance, not only in Indonesia but also in other producing countries⁵⁵⁶. These FLEGs are supposed to improve the forest governance in the regions, but lack the binding power to require countries to take action or sanction them, if they do not comply with the rules. As a consequence, after a promising start they have become rather teeth-less institutions now.

For the western powers, on a strategic level, the question was whether it would be better to focus on the supply side, by supporting governance improving measures etc., or to focus on the demand side. The United States, in particular since the beginning of the Bush Administration, clearly favoured private certification schemes as the appropriate response for this problem. An often stressed argument was that too strict legislation would conflict with WTO-rules, which prohibited unilaterally imposed environmentally justified import limitations. Moreover, also for ideological motives the Bush Administration preferred to not give too much power to multilateral institutions and preferred to lay the decisions in the hand of end the markets. Transnational private regulations were expected to inform the consumer of the characteristics of a product, so that he/she could make an informed decision.

The most prominent case of a privately organised standard for timber is the FSC’s certification system, which was established after the Rio Conference in 1992 by NGOs as response to the failure of the intergovernmental processes to create binding global

⁵⁵⁵ European Commission Official (c), Interview in Brussels, November 7, 2013.

⁵⁵⁶ Ibid.

forest principles⁵⁵⁷. FSC was a joint effort by environmentalists, businesses, foundations and other social organisations, who excluded in the establishment of the FSC explicitly state actors, as they perceived them as too much dominated by business interests. The certification system is based on nine principles and international standards (later extended to 10), that focus on the sustainability of timber. The first principle mentions already legality as it requires forest managers “to comply with all laws, regulations, treaties, conventions and agreements, together with all FSC Principles and Criteria”⁵⁵⁸. Legality hence is an essential but not necessarily sufficient step to become certified as a sustainable timber producer (see figure 6.2)⁵⁵⁹.

As a reaction to the increasing weight of the FSC, also some alternative private certifications have been launched in the past decade. In several countries (e.g. the United States, Canada and Finland), the industry started its own systems, but probably the most important alternative is the *Programme for the Endorsement of Forest Certification (PEFC)*. As these systems are competing globally for "legitimacy" they are adapting themselves to the demands of the world market⁵⁶⁰. Many of the industrial standards started less ambitious than the FSC, but to be a genuine alternative to this system they had to raise their requisites subsequently⁵⁶¹. These transnational private regulation systems have also been endorsed by the western state actors since the 2000s as a reaction the Global Governance gap and the problems to encounter common ground in international institutions.

⁵⁵⁷ Graeme Auld, Lars H. Gulbrandsen, and Constance L. McDermott, “Certification Schemes and the Impacts on Forests and Forestry,” *Annual Review of Environment and Resources* 33 (2008): 189.

⁵⁵⁸ Forest Stewardship Council, “The 10 Principles: Ten Rules for Responsible Forest Management,” 2014, <https://ic.fsc.org/the-ten-principles.103.htm>.

⁵⁵⁹ The FSC produces three different types of standards: (I) Global standards of forest management which are the basis for the development of national and regional standards; (II) standards for the chain of custody, prescribing precise rules for the production, and (III) standards for the accreditation of companies who manage their operations in accordance with FSC standards.

⁵⁶⁰ Christine Overdeest, “Comparing Forest Certification Schemes: The Case of Ratcheting Standards in the Forest Sector,” *Socio-Economic Review* 8, no. 1 (2010): 47–76; Steven Bernstein and Benjamin Cashore, “Can Non-State Global Governance Be Legitimate? An Analytical Framework,” *Regulation & Governance* 1, no. 4 (2007): 347–71.

⁵⁶¹ Overdeest, “Comparing Forest Certification Schemes: The Case of Ratcheting Standards in the Forest Sector,” 2010.

An important role plays in this context public procurement policies. Due to WTO-regulations it is not possible to ask explicitly for a specific certificate in public procurements⁵⁶², but it is permitted to demand that an offer has to comply with the standards that would be certified by a FSC stamp. To comply with these prerequisites alternative system are therefore also obliged to emulate the same standards.

Also many EU Member States use such certifications for their public procurement policies. Each year public authorities in the EU spend about 17 percent of the EU's Gross National Product for public expenses, which gives them also as a consumer considerable economic power⁵⁶³. All Member States are obliged to adapt the directives 2004/17/EC⁵⁶⁴ and 2004/18/EC⁵⁶⁵ into national law, which prescribe the procedures for the awarding of public works contracts, public supply contracts and services. It allows the public actors in the EU Member States explicitly to incorporate social and environmental considerations into their decisions on public procurement⁵⁶⁶. Moreover, also the European Commission has urged Member States to adopt a plan of action for a "greening" of their public procurement practices (as of May 2013, 22 of the 28 Member States have developed such a plan). All public actors, from federal governments to local town councils in the EU may request in a public tender that all offers have to comply with certain social and/or environmental standards. By choosing the standards of a specific certificate as requirement for participating in a public tender, the public sectors

⁵⁶² European Commission, *European Commission, Buying Green! - A Handbook on Green Public Procurement* (Luxembourg (LUX): Publications Office of the European Union, 2011), 39–41, <http://ec.europa.eu/environment/gpp/pdf/handbook.pdf>.

⁵⁶³ European Commission, *Report to the Standing Forestry Committee: Public Procurement of Wood and Wood-Based Products* (Brussels (BE): Standing Forestry Committee Ad Hoc Working Group IV on Public Procurement of Wood and Wood-Based Products, 2010), 8, http://ec.europa.eu/agriculture/fore/publi/wg4-112010_en.pdf.

⁵⁶⁴ Council of the EU and European Parliament, "Directive 2004/17/EC of the European Parliament and of the Council Coordinating the Procurement Procedures of Entities Operating in the Water, Energy, Transport and Postal Services Sectors," 17.

⁵⁶⁵ Council of the EU and European Parliament, "Directive 2004/18/EC of the European Parliament and of the Council on the Coordination of Procedures for the Award of Public Works Contracts, Public Supply Contracts and Public Service Contracts."

⁵⁶⁶ D'Hollander and Marx, *Private Certification Systems and Government Policy - An Overview and Assessment*, 28.

use their institutional power in the GPN and act as an arbitrator, judging the credibility and legitimacy of private standards⁵⁶⁷.

According to a 2010-study⁵⁶⁸ five Member States included already in more than 50 percent of their public procurements “green” criteria (the Netherlands, Sweden, the United Kingdom and Denmark). In different EU Member States (such as France, Germany and the United Kingdom⁵⁶⁹), the provisions of the FSC certificates are seen as the benchmark to which offers that use timber-related products in public tenders have to comply. These decisions have had a considerable impact in the industry: for example in the United Kingdom more than 80 percent of the used wood has a sustainability certificate now⁵⁷⁰. In the Netherlands, another one of Europe’s frontrunners in this field, the market share of certified sustainably produced lumber and panel products increased between 2008 and 2011 from 33.5 percent to 65.7 percent. The market share of certified sustainably produced paper and board has increased to 32.8 percent in 2011. 39 percent of the imported tropical timber carried a stamp from FSC⁵⁷¹. In fact, demand for certified wood is so high in some markets that there is already a shortage⁵⁷².

However, a substantial problem is the uneven geographical distribution of the FSC certificates: almost 83.4 percent of the world’s certified forest areas are in Europe and North America, and only 3 percent in Africa and 5.3 percent in Asia⁵⁷³. Only in Poland

⁵⁶⁷ Overdevest, “Comparing Forest Certification Schemes: The Case of Ratcheting Standards in the Forest Sector,” 2010.

⁵⁶⁸ Walter Kahlenborn et al., *Strategic Use of Public Procurement in Europe*, Final Report to the European Commission MARKT/2010/02/C (Berlin: adelphi, n.d.), VIII ff.

⁵⁶⁹ Gulbrandsen, “Creating Markets for Eco-Labeling: Are Consumers Insignificant?,” 481.

⁵⁷⁰ Duncan Brack and Rob Bailey, *Ending Global Deforestation: Policy Options for Consumer Countries* (London (UK): Chatham House, 2013), 19, http://www.illegal-logging.info/sites/default/files/Brack_Deforestation_Programme_Report_FINAL_24.pdf.

⁵⁷¹ FSC Belgium, “Marktaandeel Gecertificeerd Hout Op Nederlandse Markt Bijna Verdubbeld,” March 28, 2013, <http://www.fsc.be/newsroom.523.32.htm>.

⁵⁷² René H. Germain and Patrick C. Penfield, “The Potential Certified Wood Supply Chain Bottleneck and Its Impact on Leadership in Energy and Environmental Design Construction Projects in New York State,” *Forest Products Journal* 60, no. 2 (2010): 114–18.

⁵⁷³ Forest Stewardship Council, “Global FSC Certificates: Type and Distribution - October 2014,” October 2014, <https://ic.fsc.org/preview.facts-and-figures-october-2014.a-3695.pdf>.

there are already more square kilometres of forests FSC certified, than in all Africa⁵⁷⁴. In total, not more than 6 percent of the world's tropical timber producing forests is certified⁵⁷⁵. In the DRC, one of world's Top-10 producing countries, there is not one FSC-certified producer anymore. Also about two-thirds of the Chain of Custody certificates are in the West⁵⁷⁶. An obvious explication is the costs that are related to setting up and implementing such a certification system and which are too high for producers from many poor countries⁵⁷⁷. As a consequence many producing countries divert now their critical exports to less sensitive markets as Europe and North America. For example, in 2007 90 percent of the DRC's official timber exports were destined for European markets; but already in 2011 the majority (51 percent) of the Congo's export went to less sensitive markets, such as China⁵⁷⁸. In these countries neither private consumer nor the companies or the state request so far private certifications, which diminishes their global influence considerably and makes it easy to sell illegally logged timber.

Whereas the beginning of the 2000s was marked by the promotion of private certifications, in the past few years several western state actors have enacted binding legislations to fight illegal logging. In 2008, the United States actualised its over one hundred years old Lacey Act and included a provision that forbade the import of timber that was not harvested legally. Australia's Illegal Logging Prohibiting Act came into force in 2012 and one year later also the EU Timber Regulation came into effect. In a nutshell, all these legislations oblige operators to create due diligence mechanisms of which existing certification systems may form a part. It is now a matter of discussion whether these measures are a "renaissance of the state", who has lost its trust in

⁵⁷⁴ Ibid.

⁵⁷⁵ FSC Belgium, "Marktaandeel Gecertificeerd Hout Op Nederlandse Markt Bijna Verdubbeld."

⁵⁷⁶ Forest Stewardship Council, "Global FSC Certificates: Type and Distribution - October 2014."

⁵⁷⁷ Axel Marx, Emily Bécault, and Jan Wouters, "Private Standards in Forestry: Assessing the Legitimacy and Effectiveness of the Forest Stewardship Council," in *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds) Private Standards and Global Governance* (Cheltenham (UK) and Northampton (USA): Edward Elgar, 2012).

⁵⁷⁸ Sam Lawson, *Illegal Logging in the Democratic Republic of the Congo*, Energy, Environment and Resources Papers (London: Chatham House, July 2014), 20, http://www.chathamhouse.org/sites/files/chathamhouse/field/field_document/201404DRC.pdf.

transnational private regulations in the field of forest governance⁵⁷⁹, or whether these legal measures have to be seen as complementary steps to strengthen the importance of these systems⁵⁸⁰. In any case, these legal requirements have made it more risky and complicated for operators to import timber from critical or conflict-affected countries to these markets, as they have to provide conclusive proof that their shipments have a legal origin. Certifications are often considered as a tool to proof

To recapitulate: in the GPNs of timbers neither multilateral institutions nor transnational private regulations are strong enough to create a genuinely global positive environment for measures. In western countries the environment is more favourable and private certification systems, such as FSC, carry substantial clout, through consumer power. This has not been an automatism but also a political-ideological decision by global decision-makers to structure this GPN. But the corporate power is increasingly divided through the emergence of new markets, where such systems are still less demanded. As long as both key producing and consuming states (above all China) are hesitant to stricter provisions it is difficult to achieve meaningful change. In sum, we see thus a rather complicated global context in the field of timber trade.

6.4 The EU and conflict timber

When talking about the EU's policies regarding illegal and conflict timber it is important to keep in mind that the Union does not have a common foreign forest policy and the EU positions in international forest forums are negotiated among the Member States prior to these meetings. Only in matters of trade, the Commission is the competence to represent the EU, in environmental conferences the Union is represented either by the President Country of the Council or EEAS (or both). In general lines, the EU has not been very successful in influencing forest policy on the international level

⁵⁷⁹ Tim Bartley, "Transnational Governance and the Re-Centered State: Sustainability or Legality?," *Regulation & Governance* 8, no. 1 (2014): 93–109.

⁵⁸⁰ Benjamin Cashore and Michael W. Stone, "Does California Need Delaware? Explaining Indonesian, Chinese, and United States Support for Legality Compliance of Internationally Traded Products," *Regulation & Governance* 8, no. 1 (2014): 49–73.

both for its internal dividedness about the concrete approach and its inability to upload its norms to the international level due to the complex environment⁵⁸¹.

In the field of illegal logging the EU took more energetically action. The EU published in 2003 the Forest Law Enforcement Governance and Trade (EU-FLEGT) Action Plan, which recognises that the Single Market is an important export market for illegally logged timber. Different studies estimate the share of wood imports from high-risk countries of illegal logging between 16 and 19 percent or even between 22 and 28 percent⁵⁸². It is estimated that wood imports from illegal harvesting to the Single Market accounted for 6 to 13 percent of all wood imports⁵⁸³. This may not sound terribly much, but due to the size of the EU Single Market, almost one third of the world's illegally logged timber enters the EU⁵⁸⁴. The Union extended consequently the existing regional FLEG processes and included also a trade-dimension to use its "market power"⁵⁸⁵ to achieve change. The EU-FLEGT action plan contained a short section on "conflict timber," which was defined as "timber traded by armed groups, the proceeds of which are used to fund armed conflicts"⁵⁸⁶.

In 2005⁵⁸⁷ the Council launched the EU-FLEGT licensing scheme for imports of timber into the EU (this regulation was further detailed by the Commission in 2008⁵⁸⁸). A core

⁵⁸¹ Bas Arts, Lukas Giessen, and Ingrid Visseren-Hamakers, "International Forest Policy and Europe: Four Pathways of Mutual Influence," in *Helga Pülzl, Karl Hogl, Daniela Kleinschmit, Doris Wydra, Bas Arts, Peter Mayer, Marc Palahi, Georg Winkel & Bernhards Wolfslehner (eds) European Forest Governance: Issues at Stake and the Way Forward, What Science Can Tell Us* (Joensuu (Finland): European Forest Institute, 2013), 39.

⁵⁸² Bisschop, "Out of the Woods: The Illegal Trade in Tropical Timber and a European Trade Hub," 200.

⁵⁸³ Dieter, Englert, and Weimar, "Wood from Illegal Harvesting in EU Markets: Estimations and Open Issues."

⁵⁸⁴ *Ibid.*, 252.

⁵⁸⁵ Damro, "Market Power Europe," 2012.

⁵⁸⁶ European Commission, "Communication from the Commission to the Council and the European Parliament: Forest Law Enforcement, Governance and Trade (FLEGT)—Proposal for an EU Action Plan," May 21, 2003, 21, http://ec.europa.eu/development/icenter/repository/FLEGT_en_final_en.pdf.

⁵⁸⁷ Council of the EU, "Council Regulation (EC) No 2173/2005 of 20 December 2005 on the Establishment of a FLEGT Licensing Scheme for Imports of Timber into the European Community," December 20, 2005, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32005R2173:EN:NOT>.

element of this legislation is bilateral Voluntary Partnership Agreements (VPA) between interested states and the EU that aim on improving forest governance. In these legally binding treaties both sides commit themselves to halt the trade in illegal timber through a licensing system. Whereas the state party promises to implement a licensing system for legally logged timber, the EU pledges to only import timber from this country that carries such a license. In the creation of these national licensing systems, also civil society and industry actors are supposed to be engaged⁵⁸⁹. But the Commission declared that the timeframe as regards the implementation of VPAs was too long and that other key producers had declared that they did not want to sign a VPA. Moreover, a problem of this system was –until the EU Timber Regulation- that illegally logged timber from a VPA-country could be smuggled to a neighbouring country to be exported from there to the EU⁵⁹⁰. Together with the impasse in multilateral institutions, the EU therefore took more unilateral steps to mount some pressure on these countries.

An important tool was the second core piece of legislation under the EU-FLEGT Action Plan, the EU Timber Regulation, which was proposed by the Commission in October 2008 and adopted by the European Parliament and Council in October 2010⁵⁹¹. It prohibits the placing of illegally logged timber and products derived from such timber on the EU market⁵⁹². Operators, who import timber to the Single Market are obliged to exercise due diligence. Once, the timber and timber products are on the EU Market economic operators in this part of the supply chain are required to keep records of their

⁵⁸⁸ European Commission, “Commission Regulation (EC) No 1024/2008 of 17 October 2008 Laying down Detailed Measures for the Implementation of Council Regulation (EC) No 2173/2005 on the Establishment of a FLEGT Licensing Scheme for Imports of Timber into the European Community,” October 17, 2008, <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32008R1024>.

⁵⁸⁹ Overdeest and Zeitlin, “Assembling an Experimentalist Regime: Transnational Governance Interactions in the Forest Sector,” 16.

⁵⁹⁰ Brack, “Excluding Illegal Timber and Improving Forest Governance: The European Union’s Forest Law Enforcement, Governance and Trade Initiative,” 214.

⁵⁹¹ European Parliament and Council of the EU, “Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 Laying down the Obligations of Operators Who Place Timber and Timber Products on the Market Text with EEA Relevance,” 10.

⁵⁹² The EU Timber Regulation covers a broad range of timber products including solid wood products, flooring, plywood, pulp and paper. Not included are recycled products, as well as printed papers such as books, magazines and newspapers.

suppliers and customers. The EU Timber Regulation applies to both imported and domestically produced timber and timber products.

The EU Timber Regulation has been the result of different developments. Initially the Commission was not very enthusiastic about the entire affair, because of the related extra costs, but received considerable pressure from environmental NGOs (Greenpeace, WWF)⁵⁹³, the European Parliament and some of the traditionally more environment-minded Member States. To some extent also a “Baptists and bootleggers”-coalition⁵⁹⁴ between environmental groups and large industry actors could be detected. Whereas environmentalists promoted strict rules as a means to stop deforestation, parts of the European timber industry considered such regulations as a tool to prevent non-European companies from placing cheap, illegally sourced timber on the market. In particular, big companies had a first mover advantage as they very often have already certification systems in place. Certifications (like FSC) are tailor-made for their use and favour some actors⁵⁹⁵.

The issue of illegal logging got some extra momentum by the 2008 amendment of the U.S. Lacey Act⁵⁹⁶, which gave the proponents of EU regulations extra arguments. This amendment expanded the already existing prohibitions on importing any fish, wildlife and plants that had been taken possessed or sold in violation of State or foreign law to products made from illegally logged woods. The Commission had often fended off calls for stricter legislation with the counterargument that such measures were incompatible with WTO-regulations, which prohibited similar trade barriers. Furthermore, the Commission considered such a strict policy also in practical terms hard to implement

⁵⁹³ Arts, Giessen, and Visseren-Hamakers, “International Forest Policy and Europe: Four Pathways of Mutual Influence,” 40.

⁵⁹⁴ “Baptist and bootleggers-coalition” are alliances of two groups that promote for completely different motives stricter regulations. The Baptists want rules for normative reasons (e.g. for social or environmental standards), whereas the bootleggers expect some economic advantages (e.g. companies that already comply with these standards and have therefore a competitive advantage against companies that still have to implement them).

⁵⁹⁵ Auld, Gulbrandsen, and McDermott, “Certification Schemes and the Impacts on Forests and Forestry,” 202.

⁵⁹⁶ US Congress, “Food, Conservation, and Energy Act of 2008,” May 22, 2008, <http://www.gpo.gov/fdsys/pkg/PLAW-110publ234/pdf/PLAW-110publ234.pdf>.

and too costly⁵⁹⁷. But the fact that the United States took such steps proved these practical arguments wrong. Moreover, the fact that the USA was more ambitious in this field appealed also to the EU's honour as it likes to promote itself as some sort of environmentalist superpower⁵⁹⁸. In this sense, the EU often seeks to distinguish itself from the Americans as being more 'green'⁵⁹⁹. The fact that, out of all states, the USA took the lead in that area caused some embarrassment on Brussels and motivated the creation of similar measures.

A 2008 Commission Communication identified illegal logging as one of the most urgent challenges for the forest-based industry, together with an increased global competition for this raw material and its high costs⁶⁰⁰. The first proposal by the Commission for an EU Timber Regulation related to these points and gave a combination of problems caused by illegal logging as reasons that made such a regulation necessary: (I) Deforestation and other environmental damage; (II) undercutting the competitiveness of the legal forest industry; (III) political and social consequences, among them the funding of armed conflict. In their discourse analysis of EU-FLEGT van Heeswijk & Turnhout argue that EU-FLEGT is "primarily influenced by state oriented discourses, to a lesser extent by market and sustainability discourses, and to an even lesser extent by participation oriented discourses"⁶⁰¹. The policies main focus lies thus on strengthening state power over its timber sectors. Van Heeswijk & Turnhout criticise EU-FLEGT therefore, as it "only partly reflects the (current) trends in

⁵⁹⁷ Satu Hassi, "EU's Action on Timber Trade" (presented at the Conference: "Illegal Trade in Natural Resources - What can Brussels do?," Brussels, September 30, 2010), 16, http://www.envirosecurity.org/pathfinder/conference/Report_Final_med.pdf.

⁵⁹⁸ R.Daniel Kelemen, "Globalizing European Union Environmental Policy," *Journal for European Public Policy* 17, no. 3 (2010): 346.

⁵⁹⁹ Thomas Diez, "Europe's Others and the Return of Geopolitics," *Cambridge Review of International Affairs* 17, no. 2 (2004): 330ff.

⁶⁰⁰ European Commission, "Communication from the Commission to the Council and the European Parliament of 27 February 2008 on Innovative and Sustainable Forest-Based Industries in the EU - A Contribution to the EU's Growth and Jobs Strategy (COM(2008) 113 Final)," February 27, 2008, http://europa.eu/legislation_summaries/agriculture/environment/124285_en.htm.

⁶⁰¹ Laura van Heeswijk and Esther Turnhout, "The Discursive Structure of FLEGT (Forest Law Enforcement, Governance and Trade): The Negotiation and Interpretation of Legality in the EU and Indonesia," *Forest Policy and Economics* 32 (2013): 11.

environmental and forest governance”⁶⁰², in other words, by not connecting to the ideas about sustainability promoted by systems as FSC. However, in defense of the EU, it has to be said that any other focus as legality (e.g. sustainability) would be in conflict with WTO-rules. Requesting a proof that a product has been produced according to the laws in the place of production is not seen as a controversial demand or trade barrier. Sustainability, on the other hand, is a more vague term and the EU definition is not universally accepted. Any state, whose products would not fit in these concept could step to the WTO and argue that these restrictions were an artificial trade barrier of the EU to protect its own timber industry. In its explanations, the Commission remarked that most countries would include anyway sustainability provisions in their licenses for legal logging so that also this element was covered by their proposal⁶⁰³. Conflict resources that finance rebel groups would obviously not receive the required documentation.

The EU’s initiative was initially driven by this combination of norms and interests. Consequently, the subsequent discussions between the different institutions were in the first place about very technical questions. The Commission’s first proposal obliged operators only to conduct due diligence to ascertain to their best ability that the timber and timber products placed on the Single Market were legally harvested. This proposal emulated the US Lacey Act in this regard. However, the Parliament wanted to criminalise the operator that brought illegal timber to the Single Market and included stricter legal provisions. In the Council a Sweden-lead coalition blocked the first draft for feared extra costs and bureaucracy. Moreover, Sweden itself was afraid that these measures could form the first step to a stronger EU interference in the European timber governance and opposed therefore such policies.

In the final version of the EU Timber Regulation the placing of illegal timber on the Single Market by an operator is prohibited and he is obliged to conduct due diligence. This is a step further as the American legislation, because it is often very difficult to prove that a shipment of logs is illegally harvested. In Europe, the burden of proof is at

⁶⁰² Ibid.

⁶⁰³ European Commission, “Commission Regulation (EC) No 1024/2008 of 17 October 2008 Laying down Detailed Measures for the Implementation of Council Regulation (EC) No 2173/2005 on the Establishment of a FLEGT Licensing Scheme for Imports of Timber into the European Community,” 5.

the importer's side: it has to provide the evidence that his timber logs have a legal origin. The penalties for infringement of the EU Timber Regulation depend on the Member States and can include criminal prosecution, fines, and the seizure of the timber shipment. Furthermore, operators may be prohibited from marketing timber and timber products.

The Commission published in 2012⁶⁰⁴ a more specific description of the somewhat ambiguous term "due diligence" and clarified the following three steps of a decent system: (I) the operator must have all required information about the timber/timber product he is placing on the Single Market; (II) based on this information, he has to assess the risk of illegal timber in his supply chain; (III) if the operator thinks that there is a risk of illegal timber in his supply chain, this risk can be mitigated by requiring additional information and verification from the supplier.

There are only two "green lanes" for complying with the due diligence standards: a VPA-certificate or a Convention on International Trade in Endangered Species (CITES)-certificate. A VPA-certificate does not conflict with WTO-provisions as each state can choose itself whether it wants to join such a partnership or not. There are legally no exemptions for private certifications such as FSC or PEFC for a number of reasons. One of the main arguments is the different concepts of "legality": whereas some definitions only talk about the right to harvest, other definitions also include the obligation to comply with legal health and safety precautions etc. The EU Timber Regulation has also a relatively broad interpretation, and understands under the "applicable legislation in the country of harvest" not only right to harvest but also relevant environmental legislation, trade and customs etc. (Article 2e)⁶⁰⁵. As a consequence both FSC and PEFC are changing their rules to conform to the standards of the EU. This was also an idea of

⁶⁰⁴ European Commission, "Commission Implementing Regulation (EU) No 607/2012 of 6 July 2012 on the Detailed Rules Concerning the Due Diligence System and the Frequency and Nature of the Checks on Monitoring Organisations as Provided for in Regulation (EU) No 995/2010 of the European Parliament and of the Council Laying down the Obligations of Operators Who Place Timber and Timber Products on the Market Text with EEA Relevance," July 6, 2012, <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32012R0607>.

⁶⁰⁵ European Parliament and Council of the EU, "Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 Laying down the Obligations of Operators Who Place Timber and Timber Products on the Market Text with EEA Relevance."

the EU from the beginning: instead of creating a green lane, it hoped to create a competition between different certification systems for higher standards⁶⁰⁶. Another argument has been that the EU did not have any control on the content of these certificates. In the case of VPAs and CITES, the EU is also sitting at the table and can set to some extent the terms, whereas these private standards are out of its influence. However, as an interviewed EU Commission official confirmed, in reality FSC/PEFC certifications are de facto almost as good as a green lane⁶⁰⁷.

The EU Timber Regulation has created a strong incentive for countries that export to the EU, to sign a VPA. As of October 2014 six countries⁶⁰⁸ have implemented a VPA and there are negotiations going on with nine⁶⁰⁹ countries. With one exception all new negotiations started after 2010 and eleven⁶¹⁰ countries are now in the information phase.

Overall, the EU Timber Regulation provides a useful tool to prevent conflict timber and illegal timber from entering the Single Market. However, the main flaw is that this system assumes that the governments operate in the best interests of their citizens. Unfortunately, the assumptions do not hold for many states that are already plagued by armed conflicts or in danger in falling into the conflict trap. In cases of oppressive regimes that finance themselves through the timber trade (such as in the previously described case of Charles Taylor) additional measures such as EU sanctions need to be imposed⁶¹¹.

6.5 Discussion and Conclusion

This chapter wanted to see what factors influenced the policies of the EU with respect to timber that finances armed conflicts. As it explained, the issue of conflict timber has been integrated during the past decade in the broader topic of illegal logging. The EU

⁶⁰⁶ European Commission Official (c), Interview in Brussels.

⁶⁰⁷ Ibid.

⁶⁰⁸ Cameroon, Central African Republic, Ghana, Indonesia, Liberia and the Republic of the Congo.

⁶⁰⁹ Côte d'Ivoire, Democratic Republic of the Congo, Gabon, Guyana, Honduras, Laos, Malaysia, Thailand and Vietnam.

⁶¹⁰ Bolivia, Cambodia, Colombia, Ecuador, Guatemala, Myanmar, Papua New Guinea, Peru, Philippines, Sierra Leone and the Solomon Islands.

⁶¹¹ Price, Donovan, and de Jong, "Confronting Conflict Timber," 126.

Timber Regulation still mentions explicitly the funding of armed conflicts as one of the motives for this measure, but the general focus lies on the environmental consequences of uncontrolled deforestation.

In general lines the support for measures has been relatively high at the EU level for a combination of factors. Besides some technical discussions, the institutional clashes were therefore relatively limited. One explanation is the more identity-oriented argument that the EU sees itself as a ‘green superpower’ and feels itself obliged to promote environmental objectives.. Such a self-image leads to more proactive policies, but also to higher expectations to comply with. When the United States reformed its Lacey Act and shaped stricter rules for timber imports, the EU also felt compelled to come up with similar provisions and to even outdo the Americans in this matter.

But it would be too simple to attribute all explanatory power in this case to the normative dimensions. Some material interests removed also opposition to the final design of the EU Timber Regulation. Although initially some producing countries feared extra costs, eventually only Sweden (for its more general fear of additional EU rules in this field) remained at its position. This was also a result of a “Baptists and bootleggers”-coalition between environmental groups and some industry actors that sought to level the playing field in the timber sector by regulating unfair competition from companies that placed cheap, illegally sourced timber on the market. Whereas the promoters of the U.S. Lacey Act openly declared that the protection of the American timber industry against unfair competition was one of their main motivations⁶¹², the EU Commission did not put this aspect so much in the first line. But the fact that the EU Timber Regulation gives the European timber industry a competitive advantage to some cheaper, but less organised competitors from abroad certainly also helped to remove some possible opposition. As the issue was almost entirely framed as an environmental issue, it also caused less inter-institutional turf wars.

The global context for measures to curb the trade in illegally logged timber is problematic now. On the hand, multilateral institutions such as the UNFF in this field have proven to be ineffective and incapable of achieving meaningful progress due to the

⁶¹² Pervaze A. Sheikh, *The Lacey Act: Compliance Issues Related to Importing Plants and Plant Products* (Washington DC: Congressional Research Service, July 24, 2012), 4ff, http://www.law.umaryland.edu/marshall/crsreports/crsdocuments/R42119_07242012.pdf.

strong power of some core producing states in the global forestry regime that jealously defend their national sovereignty about their natural resources. Even the EU, usually one of the fiercest promoters of multilateral solutions to global problems, does not dedicate too much energy to such global institutions anymore. The fear is that any compromise that would be acceptable for these countries would be much lower as the current status quo in the EU.

All together, using the thesis' analytical framework the EU's behaviour in this case falls in the category *Normative Power*: the initial motives are based on normative arguments and after the three institutions agreed on a compromise the economic dimension did not form an obstacle anymore.

The Global Governance gap in this field has caused an extraordinary strong role of transnational private regulations and certification systems as FSC wield considerable power.....in the western world. Large shares of Europe's and North-Americas timber production and consumption complies with sustainability standards. This is also a result of the decision of many EU Member States to opt for "economic incentives" instead of "binding regulations", by promoting sustainability standards as part of public procurement policies. The global environment with an increasing concentration of the timber industry and relatively strong collective power was *potentially favourable* for transnational private regulations during the late 1990s, early 2000s. But the influence of these systems is not remotely as strong in the emerging markets that have since then gained substantial influence in the GPNs of timber products. In many parts of Africa and Asia, producers are therefore now less motivated to comply with these standards and have turned their attention to the emerging economies, as they can sell their timber there easier to these markets. As an expert of the timber sector in the DRC stated: "If the trend continues, at the time when the DRC complies with the conditions of the VPA with the EU, they won't sell any timber anymore to Europe"⁶¹³. In sum due to this more scattered corporate power and the diminishing collective power of NGOs beyond North America and Europe the global context for global measures is *unfavourable* now.

EU-FLEGT is therefore to a large extent the result of a general dissatisfaction with the lack of effectiveness of global forest governance. The EU considers it tactically more

⁶¹³ Sam Lawson, "Public Discussion" (presented at the Illegal Logging Stakeholder Consultation and Update Meeting Number 22, Chatham House, July 8, 2013).

promising to focus on unilateral and bilateral actions, such as the VPAs, which creates lesser conflicts. On first sight, the green lain for VPAs in the EU Timber Regulation may appear a way to coerce producing countries in signing such an agreement. However, an interviewed EU Commission official denied this argument and stated that VPAs are actually more time-consuming and expensive. According to him, the EU Timber Regulation would rather form a way to cut costs as it also permitted alternative roads to demonstrate the legal origin of timber⁶¹⁴. In any case, the mandatory provisions are creating strong incentives for timber producers from countries with governance issues to affront these problems if they want to continue to export to the EU market.

Table 6.1: Analytical framework applied to the case of timber

		Global context for measures concerning conflict resources	
		<i>Unfavourable</i>	<i>Favourable</i>
EU: Level of support for measures concerning conflict resources	<i>Low</i>	(I.) Absence of measures	(II) Absence of measures/ Reluctant participation in globally agreed rules
	<i>High</i>	(III.) Unilateral/Bilateral measures (EU FLEGT: EU Timber Regulation and VPAs)	(IV.) Participation in globally agreed measures (UNFF, but more pro forma)

In sum, the EU Timber Regulation is, ironically enough, probably the strictest European measure against the trade in conflict resources without being designed for it. Critics may argue that to solve the problems of illegal logging would require a more comprehensive approach than just stopping the demand side⁶¹⁵, but the due diligence provisions have made it at least much more difficult to break sanctions than any ordinary sanction regime would be able to do. Hence, for these reasons the EU Timber Regulation has also been named as a possible blueprint for the legislation concerning minerals, which will be explained in the next chapter.

⁶¹⁴ European Commission Official (c), Interview in Brussels.

⁶¹⁵ Kishor and Lescuyer, “Controlling Illegal Logging in Domestic and International Markets by Harnessing Multi-Level Governance Opportunities.”

CHAPTER 7: THE EU AND CONFLICT MINERALS FROM THE CONGO

The previous two case studies have discussed in the first place two specific natural resources that could finance armed conflicts, but did not look too detailed on the dynamics of a particular civil war. In this chapter a country-specific approach has been chosen and the analysis will focus itself on the situation in the Democratic Republic of the Congo (DRC). There are two reasons for this decision. Firstly, the issue of “conflict minerals”, which will be studied in this part of the thesis, is almost exclusively perceived as a problem of the DRC and the Great Lakes Region. In empirical terms this is not correct as there are for example as well minerals from Colombia or Myanmar that are linked to conflicts, but most policy measures have been tailor-made for the specific case of the Congo. Secondly, and almost more important, studying one conflict more in detail also permits placing the policies regarding conflict resources in a broader context. By only focusing on the natural resource dimension, the bigger picture can be lost, which may lead to simplified and exaggerated conclusions regarding the possible role and impact of measures against the trade in conflict resources.

The special “resource curse” of the DRC is, as David van Reybrouck⁶¹⁶ has pointed out, that it always offered the industrialised world just the resource it asked for at that time. In pre-colonial times, the Congo was one of the main origins of slaves that were shipped to the colonies in America or to the slave markets on the Arab peninsula as cheap labour. Later, at the end of the 19th century, the discovery of rubber for the industry (and later car tyres) made the rubber trees suddenly an enormous asset. The regime installed by the Belgian colonialists to control the rubber production (technically the territory was the private property of Belgium’s king Leopold II) reached a level of cruelty and brutality that its exposure caused in 1908 –even at the height of colonialism- a public outcry and one of the biggest press scandals of its time. For most of the Congo’s independence (or Zaire how it was called from 1971 until 1997) the country was ruled by the corrupt dictatorship of Mobutu Sese Seko, who was backed by the West, not in the last place due to the country’s strategically important uranium deposits. And, when his regime was swept away by a rebel uprising, the state collapsed into “Africa’s World

⁶¹⁶ David Van Reybrouck, *Congo-Een Geschiedenis* (Amsterdam: De Bezige Bij, 2010).

War” in which all parties used the DRC’s natural resources to enrich themselves and to fuel their war efforts⁶¹⁷.

Today, large parts of the DRC are –in historical terms- comparably stable, but there are still significant regional armed conflicts. This chapter will discuss in particular the situation in the eastern DRC (the provinces North- and South Kivu) as most of the “conflict minerals” originate from this part of the country. The first section of this chapter will provide a short description of the conflict and its roots. Furthermore, this part will also explain the role of minerals in this conflict. In section 2 the role of some of these natural resources in selected Global Production Networks (GPNs) will be expounded to understand their economic role better. Section 3 will explain the different measures that have been taken by both private and public actors to curtail the trade in these conflict minerals and their impact on the situation in the eastern DRC. In Section 4 the conflict prevention and crisis management policy of the EU concerning the DRC will be described to place the measures against the trade in conflict minerals within this broader approach. The fifth section will then examine the proposal of the European Commission for a Conflict Minerals Regulation. At the time of writing, the EU is still in a policymaking process and the Parliament has not reacted to the Commission’s proposal yet, so only a preliminary assessment can be made⁶¹⁸. In the sixth and final section the findings will be discussed with the dissertation’s analytical framework.

⁶¹⁷ David Renton, David Seddon, and Leo Zeilig, *The Congo: Plunder and Resistance* (London & New York: Zed Books, 2007), 188ff.

⁶¹⁸ When I started to write this dissertation it was widely expected that a European regulation for conflict minerals would be finished until at last 2013. Therefore, I started to work with this case to use it in my dissertation. Despite the limitation that there is still no final EU regulation concerning conflict minerals, I have decided to keep this case in the thesis for two reasons. First, it is at the moment the most urgent legislation in this field and a study about the EU’s policies with respect to conflict resources would be incomplete without looking at this case. Second, as this chapter will elaborate on in section 7.4, minerals are for the European industry much more crucial than diamonds or timber. I wanted to include one case in this study in which this dilemma between normative and economic arguments is much stronger and the case of minerals was for this aim the most appropriate choice.

7.1 Minerals from the DRC as a conflict resource

The issue of conflict minerals was for the first time mentioned in a Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo, during the second Congo War in which the Congolese government with its allies fought a broad alliance, including Rwanda and Uganda. The panel concluded that “illegal exploitation of the mineral and forest resources of the Democratic Republic of the Congo is taking place at an alarming rate”⁶¹⁹, and that this systematic exploitation had led to two consequences. Firstly, a massive availability of financial resources for Rwanda and its allied forces in the eastern Congo, and the individual enrichment of top Ugandan military commanders and civilians; and secondly the emergence of illegal networks headed either by top military officers or businessmen.

Although the second Congo War ended officially in 2002, this did not lead to peace for the eastern DRC and it is until the present day a highly unstable region with a massive presence of UN-troops. Many of the trade networks established during the war persist until today. The conflict’s root causes are very complex and are a mixture of regional and national power politics, ethnical tensions⁶²⁰, related land conflicts⁶²¹, failed demobilisation policies⁶²², the mingling of neighbouring countries (Rwanda and Uganda) and a Congolese state, which is too weak and corrupted to tackle these problems⁶²³. Many of these dynamics existed already previously to the second Congo

⁶¹⁹ Ba-N’Daw et al., *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo*.

⁶²⁰ Dan Fahey, *Ituri: Gold, Land, and Ethnicity in North-Eastern Congo* (London & Nairobi: Rift Valley Institute, 2013), <http://www.riftvalley.net/publication/ituri#.U7KVGieZOfs>.

⁶²¹ Koen Vlassenroot, *Dealing with Land Issues and Conflict in Eastern Congo: Towards an Integrated and Participatory Approach*, Africa Policy Briefs (Brussels: Egmont Institute, 2013), http://www.egmontinstitute.be/publication_article/dealing-with-land-issues-and-conflict-in-eastern-congo-towards-an-integrated-and-participatory-approach/.

⁶²² Maria Eriksson Baaz and Judith Verweijen, “The Volatility of a Half - Cooked Bouillabaisse. Reflections on Rebel - Military Integration and Conflict Dynamics in Eastern DRC,” *African Affairs* 112, no. 449 (2013): 564.

⁶²³ Jason Stearns, *North Kivu: The Background to Conflict in North Kivu Province of Eastern Congo* (London & Nairobi: Rift Valley Institute, 2012), <http://www.riftvalley.net/publication/north-kivu#.U7KUFieZOfs>.

war, but –as Kalyvas argues- smaller, local conflicts are often embedded in a large war and escalate this way in violence⁶²⁴. So, when the big cover of the main Congo War was removed the existing violence continued as regional conflicts. As of 2014, there are more than thirty different armed groups active with very different characteristics and objectives: some are militias to protect villages, some are groups of armed bandits, some have political objectives etc. Almost all these groups have ties with local or national politicians who use armed groups to rally popular support, intimidate rivals, and bolster their importance⁶²⁵. On the side of the government in Kinshasa are technically the national army and police forces, but the army units are partly made off former rebels, and often harass the civil population as well as rebel groups or let themselves pay for protection⁶²⁶.

Studies estimate that around 200 of the region's open mines are at the moment militarised⁶²⁷, either by the Congolese army or by rebel groups. Rebel and army units alike have financed themselves with the extraction of tantalum, tin, tungsten, gold (summarised as 3TG⁶²⁸) and diamonds as numerous UN reports stated. However, among Congo experts there is a wide consensus that the exploitation of natural resource is not a root cause of this conflict. In an open letter seventy experts on the Congo concluded

⁶²⁴ Stathis N. Kalyvas, "The Ontology of 'Political Violence': Action and Identity in Civil Wars," *Perspectives on Politics* 0, no. 3 (2003): 475–94.

⁶²⁵ Jason Stearns, Judith Verweijen, and Maria Eriksson Baaz, "The National Army and Armed Groups in the Eastern Congo: Untangling the Gordian Knot of Insecurity" (Rift Valley Institute, 2013), 30ff, <http://riftvalley.net/publication/national-army-and-armed-groups-eastern-congo#.U62SnSeZOfs>.

⁶²⁶ Judith Verweijen, "Military Business and the Business of the Military in the Kivus," *Review of African Political Economy* 40, no. 135 (2013): 67–82.

⁶²⁷ International Peace Information Service (IPIS), "Mapping Conflict Minerals: Eastern DRC," 2014, <http://ipisresearch.be/mapping/webmapping/drcongo/>.

⁶²⁸ Tantalum is an element extracted from the metal ore columbite-tantalite (in Africa known as "coltan"), which is used for electrical components (including those used in mobile phones, computers, videogame consoles), aircraft and surgical components. Tin is extracted from cassiterite and used for plating and solders to join pipes and electronic circuits. Tungsten is made out of wolframite and used for example for metal wires, electrodes and contacts in lighting, electronic, electrical, heating and welding applications. Gold is not only used for jewellery and as form of investment, but is also used for electronics and communication.

recently that “minerals help perpetuate the conflict, they are not its cause”⁶²⁹. In other words, they shape the ‘opportunity’ but are not per se a ‘motivation’. Most of the armed groups employ any activity that brings economic benefit and the trade in minerals is only one (for some time particularly lucrative) option among others. But for example M23, the most powerful rebel group in the region until November 2013, did not control any mines during its uprising. Almost any possible natural resource has been sold, next to 3TG also ivory, bush meat, timber and hashish just to name some, and if there is nothing to extract the armed groups force the civil population to pay them with money or in kind⁶³⁰. Furthermore, some groups also receive funding by other states or domestic patrons⁶³¹. So, rebellion is some form of “business”, which can be pursued due to the weak presence of the state.

To recapitulate and refer to the literature described in chapter 2: the situation fits in Le Billon’s table in the concept of “warlordism” in which rebel groups prey on distant (far from Kinshasa in this case) and diffuse natural resources. Weak state capacity permits this behaviour and has even lead to a situation in which large sections of the army are acting in the same way as the rebel groups.

7.2 Conflict minerals from the DRC in GPNs

As previously explained conflict minerals are only one source of revenues for rebel groups and in the first place a means to perpetuate their fight. This section seeks to analyse how these natural resources are integrated in GPNs and how favourable is the global context for measures to influence this trade.

The first step is to scrutinise how concentrated the corporate power in this network is, by looking briefly on the supply chain of 3TG from the eastern DRC to end consumers. Already at the beginning a very scattered image can be detected: mining in the region is

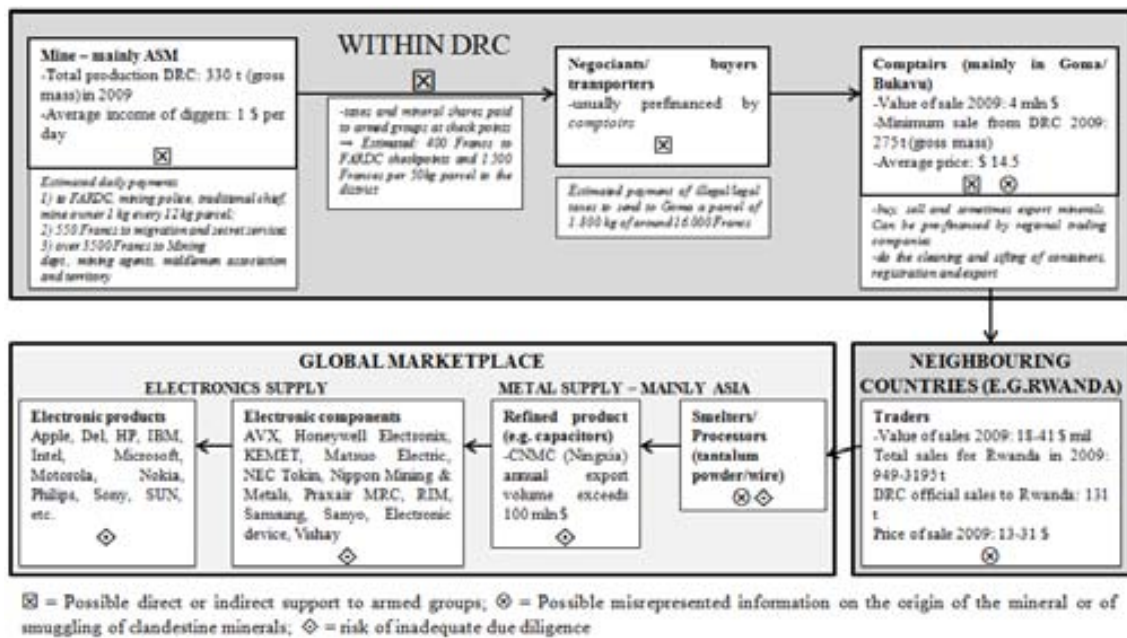
⁶²⁹ 70 Congo experts, “An Open Letter,” September 11, 2014, <http://www.pole-institute.org/sites/default/files/pdf-news/09092014-open-letter-final-and-list.pdf>.

⁶³⁰ Ann Laudati, “Beyond Minerals: Broadening ‘Economies of Violence’ in Eastern Democratic Republic of Congo,” *Review of African Political Economy* 40, no. 135 (2013): 32–50.

⁶³¹ Jason Stearns, *Du CNDP Au M23 – Évolution D’un Mouvement Armé Dans L’est Du Congo* (London & Nairobi: Rift Valley Institute, 2012), <http://www.riftvalley.net/publication/du-cndp-au-m23#.VE5QZ8nEcas>.

almost exclusively done in an artisanal way and at small-scale level as almost all large industrial mining operations stopped due to the unstable security situation. The few larger operations were also driven away by a Presidential mining ban in 2010⁶³². The extracted minerals are brought by *negociants* to local trading hubs⁶³³, where they are sorted at *maisons d'achat*. Most of these trading houses have some *negociants* they trust and whom they pay in advance to bring them the products. A large part of this sector works in illegality and it is assessed that almost 90 percent of the operators do not have a license from the Congolese state⁶³⁴. Once the minerals are processed, they are sold to export companies –locally known as *comptoirs*- who resell them to foreign buyers.

Figure 7.1: The supply chain of tantalum for the electronics industry⁶³⁵



⁶³² The only major company, which has returned is BANRO (in South Kivu) and they have taken several provisions to minimise their risk: the operations are e.g. done by a different companies. Banro lost everything in the 2010 mining ban and got as compensation a ten-year tax exemption. They had a lot of luck because just at the time when they returned the gold price exploded (NGO representative, Interview in The Hague, November 21, 2013).

⁶³³ The two major cities in the region are Bukavu and Goma. For the gold trade, also Butembo and Uvira are also key trading hubs.

⁶³⁴ A main reason are the comparably high costs to obtain such a license from the state.

⁶³⁵ Raimund Bleischwitz, Monika Dittrich, and Chiara Pierdicca, “Coltan from Central Africa, International Trade and Implications for Any Certification,” *ResourcesPolicy* 37, no. 1 (2012): 22.

Armed groups finance themselves through activities at this stage of the supply chain: in some cases the miners are forced to work, but in other cases they “only” have to pay a license fee to these groups to dig in the mines⁶³⁶. An alternative way of funding is the imposition of road tolls, and all miners and traders passing have to pay the armed men.

Most of these *comptoirs* do know, whether the minerals they are purchasing come from a rebel-hold place for two reasons: first, the ore content varies from one area to the next; and secondly the presence of armed groups usually drives the prices of the products higher⁶³⁷. Once the minerals are sorted, they are transported by truck, ship or plane to the ports of Mombasa (Kenya) or Dar-es-Salaam (Tanzania), from where they are shipped to the smelters. Gold is often transported by plane to the United Arab Emirates, where it is traded in the local Suks⁶³⁸. A large share of these minerals is illegally smuggled to neighbouring countries and especially to Rwanda for fiscal reasons (in Rwanda commodity exports are tax free).

The bottleneck of the supply stream is often the smelting process. At the smelters the minerals are smelt or chemically processed together with minerals from other places in large furnaces, in order to sell the resulting metals on the world markets. The large majority of the tin-processing smelters are located in East Asia. For tantalum, four companies from Germany, the United States, China and Kazakhstan dominate the market. In the case of tungsten, there are several processing companies in China, Austria and Russia. Once the mineral ore is redefined into metal it is impossible to trace it back and to check whether it consists out of minerals from the DRC. The redefined metals are then sold to the industry, where they may go now through a few extra steps. In the case of electronics, the metal goes first to circuit board and computer chip manufacturers, then to mobile phone and other electronics manufacturers until they finally arrive at the mainstream electronics companies that use them for their products. The final point of the chain is the consumer wherever on the world that buys the final product.

⁶³⁶ The paid amounts are often about 2 US-Dollars a month.

⁶³⁷ R. M. Marty M. Natalegawa et al., *Final Report of the Group of Experts on the DRC Submitted in Accordance with Paragraph 18(d) of Security Council Resolution 1807 (2008)* (New York: United Nations, December 12, 2008), 20, http://www.un.org/ga/search/view_doc.asp?symbol=S/2008/773.

⁶³⁸ John Prendergast and Sasha Lezhnev, *From Mine to Mobile Phone: The Conflict Minerals Supply Chain* (Washington DC: Enough Project, 2009), 6.

In sum it can be concluded that the corporate power is relative diffuse as there are countless small players involved. Moreover, minerals can be relatively easy mixed which makes it very complicated to distinguish their exact origin⁶³⁹. Gold can even already be smelted in the DRC. But the key players, which connect the up- and downstream supply chain, are the smelters.

In terms of collective power, a similar pattern as in the two other cases can be observed with a strong focus of western NGOs on western consumers, but a consumer power that is shifting to the emerging economies.

The first campaigns from civil society started in 2001 by 18 Belgian NGO's, who promoted the idea of "no blood on my mobile phone"⁶⁴⁰. As in the case of diamonds, NGOs choose a strategy to connect a conflict, which was rather abstract for a western audience, to a product they could relate to. In the case of the DRC, the simplified narrative consisted in the idea that large shares of the world's mobile phones and laptops used conflict minerals from the Congo and were therefore responsible for the epidemic sexual violence in the region. A still often heard claim is that around 80 percent of the world's tantalum reserves are in the eastern Congo⁶⁴¹ and almost everyone is "carrying a piece of the Congo with him".⁶⁴² This number is highly inflated: due to the enormous black market it is obviously impossible to give exact numbers of the trade volume, but industry experts assess that between 20 percent and 30 percent⁶⁴³ of the global production comes from Central Africa and this includes as well the region's largest exporter Mozambique. In other word, only a very small share of the

⁶³⁹ A project of the German *Bundesanstalt für Geowissenschaften und Rohstoffe* (BGR/ Federal Institute for Geosciences and Natural Resources) seeks at the moment to create (chemical test) to make it possible to exactly identify the origins of minerals. In a similar spirit, the G8 resolution of Heiligendamm has started a process to establish certified trading chains in minerals production (CTC); a first activity has been the development of a new geochemical method called 'Analytical Fingerprinting' (AFP) since 2006 that will allow exact pinpointing of the extraction source of a mineral used in products

⁶⁴⁰ Michael Nest, *Coltan* (Cambridge & Malden: Polity Press, 2011), 105ff.

⁶⁴¹ See for example in the information on conflict minerals on the website of Warchild: <http://www.warchild.org.uk/issues/congo-conflict-minerals>

⁶⁴² Nest, *Coltan*, 2011, 105ff.

⁶⁴³ Roskill Information Services, "Outlook for the Global Tantalum Market" (presented at the 2nd International Tin & Tantalum Seminar, New York, December 11, 2013), http://www.roskill.com/news/outlook-for-the-global-tantalum-market/at_download/attachment1.

global tantalum production is financing armed groups. But by producing policy papers and reports in a “highly normative, legalistic language”⁶⁴⁴, NGOs like the Enough Project, Global Witness or Human Rights Watch mounted pressure on the industry and state actors to act.

As previously explained, the link between 3TG and the conflict is much more complex and many experts on the DRC are therefore rather critical about such campaigns, because they fear that they will lead to bad policy decisions (Laura Seay calls this form of campaigning “badvocacy”⁶⁴⁵ and according to Séverine Autesserre these simplified narratives are even “dangerous tales”⁶⁴⁶). Whereas this criticism is understandable, one may also argue that this campaigning by advocacy NGOs brought the almost forgotten Congo-issue at least to the policy agenda and forced companies to display a higher level of corporate social responsibility⁶⁴⁷.

However, as explained in chapter 4, NGOs can only channel collective power when consumers and institutions do care about an issue. The subsequent section will explain how these campaigns had some effect on western policymaker and industry actors. But there are little indicators so far that these campaigns have also had much effect in the emerging economies, as there are almost no similar business initiatives or law proposals. This limits substantially the effect of any measure on a global scale as also in this case the importance of these markets is growing dramatically. To stress again the example of mobile phones: in 2013 the world’s largest consumer of new products was the Asia/Pacific region with 53.1 percent market share and 25.7 percent of the world’s new mobiles were sold in China⁶⁴⁸. Market studies expect that the developing world markets, mainly due to the BRICs will overtake the developed markets within five years

⁶⁴⁴ James Smith, “Tantalus in the Digital Age: Coltan Ore, Temporal Dispossession, and ‘Movement’ in the Eastern Democratic Republic of the Congo,” *American Ethnologist* 38, no. 1 (2011): 19.

⁶⁴⁵ Laura Seay, “What Causes Badvocacy?,” *Texas in Africa*, 20 May 2009, <http://texasin africa.blogspot.com.es/2009/05/what-causes-badvocacy.html>.

⁶⁴⁶ Séverine Autesserre, “Dangerous Tales: Dominant Narratives on the Congo and Their Unintended Consequences,” *African Affairs* 111, no. 443 (2012).

⁶⁴⁷ Jeroen Cuvelier, Jose Diemel, and Koen Vlassenroot, “Digging Deeper: The Politics of ‘Conflict Minerals’ in the Eastern Democratic Republic of the Congo,” *Global Policy* 4, no. 4 (2013): 451.

⁶⁴⁸ Gartner, “Gartner Says Asia/Pacific Led Worldwide Mobile Phone Sales to Growth in First Quarter of 2013,” May 14, 2014, <http://www.gartner.com/newsroom/id/2482816>.

as the largest market for mobile phone sales⁶⁴⁹. As these selected numbers illustrate, Europe and North America are losing considerable market power and are for globally operating multinationals only two important markets among others⁶⁵⁰.

In sum we see thus, as in the other cases, an ambivalent collective power in GPNs: NGOs wield certain power as they can influence companies that are focused on the western markets. However, they have only limited power over the rapidly growing share of the global markets that are non-western.

7.3 Existing measures to curb the trade in conflict minerals

As a result of this increased attention, numerous efforts have been launched to exclude 3TG from this supply chain that has contributed to finance some of the armed groups in the conflict. One of the first measures has been UN sanctions on individuals or entities that were busting existing sanctions by trading arms for resources. However, the effect of these measures has been relatively limited and the UN Security Council has never imposed specific sanctions on conflict resources from the DRC. LeBillon⁶⁵¹ lists three reasons for this conspicuous absence of specific measures: (I) concerns about the feasibility of such sanctions, given the DRC's size, numbers of neighbours and state capacity; (II) concerns about the effect of such measures on the livelihood of the local population (this issue will be discussed below); and (III) concerns that such measures could alienate local and regional elites that are also involved in this trade, but whose support is required for the UN mission.

Measures are only taken against actors, which are participating in sanctions-busting. But NGOs reported that the “due diligence” of many *comptoirs* consisted in only asking the

⁶⁴⁹ Mark Giles, “BRIC Markets Generating Almost a Quarter of Global Mobile Sales” (Mobile World Live, February 7, 2013), <http://www.mobileworldlive.com/bric-markets-generating-almost-a-quarter-of-global-mobile-sales>.

⁶⁵⁰ The exact priorities are for each company obviously different. Many more expensive, high-end products are still predominantly sold in the traditional markets. Apple, for example, struggles in China with the competition of locally made, cheaper smartphone-producers.

⁶⁵¹ Philippe Le Billon, *Wars of Plunder: Conflicts, Profits and the Politics of Resources* (London: C.Hurst & Co., 2012), 170.

maison d'achat about the origins of the minerals he wanted to sell⁶⁵². Obviously, no seller would openly tell that his products are conflict minerals. Another substantial problem of any sanctions regime is that the entire Great Lakes region is already for ages a place of international trade and the borders between the countries are very porous. In other words, it is not too difficult to smuggle goods to a neighbouring country, where it is relabelled in order to undermine any sanctions regime.

Various experts of the United Nations have recognised this problems and in 2010 the UN Security Council⁶⁵³, following the recommendation of the 2010 Groups of Experts Report⁶⁵⁴ also called on governments, markets and companies to establish sound systems of supply chain management as well as to impose asset freezes and travel bans for groups and individuals involved in the conflict. As of 2014, there is a patchwork of certification systems that are almost all somehow intertwined with each other. The section can only give a very superficial overview to the extent that it is possible to understand the current status quo. In general, there are two major players –the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD DD)⁶⁵⁵- and the American Dodd-Frank Act Article 1502⁶⁵⁶ that have to be taken into account to understand the EU Commission's proposal later.

OECD DD is a special application of the special application of the OECD Due Diligence Guidance (DDG) and was developed on a series of consultation through a multi-stakeholder holder process involving the OECD, the countries of the International Conference on the Great Lakes Region (ICGLR), industry, NGOs and the UN Groups

⁶⁵² Prendergast and Lezhnev, *From Mine to Mobile Phone: The Conflict Minerals Supply Chain*, 4.

⁶⁵³ UNSC, “UN Security Council Resolution 1952 (2010) on the Situation Concerning the Democratic Republic of the Congo,” November 29, 2010, 3, <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N10/655/23/PDF/N1065523.pdf?OpenElement>.

⁶⁵⁴ Raymond Debelle et al., “Final Report of the Group of Experts on the DRC, Submitted in Accordance with Paragraph 6 of Security Council Resolution 1896 (2009),” November 29, 2010, http://www.un.org/ga/search/view_doc.asp?symbol=S/2010/596.

⁶⁵⁵ OECD, “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Second Edition),” 2012, <http://www.oecd.org/investment/mne/GuidanceEdition2.pdf>.

⁶⁵⁶ US Congress, “Dodd-Frank Wall Street Reform and Consumer Protection Act,” July 21, 2010, <http://www.gpo.gov/fdsys/pkg/PLAW-111publ203/pdf/PLAW-111publ203.pdf>.

of Experts on the DRC. These recommendations are voluntary and non-binding in nature, but give very detailed instructions how to act as an extraction company to mitigate the risk of buying conflict minerals⁶⁵⁷. Many certification systems are built on this Guidance, such as iTSCi (ITRI Tin Supply Chain Initiative), the Conflict-Free Sourcing Initiative (cfsi), Regional Initiative against the Illegal Exploitation of Natural Resources of the ICGLR, or the Conflict-Free Gold Standard to just name some. It has been endorsed by the UN Security Council⁶⁵⁸, the ICGLR⁶⁵⁹, on the G8/Africa Summit⁶⁶⁰, and since 2012 also by the US Securities and Exchange Commission (SEC) as an international framework for due diligence measures undertaken by companies that are required to comply with section 1502 of the Dodd-Frank Act⁶⁶¹.

The terms of binding measures, the biggest step so far, was the inclusion of section 1502 about conflict minerals as rider in the Dodd–Frank Wall Street Reform and Consumer Protection Act. To a large extent this was the consequence of successful lobbying from various advocacy groups such as Enough Project⁶⁶². This section requires SEC file issuers, hence also foreign companies that are registered in the United States, to disclose annually whether their products require 3TG and whether these minerals come from the DRC or a neighbouring country. If this is the case, the company has to provide a detailed report in which it describes its measures to exercise due diligence on

⁶⁵⁷ OECD, “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Second Edition).”

⁶⁵⁸ UNSC, “UN Security Council Resolution 1952 (2010) on the Situation Concerning the Democratic Republic of the Congo.”

⁶⁵⁹ ICGLR, “Lusaka Declaration of the ICGLR Special Summit to Fight Illegal Exploitation of Natural Resources in the Great Lakes Region,” December 15, 2010, <http://www.oecd.org/daf/inv/mne/47143500.pdf>.

⁶⁶⁰ G8 et al., “G8/ Africa Joint Declaration: Shared Values, Shared Responsibilities,” May 27, 2011, http://www.whitehouse.gov/sites/default/files/uploads/g8_africa_joint_declaration_final_-eng.pdf.

⁶⁶¹ U.S. Securities and Exchange Commission, “Final Rule on Conflict Minerals Reporting,” August 22, 2012, <http://www.sec.gov/rules/final/2012/34-67716.pdf>.

⁶⁶² The Enough Project is part of the think tank Center for American Progress. The think tank had been set up in 2003 by leading Democrats to create a progressive alternative to prominent conservative think tanks, such as the Heritage Foundation and the American Enterprise Institute. Consequently it had very strong institutional linkages to the incoming Obama administration in 2009 and knew how to sneak this section into the Dodd-Frank Act that was in fact about financial reform. (Raf Custers, *Grondstoffenjagers* (Berchem: EPO, 2013), 192ff).

the source and chain of custody of those minerals and which also must include an independent private sector audit of the report that is certified by the person filing the report. The section does thus not explicitly prohibit the use of these minerals but requires companies to make public whether their products are “DRC conflict free,” having “not been found to be DRC conflict free” or “DRC conflict undeterminable.”

When the plans were announced they were received with scepticism by the Congolese authorities and many Congo experts⁶⁶³. The general fear was that this measure would lead to a de facto embargo of the entire extractive sector in the Great Lakes Region, because many companies would simply pull out of the region to get their minerals from less controversial places. This way, they could avoid the extra administrative costs and possible reputation damage if they cannot guarantee for 100 percent sure that their minerals were “conflict-free”. But such a boycott would cause dramatic socioeconomic consequences as the livelihood of 8-10 million Congolese (about 16 percent of the total population) depends on the mining sector⁶⁶⁴. To prevent the Dodd-Frank Act, President Kabila imposed in 2010 a temporary ban on mining in the East to show the Americans that he was taking this issue seriously⁶⁶⁵. Furthermore, the above mentioned Regional Initiative against the Illegal Exploitation of Natural Resources, a system in which various African states in the Great Lakes Region wanted to create a scheme like the Kimberley Process, was one instrument the regional actors proposed to counter this effect.

On 22 August 2012, after much public discussions and with more than one and a half year delay, the SEC adopted the final rules that according to its own estimations would

⁶⁶³ Dominic Johnson, *No Kivu, No Conflict? The Misguided Struggle against “conflict Minerals” in the DRC* (Pole Institute, April 2013), <http://www.pole-institute.org/images/Documents/pole-minerals2013.pdf>; Harrison Mitchell and Nicholas Garrett, *Beyond Conflict: Reconfiguring Approaches to the Regional Trade in Minerals from Eastern DRC* (London: Resource Consulting Service, 2009), http://www.rcsglobal.com/documents/Beyond%20Conflict_RCS_CASM.pdf; Laura Seay, “What’s Wrong with Dodd-Frank 1502? Conflict Minerals, Civilian Livelihoods, and the Unintended Consequences of Western Advocacy,” *Working Paper of the Center of Global Development* 284 (1 May 2012), <http://www.cgdev.org/publication/what%E2%80%99s-wrong-dodd-frank-1502-conflict-minerals-civilian-livelihoods-and-unintended>.

⁶⁶⁴ Bleischwitz, Dittrich, and Pierdicca, “Coltan from Central Africa, International Trade and Implications for Any Certification,” 21.

⁶⁶⁵ Custers, *Grondstoffenjagers*, 191ff.

impact 6000 issuers directly and even more companies in the supply chain indirectly. The initial cost of compliance was expected to be between 3-4 billion US-Dollars and afterwards between 207 and 609 million US-Dollars a year⁶⁶⁶. These plans also affected indirectly the European industry, albeit many of them remained in the beginning rather ignorant towards it. But when for example a German or French car carries a board computer with components made of 3TG, the importer to the US has to ask for the required documentation about the origin of these minerals⁶⁶⁷. In other words, the Dodd-Frank carried also considerable consequences for the European industry and obliged parts of them to think about due diligence measures.

Due to some legal issues, the implementation of Article 1502 has been delayed and the companies only had to file their first report in June 2014. In spring 2014, numerous sections of this article have been overturned by court decision as they were assessed to be in conflict with the first amendment (“free speech”) of the US Constitution⁶⁶⁸. The judges ruled that companies could not be obliged to talk badly about themselves and the requirement of reporting that 3TG was not conflict-free was therefore unconstitutional⁶⁶⁹.

The opinions about the impact of the Dodd-Frank Act in the DRC so far are divided. Advocacy NGOs argue that it has already helped to reduce violence and cost armed militias a lot of money, as the prices for non-certified minerals have dropped dramatically in the region, hurting armed groups in their wallets⁶⁷⁰. A recent IPIS-

⁶⁶⁶ United States Court of Appeals For the District of Columbia Circuit, “National Association of Manufacturers, et Al. Appellants vs. Securities and Exchange Commission, et Al., Appellees,” April 14, 2014, 4, [http://www.cadc.uscourts.gov/internet/opinions.nsf/D3B5DAF947A03F2785257CBA0053AEF8/\\$file/13-5252-1488184.pdf](http://www.cadc.uscourts.gov/internet/opinions.nsf/D3B5DAF947A03F2785257CBA0053AEF8/$file/13-5252-1488184.pdf).

⁶⁶⁷ Member of the European Parliament, Interview in Brussels, November 13, 2013.

⁶⁶⁸ United States Court of Appeals For the District of Columbia Circuit, “National Association of Manufacturers, et Al. Appellants vs. Securities and Exchange Commission, et Al., Appellees.”

⁶⁶⁹ U.S. Securities and Exchange Commission, “Statement on the Effect of the Recent Court of Appeals Decision on the Conflict Minerals Rule,” April 29, 2014, <http://www.sec.gov/News/PublicStmt/Detail/PublicStmt/1370541681994#.VFPvG8nEcat>.

⁶⁷⁰ Fidel Bafilemba, Timo Mueller, and Sasha Lezhnev, “The Impact of Dodd-Frank and Conflict Minerals Reforms on Eastern Congo’s Conflict” (Enough Project, June 2014), <http://www.enoughproject.org/files/Enough%20Project%20-%20The%20Impact%20of%20Dodd->

report⁶⁷¹ gives a different picture and argues that the Dodd-Frank Act created the predicted severe negative backlash on the local economy, but it has not been the only reason. The few larger mining operations had left the region after the Presidential mining ban and had not returned anymore. According to this research, the situation in more densely populated mining zones indeed is more stable now, but it is not clear to what extent this is the result of these economic measures or rather of other political developments such as the stronger UN-mandate and the improved capacities of the Congolese army in the region in the aftermath of the military offensive against the rebel group M23.

To sum this section up: the situation in the East of the DRC is very complex but the economic dynamics are connected to larger GPNs. External factors such as the Dodd-Frank Act can also have some impact on the situation in the region (albeit it is questionable whether it has been a positive one). Multilateral measures, however, have so far not had much effect and the UN-sanctions suffer from the poor state presence in eastern DRC. As a result of the Dodd-Frank Act, transnational private regulations got a boost, as they could serve as a tool to prove compliance with the requisites of the American legislation.

7.4 The EU and conflict minerals from the DRC

After the ousting of Mobutu, who had also alienated his former European supporters in the last stage of his reign, the EU and its Member States were not particularly active during the Second Congo War. With this behaviour the EU formed rather the international norm than the exception: internationally there was no will to send a sufficient quantity of forces to stop the slaughter or even engage in meaningful mediation in order to end the conflict⁶⁷². However, after the signing of the peace

Frank%20and%20Conflict%20Minerals%20Reforms%20on%20Eastern%20Congo%E2%80%99s%20Conflict%2010June2014.pdf.

⁶⁷¹ Ken Matthysen and Andrés Zaragoza Montejano, “‘Conflict Minerals’ Initiatives in DR Congo: Perceptions of Local Mining Communities” (IPIS Insights, November 2013), http://www.ipisresearch.be/publications_detail.php?id=426.

⁶⁷² Herbert F. Weiss, “The Democratic Republic of the Congo: A Story of Lost Opportunities to Prevent or Reduce Deadly Conflicts,” in *Richard H. Cooper & Juliette Voïnov Kohler (eds) Responsibility to*

agreements in 2002 the EU took a more proactive role in the Great Lakes Region⁶⁷³. In 2003, Operation ARTEMIS, which aimed on stabilising the security situation in Bunia, marked the first autonomous EU military mission outside Europe, albeit it was still mainly a French mission that carried for political purposes a EU-label⁶⁷⁴. During the first more or less free elections in the DRC for 45 years in 2006, the EU launched two missions to maintain the situation stable during the election period. EUPOL Kinshasa (2005-2007) was supposed to support the local police with their work in the capital, and EUFOR RDC aided the UN Mission in the DRC (MONUC) during the election weeks. Since then EUPOL RDC (2007-2014) trained police and legal forces in the context of security sector reform. EUSEC RDC (since 2005) is still active and works on security sector reform by training the armed forces. Furthermore, the EU has a Special Representative for the Great Lakes Region and is a part of the International Contact Group⁶⁷⁵. Due to this engagement with the DRC, Smis and Kingah concluded therefore that “more than any other international actor, the EU has been fervently active in forging peace in DRC through both civilian and military means”⁶⁷⁶. In sum, the EU can thus be seen as an important actor in the region.

Considering the efforts of the EU to promote conflict prevention in the DRC, it is therefore not surprising that the issue of the conflict minerals entered the discussions in Brussels. Nevertheless it took some time until this issue entered the policy agenda of the Commission. Following the developments in the U.S. the European Parliament issued on 7 October 2010 a resolution that called for an overall coordinated approach towards responsible sourcing. However, already from the beginning the issue was not seen as an isolated case in Brussels but as part of a broader approach towards more transparency

Protect: The Global Moral Compact for the 21st Century (New York: Palgrave Macmillan, 2009), 115–28.

⁶⁷³ Stefaan Smis and Sevidzem Stephen Kingah, “Unassertive Interregionalism in the Great Lakes Region,” in *Fredrik Söderbaum and Patrik Stålgren (eds) The European Union and the Global South* (Boulder & London: Lynne Rienner, 2009), 205–23.

⁶⁷⁴ Catherine Gegout, “Causes and Consequences of the EU’s Military Intervention in the Democratic Republic of Congo: A Realist Explanation,” *European Foreign Affairs Review* 10 (2005): 427 – .

⁶⁷⁵ The EU is part of this group together with Belgium, France, the United Kingdom, the United Nations and the United States. The group meets since the beginning of the 2000s regularly to coordinate the policies of the Members concerning the region.

⁶⁷⁶ Smis and Kingah, “Unassertive Interregionalism in the Great Lakes Region,” 222.

and better governance in the natural resource sector. As earlier said, transparency measures are today often seen as something like a magic wand to solve resource-related political problems. The political priorities shifted therefore first to the Accounting and Transparency Directive that obliged companies listed in the EU to publish all its payments for extraction contracts abroad. These measures were as well emulating measures in the United States (article 1504 of the same Dodd Frank Act). In other words, the ideas about possible EU measures in the field of the natural resource governance and measures to stop the trade in conflict minerals were already flying around before in Brussels, but it needed the actions at the other side of the Atlantic to put them finally on the agenda. As in the case of timber it was the normative pressure that *even* the Americans had already some regulations in this field that brought a normative issue on the policy agenda.

In July 2012 EU-Commission Karel de Gucht and High Representative Catherine Ashton published a joint letter in which they confirmed that the EEAS and the Commission would work together on this matter. Karel de Gucht, a Belgian national, expressed also a strong personal interest in that matter as the issue of Congo is particularly dear to the heart of his native country. He aimed therefore on publishing a proposal before the European Elections 2014 and the subsequent Commission reshuffle as a way to ensure that the issue would not disappear from the political agenda of his successor. For this end, an inter-service group was established that brought members of involved units together. The FPI got the task to map the existing policies (e.g. EU-FLEGT, the Kimberley Process and the Raw Materials Initiative), as most involved actors were hardly aware of the existing policies⁶⁷⁷. The first draft proposal was expected for mid-2013, but was various times moved until spring 2014. There are numerous reasons for this: one argument often given by interviewed Commission officials has been that they wanted to see how the SEC would rule about some aspects of the Dodd Frank Act to take this into consideration. Moreover, there were some internal discussions about the first draft of the impact assessment⁶⁷⁸.

During the drafting process the Commission was pulled in different directions as it had to find a balance between the previously mentioned normative considerations and

⁶⁷⁷ EEAS Official (d), Interview in Brussels, November 7, 2013.

⁶⁷⁸ EEAS Official (c), Interview in Brussels.

economic arguments. NGOs pushed for binding measures as in the United States⁶⁷⁹, but many industry actors feared extra costs and bureaucracy. Also the Member States had different stances towards this issue: while Belgium defends the development-angle, Germany and the Netherlands take a more business-friendly stance towards this issue and prefer more free trade/trust in certification systems instead of binding measures as the EU Timber Regulation⁶⁸⁰.

In the case of minerals the issue is much more economical loaded as in the case of diamonds and timber, which carry comparably less weight for the European industry. However, the European dependence on minerals from abroad is a delicate issue now. In 2010 and 2014 the European Commission published their Reports on Critical Raw Materials for the EU, in which it had identified all crucial commodities for the European economy whose supply was not guaranteed. A large share of these natural resources are extracted by direct economic competitors, such as China and the United States, which was perceived as a possible weak spot of the EU economy (e.g. are about 97 percent of the world's rare earths located in China).

This situation has created some renewed interest for the African continent, which was seen as an 'open field' in the 'race for what is left'⁶⁸¹. The Reports on Critical Raw Materials for the EU also mentioned the DRC, mainly due to its reserves in cobalt (56 percent of the world's reserves) and germanium (11 percent). In the 2010-version of this list also tantalum was included as critical raw materials, but since then the DRC's relatively share in the global production had decreased significantly through changes in the concentration of its extraction⁶⁸².

⁶⁷⁹ 58 European and global NGOs, "Breaking the Links between Natural Resources and Conflict: The Case for EU Regulation," September 16, 2013, <http://www.enoughproject.org/files/Breaking%20the%20Links%20-%20Joint%20NGO%20Position%20Paper%20%28ENG%29.pdf>.

⁶⁸⁰ Belgian diplomat, Interview in Brussels, November 25, 2013.

⁶⁸¹ Michael T. Klare, *The Race for What's Left: The Global Scramble for the World's Last Resources* (New York: Picador, 2012).

⁶⁸² The tantalum boom made it for alternative producers such as Australia and Brazil profitable to open mining operations.

After the end of the Cold War, most Europeans had lost interest in African matters and moved their focus to Eastern Europe⁶⁸³. Especially in less stable countries, such as the DRC, many western countries have been hesitant to invest substantially due to the complicated and risky business circumstances. This situation had permitted other actors to gain weight in the African economies. The most noteworthy new actor on the continent is China, which focused its activities on Africa for four principal reasons: (I) Africa had simply the resources the Chinese economy needed; (II) Africa is a region which was open to business in a time of increasing “resource nationalism” (III) due to the lost interest of the West, there was less competition from western companies; and (IV) for the same reason, China did also not expect much international scrutiny about its business practices on the continent⁶⁸⁴. In many African countries, Beijing’s tactic has worked out and China is now for example already the largest trading partner of the DRC, mainly through natural resource exports.

Plans to stabilise the DRC have therefore also a clear economic component and are part of a strategy to “not let Africa’s resources fall completely in the hand of the Americans and above all the Asians”⁶⁸⁵ as an interviewed Belgian diplomat formulated it. An example of this combination of norms and interests is the Conflict Free Tin Initiative, employed by Philips and Tata Steel with the support of the Dutch state⁶⁸⁶. The aim is to create a completely conflict-free supply chain for some products⁶⁸⁷. On the one hand this is a matter of Corporate Social Responsibility, as the entire initiative is not economically sustainable now. From a business-stance it would be cheaper to buy the tin from a conventional place as Australia⁶⁸⁸. But on the other hand, it is for the Dutch company also part of a strategy to have already one foot on the ground in the DRC. In

⁶⁸³ Smis and Kingah, “Unassertive Interregionalism in the Great Lakes Region,” 213.

⁶⁸⁴ Sarah Raine, *China’s African Challenges* (Abingdon, Oxon: Routledge, 2009), 35ff.

⁶⁸⁵ Belgian diplomat, Interview in Brussels.

⁶⁸⁶ The fact that the Netherlands is so active in Conflict Free Tin Initiative (CFT) is to some extent a coincidence. After an OECD conference, representatives from the DRC asked for some concrete steps to do something about this problem. The Dutch representative -Jaime de Bourbon de Parme- took there the lead with representatives from Tata Steel and Philips and sketched on this occasion a first proposal. (Dutch diplomat, Interview in The Hague, November 21, 2013)

⁶⁸⁷ Philips will not market some products as “conflict-free” as this would cause questions about the origin of the other products. Dutch diplomat (Ibid).

⁶⁸⁸ Ibid.

case the situation will become more stable in the next years, Philips is already present in this potentially important producing region and could use these minerals to diversify its raw materials imports⁶⁸⁹.

The same logic as Philips applies on the micro-level, the EU used on the macro-level. Investments in the eastern DRC are now rather a matter of a normative commitment for stability in Central Africa, than focused on immediate economic benefits. But once the DRC is more stable, it can be an important provider of natural resources for the European industry.

7.5 The Commission's draft proposal

After months of elaboration and a public consultation process, DG Trade presented at 5 March 2014 the European Commission's proposal to end the trade in "conflict minerals"⁶⁹⁰. The draft regulation sets up a voluntary self-certification due diligence system for importers of 3TG to the EU. Albeit the European Parliament had declared its preference for mandatory legislation⁶⁹¹, the proposal does not create any obligations for companies but only offers incentives. It distinguishes itself in this sense clearly from the Dodd Frank Act, whose results a European Commission report⁶⁹² qualified as "market distortion" with negative consequences. Importers may choose to become included in a list of "responsible importers", which implies that they have to comply with the

⁶⁸⁹ Belgian diplomat, Interview in Brussels.

⁶⁹⁰ European Commission, "Proposal for a Regulation of the European Parliament and of the Council Setting up a Union System for Supply Chain Due Diligence Self-Certification of Responsible Importers of Tin, Tantalum and Tungsten, Their Ores, and Gold Originating in Conflict-affected and High-Risk Areas (2014/0059 (COD))," March 5, 2014, trade.ec.europa.eu/doclib/html/152227.htm.

⁶⁹¹ European Parliament, "Report on Promoting Development through Responsible Business Practices Including the Role of Extractive Industries in Developing Countries," February 19, 2014, <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+REPORT+A7-2014-0132+0+DOC+PDF+V0//EN>.

⁶⁹² European Commission, "Commission Staff Working Document Impact Assessment. Accompanying the Document: Proposal for a Regulation of the European Parliament and of the Council Setting up a Union System for Supply Chain Due Diligence Self-Certification of Responsible Importers of Tin, Tantalum and Tungsten, Their Ores, and Gold Originating in Conflict-Affected and High-Risk Areas," March 5, 2014, <http://trade.ec.europa.eu/doclib/html/152229.htm>.

standards set up by the OECD DD. Implicitly this also means that they comply with the prerequisites for the Dodd-Frank Act if a European company exports to the US.

Table 7.1: Comparison between Dodd-Frank Act 1502 and the European Commission proposal

	US Dodd-Frank Act 1502	European Commission Proposal
Summary	Companies that are registered at the SEC and use 3TG from the Great Lakes Regions are required to file an annual report about the origins of their minerals.	Importers of 3TG to the Single Market have the option to let themselves be registered as "responsible smelters/importers"
Geographical scope	Great Lakes Region	Global conflict regions
Targeted natural resources	Tin, Tungsten, Tantalum and Gold	Tin, Tungsten, Tantalum and Gold
Character of the legislation	Mandatory	Voluntary
Inclusion of processed goods	Yes	No
OECD Due Diligence Guidance	Recognised as credible due diligence standard	Mirrors the OECD standards
Control of the rules?	US Securities and Exchange Commission	Authorities at the Member States level
Targeted part of the production chain	Downstream	Upstream
Amount of targeted companies	6,000 businesses that are listed with the SEC	400 importers of minerals into the EU
Incentives for compliance	None, belief in public pressure.	Public procurement policies

The Commission’s proposal is – in contrast to the Dodd Frank Act but conform with the OECD Guidance- not limited to the Great Lakes Region and focuses on all “conflict-affected and high risk areas”⁶⁹³ which are defined as “areas in a state of armed conflict,

⁶⁹³ Ibid., 5.

fragile post-conflict as well as areas witnessing weak or non-existent governance and security, such as failed states, and widespread and systematic violations of international law, including human rights abuses”⁶⁹⁴. The motive for this fluid definition is that it permits more flexibility with respect to the situation in a region and is supposed to prevent that some places are negatively singled out, as happened with Dodd Frank in the case of the Great Lakes region.

A responsible importer is expected to comply with a series of auditing measures to guarantee that he is not using conflict minerals. If he complies with these standards the importer can request to be included in the Commission’s list “responsible smelters and refiners” that source –at least partially- from conflict-affected and high-risk areas. Each Member State will designate some competent authorities to apply and control this Regulation. They are in charge of carrying ex-post checks to make sure that the responsible importers comply with the stipulations. The Member States may lay down the rules applicable to the infringement of these standards by responsible importer and are allowed to withdraw their recognition.

As the Commission admits in its Staff Working Document, the chosen design was very close to the wishes of the industry that feared for extra costs and bureaucracy. At the same time, the Commission was apparently very preoccupied about not causing a similar effect as the Dodd-Frank Act to the local mining economy. Along with the Regulation, the Commission and the EEAS published therefore a joint communication in which they sketched some additional measures to make it interesting for companies to become a “responsible importer”. This list includes public procurement incentives, financial support for small and medium sized enterprises to carry out due diligence, and raw materials diplomacy regarding multi-stakeholder due diligence initiative⁶⁹⁵. In mid-June also the Council declared its support for measures but reminded that they “must be

⁶⁹⁴ Ibid.

⁶⁹⁵ European Commission and EEAS, “Joint Communication to the European Parliament and the Council: Responsible Sourcing of Minerals Originating in Conflict-Affected and High-Risk Areas - Towards an Integrated EU Approach,” March 5, 2014, <http://trade.ec.europa.eu/doclib/html/152228.htm>.

encouraged in a way that is proportionate and in line with EU industrial and raw material policies”⁶⁹⁶.

In general, due to the proposals voluntary nature, the industry was in tendency positive about its content, but it also expressed some concerns. For internationally operating companies it is important to have standards as equally as possible between the USA and the EU to avoid double administrative work. Furthermore, some business groups voiced some concerns to what extent the existing certification schemes were also valid for the EU⁶⁹⁷.

More profound criticism came from civil society groups and proponents of stricter legislation in the European Parliament. Green MEP Judith Sargentini, one of the most outspoken promoters of a conflict minerals regulation, judged that it was “behind the curve on every front” and “a far cry from the comprehensive binding legislation called for by the European Parliament” a week earlier.⁶⁹⁸ One of the main points of critic was the draft regulation’s voluntary nature: it is assumed that only a binding regulation can create a demand for “clean” 3TG from conflict zones.

In terms of the mineral’s GPN there are also some additional points to take into account. In contrast to the Dodd-Frank Act, the Commission’s proposal only looks on minerals and metals but not on goods already fabricated that may include “conflict minerals” (as e.g. the Dodd-Frank Act does). In a world economy, where a large share of high-end technology is built outside of the EU, e.g. in Asia, this decision limits the scope of the regulation considerably. Dodd-Frank applies for around 6,000 publicly traded companies that manufacture or contract to manufacture products that may include conflict minerals from the Great Lakes Region. In contrast, the Commission’s proposal does only affect the about 400 companies that import 3TG to the Single Market and not the more than 880,000 companies in the Union that deal with these minerals in some

⁶⁹⁶ Council of the EU, “Council Conclusions on the Union’s Approach on Responsible Sourcing of Minerals,” June 23, 2014, http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/143332.pdf.

⁶⁹⁷ Eurometaux, “Eurometaux Response to the EU Draft Regulation on Conflict Minerals,” April 2014, <http://www.eurometaux.org/PublicNews/tabid/84/articleType/ArticleView/articleId/311/Eurometaux-Response-to-the-EU-draft-regulation-on-conflict-minerals-April-2014.aspx>.

⁶⁹⁸ The Greens/European Free Alliance, “Timid Commission Proposals Fall Short of What Is Needed to Tackle Conflict Minerals,” March 5, 2014, <http://www.greens-efa.eu/conflict-minerals-11945.html>.

way. The current EU provisions will thus only affect a very small part of the GPNs of products that use 3TG.

The proposal of the Commission will be discussed in autumn/winter 2014/2015. Both incoming relevant Commissioners - Cecilia Malmström (Trade) and Neven Mimica (Development Cooperation)- have indicated in the hearings that they are supporting the Commission's proposal. In the Parliament the Committee on International Trade (INTA) will have the lead in this file. The strategy of the promoters of binding measures in the Parliament is now to bring this issue also in the Development committee (DEVE) and the Foreign Affairs committee (AFET), because they fear that INTA will deal with it just as a trade regulation and not take the broader political implications into account⁶⁹⁹. In other words, they are afraid that only material arguments are heard and the normative dimension will be ignored.

7.6 Discussion and conclusion

Unfortunately this chapter can only give a preliminary assessment as the policy-making process in Brussels is still not finished. However, the status quo already permits some assessment about the policies of the EU with respect to conflict minerals from the DRC.

As this chapter has explained on the basis of the eastern Congo, the role of natural resources is often very complex and only one element of a broader conflict. Policies with tunnel-vision that only focus on this aspect carry therefore the threat to do more bad than good, as they may damage the little economic activity in an already bitterly poor place. But on the other hand, to quote Jason Stearns, "Perfect should not be the enemy of the good, and minerals are a good place to start."⁷⁰⁰ The conundrum of any EU legislation will therefore be to strike a balance between creating on the one hand tools to stimulate legal mining, without creating hidden sanctions such as the Dodd-Frank Act.

At the EU level, the issue took its time to come to the policy agenda and support was for a long time relatively low for any measures. This is no for a lack of normative motives:

⁶⁹⁹ Judith Sargentini, "Update on the Legislative Proposal on Conflict Minerals," E-Mail, (October 16, 2014).

⁷⁰⁰ Jason Stearns, "Rediscovering Congo," *Foreign Policy*, 12 May 2011, http://www.foreignpolicy.com/articles/2011/05/12/rediscovering_congo.

in fact the EU is one of the most active actors external actors in the DRC since the end of the Second Congo War with both military support and donor missions. In many regards the DRC is even seen as a test case of the EU's Foreign Policy capabilities in sub-Saharan Africa. But nevertheless the EU did not put much emphasis on the conflict minerals issue until a few years ago as this issue did not gain enough salience and the situation could be classified as "Nobody is-doing-anything Europe".

The explanation for this changing approach is to a large extent to find in external factors: both the OECD DD and the American Dodd Frank Act created normative pressures on the EU to come up with some regulations. It may be dubious whether the American approach was very sensible, but it gave European NGOs a tool in the hands to push for something similar in Europe. This has started a similar process as in the case of timber. In the end the Commission has given in to these campaigns, despite the fact that the first results of the Dodd-Frank Act make it questionable whether binding regulations are such a good idea at all.

At the same, the increasing competition for natural resources brought the DRC as well more in the focus of the EU as a supplier of commodities. Since the situation in the DRC has stabilised itself somewhat, the trade between the DRC and the EU has grown again substantially of which 85 percent are resources⁷⁰¹. Hence promoting stability in the Congo is also a way of promoting economic benefits for the EU.

For the moment, the global context for measures is *unfavourable*: the supply chains are very scattered, collective power is limited to western countries and the institutional power of the local actors is extremely low. The Congolese state has only limited influence on the activities in the border region and neighbouring Rwanda has no particular interest in cracking down on smuggling as this would affect its own economy. Likewise, multilateral institutions have had only a limited impact and the implemented voluntarily certification mechanisms are still in their infancy. The Dodd-Frank act created an incentive for economies to receive certifications from some of these systems, but the recent court decision in the US has probably removed this motivation.

⁷⁰¹ European Commission, "European Union, Trade in Goods with Congo (Dem. Rep.)," August 27, 2014, http://trade.ec.europa.eu/doclib/docs/2011/january/tradoc_147251.pdf.

Table 7.2: Analytical framework applied to minerals

		Global context for measures concerning conflict resources	
		<i>Unfavourable</i>	<i>Favourable</i>
EU: Level of support for measures concerning conflict resources	<i>Low</i>	(I.) Absence of measures (Pre-Dodd Frank: No concrete steps)	(II.) Absence of measures/ Reluctant participation in globally agreed rules
	<i>High</i>	(III.) Unilateral/Bilateral measures (Post-Dodd Frank: Upcoming EU Conflict Minerals Regulation)	(IV.) Participation in globally agreed measures (Poorly implemented UN Sanctions)

The issue will be a tough battle between the institutions, as the previous Parliament has declared its preference for binding measures and the Commission prefers this voluntary system. The classification in the upper table is therefore somewhat optimistic: one might also argue that the EU is still at the stage of Chatterbox Europe as the institutions have not agreed on a position yet. However, the reason why I have placed the EU nevertheless high on the y-axis as *Normative Power* is that there is now a general agreement that some measures have to be made. It is only yet to be seen whether in the end the normative or economic considerations will weigh more.

CHAPTER 8: RESULTS AND CONCLUSION

Over the past 15, 20 years the EU has employed different policy measures to curtail the trade in some natural resources that were financing armed conflicts. However, there has not been a coherent picture: in some cases the EU promoted multilateral solutions, such as the Kimberley Process Certification Scheme, but in other cases the Union opted for unilateral or bilateral approaches. The thesis started therefore with the research question why the EU had chosen these different policy options in seemingly similar situations. In the previous three chapters, the cases of diamonds, timber and minerals have been studied with the dissertation's analytical framework. The aim of this final chapter is to bring all gathered information together and answer the thesis' initial question. Moreover, the chapter also wants to evaluate if and how this dissertation has attained the three objectives, which were stipulated in section 1.2.

In the first section, this chapter will discuss the empirical findings about the EU's policies concerning conflict resources. This part will assess whether the analytical framework designed for this thesis does indeed explain the collected data. The second section will then examine the theoretical implications of these results and see how they relate to the broader research on the EU as an international actor. In particular, it will reflect upon the question under what circumstances the EU chooses unilateral measures over multilateral options. Section 3 relates to the thesis's methodological aim and discusses to what extent the conceptualisation of Global Production Networks (GPN) can be more frequently applied in the field of International Relations studies. The fourth section addresses the limitations of the study. Section 5 will present a couple of recommendations for future research to tackle some of these limitations and broaden the scope of this research line. In the sixth section, a few policy recommendations, drawn from this research will be given, before the dissertation finishes with some concluding remarks.

8.1 Empirical findings: The EU and conflict resources

The dissertation started with the empirical puzzle, why the EU took different approaches for the issue of natural resources that were financing armed conflicts. This section only wants to discuss “what” happened, whereas the next section will put the findings in a larger theoretical context to elaborate on the question “why” it happened.

The thesis argued that the different policy responses have been the result of interplay between internal and external factors. On the internal level, the degree of support for measures at the EU institutions and among the Member States played a role and could also be influenced by developments abroad. At the same time, the EU’s room of manoeuvre has been influenced and considerably limited by the global context.

Table 8.1: Analytical framework applied to all cases

		Global context for measures concerning conflict resources	
		<i>Unfavourable</i>	<i>Favourable</i>
EU: Level of support for measures concerning conflict resources	<i>Low</i>	<p>(I)</p> <p>Absence of measures (Conflict minerals pre-Dodd Frank)</p>	<p>(II)</p> <p>Absence of measures/ Reluctant participation in globally agreed rules</p>
	<i>High</i>	<p>(III)</p> <p>Unilateral/Bilateral measures (EU Timber Regulation; sanctions against diamonds from Zimbabwe; conflict minerals post-Dodd-Frank; Voluntary Partnership Agreements for Timber)</p>	<p>(IV)</p> <p>Participation in globally agreed measures (Kimberley Process; implementation of diverse UN Sanctions)</p>

In the upper table the possible combinations and outcomes are summarised. Outside of the United Nations, only in the case of the Kimberley Process for diamonds a combination of a high level of support by the EU and a favourable global context could

be detected. As explained in the corresponding chapter, this scheme was established at a rare moment in time when the interests of industry, NGOs and state actors converged. The case of conflict minerals was until about 2010 relatively low at the EU's policy agenda, but has gained some momentum now. Most cases, however, could be allocated in the quadrant (III) -a high support at the EU level and an unfavourable global context- and resulted in unilateral or bilateral measures employed by the EU.

Depending on the external circumstances, the taken measures could vary within a case. The best example for this mechanism has been the diamonds from Zimbabwe's Marange zone. While there is broad global support for the Kimberley Process as an institution to curb the trade in diamonds that are financing violence by rebel groups, there is no majority for similar rules that could punish governments that committed violence in the context of diamond exploitation. When in 2008 such a case occurred in Zimbabwe, the Kimberley Process could therefore not sanction the regime for its actions. The EU accepted these constraints of the Kimberley Process and supported the institution, but imposed at the same time unilateral sanctions on diamond companies that were linked to the government of Zimbabwe.

Likewise, the degree of support for measures at the EU-level can change over time. The case of conflict minerals from the Democratic Republic of the Congo (DRC) has been an example of such a change. For a long time, and despite the well-known link between these resources and violence, the EU did not take any steps to deal with this issue. But since 2009/2010, when the United States approved some binding legislature regarding the import of conflict minerals from the Great Lakes Region, the support for measures has grown substantially. In fact, in spring 2014 the European Commission presented a first proposal for an EU Conflict Minerals Regulation that is expected –with all due changes- to be enacted in 2015.

To sum up: having analysed these three cases, it can be concluded that the analytical framework has had substantial explanative power in answering the dissertation's main question. The different policy reactions of the EU are indeed the consequence of interplay of internal and external factors. But the more interesting question, which will be dealt with in the next section, is what causes a high or low level of support at the EU, and a favourable or unfavourable global context for measures to curtail the trade in conflict resources.

8.2 Theoretical findings: The EU and globalised multipolarity

In theoretical terms, the thesis aimed on contributing to the study of the EU as an international actor. The contributions are twofold, by looking both on the internal considerations that determine a certain stance of the EU and conceptualise the global context that may limit the EU's policy options.

The first aspect refers to the eternal "interests/norms divide"⁷⁰² in the studies of EU Foreign Policy: is the EU rather guided by strategic and economic interests or by normative considerations how the world should be? The findings of this thesis support a stance that Youngs formulated ten years ago: "constructivist and rationalist explanations might be combined to account for the way in which instrumental choices are made within a range of common normative understandings"⁷⁰³. In all three studied cases the triggers for policy actions have been normative considerations about the incompatibility of conflict resources with shared European norms. The EU often likes to identity itself as a "force for good" in the world that promotes for instance conflict resolutions, multilateralism and environmentally sustainable behaviour. Due to the frequent references to such norms, transnational NGOs are relatively influential in Brussels and they also remembered the EU in the researched cases of the norms that were supposed to guide the Union's behaviour. Furthermore, the NGOs compared the existing measures in the United States to the status quo in Europe to mount some additional pressure on the EU. The Union often seeks to create a distinctive international identity by supposedly being "less prone to *laissez-faire* capitalism, more cultured, more concerned about the environment, as well as more peaceful"⁷⁰⁴ than the US. Hence the subtle reminder from NGOs that *even* the Americans had already taken action in this field, created extra pressure on the EU to do something.

At the same time, the final policy outcomes were not simply a consequence of NGO lobbying, but took also strategic and economic interests into account. It may not be forgotten that politics for conflict prevention and crisis management are not just some do-good policies, but have frequently as well some very materialist objectives (e.g. limiting immigration to Europe or stabilising international commerce).

⁷⁰² Thomas Diez, "Normative Power as Hegemony," *Cooperation and Conflict* 48, no. 2 (2013): 194–210.

⁷⁰³ Richard Youngs, "Normative Dynamics and Strategic Interests in the EU's External Identity," *Journal of Common Market Studies* 42, no. 2 (2004): 431.

⁷⁰⁴ Diez, "Europe's Others and the Return of Geopolitics," 330.

Measures to curtail the trade in conflict resources have been embedded in broader policy objectives and often sought to strike a balance between the EU's identity and resulting norms on the one hand and its material interests on the other hand. In the case of illegally logged timber, for example, the EU Timber Regulation formed besides its environmental motivations, also a tool to protect the European timber industry from cheaper competence from abroad. The creation of stricter social and environmental standards for imports is often pushed forward by "baptists and bootleggers coalitions" and this case has not been an exception to that. Only in the case of minerals, no immediate possible material benefits were at stake and this is probably the reason why it took so long to lift this issue to the Commission's agenda. In the cases of both timber and minerals, existing American transparency legislation lowered the economic threshold for European measures. Due to the American regulations many European companies have to disclose to their American partners anyway the origins of their timber or minerals. Consequently, for these companies complying with European legislation is now not an extreme extra cost factor as long as the rules are streamlined with the American provisions.

Table 8.2: Summary of the support for measures at the EU

Case	Time period ⁷⁰⁵	Identity	Interests	Institutions	Support
Diamonds	2000s-present	+	+	+	Favourable (Coherent Europe)
Timber	2000s-present	+	O (No opposition)	+	Favourable (Normative Europe)
Minerals	2000s-2009/2010	+	-	-	Unfavourable (Normative, divided Europe)
	2010s-present	+	O (No opposition)	+	Favourable (Normative Europe)

Once a specific case of a conflict resource has gained a certain salience in Brussels, there is usually no discussion anymore in the EU about the question if some measures have to be taken, but the question is rather what measures need to be taken. The specific

⁷⁰⁵ The time periods are only indicative.

outcome depends on numerous factors that have been described in the chapters. In general, within the Commission the more trade-oriented actors (DG Trade, the Parliament's Committee on International Trade) are more economy-leaning and careful with too strict binding measures that may cost much extra costs and bureaucracy for the European industry. Other actors (DG Environment, DG Development and Cooperation) tend to look more on the social side of the matter. Among the Member States, national political and economic interests are usually the most determining factors. In the case of the diamonds from Marange, for example, Belgium defended in the first place the interests of its diamond industry and the United Kingdom interpreted the issue in the light of its broader Zimbabwe-policy.

Whereas in the case of diamonds the stipulations of the KP were translated in European binding regulations, in the case of timber and minerals different policy instruments are used. In the case of timber there used to be economic incentives through public procurement policies by different public actors to provide certifications about the origin and the sustainability of the materials. In the case of minerals, the first draft proposal of the Commission shied away from binding regulations and suggests a mixture of "information" and "economic incentives" to convince actors to let them certify as responsible smelters. The European Parliament, however, calls for binding regulation so it is yet to see what policy instrument the EU will finally choose.

To sum the internal dimension side of the argument up: the EU is generally willing to promote measures to curtail the trade in conflict resources due to its identity as a "normative power", but the execution depends a lot on political and economic interests.

Besides the question how the positions of the EU are formed, this thesis also discussed the global context in which the EU is acting. The global context was understood in a very broad sense that was not limited to state actors, but also included companies, NGOs etc. To map the global environment for measures against the trade in conflict resources the conceptualisation of GPNs was applied, which was designed to analyse the governance in production processes. This conceptualisation permitted a holistic view of the role of natural resources from conflict zones within global economic networks. At the same time the GPN-conceptualisation allowed to study how institutional, corporate and collective powers can influence these networks and create favourable or unfavourable conditions for measures that affect large sections of the

GPN. In the next section, it will be evaluated more generally how useful the application of GPN for such cases is.

The institutional powers in a GPN are held by state actors, multilateral organisations and the EU itself. A strong commitment to multilateralism is widely seen as one of the key features of the EU's *actorness*, so one might expect the EU to focus its efforts to influence the GPNs of conflict resources on these institutions. But, as e.g. Morse & Keohane⁷⁰⁶ argue traditional multilateralism is "contested" today, as the global environment for such solutions is getting more complicated. Zaki Laïdi talks in this context about a shift to a "Westphalian multilateralism"⁷⁰⁷ in which the norm of state sovereignty becomes (again⁷⁰⁸) dominant. For the so-called BRICs⁷⁰⁹, this norm trumps almost all other considerations and is in fact one of the few ideas that unites them all⁷¹⁰. These transformations of the global landscape are also reflected in multilateral policies concerning conflict resources. Whereas it is for these states in principle acceptable to take measures that curb the trade in natural resources that finance rebel groups (e.g. in the Kimberley Process or by UN Sanctions), it is almost unthinkable to create mechanisms that would punish "bad governments" that finance their military campaigns with natural resource revenues.

Besides this normative resistance against established multilateral mechanisms to prevent the trade in conflict resources, many of these states have also material interests at stake. In the case of Africa, for example, China has built a considerable presence in the past decade by establishing economic and military ties with numerous countries⁷¹¹. Africa's natural resources are of an imminent geopolitical importance for China and Beijing is

⁷⁰⁶ Julia C. Morse and Robert O. Keohane, "Contested Multilateralism," *The Review of International Organizations* 9, no. 1 (2014).

⁷⁰⁷ Zaki Laïdi, "Towards a Post-Hegemonic World: The Multipolar Threat to the Multilateral Order," *International Politics* 51, no. 3 (2014): 354.

⁷⁰⁸ One might question whether it had ever gone, but the emphasis of many states on this norm was simply not taken into account due to their limited power (Thanks to Robert Kissack for this point).

⁷⁰⁹ The BRICs consist of the four emerging economies Brazil, Russia, India and China. Sometimes South Africa is added to this list.

⁷¹⁰ Zaki Laïdi, "BRICS: Sovereignty Power and Weakness," *International Politics* 49, no. 5 (2012): 614–32.

⁷¹¹ Raine, *China's African Challenges*.

therefore not very interested in signing international agreements that could complicate this trade or make it more expensive⁷¹².

Finally, an additional problem is the “limited statehood” of many state actors that are somehow involved in the conflict resource trade. As explained with the example of the DRC in the previous chapter, both the country from where the conflict minerals originate and the neighbouring countries often lack the state capacity to take effective measures and to comply with international agreements. Consequently, there is only a limited impact of any institutional power in these parts of the GPNs.

To sum up, the retreat of multilateralism in an age of multipolarity poses a problem for the EU as it is cutting off one of its most preferred routes to organise global governance.

Confronted with this “global governance gap” much hope was put by NGOs and promoters of a normative foreign policy in the other two powers that shape the governance of GPNs: corporate power and collective power. NGOs were expected to channel the consumer’s suspected desire for socially and environmentally responsible products and pressure multinational corporations to comply with such wishes. As a reaction to these problems the past decades have witnessed a “certification revolution”⁷¹³ in which companies let their “good behaviour” certify. The Kimberley Process Certification Scheme for diamonds has been to a large extent the consequence of fears in the diamond industry of possible consumer boycotts. The FSC label in the timber sector is the result of pressure by environmental groups. And, also in the mining sector in the DRC, pressure from NGOs has caused the creation of numerous –and often overlapping- certification systems.

This rapid emergence and diffusion of private certifications could suggest that they are indeed a possible solution to end the trade in conflict resources. However, while they have achieved considerable policy changes in some parts of the researched GPNs, they could not reach by far a real global scope. An example is the FSC-label for sustainable timber production: in some European countries more than 90 percent of the forests carry

⁷¹² Stephen Burgess and Janet Beilstein, “This Means War? China’s Scramble for Minerals and Resource Nationalism in Southern Africa,” *Contemporary Security Policy*, 2013, 1–24.

⁷¹³ Axel Marx, “Global Governance and the Certification Revolution: Types, Trends and Challenges,” in *David Levi-Faur (ed) Handbook on the Politics of Regulation* (Cheltenham & Northampton: Edward Elgar, 2011), 590–603.

this certification, but in Africa only 3 percent of the forests comply with the standards⁷¹⁴. Besides the high start-up costs to set up such a system, which makes it less attractive for producers in poorer countries, the main reason is the global economic shift to the emerging powers. These transformations affect both the corporate and collective powers in GPNs.

With respect to corporate power, the thesis assumed that a higher concentration would be more favourable for global measures against the trade in conflict reasons. The reasoning behind this assumption has been twofold: firstly, large companies are usually more sensitive for negative publicity as small less-known brands and therefore more willing to implement policies of Corporate Social Responsibility, transparency rules etc. Secondly, if the behaviour of one of these giants can be altered it has directly large implications for the entire business sector and all other company actors in the GPN. However, the studied cases provided a scattered picture of corporate power. To give an example: in the case of mobile phones, described in chapter 7, the largest player (Samsung) does have less than 25 percent market share of the sold mobile phones in 2013 and the rest is extremely fragmented⁷¹⁵. Most of these companies have outsourced the manufacture of different components of the final product to contract manufacturers, which have again their own providers etc. Economic globalisation is only increasing the growth of these permanently moving complex global networks. To compare: when the Kimberley Process Certification was designed around two third of the world's rough diamonds were controlled by the one company –DeBeers-, which made it much easier to alter the behaviour of an entire industry⁷¹⁶.

Another important factor is the diminishing market power of the West, which also influences the collective power of NGO in GPNs. The authority of NGOs relies on their perceived ability to 'manipulate' consumer power in a positive or negative sense. Companies often join private certification systems to protect themselves against negative publicity or boycott campaigns. But the economic rise of the BRICs is

⁷¹⁴ Forest Stewardship Council, "Global FSC Certificates: Type and Distribution - October 2014."

⁷¹⁵ The largest producers of mobile phones in 2013 were Samsung (24.6), Nokia (13.9), Apple (8.3), LG Electronics (3.8), ZTE (3.3), TCL Communication (2.7), Lenovo (2.5), Sony (2.1), Yulong (1.8) and other companies (34.0) (Gartner, "Gartner Says Asia/Pacific Led Worldwide Mobile Phone Sales to Growth in First Quarter of 2013.")

⁷¹⁶ Smillie, *Diamonds*, 16ff.

reducing the NGOs influence, because many companies have the idea that the consumers in these new markets are less concerned about the social and environmental implications of their purchases. Consequently, companies also feel less compelled to get involved in cost- and time-intensive traceability schemes if their products are not sold in ‘sensitive markets’ (Europe and North America). To quote the statement of the owner of a well-run, legal mining operation in Rwanda, a traditional transit country of conflict minerals: “Legally I could also export my products to Europe. But there is so much paperwork and questions involved that I prefer to simply sell all my stuff to China”⁷¹⁷. Likewise, during the crisis about diamonds from Zimbabwe, described in chapter 5, the government in Harare declared at one point openly that it would not wait much longer for the blessing of the Kimberley Process as it had also enough places to sell their stockpiled diamonds without a stamp from the Process’ certification scheme⁷¹⁸.

Table 8.3: Summary of the global context for measures

Case	Time period ⁷¹⁹	Corp. power	Coll. power	Inst. power	Support
Diamonds that finance rebels (KP)	2000s-present	+	+	+	Favourable
Diamonds that finance states)	2000s-present	-	-	-	Unfavourable
Timber	1990s	+	+	-	Favourable
	2000s-present	-	-	-	Unfavourable
Minerals	2000s-present	-	-	-	Unfavourable

⁷¹⁷ Sargentini, “Debriefing Mission to the Great Lakes Region by the MEPs Judith Sargentini and Catherine Bearder.”

⁷¹⁸ Staff reporter, “Zim Shrugs Off Diamond Ban: Will ‘Look East,’” *Mail & Guardian Online*, August 17, 2010, <http://mg.co.za/article/2010-08-17-zim-shrugs-off-diamond-ban-will-look-east>.

⁷¹⁹ The time periods are only indicative.

The same changes in the market structures of many products also affect the effectiveness of EU-sanctions on goods: in the short run they may have an impact as producers have to reorient themselves, but in the mid-term the effect is limited as long as these alternative markets are available.

As table 8.3 shows, all these developments have made the global context in the 21st century more adverse for global measures to curb the trade in conflict resources. While the Kimberley Process Certification Scheme, with all its flaws, forms at least a reference point for an entire industry the panorama in most other sectors seems more a rag rug of transnational private regulations, domestic legislations and some UN Sanctions that only covers some part of the GPNs.

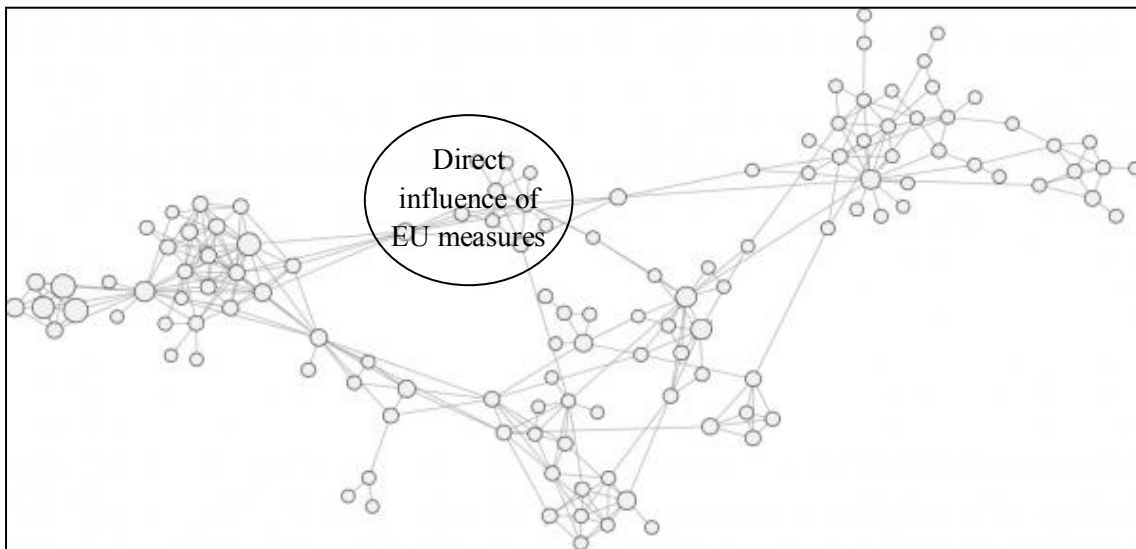
In conclusion, the turn of the EU to more unilateral measures is a consequence of these larger developments. Multilateral solutions are very hard to achieve in the current power constellation, when they could as well affect states that finance their violence through natural resources. Private solutions have lost considerable impact on a global scale. As a result of these changes the EU –and actually also most other western actors- have turned to unilateral and bilateral steps as an answer to this globalised multipolarity. One way is to impose binding regulations and the other option is to support private certification schemes by incorporating them implicitly in the legislation.

8.3 Methodological considerations: The usefulness of GPNs for this study

In methodological terms, the largest innovation of this thesis was the application of the GPN-conceptualisation. As the previous section –hopefully- could demonstrate, this conceptualisation has been a useful tool to structure the global context in which the EU is acting.

Figure 8.1 gives an illustration of this conceptualisation and shows how it helps to think about the EU's role in the world in a different way. All these nodes are actors in the GPN, such as states, companies, NGOs etc. The EU can directly influence some of them and other actors are indirectly influenced by the EU, as they are connected to one of the “balls” within the EU-circle (e.g. companies that export to the Single Market). But most actors are outside of the EU's sphere of influence and one could make a chain from the left corner of the figure to the right one that would never cross the EU-circle. In other words, the EU is an influential actor in this GPN but only one actor of many.

Figure 8.1: The EU in Global Production Networks



The GPN-conceptualisation helps to think about the global context and relations between actors in such a different, more unconventional way. Global power is today diffused among states, companies, civil society etc. Obviously, the GPN-conceptualisation cannot be applied to each situation evenly well and it is for example less adequate for matters of military power politics as state actors are still too dominant in this field. But it can be applied to other cases in which the EU seeks to promote its norms and interests in a globalised economy. This is not only limited to social or environmental norms, but may also include for instance production standards.

8.4 Limitations of the study

Needless to say that the employed study also has some limitations and its findings cannot without any adjustments directly be extrapolated to all other fields of the EU Foreign Policy. An important point to keep in mind is the characteristics of the selected natural resources⁷²⁰. They have been carefully selected for this thesis for the reasons explained in section 1.3. But their economic importance for the European industry is not comparable to the relevance of other commodities, above all oil and gas. When the thesis project was started there were also no armed conflicts in which one of the involved sides financed itself with the revenues of oil and gas that was sold to Europe. Today, the conflict in Ukraine and the related EU-sanctions on Russia could be an

⁷²⁰ Thanks to Evren Yalaz for this argument.

additional case study. The fact that the EU also in this more economically critical situation opted for unilateral sanctions seems to indicate that the analytical framework also works in this case, but a more definitive conclusion would require a profound analysis.

8.5 Recommendations for future research

The principal objective of this thesis was to explain why the EU acts so differently in these three cases of conflict resources. While the initial question is answered, there are still plenty of puzzles for future projects. Based on the work in this text, here are three suggestions for further research:

The first suggested research project would be to examine how the EU acts more generally in policies of natural resource governance. In this thesis the focus has been on cases in which natural resources funded directly armed conflicts. However, there also indirect connections as described in chapter 2. The “resource curse” can lead to economic problems, more autocratic systems and weaker states. The EU has also launched some policies in this field, such as for example its Accounting and Transparency Directives that oblige most companies that are listed in Europe to publish the sums they have paid for extraction contracts. Furthermore, the EU is one of the promoters of the Extractive Industry Transparency Initiative (EITI) that also seeks to shine more light on the often obscure world of oil and gas deals. But, as previously explained, the EU encounters itself at the same time as well in a competition for natural resources with many of the emergent powers. A similar analysis as the one that has been conducted in this thesis, using the GPN-conceptualisation, on the field of natural resource governance policies could therefore further deepen the work on the EU and natural resources.

A second possible future research question is how the EU could influence effectively the local dynamics of armed conflicts. One of the trends of the past years in conflict research is a special focus on the often complex local dynamics of conflicts. In many of these modern wars, the line between rebels, criminals, civilians that occasionally grab their chances, and local self-defence organisations are blurred. Violence is often not chaotic or motivated by the meta-discourse of the war, but is used more strategically to achieve very specific local objectives. Maximising the grip on power to be able to

pursue criminal activities in the controlled territory can be one of the main motivations for local warlords. Many of the policies by the EU to stop these groups of financing themselves with the trade in conflict resources are still designed in a state-centric framework, while they need to analyse the global-local nexus of armed conflicts. In the case of conflict resources, this means that the global dynamics of the commodity markets have to be linked with the local dynamics of these wars.

Finally, a third possible research question would be to study more generally the possible strategies of the EU in global networks (not only of production). Taking a network perspective would provide the opportunity to conceptualise the EU in a new light: as a power broker in a web of global governance, made of state actors, companies etc. There is a wide literature about the decline of Europe's power in the world⁷²¹, but little texts that see how the EU can use its diminished power smarter to maintain some influence. Due to its design the EU and its Member States are used to finding compromises, looking for allies and thinking around the corner to forge pacts. Developing a strategy for the EU as a power broker in global networks could therefore be a challenging future research project.

8.6 Practical implications

This thesis has diagnosed some of the problems of the EU as a global actor and it can certainly not pretend to give quick fixes. Nevertheless, based on the thesis' findings this section wants to give some brief, and also somewhat normative, thoughts about possible ways how the EU could be more effective with regard to the issue of conflict resources.

First and foremost, more effective solutions to curtail the trade require a genuine global approach that identifies the key actors in GPNs to influence their governance. A first step could be the formation of "coalitions of the like-minded", for example with all OECD-countries. If all OECD Member States would integrate the recommendations of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas in their legal system this would mean a

⁷²¹ Richard Youngs, *Europe's Decline and Fall: The Struggle Against Global Irrelevance* (London: Profile Books Ltd, 2010).

quantum leap in promoting better practices in this sector and create an even playfield for large parts of many GPNs.

But as the case studies have shown it is evenly important to bring the emerging powers aboard. To achieve this aim, both their material and normative reservations concerning such measures have to be taken seriously. On the material level, an actor as China has as well interest in stability in Africa for economic reasons and has also backed in the past UN sanctions to curtail the trade in certain conflict resources. Cooperation with China needs to be focused on practical advantages, instead of lofty ideals. In normative terms, a focus on legality instead of legitimacy is the most promising approach. As explained in the case studies, most of the BRICs get very nervous, when international measures interfere in state's sovereignty⁷²². However, they are more open to measures that strengthen the state's control over its territory.

Any policies to curtail the trade in conflict resources cannot be isolated actions and have to be embedded in a broader, comprehensive approach. The idea that some NGOs sell to the broad public in their campaigns that cutting off this source of revenue, will almost automatically lead to peacemaking is obviously a gross simplification. Ending the trade in a conflict resource can have some influence on the local conflict dynamics, but has to be accompanied by other measures. Isolated actions can even lead to negative results: it is for example not very likely that "greedy" rebels directly lie down their arms when the stream of revenues ends. In most cases they simply turn to alternative sources of income and/or harass the local population even more. But well-aimed measures to end the trade in conflict resources can affect the war dynamics in a certain direction and make it either for the involved sides more interesting to look for a peace agreement or for one of the two warring parties easier to end the conflict by military victory. However, if the root causes of the uprising are not removed –and natural resource abundance is seldom exclusively the only reason- this is only a temporary solution.

⁷²² United Nations, "Open Debate on Conflict Prevention and Natural Resources."

8.7 Concluding remarks

As the different options for future research suggest, this thesis is far from being a conclusive study about the policies of the EU concerning natural resources and armed conflicts. This is the first study done on this topic and it sees itself rather as a fundament on which further work about this topic can be built. The same applies to the GPN conceptualisation, whose application to the field of International Relations can still be further refined. The issues this dissertation touches upon, such as the role of Europe in an increasing multipolar world or its promotion of adequate natural resource governance in a globalised economy will provide more than sufficient exciting academic puzzles to solve in the future.

BIBLIOGRAPHY

- 58 European and global NGOs. “Breaking the Links between Natural Resources and Conflict: The Case for EU Regulation,” September 16, 2013. <http://www.enoughproject.org/files/Breaking%20the%20Links%20-%20Joint%20NGO%20Position%20Paper%20%28ENG%29.pdf>.
- 70 Congo experts. “An Open Letter,” September 11, 2014. <http://www.pole-institute.org/sites/default/files/pdf-news/09092014-open-letter-final-and-list.pdf>.
- Agger, Kasper. “Kony 2013.” *Foreign Policy*, July 2, 2013. http://www.foreignpolicy.com/articles/2013/07/02/joseph_kony_lords_resistance_army_elephant_poaching.
- Aggestam, Lisbeth. “Introduction: Ethical Power Europe?” *International Affairs* 84, no. 1 (2008): 1–11.
- Allison, Graham T. “Conceptual Models and the Cuban Missile Crisis.” *American Political Science Review* 63, no. 3 (1969): 689–718.
- Andersen, Jørgen J., and Michael L. Ross. “The Big Oil Change: A Closer Look at the Haber–Menaldo Analysis.” *Comparative Political Studies* 47, no. 7 (2014): 993–1021.
- Aning, Emmanuel Kwesi. “Regulating Illicit Trade in Natural Resources: The Role of Regional Actors in West Africa.” *Review of African Political Economy* 30, no. 95 (2003): 99–107.
- Antwerp World Diamond Centre. “2013 Tweede Beste Jaar Ooit Voor Antwerpse Diamanthandel,” January 30, 2014. <https://www.awdc.be/nl/2013-tweede-beste-jaar-ooit-voor-antwerpse-diamanthandel>.
- Arts, Bas, Lukas Giessen, and Ingrid Visseren-Hamakers. “International Forest Policy and Europe: Four Pathways of Mutual Influence.” In *Helga Pülzl, Karl Hogl, Daniela Kleinschmit, Doris Wydra, Bas Arts, Peter Mayer, Marc Palahi, Georg Winkel & Bernhards Wolfslehner (eds) European Forest Governance: Issues at Stake and the Way Forward*. What Science Can Tell Us. Joensuu (Finland): European Forest Institute, 2013.
- Ashton, Catherine. “Answer to a Written Question to the European Commission by MEP Marian Harkin (ALDE),” March 11, 2011. <http://www.europarl.europa.eu/sides/getAllAnswers.do?reference=E-2011-000061&language=EN>.

- Auld, Graeme, Lars H. Gulbrandsen, and Constance L. McDermott. "Certification Schemes and the Impacts on Forests and Forestry." *Annual Review of Environment and Resources* 33 (2008): 187–211.
- Autesserre, Séverine. "Dangerous Tales: Dominant Narratives on the Congo and Their Unintended Consequences." *African Affairs* 111, no. 443 (2012).
- Bafilemba, Fidel, Timo Mueller, and Sasha Lezhnev. "The Impact of Dodd-Frank and Conflict Minerals Reforms on Eastern Congo's Conflict." Enough Project, June 2014. <http://www.enoughproject.org/files/Enough%20Project%20-%20The%20Impact%20of%20Dodd-Frank%20and%20Conflict%20Minerals%20Reforms%20on%20Eastern%20Congo%E2%80%99s%20Conflict%2010June2014.pdf>.
- Bagoyoko, Niagalé, and Marie V. Gibert. *The European Union in Africa: The Linkage between Security, Governance and Development from an Institutional Perspective*. IDS Working Paper. Brighton: Institute of Development Studies, May 2007. <http://www.ids.ac.uk/publication/the-european-union-in-africa-the-linkage-between-security-governance-and-development-from-an-institutional-perspective1>.
- Ba-N'Daw, Safiatou, François Ekoko, Mel Holt, Henri Maire, and Moustapha Tall. *Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo*. New York: United Nations, April 12, 2001. <http://www.un.org/News/dh/latest/drcongo.htm>.
- Bapat, Navin A., and T. Clifton Morgan. "Multilateral Versus Unilateral Sanctions Reconsidered: A Test Using New Data." *International Studies Quarterly* 53, no. 4 (2009): 1075–94.
- Barbé, Esther. "La Unión Europea En Las Instituciones de Gobernanza Global: Marco Analítico Y Preguntas de Investigación." In *Esther Barbé (ed) Cambio Mundial Y Gobernanza Global: La Interacción Entre La Unión Europea Y Las Instituciones Internacionales*, 11–28. Madrid: Tecnos, 2012.
- Barbé, Esther, and Elisabeth Johansson-Nogués. "The EU as a Modest 'Force for Good': The European Neighbourhood Policy." *International Affairs* 84, no. 1 (2008): 81–96.
- Barbé Izuel (ed), Esther. *Cambio Mundial Y Gobernanza Global: La Interacción Entre La Unión Europea Y Las Instituciones Internacionales*. Madrid: Tecnos, 2012.

- Bartley, Tim. "Certification as a Mode of Social Regulation." In *David Levi-Faur (ed) Handbook on the Politics of Regulation*, 441–52. Cheltenham: Edward Elgar, 2011.
- . "Institutional Emergence in an Era of Globalization: The Rise of Transnational Private Regulation of Labor and Environmental Conditions." *American Journal of Sociology* 113, no. 2 (2007): 297–351.
- . "Transnational Governance and the Re-Centered State: Sustainability or Legality?" *Regulation & Governance* 8, no. 1 (2014): 93–109.
- Basedau, Matthias, Birte Pfeiffer, and Johannes Vullers. "Bad Religion? Religion, Collective Action, and the Onset of Armed Conflict in Developing Countries." *Journal of Conflict Resolution*, 2014, 1–30.
- Bates, Rob. "The Kimberley Process, the Industry, and the NGOs." JCK Online. *Cutting Remarks*, October 20, 2011. <http://www.jckonline.com/blogs/cutting-remarks/2011/10/20/kimberley-process-industry-and-ngos>.
- Beck, Ulrich. *Macht Und Gegenmacht Im Globalen Zeitalter: Neue Weltpolitische Ökonomie*. Frankfurt am Main: Suhrkamp Verlag, 2002.
- Belgian diplomat. Interview in Brussels, November 25, 2013.
- Belgian diplomate. Interview by phone, May 31, 2012.
- Bergen, Johan. *Killing Animals - Buying Arms*. Stimson Center, January 2014. http://www.stimson.org/images/uploads/research-pdfs/killing_animals_buying_arms_WEB.pdf.
- Bernstein, Steven, and Benjamin Cashore. "Can Non-State Global Governance Be Legitimate? An Analytical Framework." *Regulation & Governance* 1, no. 4 (2007): 347–71.
- Bieri, Franziska. *From Blood Diamonds to the Kimberley Process: How NGOs Cleaned up the Global Diamond Industry*. Farnham: Ashgate Publishing Limited, 2010.
- . "The Roles of NGOs in the Kimberley Process." *Globality Studies Journal*, no. 20 (2010): 1–13.
- Bieri, Franziska, and John Boli. "Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility." *Sociological Forum* 26, no. 3 (2011): 501–26.
- . "Trading Diamonds Responsibly: Institutional Explanations for Corporate Social Responsibility." *Sociological Forum* 26, no. 3 (2011): 501–26.

- Bisschop, Lieselot. "Out of the Woods: The Illegal Trade in Tropical Timber and a European Trade Hub." *Global Crime* 13, no. 3 (2012): 191–212.
- Björkdahl, Annika. "Norm Advocacy: A Small State Strategy to Influence the EU." *Journal of European Public Policy* 15, no. 1 (2008): 135–54.
- Bleischwitz, Raimund, Monika Dittrich, and Chiara Pierdicca. "Coltan from Central Africa, International Trade and Implications for Any Certification." *ResourcesPolicy* 37, no. 1 (2012): 19–29.
- Bone, Andrew. "The Kimberley Process Certification Scheme: The Primary Safeguard for the Diamond Industry." In Päivi Lujala & Siri Aas Rustad, *High-Value Natural Resources and Post-Conflict Peacebuilding*, 189–94. New York: Earthscan, 2012.
- Brack, Duncan. "Excluding Illegal Timber and Improving Forest Governance: The European Union's Forest Law Enforcement, Governance and Trade Initiative." In Päivi Lujala & Siri Aas Rustad, *High-Value Natural Resources and Post-Conflict Peacebuilding*, 211–20. London: Earthscan, 2012.
- Brack, Duncan, and Rob Bailey. *Ending Global Deforestation: Policy Options for Consumer Countries*. London (UK): Chatham House, 2013. http://www.illegal-logging.info/sites/default/files/Brack_Deforestation_Programme_Report_FINAL_24.pdf.
- Branović, Željko, and Sven Chojnacki. "The Logic of Security Markets: Security Governance in Failed States." *Security Dialogue* 42, no. 6 (2011): 553–69.
- Bridge, Gavin. "Global Production Networks and the Extractive Sector: Governing Resource-Based Development." *Journal of Economic Geography* 8, no. 3 (2008): 389–419.
- British diplomats. Interview in London, June 19, 2012.
- Brügger, Mads. *The Ambassador*. Drafthouse Films, 2011.
- Buhaug, Halvard, Scott Gates, and Päivi Lujala. "Geography, Rebel Capability, and the Duration of Civil Conflict." *Journal of Conflict Resolution* 53, no. 4 (2009): 544–69.
- Bull, Benedicte, Morten Bøås, and Desmond McNeill. "Private Sector Influence in the Multilateral System: A Changing Structure of World Governance?" *Global Governance* 10, no. 4 (2004): 481–98.
- Bulzomi, Anna. "IPIS Insights: The EU Draft Law on Conflict Minerals Due Diligence: A Critical Assessment from a Business & Human Rights Standpoint."

- International Peace Information Service, April 2014.
http://www.ipisresearch.be/publications_detail.php?id=443.
- Burgess, Stephen, and Janet Beilstein. "This Means War? China's Scramble for Minerals and Resource Nationalism in Southern Africa." *Contemporary Security Policy*, 2013, 1–24.
- Cameron, Fraser. *An Introduction to European Foreign Policy*. Abingdon, Oxon & New York: Routledge, 2007.
- Carbone, Maurizio. "Between EU Actorness and Aid Effectiveness: The Logics of EU Aid to Sub-Saharan Africa." *International Relations* 27, no. 3 (2013): 341–55.
- Carius, Alexander, Dennis Tänzler, and Moira Feil. *Addressing the Interlinkages between Natural Resources Management and Conflict in the European Commission's External Relations*. Rotterdam: ECORYS Nederland BV, 2007.
- Carta, Caterina. "Use of Metaphors and International Discourse: The EU as an Idiot Power, a Deceptive Pangloss and a Don Juan in His Infancy." *Cooperation and Conflict* 49, no. 3 (2014): 334–53.
- Cashore, Benjamin, and Michael W. Stone. "Does California Need Delaware? Explaining Indonesian, Chinese, and United States Support for Legality Compliance of Internationally Traded Products." *Regulation & Governance* 8, no. 1 (2014): 49–73.
- Chatham House. "Illegal Logging Stakeholder Consultation and Update Meeting Number 22," July 2013. <http://www.chathamhouse.org/events/view/191183>.
- Childers, Nessa. "Question for Written Answer to the Commission- Subject: Kimberley Process," November 26, 2010. <http://www.europarl.europa.eu/sides/getDoc.do?type=WQ&reference=E-2010-9956&language=EN>.
- Coe, Neil M. "Geographies of Production II: A Global Production Network A-Z." *Progress in Human Geography* 36, no. 3 (2012): 389–402.
- Coe, Neil M., Peter Dicken, and Martin Hess. "Global Production Networks: Realizing the Potential." *Journal of Economic Geography* 8, no. 3 (2008): 271–95.
- . "Global Production Networks: Realizing the Potential." *Journal of Economic Geography* 8, no. 3 (2008): 271–95.
- Coe, Neil M., Martin Hess, Henry Wai-chung Yeung, Peter Dicken, and Jeffrey Henderson. "'Globalizing' Regional Development: A Global Production

- Networks Perspective.” *Transactions of the Institute of British Geographers* 29, no. 4 (2004): 468–84.
- Coeuré, Benoît, and Jean Pisani-Ferry. “The Governance of the European Union’s International Economic Relations: How Many Voices?” In *A.Sapir (ed.) Fragmented Power: The EU and the World Economy*, 21–39. Brussels: Bruegel, 2007. <http://www.bruegel.org/download/parent/54-fragmented-power-europe-and-the-global-economy/file/409-fragmented-power-europe-and-the-global-economy-english/>.
- Collier, David. “Understanding Process Tracing.” *PS: Political Science and Politics* 44, no. 4 (2011): 823–30.
- Collier, Paul. “Rebellion as a Quasi-Criminal Activity.” *The Journal of Conflict Resolution* 44, no. 6 (2000): 839–53.
- . *The Bottom Billion*. New York: Oxford University Press, 2007.
- Collier, Paul, V.L. Elliott, Håvard Hegre, Anke Hoeffler, Marta Reynal-Querol, and Nicholas Sambanis. “What Works Where?” In *Paul Collier, V. L. Elliott, Håvard Hegre, Anke Hoeffler, Marta Reynal-Querol & Nicholas Sambanis; Breaking the Conflict Trap: Civil War and Development Policy*, 121–72. Washington DC: The International Bank for Reconstruction and Development / The World Bank, 2003.
- Collier, Paul, and Anke Hoeffler. “Greed and Grievance in Civil War.” *Oxford Economic Papers* 56, no. 4 (2004): 563–95.
- . “On Economic Causes of Civil War.” *Oxford Economic Papers* 50 (1998): 563–73.
- . “Resource Rents, Governance and Conflict.” *The Journal of Conflict Resolution* 49, no. 4 (2005): 625–33.
- Collier, Paul, Anke Hoeffler, and Dominic Rohner. “Beyond Greed and Grievance: Feasibility and Civil War.” *Oxford Economic Papers* 61, no. 1 (2009): 1–27.
- Collier, Paul, Anke Hoeffler, and Måns Söderbom. “On the Duration of Civil War.” *Journal of Peace Research* 41, no. 3 (2004): 253–73.
- Cornell, Svante E. “Narcotics and Armed Conflict: Interaction and Implications.” *Studies in Conflict & Terrorism* 30, no. 3 (2007): 207–27.
- Council of the EU. “2001/758/CFSP: Council Common Position of 29 October 2001 on Combating the Illicit Traffic in Conflict Diamonds, as a Contribution to

- Prevention and Settlement of Conflicts,” October 29, 2001. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32001E0758:EN:HTML>.
- . “A Secure Europe in a Better World: European Security Strategy,” December 12, 2003. <http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf>.
- . “Council Common Position 2004/85/CFSP of 26 January 2004 Concerning Conflict Prevention, Management and Resolution in Africa and Repealing Common Position 2001/374/CFSP,” January 26, 2004. <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32004E0085>.
- . “Council Common Position Concerning Restrictive Measures Against Zimbabwe, 5951/02,” February 15, 2002. <http://register.consilium.europa.eu/pdf/en/02/st05/st05951.en02.pdf>.
- . “Council Common Position Renewing Restrictive Measures Against Zimbabwe, 5304/09,” January 26, 2009. <http://register.consilium.europa.eu/doc/srv?l=EN&f=ST%205304%202009%20ADD%201%20REV%201>.
- . “Council Common Position Renewing Restrictive Measures Against Zimbabwe, 5641/04,” February 17, 2004. <http://register.consilium.europa.eu/pdf/en/04/st05/st05641.en04.pdf>.
- . “Council Conclusions on the Union’s Approach on Responsible Sourcing of Minerals,” June 23, 2014. http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/143332.pdf.
- . “Council Conclusions on Zimbabwe,” January 26, 2009. http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/en/gena/105539.pdf.
- . “Council Decision 2010/788/CFSP Concerning Restrictive Measures against the Democratic Republic of the Congo and Repealing Common Position 2008/369/CFSP,” December 20, 2010. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:336:0030:0042:EN:PDF>.
- . “Council Decision 2012/388/CFSP of 16 July 2012 Amending Decision 2010/231/CFSP Concerning Restrictive Measures against Somalia,” July 16, 2012. [http://eur-](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:242:0001:0001:EN:PDF)

lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:187:0038:0039:EN:PDF.

———. “Council Regulation (EC) No 2173/2005 of 20 December 2005 on the Establishment of a FLEGT Licensing Scheme for Imports of Timber into the European Community,” December 20, 2005. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32005R2173:EN:NOT>.

———. “Council Regulation (EC) No. 2368/2002: Implementing the Kimberley Process Certification Scheme for the International Trade in Rough Diamonds,” December 20, 2002. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2002:358:0028:0048:EN:PDF>.

———. “Council Regulation No 25/2011 amending Regulation (EC) No 560/2005 Imposing Certain Specific Restrictive Measures Directed against Certain Persons and Entities in View of the Situation in Côte d’Ivoire,” January 14, 2011. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:011:0001:0017:EN:PDF>.

———. “EU Programme for the Prevention of Violent Conflicts,” January 22, 2001. http://www.eplo.org/assets/files/3.%20Resources/EU%20Documents/EU_EU_Pprogramme_for_the_Prevention_of_Violent_Conflicts.pdf.

———. “European Council Declaration on Strengthening the Common European Policy on Security and Defence,” June 4, 1999. http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/kolnen.htm.

Council of the EU, and European Parliament. “Directive 2004/17/EC of the European Parliament and of the Council Coordinating the Procurement Procedures of Entities Operating in the Water, Energy, Transport and Postal Services Sectors,” March 31, 2004. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:134:0001:0113:en:PDF>.

———. “Directive 2004/18/EC of the European Parliament and of the Council on the Coordination of Procedures for the Award of Public Works Contracts, Public Supply Contracts and Public Service Contracts,” March 31, 2004. [http://eur-](http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:134:0001:0113:en:PDF)

lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:134:0114:0240:en:PDF.

- Custers, Raf. *Grondstoffenjagers*. Berchem: EPO, 2013.
- Cuvelier, Jeroen, Jose Diemel, and Koen Vlassenroot. "Digging Deeper: The Politics of 'Conflict Minerals' in the Eastern Democratic Republic of the Congo." *Global Policy* 4, no. 4 (2013): 449–51.
- Cuvelier, Jeroen, Koen Vlassenroot, and Jose Diemel. "Congolese Conflictmineralen Maken Onverwachte Slachtoffers." *Moniaal Nieuws (MO)*, September 11, 2014. <http://www.mo.be/opinie/congolese-conflictmineralen-de-kleine-zelfstandige-de-pineut>.
- Cuvelier, Jeroen, Koen Vlassenroot, and Nathaniel Olin. *Resources, Conflict and Governance: A Critical Review of the Evidence*. Justice and Security Research Programme (JSRP) Paper. London: International Development Department, London School of Economics and Political Science, 2013.
- Damro, Chad. "Market Power Europe." *Journal for European Public Policy* 19, no. 5 (2012): 682–99.
- . "Market Power Europe." *Journal for European Public Policy* 19, no. 5 (2012): 682–99.
- Dauvergne, Peter, and Jane Lister. *Timber*. Cambridge (UK) & Malden (USA): Polity Press, 2011.
- DeBeers. *The Diamond Insight Report 2014*. London: De Beers UK Ltd, 2014. http://angloamerican.com/~_/media/Files/A/Anglo-American-Plc/investors/reports/DeBeers_OFR_2011.pdf.
- De Beers Group. *Annual Report 2000*. London: De Beers Consolidated Mines Limited and De Beers Centenary AG, 2001.
- Debelle, Raymond, Mouctar Kokouma Diallo, Steven Hege, Frederick Robarts, and Pawel Tarnawski. "Final Report of the Group of Experts on the DRC, Submitted in Accordance with Paragraph 6 of Security Council Resolution 1896 (2009)," November 29, 2010. http://www.un.org/ga/search/view_doc.asp?symbol=S/2010/596.
- De Jong, Wil, Deanna Donovan, and Ken-Ichi Abe. *Extreme Conflict and Tropical Forests*. Dordrecht (The Netherlands): Springer, 2007.

- De Koning, Ruben. "Greed or Grievance in West Africa's Forest Wars?" In *Wil de Jong, Deanna Donovan & Ken-Ichi Abe (eds) Extreme Conflict and Tropical Forests*, 37–56. Dordrecht: Springer, 2012.
- De Soysa, Indra. "Paradise Is a Bazaar? Greed, Creed, and Governance in Civil War, 1989-99." *Journal of Peace Research* 39, no. 4 (2002): 395–416.
- De Soysa, Indra, and Eric Neumayer. "Resource Wealth and the Risk of Civil War Onset: Results from a New Dataset of Natural Resource Rents, 1970-1999." *Conflict Management and Peace Science* 24, no. 3 (2007): 201–18.
- D'Hollander, David, and Axel Marx. *Private Certification Systems and Government Policy - An Overview and Assessment*. Leuven (BE): Pulse Research Platform, 2012.
http://www.acodev.be/system/files/ressources/governments_and_private_standards_finalv.pdf.
- Dieter, Matthias, Hermann Englert, and Holger Weimar. "Wood from Illegal Harvesting in EU Markets: Estimations and Open Issues." *Landbauforschung - Applied Agricultural and Forestry Research* 62, no. 4 (2012): 247–54.
- Diez, Thomas. "Constructing the Self and Changing Others: Reconsidering 'Normative Power Europe'." *Millennium* 33, no. 3 (2005): 613–36.
- . "Europe's Others and the Return of Geopolitics." *Cambridge Review of International Affairs* 17, no. 2 (2004): 319–35.
- . "Normative Power as Hegemony." *Cooperation and Conflict* 48, no. 2 (2013): 194–210.
- Dimitrov, Radoslav S. "Hostage to Norms: States, Institutions and Global Forest Politics." *Global Environmental Politics* 5, no. 4 (2005): 1–24.
- Drezner, Daniel W. "Bargaining, Enforcement, and Multilateral Sanctions: When Is Cooperation Counterproductive?" *International Organization* 54, no. 1 (2000): 73–102.
- Duchêne, François. "Europe's Role in World Peace." In *R. Mayne (ed.) Europe Tomorrow: Sixteen Europeans Look Ahead*. London: Fontana, 1972.
- . "Europe's Role in World Peace." In *R. Mayne (ed.) Europe Tomorrow: Sixteen Europeans Look Ahead*. London: Fontana, 1972.
- . "The European Community and the Uncertainties of Interdependence." In *M. Kohnstamm and W. Hager (eds) A Nation Writ Large? Foreign-Policy Problems before the European Community*, 1–21. London: Macmillan, 1973.

- . “The European Community and the Uncertainties of Interdependence.” In *M. Kohnstamm and W. Hager (eds) A Nation Writ Large? Foreign-Policy Problems before the European Community*, 1–21. London: Macmillan, 1973.
- Dutch diplomat. Interview in The Hague, November 21, 2013.
- EEAS. “EU Supports Côte d’Ivoire’s Efforts to Comply with the Kimberly Process,” December 11, 2012. http://eeas.europa.eu/delegations/cote_ivoire/press_corner/all_news/news/2012/20121211_fr.htm.
- . “Statement by the Spokesperson on the Expiration of the Appropriate Measures under Article 96 of the Cotonou Agreement Concerning Zimbabwe,” October 31, 2014. http://eeas.europa.eu/statements/docs/2014/141031_01_en.pdf.
- EEAS Official (a). Interview by phone, June 15, 2012.
- EEAS Official (c). Interview in Brussels, November 5, 2013.
- EEAS Official (d). Interview in Brussels, November 7, 2013.
- Efrat, Asif. *Governing Guns, Preventing Plunder: International Cooperation against Illicit Trade*. Oxford & New York: Oxford University Press, 2012.
- Elbadawi, Ibrahim, and Nicholas Sambanis. “How Much War Will We See? Explaining the Prevalence of Civil War.” *Journal of Conflict Resolution* 46, no. 3 (2002): 307–34.
- . “Why Are There So Many Civil Wars in Africa? Understanding and Preventing Violent Conflict.” *Journal of African Economies* 9, no. 3 (2000): 244–69.
- Ellingsen, Tanja. “Colourful Community or Ethnic Witches’ Brew? Multiethnicity and Domestic Conflict During and After the Cold War.” *Journal of Conflict Resolution* 44, no. 2 (2000): 228–49.
- Environmental Investigation Agency,. *Appetite for Destruction: China’s Trade in Illegal Timber*. London (UK): Environmental Investigation Agency, November 2012. <http://www.eia-international.org/wp-content/uploads/EIA-Appetite-for-Destruction-lo-res.pdf>.
- Environmental Investigation Agency, and telepak Indonesia. *Timber Trafficking: Illegal Logging in Indonesia, South East Asia and International Consumption of Illegally Sourced Timber*, 2001. <http://eia-international.org/timber-trafficking>.
- Environmentalist in Mexico. E-Mail exchange with local environmentalist, January 7, 2013.

- Eriksson Baaz, Maria, and Judith Verweijen. "The Volatility of a Half - Cooked Bouillabaisse. Reflections on Rebel - Military Integration and Conflict Dynamics in Eastern DRC." *African Affairs* 112, no. 449 (2013): 563–82.
- Ernst, Dieter. "Global Production Networks and the Changing Geography of Innovation Systems. Implications for Developing Countries." *Economics of Innovation and New Technology* 11, no. 6 (2002): 497–523.
- Ernst, Dieter, and Linsu Kim. "Global Production Networks, Knowledge Diffusion, and Local Capability Formation." *Research Policy* 31, no. 8–9 (2002): 1417–29.
- Eurometaux. "Eurometaux Response to the EU Draft Regulation on Conflict Minerals," April 2014. <http://www.eurometaux.org/PublicNews/tabid/84/articleType/ArticleView/articleId/311/Eurometaux-Response-to-the-EU-draft-regulation-on-conflict-minerals-April-2014.aspx>.
- . "Eurometaux Response to the EU Draft Regulation on Conflict Minerals," April 2014. <http://www.eurometaux.org/PublicNews/tabid/84/articleType/ArticleView/articleId/311/Eurometaux-Response-to-the-EU-draft-regulation-on-conflict-minerals-April-2014.aspx>.
- European Commission. "Annual Report from the European Commission on the Instrument for Stability in 2008," 2008. http://eeas.europa.eu/ifs/docs/sec09_932_en.pdf.
- . "Commission Decision Instrument for Stability – Third Facility for Urgent Actions Involving Policy Advice, Technical Assistance, Mediation and Reconciliation for the Benefit of Third Countries Affected by Crisis Situations (PAMF 3)," August 4, 2009. http://eeas.europa.eu/ifs/docs/com09_6212_en.pdf.
- . "Commission Implementing Regulation (EU) No 607/2012 of 6 July 2012 on the Detailed Rules Concerning the Due Diligence System and the Frequency and Nature of the Checks on Monitoring Organisations as Provided for in Regulation (EU) No 995/2010 of the European Parliament and of the Council Laying down the Obligations of Operators Who Place Timber and Timber Products on the Market Text with EEA Relevance," July 6, 2012. <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32012R0607>.
- . "Commission Regulation (EC) No 1024/2008 of 17 October 2008 Laying down Detailed Measures for the Implementation of Council Regulation (EC) No

- 2173/2005 on the Establishment of a FLEGT Licensing Scheme for Imports of Timber into the European Community,” October 17, 2008. <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32008R1024>.
- . “Commission Staff Working Document Impact Assessment. Accompanying the Document: Proposal for a Regulation of the European Parliament and of the Council Setting up a Union System for Supply Chain Due Diligence Self-Certification of Responsible Importers of Tin, Tantalum and Tungsten, Their Ores, and Gold Originating in Conflict-Affected and High-Risk Areas,” March 5, 2014. <http://trade.ec.europa.eu/doclib/html/152229.htm>.
- . “Communication from the Commission to the Council and the European Parliament: Forest Law Enforcement, Governance and Trade (FLEGT)—Proposal for an EU Action Plan,” May 21, 2003. http://ec.europa.eu/development/icenter/repository/FLEGT_en_final_en.pdf.
- . “Communication from the Commission to the Council and the European Parliament of 27 February 2008 on Innovative and Sustainable Forest-Based Industries in the EU - A Contribution to the EU’s Growth and Jobs Strategy (COM(2008) 113 Final),” February 27, 2008. http://europa.eu/legislation_summaries/agriculture/environment/l24285_en.htm.
- . *European Commission, Buying Green! - A Handbook on Green Public Procurement*. Luxembourg (LUX): Publications Office of the European Union, 2011. <http://ec.europa.eu/environment/gpp/pdf/handbook.pdf>.
- . “European Commission Check-List for Root Causes of Conflict,” 2001. http://www.ceipaz.org/images/contenido/European%20Commission%20Check-list%20for%20Root%20Causes%20of%20Conflict_ENG.pdf.
- . “European Union, Trade in Goods with Congo (Dem. Rep.),” August 27, 2014. http://trade.ec.europa.eu/doclib/docs/2011/january/tradoc_147251.pdf.
- . “Partnership Agreement between the Members of the African, Caribbean and Pacific Group of States of the One Part, and the European Community and Its Member States, of the Other Part, Signed in Cotonou on 23 June 2000,” June 23, 2000. <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:22000A1215%2801%29>.
- . “Programming Guide for Strategy Papers: Conflict Prevention,” November 2008.

- http://ec.europa.eu/development/icenter/repository/F29_conflictprevention_fin_en.pdf.
- . “Proposal for a Regulation of the European Parliament and of the Council Setting up a Union System for Supply Chain Due Diligence Self-Certification of Responsible Importers of Tin, Tantalum and Tungsten, Their Ores, and Gold Originating in Conflictaffected and High-Risk Areas (2014/0059 (COD)),” March 5, 2014. trade.ec.europa.eu/doclib/html/152227.htm.
- . *Report to the Standing Forestry Committee: Public Procurement of Wood and Wood-Based Products*. Brussels (BE): Standing Forestry Committee Ad Hoc Working Group IV on Public Procurement of Wood and Wood-Based Products, 2010. http://ec.europa.eu/agriculture/fore/publi/wg4-112010_en.pdf.
- . “Sustainable Forest Resources,” 1993. http://ec.europa.eu/enterprise/sectors/wood-paper-printing/forestry/sustainable/index_en.htm.
- . *Tackling the Challenges in Commodity Markets and on Raw Materials*, February 2, 2011. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2011:0025:FIN:en:PDF>.
- European Commission, and EEAS. “Joint Communication to the European Parliament and the Council: Responsible Sourcing of Minerals Originating in Conflict-Affected and High-Risk Areas - Towards an Integrated EU Approach,” March 5, 2014. <http://trade.ec.europa.eu/doclib/html/152228.htm>.
- European Commission Official (a). Interview in Brussels, May 2, 2012.
- European Commission Official (b). Interview in London, July 8, 2013.
- European Commission Official (c). Interview in Brussels, November 7, 2013.
- European Commission Official (d). Interview by telephone, March 15, 2014.
- European Parliament. “Report on Promoting Development through Responsible Business Practices Including the Role of Extractive Industries in Developing Countries,” February 19, 2014. <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+REPORT+A7-2014-0132+0+DOC+PDF+V0//EN>.
- European Parliament, and Council of the EU. “Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 Laying down the Obligations of Operators Who Place Timber and Timber Products on the Market

- Text with EEA Relevance,” October 20, 2010. <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32010R0995&from=EN>.
- European Union. “Consolidated Versions of the Treaty on European Union and the Treaty on the Functioning of the European Union.” Official Journal of the European Union, March 30, 2010. <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=OJ:C:2010:083:TOC>.
- Fahey, Dan. *Ituri: Gold, Land, and Ethnicity in North-Eastern Congo*. London & Nairobi: Rift Valley Institute, 2013. <http://www.riftvalley.net/publication/ituri#.U7KVgieZOfs>.
- Farah, Douglas. “Al Qaeda Cash Tied to Diamond Trade.” *Washington Post*, November 2, 2001.
- Fearon, James D. “Primary Commodity Exports and Civil War.” *Journal of Conflict Resolution* 49, no. 4 (2005): 483–507.
- . “Why Do Some Civil Wars Last So Much Longer Than Others?” *Journal of Peace Research* 41, no. 3 (2004): 275–301.
- Fearon, James D., and David D. Laitin. “Ethnicity, Insurgency, and Civil War.” *American Political Science Review* 97, no. 1 (2003): 75–90.
- Feenstra, Robert C. “Integration of Trade and Disintegration of Production in the Global Economy.” *The Journal of Economic Perspectives* 12, no. 4 (1998): 31–50.
- Finkelstein, Lawrence S. “What Is Global Governance?” *Global Governance* 1, no. 3 (1995): 367–72.
- Finnemore, Martha, and Kathryn Sikkink. “International Norm Dynamics and Political Change.” *International Organization* 52, no. 4 (Autumn) (1998): 887–917.
- Fisher, Max. “How ISIS Is Exploiting the Economics of Syria’s Civil War.” *Vox*, June 12, 2014. <http://www.vox.com/2014/6/12/5802824/how-isis-is-exploiting-the-economics-of-syrias-civil-war/in/5568955>.
- Fjelde, Hanne. “Buying Peace? Oil Wealth, Corruption and Civil War, 1985-99.” *Journal of Peace Research* 46, no. 2 (2009): 199–218.
- Forest Stewardship Council. “Global FSC Certificates: Type and Distribution - October 2014,” October 2014. <https://ic.fsc.org/preview.facts-and-figures-october-2014.a-3695.pdf>.
- . “The 10 Principles: Ten Rules for Responsible Forest Management,” 2014. <https://ic.fsc.org/the-ten-principles.103.htm>.

- France, and United Kingdom. “Franco-British Summit Joint Declaration on European Defence,” December 4, 1998. <http://www.atlanticcommunity.org/Saint-Malo%20Declaration%20Text.html>.
- Freeman, Linda. “South Africa’s Zimbabwe Policy: Unravelling the Contradictions.” *Journal of Contemporary African Studies* XXII, no. 2 (2005): 147–72.
- Friman, H.Richard, and Peter Andreas. “Introduction: International Relations and the Illicit Global Economy.” In *H.Richard Friman & Peter Andreas (eds) The Illicit Global Economy and State Power*, 1–23. Lanham (MD): Rowman & Littlefield Publishers, 1999.
- FSC Belgium. “Marktaandeel Gecertificeerd Hout Op Nederlandse Markt Bijna Verdubbeld,” March 28, 2013. <http://www.fsc.be/newsroom.523.32.htm>.
- G8, Algeria, Egypt, Ethiopia, Nigeria, Senegal, South Africa, and African Union Commission. “G8/ Africa Joint Declaration: Shared Values, Shared Responsibilities,” May 27, 2011. http://www.whitehouse.gov/sites/default/files/uploads/g8_africa_joint_declaration_final_-eng.pdf.
- Garrett, Nicholas, and Anna Piccinni. *Natural Resources and Conflict A New Security Challenge for the European Union*. Stockholm: SIPRI, 2012.
- Gartner. “Gartner Says Asia/Pacific Led Worldwide Mobile Phone Sales to Growth in First Quarter of 2013,” May 14, 2014. <http://www.gartner.com/newsroom/id/2482816>.
- Gberie, Lansana. “African Civil Society, ‘Blood Diamonds’ and the Kimberley Process,” 63–86. Leiden (NL) and Boston (USA): Brill, 2009.
- Gegout, Catherine. “Causes and Consequences of the EU’s Military Intervention in the Democratic Republic of Congo: A Realist Explanation.” *European Foreign Affairs Review* 10 (2005): 427 – .
- . “EU Conflict Management in Africa: The Limits of an International Actor.” *Ethnopolitics: Formerly Global Review of Ethnopolitics* 8, no. 3–4 (2009): 403–15.
- Gereffi, Gary, Ronie Garcia-Johnson, and Erika Sasser. “The NGO-Industrial Complex.” *Foreign Policy* 125 (2001): 56–65.
- Gereffi, Gary, John Humphrey, and Timothy Sturgeon. “The Governance of Global Value Chains.” *Review of International Political Economy* 12, no. 1 (2005): 78–104.

- Gereffi, Gary, Miguel Korzeniewicz, and Roberto P. Korzeniewicz. "Introduction: Global Commodity Chains." In *Gary Gereffi & Miguel Korzeniewicz (eds) Commodity Chains and Global Capitalism*, 1–14. Westport (CT): Greenwood Publishing Group, 1994.
- Germain, René H., and Patrick C. Penfield. "The Potential Certified Wood Supply Chain Bottleneck and Its Impact on Leadership in Energy and Environmental Design Construction Projects in New York State." *Forest Products Journal* 60, no. 2 (2010): 114–18.
- Giles, Mark. "BRIC Markets Generating Almost a Quarter of Global Mobile Sales." *Mobile World Live*, February 7, 2013. <http://www.mobileworldlive.com/bric-markets-generating-almost-a-quarter-of-global-mobile-sales>.
- Giumelli, Francesco. "How EU Sanctions Work: A New Narrative." *Chaillot Paper* 129 (May 2013). http://www.iss.europa.eu/uploads/media/Chaillot_129.pdf.
- Glassman, Jim. "The Geo-Political Economy of Global Production Networks." *Geography Compass* 5, no. 4 (2011): 154–64.
- Global Witness. *A Rough Trade: The Role of Companies and Government in the Angolan Conflict*, December 1, 1998. http://www.globalwitness.org/media_library_get.php/151/1288870402/A_Rough_Trade.pdf.
- . "Civil Society Expresses Vote of No Confidence in Conflict Diamond Scheme," June 23, 2011. <http://www.globalwitness.org/library/civil-society-expresses-vote-no-confidence-conflict-diamond-scheme>.
- . "Conflict," 2014. <http://www.globalwitness.org/campaigns/conflict>.
- . "Conflict Diamond Scheme Must Suspend Zimbabwe," December 12, 2008. <http://www.globalwitness.org/library/conflict-diamond-scheme-must-suspend-zimbabwe>.
- . *Forests, Famine and War - The Key to Cambodia's Future*. London (UK): Global Witness, 1995. http://www.globalwitness.org/sites/default/files/pdfs/forests_famine_and_war_the_key_to_cambodias_future.htm.
- . "Global Witness Leaves Kimberley Process, Calls for Diamond Trade to Be Held Accountable," December 5, 2011. <http://www.globalwitness.org/library/global-witness-leaves-kimberley-process-calls-diamond-trade-be-held-accountable>.

- . *Hot Chocolate: How Cocoa Fuelled the Conflict in Côte d'Ivoire*. London: Global Witness, 2007.
- . “Proposed EU Law Will Not Keep Conflict Resources out of Europe, Campaigners Warn,” March 5, 2014. <http://www.globalwitness.org/library/proposed-eu-law-will-not-keep-conflict-resources-out-europe-campaigners-warn>.
- Grant, J. Andrew. “Commonwealth Cousins Combating Conflict Diamonds: An Examination of South African and Canadian Contributions to the Kimberley Process.” *Commonwealth & Comparative Politics* 51, no. 2 (2013): 210–33.
- . “Consensus Dynamics and Global Governance Frameworks: Insights from the Kimberley Process on Conflict Diamonds.” *Canadian Foreign Policy Journal* 19, no. 3 (2013): 323–39.
- . “The Kimberly Process at Ten: Reflections on a Decade of Efforts to End the Trade in Conflict Diamonds.” In Päivi Lujala & Siri Aas Rustad, *High-Value Natural Resources and Post-Conflict Peacebuilding*, 159–79. London: Earthscan, 2012.
- Grant, J. Andrew, and Ian Taylor. “Global Governance and Conflict Diamonds: The Kimberley Process and the Quest for Clean Gems.” *The Round Table* 93, no. 375 (July 2004): 385–401.
- Groenleer, Martijn L.P., and Louise G. van Schaik. “United We Stand? The European Union’s International Actorness in the Cases of the International Criminal Court and the Kyoyo Protocol.” *Journal of Common Market Studies* 45, no. 5 (2007): 969–98.
- Gulbrandsen, Lars H. “Creating Markets for Eco-Labeling: Are Consumers Insignificant?” *International Journal of Consumer Studies* 30, no. 5 (2006): 477–89.
- Gurr, Ted Robert. *Why Men Rebel*. Princeton: Princeton University Press, 1970.
- Gurr, Ted Robert, and Will H. Moore. “Ethnopolitical Rebellion: A Cross-Sectional Analysis of the 1980s with Risk Assessments for the 1990s.” *American Political Science Review* 41, no. 4 (1997): 1079–1103.
- Gylfason, Thorvaldur. “Natural Resources and Economic Growth: What Is the Connection?” *CESifo Working Paper* 530 (2001).

- Haber, Stephen, and Victor Menaldo. "Do Natural Resources Fuel Authoritarianism? A Reappraisal of the Resource Curse." *American Political Science Review* 105, no. 1 (2011): 1–26.
- Hafner-Burton, Emilie M., Miles Kahler, and Alexander H. Montgomery. "Network Analysis for International Relations." *International Organization* 63, no. 2 (2009): 559–92.
- Hassi, Satu. "EU's Action on Timber Trade." presented at the Conference: "Illegal Trade in Natural Resources - What can Brussels do?," Brussels, September 30, 2010.
http://www.envirosecurity.org/pathfinder/conference/Report_Final_med.pdf.
- Haufler, Virginia. "Corporations in Zones of Conflict: Issues, Actors, and Institutions." In *Deborah D. Avant, Martha Finnemore & Susan K. Sell (eds) Who Governs the Globe?*, 102–31. Cambridge: Cambridge University Press, 2010.
- . "Disclosure as Governance: The Extractive Industries Transparency Initiative and Resource Management in the Developing World." *Global Environmental Politics* 10, no. 3 (2010): 53–73.
- . "The Kimberley Process Certification Scheme: An Innovation in Global Governance and Conflict Prevention." *Journal of Business Ethics* 89, no. 4 (2009): 403–16.
- Hauge, Wenche, and Tanja Ellingsen. "Beyond Environmental Scarcity: Causal Pathways to Conflict." *Journal of Peace Research* 35, no. 3 (1998): 299–317.
- Hegre, Håvard. "Some Social Requisites of a Democratic Civil Peace: Democracy, Development, and Armed Conflict." Working Paper presented at the American Political Science Association. 2002 Annual Meeting, Boston (MA); 29 August-1 September 2002, August 23, 2002.
- Hegre, Håvard, and Nicholas Sambanis. "Sensitivity Analysis of Empirical Results on Civil War Onset." *Journal of Conflict Resolution* 50, no. 4 (2006): 508–35.
- Henderson, Jeffrey, Peter Dicken, Martin Hess, Neil M. Coe, and Henry Wai-chung Yeung. "Global Production Networks and the Analysis of Economic Development." *Review of International Political Economy* 9, no. 3 (2002): 436–64.
- Henderson, Jeffrey, Peter Dicken, Martin Hess, Neil M. Coe, and Henry Wai-Chung Yeun. "Global Production Networks and the Analysis of Economic

- Development.” *Review of International Political Economy* 9, no. 3 (2002): 436–64.
- Herbst, Jeffrey. “Let Them Fail: State Failure in Theory and Practice - Implications for Policy.” In *Rotberg, Robert I. (ed.) When States Fail: Causes and Consequences*, 302–18. Princeton and Oxford: Princeton University Press, 2004.
- Hess, Martin. “’Spatial’relationships? Towards a Reconceptualization of Embeddedness.” *Progress in Human Geography* 28, no. 2 (2004): 165–86.
- Hettne, Björn, and Fredrik Söderbaum. “Civilian Power or Soft Imperialism? The EU as a Global Actor and the Role of Interregionalism.” *European Foreign Affairs Review* 10, no. 4 (2005): 535–52.
- Hill, Christopher. “Closing the Capabilities-Expectations Gap?” In *John Peterson & Helene Sjursen (eds) A Common Foreign Policy for Europe? Competing Visions of the CFSP*, 19–39. London & New York: Routledge, 1998.
- . “The Capability-Expectations Gap, or Conceptualizing Europe’s International Role.” *Journal of Common Market Studies* 31, no. 3 (1993): 305–28.
- . “The EU’s Capacity for Conflict Prevention.” *European Foreign Affairs Review* 6, no. 3 (2001): 315–33.
- Hoelscher, Kristian, Jason Miklian, and Krishna Chaitanya Vadlamannati. “Hearts and Mines: A District-Level Analysis of the Maoist Conflict in India.” *International Area Studies Review* 15, no. 2 (2012): 141–60.
- Hoffenberg Amsden, Alice. *The Rise of “the Rest”: Challenges to the West from Late-Industrializing Economies*. Oxford & New York: Oxford University Press, 2001.
- Honey-Rosés, Jordi. “Illegal Logging in Common Property Forests.” *Society & Natural Resources: An International Journal* 22, no. 10 (2009): 916–30.
- House of Lords - Select Committee on Economic Affairs. *The Impact of Economic Sanctions, Volume II: Evidence*. London: The Stationery Office Limited, 2007.
- Hubbard, Ben, Eric Schmitt, and Clifford Krauss. “Rebels in Syria Claim Control of Resources.” *New York Times*, January 29, 2014.
- Hughes, Alex, Neil Wrigley, and Martin Buttle. “Global Production Networks, Ethical Campaigning, and the Embeddedness of Responsible Governance.” *Journal of Economic Geography* 8, no. 3 (2008): 345–67.
- Hughes, Tim. “Conflict Diamonds and the Kimberley Process: Mission Accomplished—or Mission Impossible?” *South African Journal of International Affairs* 13, no. 2 (2006): 115–30.

- Humphreys, Macartan. "Natural Resources, Conflict, and Conflict Resolution." *Journal of Conflict Resolution* 49, no. 4 (2005): 508–37.
- Humphreys, Macartan, Jeffrey D. Sachs, and Joseph E. Stiglitz. "Introduction: What Is the Problem with Natural Resource Wealth?" In *Escaping the Resource Curse*. New York: Columbia University Press, 2007.
- Humphreys, Macartan, and Jeremy M. Weinstein. "Who Fights? The Determinants of Participation in Civil War." *American Journal of Political Science* 52, no. 2 (2008): 436–55.
- Hurt, Stephen R. "Understanding EU Development Policy: History, Global Context and Self-Interest?" *Third World Quarterly* 31, no. 1 (2010): 159–68.
- Hyde-Price, Adrian. "Hyde-Price, A., 2004. Interests, Institutions and Identities in the Study of European Foreign Policy." In *Thomas Christiansen & Ben Tonra (eds) Rethinking European Union Foreign Policy*, 99–113. Manchester: Manchester University Press, 2004.
- . "'Normative' Power Europe: A Realist Critique." *Journal for European Public Policy* 13, no. 2 (2006): 217–34.
- ICGLR. "Lusaka Declaration of the ICGLR Special Summit to Fight Illegal Exploitation of Natural Resources in the Great Lakes Region," December 15, 2010. <http://www.oecd.org/daf/inv/mne/47143500.pdf>.
- Illegal-logging.info. "French Logging Company Sued for Role in Liberian Civil War," November 2009. <http://www.illegal-logging.info/content/french-logging-company-sued-role-liberian-civil-war>.
- Industry representative. Interview in London, June 19, 2012.
- Institut Barcelona d'Estudis Internacionals (IBEI). "Dynamics of the Multilateral System. Analysis of the Interaction between the European Union and the Global Institutions (DYNAMUS)," 2010. http://www.ibeii.org/index.php?option=com_content&task=view&id=225&Itemid=120.
- . "EU-IANUS (The EU in an Unsettled International System: Crisis, Polarity and Multilateralism)," 2014. www.eu-ianus.eu.
- International Peace Information Service (IPIS). "Mapping Conflict Minerals: Eastern DRC," 2014. <http://ipisresearch.be/mapping/webmapping/drcongo/>.
- International Telecommunication Union (ITU), and United Nations University (UNU). *Greening ICT Supply Chains – Survey on Conflict Minerals Due Diligence*

- Initiatives*, 2012. <http://www.estellelevin.com/wp-content/uploads/2013/12/UN-ITU-Greening-Supply-Chains.pdf>.
- ITTO. "International Tropical Timber Agreement," 2006. <http://www.itto.int/itta/>.
- Jerven, Morten. *Poor Numbers: How We Are Misled by African Development Statistics and What to Do about It*. Ithaca and London: Cornell University Press, 2013.
- Johnson, Dominic. *No Kivu, No Conflict? The Misguided Struggle against "conflict Minerals" in the DRC*. Pole Institute, April 2013. <http://www.pole-institute.org/images/Documents/pole-minerals2013.pdf>.
- Johnston, Patrick B. "Timber Booms, State Busts: The Political Economy of Liberian Timber." *Review of African Political Economy* 31, no. 101 (2004): 441–56.
- Jørgensen, Knud Erik. "Intersecting Multilateralisms: The European Union and Multilateral Institutions." In *K. V. Laatikainen and K. E. Smith (eds) The European Union at the United Nations: Intersecting Multilateralisms*, 195–211. Basingstoke: Palgrave Macmillan, 2006.
- Jupille, Joseph, James A. Caporaso, and Jeffrey T. Checkel. "Integrating Institutions, Rationalism, Constructivism, and the Study of the European Union." *Comparative Political Studies* 36, no. 1–2 (2003): 7–40.
- Jupille, Joseph, and James A. Caporaso. "States, Agency and Rules: The European Union in Global Environmental Politics." In *Carolyn Rhodes (ed.) The European Union in the World Community*, 213–29. Boulder (CO): Lynne Rienner, 1998.
- Kaempfer, William H, and Anton D. Lowenberg. "Unilateral Versus Multilateral International Sanctions: A Public Choice Perspective." *International Studies Quarterly* 43, no. 1 (1999): 37–58.
- Kahlenborn, Walter, Christine Moser, Joep Frijdal, and Michael Essig. *Strategic Use of Public Procurement in Europe*. Final Report to the European Commission MARKT/2010/02/C. Berlin: adelphi, n.d.
- Kaldor, Mary. "In Defence of New Wars." *Stability* 2(1), no. 4 (2013): 1–16.
- . *New & Old Wars*. 2nd edition. Stanford: Stanford University Press, 2007.
- Kalyvas, Stathis N. "The Ontology of 'Political Violence': Action and Identity in Civil Wars." *Perspectives on Politics* 0, no. 3 (2003): 475–94.
- . "The Ontology of 'Political Violence': Action and Identity in Civil Wars." *Perspectives on Politics* 0, no. 3 (2003): 475–94.

- Keen, David. "Greed and Grievance in Civil War." *International Affairs* 88, no. 4 (2012): 757–77.
- . *The Economic Functions of Violence in Civil Wars*. London: International Institute for Strategic Studies, 1998.
- . *Useful Enemies: When Waging Wars Is More Important Than Winning Them*. New Haven: Yale University Press, 2012.
- Kelemen, R. Daniel. "Globalizing European Union Environmental Policy." *Journal for European Public Policy* 17, no. 3 (2010): 335–49.
- Keohane, Robert O. "The Contingent Legitimacy of Multilateralism." In *Edward Newmann, Ramesh Thakur & John Tirman (eds) Multilateralism under Challenge? Power, International Order, and Structural Change*, 56–76. Tokyo: United Nations University Press, 2006.
- Keukeleire, Stephan, and Jennifer MacNaughtan. *Foreign Policy of the European Union*. Basingstoke: Palgrave Macmillan, 2008.
- Khanna, Parag. "The Metrosexual Superpower." *Foreign Policy* 143 (July 1, 2004): 66–68.
- Kimberley Process Certification Scheme. *Final Report of the KPCS Review Mission to Zimbabwe, 30 June– 4 July 2009*, 2009.
- . "Kimberley Process Certification Scheme," 2002. <http://www.kimberleyprocess.com/en/kpcs-core-document>.
- Kishor, Nalin, and Guillaume Lescuyer. "Controlling Illegal Logging in Domestic and International Markets by Harnessing Multi-Level Governance Opportunities." *International Journal of the Commons* 6, no. 2 (2012): 255–77.
- Klare, Michael T. *The Race for What's Left: The Global Scramble for the World's Last Resources*. New York: Picador, 2012.
- Knill, Christoph, and Dirk Lehmkuhl. "Private Actors and the State: Internationalization and Changing Patterns of Governance." *Governance* 15, no. 1 (2002): 41–63.
- Koubi, Vally, Thomas Bernauer, Anna Kalbhenn, and Gabriele Spilker. "Climate Variability, Economic Growth, and Civil Conflict." *Journal of Peace Research* 49, no. 1 (2012): 113–25.
- Koubi, Vally, Gabriele Spilker, Tobias Böhmelt, and Thomas Bernauer. "Do Natural Resources Matter for Interstate and Intrastate Armed Conflict?" *Journal of Peace Research* 51, no. 2 (2014): 227–43.

- Kronenberger, Vincent. "The European Union's Role in Promoting the Prevention of Violent Conflicts within the Business Sector." In *Vincent Kronenberger & Jan Wouters (eds) The European Union and Conflict Prevention: Policy and Legal Aspects*, 537–71. The Hague: T.M.C. Asser Press, 2004.
- Laïdia, Zaki. "BRICS: Sovereignty Power and Weakness." *International Politics* 49, no. 5 (2012): 614–32.
- Laïdi, Zaki. "BRICS: Sovereignty Power and Weakness." *International Politics* 49, no. 5 (2012): 614–32.
- . "Towards a Post-Hegemonic World: The Multipolar Threat to the Multilateral Order." *International Politics* 51, no. 3 (2014): 350–65.
- Laudati, Ann. "Beyond Minerals: Broadening 'Economies of Violence' in Eastern Democratic Republic of Congo." *Review of African Political Economy* 40, no. 135 (2013): 32–50.
- Lavenex, Sandra. "EU External Governance in 'Wider Europe.'" *Journal of European Public Policy* 11, no. 4 (2004): 680–700.
- Lavenex, Sandra, and Frank Schimmelfennig. "EU Rules beyond EU Borders: Theorizing External Governance in European Politics." *Journal of European Public Policy* 16, no. 6 (2009): 791–812.
- Lawson, Sam. *Illegal Logging in the Democratic Republic of the Congo*. Energy, Environment and Resources Papers. London: Chatham House, July 2014. http://www.chathamhouse.org/sites/files/chathamhouse/field/field_document/201404DRC.pdf.
- . "Public Discussion." presented at the Illegal Logging Stakeholder Consultation and Update Meeting Number 22, Chatham House, July 8, 2013.
- Lazarou, Elena, Geoffrey Edwards, Christopher Hill, and Julie Smith. "The Evolving 'Doctrine' of Multilateralism in the 21st Century." *Mercury E-Paper* 3 (2010). http://www.socialwork.ed.ac.uk/__data/assets/pdf_file/0011/85286/E-paper_no3_r2010_The_Evolving_Doctrine_of_Multilateralism_in_the_21st_C.pdf.
- Le Billon, Philippe. "Buying Peace or Fuelling War: The Role of Corruption in Armed Conflicts." *Journal of International Development* 15, no. 4 (2003): 413–26.
- . "Fatal Transactions." In *Derek Gregory & Allan Pred (eds) Violent Geographies: Fear, Terror, and Political Violence*, 133–52. Oxon (UK) & New York (USA): Routledge, 2007.

- . *Fuelling War: Natural Resources and Armed Conflicts*. Vol. 357. Adelphi Paper. London: IISS and Routledge, 2001.
- . “Natural Resource Types and Conflict Termination Initiatives.” *Colombia Internacional* 70 (2009): 9–34.
- . “Timber.” In *Philippe Le Billon, Wars of Plunder: Conflicts, Profits and the Politics of Resources*, 125–50. London: C.Hurst & Co., 2012.
- . *Wars of Plunder: Conflicts, Profits and the Politics of Resources*. London: C.Hurst & Co., 2012.
- Le Billon, Philippe, and Simon Springer. “Between War and Peace: Violence and Accommodation in the Cambodian Logging Sector.” In *Wil de Jong, Deanna Donovan & Ken-Ichi Abe (eds) Extreme Conflict and Tropical Forests*, 17–36. Dordrecht: Springer, 2007.
- Leite, Carlos A., and Jens Weidmann. “Does Mother Nature Corrupt? Natural Resources, Corruption, and Economic Growth.” *IMF Working Paper W/99/85* (1999). <http://ssrn.com/abstract=259928>.
- Le Pere, Garth. “AU-EU Security and Governance Cooperation.” In *Adekeye Adebajo & Kaye Whiteman (eds) The EU and Africa: From Eurafrique to Afro-Europa*, 257–76. London: C.Hurst & Co., 2012.
- Levy, David. “Political Contestation in Global Production Networks.” *Academy of Management Review* 33, no. 4 (2008): 943–62.
- Lucarelli, Sonia. “Introduction: Values, Principles, Identity and European Union Foreign Policy.” In *Values and Principles in European Union Foreign Policy (Edited by Sonia Lucarelli and Ian Manners)*, 1–18. London & New York: Routledge, 2006.
- Lucarelli, Sonia, and Lorenzo Fioramonti. *External Perceptions of the European Union as a Global Actor*. Abingdon, Oxon: Taylor & Francis, 2009.
- Lucarelli, Sonia, and Ian Manners. “Conclusion: Valuing Principles in European Union Foreign Policy.” In *Values and Principles in European Union Foreign Policy (Edited by Sonia Lucarelli and Ian Manners)*, 201–15. Abingdon, Oxon & New York: Routledge, 2006.
- Lujala, Päivi. “Deadly Combat over Natural Resources: Gems, Petroleum, Drugs, and the Severity of Armed Civil Conflict.” *Journal of Conflict Resolution* 53, no. 1 (2009): 50–71.

- . “The Spoils of Nature: Armed Civil Conflict and Rebel Access to Natural Resources.” *Journal of Peace Research* 47, no. 1 (2010): 15–28.
- Lujala, Päivi, Nils Peter Gleditsch, and Elisabeth Gilmore. “A Diamond Curse? Civil War and a Lootable Resource.” *Journal of Conflict Resolution* 49, no. 4 (2005): 538–62.
- Manners, Ian. “Normative Power Europe: A Contradiction in Terms?” *Journal of Common Market Studies* 40, no. 2 (2002): 235–58.
- . “Normative Power Europe: A Contradiction in Terms?” *Journal of Common Market Studies* 40, no. 2 (2002): 235–58.
- . “The Normative Ethics of the European Union.” *International Affairs* 84, no. 1 (2008): 45–60.
- . “The Normative Ethics of the European Union.” *International Affairs* 84, no. 1 (2008): 45–60.
- Marx, Axel. “Global Governance and the Certification Revolution: Types, Trends and Challenges.” In *David Levi-Faur (ed) Handbook on the Politics of Regulation*, 590–603. Cheltenham: Edward Elgar, 2011.
- . “Global Governance and the Certification Revolution: Types, Trends and Challenges.” In *David Levi-Faur (ed) Handbook on the Politics of Regulation*, 590–603. Cheltenham & Northampton: Edward Elgar, 2011.
- Marx, Axel, Emilie Bécault, and Jan Wouters. “Private Standards in Forestry: Assessing the Legitimacy and Effectiveness of the Forest Stewardship Council.” In *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds.) “Private Standards and Global Governance.”* Cheltenham (UK) and Northampton (USA): Edward Elgar, 2012.
- Marx, Axel, Emily Bécault, and Jan Wouters. “Private Standards in Forestry: Assessing the Legitimacy and Effectiveness of the Forest Stewardship Council.” In *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds) Private Standards and Global Governance.* Cheltenham (UK) and Northampton (USA): Edward Elgar, 2012.
- Marx, Axel, Miet Maertens, Johan Swinnen, and Jan Wouters. “Introduction: Private Standards and Global Governance.” In *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds) Private Standards and Global Governance.* Cheltenham & Northampton: Edward Elgar, 2012.

- Matthysen, Ken, and Andrés Zaragoza Montejano. “Conflict Minerals’ Initiatives in DR Congo: Perceptions of Local Mining Communities.” IPIS Insights, November 2013. http://www.ipisresearch.be/publications_detail.php?id=426.
- Maull, Hans W. “Europe and the New Balance of Global Order.” *International Affairs* 81, no. 4 (2005): 775–99.
- McCluskey, Jill J., and Jason A. Winfree. “Pre-Emptying Public Regulation with Private Food Quality Standards.” *European Review of Agricultural Economics* 36, no. 4 (2009): 525–39.
- Member of the European Parliament. Interview in Brussels, November 13, 2013.
- Meredith, Martin. *The Fate of Africa: A History of the Continent Since Independence*. New York: Public Affairs, 2011.
- . *The State of Africa: A History of Fifty Years of Independence*. London: The Free Press, 2005.
- Mitchell, Harrison, and Nicholas Garrett. *Beyond Conflict: Reconfiguring Approaches to the Regional Trade in Minerals from Eastern DRC*. London: Resource Consulting Service, 2009. http://www.rcsglobal.com/documents/Beyond%20Conflict_RCS_CASM.pdf.
- Moravcsik, Andrew. “Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach.” *Journal of Common Market Studies* 31, no. 4 (1993): 473–524.
- Moravcsik, Andrew, and Frank Schimmelfennig. “Liberal Intergovernmentalism.” In *Antje Wiener & Thomas Diez (eds) European Integration Theory*, 2nd edition., 67–87. Oxford: Oxford University Press, 2009.
- Morse, Julia C., and Robert O. Keohane. “Contested Multilateralism.” *The Review of International Organizations* 9, no. 1 (2014).
- Nadvi, Khalid. “Global Standards, Global Governance and the Organization of Global Value Chains.” *Journal of Economic Geography* 8, no. 3 (2008): 323–43.
- Naim, Moisés. *Illicit: How Smugglers, Traffickers, and Copycats Are Hijacking the Global Economy*. New York: Anchor Books, 2005.
- Natalegawa, R. M. Marty M., Jason Stearns, Dinesh Mahtani, Mouctar Kokouma Diallo, Peter Danssaert, and Sergio Finardi. *Final Report of the Group of Experts on the DRC Submitted in Accordance with Paragraph 18(d) of Security Council Resolution 1807 (2008)*. New York: United Nations, December 12, 2008. http://www.un.org/ga/search/view_doc.asp?symbol=S/2008/773.

- Nest, Michael. *Coltan*. Cambridge & Malden: Polity Press, 2011.
- . *Coltan*. Cambridge & Malden: Polity Press, 2011.
- NGO representative. “Interview by Phone,” July 27, 2011.
- . Interview by telephone. Telephone, July 22, 2011.
- . Interview in The Hague, November 21, 2013.
- Nyamunda, Tinashe, and Patience Mukwambo. “The State and the Bloody Diamond Rush in Chiadzwa: Unpacking the Contesting Interests in the Development of Illicit Mining and Trading, c.2006–2009.” *Journal of Southern African Studies* 38, no. 1 (2012): 145–66.
- OECD. “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (Second Edition),” 2012. <http://www.oecd.org/investment/mne/GuidanceEdition2.pdf>.
- Okafor, Collins Emeka, L. Murphy Smith, and Nacadius U. Ujah. “Kleptocracy, Nepotism, Kakistocracy: Impact of Corruption in Sub-Saharan African Countries.” *International Journal of Economics and Accounting* 5, no. 2 (2014).
- Olsen, Gorm Rye. “The EU and Military Conflict Management in Africa: For the Good of Africa or Europe?” *International Peacekeeping* 16, no. 2 (2009): 245–60.
- . “The European Union’s Africa Policy: The Result of Nordicization or Europeanization?” *Journal of European Integration*, 2012.
- Orbie, Jan. “Civilian Power Europe: Review of the Original and Current Debates.” *Cooperation and Conflict* 41, no. 1 (2006): 123–28.
- Overdevest, Christine. “Comparing Forest Certification Schemes: The Case of Ratcheting Standards in the Forest Sector.” *Socio-Economic Review* 8, no. 1 (2010): 47–76.
- . “Comparing Forest Certification Schemes: The Case of Ratcheting Standards in the Forest Sector.” *Socio-Economic Review* 8, no. 1 (2010): 47–76.
- Overdevest, Christine, and Jonathan Zeitlin. “Assembling an Experimentalist Regime: Transnational Governance Interactions in the Forest Sector.” *Regulation & Governance*, 2012.
- Oxford Dictionary. “Measure,” 2014. <http://www.oxforddictionaries.com/definition/english/measure>.
- Palou Loverdos, Jordi. “Justicia Internacional, Pillaje de Guerra, Derechos Humanos Y Multinacionales.” *Materiales de Paz Y Derechos Humanos* 16 (2010). http://www.gencat.cat/governacio/pub/sum/dgrip/MPDH_16_cast.pdf.

- Parker, Owen, and Ben Rosamund. “‘Normative Power Europe’ Meets Economic Liberalism: Complicating Cosmopolitanism Inside/outside the EU.” *Cooperation and Conflict* 48, no. 2 (2013): 229–46.
- Pattberg, Philipp. “The Institutionalization of Private Governance - How Business and Nonprofit Organizations Agree on Transnational Rules.” *Governance* 18, no. 4 (2005): 589–610.
- Pauwels, Natalie. “War Economies: EU Policy Options.” In *Europe in the World - Essays on EU Foreign, Security and Development Policies*, 65–70. London: BOND, 2003. http://www.acp-eu-trade.org/library/files/Bond_EN_052003_Bond_Europe-in-the-world-essays-on-EU-foreign-security-and-development-policies.pdf.
- Portela, Clara. *European Union Sanctions and Foreign Policy: When and Why Do They Work?*. London & New York: Routledge, 2010.
- . “Where and Why Does the EU Impose Sanctions?” *Politique Européenne* 17 (March 2005): 83–111.
- Potoski, Matthew, and Aseem Prakash. “Green Clubs and Voluntary Governance: ISO 14001 and Firms’ Regulatory Compliance.” *American Journal of Political Science* 49, no. 2 (2005): 235–48.
- Prendergast, John, and Sasha Lezhnev. *From Mine to Mobile Phone: The Conflict Minerals Supply Chain*. Washington DC: Enough Project, 2009.
- Price, Steven, Deanna Donovan, and Wil de Jong. “Confronting Conflict Timber.” In *Wil de Jong, Deanna Donovan & Ken-Ichi Abe (eds) Extreme Conflict and Tropical Forests*, 117–32. Dordrecht: Springer, 2007.
- Raine, Sarah. *China’s African Challenges*. Abingdon, Oxon: Routledge, 2009.
- Ravenel, Ramsay M., and Ilmi M.E. Granoff. “Illegal Logging in the Tropics.” *Journal of Sustainable Forestry* 19, no. 1–3 (2004): 351–71.
- REDRESS, and FIDH. *Extraterritorial Jurisdiction in the European Union - A Study of the Laws and Practice in the 27 Member States of the European Union*. London & Paris, December 2010. http://www.redress.org/downloads/publications/Extraterritorial_Jurisdiction_In_the_27_Member_States_of_the_European_Union.pdf.
- Regan, Patrick M., and Aysegul Aydin. “Diplomacy and Other Forms of Intervention in Civil Wars.” *Journal of Conflict Resolution* 50, no. 5 (2006): 736–56.

- Regan, Patrick M., and Daniel Norton. "Greed, Grievance, and Mobilization in Civil Wars." *Journal of Conflict Resolution* 49, no. 3 (2005): 319–36.
- Renton, David, David Seddon, and Leo Zeilig. *The Congo: Plunder and Resistance*. London & New York: Zed Books, 2007.
- Reynal-Querol, Marta. "Ethnicity, Political Systems, and Civil Wars." *Journal of Conflict Resolution* 46, no. 1 (2002): 29–54.
- Risse, Thomas. "Governance in Areas of Limited Statehood- Introduction and Overview." In *Thomas Risse (ed) Governance Without a State: Policies and Politics in Areas of Limited Statehood*, 1–35. New York: Columbia University Press, 2011.
- Roskill Information Services. "Outlook for the Global Tantalum Market." presented at the 2nd International Tin & Tantalum Seminar, New York, December 11, 2013. http://www.roskill.com/news/outlook-for-the-global-tantalum-market/at_download/attachment1.
- Ross, Michael L. "A Closer Look at Oil, Diamonds and Civil War." *Annual Review of Political Science* 9 (2006): 265–300.
- . "Does Oil Hinder Democracy?" *World Politics* 53, no. 3 (2001): 325–61.
- . "How Do Natural Resources Influence Civil War? Evidence from Thirteen Cases." *International Organization* 58, no. 1 (2004): 35–67.
- . *The Oil Curse: How Petroleum Wealth Shapes the Development of Nations*. Princeton: Princeton University Press, 2012.
- . "What Do We Know About Natural Resources and Civil War?" *Journal of Peace Research* 41, no. 3 (2004): 337–56.
- Rotberg, Robert I. "The Failure and Collapse of Nation-States: Breakdown, Prevention, and Repair." In *Rotberg, Robert I. (ed.) When States Fail: Causes and Consequences*, 1–49. Princeton and Oxford: Princeton University Press, 2004.
- Ruggie, John G. "Taking Embedded Liberalism Global." In *David Held & Matias Koenig-Archibugi (eds) Taming Globalization: Frontiers of Governance*. Cambridge: Polity Press, 2003.
- Rustad, Siri Aas, and Helga Malmin Binningsbø. "A Price Worth Fighting For? Natural Resources and Conflict Recurrence." *Journal of Peace Research* 49, no. 4 (2012): 531–46.

- Sachs, Jeffrey D., and Andrew M. Warner. "Natural Resources and Economic Development: The Curse of Natural Resources." *European Economic Review* 45 (2001): 827–38.
- Sala-i-Martin, Xavier, and Arvind Subramanian. "Addressing the Natural Resource Curse: An Illustration from Nigeria." *Columbia University Department of Economics Discussion Paper Series* Discussion Paper #:0203–15 (2003).
- Salehyan, Idean, David Siroky, and Reed M. Wood. "External Rebel Sponsorship and Civilian Abuse: A Principal-Agent Analysis of Wartime Atrocities." *International Organization* 68, no. 3 (2014): 633–61.
- Sargentini, Judith. "Debriefing Mission to the Great Lakes Region by the MEPs Judith Sargentini and Catherine Bearder." Brussels, November 12, 2013.
- . E-Mail. "Update on the Legislative Proposal on Conflict Minerals." E-Mail, October 16, 2014.
- Schaerlaeckens, Leander. "Diamond in the Rough." *Flanders Today*, July 28, 2009.
- Scheipers, Sibylle, and Daniela Sicurelli. "Empowering Africa: Normative Power in EU–Africa Relations." *Journal of European Public Policy* 15, no. 4 (2008): 607–23.
- Schmitt, Eric, and Mark Mazzetti. "U.S. Intelligence Official Says Syrian War Could Last for Years." *New York Times*, July 21, 2013.
- Schram, Frans. *The Legal Aspects of the Kimberley Process*. Antwerpen: International Peace Information Service (IPIS), January 2007.
<http://www.ipisresearch.be/download.php?id=153>.
- Seay, Laura. "What Causes Badvocacy?" *Texas in Africa*, May 20, 2009.
<http://texasinafrica.blogspot.com.es/2009/05/what-causes-badvocacy.html>.
- . "What's Wrong with Dodd-Frank 1502? Conflict Minerals, Civilian Livelihoods, and the Unintended Consequences of Western Advocacy." *Working Paper of the Center of Global Development* 284 (May 1, 2012).
<http://www.cgdev.org/publication/what%E2%80%99s-wrong-dodd-frank-1502-conflict-minerals-civilian-livelihoods-and-unintended>.
- Sheikh, Pervaze A. *The Lacey Act: Compliance Issues Related to Importing Plants and Plant Products*. Washington DC: Congressional Research Service, July 24, 2012.
http://www.law.umaryland.edu/marshall/crsreports/crsdocuments/R42119_07242012.pdf.

- Sicurelli, Daniela. *The European Union's Africa Policies: Norms, Interests and Impact*. Farnham: Ashgate Publishing Limited, 2010.
- Silberfein, Marilyn. "The Geopolitics of Conflict and Diamonds in Sierra Leone." *Geopolitics* 9, no. 1 (2004): 213–41.
- Sjursen, Helene. "The EU as a 'Normative' power: How Can This Be?" *Journal of European Public Policy* 13, no. 2 (2006): 235–51.
- Smillie, Ian. "Blood Diamonds and Non-State Actors." *Vanderbilt Journal of Transnational Law* 46, no. 4 (2013): 1003–23.
- . *Blood on the Stone: Greed, Corruption and War in the Global Diamond Trade*. London & New York: Anthem Press, 2010.
- . *Diamonds*. Cambridge & Malden: Polity Press, 2014.
- . "Natural Resources: Diamonds and Human Security." In *G. Honor Fagan & Ronaldo Munck (eds.) Globalization and Security - An Encyclopedia (Volume 1: Economic and Political Aspects)*, 239–56. Santa Barbara (USA), Denver (USA) & Oxford (UK): Praeger Security International, 2009.
- . *Paddles for Kimberley: An Agenda for Reform*. Partnership Africa Canada, June 2010.
http://www.pacweb.org/Documents/diamonds_KP/Paddles_for_Kimberley-June_2010.pdf.
- Smillie, Ian, Lansana Gberie, and Ralph Hazleton. *The Heart of the Matter: Sierra Leone, Diamonds and Human Security*. Ottawa (CA): Partnership Africa Canada, January 2000.
http://www.pacweb.org/Documents/diamonds_KP/heart_of_the_matter-full-2000-01-eng.pdf.
- Smis, Stefaan, and Sevidzem Stephen Kingah. "Unassertive Interregionalism in the Great Lakes Region." In *Fredrik Söderbaum and Patrik Stålgren (eds) The European Union and the Global South*, 205–23. Boulder & London: Lynne Rienner, 2009.
- Smith, James. "Tantalus in the Digital Age: Coltan Ore, Temporal Dispossession, and 'Movement' in the Eastern Democratic Republic of the Congo." *American Ethnologist* 38, no. 1 (2011): 17–35.
- Smith, Karen E. *European Union Foreign Policy in a Changing World*. 2nd edition. London: Polity Press, 2008.

- . *European Union Foreign Policy in a Changing World*. 2nd edition. London: Polity Press, 2008.
- . “Speaking with One Voice? European Union Co-Ordination on Human Rights Issues at the United Nations.” *Journal of Common Market Studies* 44, no. 1 (2006): 113–37.
- Snyder, Richard. “Does Lootable Wealth Breed Disorder?” *Comparative Political Studies* 39, no. 8 (2006): 943–68.
- Snyder, Richard, and Ravi Bhavani. “Diamonds, Blood, and Taxes.” *Journal of Conflict Resolution* 49, no. 4 (2005): 563–97.
- Snyder, Richard, and Angelica Duran-Martinez. “Does Illegality Breed Violence? Drug Trafficking and State-Sponsored Protection Rackets.” *Crime, Law and Social Change* 52, no. 3 (2009): 253–73.
- Solana, Javier. *Report on the Implementation of the European Security Strategy: Providing Security in a Changing World*. Brussels: European Council, December 11, 2008.
- . *Report on the Implementation of the European Security Strategy: Providing Security in a Changing World*. Brussels: European Council, December 11, 2008.
- Solana, Javier, and Chris Patten. *Improving the Coherence and Effectiveness of the European Union Action in the Field of Conflict Prevention*. Report Presented to the Nice European Council by the Secretary General/High Representative and the Commission. Nice: European Council, December 7, 2000. http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/EN/reports/98328.pdf.
- Sorens, Jason. “Mineral Production, Territory, and Ethnic Rebellion: The Role of Rebel Constituencies.” *Journal of Peace Research* 48, no. 5 (2011): 571–85.
- Staff reporter. “Zim Shrugs Off Diamond Ban: Will ‘Look East.’” *Mail & Guardian Online*. August 17, 2010. <http://mg.co.za/article/2010-08-17-zim-shrugs-off-diamond-ban-will-look-east>.
- . “Zim Shrugs Off Diamond Ban: Will ‘Look East.’” *Mail & Guardian Online*. August 17, 2010. <http://mg.co.za/article/2010-08-17-zim-shrugs-off-diamond-ban-will-look-east>.
- Stearns, Jason. *Du CNDP Au M23 – Évolution D’un Mouvement Armé Dans L’est Du Congo*. London & Nairobi: Rift Valley Institute, 2012. <http://www.riftvalley.net/publication/du-cndp-au-m23#.VE5QZ8nEcas>.

- . *North Kivu: The Background to Conflict in North Kivu Province of Eastern Congo*. London & Nairobi: Rift Valley Institute, 2012. <http://www.riftvalley.net/publication/north-kivu#.U7KUFieZOfs>.
- . “Rediscovering Congo.” *Foreign Policy*, May 12, 2011. http://www.foreignpolicy.com/articles/2011/05/12/rediscovering_congo.
- Stearns, Jason, Judith Verweijen, and Maria Eriksson Baaz. “The National Army and Armed Groups in the Eastern Congo: Untangling the Gordian Knot of Insecurity.” Rift Valley Institute, 2013. <http://riftvalley.net/publication/national-army-and-armed-groups-eastern-congo#.U62SnSeZOfs>.
- Stewart, Emma J. “Capabilities and Coherence? The Evolution of European Union Conflict Prevention.” *European Foreign Affairs Review* 13, no. 2 (2008): 229–53.
- Stewart, James G. *Corporate War Crimes: Prosecuting the Pillage of Natural Resources*. New York: Open Society Foundation, 2011.
- Sturgeon, Timothy J. “From Commodity Chains to Value Chains: Interdisciplinary Theory Building in an Age of Globalization.” In *Bair, Jennifer (ed.) Frontiers of Commodity Chain Research*, 110–35. Stanford (CA): Stanford University Press, 2009.
- Süddeutsche Zeitung. “Ruander Wegen Beihilfe Zum Völkermord Verurteilt,” February 18, 2014. <http://www.sueddeutsche.de/politik/schuldspruch-in-frankfurt-ruander-wegen-beihilfe-zum-voelkermord-verurteilt-1.1891684>.
- Swiss diplomate. Interview by phone, March 5, 2012.
- The Greens/European Free Alliance. “Timid Commission Proposals Fall Short of What Is Needed to Tackle Conflict Minerals,” March 5, 2014. <http://www.greens-efa.eu/conflict-minerals-11945.html>.
- Theisen, Ole Magnus. “Blood and Soil? Resource Scarcity and Internal Armed Conflict Revisited.” *Journal of Peace Research* 45, no. 6 (2008): 801–18.
- Themnér, Lotta, and Peter Wallensteen. “Armed Conflicts, 1946-2013.” *Journal of Peace Research* 51, no. 4 (2014): 541–54.
- Thomson, Jamie, and Ramzy Kanaan. *Conflict Timber: Dimensions of the Problem in Asia and Africa*. Washington DC: United States Agency for International Development (USAID), 2003.
- Toft, Monica D. “Ending Civil Wars: A Case for Rebel Victory?” *International Security* 34, no. 4 (2010): 7–36.

- Tonra, Ben, and Thomas Christiansen. "Chapter 1: The Study of EU Foreign Policy: Between International Relations and European Studies." In *Ben Tonra & Thomas Christiansen "Rethinking European Union Foreign Policy,"* 1–9. Manchester & New York: Manchester University Press, 2004.
- Towriss, David. "Buying Loyalty: Zimbabwe's Marange Diamonds." *Journal of Southern African Studies* 39, no. 1 (2013): 99–117.
- UNGA. *UN General Assembly Resolution 55/56*, January 29, 2001. <http://www.undemocracy.com/A-RES-56-263.pdf>.
- . "UN General Assembly Resolution 56/4: Observance of the International Day for Preventing the Exploitation of the Environment in War and Armed Conflict," November 13, 2001. http://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/56/4.
- United Nations. "Course Description and Modules," 2014. <http://www.un.org/en/land-natural-resources-conflict/onlinetraining/overview.shtml>.
- . "Land, Natural Resources and Conflict Prevention: From Curse to Opportunity An EU-UN Partnership," 2014. <http://www.un.org/en/land-natural-resources-conflict/offer/eu-un-partnership-offer.shtml>.
- . "Natural Resource Wealth Fails to Translate into 'Equivalent' Benefits for People, Fuelling Conflict, Instability, Deputy Secretary-General Tells Security Council," June 19, 2013. <http://www.un.org/press/en/2013/sc11037.doc.htm>.
- . "Open Debate on Conflict Prevention and Natural Resources." *What's in Blue: Insights on the Work of the UN Security Council*, June 18, 2013. <http://www.whatsinblue.org/2013/06/open-debate-on-conflict-prevention-and-natural-resources.php>.
- United States Court of Appeals For the District of Columbia Circuit. "National Association of Manufacturers, et Al. Appellants vs. Securities and Exchange Commission, et Al., Appellees," April 14, 2014. [http://www.cadc.uscourts.gov/internet/opinions.nsf/D3B5DAF947A03F2785257CBA0053AEF8/\\$file/13-5252-1488184.pdf](http://www.cadc.uscourts.gov/internet/opinions.nsf/D3B5DAF947A03F2785257CBA0053AEF8/$file/13-5252-1488184.pdf).
- UNSC. "Conflict Prevention and Natural Resources," May 31, 2013. http://www.securitycouncilreport.org/monthly-forecast/2013-06/conflict_prevention_and_natural_resources.php.

- . *Report of the Panel of Experts on Violations of Security Council Sanctions against UNITA*. New York (USA): United Nations, March 10, 2000. http://www.un.org/news/dh/latest/angolareport_eng.htm.
- . “United Nations Security Council Resolution 1975 (The Situation in Côte d’Ivoire),” March 30, 2011. <http://daccess-ods.un.org/TMP/3868233.85953903.html>.
- . *UN Security Council Resolution 1173 (1998) on the Situation in Angola*, June 12, 1998. [http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1173%20\(1998\)&Lang=E&Area=UNDOC](http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1173%20(1998)&Lang=E&Area=UNDOC).
- . *UN Security Council Resolution 1176 (1998) on the Situation in Angola*, June 24, 1998. [http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1176%20\(1998\)&Lang=E&Area=UNDOC](http://daccess-ods.un.org/access.nsf/Get?Open&DS=S/RES/1176%20(1998)&Lang=E&Area=UNDOC).
- . *UN Security Council Resolution 1306 (2000) on the Situation in Sierra Leone*, July 5, 2000. <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N00/517/01/PDF/N0051701.pdf?OpenElement>.
- . *UN Security Council Resolution 1343 (2001) on the Situation in Liberia*, March 7, 2001. <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N01/276/08/PDF/N0127608.pdf?OpenElement>.
- . “UN Security Council Resolution 1952 (2010) on the Situation Concerning the Democratic Republic of the Congo,” November 29, 2010. <http://daccess-dds-ny.un.org/doc/UNDOC/GEN/N10/655/23/PDF/N1065523.pdf?OpenElement>.
- . “UN Security Council Resolution 2036 (2012) on Somalia,” February 22, 2012. http://www.un.org/ga/search/view_doc.asp?symbol=S/RES/2036%282012%29.
- . “UN Security Council Resolution 2153 (2014) on Modification and Renewal of Sanctions against Côte d’Ivoire until 30 Apr. 2015 and on Extension of the Mandate of the UN Group of Experts until 30 May 2015,” April 29, 2014. http://www.un.org/ga/search/view_doc.asp?symbol=S/RES/2153%282014%29&referer=/english/&Lang=E.
- Uppsala Universitet - Department of Peace and Conflict Research. “Definitions of the Uppsala Conflict Data Program,” 2014. <http://www.pcr.uu.se/research/ucdp/definitions/>.

- US-American diplomate. Interview by Skype, June 26, 2012.
- US Congress. “Dodd-Frank Wall Street Reform and Consumer Protection Act,” July 21, 2010. <http://www.gpo.gov/fdsys/pkg/PLAW-111publ203/pdf/PLAW-111publ203.pdf>.
- . “Food, Conservation, and Energy Act of 2008,” May 22, 2008. <http://www.gpo.gov/fdsys/pkg/PLAW-110publ234/pdf/PLAW-110publ234.pdf>.
- U.S. Securities and Exchange Commission. “Final Rule on Conflict Minerals Reporting,” August 22, 2012. <http://www.sec.gov/rules/final/2012/34-67716.pdf>.
- . “Statement on the Effect of the Recent Court of Appeals Decision on the Conflict Minerals Rule,” April 29, 2014. <http://www.sec.gov/News/PublicStmnt/Detail/PublicStmnt/1370541681994#.VFPvG8nEcat>.
- Van Heeswijk, Laura, and Esther Turnhout. “The Discursive Structure of FLEGT (Forest Law Enforcement, Governance and Trade): The Negotiation and Interpretation of Legality in the EU and Indonesia.” *Forest Policy and Economics* 32 (2013): 6–13.
- Van Reybrouck, David. *Congo-Een Geschiedenis*. Amsterdam: De Bezige Bij, 2010.
- Van Waarden, Frans. “Governing Global Commons: The Public-Private Protection of Fish and Forests.” In *Axel Marx, Miet Maertens, Johan Swinnen & Jan Wouters (eds) Private Standards and Global Governance*, 15–59. Cheltenham & Northampton: Edward Elgar, 2012.
- Vedung, Evert. “Policy Instruments: Typologies and Theories.” In *Marie-Louise Bemelmans-Videc, Ray C. Rist, Evert Vedung (eds) Carrots, Sticks, and Sermons: Policy Instruments and Their Evaluation*, 21–58. New Brunswick: Transaction Publishers, 1998.
- Verweijen, Judith. “Military Business and the Business of the Military in the Kivus.” *Review of African Political Economy* 40, no. 135 (2013): 67–82.
- Vézina, Pierre-Louis. *Illegal Trade in Natural Resources: Evidence from Missing Exports*. OxCarre Research Paper. Oxford: Oxford Centre for the Analysis of Resource Rich Economies, 2014.
- Vlaskamp, Martijn. “La UE Y El Régimen Internacional de Diamantes: ¿Perdedora En El Proceso de Kimberley?” In *Barbé, Esther (ed.) Cambio Mundial Y*

- Gobernanza Global: La Interacción Entre La Unión Europea Y Las Instituciones Internacionales*, 199–215. Madrid: Tecnos, 2012.
- Vlaskamp, Martijn C. “Balancing Fundamental Rights Protection and Effective Multilateralism: The EU and Zimbabwe’s Marange Diamonds.” *European Foreign Affairs Review* 18, no. 4/1 (2013): 529–46.
- . “Balancing Fundamental Rights Protection and Effective Multilateralism: The EU and Zimbabwe’s Marange Diamonds.” *European Foreign Affairs Review* 18, no. 4/1 (2013): 529–46.
- . “Bringing Natural Resource Transparency to the Tropics? The EU, the Dodd-Frank Act and the Extractive Industry Transparency Initiative (EITI).” San Francisco, 2013.
- . “La Unión Europea Frente a Las Autoridades Privadas.” In *Esther Barbé (ed) La Unión Europea En Las Relaciones Internacionales*, 415–33. Madrid: Tecnos, 2014.
- . “The Effects of the Financial Crisis on the EU’s Disclosure Measures for the Extractive Industry.” Stockholm, 2013.
- Vlassenroot, Koen. *Dealing with Land Issues and Conflict in Eastern Congo: Towards an Integrated and Participatory Approach*. Africa Policy Briefs. Brussels: Egmont Institute, 2013. http://www.egmontinstitute.be/publication_article/dealing-with-land-issues-and-conflict-in-eastern-congo-towards-an-integrated-and-participatory-approach/.
- Vrailas, Ioannis. “Statement on Behalf of the European Union and Its Member States.” presented at the United Nations Security Council Open Debate on Conflict prevention and natural resources, New York, June 19, 2013. http://eu-un.europa.eu/articles/en/article_13671_en.htm.
- Wallerstein, Immanuel M. “The Modern World-System as a Capitalist World-Economy: Production, Surplus Value, and Polarization.” In *World Systems Analysis - An Introduction*, 23–59. Durham: Duke University Press, 2004.
- Wang, Jenn-Hwan, and Chuan-Kai Lee. “Global Production Networks and Local Institution Building: The Development of the Information-Technology Industry in Suzhou, China.” *Environment and Planning* 39, no. 8 (2007): 1873–88.
- Wegenast, Tim C., and Matthias Basedau. “Ethnic Fractionalization, Natural Resources and Armed Conflict.” *Conflict Management and Peace Science* 31, no. 4 (2014): 432–57.

- Weinstein, Jeremy M. *Inside Rebellion: The Politics of Insurgent Violence*. Cambridge: Cambridge University Press, 2007.
- . “Resources and the Information Problem in Rebel Recruitment.” *The Journal of Conflict Resolution* 49, no. 4 (2005): 598–624.
- Weiss, Herbert F. “The Democratic Republic of the Congo: A Story of Lost Opportunities to Prevent or Reduce Deadly Conflicts.” In *Richard H. Cooper & Juliette Voïnov Kohler (eds) Responsibility to Protect: The Global Moral Compact for the 21st Century*, 115–28. New York: Palgrave Macmillan, 2009.
- Williams, Paul D. “Britain and Africa in the Twenty-First Century.” In *Jack Mangala (ed.) Africa and the New World Era: From Humanitarianism to a Strategic View*, 37–51. Houndmills, Basingstoke: Palgrave Macmillan, 2010.
- Winer, Jonathan M., and Trifin J. Roule. “Follow the Money: The Finance of Illicit Resource Extraction.” In *Ian Bannon & Paul Collier (eds) Natural Resources and Violent Conflict: Options and Actions*, 161–214. Washington DC: The World Bank, 2003.
- Woods, Kevin. *Timber Trade Flows and Actors in Myanmar: The Political Economy of Myanmar’s Timber Trade*. London: Forest Trends & UK aid, November 2013. http://www.forest-trends.org/documents/files/doc_4133.pdf.
- World Gold Council. “Conflict-Free Standard,” 2014. <http://www.gold.org/research/conflict-free-standard-english>.
- Yannan, Tuo. “Diamonds Are China’s Best Friend.” *China Daily*, June 9, 2013, sec. Africa Weekly.
- Yates, Douglas A. “France, the EU, and Africa.” In *Adekeye Adebajo & Kaye Whiteman (eds) The EU and Africa: From Eurafrique to Afro-Europa*, 317–42. London: C.Hurst & Co., 2012.
- Ylönen, Aleksi. “Conflict Diamonds ‘alive and Well.’” *African Security Review* 21, no. 3 (2012): 62–67.
- Youngs, Richard. *Europe’s Decline and Fall: The Struggle Against Global Irrelevance*. London: Profile Books Ltd, 2010.
- . “Normative Dynamics and Strategic Interests in the EU’s External Identity.” *Journal of Common Market Studies* 42, no. 2 (2004): 415–35.
- Yusufzai, Ashfaq. “Pakistan’s Forests Fall Victim to the Taliban.” *The Guardian*. January 17, 2012, sec. Guardian Environment Network. <http://www.theguardian.com/environment/2012/jan/17/pakistan-forests-taliban>.

Zimbabwe Ministry of Finance. "The 2011 Mid-Year Fiscal Policy Review: 'Riding the Storm: Economics in the Time of Challenges,'" July 26, 2011.

Zimmisky, Paul. "The State of Global Rough Diamond Supply 2014." *Kitco Metals Inc.*, March 10, 2014. <http://www.kitco.com/ind/Zimmisky/2014-03-10-The-State-of-Global-Rough-Diamond-Supply-2014.html>.