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## **Small State Discourses in the International Political Economy**

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### **Abstract**

This article supports growing calls to ‘take small states seriously’ in the international political economy but questions prevailing interpretations that ‘smallness’ entails inherent qualities that create unique constraints on, and opportunities for, small states. Instead, we argue that discourses surrounding the ‘inherent vulnerability’ of small states, especially developing and less-developed states, may produce the very outcomes that are attributed to state size itself. By presenting small states as a ‘problem’ to be ‘solved’, vulnerability discourses divert attention away from the existence of unequal power structures that, far from being the ‘natural’ result of smallness, are in fact contingent and politically contested. The article then explores these themes empirically through discussion of small developing and less-developed states in the Commonwealth and the World Trade Organisation (WTO), considering in particular how smallness has variously been articulated in terms of what small states either cannot or will not do.

### **Introduction**

It is now two decades since Richard Higgott called for the ‘non-hegemonic study’ of International Political Economy (IPE) in order to take more account of the smaller states that make up the overwhelming majority of states in the international system.<sup>1</sup> As Lee notes, the dominance of realist and neo-realist approaches in IPE and International Relations (IR) meant that analysis was largely restricted to a rather narrow empirical base, one mostly confined to exploring the experiences, interests, concerns and behaviours of major powers in the international system.<sup>2</sup> In recent years, however, there has been growing recognition that small states ‘matter’ – not least on the grounds that states should be explored in all of their diversity.<sup>3</sup> In this article, we support calls to pay greater attention to small states in the international economy and agree that there are conceptual and theoretical advantages to including small states in the analysis of world politics. In contrast to prevailing interpretations, however, we do not do so on the grounds that smallness has inherent qualities that create unique constraints on, and opportunities for, small states. Instead, we argue that greater attention needs to be devoted to discourses of smallness and, more specifically, how ‘smallness’ is frequently articulated in terms of what small states either cannot, or will not, do.

The article is structured as follows. In the first section, we provide a broad overview of the small states literature. We suggest that pre-existing debates have tended to focus on smallness as a material reality and, more specifically, have sought to interrogate what that material reality both *is* and *does* (that is, on the nature and consequences of smallness for states). While we fully appreciate the important insights that have been generated by this scholarship, in the second section we

nevertheless offer an alternative reading of smallness especially as it relates to developing and less-developed countries (LDCs). Rather than treating smallness as an analytical category, we propose that it can be understood as a discursive construction that yields material effects. More specifically, we contend that discourses surrounding the ‘inherent vulnerability’ of small states, especially developing and less-developed states, may produce the very outcomes that are attributed to state size itself. For, vulnerability discourses appear to present small states as a ‘problem’ to be ‘solved’, thus detracting attention away from the existence of unequal power structures that, far from being the ‘natural’ result of smallness, are in fact contingent and politically contested (including by small states themselves). In the third and fourth sections, we explore these themes empirically through discussion of small developing and less-developed states in the Commonwealth and the World Trade Organisation (WTO). In particular, we consider how smallness in these organisations has variously been articulated in terms of ‘can’t do, won’t do’.<sup>4</sup> That is, while a logic of no alternative is frequently appealed to with respect to small states’ vulnerability – that is, the notion that small states ‘can’t do’ anything other than pursue certain political-economic strategies due to the pressures of inexorable external constraints – some small states are nevertheless seeking to resist such logics by articulating a ‘won’t do’ narrative instead.

### **Small states debates**

A number of IR and IPE scholars have recently signalled their dissatisfaction with the traditional focus on major powers in international affairs by highlighting the need to take small states seriously.<sup>5</sup> They note how small states have largely been ignored

except in relation to major powers and are often conceived in terms of what they are not: they are not 'great powers' (nor indeed 'middle powers').<sup>6</sup> Dissatisfied with this lack of substantive theorising regarding 'smallness', scholars have sought to locate and interrogate its ontological status. In so doing, they have posited a range of competing (and sometimes contradictory) definitions. For some, smallness can be treated as a fixed concept relating to such factors as population size, geographical area or GDP per capita. Once a certain quantitative limit is reached, a state can no longer be considered 'small'. Others, however, have noted that such definitions are essentially arbitrary: who is to say, for example, that small states should be categorised in demographic terms rather than in terms of economic or geographic size?<sup>7</sup> And if population size does indeed hold the key, where should the threshold lie: one million, three million, fifteen million?<sup>8</sup> Some have sought to address these issues by deploying a combination of criteria: Crowards, for instance, combines population size, land area and total income and uses cluster analysis to classify 79 countries as 'small'.<sup>9</sup> Others, however, reject fixed definitions altogether on the grounds that smallness is inherently relative as a concept.<sup>10</sup> Gabon, for example, might be classed as a 'small state' if compared to Sudan but as a 'large state' if compared to Equatorial Guinea. Such an approach views 'smallness' in qualitative rather than quantitative terms: rather than treating size as a variable to be measured, scholars are instead concerned with rather more intangible concepts such as power, influence and self-image in order to interrogate states' relationships with their external environment.<sup>11</sup> That said, the 'relative' perspective has been criticised by those preferring a 'fixed' approach on the grounds that it is ambiguous by nature and thus difficult to apply empirically, with advocates of the 'relative' perspective in turn

retorting that the 'fixed' approach is more arbitrary and thus less intellectually rigorous.<sup>12</sup>

Related to these debates about definition, there has also been considerable controversy within the small states literature about impact of 'smallness' on states. For some, small states are more weak, exposed and vulnerable than their larger neighbours: in economic terms (due to their inability to exploit increasing returns to scale, their high levels of trade openness and their exposure to volatility in international market price levels); in security terms (due to their lack of military resources, thus giving them little option but to adopt either neutrality or dependence on protective allies); in environmental terms (due to their vulnerability to natural disasters and the effects of manmade environmental damage); and so on.<sup>13</sup> Given that most states categorised as 'small' are developing countries and small island economies, it is not surprising that this 'underdevelopment' characteristic generally leads to the predominant view that smallness is a constraint on economic success and, in particular, a barrier to development. Small states are thus frequently viewed as dependent and peripheral, with their small economies seen as unable to withstand the pressure of a globalising world economy where large states and businesses compete for new and existing markets. Small states are also traditionally seen to have little, if any, influence on rule-making in the international political economy even where they build strategic alliances, and are treated as marginal actors in major global governance regimes such as the WTO, the IMF and World Bank, and the G20.<sup>14</sup>

That said, conventional narratives that 'small is dangerous'<sup>15</sup> have certainly not gone unchallenged, not least on the grounds that some small states have flourished just as

well as their larger neighbours.<sup>16</sup> For example, Easterly and Kraay note that some small states are wealthier than some larger states in terms of GDP per head, whereas Dahl and Tufte claim that they are more democratic and homogeneous.<sup>17</sup> An (albeit limited) number of small state studies thus anticipate a greater significance of small states in the international political economy to that of permanent underdevelopment, passive followers, or nuisance spoilers. Smallness is thus not always seen as an insurmountable problem, as in the examples of the economic success of small island states in the 1990s, as well as the more recent development of Mauritius.<sup>18</sup> Scholars also note that small states have also frequently found ways of overcoming their weakness in relation to major powers (for example, in international economic regimes such as United Nations Conference on Trade and Development (UNCTAD) and the WTO), with smallness identified as the common thread tying strategic coalitions (such as the Small Islands States coalition group in the WTO) together. This has, in turn, led to discussions as to whether small states should be treated differently from larger ones. For some, the fact that small states experience unique challenges means that they cannot simply be treated as diminutive versions of their larger neighbours. Rather, their special status and concerns should be reflected in international rules, norms and procedures. For others, small states are no different from larger states and should be treated as such.<sup>19</sup>

### **Smallness as a discursive construction**

There is thus considerable debate about the nature and impact of smallness. Yet, as Mosser notes, this preoccupation with defining 'smallness' as an analytical category leaves the literature vulnerable to the claim that it has little else to offer.<sup>20</sup> Indeed, the

obsession with definition may do more harm than good – not least because it may actually serve to close off the small states literature from broader debates within IR and IPE. For the small states literature, the question of 'what is small?' is central; for the rest of IR and IPE the response tends to be 'who cares?'

We wish to argue, however, that the small states literature *does* potentially have a great deal to offer IR and IPE. As Smith, Pace and Lee note, these fields have seen a discernible epistemological shift away from actors (i.e. states) and realist concepts (i.e. interests) towards social processes (i.e. discourse) and constructivisms (i.e. ideas, identities). They write: 'Rather than being preoccupied with the epistemological status of small states, we can open up the space to consider the political discourses that generate certain preconceptions of smallness, and the relationship between these discourses and small states' identities based around specific practices of "smallness"'.<sup>21</sup> Crucially, this opens up opportunities to shift away from a focus on 'smallness' as an analytical category and instead to view it in discursive terms. For, whether or not a concept is useful in analytical terms, it may also wield significant discursive power.<sup>22</sup> As we shall argue, particular understandings and articulations of smallness themselves yield powerful material effects for small states.

We suggest that 'smallness' can be read rather differently from prevailing interpretations that treat it as a material reality to be uncovered and interrogated.<sup>23</sup> As outlined above, scholars have tended to focus both on what 'smallness' *is* (i.e. the nature of smallness) and what 'smallness' *does* (i.e. on the consequences of that nature). So, we now have a wealth of scholarship on small states that both tries to define the 'essence' of smallness (for example, by considering whether it refers to states with populations under a certain threshold, so on) and seeks to establish



whether or not that 'essence' leads to inherent vulnerabilities. In contrast, we suggest an alternative reading of smallness in which smallness is understood as a (set of) discourse(s) rather than as a material 'fact' or analytical category. For, if we accept that 'words ... don't just describe the world, they actually help make the world',<sup>24</sup> then the language of smallness can be seen to make the world of small states. As we explore below, the dominant language is one of vulnerability and weakness. As such the language of smallness sets the contours of what is politically and economically possible and what is not. The discourse of smallness provides the language of opportunity and constraint within which small states are situated in the international political economy.

Our alternative reading, then, is one that places discourses of smallness at the very heart of understandings of 'small states'. This is not just because we see the category of small states as discursive in and of itself – that is, it constitutes (rather than simply describes) the 'reality' of certain states as 'small' and others not (and, for that matter, certain bodies as 'states' and others not).<sup>25</sup> It is also because such discourses may produce the very effects that are attributed to the 'essence' of smallness. In particular, we suggest that discourses of 'inherent vulnerability' present small states as 'problems' to be 'solved' and, as such, detract attention away from uneven power relations (and, indeed, material inequalities) in the international political economy. Such inequalities, we argue, need not be seen as the 'natural' consequence of smallness but can instead be viewed as the contingent outcome of political strategies pursued by state actors.<sup>26</sup> We do not deny that discourses of vulnerability and weakness reflect the relative structural power (and, hence, the material conditions) of many small states in the international political economy, but we contend that they prescribe small state internal policies and external behaviour consistent with that

language of vulnerability. Put another way, the discursive construction of smallness can be understood as a prescription *for* (as opposed to simply a description *of*) small states (or, more accurately-put, those states categorised as ‘small’).

Here we explore these issues empirically through discussion of small states in two international bodies that have played a central role in promoting discursive practices of smallness on the international stage (albeit in rather different ways): the Commonwealth and the WTO. In our consideration of each our intention is not to ‘prove’ empirically that discourses of smallness matter ‘more than’ material factors, for we see this as a meta-theoretical issue that cannot be resolved empirically.<sup>27</sup> Rather than seeking to bracket off discourses from material ‘reality’ in order to treat them as (separable) variables, we understand discourses as constitutive *of* material reality. As such, our aim is not to establish empirically *that* discourses of smallness matter but (having made that prior theoretical commitment/claim) we instead want to explore *how* they matter. With this in mind, we turn now to the Commonwealth.

### **‘Can’t do, won’t do’: smallness discourses in the international political economy**

The Commonwealth has long been at the forefront of attempts to recognise and promote the ‘special status’ of small states in the international system.<sup>28</sup> While other international and regional bodies certainly acknowledge the ‘unique’ challenges faced by small states, the Commonwealth’s desire to give small states a voice in international affairs has emerged not only as a core strategic priority but also as an

important badge of self-identification. (As the Commonwealth General-Secretary put it, small states are not just ‘integral to the association’s identity’ but ‘speaking up *for* small states’ is absolutely central to its agenda)<sup>29</sup>. In particular, the Report of the Commonwealth Secretariat/World Bank Joint Task Force on *Small States: Meeting the Challenges in the Global Economy* (2000) has been hailed as a ‘landmark document’ in the Commonwealth’s small states agenda.<sup>30</sup> While claims that the publication of the report marked ‘the beginning of a new partnership between small states and the international community’<sup>31</sup> may be overstated, other bodies (including the World Bank, International Monetary Fund (IMF), WTO, European Union (EU), UNCTAD and Regional Development Banks) participated in the production of the report and committed themselves to implementing its recommendations.<sup>32</sup> This represented ‘for the first time’ the formal recognition by the international community of small states as a distinctive category with (potentially) distinctive priorities.<sup>33</sup>

Crucially, the Joint Task Force Report specified that ‘what makes small states different’ is ‘their special development challenges’,<sup>34</sup> which render them ‘more vulnerable’ than larger states.<sup>35</sup> More specifically, the Report highlighted: their remoteness and insularity; their susceptibility to natural disasters; their limited institutional capacity; their limited diversification; their openness and access to external capital; and their poverty.<sup>36</sup> Reflecting a ‘broad consensus ... on the special development challenges and vulnerability of small states’,<sup>37</sup> the Report made a variety of recommendations ranging from the need for individual small states to maintain a stable macro-economic environment, to the need for external support and assistance from international institutions. In subsequent reports, the Commonwealth has

maintained that small states: suffer from ‘peculiarities and natural disadvantages’;<sup>38</sup> are ‘especially vulnerable to external events and susceptible to natural disasters’;<sup>39</sup> experience ‘inherent’ and ‘extreme’ vulnerability;<sup>40</sup> and are ‘more exposed to the vagaries of external markets’.<sup>41</sup>

The Commonwealth, then, has played a leading role in highlighting the specific development needs of small states on the international stage. Yet, as laudible as the Commonwealth’s efforts to emphasise small states’ vulnerabilities may seem, such discourses should also be viewed within the context of other dominant discourses and, in particular, those surrounding neo-liberal globalisation. Indeed, the language of vulnerability has often been explicitly articulated in terms of the severe challenges and constraints presented by globalisation. For example, as Shahid Javed Burki, the first World Bank co-chair of the Commonwealth Secretariat/World Bank Task Force, argued at the 1999 St. Lucia conference, small states ‘must take full advantage of the rapid globalisation of trade and finance. They cannot opt out of the system’.<sup>42</sup> Similarly, in the foreword to a 2001 report, the Rt Honourable Owen Arthur, Prime Minister of Barbados, pointed to the ‘profound’ challenges of globalisation: ‘We are now at a crossroads where the increasing trend towards globalisation could overwhelm the economies of many small states’<sup>43</sup> – claims that have been reiterated in subsequent reports.<sup>44</sup> Other reports have highlighted how globalisation exposes small states to ‘intensive competition’, meaning they have little choice but to adjust to it.<sup>45</sup> As such, globalisation has been appealed to as an inexorable economic logic for small states to adapt *to*, as opposed to a contingent political project *for* states to forge.<sup>46</sup>

This is not to suggest that small states are presented as passive objects of deterministic structures; quite the contrary: the ultimate responsibility for small states' prospects and performance is articulated as lying with small states themselves. Thus, while Burki emphasised the challenges of globalisation, he also commented that: 'It would be helpful to recognise that ultimately it is the strength of domestic policies that counts in promoting development'.<sup>47</sup> Subsequent reports have similarly claimed that 'the development challenge is to exploit the opportunities [of globalisation] successfully'<sup>48</sup> and that developing countries and LDCs can only reduce poverty 'if they pursue sound economic policies'.<sup>49</sup> More recently, a 2008 report urged that: 'In order to become fully integrated into the global economy and increase their competitiveness, it is essential that small states implement policies that promote economic development and ensure compliance with international best practices and regulations'.<sup>50</sup> The underlying logic of such discourses is clear: for small states to succeed, they must take responsibility for their *own* fates. While the international community may wish to support them in doing so, smallness is ultimately a problem that small states themselves must overcome.

The above examples are, of course, merely illustrative, but they highlight how international policy elites in the 1990s and 2000s used a language of vulnerability and constraint in the context of globalisation debates to argue that small states' policy options were limited to a neo-liberal agenda (including policies such as trade liberalisation, re-regulation and financial monetarism). Thus, it is possible to argue that the language of smallness to some extent became a language of 'can't do' and a practice of compliance with dominant economic norms. The discourse of smallness was used to argue for a limited set of policy opportunities available to solve the

material condition of being a small state, to obscure other policy possibilities, and to (re)produce dominant discourses surrounding neo-liberal globalisation.

At the same time, however, policy elites have also used the discourse of smallness to argue for a practice of smallness (such as alliance-building and appeals to fairness and special and differential treatment) in various international economic regimes as a solution to the political condition of being a small (read: weak) state. As we shall discuss in the next section, small developing states have been particularly vocal in the WTO and have used discourses of smallness to create possibilities to challenge existing unequal power structures (together with the consequent unfair decision-making practices within the organisation). Small developing states and LDCs have made appeals to fairness in both trade rules and rule-making processes to overcome the difficulties of smallness and, in so doing, have encouraged a ‘crisis discourse’ within the WTO.<sup>51</sup> According to this crisis discourse, small developing country and LDC practices in the WTO have led to the repeated breakdown of multilateral trade liberalisation during the current Doha Round. In this discourse, small states are no longer weak and vulnerable but are ‘won’t do’ countries, according to Robert Zoellick, the US Trade Representative at the WTO Cancun Ministerial Meeting.<sup>52</sup> The discourse of smallness in the international context has led to a practice of defiance over international trade rules and practices, an issue to which we now turn.

### **Won’t do another bum deal**

Small state defiance is increasingly relevant to multilateral trade negotiations and has played a significant part in the continued impasse in the Doha Round (2001 to-date). This is because small states have become ever more active and noisy in the WTO in the last decade. Indeed, small state discourses of defiance and appeals to fairness – particularly in the agricultural negotiations – have been a key factor in the ongoing delay in completing the Round.<sup>53</sup> In principle the Doha Declaration that was agreed and used to launch the Doha Talks in 2001 is meant to promote the development of developing and less-developed countries and address the negative impact of trade liberalisation and deregulation on the world's poorest of countries. Negotiations have been slow-going largely as a result of developing countries' resilient approach. They want to avoid signing another 'bum deal', as Ostry has described the 1995 WTO Uruguay – and the current stalemate in the negotiations centres on the unwillingness of developed countries to offer significant reductions in their trade-distorting agricultural subsidies and developing countries' reluctance to offer greater access to their industrial and service sectors.<sup>54</sup> A recent mini-ministerial in September 2009 followed by a full Ministerial in late November-early December 2009 failed to break this stalemate, with the Doha Round continuing to drag on and the crisis discourse persisting. The current state of play in the WTO is that developing countries insist that unless agreement is reached on agricultural market access and non-agricultural market access (NAMA) then negotiations on the other key issues (the priorities of the major developed countries) services, trade in environmental goods and services, and trade facilitation will not take place. Small developing countries (SDCs) and LDCs 'won't do' negotiations on these latter issues without significant concessions from major powers on what they see as key development issues.

Although the developing countries in the WTO are led by large countries such as India, Brazil, and South Africa through influential strategic coalitions such as the Group of Twenty (G20) and the Africa Group, SDCs are also playing a key role in holding back the negotiations. Some SDCs such as Burkina Faso and Tanzania were invited by the WTO Secretary General to the mini-ministerial in Delhi in September 2009, recognition perhaps of the need to include this hitherto overlooked category of member-state into the formal negotiating process. Other examples include Mauritius – as leader of the African, Caribbean and Pacific Group (ACP) – and, most successfully perhaps, the so called “Cotton Four” (C4) – a highly active group of four African states, Benin, Burkina Faso, Chad, and Mali. Within the WTO, these states have become highly visible participants in the negotiations and, in the case of the C4 particularly, proponents of a ‘won’t do’ bargaining strategy. This group of small LDCs have successfully challenged the process of the agricultural negotiations in general, and the cotton talks in particular, by developing normative discourses on fair trade and development. They are of course helped in the matter by the naming of the current round of WTO talks as the Development Agenda which creates high levels of expectation that the Round will directly address the interests of developing countries and any agreement will facilitate their economic development. It is within this environment of normative claims of development that SDCs and LDCs have been able to challenge larger member-states such as the US on the grounds that existing American agricultural policies are unfair because they prevent the economic development of some of the poorest countries in the global economy and also infringe existing WTO rules on domestic subsidies. The C4 and other LDCs have successfully linked the issue of agricultural subsidies to a broader normative agenda of development and trade liberalisation. These states are not making demands for radical



trade policy. Rather, they are winning the normative argument by simply demanding that the US and others implement the Uruguay agreements on agricultural trade liberalisation they signed up to in 1995 and yet continue to sidestep. The ‘won’t do’ approach of the C4 is underpinned by a normative discourse that enables these small states to capture the moral and ideological high ground and gain material effects as a result. The discourse of trade liberalisation and development is important in mobilising other states and non-state actors within the WTO in support of the ‘won’t do’ approach. Developing country strategic coalitions such as the Africa Group, the ACP Group and the G20 have actively obstructed moves by the US and other major powers to complete the Doha Round without concessions in agriculture.<sup>55</sup> Non-governmental organisations such as Oxfam have also been mobilised in support of the C4, producing detailed research supporting the claim that American cotton subsidies harm the development of these small West African states.<sup>56</sup> In addition, civil groups have been active in US capitols, lobbying media companies in particular, to highlight the negative impact of cotton subsidies on poverty in West Africa.<sup>57</sup>

The C4 began their challenge to the major powers in the Doha talks in 2003 with the launch of a Cotton Initiative, which called for sweeping reductions in developed country domestic subsidies in cotton.<sup>58</sup> American and, to a lesser extent, European domestic cotton subsidies encourage higher levels of production of cotton which in turn lowers world prices.<sup>59</sup> These artificially created lower prices, which have impacted upon West African farmers by reducing their competitiveness because they cannot compete fairly with American and European cotton farmers.<sup>60</sup> Despite increasing levels of cotton productivity in West Africa, income from cotton exports has fallen by over a third during the Doha talks.<sup>61</sup> In sum, American and European domestic subsidies prevent other countries like the C4 from gaining fair access to

large markets such as China. In order to address this issue West African states have clearly developed defiant discourses and praxis within the WTO.

What is significant for our analysis of small states in the international political economy is that, by launching a trade liberalisation offensive in the form of the Cotton Initiative, the C4 successfully placed their policy priorities on the agenda of the Doha talks and, during the last seven years of the negotiations, have continued to make ‘a nuisance of themselves’<sup>62</sup> in pursuit of an end to developed country agricultural protectionism. During more than seven years of intensive, high level multilateral trade negotiations the C4 have managed to headline cotton as a key issue in the Doha Agenda and prevented the larger member-states from marginalising LDCs' interests on agricultural liberalisation at the expense of developed country priorities in industrial market access and liberalisation of services. The ‘won’t do’ strategy of the C4 is one of the factors that has delayed completion of the Doha Round as these African states have resisted continued attempts by larger states to accept a trade deal without the concessions in cotton they doggedly demand. While small state defiance on cotton in the Doha talks has not, as yet, resulted in tangible outcomes by way of meaningful shifts in US or EU agricultural trade policy, it has at least transformed the negotiating and decision-making process of the WTO.<sup>63</sup>

In another highly visible case of small state defiance in the WTO, and one that began in 2003 at the same time the Cotton Initiative was launched, Antigua took on the US using the Dispute Settlement Mechanism over the issue of internet gambling. In March 2003 Antigua submitted a complaint that US federal and state policies on internet gambling and betting services prevented Antiguan gambling services from operating in the US market and infringed article XXIII of the WTO General

Agreement on Trade in Services (GATS).<sup>64</sup> After months of fruitless bilateral negotiations with the US, Antigua finally requested the WTO to set up a dispute panel, appealing to widely held values of trade liberalisation. In 2004 this panel found in favour of the Antiguan complaint and a subsequent American appeal in 2005 failed.<sup>65</sup> Antigua's defiant stance towards the US meant that it was able to extract concessions from a much larger and purportedly more powerful WTO member-state.<sup>66</sup> The Antiguan case provides an interesting case of how a small state can successfully adopt a discourse of smallness to underpin an offensive strategy and demonstrate, in Cooper's words an 'unanticipated power of agency' in its relations with a larger state.<sup>67</sup>

During the Doha Round developing states and LDCs have not always been weak and marginalized, as recent studies of small WTO member-states suggest.<sup>68</sup> Increasingly, as the cotton and internet gambling cases indicate, small 'size' does not always mean small 'impact' and that defiance praxis and discourse offers small states possibilities of effective diplomatic action. In both cases a discourse of smallness in the WTO provided widely-agreed liberal policy solutions to the problem of American protectionism and linked this to appeals to commonly-held international values on development. It also provided the basis for elite coordination at national and international levels, and translated their arguments into a common moral language that mobilised civil support in support of agricultural and services trade liberalisation.

Small states have come a long way from being the object of international trade negotiations and have increasingly imposed themselves on the WTO decision-making process in order to influence trade policy outcomes. While most scholars have explained this increasing influence in terms of the enhanced bargaining capacity and

negotiating leverage that is gained by creating strategic coalitions,<sup>69</sup> we feel that the case of the cotton dispute in the WTO demonstrates that such coalitions are built on new defiant discourses of smallness that have united LDCs in obstructing larger and supposedly more powerful member-states. In the internet gambling case Antigua did not have to build a coalition to increase its material power vis-à-vis the US. It developed a discourse of smallness linked to liberal trade policy values to generate material effects in their relations with larger states.

## **Conclusion**

In this article we have called for more attention to be devoted to smallness as a discursive (as opposed to analytical) category when thinking about the experiences and status of small states in the international political economy. Interestingly, this is something that Peter Katzenstein highlighted some twenty-five years ago in his seminal work, *Small States in World Markets*.<sup>70</sup> Yet, as Katzenstein has since lamented, while the book's 'most important' insight was that *perceptions* of smallness and vulnerability were what 'really mattered' when looking at small states, it was precisely this insight that has received the least attention in subsequent reviews and discussions of his work.<sup>71</sup> This article has argued that discourses of smallness do indeed matter – and thus warrant closer attention – not least because discourses yield material effects. In particular, we have argued that discourses of smallness appear to 'naturalise' unequal relations of power that, in turn, do indeed render some states more weak, exposed and vulnerable than others. More specifically, we have argued that discourses of inherent vulnerability must be seen within the context of dominant discourses of neo-liberal globalisation in which globalisation has been viewed as an inexorable economic logic rather than as a project that is 'contingent, contested and

above all authored politically'.<sup>72</sup> Globalisation is thus conceived as a harsh material reality that small states must adapt to through 'good' policies, rather than as a political project – and, for that matter, a political project that has (arguably) produced the very inequalities between 'large' and 'small' states that are attributed to the innate disadvantages of smallness itself. It is both ironic and convenient, then, that discourses of smallness/vulnerability allow the responsibility for 'development' to shift away from the international community and towards small states themselves. Yet, as we have outlined, some small states have actively challenged the neo-liberal globalisation agenda precisely by maintaining that they are not 'the problem' to be 'solved'. Rather, coalitions such as the Africa Group have sought to hold the US and EU to account by presenting *them* as 'the problem' (not least with respect to their 'your liberalise, we subsidise' approach). As such, small states have sought to re-articulate smallness in terms of defiance rather than constraint – or, as we have put it, in terms of what they will not, as opposed to cannot, do.

## Notes

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<sup>1</sup> R. Higgott, 'Toward a Non-Hegemonic IPE: An Antipodean Perspective', in C. Murphy and R. Tooze, *The New International Political Economy*, Boulder: Lynne Rienner Publishers, 1991, p. 97.

<sup>2</sup> D. Lee, *Middle Powers and Commercial Diplomacy: British Influence at the Kennedy Trade Round*, Basingstoke: Macmillan, 1999.

<sup>3</sup> I. B. Neumann and S. Gstohl, 'Introduction: Lilliputians in Gulliver's World?' in C. Ingebritsen, I. Neumann, S. Gstohl and J. Beyer, *Small States in International Relations*, Seattle: University of Washington Press, 2006.

<sup>4</sup> This, of course, is not to suggest that other discourses of smallness are not being articulated. For example, it is possible to identify what might be termed a 'have done' discourse, in that some small states have been keen to present themselves as models for other countries to follow (as in 'look what

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we have done!'). Think, for instance, of the way in which Irish policy-makers have used discourses surrounding the 'Celtic tiger' as a means to gain a stronger voice in European and international policy. But it is interesting that, even Ireland – and indeed, even the Nordic social democratic states such as Sweden – also appear to have internalised (at least to an extent) the 'can't do' discourses (i.e. that there is 'no alternative' than to embrace progressive neo-liberalism). See N. Smith, *Showcasing Globalisation? The Political Economy of the Irish Republic*, Manchester: Manchester University Press, 2005; C. Hay, 'Common Trajectories, Variable Paces, Divergent Outcomes? Models of European Capitalism under Conditions of Complex Economic Interdependence', *Review of International Studies*, 11(2), 2004.

<sup>5</sup> A. M. Bissessar, ed. *Globalisation and Governance: Essays on the Challenges for Small States*, Jefferson: McFarland, 2004; C. Ingebritsen, I. Neumann, et al., eds., *Small States in International Relations*, Seattle: University of Washington Press, 2006; A. Bergman-Rosamond, *Non-Great Powers in International Politics: The English School and Nordic Internationalism*, London: Routledge, 2010; A. Wivel, B. Thorhallsson and R. Steinmetz, *Small States in Europe: Challenges and Opportunities*, Farnham: Ashgate, 2010.

<sup>6</sup> Neumann and Gstohl, 'Introduction: Lilliputians in Gulliver's World?'. As Joenniemi writes: 'the concept of small states ... remains largely anchored in a traditional discourse, with "small" being pitted against "large", this division then being used as a departure in various endeavours to catch essential patterns in the interaction among states'. P. Joenniemi, 'From Small to Smart: Reflections on the Concept of Small States', *Irish Studies in International Affairs*, 9, 1998, p. 61.

<sup>7</sup> P. Baehr, 'Small States: A Tool for Analysis', *World Politics*, 27(3), 1975; M. W. Mosser, 'Engineering Influence: The Subtle Power of Small States in the CSCE/OSCE', in E. Reiter and H. Gartner, *Small States and Alliances*, New York: Physica-Verlag, 2001.

<sup>8</sup> These different thresholds have been used respectively by G. A. Pirotta, R. Wettenhall and L. Briguglio, 'Governance of Small Jurisdictions', *Public Organisation Review*, 1(2), 2001; H. W. Armstrong and R. Read, 'Trade and Growth in Small States: The Impact of Global Trade Liberalisation', in P. Lloyd and C. Milner, *The World Economy: Global Trade Policy 1998*, Oxford: Blackwell, 1998; and R. Pace, 'Malta and EU Membership: Overcoming "Vulnerabilities", Strengthening "Resilience"', *European Integration*, 28(1), 2006.

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<sup>9</sup> T. Crowards, 'Defining the Category Of "Small" States', *Journal of International Development*, 14(2), 2002.

<sup>10</sup> Mosser, 'Engineering Influence'.

<sup>11</sup> N. Nugent, 'Cyprus and the European Union: The Significance of Its Smallness, Both as an Applicant and a Member', *European Integration*, 28(1), 2006.

<sup>12</sup> Baehr, 'Small States: A Tool for Analysis'.

<sup>13</sup> J. Alford, 'Security Dilemmas of Small States', *World Today*, 40(8-9), 1984; S. Harden, ed. *Small Is Dangerous: Micro States in a Macro World*, New York: St. Martin's Press, 1985; L. Briguglio, 'Small Island Developing States and Their Economic Vulnerabilities', *World Development*, 23(9), 1995; C. Easter, 'Small States Development: A Commonwealth Vulnerability Index', *The Round Table*, 351(1), 1999; P. Sutton, 'Small States and the Commonwealth', *Commonwealth and Comparative Politics*, 39(3), 2001; M. Lee, 'The Small State Enlargement of the EU: Dangers and Benefits', *Perspectives on European Politics and Society*, 5(2), 2004; A. Payne, 'Small States in the Global Politics of Development', *The Round Table*, 93(376), 2004.

<sup>14</sup> Armstrong and Read, 'Trade and Growth in Small States: The Impact of Global Trade Liberalisation'; R. Grynberg, *WTO at the Margins: Small States and the Multilateral Trading System*, Cambridge: Cambridge University Press, 2006; A. Broome and L. Seabrooke, 'Seeing Like the IMF: Institutional Change in Small Open Economies', *Review of International Political Economy*, 14(4), 2007; K. P. Gallagher, 'Understanding Developing Country Resistance to the Doha Round', *Review of International Political Economy*, 15(1), 2008; M. Michaely, 'WTO at the Margins: Small States and the Multilateral Trading System', *World Trade Review*, 7(3), 2008; R. Singh and B. Prasadi, 'Small States, Big Problems: Small Solutions from Big Countries', *Journal of World Trade*, 42(5), 2008; W. Vlcek, *Offshore Finance and Small States : Sovereignty, Size and Money*, Basingstoke: Palgrave Macmillan, 2008.

<sup>15</sup> Harden, *Small Is Dangerous*; Armstrong and Read, 'Trade and Growth in Small States: The Impact of Global Trade Liberalisation'.

<sup>16</sup> G. Garrett, *Partisan Politics in the Global Economy*, New York: Cambridge University Press, 2000; J. Hopkin and D. Wincott, 'New Labour, Economic Reform and the European Social Model', *British Journal of Politics and International Relations*, 8, 2006.

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<sup>17</sup> W. Easterly and A. Kraay, 'Small States, Small Problems? Income, Growth and Volatility in Small States', *World Development*, 28(11), 2000; R. A. Dahl and E. R. Tufte, *Size and Democracy*, Stanford: Stanford University Press, 1973.

<sup>18</sup> G. Baldacchino and D. Milne, eds., *Lessons from the Political Economy of Small Islands: The Resourcefulness of Jurisdiction*, Basingstoke: Palgrave, 2000; A. Handley, *Business and the State in Africa: Economic Policy-Making in the Neo-Liberal Era*, Cambridge: Cambridge University Press, 2008.

<sup>19</sup> Compare for instance L. Briguglio and E. Buttigieg, 'Competition Constraints in Small Jurisdictions', *Bank of Valletta Review*, 30, 2004 with S. S. A. Aiyar, 'Small States: Not Handicapped and under-Aided, but Advantaged and over-Aided', *CATO Journal*, 28(3), 2008

<sup>20</sup> Mosser, 'Engineering Influence'.

<sup>21</sup> N. Smith, M. Pace and D. Lee, 'Size Matters: Small States and International Studies', *International Studies Perspectives*, 6(3), 2005, p. iii.

<sup>22</sup> M. Watson, 'International Capital Mobility in an Era of Globalisation: Adding a Political Dimension to The "Feldstein-Horioka Puzzle"', *Politics*, 21(2), 2001.

<sup>23</sup> We do not wish to imply no attention at all has been devoted to discourses of smallness in the literature – see for instance V. Schmidt, 'How, Where and When Does Discourse Matter in Small States' Welfare State Adjustment?' *New Political Economy*, 8(1), 2003; C. Browning, 'Small, Smart and Salient? Rethinking Identity in the Small States Literature', *Cambridge Review of International Affairs*, 19(4), 2006. Nevertheless, given the 'ideational turn' in comparative political economy, IPE and IR in recent years, it is perhaps surprising that so few accounts treat this as a central concern.

<sup>24</sup> Jackson cited in R. Wilkinson, 'Language, Power and Multilateral Trade Negotiations', *Review of International Political Economy*, 16(4), 2009.

<sup>25</sup> For a discussion of how discourses reproduce 'the international as a spatial and conceptual domain ... [which is] ultimately, of state identity' see L. Shepherd, "'To Save Succeeding Generations from the Scourge of War': The US, UN and the Violence of Security', *Review of International Studies*, 34, 2008.

<sup>26</sup> For a discussion of the relationship between structure, agency and ideas in political analysis, see C. Hay, *Political Analysis*, Basingstoke: Palgrave, 2002

<sup>27</sup> We are fully aware that not all readers will share our meta-theoretical world-view. As one commentator remarked with regard to an earlier version of this paper, we should *either* accept that 'the



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discourse of smallness has been used to shed light on the material reality of smallness because it is largely “true” (the commentator’s own view) *or* demonstrate empirically that discourses matter more than material factors. Our view is that this overlook how one’s empirical choices are always-already shaped by one’s meta-theoretical choices – including how one understands the relationship between ‘the material’ and ‘the ideational’. To put this another way, we simply do not believe that it is possible to empirically ‘prove’ an answer to the question: ‘If a tree falls in a forest and no-one hears it, does it make a sound?’ With respect to the notion that the articulation of discourses itself ‘proves’ the existence of inherent vulnerabilities, we thought that the following analogy might help to further explain our position (albeit in highly simplistic terms): Women have historically been constructed as ‘inherently’ weak and vulnerable, and they have also experienced systematic structural disadvantages. Feminists have argued (i) that the two are linked but that (ii) this is not because such gendered discourses simply reflect the ‘reality’ of women’s inherent weakness but rather that (iii) such discourses are themselves productive of uneven power relations. In short: we are highly suspicious of appeals to ‘inherent vulnerabilities’, especially when they are used to explain away structural inequalities!

<sup>28</sup> See for instance Commonwealth Consultative Group on the Special Needs of Small States and Commonwealth Secretariat, 'Small States in the Global Society: Report of a Commonwealth Consultative Group', in, London: Commonwealth Secretariat, 1985.

<sup>29</sup> Commonwealth Secretariat, *Development and Democracy: Report of the Commonwealth Secretary-General*, London: Commonwealth Secretariat, 2003.

<sup>30</sup> O. Arthur, 'Foreward', in D. Peretz, R. Faruqi and E. J. Kisanga, *Small States in the Global Economy*, London: Commonwealth Secretariat, 2001, p. vii.

<sup>31</sup> Small States Forum, *Background Information: Progress on the Small States Task Force Report Agenda*, Washington: International Monetary Fund/World Bank Group, 2002, p. i.

<sup>32</sup> Commonwealth Secretariat, 'Progress in the Implementation of the Recommendations of the Commonwealth Secretariat/World Bank Joint Task Force Report on 'Small States: Meeting the Challenges in the Global Economy''. London, Commonwealth Secretariat, 2002.

<sup>33</sup> Arthur, 'Foreward', p. vii.

<sup>34</sup> Commonwealth Secretariat/World Bank Joint Task Force on Small States, *Small States: Meeting Challenges in the Global Economy*, London: Commonwealth Secretariat, 2000, p. ii.

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<sup>35</sup> Ibid., p. 5.

<sup>36</sup> Ibid., pp. ii-iii.

<sup>37</sup> Commonwealth Secretariat, 'Progress in the Implementation of the Recommendations of the Commonwealth Secretariat/World Bank Joint Task Force Report on 'Small States: Meeting the Challenges in the Global Economy'', p. 1.

<sup>38</sup> R. Grynberg and J. Y. Remy, *Small Vulnerable Economy Issues and the WTO*, London: Commonwealth Secretariat, 2004, p. 24.

<sup>39</sup> Commonwealth Secretariat, *Transforming Societies, Changing Lives: Report of the Commonwealth Secretariat*, London: Commonwealth Secretariat, 2007, p. 27.

<sup>40</sup> Commonwealth Secretariat, *Commonwealth Secretariat Progress Report on the Implementation of the Small States Agenda*, London: Commonwealth Secretariat, 2008; Commonwealth Secretariat, *Small States: Economic Review and Basic Statistics: Volume 13*, London: Commonwealth Secretariat, 2009, p. ii.

<sup>41</sup> J. Kennan and M. Cali, *The Global Downturn and Trade Prospects for Small States*, London: Commonwealth Secretariat, 2009, p. 1.

<sup>42</sup> S. J. Burki, 'Integrating Small States in a Fast-Changing Global Economy', in D. Peretz, R. Faruqi and E. J. Kisanga, *Small States in the Global Economy*, London: Commonwealth Secretariat, 2001, p. 9.

<sup>43</sup> O. Arthur, 'Foreward', in Ibid., p. vii.

<sup>44</sup> Commonwealth Secretariat, *Development and Democracy: Report of the Commonwealth Secretary-General*, p. 20. More recently, reports have claimed that the impact of the global downturn has been 'more so for small states' due to their heightened exposure to external markets – see e.g. Kennan and Cali, *The Global Downturn and Trade Prospects for Small States*.

<sup>45</sup> G. Wignaraja, M. Lezama and D. Joiner, *Small States in Transition: From Vulnerability to Competitiveness*, London: Commonwealth Secretariat, 2004, p. 12.

<sup>46</sup> For an in-depth discussion of this distinction see C. Hay and N. Smith, 'Horses for Courses? The Political Discourse of Globalisation and European Integration in the UK and Ireland', *West European Politics*, 28(1), 2005.

<sup>47</sup> Burki, 'Integrating Small States in a Fast-Changing Global Economy', p. 9.

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- <sup>48</sup> R. L. Bernal, 'Globalisation and Small Developing Economies: Challenges and Opportunities', in *Ibid.*, p. 40.
- <sup>49</sup> P. Collier and D. Dollar, 'Aid, Risk and the Special Concerns of Small States', in *Ibid.*, p. 11.
- <sup>50</sup> Commonwealth Secretariat, *Commonwealth Secretariat Progress Report on the Implementation of the Small States Agenda*, p. 6.
- <sup>51</sup> A. Narlikar, 'Fairness in International Trade Negotiations: Developing Countries in the GATT and WTO', *The World Economy*, 29(81005-1029), 2006; Wilkinson, 'Language, Power and Multilateral Trade Negotiations'.
- <sup>52</sup> R. B. Zoellick, 'America Will Not Wait for the Won't Do Countries', *Financial Times* London, 2003.
- <sup>53</sup> For details of US subsidies see D. Lee and N. J. Smith, 'The Political Economy of Small African States in the WTO', *The Roundtable: The Commonwealth Journal of International Affairs*, 395(April), 2008.
- <sup>54</sup> S. Ostry, 'The World Trading System: In the Fog of Uncertainty', *Review of International Organizations*, 1(2), 2006.
- <sup>55</sup> Evidence of this support can be found in paragraph 29 of the ACP Declaration to the WTO 7<sup>th</sup> Ministerial Conference in Geneva in late 2009 and the Communication of Egypt to the Conference sent on behalf of the African Union.
- <sup>56</sup> See for example Oxfam International, 'Pricing Farmers out of Cotton: The Costs of World Bank Reforms in Mali', 2007.
- <sup>57</sup> K. H. Cross, 'King Cotton, Developing Countries and the 'Peace Clause': The WTO's US Cotton Subsidies Decision', *J Int Economic Law*, 9(1), 2006.
- <sup>58</sup> WTO, 'WT/Min (03)/W/2 (15 August)', WT/MIN (03)/W/2 (15 August), 2003a; D. A. Sumner, 'Reducing Cotton Subsidies: The DDA Cotton Initiative', in W. Martin and K. Anderson, *Agricultural Trade Reform and the Doha Development Agenda*, Washington D.C.: World Bank, 2005; E. L. Heinisch, 'West Africa Versus the United States on Cotton Subsidies: How, Why and What Next?' *The Journal of Modern African Studies*, 44(02), 2006.
- <sup>59</sup> Lee and Smith, 'The Political Economy of Small African States in the WTO'.
- <sup>60</sup> J. M. Alston, D. A. Sumner and H. Brunke, 'Impacts of Reductions in US Cotton Subsidies on West African Cotton Producers', 2007.
- <sup>61</sup> For data on West African cotton productivity see WTO, 'WT/Min (03)/W/2 (15 August)'.

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<sup>62</sup> *The Economist*, 30 July 2004.

<sup>63</sup> For details see Lee, 1999.

<sup>64</sup> WTO, 'United States - Measures Affecting the Cross-Border Supply of Gambling and Betting Services: Request for Consultations by Antigua and Barbuda', 2003b.

<sup>65</sup> WTO, 'United States - Measures Affecting the Cross-Border Supply of Gambling and Betting Services: Report of the Panel', 2004; WTO, 'United States - Measures Affecting the Cross-Border Supply of Gambling and Betting Services: Report of the Appellate Body', 2005.

<sup>66</sup> For details of the case go to [www.antiguawto.com](http://www.antiguawto.com).

<sup>67</sup> A. F. Cooper, 'Confronting Vulnerability through Resilient Diplomacy: Antigua and the WTO Internet Gambling Dispute with the United States', in A. F. Cooper and T. M. Shaw, *The Diplomacies of Small States: Between Vulnerability and Resilience*, Houndsmills, Basingstoke: Palgrave, 2009.

<sup>68</sup> B. Bora, R. Grynberg, et al., *Marginalisation of LCDs and Small Vulnerable States in World Trade*, London: Commonwealth Secretariat, 2004; Grynberg, *WTO at the Margins: Small States and the Multilateral Trading System*.

<sup>69</sup> A. Narlikar, *International Trade and Developing Countries: Bargaining and Coalitions in the GATT and WTO*, London: Routledge, 2003; A. Narlikar and D. Tussie, 'The G20 at the Cancun Ministerial: Developing Countries and Their Evolving Coalitions in the WTO', *The World Economy*, 27(7), 2004; J. S. Odell, ed. *Negotiating Trade: Developing Countries in the WTO and NAFTA*, Cambridge: Cambridge University Press, 2006.

<sup>70</sup> Katzenstein, *Small States in World Markets: Industrial Policy in Europe*.

<sup>71</sup> P. Katzenstein, 'Small States and Small States Revisited', *New Political Economy*, 8, 2003.

<sup>72</sup> C. Hay, 'Contemporary Capitalism, Globalisation, Regionalisation and the Persistence of National Variation', *Review of International Studies*, 26(4), 2000, p. 525.