Norm rejection: Why small states fail to secure special treatment in global trade politics.

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Abstract: The literature examining small states as norm entrepreneurs focuses predominantly on Scandinavian countries. In contrast, Small Island Developing States (SIDS) and Small Vulnerable Economies (SVE) in the Africa, Caribbean and Pacific (ACP) group of countries are largely excluded from this analysis of norm transmission: there is little work investigating whether these overlapping sub-categories of small states have successfully created norms in areas of interest to them, particularly in multilateral trade. Using the constructivist ‘norm life cycle’ model, this paper proposes four major reasons why SIDS, and SVEs specifically within the SIDS category, outside the Least Developed Country (LDC) group, have so far been unable to establish their eligibility for, and thereby establish adoption of, the norm that they become permanent recipients of special and differential treatment (SDT) and of preferences in global trade politics, despite significant norm entrepreneurship since the 1990s when non-reciprocal free trade lost favour.

Keywords: norms; preferences; special and differential treatment; small states, small island developing states; small vulnerable economies

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Introduction

Small states have made significant contributions to global norms in international relations (Acharya 2014). Scandinavian countries such as Sweden, Norway and Denmark, have used discursive strategies to set international standards and influence state behaviour in such areas as migration, aid and eco-politics, at regional and international levels (Kronsell, 2002). Described as norm-entrepreneurs, they are consistently used to exemplify small states’ ability to exercise soft-power to establish global norms (Ingebritsen, 2006; Magnusdóttir & Thórhallsson, 2011).

And yet, only a handful of scholars (e.g. Betzold, 2010; Corneloup and Mol, 2013) examine the influence of SIDS – see Table 1 - (many of whom are also SVEs) – see Table 2 – beyond discussions on climate change. Most tend to engage in a Euro-centric, generalised view of small states and their contributions to global norms. SIDS and SVEs, a distinctive subset of small states concentrated in the Africa, Caribbean and Pacific (ACP) regions, and which are the subject of this paper, have been notably absent from the literature. Most of these are smaller and more materially disadvantaged than their European counterparts, and are seeking to influence norms – specifically in trade – that are harder to achieve due to context, timing and the contentious nature of global trade politics. Indeed, the areas of peace and security, environment and migration – where small European states have successfully created norms – are less disputed and involve higher levels of agreement, leading to greater chances of norm success.
Table 1: List of 38 Small Island Developing States, members of the UN.

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<th>Atlantic, Indian Ocean, Mediterranean and South China Sea (AIMS) (9)</th>
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<td>Bahrain</td>
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<td>Palau</td>
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Source: https://sustainabledevelopment.un.org/topics/sids/list

Table 2: The WTO list of 27 members of the group of Small and Vulnerable Economies (SVEs).

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<thead>
<tr>
<th>Antigua and Barbuda</th>
<th>Dominican Republic</th>
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<th>St Lucia</th>
<th>St Vincent &amp; Grenadines</th>
<th>Seychelles</th>
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This paper first highlights the absence of a sub-category of small states within the study of small states and norms in International Relations (IR), and brings the area into the field of International Political Economy (IPE) by applying norms to international trade. This is necessary because both subject areas are treated as mutually exclusive. On the one hand, where norms are applied to small states, this is predominantly fixated in the areas of climate change, prevention of violent conflicts, the arms trade, and the environment. With the exception of climate change related to sea-level rise, Scandinavian states are the main champions for international behavioural changes in these areas. The IPE literature on SIDS and SVEs on the other hand does not discuss the issue of international norm setting. This is a gap since SIDS and SVEs are active in global trade politics.

Second, the paper argues that SIDS and SVEs have largely failed to influence norms of importance to them in the specific area of international trade. It hopes to answer why they have been unable to make their eligibility for special and differential treatment (SDT) and preferences – which are offered to Least Developed Countries (LDCs) – a taken-for-granted and permanent aspect of international trade politics, although they encounter structural issues which prevent them from participating in global trade on the same terms as larger economies, and in spite of the fact that they are members of neutral international organisations and have formed themselves into regional and international groupings, gaining strength in numbers (Keohane, 1969; Súilleabháin, 2014).

We use the first and second stages of the norm life cycle concept of Finnemore and Sikkink (1998) and Florini (1996), i.e. norm creation and norm spreading, to outline four factors responsible for the failure of SIDS and SVEs to establish their eligibility for SDT and preferences. These are: i) the lack of universal consensus regarding how trade policy should be practised among developing countries outside the LDC category; ii) lack of capacity and expertise of SIDS and SVEs to properly clarify and justify their proposed norm; iii) a lack of coherence within these groups; and, iv) their extreme openness and dependence on a liberal world economy.

Finnemore and Sikkink (1998) has become a benchmark for constructivist study of norm emergence and norm spreading. This is despite criticisms that this text has not paid adequate attention to material factors which influence norm spread (Landolt, 2004); they have a simplistic view of norm-cascading (Payne, 2001; Coleman, 2011; Krook & True, 2010); and they ignore whether and how norms are accepted domestically once they are created and spread internationally (O’Faircheallaigh 2014). In spite of its criticism, this framework allows for an accordance in how both Scandinavian small states and SIDS and SVEs seek to influence international behaviour. Both categories of small states construct norms, place them on the international agenda and seek to shape the said agenda, build coalitions with like-minded states, then solicit the support of especially international organisations that are capable of promulgating and adding legitimacy to the norm (Björkdahl, 2013). This raises an intriguing question: why is one group of small states more successful at having the norms it promotes cascade; while the other is not?

This is important: 38 self-governing, independent countries classified as SIDS are members of the United Nations (See Table 1). Of these, 29 are members of the World Trade Organisation (WTO). They actively participate, individually and in groupings, in international trade negotiations. Yet, little research has examined their ability to create norms in global trade politics. More specifically, the reasons for their inability to make their eligibility for SDT and preferences a taken-for-granted and permanent aspect of international trade needs to be critically investigated.
The rest of this paper unfolds as follows: we examine the theoretical depiction of international norms. Next, we look at the academic and policy characterisation of small states, following with the relationship between SIDS and SVEs and norms. Using the norm life cycle analysis, we then elaborate on the four key reasons SIDS and SVEs fail to successfully establish their eligibility for SDT and preferences as an international norm. The article concludes by pulling together the different aspects of the study, and proposing the merits of this work to the study of small states.

Theoretical approach to the creation and spreading of norms

International norms are global codes of proper behaviour set by agents, states and societal actors (Ingebritsen, 2006; Finnemore, 1993). They govern much of state behaviour in international relations by providing cues for what kind of state identity is acceptable, and what kinds of actions are suitable (Flowers, 2016, p. 106). Such behaviour is driven by shared beliefs and values (Florini, 1996). Norms are pre-constructed at national level; they rest on socialisation and traditions born out of permissive domestic institutions (Acharya, 2004). They then spread beyond the border of their conception via regional or global platforms through the media of diplomacy, negotiation, advocacy and litigation. They consist of a moral dimension where ethical expectations are shared (Kübler, 2001; Björkdahl, 2002, p. 13), in this case, by states. They involve moral stigmatisation or indignation towards those who do not conform (Zarakol, 2014; Towns & Rumelili, 2017).

A norm arises out of a need to bring about cooperation in a context of varying and multiple motives (Florini, 1996, p. 365). For it to become internalised as an accepted and unquestioned code of conduct, a large number of participants must be convinced of its legitimacy and material benefits (Florini, 1996). There are two main types of norms identified in the literature: regulative norms which order and constrain behaviour, usually in the form of material sanctions; and constitutive norms which create new actors, interests, or categories of action (Finnemore & Sikkink, 1998, p. 891). The latter is more complex and demands deeper theorisation.

Power and capacity as it relates to norm spread has been largely absent from the literature. Florini (1996) argues that powerful states have more diplomatic resources at their disposal to channel norms of interest to them. It however remains unclear as to why states with more power and material assets are more convincing, hence more successful, in their pursuit of new norms; while states with less power and material endowments are more likely to fail and experience rejection.

This means that material factors (power and capacity) can, and do, underline social ones (norms). We can thus hypothesise that, due to material factors, SIDS and SVEs under some circumstances are affected in their ability to socialise and condition other states into norms of importance to them. We note this while acknowledging that, in some normative areas, the material fact of smallness acts as a source of strength, rather than weakness. For example, SIDS gain more success in influencing norms regarding climate change due to the direct impact on their material existence. Conversely, in international trade, material conditions – such as a lack of administrative and diplomatic capacity – do affect states’ ability to influence trade norms in their favour.

Norms contain two core elements: ‘goodness’ and ‘oughtness’ (Finnemore & Sikkink, 1998). For a norm to be accepted and maintained, it must be considered appropriate to those whom it is being promoted. Additionally, norms can also take on a moral dimension, dictating what one ought to
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do, or the standard which one must uphold in their conduct. It signifies that some states accept new norms in their quest for group acceptance, and in an effort to secure and/or maintain legitimacy within the ‘group identity’ formed by the new norm (Ayoub, 2015; Flowers, 2016). There is, here, and what has hitherto been unidentified, an implication for certain categories of states that may experience ambivalence of being pulled in the direction of accepting established norms, while seeking to establish alternative norms benefiting themselves within the same normative environment.

Finnemore & Sikkink (1998) propose three stages in a norm life cycle: i) norm emergence; ii) broad norm acceptance; and iii) norm internalisation. The first stage involves norm entrepreneurs attempting to convince a critical mass of states to embrace a new norm. This critical mass, they note, does not have to involve the majority of states in the system, but those upon whom success of the norm heavily depends. Influential states also provide critical mass by helping to assure broad international support (Payne, 2001).

This approach has its critics. Carpenter (2007) argues that it is premature, in that norm emergence should be theorised as being preceded by a problem, which is interpreted as an issue by advocacy groups, and is only then channelled by norm entrepreneurs as a norm. Both Payne (2001, p. 42) and Krook & True (2010) note that the process by which state A successfully persuades states B, C, D to accept a new norm is not a one-way scenario: norms do not cascade in the manner in which they emerge, but evolve through a dynamic, transactional and discursive process among would-be accepting states before cascading and internalisation occur.

This means that a norm that was created will not necessarily cascade in its exact birth form; and, once it cascades, it may be internalised differently by different states (Van Kersbergen & Verbeek, 2007), or get watered-down to become more generic, thereby fitting multiple institutional contexts (Bettiza & Dionigi, 2015).

New norms never enter a normative vacuum, but instead emerge in a highly contested normative space where they must compete with other norms and perceptions of interest (Finnemore & Sikkink, 1998, p. 897).

Indeed, at any given time, several norms are competing for time and attention (Florini, 1996, p. 367). Some are fighting to remain dominant while others are attempting to replace them or coexist as parallel dominant sets of beliefs, values and behaviour. However, the environment is not the only deterrent to new norms. Florini (1996) offers three factors to account for the success or failure of a new norm: i) its ability to become prominent and established in a pool of other norms; ii) its ability to interact well with the normative environment (that is, norms with which it shares the environment and does not compete); and iii) the nature of the external environment confronting the norm pool.

Prominence is gained through the effort of a norm entrepreneur, typically a state or player with a high level of bureaucratic, diplomatic and communicating capacity, reaching out and convincing a critical mass of other states of the ‘goodness’ and ‘oughtness’ of accepting a particular norm. By interacting well with the normative environment, the new norm must seamlessly become a coherent part of the whole. It must not disrupt the environment, but help to nudge it in the general
direction that it already wishes to go. By doing this it gains legitimacy. The norm must also face an accommodating external environment such as through helpful technologies and a favourable distribution of power among states.

Finnemore and Sikkink (1998) argue that norm emergence is followed by a tipping point, where critical mass is gained, or ‘norm cascading’. This is followed by the third stage, norm internalisation, where a particular behaviour gets taken for granted and its merits may no longer be broadly debated or openly questioned.

Let us now turn to look at current interactions, and specifically at those episodes where SIDs and SVEs have attempted to institute their eligibility for SDT and preferences as international norms since the 1990s.

What are small states and how are they presented in the literature?

There is no standard definition of a small state. Quantifiable, objective criteria such as population size (used arbitrarily), land area and GDP – used together or as individual criteria – have been the most widely used. Within these classifications, SIDS and SVEs stand out as being especially disadvantaged. The concept of SIDS emerged at the UN Conference on Earth and the Environment in Rio de Janeiro in 1992 as a special case, both for their environment and their prospective development. They were recognised as a group by the Barbados Plan of Action in 1994.

The SVE group is a break-out from the SIDS category (which champions its cause mainly at the UN), that took its trade related and industrial development issues as a unique category of states to the WTO. The group organized itself and added other members from outside the SIDS category, in preparation for the Doha Development Round (DDR) of negotiations which was launched in November 2001. The plan was to use the DDR to highlight the trade-related problems encountered due to their special characteristics (Kaukab, 2009), in an effort to secure eligibility for SDT (special flexibilities) and preferences (non-reciprocity in FTAs and RTAs with developed countries, and special priorities for their exports) as normative elements in global trade.

It is claimed that small states in general can exploit their small size to achieve desirable diplomatic outcomes (Baldacchino, 2009; Prasad, 2009). In fact, it has become fashionable to argue against the view that small states are weak and vulnerable, including in the area of diplomacy (Cooper & Shaw, 2009). Indeed, small states are presented as,

… experts in searching for loopholes in the international system, asking for leniency and seeking special arrangements or derogations with developed or metropolitan countries (Prasad, 2009, p. 44).

What is missing is why such ‘seeking’ and ‘asking’ has not resulted in them acquiring eligibility for permanent, normative status for SDT and preferences such as is offered to LDCs. Despite over three decades of effort, they have been unable to use their small size and ascribed ‘creative agency’ (Cooper & Shaw, 2009, p. 2) to ‘punch above their weight’ (Lee, 2009, p. 22), and gain eligibility for SDT and preferences as a permanent norm.
The interaction between SIDS, SVEs and international norms

Since the early 1990s, SIDS and SVEs have consistently made the case for their eligibility for preferences and SDT in bilateral trade negotiations with developed economies and multilateral trade negotiating fora, primarily the WTO. They have had almost three decades to channel this norm, arguing for a permanent, normative acceptance of their need for preferences and SDT to ensure some reprieve from the effects of progressive trade liberalisation on their economies. Nonetheless, and despite considerable technical and diplomatic efforts, their attempts appear to have failed and have taken second place in the face of the thrust for wider liberalisation in global trade politics. This is evident in the erosion of preferential treatments through the WTO objective for “the continued liberalisation of substantially all trade” (Muzaka & Bishop, 2015, p. 392), and the commercial agenda of their major trading partners such as the EU and Australia (Goodison, 2007; Gathii, 2011; Heron & Murray-Evans, 2016).

But: are SIDS and SVEs capable of arguing their eligibility for SDTs and preferences norms in international trade politics? Keohane (1969, pp. 259-295) proposes four categories of states in terms of their ability to influence the international system: i) ‘system-determining’ states that are successful at shaping the international system; ii) ‘system-influencing’ states that unilaterally or multilaterally are able to affect changes to the system; iii) ‘system-affecting’ states that can form themselves in groups and alliances and therefore ‘exert significant impact’ on the system; and iv) ‘system-ineffectual’ states that have no influence on the system. From this, theoretically, we can reasonably expect that SIDS and SVEs should have had more success at affecting the area of international trade politics since they are members of neutral international organisations, and have formed themselves into regional and international groupings.

Despite being “skilled at developing networks and working through groups” (Súilleabhain, 2014, p. 4), SIDS and SVEs have proved to be largely ‘system-ineffectual’ in the area of international trade. These countries outside the LDC group have only been able to create awareness toward their cause. There has been inadequate buy-in on the part of other countries to lock in their requested status as economies in need of special attention. This occurs at multilateral and bilateral levels.

Incidents in international relations where SIDS and SVEs sought to make SDT and preferences international norms

Prior to 1995, during the period of the General Agreement on Tariffs and Trade (GATT), small states could effectively be seen as free-riders in the international trading system. This was especially the case for SIDS and SVEs within the ACP group that benefitted under GATT-exempt FTAs such as the Lomé Conventions between ACP countries and the European Union (EU). All this changed in 1995 through the WTO mandate to ensure the continued liberalisation of international trade. The creation of the WTO can be seen as the culmination of neoliberal trade ideology which began to take root in the early 1980s.

Some remnants of SDT and preferences linger on in various preferential trade agreements involving SIDS: for example, the Cotonou Agreement (successor of the Lomé), Africa Growth Opportunity Act (AGOA) which benefits non-LDC SIDS such as Mauritius and Botswana, and the Caribbean Basin Economic Recovery Act (CBERA). However, any renewals are increasingly...
based on discussions centred around the removal of high-per-capita-income countries, inclusive of SIDS and SVEs, and more reciprocal trade arrangements with these countries (Williams, 2015; United States Trade Representative, 2017).

The year 2001 was a watershed moment for SIDS and SVEs, as their needs were placed at the heart of the DDR (Smith, 2009). During the negotiations, SVEs requested flexibilities (SDT) and priority for products in their exports (preferences). For example, in their proposal on agricultural trade, the group requested, inter alia, security in access to key markets for their main exports, protection from import surges, and exemption from deep reduction in tariffs in order to support and protect local agricultural products. They also requested to be allowed to offer subsidies to their small and medium size enterprises (SMEs), which is prohibited under the WTO, and that they enter FTAs and RTAs with developed economies in a mode of non-reciprocity.

Gains for SVEs were achieved only in Agriculture and Non-Agricultural Market Access (NAMA). Under NAMA, they established criteria which allowed developing countries with a share of less than 0.1 percent of trade in NAMA to not have to lower non-agricultural tariff lines above an average of 30 percent (Sanders 2012). However, because the WTO mandated that a separate sub-category of states called SVEs will not be created (WTO 2001), there is no acceptance of an agreed list of special characteristics applied to them broadly, or to the SIDS within the group. This means that their trade-related problems have not been multilaterally agreed as being unique to them. Therefore, besides their share of international trade, which is quantifiable and thus upon which they gained some opt-outs, the lack of agreed criteria in other areas has prevented broader success (Kaukab, 2009, p. 6).

This creates difficulty because, while some developed states offer lukewarm acceptance of some aspects of SDT and preferences in principle, the pervasive lack of agreed criteria make it “much more difficult to get countries to actually agree to specific measures to give it content” (Lewis, 2005, pp. 18-19). The WTO mandate in this case did not help, either. The organisation offered assistance to SVEs to implement the agreements as they were, but required commitment to them nonetheless. The WTO also maintains that developed countries should not provide discriminatory preferences to small island states (Morgan, 2014). Both factors have prevented the norm from cascading.

Furthermore, developed countries are pushing for greater trade reciprocity with, and greater openness of, SIDS and SVEs. The latter are increasingly required to trade on a practically equal footing with much more developed and industrialised economies which share few, if any, of their vulnerabilities (Heron, 2010; Lewis, 2005; Heron & Murray-Evans, 2016). An example of this is the failed attempt by Pacific countries to gain useful development concessions in the EPA negotiations with the EU, and their subsequent failure again in their request for a more developmental approach to their FTA with Australia and New Zealand, the Pacific Agreement on Closer Economic Relations (PACER-Plus) (Morgan, 2014, p. 333). Australia and New Zealand “argued that a PACER-Plus should help the island states achieve trade liberalisation compliant with obligations of the international trade regime”, rather than make exceptions for the claimed peculiarities of these countries.
Why have small states failed to set favourable norms in global trade?

One can postulate four major reasons why SIDS and SVEs have failed to influence norms in global trade politics. We now elaborate on each of these.

Universal versus particularistic norms: the importance of shared values

For a new norm to emerge, it must dovetail with the established normative environment (Florini, 1996, p. 376). Thus, new norms that do not augment the dominant neoliberal economic order and which depart fundamentally from the tenets of open markets – such as the push for permanent eligibility for SDT and preferences for SIDS and SVEs – are less likely to cascade. This is proven by several elements. No successful alternative has emerged to replace the neoliberal project of wide open trade (Sandbrook, 2011), even after the fracturing which neoliberalism experienced in the throes of the 2008 financial crisis (Grabel, 2011).

Among states themselves, while a shift in global power dynamics has been identified in the rise of the BRICS, and particularly with China’s entrance to the WTO, there is “not a counter-hegemonic movement in opposition to neoliberalism” (Hopewell, 2016, p. 193). Indeed, the emerging powers are “decidedly not seeking to bring about fundamental changes in the contemporary workings of global capitalism” (Hopewell, 2016, pp. 193-194). Larger, relatively competitive, developing countries have, since the Uruguay Round, sought a more liberalised international trade environment, even at the expense of their smaller counterparts (Heron, 2008).

For a norm to be universally accepted, it must be seen to be of concern and benefit the parties involved, as well as contain elements of empathy. It must also invoke societal ethical sensibilities (Finnemore & Sikkink, 1998). International trade is unlike the environment where issues such as greenhouse gases are seen as universally detrimental, and thus of concern to most states. Additionally, because empathy is also a key feature of norm cascading, norms which lack a component of immediate harm to human health and safety are slow to reach the tipping point.

SDT and preferences for SIDS and SVEs outside of the LDC category do not meet these requirements of universal benefit; they do not generate universal, or near universal empathy; and they do not meet the ethical requirements. This is mainly because these states are higher up on the Human Development Index, faring well in per capita income and quality of life; the majority fall within the upper-middle to high-income brackets. Thus, these countries are expected to, and are being forced to associate with the norm of deepening liberalisation and trade openness, and are progressively being weaned off existing SDT and preferential treatment multilaterally through the ending of waivers granted by the WTO to industrialised countries granting such preferences as duty-free treatment (Grimmett, 2011). Also exemplified is the ending of such provisions as export subsidies in December 2015 for SIDS/SVEs such as Barbados, Mauritius and Jamaica.

This is also occurring at the bilateral level through more reciprocal FTAs pushed by developed countries seeking commercial (rather than diplomatic) trade relationships with traditional trading partners: for example, the EU and the ACP countries in the Cotonou Agreement that replaced the Lomé, and the subsequent EPAs. The EU went about fostering a new normative relationship with ACP countries that goes in the opposite direction of the norms the latter are seeking to promote.
LDCs, on the other hand, meet these requirements. The criteria for determining LDC status is set by the Committee for Development Policy (CDP) of the Economic and Social Council of the United Nations (ECOSOC). These are based on the three criteria of per capita income, human assets, and economic vulnerability. These must be considered the lowest, or least among all countries, and have a strong human development component. Therefore, in terms of human assets, such a country must be deemed to have a high percentage of the population being under-nourished, high levels of child mortality, low school enrolment rates and low levels of adult literacy.

In terms of economic vulnerability, they are disproportionately agriculturally-based, making them extremely vulnerable to economic shocks, and a majority of their population live in rural and or low-lying areas and are victimised by adverse climatic conditions (UNCTAD, 2016). SDT granted to these countries is not in danger of unilateral withdrawal or erosion, even though these states could graduate out of the status of LDCs. It is the norm in multilateral negotiations at the WTO that these countries are not required to make reductions in their tariffs for agricultural or manufactured products, nor reduce subsidies offered in agriculture. In bilateral trade, they trade under various generalised preference schemes such as the Everything But Arms (EBA) initiative.

This treatment to LDCs is tied to another set of norms in international relations: the transnational and cross-cultural universalistic value of basic human dignity and protection from harm for vulnerable groups. This norm is much easier to cascade and gain acceptance. SIDS and SVEs are seeking (and failing to acquire) similar locked in concessions.

Doubts have also been cast on the negative implications of small size, rejecting the framing of vulnerability and lack of resilience in SIDS and SVEs as a structural given (Armstrong & Read, 2006; Baldacchino & Bertram, 2009). Instead, such authors argue that globalisation is providing small states with increasing opportunities to successfully participate in global trade (and especially in services). Ingebritsen (2006) for example, postulates that the fact that small states do not set rules in global trade allows them to “fly under the radar” and effectively disregard such rules. Others offer a more nuanced perspective: they highlight the constraints posed by small size, but argue that small states can nonetheless still influence norms by ‘manoeuvring at the margins’ (Jones et al., 2010). Such clear disagreements thwart norms from cascading.

Clarity and simplicity and the importance of technical capacity and expertise in norm emergence

The level of complexity of a norm can affect whether states accept and conform to it (Foot & Walter 2011, p., 330). A successful norm must be clear and specific, rather than ambiguous and complex (Finnemore & Sikkink, 1998, p. 907). The ambiguity surrounding SIDS has been long known; ‘probably no category of countries has ever been more misunderstood’ (UNCTAD, 2004, p. iv). Membership in SIDS includes candidates which are not small (Cuba), which are not developing (Singapore), and which are not island states (Guyana). Issues surrounding how they are defined affects their ability to establish their eligibility for SDT and Preferences as permanent norms in international trade to compensate for their disadvantages. Additionally, many lack bureaucratic capacity and technical expertise (Lewis, 2005), and, as Florini (1996, p. 374) notes, prominence of an international norm will occur based on who are its promoters. In other words, states with bureaucratic and diplomatic capacity are better at gaining eminence for the norms they promote because they are better able to develop, articulate and channel them effectively.
One issue affecting SIDS and SVEs is that clearly framing and articulating their issues is complicated by their lack of definition and adequate conceptualisation. According to UNCTAD (2004, p. 19), ‘smallness’ is usually used interchangeably with other synonyms to describe SIDS (‘small economies’, ‘vulnerable economies’, ‘SVEs’, ‘structurally weak and vulnerable economies’ etc.). This “gives rise to a great deal of confusion”. Furthermore, with no agreed definition and conceptualisation of ‘small’, ‘and a no demarcation of SIDS and SVEs from other economies using established criteria, almost any economy can be termed ‘small’. Thus, in international fora where small states have put forward their proposals for special treatment, delegates are known to outline that ‘it is unclear what kind of problem should be addressed and which kind of countries were affected by those problems’ (UNCTAD, 2004, p. 13). Countries such as the United States that are hesitant regarding SDT for SVEs as a category of states, requested clarification on “the difference between SVEs and other developing countries”; and, with Latin American countries, requested “factual analysis on … and description of problems in SVEs” (Corrales-Leal et al., 2007, p. 18). The lack of clarity contributes to a lack of uptake required to cascade a norm for eligibility for special treatment for SIDS and SVEs.

Additionally, there is bureaucratic incoherence in SIDS and SVEs that does little to address this issue of lack of clarity. There is an issue of different approaches to liaising with international meetings and conferences which creates divergent perceptions of issues faced by SIDS and SVEs at these fora. According to UNCTAD (2004), representatives from these countries at international organisations tend to separate ‘smallness’, ‘sustainable development’ and ‘islandness’, depending on the nature of the meeting they attend, and the ministry that attends the meeting. This prevents a coalescing and cementing of their issues into a single, comprehensive, and, most importantly, comprehensible package. The incoherence is also seen in the diplomatic corps, as diplomats in Geneva are not always ‘on the same page’ as those in New York; nor are those at the UN always with those at the WTO. This compartmentalisation creates a scattered international approach of and by small states in the international arena, which ‘defeats efforts to promote effective coordination’ (UNCTAD, 2004, p. 21).

Furthermore, many SIDS lack adequate and competent staff at their trade missions, and often the expertise, to consistently and efficiently promote their issues and interests. A state must have solid diplomatic representation to interact and participate regularly and substantially in international negotiating fora (Florini, 1996, p. 375). As single states, many missions abroad have an ever-expanding work agenda with decreasing or stagnant staff numbers. Several ambassadors and trade counsellors of SIDS/SVEs have noted this, including Fiji, Jamaica and the members of the Organisation of Eastern Caribbean States (OECS). These countries tend to have one staff member covering a number of files at the WTO and the UN, while developed countries such as the US may have up to five experts covering a single issue. As a result, urgent requests for information may take days, sometimes weeks, to be responded to, affecting negotiators’ ability to push their country agendas (Lindsay, 2017).

There is also a lack of capacity in these states to conduct research and other technical work required to inform their arguments for SDT and preferences. This is an issue in the CARICOM (Lewis, 2002) and Pacific regions (Hook, 2009). For example, the CARICOM Regional Negotiating Machinery (CRNM), charged with negotiating agreements on behalf of CARICOM countries,
… felt the absence of detailed research to give substance to arguments for special and differential treatment arising from constraints emanating from small size, such as the impact of an end of preferences on the economies of member states (Lewis, 2005, p. 19).

There is also a lack of coordination in these countries; they lack the ability to adequately pull ministries and government agencies together, which affects their diplomatic abilities. Describing this as ‘dysfunctional patterns of communication’, Braveboy-Wagner (2009, p. 111) saw this as an issue for CARICOM states where the Ministry of Trade is usually not properly coordinated with the Ministry of Foreign Affairs, which is in turn disconnected from other line ministries, a situation also found in Botswana (Lindsay, 2017). This, along with Information and Communication Technology (ICT) and other infrastructure deficiencies hamper the ability of SIDS to engage in “robust diplomacy” (Braveboy-Wagner, 2009, p. 110). This situation impacts on the ability of SIDS and SVEs to collectively push for permanent eligibility for SDT and preferences as the norm in global trade politics.

The lack of ability to devote human resources toward their diplomatic corps and their public officer cadre has a direct impact on small states’ ability to create coherent, precise and simplified arguments which demarcate their distinctiveness and justify their need for SDT and preferences. This is exacerbated by incoherence at national and regional levels, which has the effect of confusing, rather than clarifying, their uniqueness and the type of treatment they deem necessary to mitigate their vulnerabilities. It is for this reason that, while their efforts have led to a recognition of their plight, this has not resulted in concrete measures in their favour. They have not demonstrated that they are special. The norm has also failed to emerge from the bilateral process. The disadvantage of being a SIDS or an SVE is at least partly accepted by many players in global trade politics, given that financial assistance from large states in their bilateral relations has become the norm. This type of aid however is geared toward helping SIDS and SVEs to become active participants in the prevailing model of global trade, and not, as they wish, be given a special category and granted special treatment within it.

*Inadequate unity and cohesion among SIDS and SVEs: lack of common ground.*

Small states are dependent on memberships in regional economic organisations and integration arrangements (Kurečič and Luša, 2014). Outside of specific episodes of multilateral negotiations, they tend to be dispersed. This limits their ability to push the normative status for SDT and preferences. Generally, in the post-Cold War context, third world solidarity has eroded as “[S]mall states no longer attempt to work together as part of a wider South-oriented trade movement” (Cooper & Shaw 2009, p. 2). However, where international trade and global trade politics are concerned, SIDS and SVEs to an extent still stick together to compensate for the disparity in power with larger economies. Specifically, these arrangements are formed to increase their bargaining power and negotiating capacity, and are usually characterised by a high level of cohesiveness.

Beyond these episodes, small states usually engage with global trade politics based on their unique interests (Lindsay 2017). This has created divisions within the wider SIDS and SVEs groups. For example, during the EPA negotiations in 2008, CARICOM countries broke ranks with the SIDS and SVEs of the Pacific by signing the Agreement (Bishop et al., 2013). The different interests and ideas about what they wanted out of the negotiations splintered the group. CARICOM
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Negotiators took the view that if they broke away and moved faster with the negotiations “important benefits could be extracted from the EU that would not be available to other Intra-ACP groupings” (Bishop et al., 2013, p. 95). Furthermore, the negotiators agreed that “only a full EPA, with its services component, would be able to provide the requisite market access for new Caribbean services exports that could, in theory and overtime, climb the value chain” (Bishop et al., 2013, p. 95). On the other hand, because Pacific-EU trade is very sparse, and the region is quite small in absolute terms (Pape, 2013), these SIDS did not feel as beholden to the EU as CARIFORUM states did: only two Pacific countries signed interim goods-only agreements at the time. Pacific states were pushing for concessions during their negotiations, while CARICOM SIDS and SVEs decided to forego these for whatever allowances they felt they could secure in services. This issue recurs in multilateral fora. Poorer countries within the SIDS and SVE groups are hesitant to work with larger, more developed SIDS, as they feel that being aligned with richer countries reduces their chances of receiving preferential treatment. High income small states such as Barbados find it increasingly more difficult to get support from its poorer counterparts because of its higher GDP (Lindsay, 2017). This limits collective bargaining among these countries. The promotion of a new norm requires an organised constituency (Raymond et al., 2014). Given that the interests of small states are growing increasingly fragmented, it is more difficult to find common ground, which lessens the support they receive from each other. This vicious cycle of disunity among SIDS and SVEs in international and regional groupings causes norm polarisation and affects their ability to create new norms in global trade politics.

SID: Economically and ideologically dependent on a predominantly neoliberal global economy

The normative status for SDT and preferences being channelled by SIDS and SVEs does not cohere seamlessly with the existing normative environment. This, Florini (1996) notes, can prevent a norm from gaining the legitimacy it needs to cascade. These countries are trying to establish their norm in a neoliberal environment that is inimical to it, but, paradoxically, one upon which they disproportionately depend economically, financially and ideologically.

Economically, SIDS and SVEs are especially dependent on the US and EU as markets for their exports. The latter countries are critical for the norm of SDT and preferences to cascade, but these go against the general neoliberal outlook they champion. This dependence puts SIDS and SVEs in a weaker and defensive position at especially the bilateral level, where they accept neo-liberal terms which negate the norms they are pushing for at the global trade level (Linde, 2014).

These small states are also dependent on IFIs that are ideologically neoliberal at their very core. Some SIDS in the Caribbean region are among the most indebted countries in the world (CDB, 2013), having long standing relationships with IFIs, mainly the IMF. Through its structural adjustment policies, the institution pressures these countries to implement economic strategies and programmes that are inimical and counterproductive to their pursuit of SDT and preferences as norms in global trade. For example, under the structural adjustment conditions of the 2010 and 2013 agreements between the IMF and Jamaica, its government was instructed to relinquish two important export subsidy mechanisms: the Modernisation of Industry Act and the Export Industry Encouragement Act (Lindsay, 2017). The Modernisation of Industry Act previously allowed exporters to bring in capital equipment and raw materials into the country free of duties, and the
Export Industry Encouragement Act previously granted concessions related to income tax, custom duties, and tonnage tax in aid of industries producing exclusively for the export market. These were eliminated by request of the IMF in order to increase tax revenues, and fit perfectly with the WTO neoliberal aim of eliminating export subsidies from international trade. It is clear, then, that the economic policies SIDS and SVEs indebted to the IMF are forced to implement at the domestic level do not match those they are advocating for at the multilateral trade level.

Additionally, ideologies involving SDT and preferences are subordinated to the power of the neoliberal ideology of economic liberalisation and open markets. Many SIDS and SVEs are dependent on the global economy for not just exports and imports, but also development ideas (Bishop et al., 2013). In the Caribbean context, endogenous ideologies about development have been replaced by external neoliberal ideological thinking, which has shaped Caribbean development thought since the early 1980s (Girvan, 2006). Endogenous thoughts in the region were developed out of Structuralism and Development Economics which spoke to the unique structural and historical nature of SIDS and the need for tailored, endogenous economic policies. Their failure to develop into solid academic theories and successful national and regional economic policies resulted in them being subsumed by one-size-fits-all neoliberal principles. Ideas of national development in SIDS were replaced with ideas of ‘integration into the global economy’; and the ideologies held by SIDS regarding dependence in globalisation have given way to the idea of interdependence (Girvan, 2006, p. 345). Both served to disenfranchise the position of SIDS and SVEs as special cases in global trade politics, making the push for their eligibility for SDT and preferences as the norm more difficult to argue and achieve.

The reliance of SIDS and SVEs on a global economy that is normatively market-oriented is also a prohibitive factor. The prevailing neoliberal norm seeks to deepen and extend the liberalisation of trade; SIDS and SVEs are pushing for a very different idea. These are opposing norms, whereas norms are more likely to be successful if and where they converge (Heron & Murray-Evans, 2016). The level of dependence of SIDS and SVEs upon a neoliberal economy, upon neoliberally inclined states for their export-markets, and upon neoliberal IFIs for financial assistance and development ideas, works against their push and pitch for a norm which is not neoliberal in character.

**Conclusion**

According to Sanders (2017, p. 3),

> In international trade, under the World Trade Organisation (WTO) rules, terms are imposed on Caribbean small states as if each of them is equal in physical space, market size and resources to the US, China, India or Japan. Small Caribbean countries enjoy no special and differential treatment despite their small land space, their small populations, their limited human capital and their susceptibility to shocks that originate from outside their borders.

SIDS and SVEs have sought to convince global players in international trade politics of their vulnerabilities and need for SDT and preferential treatment. They have however been largely unsuccessful. Norm entrepreneurship is necessary, but is hardly sufficient (Florini, 1996). It is thus not for want of trying that SDT and preferences for SIDS and SVEs have failed to become the norm in international trade, and are in fact being phased out in favour of reciprocity. SIDS and SVEs have used structures like UNCTAD and the WTO as their organisational platforms, have
leveraged the support and work produced by such agencies as the World Bank and the South Centre, and have appealed to the empathy and morality of larger states – using cognitive frames – as it relates to their vulnerability. Yet, their eligibility for SDT and preferential treatment as permanent fixtures in global trade politics has not gained traction.

Small states are not passive bystanders in international politics (Cooper & Shaw, 2009); they are active (albeit selective) global voices, and have often involved themselves in debates at the multilateral level, promoting favourable policies and, in the area of trade, blocking those inimical to their development (Lee, 2009; Lee & Smith, 2010). Betzold (2010) and Corneloup & Mol (2013) remind us how SIDS have managed to influence international negotiations on climate change. Even a UN study (Súilleabháin, 2014) which highlights a dearth of diplomatic capacity, hails small states’ ability to easily direct their efforts to single, strategic issues, and through this ‘niche diplomacy’, become recognized experts in key issues of international relations. What these studies have shown is that, in international politics, SIDS and SVEs are adept at gaining “inferior but potentially substantial results”, but hardly any “formal success” (Betzold, 2010, p. 136).

This study does not reproduce the vulnerability thesis that has traditionally outlined what small states can and cannot do. Rather, it seeks to interrogate what they have not done, in light of what studies suggest they are capable of doing. SIDS and SVEs have failed to gain eligibility for SDT and preferences as a normative condition, primarily because of four reasons outlined above. First, the norms for special treatment they have been promoting for so long are not universal, and so are not accepted by all states, particularly by those needed for the norms to cascade. Second, the issue at hand is complex, mired in controversy over definitional issues of what small states are, and how they experience unique challenges different from those of larger developing states. Third, there is disunity among SIDS and SVEs, especially in bilateral relations, damaging their push for SDT and preferences. Fourth, small states can be financially, economically and ideologically dependent on an environment that is, intrinsically, inimical and antithetical to such preferential discourse.

References


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