

Manoeuvring at the Margins

Constraints Faced by Small States in
International Trade Negotiations

*Emily Jones, Carolyn Deere-Birkbeck and
Ngaira Woods*



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COMMONWEALTH SECRETARIAT

Commonwealth Secretariat, Marlborough House, Pall Mall
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The Authors

Emily Jones is a Project Associate for the Global Economic Governance Programme's Global Trade Governance Project.

Carolyn Deere-Birkbeck is Senior Researcher and Trade Project Director, Global Economic Governance Programme, University College, Oxford.

Ngairé Woods is Professor of International Political Economy, and Director of the Global Economic Governance Programme, University College, Oxford.

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Foreword

The growing openness and democratisation of global rule-based trade governance structures have lessened the acceptability of, and reliance on, the overt deployment of power in the pursuit of national commercial interests. Therefore, as states seek to promote their economic interests and advance the welfare and security of their peoples, they are relying instead on diplomacy, negotiation, advocacy and litigation. This de-emphasising of power as the underlying determinant of the outcomes of competitive engagement and interaction among countries should be good for developing countries, which are often weaker than their negotiating partners. These changes should make it possible for developing countries to succeed in advancing their interests, even in the face of opposition from stronger states.

The last quarter of a century, an era of unparalleled globalisation of trade and systemic change, has seen different players, most notably the larger advanced developing countries, increase their influence in rule-making and agenda-setting. But despite ostensibly wider participation in international trade negotiations, many other developing countries, including small vulnerable states (SVEs), have been unable to secure the outcomes they desire. The economic well-being and prospects of countries with open economies that are most influenced by outside developments and are vulnerable to external shocks are heavily dependent on the international economic environment. Hence, a major policy aim of these states is to ensure that the commercial and regulatory environment in which they operate is supportive of their interests. Many of these states are members of the Commonwealth, so its Secretariat places a high priority on assisting them to participate more effectively in rule-making and to advance their interests in trade negotiations.

This aim is shared by many other multilateral institutions and donor countries that have conducted long-running trade policy support programmes focusing on capacity building in developing countries. The implicit assumption that underlies this support is that the reason for the lack of effective participation and success in negotiations is institutional weakness. Despite the fact that the programmes have been in operation for several years, it is debatable whether SVEs have been achieving substantially better results from negotiations. If they have not, this could be because the programmes have not yet had time to be effective or because they need to be more comprehensive. But could other factors also be impeding success?

It was to answer this question that the Commonwealth Secretariat commissioned the Global Economic Governance Programme, under the direction of Professor Ngaire Woods, to assess the nature and extent of the constraints that inhibit SVEs from achieving their desired negotiating outcomes. Professor Woods brought together a large multi-disciplinary team to undertake the research. It reviewed the existing state of knowledge,

conducted extensive interviews, surveyed negotiators and policy-makers and then undertook its analysis.

The findings substantiate the existence and importance of some of the currently presumed constraints, for example lack of technical information and the means to finance participation in certain negotiating meetings. However, the investigation overturned some of the conventional wisdom underlying current capacity building programmes and other donor support in negotiations for developing countries. An implicit, but very significant, finding is that power asymmetries cannot be ignored. Interestingly, the study also found that some of the key constraints are domestic and institutional, and relate to how SVEs themselves choose to prioritise, prepare for and organise their engagement with other parties. The implication of this finding is significant, in that it suggests that the policies and actions of the state itself play a critical and decisive role.

By helping SVEs methodically identify and analyse the obstacles that impede them from securing their desired outcomes from trade and other economic negotiations, this research can help them in their efforts to create conditions in the international policy and regulatory framework that are more supportive of SVEs' development interests.

Although the focus was principally on small states, the constraints identified are not necessarily exclusive to them. The research findings also provide useful insights for other developing countries that are prevented from achieving their aims because they share some of the same characteristics and are subject to similar impediments.

Manoeuvring at the Margins is a welcome and commendable addition to the existing body of knowledge relating to the understanding of the involvement of SVEs in trade negotiations and their engagement in commercial diplomacy. It can make a real and valuable difference to the performance of these marginalised countries. However, this study provides only an initial diagnosis: governments and negotiators will have to use the knowledge and analysis it provides to creatively adapt their policies, structures and tactics. Similarly, donor agencies that support developing countries can gain valuable insights to assist them in refashioning and retargeting their programmes. The work can help all parties to focus on and effectively address, in a holistic manner, the actual, rather than presumed, constraints that SVEs face in trade negotiations.

Edwin Laurent

Head, International Trade and Regional Co-operation Section

Economic Affairs Division

Commonwealth Secretariat

Acronyms and Abbreviations

ACP	African, Caribbean and Pacific
ACWL	Advisory Centre for WTO Law
AGOA	African Growth and Opportunity Act
Cairns Group	Coalition of 17 agricultural exporting countries (WTO)
CARICOM	Caribbean Community
CARIFORUM	CARICOM and Dominican Republic (EPA negotiating region)
COMESA	Common Market for Eastern and Southern Africa
CRNM	Caribbean Regional Negotiating Machinery
DFID	Department for International Development (UK)
EC	European Commission
ECDPM	European Centre for Development Policy Management
ECOWAS	Economic Community of West African States
EPA	Economic Partnership Agreement
ESA	Eastern and Southern Africa (EPA negotiating region)
EU	European Union
G20	Coalition of developing countries at WTO (agriculture focus)
G33	Coalition of developing countries at WTO
G77	Coalition of developing countries (initially 77)
G90	Coalition of Least Developed Countries and ACP (WTO)
GATT	General Agreement on Tariffs and Trade
ICTSD	International Centre for Trade and Sustainable Development
IGO	Intergovernmental Organisation
IMF	International Monetary Fund
ITC	International Trade Centre
JEC	Joint Economic Council (Mauritius)
JITAP	Joint Integrated Technical Assistance Programme
LDC	Least Developed Country
NAMA	Non-agricultural Market Access
NGO	Non-governmental Organisation
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
OECS	Organisation of Eastern Caribbean States
PIFS	Pacific Islands Forum Secretariat
PRSP	Poverty Reduction Strategy Paper
SACU	Southern African Customs Union
SADC	Southern African Development Community
SIDS	Small Island Developing States
SVE	Small Vulnerable Economy
UEMOA	Union Economique et Monétaire Ouest Africaine

UNCTAD United Nations Conference on Trade and Development
UNDP United Nations Development Programme
USA United States of America
WTO World Trade Organization

Summary

For several decades, there has been considerable debate about the position of small states in the international trading system. Small states rely heavily on trade and are particularly vulnerable to changes in international trade rules. They thus have a high level of interest in the outcome of trade negotiations. At the same time, small states face power asymmetries and well-known structural economic and political constraints that heavily circumscribe the space within which they can manoeuvre. These constraints often produce pessimism about their prospects for success in international negotiations. Taken to the extreme, such assessments can lead to a view that ‘no amount of negotiating will make a difference’.

A more optimistic view is that while asymmetric power structures might predispose negotiations toward a set of outcomes, weaker states can and do sometimes influence negotiations and the resulting content of trade agreements. Indeed, the literature and primary research that informs this study reveal that even in the context of significant structural constraints, there is some room for small developing countries to ‘manoeuvre at the margins’ and that they can have an important influence over the outcome of negotiations.

The contribution of this study is to identify the constraints that prevent small states from maximising their potential influence in trade negotiations. It builds on existing scholarship about such constraints, but also marks the first attempt to systematically analyse the views of representatives of diverse small states on the constraints they face in negotiations. Having identified a series of constraints, the study reflects on the implications of these findings for capacity building initiatives.

The principal constraints faced by small states fall into three categories:

- **Building an effective negotiating team**, including gaps in human resources, information and expertise, institutional co-ordination and communication;
- **Harnessing the support of civil society and the private sector**, including limitations in political leadership and in private sector and civil society engagement in the trade policy process;
- **Leveraging limited bargaining power**, including weaknesses in the negotiating strategies and tactics employed by small states and in the accountability and incentives facing negotiators, as well as limitations arising from psychological factors, leadership and personalities.

Building an effective negotiating team

This study shows that inadequate human resources continue to be a major constraint for small states. While the number of officials working on trade negotiations is very low, particularly for the smallest and poorest countries, it is the recruitment, development

and retention of high quality officials that is seen as the greatest challenge. This is often linked to weaknesses in the government institutions where negotiators work, which can generate disruptive incentives such as poor career prospects, low levels of recognition for effectiveness, frequent reshuffles, lack of clear policy direction and interest from capitals, and low pay.

To increase their negotiating leverage, small state negotiators emphasised the need for their countries to develop and sustain a core team of skilled negotiators that can accumulate and retain knowledge. Here, negotiating experience is perceived to be at least as important as technical knowledge. The interviews emphasised that diplomatic qualities, tenacity and personal attributes also play important roles. The research also suggests that we should not underestimate the impact that charismatic, strategic individuals can have on increasing the profile of small states in negotiations and ensuring that their interests are reflected on the negotiating agenda.

Shortfalls in information availability and analytical capacity are significant problems across small states and are closely related to human resource constraints. Most small states have access to national trade data, but rarely have economic impact assessments or the analytical capacity to properly assess the trade-offs of different trade policy options. In most cases, therefore, countries lack access to quality data regarding the impact of particular changes in trade rules on the local economy. They also lack the data needed to monitor changes in trade laws and policies among their trading partners. Even where small states have access to vast amounts of information, they face substantial human resource-related challenges in analysing this information and turning it into concrete negotiating positions. Countries also vary in their links to international networks of expertise, whether in the non-governmental organisation (NGO), intergovernmental organisation (IGO) or academic community.

Accountability is a further area of concern. The survey and interviews strongly indicate inadequate oversight by many capital-based ministers and officials of their negotiators. Further, in many small states, parliaments play no role in holding trade ministries to account. As a result, there are often few benchmarks for negotiators or requirements on them to deliver concrete and positive results. Instead, armed with only vague instructions, much is left to the discretion of individual negotiators. To ensure accountability, institutional design matters at the national and regional level. Given the reliance of many small states on regional coalitions and secretariats, the design and functioning of regional negotiating bodies pose particular challenges. Regional negotiators need to represent the interests of and be accountable to all member states, even when there are significant asymmetries in technical capacity and some members are far more forceful in articulating their interests than others. The survey and interviews also show that co-ordination among government institutions is difficult for a significant number of small states.

While donor organisations correctly identify strengthening human resources as a priority need, their trade-related interventions do not appear to address underlying constraints, and indeed may sometimes exacerbate them. A substantial number of small

states rely on their negotiating partners for information. However, the research and information provided by external consultants are not always tailored to the needs of the small states, and there are concerns that some information is biased towards the interests of donors. Short-term interventions such as studies by external consultants or international organisations may sometimes be useful, but these do not address the broader need to support the development of analytical capacity within countries among researchers and analysts who are more familiar with the local economy.

Harnessing the support of civil society and the private sector

The study also explores the process of trade policy formulation in small states. One of its most striking findings is that a relatively high proportion of negotiators lack clearly defined priorities for trade negotiations. While this partly reflects weaknesses within government, it also reflects weaknesses in the underlying consultative process. Where there is relatively little concerted lobbying from interest groups, the mechanisms established for consultation are often ineffective and yield little in the way of substantive positions and strategy for negotiators.

Our primary research shows that a wide range of actors attempt to influence trade policy in small states. In general, the domestic private sector has the greatest influence, while the influence of the foreign private sector varies substantially. In some countries, key exporting industries make direct substantive interventions into trade decision-making, most notably where there are clearly identifiable external constraints to their capacity to trade (for example particular regulatory barriers in export markets or foreign government subsidies to competing industries that affect their market share). However, the interests of smaller businesses and other stakeholders are often marginalised. Barriers to greater participation by small businesses include the costs in terms of managerial time and a lack of technical expertise. Where donors do provide support to aid the engagement of the private sector in the trade policy-making arena, it is not always evenly spread and prioritises some economic actors, such as export-oriented interests, over others.

International donors have the second highest influence over trade policy, particularly in those negotiations where donor governments sit at the opposite side of the table. Civil society organisations (CSOs) are active on trade policy in many small states but have variable degrees of influence. Technical capacity is a constraint for many civil society actors and impedes their ability to lobby government successfully. However, the level of civil society influence also reflects the government's predisposition to incorporating their concerns, as much as their own capacity to articulate them. While officials in small states widely welcome input from the private sector, many negotiators perceive the contributions of civil society to be unhelpful. A further challenge that the study confirmed concerns the weak influence and engagement of trade unions, as well as academia and think-tanks, in the area of national trade policy, and their relative lack of input into trade policy formulation.

Overall, the research suggests that weaknesses in consultative processes are rarely due to an absence of formal consultation mechanisms, which exist in nearly all countries. Instead, they are due partly to low demand for inputs from government, and partly from weak capacity among stakeholders. Our findings show that in some countries governments are working to strengthen the consultative process by supporting small business associations to develop the necessary skills to influence trade policy and by actively and regularly soliciting input.

Leveraging limited bargaining power

The study examines the constraints that impede small states from designing and deploying a negotiating strategy and effectively exploiting the margin they have for manoeuvre in international negotiations. Adding to the scholarly insights on strategies available to small states, the research suggests a strong linkage between the formulation of negotiation strategies and the psychology of negotiators. Negotiators with a higher expectation that they are likely to have a significant influence and who represent small states that have clearly defined interests are also those who are most likely to invest in developing a strategy.

Our research shows that many small state representatives perceive themselves to be operating under a high level of threat from large states, reducing their expectations of influence. This includes fears of possible trade and aid reprisals, as well as of intimidation in the negotiating room. Small state representatives described at length the threats and intimidation they experience, suggesting that this severely constrains their perceived ability to negotiate successfully and their determination to persist.

On the positive side, negotiators emphasise that political strategy, the successful formation of coalitions, and the use of principles and norms can make a difference. Reframing an issue can be an important way of augmenting negotiating power. That negotiating power is crucial for creating a space within which technical skills and knowledge can be deployed to influence the details of texts.

Even as many small states turn to coalitions, particularly regional blocs, to build their leverage in international negotiations, there are also significant challenges to successful group formation. Regions that are most effective in the negotiating room are those with a long history of integration, a high level of trust and effective communication among the members. In some cases, the selection of group leadership is determined on the grounds of political considerations or is based on the principle of rotation among group members. There are also instances where coalition leadership is based on perceptions of the technical capacity of particular negotiators or countries. Some small states are perceived as having an explicit strategy of taking on the leadership of groups and coalitions as one way of exerting greater influence in negotiations. While deference to expertise and capacity may work to the advantage of the group as a whole, interviewees also noted the potential risk that those countries with greater capacity will dominate the formulation of the group's agenda in ways that may best advance their own individual interests.

Finally, the active engagement of the political executive of small states is crucial for

influencing negotiations. Engaging powerful states at the most senior political level prior to negotiations is important, as is seeking allies within powerful states, as this helps to break down their negotiating positions and makes compromise more likely. A close relationship between the head of state and the trade officials within small states can also help bolster their negotiating position when subjected to threat.

Recommendations

The challenge for small states is to identify the underlying constraints which, if tackled, could enable sustained improvement in negotiating outcomes. As many of the constraints are inter-related, this is a complex task. However, the findings outlined in this study provide some clear recommendations:

- **Political leadership:** A theme underlying many of the findings of this research is the importance of having a high level of leadership from the executive on trade. Such leadership galvanises the government machinery. When the executive is highly engaged, demands are made on trade officials and institutions to perform, and greater human and financial resources are allocated to trade. Political leadership is particularly important for small states, as it helps offset the power asymmetries they inevitably face in trade negotiations, especially when negotiating with countries that are also donors. As leaders are most likely to effectively engage in trade policy when demands are made on them from their electorate, this speaks to the need to strengthen contributions by a diversity of relevant representative organisations from the private sector and civil society to processes of trade policy formulation and the development of negotiating positions.
- **Human resources and institutional design:** Small states need to develop strong negotiating teams with high levels of competence and experience, to attract and retain technical experts with excellent diplomatic skills and a tenacious attitude, and to provide them with a working environment in which they can excel. For this to happen, the study argues there is a need to move away from an exclusive focus on technical training of individuals and to address the disruptive institutional incentives that many negotiators face. This would improve performance and retention rates, as well as accountability to national trade ministers, parliaments and policy goals.
- **Clearly identified trade interests:** Few small states clearly and adequately identify their interests in trade negotiations. Where states have done so, this often reflects the presence of strong private sector interest groups. This poses a dilemma for the poorer small states with weak private sectors, as even if government is open to consultation it receives little input. One option is for states to strengthen private sector organisations to better articulate trade policy positions. However, this needs to be complemented by government taking the initiative in determining policy direction. This in turn requires strong human resources and policy analysis that is rooted in local

economic realities and relevant to ongoing negotiations. As this study highlights, the information and analysis provided by donor organisations is often inappropriate. Local academic and policy institutes could be greatly strengthened to provide autonomous and relevant policy advice.

- **Specific negotiating strategy:** Once human resource constraints have been tackled and negotiating interests clearly defined, small states need to be more proactive in negotiations and to consciously invest in a deliberate negotiating strategy. While technical skills are clearly extremely important, the effectiveness of efforts by technical officials from small states to influence the detail of texts is higher when complemented by efforts to also increase their bargaining power. In particular, this study highlights an array of tactics that can be used to increase political weight and leverage, including investing in alliances with like-minded countries, forming coalitions and engaging negotiating partners at a high political level prior to, and as appropriate during, technical negotiations.

By acting in concert, small states are able to pool technical capacity, mitigating the challenges posed by human resource constraints. Their individual negotiating strength is augmented by increasing their numbers and market size through collective action. The regional coalitions that have been effective in the negotiating room are those with a long history of integration, a high level of trust and a high level of communication among the members. A number of small states have an explicit strategy of leading groups and coalitions to exert influence in negotiations.

Further, engaging powerful states at the most senior political level prior to negotiations is important, as is seeking allies within powerful states. Together, these tactics can help to separate different aspects of their negotiating positions and make compromise more likely. Clear commitments to national trade goals from the head of state and wider government, and where necessary national and international advocacy on trade priorities, can significantly strengthen the national negotiating position. Further, the willingness of top political officials to defend national negotiators and other officials who faithfully pursue national trade goals can also have great importance, particularly when more powerful states complain about particular negotiators or where the negotiating team receives explicit or implied trade threats during a negotiation. By contrast, the personal engagement of Heads of State can also sometimes be counterproductive where expertise or adequate briefing is lacking. In some cases, the intervention of Heads of State in trade negotiation processes has resulted in political bargaining in favour of broader or foreign policy objectives (more or less successfully), sometimes compromising the achievement of more favourable outcomes on the trade front.

To augment negotiating power, this study also emphasises the importance of political strategies that make strategic use of principles, norms and ideas to reframe issues to the advantage of small states both inside and outside the negotiating room.

This report did not set out to evaluate the initiatives of international donors in supporting small states. However, the research does provide some insights that suggest that

donor initiatives are not fulfilling their aims. Representatives of small states note that initiatives are tackling symptoms rather than underlying causes, for instance by providing research and consultancy assistance rather than helping small states improve their human resource base. Furthermore, there are clear concerns of bias in the provision of assistance, particularly when donors and small states sit on opposite sides of the table in trade negotiations. In addition, in some countries donors are considered to be the actors with greatest influence over trade policy, crowding out the interests of local constituencies. The study highlights a number of areas where external actors might refocus their efforts:

- **Government institutions:** Small states continue to face severe constraints in fielding a strong team of negotiators. External donors are well placed to provide financial and technical support to aid governments in reform of their institutions to improve working conditions and organisational efficacy. However, the report also highlights the fact that direct support to trade ministries is inevitably compromising. For this reason, such support could be channelled through independent third parties that have no direct stake in the outcome of trade negotiations. The Hub and Spokes project, which is partly funded by the European Commission, but managed by the Commonwealth Secretariat and the Organisation Internationale de la Francophonie, is a good example of such an arrangement. Regional development banks have also sometimes proved to be constructive partners in providing advice and substantive input into debates on national and regional trade policy matters. To be effective, support needs to be long term and predictable, and provide governments with a high degree of autonomy to hire and retain experts of their choosing on a long-term basis. This would avoid the creation of disruptive incentives and strengthen accountability.
- **Private sector:** Given the weakness of private sector organisations in many small states, donors could play a greater role in strengthening their capacity to identify their trade interests and lobby government. However, the study also highlights the need to avoid biases in such assistance that risk strengthening some economic sectors as against others.
- **Academic institutions, NGOs and think-tanks:** In many small states there is a paucity of independent scrutiny and advice to policy-makers, and a perception that donors unduly influence trade policy (particularly where private sector organisations are weak). To strengthen the autonomy and independence of trade policy-making, donors could play an important role in strengthening academic and research institutions, as well as NGOs, so that small states have a stronger information base from which to negotiate.
- **International coalitions and organisations:** The study highlights the importance to small states of coalition building and information sharing. A series of inter-governmental collaborations, initiatives and organisations, particularly at the regional level, have been established to facilitate these linkages. However, as they often depend

on funds from developing countries, they are often resource constrained. External donors could assist by strengthening such organisations through long-term financial assistance. But once again, to ensure that accountability is primarily to national governments, it is important that such support is channelled through independent third parties.

A final critical reflection concerns the need for developed countries to take seriously the imperative of reducing the perception of threat under which many small state trade negotiators operate, whether this is related to specific trade negotiations or more broadly to their aid relations. For the smallest and poorest states, bilateral development assistance is presented by donor agencies as a matter of co-operation for development. Counterparts from the trade ministries of the same donor governments often, however, engage in commercial, reciprocal bargaining processes with small states that demonstrate far less sensitivity to the unequal power of the negotiating parties.

While power asymmetries inevitably exist, countries negotiating with small states can and should take measures to insulate the weaker state from the abuse of power. To reduce the incidence of threats related to the withdrawal of trade preferences or other trade sanctions, larger and more economically powerful countries could ensure that the trade preferences they grant are long term and bound, with an effective enforcement mechanism, and do not have policy conditionalities attached. Similarly, to reduce concerns about bias in existing trade-related capacity building, reduced flows of such assistance or the withholding of potential assistance, developed country negotiating partners which are also donors should channel assistance through independent third parties and ensure it is disbursed in ways that provide small states with a high level of autonomy and discretion as to its use. Such initiatives would help address the fear among small state negotiators that such factors will be used to unduly influence their positions during trade negotiations.

Introduction: The Scope and Methods of the Study

For several decades, there has been considerable debate about the position of small states in the international trading system. Recognition of the challenges small states face in international trade negotiations and in reaping benefits from trade has spurred a range of initiatives on the part of national governments and the international community. Central among these have been a suite of capacity building projects for small states, including training, technical assistance, legal advice, institution building and the provision of research. Despite such efforts, there is an enduring concern that small states continue to face a series of constraints in their international trade relations.

If one accepts that the concerns expressed above are real, a possible response is to ask what has been wrong with capacity building for small states. There have been many evaluations of the effectiveness of trade-related capacity building. This report does not aim to repeat them. Instead, it asks two deeper questions:

- First, have we properly understood the constraints small states face and their underlying causes?
- Second, are the assumptions that drive existing capacity building and other efforts to support small states correct and, if not, how should they be revised?

In analysing small states, this study uses the countries identified by the Commonwealth Secretariat and World Bank (Box 1). It also draws on insights from other developing countries that have experienced highly asymmetrical trade negotiations (Annex 1). In trade negotiations, small states face the common challenge of securing the best possible outcome in a highly asymmetric context; valuable lessons can be learned from documenting and analysing these experiences. However, the high level of diversity among small states should be borne in mind, as the relevance of specific lessons drawn by this study may vary from country to country. For instance, the Cook Islands has a population of only 18,000 living on 15 widely dispersed islands spread over nearly 2 million square kilometres of Pacific Ocean, while Jamaica has a population of 2.8 million on a single island of 11,000 square kilometres.¹ Income levels vary widely too: Guinea-Bissau has a per capita GDP of only US\$180, while that of Barbados is US\$9,440.²

The study uses four sources of information and analysis. First, an extensive desk-based review was conducted. The research team surveyed the literature on the structural constraints facing small states in their trade relations, drawing out six dominant explanations for these. The team then reviewed the scholarly literature which more specifically addresses the constraints faced by small states in trade negotiations and also examined existing capacity building programmes to identify the underlying assumptions that motivate and inform activities aimed at assisting small states. The key findings from this

analysis were shared with a group of eminent trade negotiators who helped to identify additional areas of constraint neglected in donor assistance programmes and in the literature.

Box 1. Competing definitions of ‘small states’

There is no single, broadly-accepted definition of ‘small states’. The Commonwealth Secretariat defines them as ‘characterised by their vulnerability in the areas of defence and security, environmental disasters, limited human resources, and lack of economic resources’, but sees countries ‘lying along a continuum, with a number of larger states sharing some or all of the same characteristics’. The Secretariat nevertheless uses a threshold of 1.5 million people, a yardstick followed by the World Bank’s Small States Task Force. The World Bank also acknowledges that ‘no definition, whether it be population, geographical size or GDP, is likely to be fully satisfactory. In practice, there is a continuum, with states larger than whatever threshold is chosen sharing some or all of the characteristics of smaller countries.’

Source: Commonwealth Secretariat, www.thecommonwealth.org; World Bank, ‘Defining a Small Economy’, available at www.worldbank.org

The desk review revealed two important gaps in existing research. The first concerns how trade negotiators and officials from small states perceive and experience trade negotiations. The second concerns the political and institutional constraints that impede small states from attaining enhanced participation in trade negotiations. While the literature survey showed there is significant analysis of these constraints for developing countries in general, far less research has been carried out to see whether these apply equally in the particular context of small states and how their experiences may differ – either for better or worse. To address these gaps, new primary research was conducted over the three-month period from July to September 2008 in the form of a survey, a series of structured interviews and a small group of case studies. Importantly, the scope of this report is intentionally limited to the study of small states in trade negotiations specifically; the challenges small states face in trade dispute settlement are noted here as part of the structural context of international trade negotiations for small states, but are not systematically explored in any greater detail in the remainder of the study.

(a) Online survey

An electronic survey was created and invitations to complete the questionnaire online were sent by email to 374 people in 61 small developing countries who were identified as being directly or indirectly involved in trade negotiations. Survey recipients included regional representatives in West Africa, East Africa, Southern Africa, the Pacific and

the Caribbean. Only those individuals who were specifically invited to complete the online survey were given access to it.

The survey questions received a mean response rate of 22.4 per cent, with an average of 84 respondents answering each question. Where respondents only completed some questions, these have been included in the analysis. For this reason, the number of responses to each question varies. While the response rate is as high as could be expected, particularly given the busy schedules of negotiators from small states, the survey sample is not fully representative of the entire population or range of small states. For this reason, all findings should be treated with appropriate caution.

Not all respondents chose to identify the country or region they represent. However, from the answers given, the final survey covers 30 countries, with a slight bias towards Benin, Comoros, Cook Islands, Jamaica, Mauritius and Zambia, which had three or more respondents each compared with other countries, which had only one or two. A total of 31 respondents identified themselves as representing regional organisations.³ In the report, we have frequently used graphical representations to report the answers received, which can also be found in Annex 2. Where respondents were asked to rank a series of options, the sample size was often too small to conduct statistical significance tests for differences that emerged. Where differences were considered too small to be substantively meaningful, we have reported the finding but refrained from comparative inferences. Even where some such differences prove to be statistically insignificant, many of the results remain nevertheless valuable as rare, fresh indicators of the views of the people in question.

In terms of the composition of respondents, three-quarters were directly involved in international trade negotiations and one-quarter indirectly. In the majority of our survey analyses, all responses were considered. However, our analysis of negotiating tactics was restricted to responses from those directly involved in negotiations. Seventy-two per cent of respondents worked for governmental organisations either in the capital, at regional level or in a mission, while 28 per cent worked for private sector organisations and NGOs (Table 1).⁴ Government representatives were drawn mainly from capitals, although there was significant representation from regional negotiating bodies. The least represented groups were negotiators based in Geneva and Brussels.

Table 1. Who survey respondents represent

Type of organisation	%
Government in capital	48
Private sector or NGO	28
Regional organisation	19
Government mission in Brussels or Geneva	5

A complete summary of the survey results is presented in Annex 2.

(b) Interviews

A total of 38 semi-structured interviews were conducted with ambassadors and negotiators from small developing countries. The emphasis in the interviews was on negotiators in missions abroad to counter the survey bias towards capital- and region-based negotiators.

Brussels: Twenty interviews were conducted and interviewees represented 17 countries and three regional organisations. Coverage included West Africa, East Africa, Southern Africa and the Pacific and Caribbean regions.

Geneva: Six interviews were conducted with negotiators from small states in Central America, East Africa and Southern Africa.

Capitals: Twelve interviews were conducted over the phone with negotiators based in capitals. These included countries in East Africa, the Pacific region, West Africa and South Asia.

A further ten semi-structured interviews were conducted with 'experts' with a broad and seasoned view who either currently or previously worked for many years in an advisory capacity to small states in trade negotiations, including some who had previously served as government trade negotiators. In addition, we held a focus group discussion with twelve participants in Geneva, which included experienced trade advisers from developing countries and several small state officials and ambassadors. They were drawn from a variety of different intergovernmental organisations and NGOs, including the South Centre, the United Nations Development Programme (UNDP), the European Centre for Development Policy Management (ECDPM), the Advisory Centre for WTO Law (ACWL), the Commonwealth Secretariat, the IDEAS Centre and the Caribbean Regional Negotiating Machinery (CRNM).

See Annex 3 for the interview questionnaire and Annex 4 for a list of people interviewed and participants in the focus group discussion in Geneva.

(c) Case studies

Seven country case studies were conducted to explore the particular experiences of a selection of small developing countries in international trade negotiations (Box 2). The cases were selected on the basis of consultations with interviewees and the focus group discussion in Geneva to include participants *perceived* to have played a particularly active role in negotiations, including those perceived to have had a relatively high impact, as well as small states perceived to have had a relatively low engagement and impact. In addition, case studies were selected to provide variation in geographical coverage. Case studies were conducted of Barbados, Mauritius and St Lucia. Benin and Ghana, although not usually classified as 'small states', were also included as case studies on the recommendation of small state negotiators consulted in the course of the research (see Box 2 for an explanation of this choice). In each case, the research included visits of two to three weeks and interviews with 20–40 participants. Desk-based research was

also conducted on Papua New Guinea and Tonga, but resource constraints prevented field in-country research for these cases.

The case studies sought answers to two sets of core questions:

- What accounts for the country's degree of influence in trade negotiations? To what extent are the outcomes simply explained by the structure of international politics and the global economy, including factors such as the economic size of small states as well as the rules and procedures of trade negotiations? To what extent can they be explained by domestic political economy factors and the strengths or weaknesses of government institutions? To what extent can the outcomes be attributed to the actions of specific individuals or the role of specific ideas?
- In each of the above areas, what are the main constraints that the country faces? Which constraints persist? What are their underlying causes? Why has the country been unable to tackle these constraints?

(d) Outline of the report

The study includes the following sections. Chapter 2 presents an analysis of existing research. It summarises the six features of the global trading system which render small states particularly weak in their capacity to shape outcomes. It then provides a brief overview of the academic and policy literature that focuses on constraints facing developing countries in trade negotiations, drawing out existing findings on some of the key constraints faced by small states in negotiations and the factors considered most salient. Having thus reviewed the literature, the research set out to explore what could be added to the existing scholarship, with a particular emphasis on examining the perceptions and experiences of small state officials and negotiators in greater depth. The subsequent chapters report on these findings. Each begins with a summary of the key findings, followed by analysis of specific literature relating to each factor and a detailed reporting of the new primary material gathered in the survey, interviews and case studies.

Chapter 3 examines to what extent small states perceive weaknesses of government institutions as important, including constraints related to human resources, technical capacity, information, institutional co-ordination and accountability.

Chapter 4 explores perceptions of the constraints that arise in the domain of domestic political economy, including the nature of private sector and civil society engagement in the trade policy process.

Chapter 5 explores perceptions of constraints that arise in the negotiation process, including those related to the tactics employed by small states, the formation of coalitions and alliances, the accountability and incentives facing negotiators, psychological factors, leadership and the role of personality.

Chapter 6 assesses which of the constraints enumerated in the earlier sections are most severe for small states, highlighting what points and interpretations add new perspectives to the existing literature. The study concludes with a reflection on the implications of these findings for small states and those external actors offering assistance to them.

Box 2. Overview of case study countries and trade negotiations

Barbados has a high profile in WTO negotiations, where it currently chairs the small vulnerable economies (SVE) group. Similarly, it has a prominent profile in the Economic Partnership Agreement (EPA) negotiations. Its Minister has been a spokesperson for the African, Caribbean and Pacific (ACP) group and has also chaired various CARIFORUM regional negotiating committees. As the Caribbean Regional Negotiating Machinery (CRNM) is based in Barbados, the case study also provided an opportunity to explore the dynamics of negotiating as a regional group in the context of EPA negotiations.

Benin has been heavily engaged in cotton negotiations at the WTO, where it led the Cotton-4 coalition to demand an end to cotton subsidies by large players (most notably the USA). While Benin is not classified as a small or vulnerable economy, consultations with small state negotiators suggested that its experience negotiating on cotton in an instance of high asymmetry could provide valuable insights for small countries.

Ghana was selected after small state negotiators recommended the inclusion of a country that had received high levels of support from international donors for trade negotiations, but had not made a significant impact. While not classified as a small or vulnerable economy, it faces highly asymmetric negotiations and it was suggested that the lessons that emerged may be relevant to small states.

Mauritius has been actively involved in WTO negotiations, playing a high-profile role in the Africa Group and the SVE coalition. As chair of different groups, it is one of the few small countries to have had access to the 'green room' meetings at the WTO. In the EPA negotiations, Mauritius belongs to the East and Southern Africa grouping, where it is very engaged, particularly in the areas of services and fisheries. Mauritius is also a proactive player in South-South negotiations and has initiated bilateral deals with countries such as India.

Papua New Guinea was selected for study due to perceptions that it had taken a particularly striking position in recent EPA negotiations. Although Papua New Guinea is not considered to have a very significant presence in WTO negotiations, the country was noted for its decision to break away from its regional negotiating bloc to conclude a bilateral agreement with the European Union through which it secured significant concessions for its tuna exporters.

St Lucia was selected as a comparison case study as it no longer plays a particularly active role in trade negotiations. Unlike Barbados, it does not have a permanent representative at the WTO, so insights could be gained as to the particular constraints this posed.

Box 2 (continued)

Tonga acceded to the WTO in 2005. WTO accession has a reputation for being a particularly asymmetric one-sided process which often does not adequately take into account the specific circumstances countries face. Despite its status as a small state, only minimal special and differential treatment was granted and Tonga acceded to the WTO on less favourable terms than some much larger and more developed countries.

Source: See, for example, Evenett and Primo Braga (2005) on the challenges of WTO accession.

2

The Constraints Faced by Small States: A Review

To set the context for the analysis presented in this study, we begin by presenting a review of the literature on small states in the global trading system, drawing out why trade negotiations are so important to small states and how the well-known economic and political structural constraints that they face in the international system define the framework within which small states must manoeuvre.

(a) **Smallness, vulnerability and trade**

A wide-ranging literature details the unique set of economic incentives and constraints faced by small states, as well as a series of development challenges that combine to influence their interests in trade negotiations. These can be summarised under the following four headings:

Trade dependence: The small size of the domestic economy and limited options for production diversification within their economies leads most small states to rely very heavily on trade and on highly concentrated export baskets.⁵ This reliance on traded goods often leads to high levels of dependence on tariffs as a source of government revenue. At least five of the nine Organisation of Eastern Caribbean States (OECS) members, for instance, depend on tariffs for over half of their government revenue.⁶ Such dependence makes the outcomes of trade negotiations highly relevant to small states, and at the same time increases the economic and political sensitivity of adjusting to liberalisation.⁷ Where tariff revenue is important, states are likely to act to safeguard these revenue sources during negotiations.

Cost disadvantages: To avoid continued marginalisation, small states recognise the need to diversify away from primary commodity dependence.⁸ However, this can be a challenge as smaller and more remote countries often face higher costs of trading,⁹ which can diminish or eliminate the potential gains from trade for small states. Winters and Martins (2004) argue, for instance, that '[t]here may be some very small economies that face such great absolute disadvantages that exporting at world prices is either impossible or generates factor incomes that are too low to subsist'.¹⁰ In this situation, they argue that preferential market access is central to the economic survival of small states. Others, including Page and Kleen (2005), note that changes in global economic opportunities mean that higher production costs may not always be a significant factor. In the services sector, for instance, domestic production scale is less important and opportunities for diversification are different.¹¹ Many small states have moved to bolster their services sectors, and are now highly reliant on exports of services, particularly on the temporary movement

of workers and the remittances they provide. In Tonga, for example, 41 per cent of GDP is derived from remittances.¹² In trade negotiations, small states have an interest both in preserving preferences and in increasing market access in new areas, such as through new commitments that would better facilitate the temporary movement of natural persons.

Vulnerability to policy decisions of major trading partners: High reliance on a small number of exports and relatively few markets renders small countries vulnerable to unilateral policies on the part of trading partners that adversely impact trade, including the use of export subsidies. In addition, they can also be vulnerable to changes in the trade policies of major trading partners. For instance, as many small states rely heavily on trading arrangements that provide them with preferential market access, changes to these schemes can be very disruptive to producers (Box 3).

Development challenges: While some small states, such as Mauritius and Barbados, have been relatively successful in boosting growth and reducing poverty, others, such as Tonga and Comoros, face significant development challenges and relatively high levels of poverty. These poorer small states have a range of weaknesses in their domestic economies and their firms are often uncompetitive. As a result, they express an interest in securing policy flexibility to support less competitive sectors and stimulate economic transformation, and acquiring financial assistance to address supply-side constraints.

The constraints highlighted in the existing literature are keenly felt by government officials and trade negotiators in small states. In interviews with 35 government officials from small states conducted for this study, negotiators detailed their main objectives in negotiations. Negotiators placed the greatest emphasis on protecting flexibility in their own national trade policies, expanding market access and maintaining trade preferences. Key secondary interests were receiving assistance to overcome supply-side constraints and improving their participation in international trade negotiations (Box 4).

(b) Smallness and trade negotiations

Although trade negotiations are particularly important to small states, their small size contributes to a series of barriers to participating and influencing the outcomes of negotiations. This structural constraint heavily circumscribes the space within which they must manoeuvre. The existing literature points to six possible reasons for this.

Resources: Institutional capacity in trade ministries is severely constrained in small economies. Small population size tends to reduce the scope for specialisation of expertise within governments and small countries generally have fewer people in every profession.¹³ The scale of government budgets and the quantity of human resources are also a significant binding constraint across small states, especially for the very smallest countries, and arise across the full range of issues on which governments engage in international negotiations and have legal obligations that involve administrative action at the national level. Even those small states, like Barbados and Mauritius, which have

Box 3. Vulnerability to trade policies of major trading partners: Examples from case studies

For the cotton-producing countries of West Africa, subsidies in the USA, Europe and China have had an adverse effect on their economies. Cotton is the main employment source and exports for several West and Central African countries and contributes between 5 and 10 per cent of their national GDPs. Between 1997 and 2002, the world price of cotton halved, in part due to subsidies to cotton producers in powerful states. World Bank studies found that the full elimination of these cotton subsidies would raise the international price of cotton by 12.9 per cent, thus giving a boost to economic welfare of US\$147 per year in sub-Saharan Africa.

Whereas the case of cotton highlights how some small states are vulnerable to adverse policies in more powerful countries, the cases of St Lucia and Mauritius illustrate how the welfare of small states can be vulnerable to changes in trade policies (in these cases, changes to unilateral trade preferences). St Lucia and Mauritius benefited for many years from favourable trade preferences on bananas, sugar and apparel. In each case, their export sectors proved vulnerable when the schemes were modified. Notably, the political dynamics of a 'pro-trade' fight against subsidies differ from those of the fight to retain the benefits of trade preferences, which has proven difficult in the context of a broader push for the liberalisation of trade, particularly in the WTO system.

Changes to the European system of banana preferences in 1992 were a major contributor to a precipitous decline in St Lucia's banana industry. Banana exports fell from a peak of 132,000 tonnes in 1992 to 30,000 tonnes in 2005. As banana farming was the main source of national employment, decline of the industry has led to significant social dislocation, as well as increased unemployment and crime. An estimated 29 per cent of St Lucia's population currently lives below the poverty line.

In Mauritius, manufacturing is the largest sector, accounting for 20.1 per cent of GDP, the bulk of which is in textiles and apparel. The termination of the WTO Multi-Fibre Arrangement in 2005 had a series of adverse economic impacts due to the preference erosion that resulted. This prompted the relocation of textile and apparel companies and a dramatic reduction in exports from 57 per cent of total goods exports in 2001 to 36 per cent in 2006. Employment fell from 77,000 in 2001 to 55,311 in 2007.

Sources: St Lucia: WTO (2007), *OECS Trade Policy Review*, WTO Document WT/TPR/S/190 and St Lucia country profile on www.fco.gov.uk. Benin: Anderson, K *et al.*, 2006. Mauritius: WTO (2008), *Mauritius Trade Policy Review*, WTO Document WT/TPR/S/198.

allocated resources in ways that provide excellent administrative capacity on trade, individual officials tend to be responsible for bigger portfolios than their counterparts in larger countries. These challenges are magnified by the fact that alongside the expanding

Box 4. Research findings: The interests of small states in trade negotiations

Policy flexibility: For 22 of the 35 negotiators and ambassadors interviewed, the need to retain policy flexibility was a priority, particularly to support weak domestic industries and to retain customs revenue.

Market access: For 15 respondents, increased market access was a clear priority, including for niche products and for services, particularly temporary movement of people.

Preservation of preferences: Eight respondents emphasised the need to preserve existing trade preferences

Aid for trade: There was also significant emphasis on aid for trade, with eight respondents seeking to use negotiations to increase such assistance to address supply-side constraints.

Participation: Finally, ten respondents described ‘participating’ in the global system as an important objective in its own right. Small states are often marginalised in decision-making and merely being present in the room ensures some degree of recognition of their interests. Others explained that participation enables small states to understand the negotiations and outcomes, which helps them to implement rules in their domestic economy in harmony with those agreed internationally, and to be aware of the flexibilities they can use.

Source: Interviews with trade negotiators, June–September 2008 (see Annex 4).

scope of World Trade Organization (WTO) negotiations, there has been a proliferation of bilateral and regional negotiations that demand additional institutional capacity.¹⁴ Importantly, distinct from the issue of the quantity of resources is their quality. The quality of institutions and human resources varies among small states and is a factor that can be strongly influenced by government policies. Differences in the level of human development between states are also an important contributing factor; skilled officials can be more easily cultivated in small states with higher levels of health, education and overall wealth.

Economic size: Market size presents obvious political challenges for small states in trade negotiations, as it means they may have little to offer by way of market access concessions and thus have limited negotiating power and leverage.¹⁵

Power asymmetries: Powerful states have a series of tools that they can use in trade negotiations to persuade weaker states to adopt certain positions. These include threats of withdrawing preferential trade access; pressure on officials in national capitals; calling

for the removal of unfavourable negotiators from influential positions; divide-and-rule tactics such as deploying middle-income countries to convince low-income countries to change their positions; and the use of technical assistance to pressure developing countries to sign agreements.¹⁶ A number of studies observe that power asymmetries are often more pronounced in bilateral North-South negotiations than in the multilateral negotiations at the WTO, especially where smaller developing countries are also dependent on the more powerful state for aid.¹⁷ The challenge of power asymmetries is particularly pronounced in the EU-ACP negotiations, where a complex web of structural, political, institutional and economic asymmetries severely constrains the negotiations.¹⁸ In the multilateral context, power asymmetries at the WTO negotiating table are somewhat mitigated by the opportunities for small states to forge alliances with larger developing countries. By contrast, bilateral negotiations with the USA often isolate small states from possible alliances with larger allies.

Rules and procedures: It is widely argued that small states should favour and support multilateral trade negotiations, where more formal negotiating processes and the potential for collective action among weaker countries offer greater potential to mitigate and manage power asymmetries.¹⁹ Davis (2003) notes that the consensus-based procedures of WTO decision-making formally empower all participants by giving them potential veto power, which allows even smaller states to exert more influence on agenda setting and negotiation outcomes.²⁰ However, powerful states still generally dominate agenda-setting and the conclusion of trade rounds.²¹ The procedures and rules relating to WTO accession pose particular challenges for small states, which have to accept rules that others have negotiated and more recent entrants often find themselves worse off than countries that are already members.²²

Enforcement capacity: The existence of a dispute settlement mechanism in the WTO is in principle a major benefit to small states as it provides an objective judicial mechanism that is ostensibly divorced from power politics. However, the use of the WTO's dispute settlement system has been dominated by a limited number of larger developing countries.²³ As of mid-2009, Antigua and Barbuda was the only small state to have been a complainant in a WTO dispute, and Trinidad and Tobago was the only small state to have been a respondent.²⁴ The most commonly cited constraints are the significant human and financial costs of mounting a case, and limited government and private sector capacity to identify violations of WTO rules and potential cases that could be pursued, as well as political fears of the repercussions of mounting cases against powerful trading partners. A further constraint is that small states may be unable to effectively enforce rulings that are in their favour, as Antigua and Barbuda discovered in its recent dispute with the USA over internet gambling.²⁵ However, it has also been observed that there is an additional, more central, explanation for the limited use of the dispute settlement system by many of the smaller developing countries, namely that the trade preferences of greatest importance to them are often provided outside the framework of the WTO

and these cannot be enforced by its dispute settlement mechanism.²⁶ As a result, the smallest and least powerful players have much less security and predictability with respect to trade rules than other players in the trading system.²⁷

Norms and ideas: The discourse and ideas surrounding trade negotiations are important factors in legitimating the importance of some issues and interests over others. Larger countries have tended to have more influence in this area, which then gives them additional leverage in negotiations.²⁸ Principles, norms and ideas can, however, also be a powerful source of leverage for small states in trade negotiations. The principle of ‘special and differential treatment’, for instance, has assisted some small states to articulate and advance their trade priorities. However, there is no accepted norm in international trade negotiations for differentiating countries on the basis of smallness or vulnerability.

The existing literature might lead one to the conclusion that small states face so many structural constraints that ‘no amount of negotiating will make a difference’.²⁹ This study tests this view. The research undertaken seeks to develop and strengthen a much smaller body of scholarship which examines under what conditions weaker states may be able to enhance their influence. The work of Odell (2000; 2001; 2006) and Page (2005), for example, suggests that interactions during negotiations can shape the interests of all parties and how they exercise power. This suggests there may be opportunities, even for small states, to achieve gains.³⁰ Page shows that over time developing countries have become more active and influential participants in WTO negotiations and their negotiating positions have become better informed and more sophisticated. In the Doha Round, for instance, even the least active negotiators from among the least developed countries (LDCs) contributed positions and participated in coalition meetings, particularly of the Africa group and Least Developed Countries group.³¹

Understanding with better precision how and why small states are constrained, and how these states perceive the constraints within which they work, has an immediate relevance and importance to debates and policies about aid for trade. As part of the development concerns which rose to prominence in the Doha Development Agenda discussions, developed countries committed to greater provision of aid for trade. Of the US\$25 billion contributed in 2007, US\$685 million was allocated to support ‘trade policy and regulation’, which aims to improve the ability of developing countries to formulate trade policy, participate in negotiations and implement trade rules. The EU and the USA are the largest contributors of this form of support, committing 60 per cent of the funds, and the Africa region was the largest recipient, allocated a third of funding.³²

Our examination of the kinds of assistance provided for trade policy and regulation suggests that donors place great emphasis on improving the technical capacity of smaller, weaker states. The assumption underpinning such efforts is that small states are mainly constrained by insufficient technical capacities and institutional weaknesses in areas such as trade policy formulation, trade negotiations and negotiating techniques; weak technical capacity of governments to design and implement trade rules and regulations,

linked to a lack of expertise on trade policy; and weak mechanisms for consulting the private sector and civil society in trade negotiations.

The following chapters build on the existing scholarship by probing in greater depth the constraints that prevent small states from effectively ‘manoeuvring at the margins’ and maximising their influence in trade negotiations. In doing so, it marks the first attempt to systematically analyse the views of representatives from diverse small states on the constraints they face in negotiations. Having identified a series of constraints, the study reflects on the implications of these findings for capacity building initiatives.

3

Building an Effective Negotiating Team

An effective negotiating team is a prerequisite for success in trade negotiations. Yet several constraints beset small states in this regard. This chapter probes the constraints that arise from the staffing, organisation and processes within government institutions. In so doing, it tests a number of hypotheses which emerge from the literature and several assumptions which underpin donor programmes aimed at reducing capacity constraints.

To increase their negotiating leverage, small state negotiators have emphasised the need for their countries to develop and sustain a core team of skilled negotiators that can accumulate and retain knowledge. However, the study shows that inadequate human resources continue to be a major constraint for small states. While the number of officials working on trade negotiations is very low, particularly for the smallest and poorest countries, it is the recruitment, development and retention of high quality officials that is seen as the greatest challenge.

Information availability and analytical capacity is a significant problem across small states – a challenge closely related to human resource constraints. Most small states have access to national trade data, but rarely have economic impact assessments or analytical capacity to properly assess the trade-offs of different trade policy options. Even where small states have access to vast amounts of information, they face substantial human resource-related challenges in analysing this information and turning it into concrete negotiating positions. Countries also vary in their links to international networks of expertise, whether in the IGO, NGO or academic community.

Accountability is a further area of concern. The survey and interviews strongly indicate inadequacies in the extent and the quality of oversight by ministers and capital-based officials of negotiators. Further, in many small states, parliaments play no role in holding trade ministers to account. As a result, there are often few benchmarks for negotiators and weak requirements on them to deliver concrete and positive results. Instead, armed with only vague instructions, much is left to the discretion of individual negotiators. To improve accountability, institutional design matters at the national and regional level.

While donor organisations correctly identify strengthening human resources as a priority need, their trade-related interventions do not appear to address underlying constraints and indeed may sometimes exacerbate them. A substantial number of small states rely on their negotiating partners for information. However, the research and information provided by external consultants is not always tailored to the needs of small states and there are concerns that some information is biased towards the interests of donors. Short-term interventions such as studies by external consultants or international organisations may sometimes be useful, but do not address the broader challenge of supporting the development of analytical capacity within countries among researchers and analysts more familiar with the local economy.

Existing scholarship and capacity building initiatives

The existing scholarly and policy literature pays significant attention to the institutional and technical constraints that small states face in international trade negotiations. The main constraints identified include the lack of permanent missions in Geneva, weak intergovernmental co-ordination, poor communication and information flows within governments, lack of negotiating experience and low levels of technical competence among officials.³³ Scholars have also highlighted the tensions and poor co-ordination that arise from 'turf wars' due to, among other factors, overlapping mandates, as well as competition for resources and influence between ministries.³⁴

In their programmes to build capacity for trade negotiations, donors widely include among their stated objectives the aim of increasing technical and institutional capacity. On the technical front, the direct provision of consultants is a common form of intervention designed to directly increase the number and quality of technically proficient staff available. It is common practice among major bilateral donors, such as the EU and USA, to place consultants paid by them in developing country trade ministries and regional organisations, some of whom are given formal roles on the negotiating team of the country. In addition, some donor-financed projects directly fund or subsidise the costs associated with the participation of selected developing countries in negotiations. These kinds of assistance have been heavily criticised in the literature for raising serious conflicts of interest and risks of breach of confidentiality. As Page (2006) notes, 'if a negotiator has his salary paid by a trading partner country, and has travelled to a negotiation with that country on a ticket paid for by that country, it may be difficult for him to disregard this when in the negotiation'.³⁵ Channelling funds through a third party that does not have direct interest in the outcome of negotiations is one option for reducing the possibility of bias. A multi-donor effort also reduces the risks associated with receiving assistance from a single bilateral donor. For instance, the Commonwealth Secretariat manages a multi-donor 'Hub and Spokes' initiative, which provides consultants or 'trade policy analysts' to national governments and regional organisations.³⁶

The literature also warns that technical assistance strategies which rely on the repeated provision of external consultants can and often do perversely undermine the emergence of local expertise and institutional capacity for trade negotiations.³⁷ One recent improvement has been increased attention by some donors to longer-term challenges, such as building analytical capacity in local research centres to provide negotiation support to government and to improve co-ordination between government departments on trade policy by supporting the creation of inter-ministerial committees.³⁸

Another common donor capacity building method is to provide training to improve the quality of human resources and to improve the information base available to government officials. EU support in the context of the European Partnership Agreement (EPA) negotiations is illustrative. Its programme includes 'specific studies aimed at developing negotiating positions for ACP countries and regions, seminars, conferences and workshops linked to the trade negotiations; training in negotiating techniques for ACP

officials leading negotiating teams; and technical assistance to improve capacities in areas such as trade policy formulation, trade negotiations and negotiating techniques.³⁹ Similarly, a plethora of training on the details of negotiating texts is provided by the WTO, International Trade Centre (ITC) and others, while organisations like the United Nations Conference on Trade and Development (UNCTAD) also provide policy analysis. Here again, many training and technical assistance initiatives have come under criticism for poor design and delivery of projects and for bias towards supporting the commercial interests of donor countries.⁴⁰ In 2001, for instance, half of all reported trade-related capacity building for trade policy and regulation was dedicated to the ‘new issues’ favoured by developed countries.⁴¹ Indeed, some critics have argued that ‘contrary to their stated objectives, the real intent of technical assistance programs is not to develop developing countries’ capacity to negotiate but to get the developing countries to conform to the expanded trading agenda of the OECD countries’.⁴²

Importantly, the degree of bias and perceived bias in negotiation-related technical assistance and training varies according to the donor government and organisation providing support. In many cases, international organisations are perceived as more ‘neutral’ sources for capacity building than bilateral assistance from developed country governments. In the area of technical assistance and training for trade negotiations, developed country projects frequently rely on that government’s own officials, private sector consultants and/or private consulting companies to deliver its assistance, raising concerns about potential conflicts of interest and risks to the recipient country associated with breaches of confidentiality. To address such problems, the UK government has an explicit policy that the information provided through its assistance projects remains confidential to the recipient government.⁴³

New evidence from the survey, interviews and case studies

In our primary research, we probed to what extent the hypotheses discussed above, generated by academics and underpinning many donor efforts to enhance capacity, were ranked as important constraints by officials and negotiators from small states. The results are analysed below under three headings: human resource constraints, lack of information and weaknesses in co-ordination.

(a) Human resource constraints

The evidence we gathered underscores the importance, highlighted in previous research on developing countries in trade negotiations, of building and sustaining an effective negotiating team comprised of experienced and knowledgeable individuals.

Many interviewees stressed the need to build up a strong negotiating team and to ensure effective teamwork. This perception was borne out by the case studies, which show that the development of a tightly knit team of negotiators with complementary skills and a high level of trust established over many years can yield significant leverage in negotiations (Box 5).

Box 5. Developing a core negotiating team: Lessons from Mauritius and Ghana

Mauritius is able to translate the strength of its domestic trade policy process into strong trade negotiation performance through the quality of its core negotiating team of approximately ten highly experienced negotiators, drawn from both public and private sectors. While governments and ministers have changed over the past decade, the core negotiating team has remained highly stable. Concentrating the responsibility for negotiations in a small, stable and tightly bound group creates an informal network of accountability among negotiators, enhances trust and concentrates trade negotiation experience. Core team members are highly esteemed negotiators and command great respect in diplomatic circles, providing further leverage. ‘You can get the respect of others in Geneva, and this enables you to do more informally.’ A potential danger is that the fact that so much institutional memory has been embodied in so few individuals over time makes the trade policy process vulnerable to disruption should those individuals leave their posts.

By contrast, Ghana’s core international trade team consists of only five people, and suffers from high staff turnover and frequent reshuffling. Both in Brussels and Geneva, one negotiator lamented that ‘by the time that you get on top of the issues, your posting is ended’. The result is a lack of specialist, technical knowledge, particularly on complex new areas of negotiations, such as trade in services, where the consequences for the Ghanaian economy remain under study and many domestic stakeholders fear significant adverse impacts. Further, the national negotiating team is fragmented. When the head of the country’s multilateral trade team passed away in 2008, his ‘encyclopaedic knowledge’ went too. He had worked largely on his own and was only able to impart a portion of his knowledge to other colleagues.

Source: Interviews for case studies on Mauritius and Ghana, August 2008 (see Annex 4).

Several of our interviewees emphasised that an individual can make a significant difference in negotiations. As one Geneva-based expert noted:

‘Individuals are critical. You get a change in negotiator and a complete change in the way a delegation presents itself.’⁴⁴

The case studies give further insight into the role that skilled individuals can play in bringing national interests to the negotiating table and keeping them there (Box 6). The examples given show that the role individuals can play in raising the profile of a small country in negotiations by creating opportunities to make its voice heard should not be underestimated. That said, as highlighted by the still unresolved issue of cotton subsidies,

Box 6. The role of individuals: Benin and Samoa

The experience of Benin shows it is possible to have a high profile in international negotiations even with few resources. The Trade Ministry has limited staff, with little capacity to specialise and focus on particular issues: in total, eight people work on multilateral trade issues, none of them full time. Sheer numbers of officials were a particular problem when WTO negotiations on cotton turned into a marathon (i.e. as was the case at the Cancun Ministerial Meeting), and where only two or three African negotiators faced a series of meetings involving several hundred US negotiators. Despite this, Benin attained and maintained a high-profile in the cotton negotiations. One reason for this was the dynamism and personality of Ambassador Samuel Amehou. Many interviewed for the case study argued that the strength of his convictions and ideas, diplomatic skills and international background, as well as his ability to lobby, convince and take initiatives, made a tremendous difference to the attention that the cotton issue attracted.

Ambassador Amehou reflects that: 'I personally went to consult all the delegations present in Geneva, knocked at all doors so as to convince the maximum of people ... My time in Geneva was exhausting, we did not sleep at night and I had to drink a lot of coffee. But it was so exciting ... I love big fights. People would call me 'Mister Cotton' in Geneva. I made a lot of friends from all over the world.'

Similarly, the strong stance that Samoa initially took in its WTO accession negotiations has been attributed to the individual role played by its Attorney General: 'She was very tough in the negotiations, had a very imposing presence and took Australia and the EC to task in meetings. I had the impression no one could push her around.' When the Samoan Attorney General stepped down, the accession negotiations stalled.

Source: Interviews in Benin and with Pacific negotiators, August 2008 (see Annex 4).

success in getting an issue into the international spotlight does not necessarily mean effectiveness in ensuring the realisation of desired policy changes. While individual leadership can be a necessary ingredient for getting international attention to, and movement on, an issue, the Cotton-4 countries (Benin, Burkina Faso, Chad and Mali), also relied on other forces to win attention for their issue, including international researchers, support from several developed and developing governments, domestic stakeholders and international NGOs, including those that lobbied the US and other governments on the matter.

That said, there are several serious constraints to achieving tightly knit teams of experienced trade negotiators.

Shortage of personnel

Our survey results suggest that there is a serious shortage of personnel in small state trade negotiations. On average, small states have four people working full time on negotiations in their capital. There are wide differences between countries. Almost half of the respondents (36 of 78) have three or fewer officials working full-time on negotiations in their lead trade ministry and four countries do not even have one full-time official. This contrasts with 26 respondents who state that they have between three and ten full-time staff and 16 who say they have ten or more.⁴⁵

Small states are much more likely than larger states to have no permanent representation at the WTO. In 2006, of the 30 WTO members or observers who did not have a permanent mission, 20 were small states.⁴⁶ This situation is worse than the situation of LDCs that are WTO members, where one third have no permanent representation.⁴⁷ More than a quarter (17 of 62) of respondents stated that their country does not have a person working full time on trade negotiations in Geneva. More than two-thirds of respondents (43 out of 62) said that they had two or fewer staff members working full time on trade negotiations. Even for those countries that do have permanent representation in Geneva, the survey corroborates the problem of acute personnel shortages. That said, the human resource complement in Geneva varies substantially between small states. While 26 respondents said they have only one or two officials working on trade full time in Geneva, 16 said they have between three and eight officials working in this capacity and three respondents said they have ten or more.⁴⁸

In our interviews, discussion of human resource constraints arose with 35 negotiators. Nearly all raised the lack of financial resources as a major constraint in maintaining adequate staffing in Geneva, as did the Caribbean case study (Box 7). The prohibitive costs of flying teams of officials to an ongoing series of trade negotiation and committee meetings in Geneva or Brussels were also mentioned.

Increasing the number of officials dedicated to trade policy, and establishing a permanent WTO mission, might be particularly difficult and not especially desirable where populations are extremely small or countries are very poor and/or where there are more urgent demands for resources and staff in areas such as health and education. That is, decisions about staffing in Geneva may also reflect variations in the prioritisation of trade compared with other national policy issues. Closer scrutiny of the data shows, as might be expected, that the smallest countries have the fewest officials allocated to trade in their capitals and are least likely to have a mission in Geneva. For instance, the Cook Islands (population 20,000) have one person in Geneva and nobody working full time in the capital. However, the data also show high variation among both LDCs and small states in terms of the number of staff allocated to trade.

Furthermore, it is notable that 19 of the 20 small states without permanent missions in Geneva do have permanent missions at the UN in New York, and 16 of the 20 have permanent representatives in Brussels, focused on the European Commission.⁴⁹ This suggests that for many small states, influencing the aid and trade relationship with the

EU is a greater priority than efforts to influence trade policy at the WTO in Geneva, and is perceived to have greater potential benefits.

Box 7. Financial constraints to participation: Organisation of Eastern Caribbean States

The six OECS countries that are members of the WTO have a joint technical mission in Geneva. This mission relies on substantial financial assistance from donors. Even with this assistance, for many OECS countries the cost of attending individual meetings remains prohibitive. In the case of the 2007 WTO *Trade Policy Review* of the OECS, only three ministers from the six member countries that are also WTO members were present at the formal trade policy review meeting at the WTO. Of the three countries not represented by ministers, only one had an ambassador level representative present. As a result, St Lucia’s trade minister ‘made five presentations: one on behalf of the OECS, another as St Lucia and three on behalf of those absent’. As the minister noted: ‘The WTO told me this was a record for a trade minister in a single day’. Even though St Lucia was able to be present, its delegations to inter-national meetings are usually very small. In many instances, only one person accompanies the minister to ministerial meetings due to the high costs of sending a larger delegation. This undermines participation as ‘one person doesn’t have all the necessary technical expertise’.

Notably, for some regional bodies, such as the EU, it is accepted practice at the WTO for one representative (the EU Trade Commissioner) to make presentations on behalf of the region as a whole, although there is always a larger accompanying delegation of national and regional officials. One might be tempted to conclude that St Lucia’s presentations on behalf of other OECS members similarly reflect the benefits of regional co-operation. Importantly, however, the EU has a common trade policy review for the region as a whole. In the case of the OECS, the region’s members are reviewed during the same trade policy review, but it is not technically a ‘joint’ review, in that separate reports are prepared for each country. While it is possible that busy national trade ministers from small states are uncertain of the substantive benefits their participation in the trade policy review might yield, recent research argues persuasively that they would benefit from attendance at what is often the most comprehensive external review of a nation’s trade policies in any one government’s term.

Source: Interviews for case study on St Lucia, September 2008 (Annex 4); Ghosh, 2008.

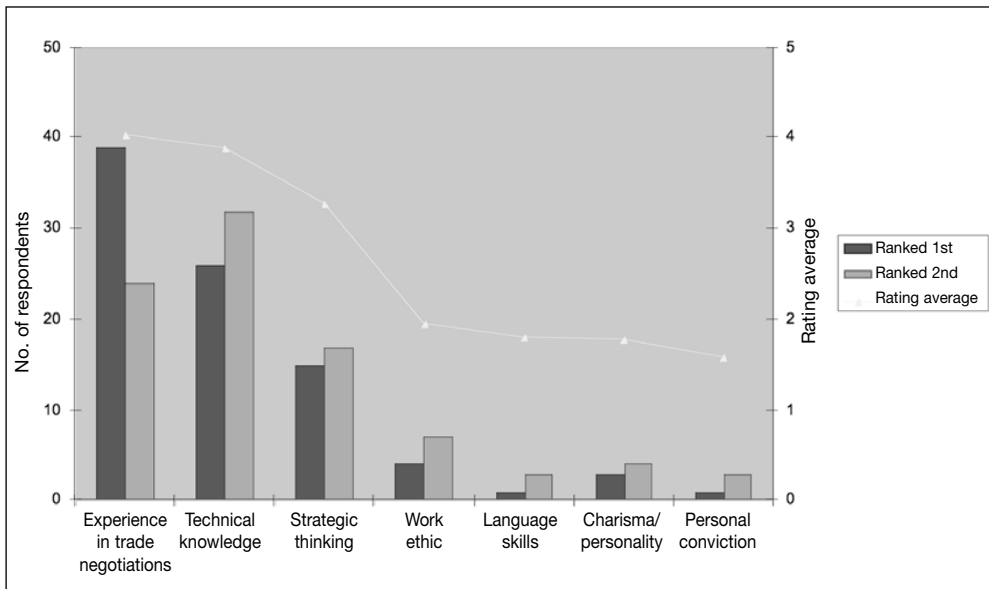
Gaps in experience and practical expertise

While the number of personnel is clearly a concern, many negotiators drew attention to the fact that quality of personnel is often far more important than quantity.

The survey results give insights into the quality of human resources available to small states and the skills that representatives consider most valuable for negotiations. The

survey indicates that ‘experience in negotiations’ is considered the most important attribute of an effective negotiator, closely followed by ‘technical knowledge’ and then ‘strategic thinking’ (Figure 1).⁵⁰ The personal qualities of negotiators, such as charisma, work ethic and personal conviction, were given a low ranking in the surveys. Similarly, language skills received a low ranking from both Anglophone and Francophone negotiators.⁵¹ By contrast, the interview results suggested that the personal charisma, tenacity and reputation of individual negotiators do indeed sometimes have a very significant influence on how much countries are heard and taken into consideration, though further study is needed to assess whether such qualities deliver actual results.

Figure 1. Most important personal qualities of negotiators



In interviews with 35 negotiators, a wider mix of attributes was raised as important for success in trade negotiations. Twelve of 35 respondents placed most emphasis on technical knowledge, ten emphasised negotiating experience, ten diplomatic skills and eight the negotiator’s attitude. Reinforcing the findings of our survey, one negotiator explained frankly that a lack of experience can be a particular liability:

‘None of us had any prior experience ... I ended up agreeing to something I shouldn’t have. It’s something that will be with me always. It was because of inexperience ... we went in blind.’⁵²

The interviewees highlighted the importance of diplomatic skills and the attitude or psychological disposition of the negotiator (two themes which do not arise in the literature or survey). The diplomatic skills highlighted included the need for negotiators who are

able to be flexible, honest and transparent, who empathise with their opponents, present unwelcome information in a constructive way to maintain good relations and who understand the psychology of negotiations. Several negotiators stated that the most adverse implication of smallness is that negotiators develop a ‘small mindset’:

‘Small countries feel inferior ... and tend to hold back. I don’t think there is a deliberate move or attempt to silence them.’⁵³

Some negotiators argued that the colonial past of their countries still exerts a psychological influence, citing particularly their negotiations with the EU, where some negotiators are predisposed to either expect the EU to be benevolent or, at the other extreme, to presume that they will have absolutely no influence at the negotiating table and so give up entirely. Some argued that in the context of EPA negotiations small states need to realise that the EU is not on their side and not be unduly intimidated, recognising that despite their representative power, European negotiators are merely ‘human’.

Effective communication and presentation skills are particularly important as they can leverage small states into chairing a committee, which can enable their country to exert influence in negotiations. Several negotiators mentioned the negative impact on negotiations of trying to play power games and being over-aggressive. That said, a significant number of interviewees dwelt on the importance of bringing a tenacious attitude to the negotiating table. In discussions about the attributes of an effective negotiator, interviewees emphasised the need for negotiators to be bold and take initiatives, be pushy where necessary, sustain commitment to negotiations and not get discouraged. One negotiator described an effective negotiator as follows:

‘... they have very strong political characters that are able to ask what needs to be asked. They don’t just sit back. They are not complacent. They will ask, they will enquire and they will push.’⁵⁴

However, good diplomacy cannot compensate for a poor grasp of the technicalities:

‘In Geneva you don’t need the kind of good diplomat who knows how to distinguish between malt whisky and blended whisky. You need someone who can understand the difference between a tariff, and a specific duty, and an ad valorem duty.’⁵⁵

The survey provides insight into the academic qualifications of negotiators and suggests that most negotiators have a significant level of relevant education. Eighty-three out of 84 respondents said that at least one person working on trade has a degree in economics or law, with 52 saying that ‘most’ officials have such degrees. Other prevalent degrees tend to be in a subject related to international politics.⁵⁶

Losing experienced personnel

To gauge the degree of institutional memory and expertise that small states are able to establish, the survey asked how long small state officials stay working on the trade portfolio. The survey results show that trade officials posted to Geneva tend to stay there

between three and five years.⁵⁷ Small states are not alone in experiencing this relatively high turnover. Indeed, diplomatic postings for most countries, large or small, generally operate on a rotation of between three and five years. In the national capitals of small states, trade officials have a longer tenure: while only 5 per cent of respondents said their officials typically stayed for more than five years in Geneva, 44 per cent said they typically stayed for more than five years in the capital in trade-related posts. While frequent moves within and between ministries are common even in many national civil services, the particular challenge for small states is that the pool of trained trade personnel – and of personnel trained to train others – is generally far smaller than in larger states. In light of the broader observations made by many negotiators on the constraints posed by lack of expertise, this suggests that the rate of turnover may indeed be an issue that warrants more attention in the specific case of small states, even though individual officials themselves did not complain about rotating between positions or issues.

A further finding which may pose a substantial constraint is ‘brain drain’ out of the public sector following postings to Geneva. Respondents were asked ‘what do trade officials usually move on to after being posted to Geneva?’. Of the 63 responses to this question, only 31 said that officials typically stay in government. A further 15 respondents said that officials usually leave government service and move to international organisations or the private sector and 17 respondents said a mix of the three.⁵⁸ This suggests that not only do small states have relatively few people in trade negotiations, whether in their capital, in Geneva or elsewhere, but a significant number of countries lose valuable negotiating experience when officials subsequently move on to pursue other opportunities.

These concerns were reflected in our interviews with 35 negotiators. When asked about human resource challenges, ten interviewees expressed deep concerns about low levels of retention and officials moving away to organisations like the World Bank, the WTO, the IMF or a range of UN agencies. Interestingly, some negotiators argued that when officials move to a regional organisation, it does not have the same negative effect on negotiating capacity since they often continue to pursue important national interests, give feedback on key information on negotiations and remain available to give advice.

When asked to specify the reasons why officials move out of the public sector, important ‘push factors’ that emerged were the career structure and management of trade officials. Five interviewees noted that they are moved around too much within the civil service and are unable to build up the necessary expertise to excel in trade negotiations, which is a source of frustration and demotivation:

‘When we go back to capital there is no guarantee we will go to the trade division. We could be moved on a whim.’⁵⁹

Others mentioned that civil service salaries are very low and facilities are often poor, resulting in low levels of morale. These constraints are compounded, interviewees suggest, by the fact that good performance is often not rewarded and that promotion within the civil service is based solely on tenure. The lack of career opportunities within the

civil service is also of concern. While small bureaucracies sometimes enable ambitious and highly-motivated negotiators to advance to high positions of responsibility and influence within their team, the fact of small trade bureaucracies and the highly specialised and technical nature of trade negotiations mean that some negotiators perceive the opportunities for professional growth to be limited.

In the case of ambassadors, small states share with larger countries a high turnover that is often due to political considerations. Brussels and Geneva postings are frequently mechanisms for political reward and contingent on changes in government. For small states with very few technical officials, a change in ambassador may have a greater adverse impact than for countries with larger delegations. This was recognised by one small state, whose negotiator explained that awareness of the need for continuity in negotiations meant that even when there was a change in government, they had retained the WTO and EU ambassadors until particular negotiations were completed.⁶⁰

The Barbados case study shows that strong leadership can help mitigate human resource problems and support the creation of an effective negotiating team. The Prime Minister personally championed trade, appointed a forceful and articulate trade minister with whom he worked closely and created a Cabinet sub-committee dedicated to trade.⁶¹

In the survey and interviews, we probed the effectiveness of measures such as the provision of consultants and training courses that aim to bridge human resource gaps. Survey respondents were asked how helpful they thought consultants were in helping them prepare for trade negotiations. The results show that an extremely high number of small states use consultants provided by donors (78 of 80 respondents) and that most governments also hire their own consultants (64 of 80 respondents). In both cases, consultants are considered to be a significant asset, with 97 per cent of those whose countries use donor-provided consultants stating they are 'helpful' or 'very helpful', and 91 per cent in the case of consultants hired by their own governments.⁶² This finding is somewhat surprising given that many interviewees were critical of the quality of information and expertise provided by consultants (see below).

In reflecting more generally on human resource constraints and the underlying problems, several negotiators were keen to point out that the most important attribute of a negotiator is experience, which cannot be taught:

'You can send people on training courses, but living through a day-to-day interaction with your negotiating partner accounts for a great deal ... you get to know how the other side thinks and this gives you an advantage in the process.'⁶³

As one ambassador noted:

'Although I have trained my team on WTO rules, it doesn't mean they are able to negotiate; theory is totally different from practice.'⁶⁴

Others noted that while technical advisers are often helpful and boost human resource capacity, they are ultimately an unsustainable form of assistance.

(b) Lack of information

Accurate and timely information is crucial to formulating trade policy and for setting goals and priorities for trade negotiations. In our interviews, survey and case studies we probed the extent to which information is available to small states and its source. Our interviews with negotiators underlined a strong perception that poor quality information is a significant constraint in negotiations. That said, their answers suggest that the problem cannot be solved without addressing human resource constraints. Eleven of the 34 negotiators with whom the issue was discussed emphasised that they had too few people to analyse the available information and relate it to their country's particular circumstances:

'I do not think that there is a shortage of studies, but someone has to filter the information. How can we use all of these reports and studies on a day-to-day basis?'⁶⁵

Our research indicates that small states rely on a wide mix of sources for information, including that generated by their own governments, international organisations, independent research centres, other parties to negotiations, NGOs, the internet and the private sector. The survey asked: 'What sources do you rely on most for information and analysis needed for international trade negotiations?'. The results show that small states rely on many sources (see Figure 2). Regional organisations and government ministries are the most important sources, closely followed by IGOs and Geneva missions. NGOs were ranked last, but still provide a substantial amount of information. Interestingly, regional organisations were most often ranked in second place, suggesting that they may be used as an alternative when information cannot be gained from government ministries or other sources. Five of the six answers to this question noted that the internet is a major source of information.⁶⁶

The survey results highlight problems officials perceive with information provided by their governments. Those surveyed did not consistently rate the quality of their own government-generated information as very high, a finding reinforced by the interviewees, half of whom said that the information generated by their own governments tended to be unreliable and that they depended on information from elsewhere. The survey results show that overall, small states produce significant quantities of data (Table 2). Eight of 86 respondents said their government did not regularly produce accurate up-to-date trade flow data; ten said it did not produce economic impact studies; 12 said it did not produce legal advice; and 12 said it did not produce diplomatic intelligence.⁶⁷ However, while most countries whose representatives responded to the survey produce information, the officials only ranked the quality of that information as 'average'. Trade flow data was more often perceived as 'good' than the other kinds of data. Economic impact studies were most likely to be considered 'poor' or 'very poor'.⁶⁸ This suggests that information types that require more specialised analysis and a range of detailed country-specific data are often poorer in quality.

The interviews provided further insights into the sources of information that negotiators turn to outside their own governments. Intergovernmental organisations offer a

Figure 2. Most important sources of information

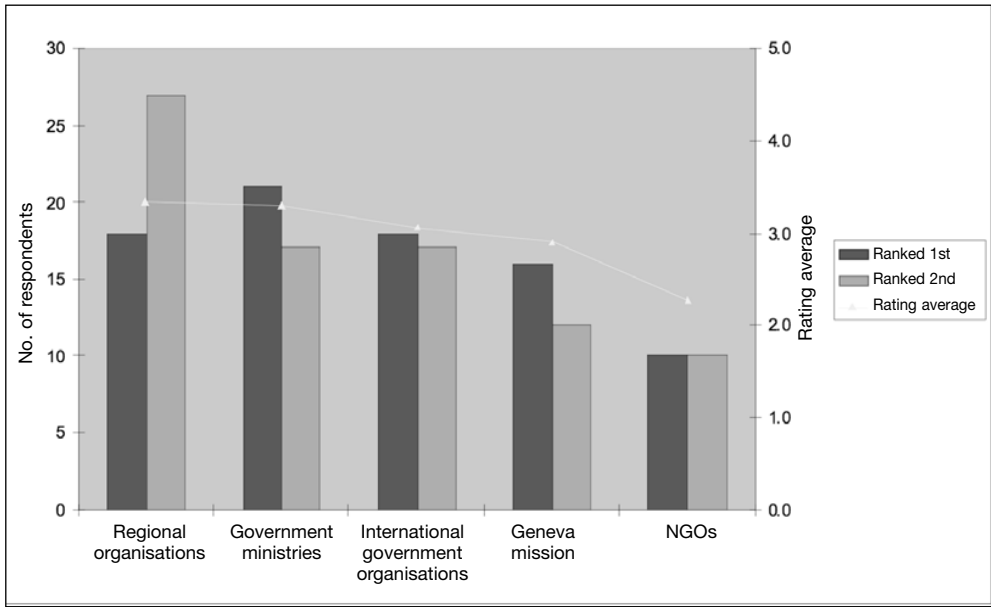


Table 2. Quality of information provided by governments in small states

Information type	Government does not produce	Good	Average	Poor	Very poor
Trade flow data	8	24	38	13	2
Economic impact studies	10	17	26	21	9
Legal advice	12	18	27	18	8
Diplomatic intelligence	12	22	22	14	8

popular source of information, with 24 of the 34 officials saying that they turned to organisations such as the Commonwealth Secretariat, South Centre, UNCTAD, WTO Secretariat or regional organisations. Of the other sources of information, 13 interviewees said they turned to independent research organisations, including the Overseas Development Institute (ODI), ECDPM and local universities. Rather strikingly, 13 interviewees reported that they relied primarily on their negotiating opponent and on donor organisations for information. Nine of the 18 Brussels representatives interviewed said they relied on the EU as a primary information source in the EPA negotiations, despite the obvious risks concerning the neutrality of information provided by negotiating partners. Other frequently mentioned sources of information included NGOs and the internet. The private sector was only mentioned three times as an important information source.

The quality of information to which negotiations have access is also perceived as a constraint on small states. Another concerns gaps in information. Almost half (15 of 34) of those interviewed emphasised the importance of improving the quality of economic impact assessments, highlighting the need for such studies to be tailored so they can easily be related to negotiating positions. Eight negotiators emphasised the need for improved intelligence on the interests of the negotiating partner, with four saying that they considered this to be the single most important type of information. Six interviewees noted the need for better statistical information, but again noted that they required more human resources to use this type of information to best effect.

External consultants and training programmes are often used to try to improve information quality and address information gaps. One interesting comment that repeatedly arose in the interviews was that the information and analysis provided by external consultants does not always meet the needs of small states. A further challenge, as observed above, is that external consultants, sometimes embedded long term in capitals, may be financed or seconded directly by the same governments with whom small states are engaged in trade negotiations, raising questions about the impartiality of information conveyed. In particular, information provided by consultants is often not rooted in the economic realities of their country, tends to be regional rather than country specific and may be based on assumptions about development priorities that are not necessarily shared by the government of the country concerned. As one negotiator commented in the context of the EPA negotiations:

‘Most studies are done by NGOs, the EU or outside consultants. Their judgement is influenced by their background. If you have a European background, you may not understand the set-up of an African economy.’⁶⁹

Another negotiator noted that the information provided in seminars and workshops by donor organisations is not always objective:

‘They [large countries] hold workshops and seminars to push their agenda. If people are not very aware, by the time they come to negotiations, they are already half sold.’⁷⁰

The case studies give further insight into the politics surrounding the provision of information and perceptions of the risks associated with relying on some sources and kinds of technical assistance (Box 8).

In sum, insufficient access to timely and accurate information is a significant problem for small states and this is closely related to human resource constraints. While they have much information at their disposal, they face substantial human resource-related challenges in analysing it and turning it into concrete negotiating positions. Small states seldom receive advance warning of policy changes and do not have the capacity to analyse country-specific impacts.⁷¹ Some important data are not available to small states, such as measurements of the impact of changes in trade rules on the local economy. They rarely have economic impact assessments or an overview of the trade-offs or different options, which require a high degree of analytical resources and detailed local information.

Box 8. The politics of information: The Caribbean

Several senior diplomats and academics in the Caribbean expressed concern at the role of economic ideology in negotiations. Although in the international arena there are a number of organisations developing heterodox arguments, several senior negotiators noted that local academic institutions need to be strengthened to offer alternative fora for training and analysis that is based on the specifics of the local economy. A technical official shared his view that a key substantive problem small states face is that in using information in negotiations they need to be able to show that many aspects of traditional trade theory ‘don’t work for small states’ and to advocate what would work. A senior academic in Barbados observed that until the recent creation of a Master’s programme at the University of the West Indies, the majority of training on trade negotiations in the region was provided by international organisations with inadequate understanding of the specific development challenges of small vulnerable economies. He argued that: ‘The WTO trade policy course runs regularly in Jamaica and the training from the World Bank and IMF over 10–15 years has taught people to think like neoliberals. At the political level, there is acceptance of the Washington Consensus and leaders take the view that there is no alternative.’

The Barbados case study also highlights the problems that can emerge from the biased provision of information through technical assistance. One seasoned negotiator cautioned that the SVE coalition has to be on the look-out for ‘Trojan horses’ in the guise of technical assistance, warning that by ‘crunching the numbers where you don’t have the capacity’, developed countries have tried to influence the negotiating positions of the SVE coalition to the detriment of its members.

Source: Interviews in Barbados and St Lucia, September 2008 (see Annex 4).

(c) Weaknesses in co-ordination

Ideally, officials negotiating on behalf of small states would work within well-co-ordinated trade strategies and priorities forged by their governments. Equally, the performance of negotiators would be measured against their success in promulgating those national strategies and priorities in negotiations. Our survey, interviews and case studies explored the extent to which this co-ordination and accountability are present.

The survey results show that formal mechanisms for co-ordinating policy among government departments exist in most small states, with only three of the 81 respondents saying that there was no such mechanism. Where co-ordination mechanisms exist, opinions on their efficacy were divided, although on balance opinion was favourable, with 33 respondents saying they were ‘excellent’ or ‘good’, compared with 17 who said they were ‘poor’ (Table 3).⁷²

The survey results suggest that the accountability of trade negotiators is often relatively weak. The survey queried the extent to which negotiators posted overseas are held

Table 3. Quality of formal mechanisms for intergovernmental co-ordination

	Does not exist	Excellent	Good	Average	Poor
Quality of co-ordination mechanism	3	2	31	28	17

to account by their line managers. A high number (46 of 74) of respondents said that when reports are sent from missions to capital, feedback is provided ‘sometimes’, ‘rarely’ or ‘almost never’.⁷³ The overall impression from the research conducted is that in many small states little attention is paid back in the capital to the outcomes of trade negotiations and that negotiators are largely left to use their own discretion with minimal guidance or instructions.

Interview responses suggest that the relationship between mission and capital is better than suggested by the survey, with the majority (17 of 24) interviewees saying that the relationship was good and that they were in regular contact. This finding could, however, reflect the fact that a greater number of interviews were conducted with Brussels negotiators (14), where 11 interviewees indicated that the relationship between the capital and the mission was good, than for Geneva, where only one of the five interviews indicated that the relationship was good. These differences may also be partly the result of the current level of negotiation activity for particular countries, rather than more systemic factors. That is, the good contact reported by interviewees in Brussels may reflect the particularly high level of political importance accorded to the ongoing EPA negotiations and the correspondingly high levels of engagement from ministers. In future research, it would be useful to conduct a systematic comparison between the views of officials based in capital and in various missions from the same country, and also to consider to what extent the results vary based on the stage and intensity of negotiations underway.

The variations in relationships between trade negotiators and their governments can be stark. Some missions and capitals ‘communicate every day, often more than five times’⁷⁴ and are in regular and direct contact with the minister or prime minister, even out of hours. Other negotiators face a very different reality. Severe delays in responses from the capital undermine the formulation of negotiating positions. As one Brussels-based negotiator lamented: ‘I don’t think we ever got comments in time’.⁷⁵ A Geneva-based negotiator noted that, in the absence of directions from capital: ‘my interventions are based on my experience, not my government’s position’.⁷⁶

To explore the impact of co-ordination on effectiveness in trade negotiations, the case studies explored the relationships and interactions among different government agencies and officials on trade matters within national governments. Many trade officials complained that counterparts in other ministries did not appreciate the importance of trade or the complex nuances of trade negotiations and rules. (Here, it should be noted that concern about being undervalued is a widespread concern of civil servants in most countries.) The case studies clearly show that tensions over turf on trade issues occur

widely within small states, in the same way that they do in most larger countries. Beyond ministries of trade, government ministries concerned with agriculture, business development, industrial policy, taxation, finance, development planning, infrastructure development, ports and customs may all have a piece of the trade puzzle. These findings concur with several recent studies which reveal that many countries lack formal inter-agency co-ordination mechanisms for trade policy-making and that within many governments consultations on trade occur mostly on an ad hoc basis.⁷⁷ The case studies also illustrate that establishing formal mechanisms for co-ordination, as many technical assistance projects have sought to do, may not improve co-ordination if there are not accompanying efforts to address underlying politics and turf battles (Box 9).

Box 9. Inter-ministerial co-ordination: Ghana and Benin

Both Ghana and Benin provide examples of countries that have received substantial technical assistance for inter-ministerial co-ordination, but where its effectiveness has been weak, in part because underlying political constraints remain under-addressed.

In Ghana, inter-ministerial co-ordination in the EPA negotiations was very weak. While some negotiators suggested this was because other ministries did not understand the importance of trade negotiations, officials in the Ministry of Agriculture observed that weaknesses sometimes stemmed from a poor understanding among trade officials of the importance of trade policy for other areas. Even though agriculture was one of Ghana's primary concerns in EPA negotiations, there was very little substantive discussion between the Trade Ministry and the Ministry of Agriculture. It was felt that trade officials 'don't realise the implications or appreciate the linkages'.

In Benin, inter-ministerial co-ordination remains weak and ad hoc, despite the inter-agency committee established with external assistance to help follow and implement WTO agreements, which included the key ministries. The committee has a sub-group dedicated to goods and agriculture that meets four times a year and can organise extraordinary meetings. Yet the Cotton Initiative faced major co-ordination and decision-making problems in Cotonou, stemming from tensions between the Ministry of Trade, which was in charge of WTO negotiations in the capital, and the Ministry of Foreign Affairs, whose ambassador was leading negotiations in Geneva. The Ministry of Trade felt that the cotton dossier had been 'stolen' from them. In addition, the committee's meetings were criticised by key actors interviewed for being infrequent and inefficient, failing to provide input to the mission in Geneva within strict negotiating deadlines and for the failure of some members of the committee to grasp the technicalities of the negotiating issues at hand.

Source: Interviews for Benin and Ghana case studies, August 2008 (see Annex 4).

Regional organisations such as the Caribbean Regional Negotiating Machinery (CRNM) and the Pacific Islands Forum Secretariat (PIFS) play an increasingly important role for small states in trade negotiations. Interviews conducted for the Barbados and St Lucia case studies highlighted the need for attention to accountability mechanisms for regional-level initiatives, such as the CRNM (as well as for domestic-level trade policy-making processes) and the challenges of designing an effective regional body when there are many disparities among the countries in a region (Box 10).

Box 10. Accountability of the Caribbean Regional Negotiating Machinery

The Caribbean is seen by negotiators from a range of small states as having relatively effective regional co-ordination for trade negotiations at the regional and multilateral level. The mechanism for co-ordination on trade matters in the region is the Caribbean Regional Negotiating Machinery. The CRNM provides policy advice and leads the region's negotiating team, comprising CRNM technical officials, ambassadors and senior officials from member states, and independent experts. The negotiating team is overseen by trade ministers.

Following the conclusion of the Caribbean's European Partnership Agreement negotiations in 2007, interviews conducted for this study shed light on perceptions among stakeholders and experts, as well as some officials in the region, about the oversight and accountability of the EPA negotiating process. Some interviewees raised concerns that technical oversight of the CRNM from trade ministers was relatively weak, resulting in a lack of clear political direction. Others argued that accountability of the regional negotiating team to member states was weakened by limited inputs from many members and noted that the capacity of individual CRNM member states to provide input to the negotiating team varied widely.

Some countries, such as Barbados, were cited as exhibiting a relatively high level of preparation, while other countries had very little knowledge or awareness of the EPAs. The smaller and less developed Organisation of Eastern Caribbean States countries were cited as those least able to provide inputs. One interviewee stated, for instance: 'Often countries don't even have data and positions to give the CRNM. The OECS Secretariat tries to support but doesn't have intimate knowledge of the countries.' Some interviewees were concerned that in the absence of clear positions from member states, the CRNM and wider negotiating team had to rely on their own discretion in formulating positions, leaving them open to accusations that the negotiators' personal views unduly influenced negotiating positions and strategies.

During the EPA negotiations, the EU and other external donors financed a significant portion of the core budget of the CRNM, including some salary costs. The reliance

Box 10 (continued)

on contributions from external donors, and in particular from the other negotiating party, has inflamed perceptions of a lack of accountability to local stakeholders and member states. One former minister asked: 'Ultimately how much clout can you have when they [external donors] pay the CRNM?'. Even more directly, some civil society critics contend that the CRNM is 'a tool of the European Commission'. Comments from one regional trade official reflected a recommendation heard in several interviews: 'In future, top negotiators must be paid directly by governments, not those they are negotiating with'. In practice, putting this recommendation into effect would require the member states to provide greater financial support of their own to regional negotiators.

Source: Interviews for the Barbados and St Lucia case study, September 2008 (see Annex 4).

The survey also asked a broader accountability question about the extent to which the executive branch of the country's government is held in check by its legislature on matters related to trade negotiations (Table 4). Only eight of 81 respondents said that parliament was not involved at all in scrutinising the process and outcomes of trade negotiations. But where parliament was involved, only three said it was 'very effective', 41 respondents said it was 'moderately effective' and 29 said it was 'ineffective'.⁷⁸

Table 4. Level of parliamentary involvement in trade negotiations

Level of parliamentary engagement	Response count
Not involved	8
Very effective	3
Moderately effective	41
Ineffective	29

In sum, co-ordination between government institutions and oversight of trade policy are areas of concern for a significant number of small states. The survey and interviews show that there is little effective oversight by capitals of negotiators based in Brussels and Geneva, and in many small states parliaments play a limited role in holding trade ministers to account. As a result, there are few demands on negotiators to deliver results and much is left to the discretion of individual negotiators. The case studies suggest that care has to be taken in institutional design to ensure strong accountability. The design of regional negotiating bodies is a particular challenge, as negotiators need to be accountable to all member states, even when there are significant asymmetries in technical capacity and some members are far more forceful in articulating their interests than others.

4

Harnessing the Support of Civil Society and the Private Sector

This chapter reports on the evidence we collected regarding whether and how small states harness the inputs of the private sector and civil society in formulating trade negotiating priorities and strategies.

One of our most striking findings is that a relatively high proportion of negotiators lack clearly defined priorities for trade negotiations. While this partly reflects weaknesses within government, it also reflects weaknesses in the underlying consultative process. Where there is relatively little concerted lobbying from interest groups, even if mechanisms for consultation exist, they are often ineffective and yield little in the way of substantive positions and strategy for negotiators.

Our research affirms that a wide range of actors influence trade policy in small states. The domestic private sector has the greatest influence, while that of the foreign private sector varies substantially. In some countries, key exporting industries make direct substantive interventions into trade decision-making, but the interests of smaller businesses and other stakeholders are often marginalised. Barriers to greater participation by small businesses include the costs in terms of time and a lack of technical expertise. Where donors provide support to aid the engagement of the private sector in the trade policy-making arena, it is not always evenly spread and prioritises some economic actors, such as export-oriented interests, over others.

International donors have the second highest influence over trade policy, which is a cause for concern, particularly trade negotiations where officials from governments that are bilateral donors sit on the opposite side of the table. Civil society organisations are also active on trade policy in many small states and have a variable degree of influence. Technical capacity is a constraint for many civil society actors, which impedes their ability to successfully lobby government. However, their influence also tends to reflect the government's predisposition to incorporate their concerns, as much as their own capacity to articulate them. While officials generally welcome input from the private sector, many perceive civil society contributions as unhelpful. A further challenge that our study confirmed concerns the weak influence and engagement of trade unions, as well as of academia and think-tanks, in decisions on national trade policy, and their relative lack of input into trade policy formulation.

Overall, the research suggests that weaknesses in consultative processes are rarely due to an absence of formal consultation mechanisms, which do exist in most small states. Instead, they are due partly to low demand for inputs from government and partly to weak capacity among stakeholders. Our findings show that in some countries governments play an important role in strengthening the consultative process by supporting small business associations to develop the necessary skills to actively influence trade policy and by regularly soliciting input.

Existing scholarship and capacity building initiatives

The existing scholarly and policy literature identifies several concerns about the lack of private sector and civil society engagement in trade policy-making in many developing countries, and argues that in order for governments to be effective in negotiations a full range of actors must be consulted.⁷⁹

The literature notes that strong private sector involvement can provide developing country governments with a vital source of information, which can be a powerful asset in trade negotiations.⁸⁰ However, in many developing countries, participation from the private sector is poor, a factor attributed to weak private sector organisations and low industry concentration.⁸¹ Mauritius has been identified as one of a few notable exceptions among small developing countries, as key actors in the private sector consistently engage with government on trade policy and assist in preparing negotiating positions. This in turn is cited as a key factor in explaining the country's negotiating successes.⁸²

While the involvement of the private sector can be useful to a country's effectiveness in trade negotiations, it can also generate tensions. There is a strong tradition in the academic literature on trade policy-making that examines the political economy of negotiations and the extent to which trade policy is 'captured' by special interest groups in both developed and developing countries.⁸³ This has given rise to concerns from stakeholders and researchers keen to advance development, environment, gender and human rights perspectives that the lack of public and parliamentary engagement in national trade policy-making processes results in trade policy objectives that are biased towards narrow commercial, particularly market access, goals. The challenge is to broaden the consultative process so that the voice of a wide range of groups is heard, not only those with the greatest financial or political resources or those with the longest tradition of collaboration with government on trade issues.

Civil society groups are often looked to as a counterbalance to strong private sector lobby groups. However, in many developing countries there is a low level of civil society engagement in trade policy compared with other international policy areas, such as those that involve relationships with the IMF and World Bank.⁸⁴ This low level of engagement is attributed to the lack of effective formal mechanisms for engagement and the complexity of trade policy issues, where civil society groups often lack expertise.⁸⁵ Some argue that in a developing country context, political leadership can play an important role in galvanising a wide and effective consultative process and ensuring that trade policy is not unduly influenced by selected interest groups.⁸⁶

Concerns about the consultative process are reflected in donor circles. In recent years, many donors have identified a lack of private sector and civil society engagement as a constraint for developing countries in formulating national trade policy. Several contemporary initiatives aim to support governments in establishing platforms for consultation and to finance the secretariats of private sector organisations and, to a lesser extent, civil society. These initiatives assume that private sector input is a necessary condition for effective trade policy and that institutional mechanisms can facilitate this input. Alongside

these initiatives, additional concerns have emerged regarding the capture of trade policy by a few strong interest groups and the neglect of social objectives such as poverty reduction. These concerns have led to calls for greater consultation with civil society groups.

New evidence from the survey, interviews and case studies

In the survey, interviews and case studies, we probed how trade priorities were formulated within small states, whether non-governmental groups were influential and whether there were in fact clear priorities in trade negotiations. One of the first findings from the interviews was the extent to which many small states seem not to have clearly defined trade priorities. This recent evidence supports a long-standing conclusion presented in scholarly literature that developing countries were impeded in GATT and early WTO negotiations by an absence of identified interests.⁸⁷ The striking finding from this study is the extent to which this remains a significant impediment for small states.

(a) Lack of clearly defined priorities

In our interviews it became clear that not all small states have clear negotiating priorities. During the interviews, negotiators and ambassadors were asked to outline their trade negotiating objectives. Only nine of the 31 respondents to this question appeared to have specific short-term trade negotiating objectives that were related to longer-term economic development strategies. Six respondents had clear short-term objectives related to specific negotiating texts, such as changing rules on fisheries subsidies, but no clear longer-term objectives. Half of the negotiators and ambassadors gave vague answers like ‘furthering development aspirations’ and appeared to lack more specific trade policy objectives. As one negotiator commented, ‘How many of us really know what our interests are?’.⁸⁸ Another negotiator explained, ‘Our biggest problem is within our government. It is our inability to decide what our trade policy is. There is a total absence of trade policy.’⁸⁹

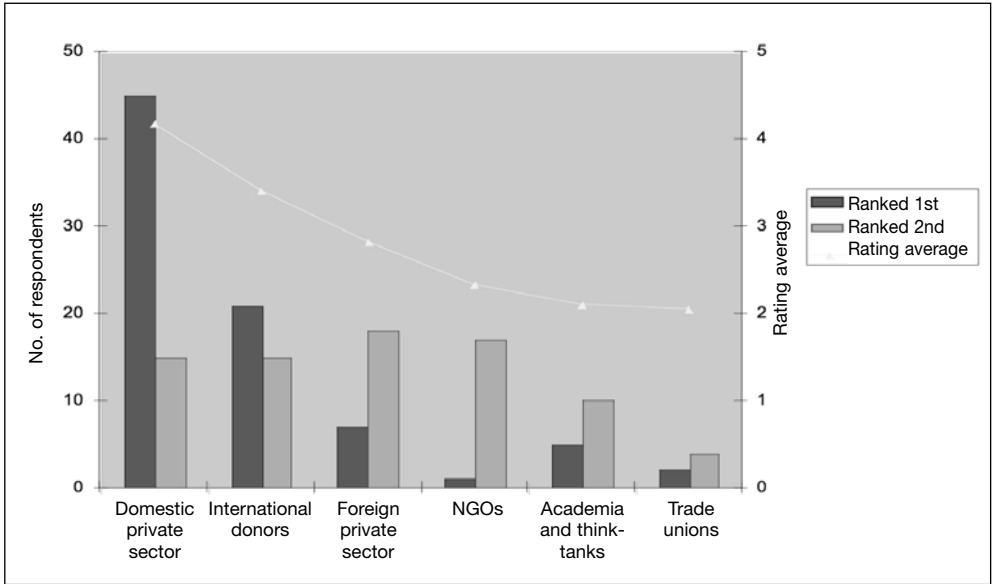
These responses by officials suggest a lack of input from those who stand to lose or gain the most from trade negotiations, communication breakdowns, and/or a failure or unwillingness to listen to or incorporate input. Our survey took up the question of what sources do influence trade policy.

(b) A range of influences over trade policy

The survey asked respondents: ‘Which actors most influence your government’s trade policy processes?’. The results highlight a range of actors. The domestic private sector is considered to have the most influence on trade policy process, with 45 of the 85 respondents placing it first (Figure 3). International donors ranked second, suggesting they exert a high level of influence on trade policy. Notably, a quarter of respondents (21 of 85) considered donors to be the most influential actor in their country. The foreign private sector also plays a significant role, in third place overall. Interestingly, opinions were split on the ‘foreign private sector’, with 18 ranking it second and 14 ranking it fifth

(Annex 2), suggesting that their level of influence varies strongly between countries. This may well reflect variations in foreign private sector presence, a factor which merits further exploration. NGOs, academia, think-tanks and trade unions were considered to have the least influence.⁹⁰ Ten respondents added comments, mentioning other specific actors including the IMF and World Bank, negotiating partners, regional negotiating bodies and the head of state.

Figure 3. Most influential actors in the trade policy process



In our interviews, several interest groups were conspicuously absent from comments made by negotiators. Only four of the 25 negotiators mentioned academia and think-tanks as being actively involved in trade policy. Interviewees suggested that this reflected a paucity of analysis on trade policy issues by local organisations, as well as weak linkages between academia and the policy arena. None of the 25 negotiators or ambassadors mentioned trade unions as an active interest group. This may be attributable to the relatively high level of informal employment and low levels of unionisation in many poorer small states.⁹¹

(c) Harnessing private sector engagement

Interviews provided greater insights into the degree of private sector engagement and explanations for varying levels of participation. Interviewees identified the private sector as the most important interest group that lobbies government on trade, and 17 of the 25 interviewees said that private sector interest groups are actively involved in trade policy formulation in their country. However, the remaining respondents (8 of 25) said that

there is no involvement at all from the private sector. Overall, respondents were very positive about the importance and contribution of private sector engagement and underscored the openness of government to working with the private sector. It is widely recognised that more powerful countries in international trade negotiations (ranging from the EU and the USA to Brazil and India) often benefit from direct and detailed substantive input from key private sector lobbies in shaping the priorities and substantive details of their negotiating positions. However, many small state officials noted that it can be difficult to get a response from the private sector. Often only the strongest sectors and most organised firms become engaged in trade policy discussions, with the result that the interests of these actors are prioritised in the formulation of negotiating positions. The Ghana case study illustrates these asymmetries, showing that donor funds can reinforce the strength of export sectors over domestic industries (Box 11).

Box 11. Weak private sector input in Ghana

In Ghana, private sector participation in trade policy formulation has been very weak. Although a consultative mechanism was established under a Joint Integrated Technical Assistance Programme (JITAP) project, key private sector actors explained that their weak engagement is due to the high costs of participation in terms of time and staff resources. Furthermore, government officials observed that human resource and financial constraints impede the quality of business submissions and inputs into ongoing negotiations, as even some of the strongest private sector actors lack the resources to undertake sufficient impact analyses or to determine the issues that are most relevant to firms and constituencies around the country. As a result, Ghanaian negotiators indicated that they feel ‘disadvantaged’ in trade negotiations. Ideally, on trade issues such as the EPA negotiations, private sector actors observed that they would like to dedicate a core number of people to a ‘trade desk’. However, they note that they are dependent on a small pool of funding from some development partners. While the export sector receives substantial donor support for technical capacity on trade negotiations, little support is provided to the domestically-oriented segment of the private sector.

This weakness was borne out in the recent EPA negotiations, where there was limited input from the private sector, with the notable exception of export-oriented horticulture companies. These companies were predominantly subsidiaries of European companies and had far stronger analytical capacity than local firms. Interviews with government officials suggest that pressure from these companies was a key driver in the government’s decision to initial the EPA. As noted by one official: ‘Banana companies threatened to move to Benin if we didn’t agree [to an EPA], losing 13,000 jobs. Government had to do an about-turn’.

Source: Interviews with Ghanaian officials, July and September 2008 (see Annex 4).

A fairly consistent set of explanations was given by different negotiators for low levels of private sector lobbying on trade. Several negotiators attributed this fact to the complexity of trade issues, which are often not well understood by the private sector. As one negotiator explained, ‘We try to make our businessmen aware of the issues but the issues are too complex to warrant their attention’.⁹² As a result, many officials see their role as informing and educating private sector representatives about trade policy, rather than consulting them. Further, officials observe that they often receive little information from the private sector that is of a kind that can be used to strengthen their position in negotiations. Some negotiators also attributed low levels of private sector engagement in the trade policy process to broader underlying weaknesses, such as the limited dynamism of their domestic private sector and the absence of strong private sector representative bodies.

The Barbados case study indicates that even in sub-sectors where the private sector is weak, government can take initiatives to encourage and boost participation. The case study also shows how government can play a mediating role. Based on broader government decisions regarding overall trade policy priorities and direction, Barbados has prioritised efforts to generate participation and input from weaker sectors of the domestic economy that require nurturing, in addition to responding to stronger, more active sectors (Box 12).

The Mauritius case study shows that a robust private sector, combined with partnership between the private sector and government, are key elements of the country’s trade policy strength. This relationship has developed over many decades and reflects a particular interplay of political developments, societal interests and institutions. While the engagement of well-organised business interests in Mauritian trade policy-making has proven a clear asset to the government’s negotiating performance, there are also concerns that the perspectives of smaller industries and other stakeholders, including labour unions, are not well reflected (Box 13). Indeed, critical commentators in Mauritius drew attention to the risks of government capture by special interests in the form of large conglomerate firms.

Box 12. Government encouragement of the private sector in Barbados

In Barbados, strong segments of the domestic private sector, such as the rum, retail, finance and tourism industries, are widely considered to have a high level of influence over trade policy. The rum sector, for instance, is a major contributor to the national economic landscape and has a long history of well-organised lobbying of national governments, regional institutions and third countries to advance clearly identified trade interests and concerns. In preparing for international negotiations, the Trade Ministry regularly draws upon the rum’s sectors expertise, illustrating how consistent engagement can give national industries an important influence on national trade policy-making processes.

Box 12 (continued)

Barbados is also notable because the government has made substantial efforts to widen the consultation process beyond traditionally strong lobby groups. To replicate the success of close collaborations, such as that with the rum industry, it has undertaken several initiatives to involve and respond to the needs of all sectors, regardless of their size, strength or influence, resulting in some important outcomes. It has created a dedicated 'private sector trade team', which works with private sector groups to increase their understanding of the key issues in negotiations and channels inputs from the private sector to government. In addition, the government provides financial support to a series of associations representing a collection of business interests. As a result, the interests of new and fledgling sectors are reflected in trade policy. This is particularly true for some niche services industries which are central to the government's vision for future development. However, other sectors, including agriculture and manufacturing, receive less government support and express concern that their interests are not fully reflected, as they are not priority sectors for government.

Source: Interviews for Barbados case study, September 2008 (see Annex 4).

Box 13. The Mauritian private sector and trade policy

The origins of organisation within the Mauritian private sector date back to the 1850s, when the Chambers of Commerce and Agriculture were founded. In addition to well-entrenched organisational roots, private sector strength derives from co-operation across economic sectors. From the 1970s, government policy played a key role in encouraging Mauritian plantation owners to invest capital accumulated from sugar in other sectors of the Mauritian economy – first textiles, and later tourism and financial services. This cross-sectoral investment created a basis for private sector co-operation to maximise welfare across sectors, rather than narrowly defending the interests of a single industry (the sugar industry).

The Joint Economic Council (JEC) reinforces these incentives for co-operation. It was established in 1970 and brought together leading Mauritian private sector associations in a forum to discuss issues and develop common positions before engaging with the government. With participation strictly limited to leaders from only the best-established Mauritian industries, relationships of trust have formed among members. While the strength of this close-knit group is an asset, less well-established industries are either unrepresented on the JEC or represented only indirectly through another organisation. To the extent that the JEC is seen to represent the unified position of the Mauritian private sector, these potentially dissenting voices may be marginalised. Moreover, while the government consultation process integrates many ministries and major private sector organisations, other groups, such as organised labour, do not enjoy such good access.

Box 13 (continued)

Mauritian private sector organisations play an important role in providing technical inputs to government representatives on trade matters. Because of their in-house technical capacity, the private sector associations are also well placed to hold government policy-makers to account. They fund their own participation in international trade missions and lobbying efforts abroad. Moreover, Mauritian private sector associations play a valuable intermediation role between producers and government, as they must balance the often competing interests of their members when making proposals to government. Because they must co-operate with government on a regular basis and across various issue areas, they have strong incentives to maintain the government's trust by vetting the information provided by producers so as not to make unreasonable demands. In playing this role, Mauritian private sector associations help to sustain close collaboration with government.

Source: Interviews in Mauritius, August 2008 (see Annex 4).

(d) Harnessing civil society engagement

The interviews suggest that the level of engagement of civil society in trade policy in small states is similar to that of the private sector, with 16 of the 25 negotiators and ambassadors with whom this was discussed saying that civil society organisations are engaged. However, respondents have very divided opinions on the usefulness of civil society involvement, with just over half saying that such engagement was unhelpful. Explanations for the latter view included civil society not understanding the issues, being too radical in their demands and following the agenda of western NGOs rather than local agendas. 'Civil society wants to criticise but does not participate in developing national positions.'⁹³ 'They have a populist approach that is not specific or technically sound.'⁹⁴ Where they are considered helpful, negotiators welcomed the information civil society groups provide and their ability to raise awareness.

Where civil society is not engaged, interviewees attributed this to the absence of civil society organisations in their country or to their lack of technical capacity to engage in complex trade issues as well as their tendency to focus on social issues such as health or education.

The case studies enabled a deeper examination of the different relationships between government and civil society. The Barbados and St Lucia case studies suggest that a barrier to engagement is the very different conception of 'consultation' sometimes held by civil society groups and government officials. Further barriers include deep-seated reservations on the part of government officials regarding the appropriate role of civil society and the weak technical skills of many civil society organisations to contribute effectively to detailed trade policy discussions. What some civil society groups describe as a failure by government to consult adequately, some officials describe as a refusal on

the part of civil society to study the technical details of the issues at hand. By contrast, the Benin study illustrates how efforts to build a constructive relationship between government and civil society groups (both within and beyond national borders) can be used to increase a government's leverage in international negotiations. Box 14 highlights some varying perspectives and experience with regard to civil society involvement.

Box 14. Divergent views on civil society in Barbados, St Lucia and Benin

In St Lucia and Barbados, civil society representatives have a perception that negotiators are wary of them and consider them to be more of a hindrance than a help. Part of the explanation concerns the different expectations of both sides regarding consultation. Even when the government seeks specific comments on texts, civil society representatives complain that 'there is no space to deliberate the overall direction of negotiations and the big questions'. This poses a problem for civil society, as their concerns are 'big picture' and cannot easily be accommodated by specific adaptations of texts. For instance, one interviewee observed that 'The EPA is gender blind. Negotiators don't think gender is relevant. They only see "trade, trade, trade". They don't see the social implications of their decisions and their differential impacts on men and women.' Moreover, civil society organisations often lack the technical expertise to link their concerns to comments on the specific provisions in texts. As a result, civil society feels their interests are marginalised, while government feels that their interventions are unhelpful.

In Barbados, government places a high level of emphasis on improving public awareness of trade issues, championing public education as part of its work. But discussions with civil society suggest that these interventions are not yet bridging the divide. Possible remedies could include adapting the nature and content of the consultation process and efforts by civil society organisations to improve their technical skills on the details of negotiations.

By contrast, Benin's advocacy on the cotton issue highlights the possibilities for the interests of different countries and many actors within them to become aligned in trade negotiations. Strong and innovative social mobilisation in West Africa encouraged the heads of states of four countries to take action against US agriculture subsidies. This mobilisation was perceived by interviewees to have been a significant asset in negotiations. Wide regional social movements contributed to political momentum, while putting continued pressure on the Cotton-4 governments. This in turn permitted African organisations, together with international NGOs, to pressure powerful states, thus reinforcing the position of the negotiators.

Source: Interviews with negotiators and civil society representatives for case studies on Benin, August 2008, and Barbados and St Lucia, September 2008 (see Annex 4).

(e) Mechanisms for consultation

The survey results also provide some insight into the extent of formal consultation with the private sector and civil society. Seventy-seven of the 79 respondents state that a formal mechanism exists in their country (Table 5), with 25 respondents ranking it ‘excellent’ or ‘good’, compared with 24 who ranked it ‘poor’. This suggests that formal mechanisms for consulting with the private sector and civil society are rated as less effective than formal mechanisms for co-ordination among government ministries, with 32 per cent of respondents rating the quality of consultation with the private sector as ‘excellent’ or ‘good’, compared with 41 per cent who rate government co-ordination as ‘excellent’ or ‘good’ and only 21 per cent who rate it as ‘poor’.⁹⁵

Table 5. Quality of formal mechanisms for consultation

	Do not exist	Excellent	Good	Average	Poor
Quality of co-ordination mechanisms:					
Among government ministries	3	2	31	28	17
With the private sector and civil society	2	3	22	28	24

The case studies similarly suggest a high variation in the effectiveness of consultation mechanisms. Although in nearly all case study countries a mechanism for consultation exists, the quality of consultation processes varies significantly (Box 15). The studies suggest that one of the most important factors is the level of demand from government. In countries where the government has a culture of consultation across a range of issues, it is more likely to establish a formal mechanism and, importantly, to then also place significant demands on it, raising the quality of the consultation process. Similarly, in those countries where there is a history of engagement with the private sector, such as important large export industries, this is often reflected in ongoing informal consultative practices. In other instances, formal mechanisms have been established, but they are largely moribund and have minimal practical impact on policy-making. A further factor important to the quality of consultation processes is the capacity of private stakeholders, including their technical expertise, human and financial resources available for participation in such processes, awareness of the issues at stake and their effectiveness at organising within and across sectors to strengthen their potential voice and input. The limited capacity of many stakeholder groups, even some industry actors with much at stake in trade negotiations, limits the potential for substantive consultations and often subsequently leads to waning interest in repeated attendance at consultations. Optimally, a government should aim to increase participation both from strong sectors on which the economy depends and from sectors in need of support from government to grow and contribute to national economic and social development.

Box 15. Formal consultation mechanisms: Barbados, Ghana and Benin

In Barbados, the government has created a dedicated ‘private sector trade team’, which acts as a channel for inputs from the private sector. The Trade Minister has called for consultations with the private sector before advice or proposals are put before the Cabinet sub-committee on trade. In practice, this has meant that the sub-committee has returned memos to technical officials if the positions of the private sector were not clearly articulated. This practice reflects a wider tradition of tripartite consultation on economic affairs.

In Ghana, an ‘inter-institutional committee’ was created to serve as a formal consultation mechanism. In practice, however, the Trade Ministry is not an active demandeur of inputs from other ministries or from stakeholders. Because of this, the committee is rarely convened. During the EPA negotiations, for instance, the committee met only after an interim agreement had been concluded. As a result, interest groups from the private sector and civil society lobby government directly. Local companies and civil society organisations perceive themselves to have much less influence than foreign investors.

Benin also has an ‘inter-institutional committee’, which meets four times a year and can call extraordinary meetings. However, the committee does not appear to respond effectively to the needs of international trade negotiations. Even though Benin was championing the push for progress on the Cotton Initiative at the WTO, the committee neglected to invite the major cotton associations to their meetings. In addition, the committee meetings are not held frequently enough to respond to the pace of WTO negotiations, so input is rarely received in time by Geneva negotiators.

Source: Interviews in Benin and Ghana, August 2008, and Barbados, September 2008 (see Annex 4).

5

Leveraging Limited Bargaining Power

This chapter examines the constraints that impede small states from designing and deploying a negotiating strategy and effectively exploiting the margin they have for manoeuvre in international negotiations. It examines the negotiating environment that small states face in greater depth, as well as the extent to which they proactively use negotiating tactics, and identifies the constraints that prevent many small states from being assertive in negotiations. Finally, it reflects on the psychological aspects of negotiations and the implications this has for outcomes.

Our research shows that many small state representatives perceive themselves to be operating under a high level of threat from large states and that this reduces their expectations of influence. This includes fears of trade and aid sanctions, as well as of intimidation in the negotiating room. Small state representatives described at length the threats and intimidation they experience, suggesting that this severely constrains their perceived ability to negotiate successfully and their determination to persist.

On the positive side, negotiators emphasise that political strategy, the successful formation of coalitions, and the use of principles and norms can make a difference. Reframing an issue emerged as an important way small states can augment their negotiating power. Such power is crucial for the creation of a space within which technical skills and knowledge can be deployed to influence the details of texts.

Many small states also turn to coalitions, particularly regional blocs, to build leverage in international negotiations, but there are significant challenges to successful group formation and maintenance. Regions that are most effective in the negotiating room are those with a long history of integration, a high level of trust and a high level of communication among members. A number of small states have an explicit strategy of leading groups and coalitions to exert influence in negotiations. Given the relatively weak capacity of many small states, it is relatively easy for those with the highest levels of technical capacity to dominate.

Finally, the active engagement of the political executive of small states is crucial for influencing negotiations. Engaging powerful states at the most senior political level prior to negotiations is important, as is seeking allies within powerful states, as this helps to break down their negotiating positions and makes compromise more likely. A close relationship between the head of state and the trade officials within small states can also help bolster and strengthen their negotiating position when subjected to threat.

Existing scholarship and capacity building initiatives

Most donors have been far less active in supporting negotiating strategies than in other areas of trade-related assistance. Much of the assistance given to small states to develop political strategies and negotiating options and tactics is provided by institutions that are governed by developing countries, such as the South Centre; by multilateral organisations with a specific mandate to assist developing countries, such as UNCTAD; or by NGOs, such as the International Centre for Trade and Sustainable Development (ICTSD), Third World Network and Oxfam. In addition to training, these actors provide policy-oriented advice for negotiations and spend significant resources on providing platforms for dialogue and networking between developing countries. This work contrasts with the focus of donors such as bilateral aid agencies and technical assistance providers such as the WTO on enhancing the capacity of developing countries to comply with international trade rules. Assistance that small states do receive for building their negotiating strategies is premised on the view that small states can and should shape international rules better to reflect their development needs.

The scholarly literature delineates three main kinds of negotiating strategies countries can use to make a material difference to outcomes in trade negotiations.⁹⁶ These are:

- (a) Collective bargaining strategies
- (b) Framing the policy debate
- (c) Setting the agenda

Collective bargaining in coalitions, alliances or regional groups is widely acknowledged in the scholarly literature to be a primary mechanism that countries have used to influence outcomes in negotiations and which developing countries could use more.⁹⁷ In her major study on developing country coalitions, Narlikar (2004) observes that a key question for developing countries is to discern what kind of collective bargaining strategies have worked well and could be used to their advantage in ongoing and future negotiations. A further challenge set out by Patel (2007) is to understand better how to strengthen communication within coalitions and use information dissemination strategies among developing countries to give them greater access and influence in WTO negotiations, particularly informal decision-making mechanisms in the WTO, such as 'green room' processes.⁹⁸ Already, there is some evidence to suggest that the increased use by developing countries of coalitions in the recent stages of the Doha Round negotiations at the WTO has improved the internal transparency informal 'green rooms', but that concerns about adequate representation and transparency remain.⁹⁹

Delving into the inner workings of collective representation, Woods and Lombardi (2006) explore the trade-offs between enlarging a constituency to increase collective bargaining power and the weakening of group strength that can result. They present evidence of how greater heterogeneity of interests in larger groups makes it harder to forge a shared agenda and harder to agree on concessions in negotiations. They suggest that

unity can be supported by shared ideals, values and goals, in addition to institutional arrangements that foster co-operation. In this regard, factors affecting constituency unity include pre-existing regional institutions, a strong institutional framework or clear leadership to bind the coalition, and the use of side payments.

Regional blocs have also been studied as a means of enhancing negotiating leverage. Narlikar (2004) argues that strengths of regional groups derive from common histories, shared cultures and similar development levels. Weaknesses include divergent member interests, overlapping membership across sometimes competing coalitions and limited experience in collective negotiations with external actors. Narlikar suggests that regional integration has also been hampered by the reluctance of smaller states to cede dominance to a regional hegemon.¹⁰⁰ However, the evidence is not conclusive. Strong co-ordination mechanisms between regional and national negotiators are important for maintaining the legitimacy of regional bodies.¹⁰¹ (A fruitful area for future research would be a systematic comparison of the co-ordination mechanisms between different regional groups and an assessment of how performance on this front impacts how vital countries consider the regional body to be in the pursuit of its national interests.)

Framing the policy debate, shaping public opinion and adapting the discourse of policy-makers can influence the parameters of trade negotiations. Odell and Sell (2006) argue that reframing an issue using a reference point more favourable to the proponent's position can alter the negotiation outcome.¹⁰² For example, during the negotiations on TRIPS and public health, in which a set of mostly weak states managed to make rather unexpected gains, developing country governments increased their leverage by 'working in tandem with a public NGO campaign to raise popular awareness of their problems in the North and reframe the existing regime in a manner more favourable to their proposal'.¹⁰³ Similarly, drawing lessons from the banana dispute, Laurent (2007) draws attention to the need for excellent public relations and the need to win public opinion over to the side of small states.¹⁰⁴

Setting the agenda is also highlighted by scholars as a way to influence the outcomes of negotiations. In most negotiations, large countries set the negotiating agenda, while issues of greatest concern to developing countries are marginalised. To counter this, Odell and Mena (2005) stress the importance of developing countries offering their own technical proposals instead of merely reacting to proposed agendas. They also caution against adopting delaying tactics, as the domestic interests of countries pushing the agenda may become more united over time, making it even more difficult to influence the agenda.¹⁰⁵

New evidence from the survey, interviews and case studies

In our primary research, we probed the extent to which these various bargaining strategies are used by negotiators representing small states (interviewed for this project), officials within small states (our survey respondents) and as revealed in our case studies. We report our findings under three headings: (a) collective bargaining strategies; (b) negotiating tactics; and (c) the psychology of bargaining.

(a) Collective bargaining strategies

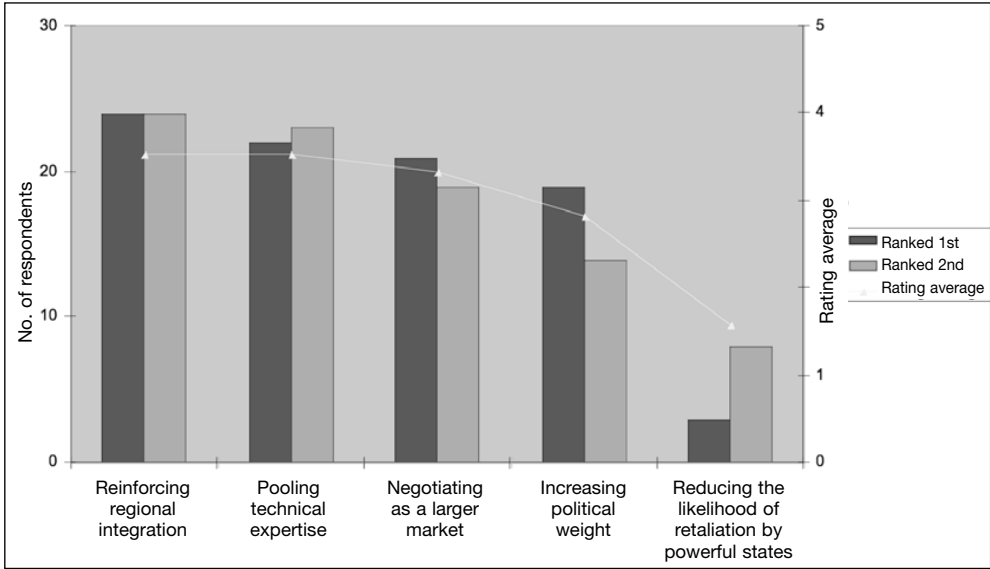
Since coalition and alliance building is identified in the literature as such an important strategy for small states, the survey explored this aspect of negotiations in greater depth. Respondents were asked to name 'which coalition or regional group is most important for your country in trade negotiations?'. The responses show that negotiators overwhelmingly (77 of the 91 respondents) named a regional grouping as the most important for negotiations. Of these, 67 specifically named a relatively small regional group (such as the OECS, the Caribbean Community (CARICOM) or the Common Market for Eastern and Southern Africa (COMESA)), while 11 named much larger groups (such as the Africa and ACP groups).¹⁰⁶ Of the remaining 13 respondents, eight named 'interest-based' groups (the LDC coalition, the SVE coalition and the Cotton-4 coalition), three named 'characteristic-based' groups (the G20, G90 and G77), one stated that no group was important and one responded that they did not know.¹⁰⁷ This result was confirmed in interviews with 27 negotiators who responded on this issue. Twenty respondents cited a regional group as the most important negotiating group, while four others mentioned the SVE coalition, two the ACP coalition and one the G90. Importantly, this finding may reflect the fact that during the period when interviews for this study were conducted, many government officials interviewed placed particularly high priority on EPA negotiations with the EU (where countries have to negotiate in regional groupings), as against WTO negotiations (where countries can choose which coalitions to join).

In our survey we also asked about the benefits derived from negotiating as a group.¹⁰⁸ Figure 4 shows that four factors, namely reinforcing regional integration, the pooling of technical expertise, negotiating as a larger market and increasing political weight, were all considered to be important. Reinforcing regional integration was, by a small margin, most likely to be ranked first or second, suggesting that it is an important by-product of negotiating as a regional bloc, a factor which is often overlooked in the literature. In the interviews, several negotiators reflected on the fact that negotiating with a third party requires regional groups to negotiate among themselves to decide on common positions, thus giving impetus to regional integration. The pooling of expertise is a significant benefit as it allows countries to partially compensate for inadequacies in human resources at national level. Finally, the results suggest that negotiating as a regional bloc provides significant leverage in negotiations as it increases market size and political weight. However, it does not appear to reduce the likelihood of retaliation by powerful states. In other words, coalitions are primarily an offensive rather than a defensive tactic for small states.

The trade negotiators interviewed placed more emphasis than survey respondents on the role of coalitions in providing negotiating leverage, with 20 interviewees citing leverage as a key benefit due to increased numbers and market size. This may reflect the fact that mission-based negotiators are more heavily engaged in negotiations and hence more preoccupied with strategies to increase negotiating leverage. In this regard, one negotiator mentioned the benefit of operating as a coalition across different fora and

lending weight to each other's areas of core interest vis-a-vis third parties. The pooling of technical and financial resources was cited by 11, suggesting that it is seen as an important means to address human resource constraints. Three others noted the benefit of coalitions for promoting regional integration. The case studies add further insights on the importance and subtleties of alliances and coalitions (Box 16).

Figure 4. Benefits derived from negotiating in a group



Interviewees highlighted significant constraints associated with operating as a group, identifying many of the same constraints noted in the literature. In particular, nine highlighted that divergent interests can result in the group operating on the basis of the ‘lowest common denominator’, with the result that the interests of concern to specific countries or sub-groups are not reflected in the group’s negotiating position. Furthermore, these divergences and protracted bargaining within the group slow negotiations down, a point mentioned by five negotiators as a significant cause of frustration.

The expansion of the ‘small islands developing states’ group into a ‘small vulnerable economies’ group highlights the need to carefully manage the tensions that can arise between the effort to achieve concrete interest-based outcomes and the pressures to expand the overall size of a coalition. Some negotiators believe that expanding the coalition to include non-island states undermined its effectiveness, most significantly because the meaning of ‘smallness’ in the context of some non-island states is difficult to define and defend. Consequently, the membership of a category of countries based on this standard could potentially be very expansive and the extent of membership could be contested by other WTO members. While the decision to increase group membership

Box 16. Alliances and coalitions: Benin, Mauritius and Barbados

In the Benin case study on cotton, alliances were central. The fact that four countries made the call for cutting cotton subsidies gave the issue greater political weight than if one country had worked alone. Importantly, the countries harnessed both new coalitions (the Cotton-4) and existing ones. The initiative was also bolstered by support from ACP countries, African states and other LDCs, and also from emerging states such as Argentina, Brazil and India, as well as groups such as the G20, the G90 and the Cairns Group. This was achieved thanks to the strength and legitimacy of the case and high-level political lobbying, in Benin's case by Ambassador Amehou, who observed that: 'The advantage of a common initiative was above all political weight. Can you imagine a country like Benin alone making a case against the US? ... A small country like Benin cannot impose its point of view in multilateral trade negotiations. Good ideas and arguments are important, but they're worth nothing if they're not promoted by a group. ... Once you have convinced these countries, you can really face the other countries and negotiate in good conditions.'

The Mauritius case study highlights how some small states have made participation in coalitions and regional groupings a central part of their negotiating strategy. According to Mauritian officials, this strategy increases political weight and strengthens their ability to achieve national interests. It also enhances the country's own national trade negotiation strategy by improving access to information about other countries' interests. In the words of a Mauritian negotiator, 'You learn also what are the red lines of the others, but they learn your red lines'. Given these objectives, Mauritius has pursued an interest-driven, rather than ideological, approach to coalitions, leading it to participate in a wide range of groupings, including some seemingly unlikely associations with developed countries. Where interests diverge within a group, Mauritius is still able to co-operate by working to limit the agenda to topics of mutual interest. Sometimes coalitions have been useful to boost legitimacy for particular negotiating objectives (such as specific calls for special and differential treatment). Consistent with this logic has been a willingness also to act alone in cases where this would better serve national interests (see example in Box 17 regarding compensation for ACP sugar producers).

The Barbados study highlights another important role that coalitions play for small states with few human resources, namely gathering diplomatic and political intelligence. To stay on top of all aspects of trade negotiations, Barbados has developed an 'inner circle' of Caribbean countries with which it works most closely, and a handful of other countries, such as Mauritius and Singapore, to 'watch each other's back' in different negotiating fora. 'They call us if we are not present in the room and they think our interests may be compromised.' This informal network functions across negotiating fora and extends into non-trade areas.

Source: Interviews for case studies on Mauritius and Benin, August 2008, and Barbados, September 2008 (see Annex 4).

can boost political weight within the context of WTO negotiations, the risk is that it may also make concessions from other WTO members to the group more costly.

The effectiveness of collective bargaining is perceived by many officials as significantly hampered by problems of co-ordination and communication. While the particular experience varies according to the regional grouping under study, comments from a small state official regarding the experience of the Economic Community of West African States (ECOWAS) strikingly highlights the kinds of challenges that can arise:

‘ECOWAS is made up of 16 countries. We rarely meet among ourselves before coming to Brussels for negotiating sessions. When we get there, we accept things and then go back and realise that we shouldn’t have.’¹⁰⁹

Arguably, one of the factors that enabled the European Commission to play regions off against each other in the EPA negotiations was the weakness of communication within the broader ACP group. Indeed, one interviewee identified the need for improved communication as a key response to divide and rule tactics. In many cases, regions relied on the European Commission and European governments for information as to what was happening in EPA negotiations underway in other regions.

The decision-making procedures within a group can have a decisive impact on its efficacy. One expert noted that the LDC group operates from a principle of consensus, generating high costs. ‘It spends a massive amount of time trying to co-ordinate interests’ and focal countries ‘have to spend a high level of energy lobbying members’. In negotiations ‘they need to be flexible and responsive but they have to go back to the members to renegotiate changes in positions’.¹¹⁰ The case study on Barbados highlights the importance of mobile phones as a mechanism for increasing the ease of co-ordinating action among small delegations. The details of what kinds of uses of mobile phone/email services are most effective, how their use by delegations could be facilitated and what improvements could be made warrants further study.

Power asymmetries within groups of such states can be significant and the perceptions among negotiators of their influence within groups varies. In our interviews, five negotiators said that they have negligible influence over the group and that their interests are marginalised. At the other end of the spectrum, seven negotiators said they have a high level of influence, which was particularly the case where countries act as the regional spokesperson. These asymmetries are reflected in the strategies that countries adopt in situations where the group does not agree with their position. One negotiator from a relatively small country within the Pacific region said that in order to increase their power within a group, the government bands together in a further sub-regional grouping. Officials from five countries observed, on the other hand, that they are large enough to ‘go it alone if necessary’, while one country’s delegate said their country adopts a ‘take-it-or-leave-it’ approach, clearly exploiting their relative power. These choices are also reflected in the distributive outcomes of negotiations. Four negotiators mentioned that the benefits of group positions in negotiations are not evenly shared, with LDCs particularly marginalised within groups. More detailed research would be useful to

differentiate those factors that most influence the degree to which particular countries within groups are able to exert influence, including, for instance, overall economic size, population size, trade as a proportion of GDP or leadership role within a group.

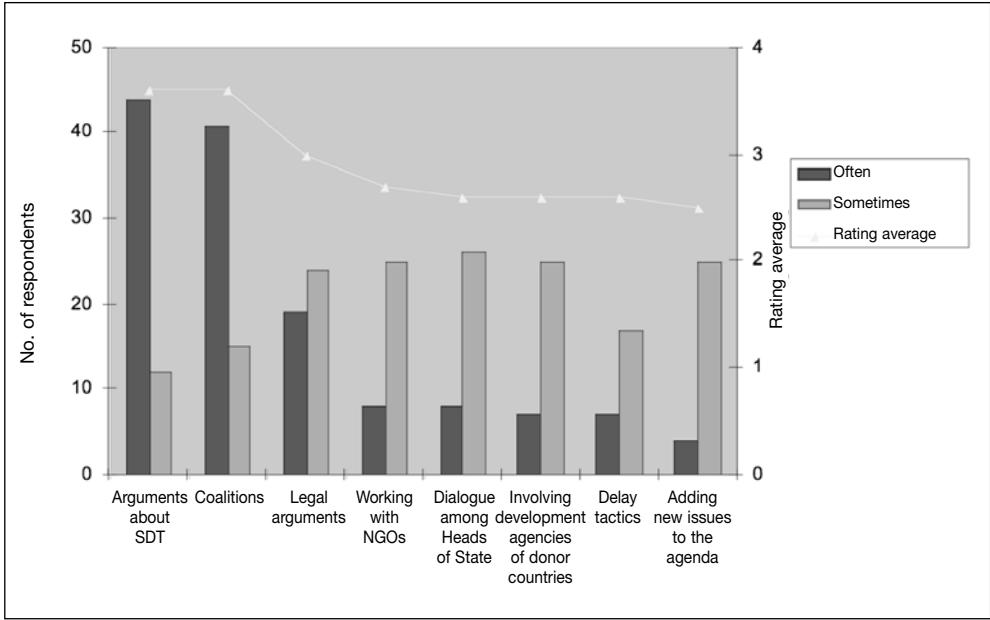
The dynamics of group leadership was a theme that commonly arose in interviews with experts and negotiators. One expert noted: 'Successful small states are those that operate solo with the weight of the group behind them. Mauritius, for instance, comes up with detailed positions on sugar and the others follow.'¹¹¹ This perspective was echoed by a private sector representative in Mauritius, who offered the following description: 'the fact that we were co-ordinators of focal groups in ACP and African group, we were able to canvass issues and get issues moving'.¹¹² However, a senior diplomat cautions that small states over-emphasise this strategy of gaining visibility, arguing that it does not necessarily translate into outcomes. Countries look strong and have been elevated 'only because those around them are so weak'.¹¹³ Another senior diplomat noted: 'In the WTO, even the tiniest state with a fine 'wordsmith' can win a debate. This isn't the same as winning in a negotiation.'¹¹⁴ Moreover, some negotiators from countries that are not leaders have suggested that in acting as spokesperson, leading countries sometimes place greater emphasis on those aspects of negotiations where they have a particular self-interest.

(b) Negotiating tactics

Following initial focus group discussions and consultations with negotiators and experts to identify common tactics used by small states, the survey sought to establish which of these tactics were used most frequently (Figure 5).¹¹⁵ The range of possible tactics explored included delay tactics, legal tactics, coalition tactics and the appeal to particular international trade norms, such as the principle of special and differential treatment. An important limitation of the survey is that it did not explicitly explore the use of threats to block consensus as a tactic (such as was used by the African Group in Seattle in 1999).

Importantly, the scholarly literature offers its own schema for categorising tactics used in international trade negotiations, defining and documenting two core types of tactics, namely 'distributive' and 'integrative'.¹¹⁶ In practice, the literature highlights that states may choose to either purely or partly use distributive or integrative strategies, or to choose a mix of both. Distributive tactics are those used when the party's goals conflict strongly with those of the other country, and where the party chooses to block agreement to defend itself, and/or to claim as much as possible from the other.¹¹⁷ 'Integrative tactics', or a mix of distributive and integrative strategies, are sometimes used where a country's goals are 'partly consistent' with those of the other country and 'some agreement is preferred over none'.¹¹⁸ The idea here is that countries look for ways to 'enlarge the pie', rather than to shift or 'distribute' a fixed value from one party to another.¹¹⁹ Based on our initial consultations, the focus of our survey was largely on the first category of tactics, distributive tactics, although in future studies it would also be useful to evaluate the extent to which small states use 'integrative' tactics and their effectiveness as well.

Figure 5. Frequency of tactics used by small states



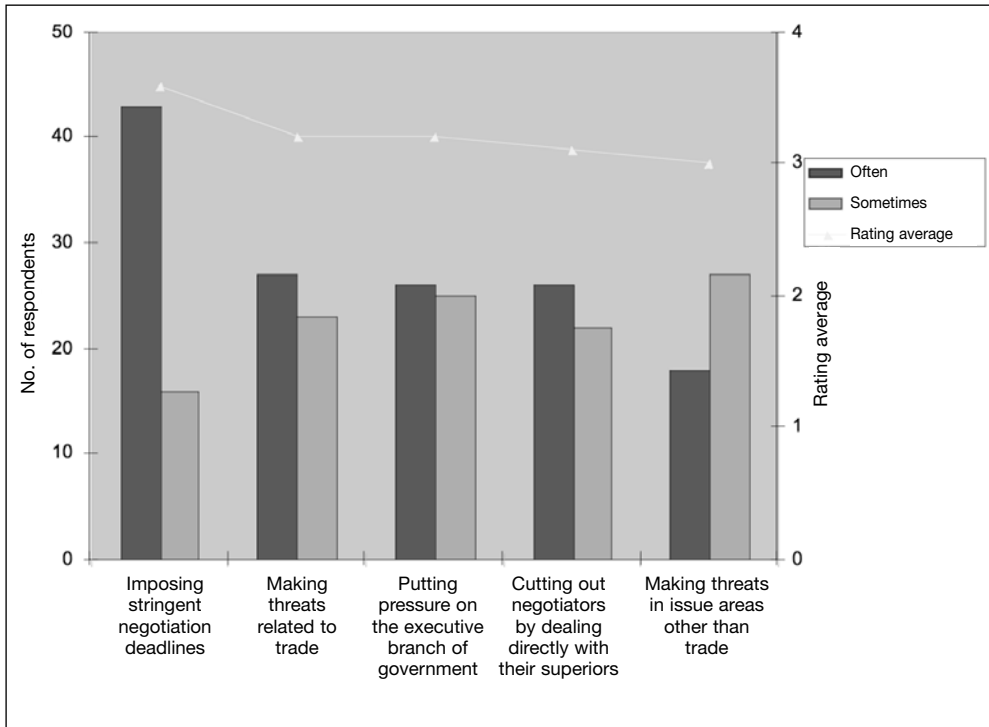
To improve reliability, the survey results analysed are confined to those from respondents who self-categorised themselves as ‘directly involved in negotiations’. Notably, this category included a mix of government officials and private sector representatives. Some government officials surveyed did not, however, categorise themselves as ‘directly involved’.

The results show that of the tactics listed, the use of arguments in favour of the principle of special and differential treatment and the use of coalitions are the most frequently used tactics, with 44 and 41 of the 64 respondents, respectively, saying they ‘often’ use them. The results broadly support the emphasis in the literature on the importance of coalitions, but also highlight the crucial importance of appealing to principles and norms in the negotiating room. More creative and innovative tactics are used less frequently, including making legal arguments, working with NGOs, involving the development agencies of donor countries and direct dialogue among heads of state.

Our initial consultations suggested that negotiators from small states feel that they negotiate under substantial pressure from larger states, which use their greater power to extract gains. The survey sought to establish how widespread this perception is among small state negotiators (Figure 6) and which, among the range of tactics that negotiators highlighted, they consider most prevalent. Among these tactics, the imposition of stringent negotiating deadlines is the tactic perceived to be used most frequently against small states, with 43 of the 65 survey respondents saying it is ‘often’ used. The issue here is that for small countries with limited negotiating capacity, the time needed to review and consider various negotiating texts may be greater than that required by larger, better-

resourced states, but the latter often nonetheless persist in setting unrealistic deadlines when negotiating with small states. The vast majority of respondents stated that the other four tactics are all used ‘often’ or ‘sometimes’. These include ‘putting pressure on the executive’, ‘making threats related to trade’, ‘cutting out negotiators by going directly to superiors’ and ‘making threats in areas other than trade’.¹²⁰

Figure 6. Frequency of tactics used against small states



Our interviews were much more revealing than the survey and provided more nuanced insights into negotiating strategy and specific tactics used by (and against) small states in trade negotiations.

A notable finding from the interviews is that a significant number of small states do not have a clear negotiating strategy to either pre-empt or react to the tactics of large states. That said, given the sensitive nature of this information it may also be the case that small states were unwilling to share details of their strategies in this respect. In the interviews, 22 of the 35 respondents clearly identified at least one tactic they use. However, one-third (13 of the 35) of the responses were vague (some just say ‘we try to persuade them’). Whether or not a country has a strategy is clearly linked to the expectation of whether there is room for influence. As one negotiator noted:

‘When you are small, you need to find other angles and approaches. Get yourself

around the wall, don't try and go over it. Meeting a wall doesn't necessarily mean your objective can't be achieved.¹²¹

The interviews suggested that weaknesses in negotiating strategy are also closely associated with the weaknesses in trade policy and inadequate identification of national interests, as discussed in the previous section. This is understandable, as without clearly defined interests or policy, countries are unlikely to invest time in developing a negotiating strategy.

Seasoned diplomats and former ministers were emphatic that 'negotiations don't begin in the negotiating room' and strongly emphasised the need to develop a negotiating strategy.¹²² 'You need technical and research expertise to use negotiating space effectively, but if you have no space, no matter the quality of your research, it is tough luck.'¹²³ Countries that have a clear negotiating strategy explained the importance of first understanding the interests of those you are negotiating against. 'Try and find out as much about your opponents as possible',¹²⁴ 'understand their philosophy and their thinking',¹²⁵ 'see threats coming from afar'¹²⁶ and 'anticipate how others will respond' to your proposals.¹²⁷ Only then can specific tactics be selected. When asked about information for negotiations, these negotiators emphasised the need to improve diplomatic intelligence.

Negotiators emphasised that securing high-level commitment from the political executive within small states is an essential element of a negotiating strategy. An important role for the executive is to engage in informal political dialogue with negotiating partners. This helps small states to understand the interests of their counterparts and it provides an opportunity to convince larger countries at a higher political level to support small states, *in principle*, which has to occur before detailed text-based negotiations commence. The role of high-level political dialogue was further highlighted by one negotiator, who cited its importance during the EPA negotiations. African and European heads of state met at the 2007 EU-Africa Lisbon Summit, which enabled African leaders to convey to European leaders their deep concerns about the negotiations and secure public commitments to greater flexibility from the President of the European Commission.¹²⁸ The case studies clearly highlight how high-level political engagement can expand negotiating space by raising the profile of issues and securing them greater space on the negotiating agenda. It can also generate broader benefits, such as raising international awareness about the development circumstances and needs of a particular country, which in turn can translate into concrete outcomes (such as increased attention among donors and greater interest among researchers in addressing specific domestic challenges). However, while necessary, experience shows that high-level engagement alone is not always effective and that it is rarely sufficient to change the outcomes of negotiations or deliver concrete results, such as final agreements that are more beneficial to small states than they might otherwise have been (Box 17).

A high level of executive engagement does sometimes appear to help insulate small states from the divide and rule strategy often used against them. As a senior Caribbean diplomat notes, 'Developed countries know whose buttons to press and how ... If you are known to take a stance on principles, they know you are not for sale ... Developed

Box 17. High-level political engagement

In Mauritius, strong executive commitment to trade negotiations has produced results. Prime ministers have engaged other heads of state in direct dialogue, including the former French President on the EU Sugar Regime, and the US President on the African Growth and Opportunity Act (AGOA). When the European Union announced compensation for ACP sugar producers affected by a one-third reduction in guaranteed sugar prices, the Mauritian government was dissatisfied with its share of these accompanying measures. The Prime Minister directly lobbied the European Union and succeeded in augmenting the Mauritian share of the compensation from 15 to 18 per cent.

The African Cotton Initiative similarly had full and consistent political support at the highest level in all four countries involved. President Amadou Toumani Touré of Mali wrote the preface to the *White Book on Cotton*. President Blaise Compaoré of Burkina Faso personally went to Geneva to defend the initiative in June 2003. He delivered a resounding speech asking for the implementation of Doha commitments and showing that the damage done by subsidies to West African economies amounted to more than all the aid funds received by those countries. This substantially raised the profile of cotton within the WTO negotiations, although to date it has not resulted in concrete policy changes on the part of the USA.

Similarly, in the Caribbean, Prime Ministers from the Windward Islands were directly engaged in the campaign to protect the banana preferences received from Europe. In the early stages of the dispute, when relevant votes were scheduled in the European Council, Heads of State from the region travelled to Brussels, where they met with various European member state delegations. The advantage of this strategy was that it made the issue 'real' in the minds of Europeans, who were able to understand better the practical implications of the loss of preferences for Caribbean economies. (The ultimate impact, however, remains difficult to ascertain. Following a WTO dispute settlement decision on bananas that went against the EU, non-compliance by the EU prompted efforts to broker a political deal in late 2008. Using the 'good offices' of the WTO Director-General, a political agreement was reached and was to be integrated into the final Doha package. The ongoing stalemate in the Round means, however, that in practical terms the bananas issue remains unsettled.) Similarly, direct lobbying by Caribbean countries of the USA and Canada at prime ministerial level helped to persuade these two powerful WTO members to support the SVE coalition's efforts at the WTO to defend their need for flexibility with regard to their domestic subsidies. In the words of one interviewee: 'To influence in Geneva you need to make use of political processes outside Geneva'.

Source: Interviews with negotiators, July 2008, and for case studies on Mauritius and Benin, August 2008, and Barbados and St Lucia, September 2008 (see Annex 4).

countries only have leverage if you allow it to develop.¹²⁹ Critical to forging such a reputation is the practice of not immediately capitulating when under threat. As a seasoned diplomat explained: 'If a politician declines to respond immediately to a threat and instead consults with officials to weigh up options, decisions are far more informed and policy reversals are less likely'.¹³⁰

The case studies highlight another important strategic element, namely that choices regarding the sequence of negotiations and negotiating fora can have a significant impact on the ability of small states to influence outcomes (Box 18).

The interviews reinforce the survey finding that many small states perceive themselves to be subject to a series of distributive tactics by large states. Tactics used by large states with which the negotiators we interviewed had direct experience included (the number of interviewees experiencing each is indicated in parentheses):

- Use of negotiating deadlines and the threat of trade sanctions to impose agreements (11);
- 'Divide and rule' tactics, playing small states off against each other (7);
- Threats of reductions in aid (5); and
- Pressure exerted through the executive of the small state (3).

Other tactics cited in our interviews included: influencing the selection of small state negotiators; appointing biased consultants to 'advise' them; deliberately misrepresenting facts; and unilaterally reneging on agreements once they had been agreed, including by altering the text at the point of 'legal scrubbing'.

Interviews also provided greater insight into the specific tactics that small states use, outside and inside the negotiating room. Outside, building alliances with like-minded countries was the most common tactic identified by small state negotiators, with 12 of the 35 negotiators citing this as a core tactic. This was followed by the identification of allies within powerful states, in an attempt to favourably exploit divergences in their domestic political economy. This was mentioned by nine negotiators, all of whom are involved in the EPA negotiations. However, some negotiators noted the need for caution when attempting to enlist allies within large states, explaining that some member states are 'hypocritical', saying one thing to the small state involved and another to the European Commission.¹³¹

Interestingly, the use of the media was only mentioned once as a potential tactic, which, however, the country concerned decided not to use for political reasons:

'We wanted to have input before initialling, but couldn't. The EU said leaks were happening. How can a country sign an agreement without negotiating it? In my opinion, at that stage we should have gone screaming to the press but our political instructions were otherwise.'¹³²

Box 18. Careful choice of negotiating fora and sequencing

Although small states have little room for manoeuvre and cannot often choose the fora in which they negotiate trade issues, the case studies illustrate that there is sufficient room to make a crucial difference. Interviews with negotiators from Benin and the other cotton countries show that they took a deliberate decision to take cotton into the negotiating room, rather than to rely primarily on the WTO Dispute Settlement Mechanism. Regarding the WTO dispute settlement option, their concern was that in the event of US non-compliance with a favourable ruling, a West African effort at imposing retaliation measures against the USA would be ineffective: 'The Brazilians have the means to implement it. But we, Benin, what can we do? We don't trade much with the USA, and we are not able to copy their patents. Under these conditions, lodging a dispute would have been a mistake.' That said, Benin did join Brazil's WTO case against US cotton subsidies as a third party. Having won that case, Brazil is now working to ensure US compliance with the WTO decision in ways that will result in concrete policy changes on US cotton subsidies. While the negotiation route preferred by West African countries has yielded various forms of assistance from the USA and other countries, including promises for boosts in development aid, it has yet to secure the desired concrete shifts in US policies on subsidies.

Although the literature suggests that the WTO's multilateral setting should be the most favourable negotiating environment for small states, as it provides a context in which they can form broad alliances to help insulate them against power asymmetries, a number of Caribbean negotiators disagreed. They observed that because multilateral negotiations seek to accommodate the interests of a very large and heterogeneous group, small states can find their concerns completely marginalised. In a bilateral negotiation, on the other hand, the negotiating agenda and any negotiated concessions are more likely to be tailored to small states' interests.

Interviews with Caribbean negotiators also indicated that there were active discussions within the region regarding what sequence of bilateral negotiations with Canada, the EU and the USA would be most favourable. Their subsequent experience illustrates, however, that this strategic choice may be a difficult one to get right. In the Caribbean case, countries decided to negotiate first with the EU as they expected it to show greater flexibility due to past colonial ties and a long history of bilateral negotiations. Subsequently, however, the EU has proved less flexible than anticipated. One interviewee noted that: 'Europe has changed, especially with expansion. Sometimes we forget this. Europe's focus is internal and with Africa. It is hard to get their sustained interest.'

Box 18 (continued)

Further, bilateral negotiations must also be strategically managed. Interviewees suggested that Samoa's capitulation to stringent WTO accession conditions might have been partly avoided with a more effective negotiating strategy in terms of ordering of the bilateral negotiations that are part of the WTO accession process. 'One thing would be to talk to Honduras and Japan first to establish precedents for being an LDC before talking to Australia and New Zealand. Why did they take the hardest hurdle first? They should start with the easier ones and then say, "We can't go back on this".'

Source: Interviews with Pacific negotiators and for case studies on Benin, August 2008, and Barbados and St Lucia, September 2008 (see Annex 4).

Appealing to principles

Within the negotiating room, negotiators said they most frequently use tactics that appeal to principles. Sixteen of the 35 respondents said they frequently use arguments related to special and differential treatment. These arguments are based on factors related to their level of development, which seven said they use in order to appeal for financial assistance, and also on constraints arising from their smallness, such as lack of competitiveness and capacity. Several respondents noted that smallness can be a distinct asset:

'In the South Asia Free Trade Agreement we were able to get a specific clause giving us the benefit of a 'least developed country' even after we graduate. Because we were smaller there was not much concern, unlike if Bangladesh asked; and there was some sympathy as well.'¹³³

One expert noted:

'Ironically, the reason some countries do so well is because they are so small, which gets them sympathy and exceptions. Fiji got its own exemption paragraph in the NAMA text but when Gabon asked, they got something far more cumbersome.'¹³⁴

Framing and reframing arguments can be useful tactics to generate substantial leverage for small developing countries in negotiations (Box 19). As one expert argued:

'... large countries want to be seen as giving to the smallest and to be making development concessions ... least developed countries and small states have incredible moral weight. The multilateral system is supposed to be helping the poorest and most vulnerable. That's their strongest card.'¹³⁵

While some small states have achieved successes, framing negotiation issues around the idea of 'smallness' continues to be an ongoing challenge (Box 20). Small states still face important constraints in those trade negotiations where norms regarding 'smallness', and associated claims such as those advanced by the SVE coalition, are not yet fully entrenched.

Box 19. The importance of framing in trade negotiations – linking trade and poverty reduction

The framing of issues is a core strategy for small states and attempts to frame and reframe were central to the cotton negotiations. The Benin case study shows that cotton was successfully framed as a core development issue in the Doha Round. In the view of a negotiator from Benin: ‘Cotton became the symbol and the litmus test of the development round. If such a clear-cut case could not be dealt with at the WTO, the development content of the Doha Round seemed to be a mockery.’

However, this success was watered down by successful reframing by the USA and the EU. Firstly, they ensured that cotton was integrated into broader agricultural negotiations, which made any achievement in cotton conditional on the outcome of the wider agricultural negotiations. The second and more decisive victory was the strategic reframing of the African claim by linking the reduction of US subsidies to the goal of ‘poverty reduction’. This arguably contributed to placing African countries in a vulnerable position: rather than focusing the dossier tightly on an assertion of African rights in the trade regime, their demands were transformed into an appeal to charity, thus changing the posture of African states in the negotiation and the type of results they could achieve (aid rather than the reduction of subsidies).

Source: Eagleton-Pierce (2007).

Setting red lines and fall-back positions

Another tactic identified by interviewees was the need to set red lines and develop fall-back positions, which were mentioned by eight negotiators. Four negotiators referred to the use of legal arguments and three emphasised the need to be technically prepared and to have concrete evidence to make persuasive arguments:

‘If you can show others in your group that you have a visible, critical national issue and can explain your position, others will generally find a way out for you. In such a case, even when you are small and weak, something will be done to accommodate you.’¹³⁶

Another negotiator highlighted the importance of having the private sector closely involved because it helps to make arguments about the adverse impacts of liberalisation more credible.

Three negotiators noted the possibility of setting the agenda by proposing alternative texts. In the WTO context, one negotiator explained that for proposals to be successful, accepted by the chairs of groups and reflected in working documents, they had to be technically sound, substantive and able to anticipate the positions of other countries. ‘Pacific statements are often regarded within the WTO as being among the most substantive ... we see about 90 per cent of our positions on board in the text.’¹³⁷

Box 20. The importance of principles and norms – lessons from the development of the SVE norm

In the United Nations, a group of small states have succeeded in establishing a separate classification for ‘small island developing states’ (SIDS). Prior to the launch of the Doha Round, the SIDS group put considerable pressure on the WTO to recognise their unique challenges. But the fact that many SIDS were not represented in Geneva, combined with an aversion among many WTO member states to creating a new sub-category of states, hampered these efforts. The SVE coalition, by contrast, made certain specific gains in the Doha Round. There is now, for instance, a ministerially-mandated work programme on small economies, a WTO committee that has an ongoing mandate to discuss SVE issues (the Committee on Trade and Development’s Dedicated Session), specific mention of small vulnerable economies in the current Doha Round market access negotiating texts and a consistent reference to the SVE category in the aid for trade debate.

Judgements of the relative success of the SVE group varied among interviewees, in part due to different expectations of politically realistic outcomes. Several government officials from the region observed, for instance, that the norm of ‘smallness’ is yet to be fully entrenched in the framework of ideas which shapes the form and outcomes of the process of international trade negotiations. In order for the SVE group to have a greater claim for consideration as a group, and to have its interests formally reflected in the rules that form the outcomes of negotiations, sustained advocacy is considered necessary. To embed the status of the SVEs – and their specific claims – in trade rules, one government official noted: ‘We need to do a lot of advocacy. What is self-apparent to us, others don’t understand. Developed countries are concerned that we are on the lookout for ‘loopholes’ and to secure more donor funding.’ He noted that such influence takes perseverance and hard work, emphasising that large countries frequently change negotiators and each one comes with limited knowledge and understanding of the constraints that small states face.

Source: Interviews for Mauritius case study, August 2008, and Barbados case study, September 2008 (see Annex 4).

In a more defensive vein, three negotiators mentioned the importance of postponing and playing for time rather than agreeing to commitments they do not fully understand.

(c) The psychology of bargaining

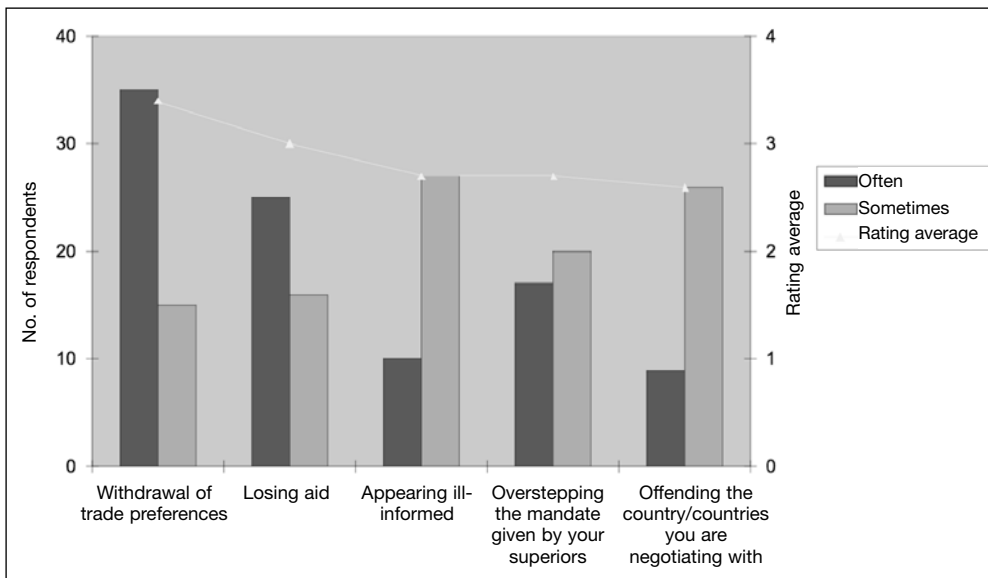
In addition to studying pressure tactics in the negotiating room (discussed in the previous section), our survey sought some further insight into the perceptions of negotiators and officials. In particular, our questions explored the pressures small state negotiators

perceive themselves to be under, as well as other factors that concern them and that constrain their actions in negotiations. Once again, analysis of the survey responses is confined to those directly involved in negotiations.

The survey asked small state negotiators how often they were concerned about such things as: offending the country with whom they are negotiating; overstepping their mandate; appearing ill-informed; losing aid; or having trade preferences withdrawn.¹³⁸ As Figure 7 shows, respondents clearly perceive themselves to be operating in a highly constrained external environment, with high levels of concern about threats to trade and aid from negotiating partners. Thirty-five of the 61 respondents said they were ‘often’ concerned about withdrawal of trade preferences and 25 were ‘often’ worried about losing aid. Notably, they were less concerned about offending the country they were negotiating with, suggesting that diplomatic factors are less constraining. Appearing ill-informed and overstepping the mandate given by superiors appeared to be significant concerns, factors which echo findings (discussed above) on human resource constraints and on the poor quality of the relationship between many negotiators and their ministries in capital.

In responding to the survey, small state representatives reported low expectations of having their interests met in negotiations with large states. They do not perceive a very high level of compatibility between the interests of their countries and those of powerful states. Only eight of 93 respondents stated that their interests were ‘nearly always’ or ‘often’ compatible. Eighty reported that they were ‘sometimes’ or ‘seldom’ compatible. Five saw their interests as almost diametrically opposed.¹³⁹ In addition, negotiators do

Figure 7. Frequency of negotiators’ concerns



not expect to have a significant influence when negotiating with large trading partners. Fifty-two of 93 respondents said their level of influence is 'low' and 16 say they have no influence at all (Table 6).

When negotiating with states of similar economic size, one would anticipate that expectations of influence and success in negotiations would be higher. But there is still considerable variation in the responses. While 27 respondents said they had a 'high' influence negotiating with small states, 38 said it was 'moderate' and 18 said it was 'low'. One respondent even said that their country had 'no influence'. A likely explanation of the persistence of low expectations, even when negotiating with other small states, is the presence of severe domestic constraints which undermine negotiating capacity.¹⁴⁰

Table 6. Expectations of negotiating success

Type of negotiation	High influence	Moderate influence	Low influence	No influence
A large trading partner like the EU or USA	3	22	52	16
A trade partner of similar economic size	27	38	18	1

Closer scrutiny of the data does not reveal any clear correlation between expectations of influence and a country's income level, with least developed and developing small states dispersed across the categories. However, the results do suggest that negotiators who identified themselves as representing a region, as opposed to a country, were more optimistic about their influence. Of the 23 respondents who identified themselves as representing a regional body, ten (almost half) said they had 'high or moderate' influence in negotiations with a large trading partner, compared with only nine of the 53 respondents (one-sixth) who identified themselves as being country representatives.¹⁴¹

Our interviews reinforced the survey findings that representatives of small states generally have low expectations of influence, with 15 of the 17 negotiators saying that they did not expect to have a significant influence when negotiating with large states. Yet more revealingly, the interviews suggest that small states are often reluctant to use whatever power they do have to its fullest extent. Some feel totally powerless to influence the agenda in negotiations with large states:

'We are not trying to influence negotiations. It's unrealistic, so we don't go in with that mindset.'¹⁴²

Others note that 'we are so small, we are insignificant in the eyes of other WTO members'.¹⁴³ The erosion of preferences and fears about its potential negative implications are a particular cause of despair:

'Due to increasing liberalisation, most small states are becoming more and more vulnerable; together with preference erosion, what is there left for small states to fight for?'¹⁴⁴

Conversely, the Benin case study shows that the success of a group of small states in getting the cotton issue on the international trade agenda has had a positive impact on the confidence of small state negotiators in the international trade arena:

‘It really acted as a trigger point for African countries. It gave these countries some confidence that their interests can be represented at the WTO. And this, in turn, gives some credit to the WTO, because it shows it is an open organisation where the interests of small states can be promoted.’¹⁴⁵

Moreover, the interviews also revealed a perception, at least among some negotiators, that smallness and low levels of development need not be a total barrier:

‘Negotiators have learned that despite the lack of means, our countries can fiercely defend their interests if they organise and understand the system well ... West and Central African countries realised the need to be political, never insult people but stay calm and be convincing, to find appropriate words that no one can attack.’¹⁴⁶

That said, it was also perceived that considerations of smallness aside, the potential for success in getting an issue on the international trade agenda and/or achieving the desired outcome may also depend on the nature of the trade issue at hand. In the case of cotton, for instance, the framing of the issue as one of eliminating trade-distorting subsidies is consistent with the anti subsidy, pro market access norms embedded in the multilateral trading system.

The perceptions and expectations of negotiators in respect of large states are further highlighted by the reasons interviewees give for the relative ease of negotiating with other small countries: higher levels of understanding and appreciation of the economic challenges that others face; a higher level of common interest; higher levels of trust; more open communication; less hypocrisy (countries say what they mean and their actions are consistent with their words); and a readiness to compromise. However, two negotiators also noted constraints that arise in negotiations with small countries. One said that they are much slower and the other complained that there is little trust, with other small states being just as likely to engage in power politics by ‘selling you out’ to larger players.

In negotiations with large countries, the vast majority of interviewees perceive themselves as operating under substantial levels of threat in negotiations. Only two of the 35 negotiators and ambassadors said they were not vulnerable to threats by large countries, explaining that they did not depend on preferences or aid. Several negotiators explained that there are significant differences between large countries and that some are preferable as negotiating partners to others. Five negotiators mentioned that Europe is more flexible than the USA, Australia and New Zealand. One mentioned that it was preferable to negotiate with large developing countries as opposed to large developed countries, as the former do not put pressure on small states to change domestic policies.

Crucial to understanding the psychology of bargaining is the extent to which implicit or potential, rather than explicit or actual, threats are influential. Many negotiators

perceive a high risk that development aid or trade-related assistance from their negotiating partners may be cut, even where the threat is not made explicitly:

‘There is an understanding that – if you are difficult on this – we will be difficult on that. We all know that apart from trade negotiations we have financial co-operation instruments and if it is a particularly difficult negotiation they can judge you as not having done well and not deserving of additional funding. It’s not made explicit. These are things we understand amongst ourselves.’¹⁴⁷

Another explained, ‘At the end of the day, they can hold us by the necks because they have development finance and can decide to give it to us, or not give it to us’.¹⁴⁸ (To date, there have been no systematic studies of correlations between aid flows and the tenacity of particular small states in trade negotiations, but evidence in this respect would be useful to ascertain the degree to which such fears are justified.)

The influence of implicit or potential threats is magnified by perceptions of the atmosphere within trade negotiations. Within the negotiating room, nine small state negotiators said that negotiators from large states bully and intimidate, citing behaviour such as walking out of the room, being dogmatic and persistent, and cutting off small state negotiators when they are talking. The perception of one small state negotiator was that the physical setting of the negotiations is carefully chosen by large countries to intimidate negotiating partners.¹⁴⁹ Eight negotiators said that large countries set the agenda by using a template text, by sending negotiators who are too junior to agree to any compromises and by marginalising issues of interest to small states by either refusing to discuss them or by making such highly qualified concessions that they are meaningless. As noted above, a further dimension of the atmosphere of negotiations concerns the time-frame and deadlines imposed for decision-making, which may be even more difficult for small states to meet than for larger developing countries. Where negotiators are under intense time pressure from larger states, their perceived room for manoeuvre often diminishes. Given the small number of staff devoted to trade, smaller countries often need more time to study and consider the implications of texts, to consult with others within regional groupings and to liaise with their counterparts in those capitals where there is an active interest. Such efforts may be hampered by telecommunication constraints, limited human resources and time zone differences.

Our case studies suggest that small states need to pay careful attention to the political level at which they engage with large states, and that this can offer one way for small state negotiators to redress what is otherwise perceived to be a vastly unequal negotiating atmosphere (Box 21).

Box 21. Engaging with large states at an appropriate political level

The Caribbean study highlights the importance of diplomatic protocols to avoid inadvertently lowering a country's stature (or that of their negotiators), thus exacerbating their smallness and vulnerability in the eyes of powerful states. One senior diplomat warned of the risks that occur when ministers of small states resort to meeting senior civil servants rather than officials with similar political rank, as it sets a precedent and pattern of engagement that can effectively lower their access to more senior political authorities. Further, speaking of his region's experience in the EPA negotiations, he emphasised that 'During a recent meeting with the EU President, rather than send a spokesperson, all 14 Caribbean Heads of State wanted to attend on the grounds of sovereignty ... They don't see the political signal it sends to Europe.' By sending so many Heads of State, he suggests, the Caribbean countries looked as if they were desperately in need of agreement, undermining their negotiating leverage.

Source: Interviews for Barbados case study, September 2008 (see Annex 4).

6

The Way Forward: Prioritising and Tackling Constraints

The study set out to answer two questions:

1. First, have we properly understood the constraints small states face and their underlying causes?
2. Second, are the assumptions that drive existing capacity building and other efforts to support small states correct and if not, how should they be revised?

The previous chapters have reported on what existing research tells us about the constraints faced by small states, and how officials and negotiators from small states perceive those constraints and have experienced them in a number of case studies. In this final chapter, we report on how officials and negotiators perceive solutions.

Our findings suggest that the factors that would most enable small states to increase their impact on negotiations vary substantially between countries. However, some patterns emerge. Representatives of small states are very clear on the need to improve the quality of human resources dedicated to trade, to increase the engagement of their political leaders in trade negotiations and to strengthen negotiating strategy. When asked what deeper changes would need to happen for these improvements to occur, emphasis was placed on increasing the priority that governments give to trade, enhancing links between development plans and trade, and strengthening the ability of stakeholder groups, particularly the private sector, to engage in trade policy.

Interestingly, relatively little emphasis was placed on institutional reform *per se*, suggesting that creating the right political incentives is key. Our findings suggest that when the executive is heavily engaged in trade policy and makes demands on trade officials, then greater resources are likely to be allocated to trade policy, and the quality of trade policy and negotiating strategy is likely to be higher, improving the chances of small states having influence in an international context. The executive in turn appears to dedicate greater time to trade when the private sector and other stakeholders make clear demands for it to do so.

A further theme that emerges from the survey, interviews and case studies is that donor initiatives are performing poorly. While they appear to correctly identify many of the proximate constraints that small states face in negotiations, they are less effective at identifying solutions that address underlying causes. Moreover, care has to be taken to minimise bias in the assistance provided by international donors on trade policy. Trade negotiations are a particularly sensitive area, as many donors sit on the opposite side of the negotiating table to small states.

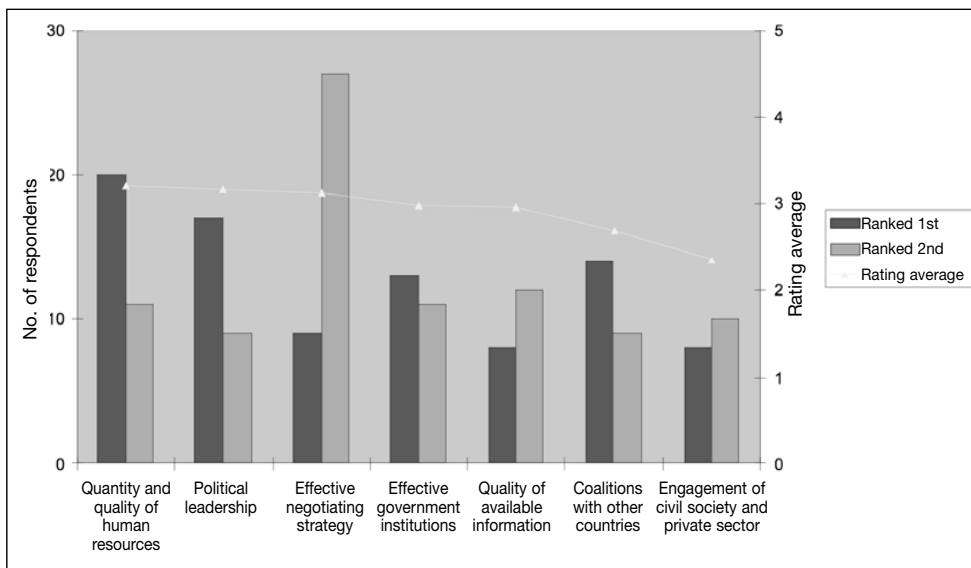
This chapter ends by making some recommendations to small states and to the inter-

national donor community about initiatives that could strengthen the performance of small states in international trade negotiations.

What factors matter most?

In our survey we asked small state negotiators to rank the factors that ‘most increase the ability of small states to have an impact in trade negotiations’.¹⁵⁰ The results suggest that the factors that are considered most important vary widely across small states. This variation is reflected in the horizontal trend of the ‘overall ranking’ line, which reflects the weighted average of each factor (Figure 8).

Figure 8. Factors most increasing small states’ ability to influence trade negotiations



However, some factors are more likely to be ranked first or second in their ability to increase the impact of small states in the negotiating room. ‘Quantity and quality of human resources’ and ‘political leadership’ were most often ranked top priority. In the comments, four respondents noted that the quality of human resources is more important than quantity. These results echo the message emanating from interviews with negotiators on the importance of building an effective negotiating team, and the findings of the case studies, which underscore the crucial role that political leadership plays. ‘Effective negotiating strategy’ was most often ranked as the second highest priority, highlighting the strongly felt need among negotiators for small states to become more proactive around the negotiating table.

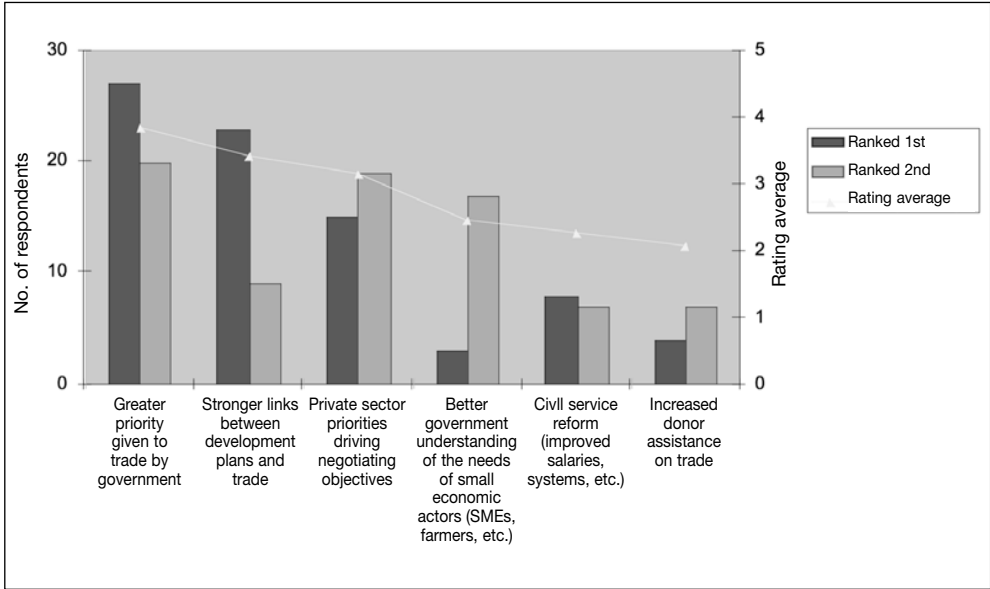
These results show similarities and differences with the prevailing consensus in the donor literature, which tends to prioritise human resources, government institutions, quality of available information, and consultation with the private sector and civil society.

Our results suggest that while human resources constraints are indeed a priority, the sources of constraint that are often under-emphasised are weak political leadership and poor negotiating strategies, which were highlighted in the Geneva focus group discussion.

What could most help individual countries?

To identify the underlying causes and probe ideas for long-term solutions, the penultimate question of the survey asked respondents: ‘What changes would enable your country to tackle the constraints it faces in trade negotiations?’.¹⁵¹ The results are interesting (Figure 9). ‘Greater priority given to trade by government’ was clearly ranked above other choices, followed by ‘stronger links between development plans and trade’ and ‘private sector priorities driving negotiating objectives’. Although human resource weaknesses were identified elsewhere in the survey as a major constraint, civil service reform was given a low ranking by respondents, suggesting that attention to administrative reform is perhaps less urgent or effective than attention to getting the politics right, i.e. addressing the low priority given to trade within government and improving the strength of domestic institutions. This could be achieved both by improving policy coherence and institutional co-ordination on the links between trade and development, and by strengthening input from private sector organisations. Interestingly, ‘increased donor assistance on trade’ was ranked last. This may suggest that many current donor assistance projects are simply not perceived as useful in tackling the most serious constraints facing small states in trade negotiations.

Figure 9. Domestic changes that best enable countries to tackle constraints



Small state trade negotiators clearly believe that trade needs to be taken more seriously by government if they are going to have greater influence in international negotiations. While this may be the case, many also noted in interviews and discussion that there is a need to place trade in a wider development context. While influencing international trade agreements can play an important role in the realisation of a country's development strategy, small states face a suite of competing demands and policy issues deserving of attention (education, health, infrastructure, agriculture, legal reform, etc.), and many of these are considered to be a more critical focus for educated talent and government resources than trade policy. Given the scarcity of resources, it may be prudent for many small states to focus on influencing those international trade negotiations and those specific aspects of trade rules that are likely to yield the most gains. This in turn speaks to the need for clarity on the specific role that trade should play in each country's development strategy and putting in place a robust negotiating strategy to achieve these aims.

Closer scrutiny of the data according to where respondents work reveals significant variation as to the changes they feel would have the most impact (Table 7). Perhaps unsurprisingly, government officials place greatest emphasis on the level of priority given to trade by government. The private sector wishes to see its priorities driving trade negotiations to a greater extent. Civil society representatives place greatest emphasis on strengthening links between development plans and trade. While all give a low ranking to increasing donor assistance, government officials are slightly more favourably disposed to such assistance than the private sector and civil society representatives, perhaps reflecting the fact that they are often the primary beneficiaries.

Table 7. Domestic change most enabling countries to tackle constraints – variations between respondents: average ranking on scale of 5 (most important) to 1 (least important)

Where respondent works (number of respondents)	Greater priority given to trade by government	Stronger links between development plans and trade	Private sector priorities driving negotiating objectives	Better government understanding of the needs of small economic actors	Civil service reform	Increased donor assistance on trade
Government official (62)	4	3	3	2	2	2
Private sector (11)	3	2	4	2	1	1
Civil society (6)	2	5	2	4	2	1

At the end of the survey, respondents were asked an open-ended question: 'If you could effect any reform in your country to dramatically improve performance in trade negotiations, what would it be?'. In total, 56 respondents gave answers, with most making more than one suggestion.

Improving the capacity to build an effective negotiating team was clearly the most important to respondents (43 of 56 responses aimed at this). Nearly all mentioned human resources, with 14 specifically identifying the need for greater training of existing staff on the details of negotiations, 11 prioritising the recruitment of additional staff with the right skill sets (with one specifically mentioning legal expertise) and seven identifying the need to address retention problems and high turnover levels, chiefly by improving remuneration and reducing the number of appointments made for political reasons. Improvements in policy co-ordination in government were also high on the list (identified by 14 people), including the need for a more collaborative approach between ministries (9); the need to consolidate trade negotiations into a single lead ministry (3); and the need for clearer negotiating mandates for officials (2). Information and analysis were also mentioned, with nine responses noting the need to have better information, including on the economic realities of small states.

During interviews, the answers of negotiators and ambassadors echoed the findings of the survey, with more than two-thirds (25 of 36) of those asked what would most assist small states citing at least one factor related to building an effective negotiating team. As in the survey, the emphasis was overwhelmingly on the need for excellent human resources. In addition, seven negotiators noted the need for improved co-ordination between government agencies and three emphasised the need for a permanent presence in Geneva.

The need for better harnessing of the inputs of the private sector and civil society was emphasised by half the respondents to our survey (23 of 56). They highlighted measures such as the need for greater collaboration with the private sector and/or civil society (12); the need for private sector representatives on negotiating teams (2); the strengthening of private sector representative bodies (4); an overhaul of the political system to increase democratic participation (2); a reduction of donor influence over trade policy and positions in negotiations (1); and economic reforms to reduce vulnerability to trade policy changes and improve supply-side competitiveness (5). This latter factor was also emphasised by interviewees (particularly officials based in capitals), who highlighted the need to address underlying weaknesses in the economy; they argued that unless supply-side constraints are overcome, small states will be unable to make use of any benefits they gain in the negotiating room (12).

Strategies to better leverage limited bargaining power were mentioned by only five respondents, who highlighted the need to consolidate coalitions (3); to develop alternative proposals to those proposed by powerful countries (1); and to better understand the politics of negotiations (1).

A very strongly voiced view in both the survey and interviews was that small states need more clearly to identify their trade needs and strengthen their trade and development policy (11 survey respondents). The interviewees spoke of the need for 'clearly articulated national interests' and 'knowing what you want' in the negotiating room (this was strongly emphasised by 14 of the 36 respondents). Many interviewees attributed the absence of clear direction in trade policy to weaknesses in the human resource

base, which make it hard to analyse the economic and development needs of their countries and relate these to negotiations. Closely linked to this point, eight of the 36 negotiators raised the need for a clearer negotiating strategy. These tended to be ambassadors, who are naturally more preoccupied with the wider politics of negotiations.

The case studies provide further insights into key constraints, as well as mechanisms for tackling them. The factor that stands out clearly from the case studies is the importance of political leadership, which is in turn often galvanised by high levels of pressure from interest groups and a high level of demand for performance in trade negotiations.

In Benin, where resources are few and government institutions very weak, there was substantial pressure from farmers to address the crisis in the cotton sector and for strong leadership from key individuals. In Papua New Guinea, strong lobbying from the tuna sector drove the country's position in EPA trade negotiations. In Mauritius, a very strong private sector lobby with long-term interests in the development of the country has led the government to give sustained high priority to negotiations. In Barbados, there has been a combination of significant government leadership and some lobbying from private sector groups. In the latter two cases, the demand for performance in trade negotiations has been sustained over time, particularly in Mauritius, spurring the creation of a very strong negotiating team and efficient government institutions.

Whether private sector pressures have always been in the broad 'national' interest is debatable, as the case studies show significant inequalities in terms of the groups that have influence over trade policy. Nonetheless, they suggest that where governments have taken a relatively high level of initiative and influenced trade negotiations, they have been propelled by strong interest groups.

The case study of Ghana reinforces the survey finding regarding the tentative usefulness of many donor initiatives to build trade negotiating capacity. Although Ghana has been the recipient of many donor projects on trade negotiations, these have not been successful at delivering long-term improvements or enduring change (Box 22). The case study suggests that donor initiatives have tackled symptoms, not causes. An element that has been conspicuously absent in Ghana is sustained domestic demand for improved outcomes on trade negotiations. Political leadership on trade has been poor. Even where specific ministers have initiated significant changes, these have never been championed by the highest levels of government. These findings suggest not only the need to reconsider how to deliver more effective donor assistance, but also how this can be done in ways that minimise bias and undue donor influence on trade policy formulation.

Box 22 Tackling symptoms, not causes? Ghana

Ghana has benefited from numerous assistance projects in the area of trade negotiations, yet its performance in negotiations remains weak and few projects appear to have had a lasting impact.

In the area of government institutions, initiatives have included numerous trainings of officials in trade policy, including by the ITC and the WTO. Financial support has been provided to boost participation in trade negotiations. Several long-term technical advisers have been provided to the Ministry of Trade under a series of initiatives by the UK Department for International Development (DFID) and the ODI to improve technical analysis and preparation for negotiations. An overhaul of the information and statistical databases, funded largely by USAID, aimed to improve the information base. Many donors have funded impact studies, including European Commission financing of EPA assessments. The Joint Integrated Technical Assistance Programme, a joint initiative of the ITC, UNCTAD and the WTO, has also provided support for improved inter-ministerial co-ordination.

In terms of the wider political economy, a multi-donor project supported the formulation of a trade policy and implementation strategy over a three-year period, with a relatively high level of consultation. The policy and strategy were discussed and approved by the Ghanaian Cabinet. Trade has also been reflected to a greater extent in Ghana's poverty reduction strategy paper (PRSP). In addition, donor support has been provided to strengthen private sector organisations, particularly those oriented to export promotion, to improve their input on negotiations. Similarly, many international NGOs have funded local CSOs to strengthen advocacy on trade.

While several of these initiatives were commended for improving trade policy formulation and negotiation in the short term, there has been little sustained improvement in trade negotiation capacity. Many of the pivotal activities established by donor initiatives have not been sustained, as it was hoped that allocation of financial and human resources for trade policy processes would come from the national budget or through other donor support. Government support for such activities has been on a downward trend in the past five years at a crucial time during preparations for the EPAs.

Moreover, some donor initiatives were heavily criticised for having distorted the process of domestic trade policy-making and enabling donor governments and their agencies to exert undue influence on trade policy. Of particular concern is the propriety of the UK government's financial support for 'embedding' long-term consultants in the Ghanaian Trade Ministry, when the UK government is simultaneously sitting on the other side of the negotiating table in EPA and WTO negotiations.

Source: Interviews for Ghana case study, August 2008 (see Annex 4).

Recommendations

The challenge for small states is to identify the underlying constraints which, if tackled, could enable sustained improvement in negotiations. As many of the constraints are inter-related, this is a complex task. However, the findings outlined in this study provide some clear recommendations:

- **Political leadership:** A theme underlying many of the findings of this research is the importance of having a high level of leadership from the executive on trade. Such leadership galvanises the government machinery into action. When the executive is highly engaged, demands are made on trade officials and institutions to perform, and greater human and financial resources are allocated to trade. Political leadership is particularly important for small states, as it helps offset the power asymmetries they inevitably face in trade negotiations, especially when negotiating with countries that are also donors. As leaders are most likely to effectively engage in trade policy when demands are made on them from their constituents, this speaks to the need to strengthen representative organisations from the private sector and civil society.
- **Human resources and institutional design:** Small states need to develop a strong negotiating team with a high level of competence and experience, to attract and retain technical experts with excellent diplomatic skills and a tenacious attitude, and to provide them with a working environment in which they can excel. The study highlights the fact that for this to happen there is a need to move away from an exclusive focus on the technical training of individuals and to address the disruptive institutional incentives that many negotiators face. This would improve performance and retention rates, as well as accountability to national trade ministers, parliaments and policy goals.
- **Clearly identified trade interests:** Few small states clearly and consistently identify their interests in trade negotiations. Where states have done so, this often reflects the presence of strong private sector interest groups. This poses a dilemma for the poorer small states with weak private sectors, as even if government is open to consultation it receives little input. One option is for states to strengthen private sector organisations to better articulate trade policy positions. However, this needs to be complemented by government taking the initiative in determining policy direction. This in turn requires strong human resources and policy analysis that is rooted in local economic realities and is relevant to ongoing negotiations. As this study shows, the information and analysis provided by donor organisations is often inappropriate. Local academic and policy institutes could be greatly strengthened to provide autonomous and relevant policy advice.
- **Specific negotiating strategy:** Once human resource constraints are tackled and negotiating interests clearly defined, small states need to be more proactive in negotiations and to invest in negotiating strategy. While technical skills are clearly extremely

important, the effectiveness of efforts by technical officials from small states to influence the detail of texts is higher when complemented by efforts to also increase their bargaining power. In particular, the study highlights an array of tactics that can be used to increase political weight and leverage, including investing in alliances with like-minded countries, forming coalitions and engaging negotiating partners at a high political level prior to and, as appropriate, during technical negotiations.

By acting in concert, small states are able to pool technical capacity, mitigating the challenges posed by human resource constraints. Their individual negotiating strength is augmented by increasing their numbers and market size through collective action. The regional coalitions that have been effective in the negotiating room are those with a long history of integration, a high level of trust and a high level of communication between the members. A number of small states have an explicit strategy of leading groups and coalitions to exert influence in negotiations.

Further, engaging powerful states at the most senior political level prior to negotiations is important, as is seeking allies within powerful states, as this helps to break down their negotiating positions and makes compromise more likely. A close relationship between the head of state and the trade officials within small states can also be of significant importance for strengthening their negotiating position when subjected to threat.

To augment negotiating power, this study also emphasises the importance of political strategies that make strategic use of principles, norms and ideas to reframe issues to their advantage both inside and outside the negotiating room.

This report did not set out to evaluate the initiatives of international donors in supporting small states. However, the research does provide some insights that suggest that donor initiatives are not fulfilling their aims. Representatives of small states note that initiatives are tackling symptoms rather than underlying causes, for instance by providing research and consultancy assistance rather than helping small states improve their human resource base. Furthermore, there are clear concerns of bias in the provision of assistance, particularly when donors and small states sit on opposite sides of the table in trade negotiations. In addition, in some countries donors are considered to be the actors with greatest influence over trade policy, crowding out the interests of local constituencies. The study highlights a number of areas where external actors might refocus their efforts:

- **Government institutions:** Small states continue to face severe constraints in fielding a strong team of negotiators. External donors are well placed to provide financial and technical support to aid governments in reforming their institutions to improve working conditions and organisational efficacy. However, the report also highlights the way in which direct support to trade ministries is inevitably compromising. For this reason, such support could be channelled through independent third parties that have no direct stake in the outcome of trade negotiations, such as the Commonwealth Secretariat, UNCTAD and regional development banks. To be effective, support needs to be long term and predictable, and provide governments with a high degree of

autonomy to hire and retain experts of their choosing on a long-term basis. This would avoid the creation of disruptive incentives and strengthen accountability.

- **Private sector:** Given the weakness of private sector organisations in many small states, donors could play a greater role in strengthening their capacity to identify their trade interests and lobby government. However, the study also highlights the need to avoid biases in such assistance that risk strengthening some economic sectors above others.
- **Academic institutions, NGOs and think-tanks:** In many small states there is a paucity of independent scrutiny and advice to policy-makers, and a perception that donors unduly influence trade policy (particularly where private sector organisations are weak). To strengthen the autonomy and independence of trade policy-making, donors could play an important role in strengthening academic and research institutions, as well as NGOs, so small states have a stronger information base from which to negotiate.
- **International coalitions and organisations:** The study highlights the importance to small states of coalition building and information sharing. A series of intergovernmental collaborations, initiatives and organisations, particularly at the regional level, have been established to facilitate these linkages. However, as they often depend on funds from developing countries, they are often resource constrained. External donors could assist by strengthening such organisations through long-term financial assistance. Once again, to ensure that accountability is primarily to national governments, it is important that such support is channelled through independent third parties or otherwise removed from undue political meddling.

A final critical reflection concerns the need for developed country donors to take seriously the need to reduce the perception of threat under which many small state negotiators operate, whether this is related to aid or trade. In many cases, bilateral development donors present their assistance to the smallest and poorest states as a matter of co-operation for development, whereas their counterparts in trade ministries engage in commercial, reciprocal bargaining processes with the same countries that demonstrate far less sensitivity to the unequal power of the negotiating parties.

While power asymmetries inevitably exist, bilateral donors should take measures within their own governments to insulate small states from threats related to the withdrawal of trade preferences or other potential sanctions, and to ensure that trade negotiations are sensitive to the broader development priorities of small states. To reduce the threat of trade sanctions, donor countries could ensure that all trade preferences they grant are long term and bound, with an effective enforcement mechanism, and do not have policy conditionalities attached. Similarly, to reduce concerns about bias in assistance they should channel their support for trade capacity building initiatives through independent third parties and ensure it is disbursed in ways that provide small states with a high level of autonomy and discretion as to its use. Such initiatives would help address the fear among small state negotiators that such factors will be used to unduly influence their positions during trade negotiations.

Notes

- 1 For statistics on the Cook Islands, see <http://www.cook-islands.gov.ck/cook-islands.php>, and on Jamaica, see <http://jamaica.embassyhomepage.com/>. Last accessed 14 July 2009.
- 2 For statistics on population and GDP per capita see World Bank, 'Defining a Small Economy', available at <http://web.worldbank.org>. Last accessed 14 July 2009.
- 3 See Annex 2 Survey, Question 2.
- 4 See Annex 2 Survey, Questions 3 and 4.
- 5 Kotschwar (1999), p. 135; Peretz *et al.* (2001).
- 6 *Ibid.*, p. 151.
- 7 *Ibid.*, p. 150.
- 8 Bora, Grynberg and Razzaque (2005).
- 9 See, for instance, Limao and Venables (1999).
- 10 Winters and Martins (2004), p. 2.
- 11 Page and Kleen (2005), p. 61.
- 12 Winters and Martins (2004), p. 37; World Bank (2006).
- 13 Kotschwar (1999), p. 145.
- 14 Tussie and Lengyel (2002), p. 487.
- 15 Mattoo and Subramanian (2004), p. 393.
- 16 Solignac-Lecomte (2002), pp. 21–22; Jawarwa and Kwa (2003), pp. 150–158.
- 17 Freund (2003); Elgström (2000).
- 18 Solignac-Lecomte (2001).
- 19 See, for example, Krueger (1999).
- 20 Davis (2003), p. 20.
- 21 Tussie and Lengyel (2002), p. 491; Steinberg (2002).
- 22 Grynberg, Dugal and Razzaque (2006).
- 23 Bown and Hoekman (2005).
- 24 A list of WTO dispute settlement cases is available from the WTO website, www.wto.org
- 25 ICTSD (2008).
- 26 Nottage (2008).
- 27 As noted above, as the focus of this study is limited to trade negotiations specifically, the challenges of dispute settlement are noted here as part of the structural context of international trade negotiations for small states, but are not explored in greater detail in the remainder of the study, although dispute settlement matters did occasionally arise in some interviews.
- 28 Eagleton-Pierce (2008).
- 29 Page (2003) reviews these perspectives.
- 30 See, for instance Odell (2006); Page (2003; 2005).
- 31 Page (2005).
- 32 OECD and WTO (2009).
- 33 Blackhurst, Lyakurwa and Oyejide (2000); Ohiorhenuan (2005); Page (2003); Deere (2008).
- 34 Blackhurst, Lyakurwa and Oyejide (2000), p. 500.
- 35 Page (ed.) (2006), p. 28.
- 36 For more information, see http://www.thecommonwealth.org/Internal/191502/159353/what_is_hub_spokes/
- 37 Tandon (2004).
- 38 Deere-Birkbeck (2009).
- 39 See analysis of the 'EU Trade Related Technical Assistance Available to ACP States', available at <http://www.delnga.ec.europa.eu/trade/MappingTRTA.pdf>
- 40 Solignac-Lecomte (2001); Deere (2005). See also Bilal, Laporte and Szepesi (2007).
- 41 Deere (2005).
- 42 Tandon (2004).
- 43 Solignac-Lecomte (2001).
- 44 Interview E4.
- 45 See Question 12, Annex 2. Note that these figures need to be interpreted with due caution as the sample is unevenly distributed across countries.
- 46 Based on combined Commonwealth Secretariat and World Bank lists (Annex 1). A list of non-resident delegations is available at www.wto.org/english/tratop_E/develop/genwk_e.htm

- 47 Nordstrom (2007).
- 48 See Question 12, Annex 2.
- 49 A list of missions is available at <http://www.un.org/members/missions.shtml>
- 50 The 'rating average' is a weighted average of the results, with 1st assigned weight of 5, 2nd a weight of 4 and so on.
- 51 See Question 16, Annex 2.
- 52 Interview B8.
- 53 Interview B19.
- 54 Interview G3.
- 55 Mauritius Case Study.
- 56 See Question 15, Annex 2.
- 57 See Question 13, Annex 2.
- 58 See Question 14, Annex 2. Although 70 people answered the question, the remaining seven selected 'other' and noted that they did not know.
- 59 Interview B16.
- 60 Interview B5.
- 61 Barbados Case Study.
- 62 Question 19, Annex 2.
- 63 Interview B7.
- 64 Interview B3.
- 65 Interview B11.
- 66 Question 17, Annex 2.
- 67 The observation by eight respondents that their governments do not produce trade flow data needs to be interpreted with caution, as the majority of small states regularly report trade data.
- 68 Question 18, Annex 2.
- 69 Interview B14.
- 70 Interview B16.
- 71 Ghosh (2008).
- 72 Question 22, Annex 2.
- 73 Question 21, Annex 2.
- 74 Interview B15.
- 75 Interview B16.
- 76 Interview G5.
- 77 Ghosh (2008); Halle and Wolfe (2007); Gallagher, Low and Stoler (eds) (2005).
- 78 Question 23, Annex 2.
- 79 See, for instance, Rudaheranwa and Barungi Atingi-Ego (2005); Halle and Wolfe (2007).
- 80 Bown and Hoekman (2005); Ohiorhenuan (2005).
- 81 Bown and Hoekman (2005), p. 871.
- 82 Stoler (2005); Halle and Wolfe (2007).
- 83 See, for instance, Krugman (ed.) (1986).
- 84 Brock and McGee (2004).
- 85 *Ibid.*, p. 50.
- 86 Bilal *et al.* (2007).
- 87 See, for instance, Page (2002).
- 88 Interview B4.
- 89 Interview C4.
- 90 Question 24, Annex 2.
- 91 ILO (2008).
- 92 Interview C12.
- 93 Interview B5.
- 94 Interview B7.
- 95 Question 22, Annex 2.
- 96 Odell (2006).
- 97 Narlikar (2004).
- 98 Patel (2007).
- 99 *Ibid.*

- 100 Narlikar (2004), p. 167.
101 Bilal, Laporte and Szepesi (2007).
102 Odell (2006), p. 87.
103 Ibid., p. 109.
104 Laurent (2007).
105 Odell and Ortiz Mena (2004), p. 9.
106 The examples noted here are for illustrative purposes only. As there was not an equal spread of respondents from small states across the various regions, we have not attempted to make a comparison of which specific regional groupings possible members considered to be their most important grouping or to see which regional grouping had the greatest number of eligible respondents who considered it the most important grouping for their negotiations. Note that not all respondents provided their country, so it is difficult to ascertain how a particular respondent's country impacted on its choice of which kind of group mattered most or to differentiate how many respondents were eligible to choose interest-based groups versus regional or characteristic-based groups.
107 Question 9, Annex 2.
108 Question 10, Annex 2.
109 Interview 8.
110 Interview E6.
111 Interview E2.
112 Mauritius Case Study.
113 Barbados Case Study.
114 Barbados Case Study.
115 Question 25, Annex 2. Note that this question is rated on a scale of 1 (Never) to 4 (Often). Figures reported in the graph and Annex are based on a subset of respondents directly involved in trade negotiation.
116 Odell (2000); Narlikar (2004).
117 Odell (2001), p. 1. Odell elaborates that a 'distributive strategy' often involves tactics such as 'opening high, misrepresenting one's true priorities and minimum needs, taking others' issues hostage, and worsening their alternative to agreement'.
118 Ibid.
119 Ibid.
120 Question 26, Annex 2. Note that this question is rated on a scale of 1 (Never) to 4 (Often). Figures reported in the graph and Annex are based on a subset of respondents directly involved in trade negotiation.
121 Interview B7.
122 Barbados Case Study.
123 Barbados Case Study.
124 Interview G3.
125 Interview B19.
126 Interview G5.
127 Interview B7.
128 Interview 21.
129 Barbados Case Study.
130 Barbados Case Study.
131 Interview 14.
132 Interview 11.
133 Interview C12.
134 Interview E4.
135 Interview E7.
136 Interview C12.
137 Interview G6.
138 Question 27, Annex 2. Note that this question is rated on a scale of 1 (Never) to 4 (Often). Figures reported in the graph and Annex are based on a subset of respondents directly involved in trade negotiation.
139 Question 6, Annex 2.
140 Question 7, Annex 2.
141 Question 7, Annex 2 (second table).
142 Interview C12.
143 Interview 2.

- 144 Interview B4.
145 Benin Case Study.
146 Benin Case Study.
147 Interview B17.
148 Interview B8.
149 Interview C3.
150 Question 8, Annex 2. This was a means of orienting respondents to constraints that can be tackled, rather than structural constraints which arise from their smallness *per se*. Respondents were given options that were identified in the donor literature (quality and quantity of human resources, efficacy of government institutions, quality of available information, and consultation with the private sector and civil society). These were supplemented with other factors that are identified in the scholarly literature and were identified in an initial focus group discussion with small state negotiators in Geneva (political leadership, negotiating strategy, building coalitions).
151 Question 28, Annex 2.

Annex 1

List of Small States

Commonwealth Secretariat list	World Bank list	Also included in study
Antigua & Barbuda	Bhutan	Benin
Bahamas, The	Cape Verde	Burkina Faso
Barbados	Comoros	Burundi
Belize	Cook Islands	Cameroon
Botswana	Djibouti	Ethiopia
Brunei Darussalam	Equatorial Guinea	Ghana
Cyprus	Gabon	Guatemala
Dominica	Guinea-Bissau	Kenya
Fiji Islands	Marshall Islands	Malawi
Gambia, The	Micronesia, Fed. States of	Mozambique
Grenada	Niue	Sierra Leone
Guyana	Palau	Uganda
Jamaica	São Tomé & Príncipe	United Republic of Tanzania
Kiribati	Suriname	Zambia
Lesotho	Timor-Leste	
Maldives		
Malta		
Mauritius		
Namibia		
Nauru		
Papua New Guinea		
Samoa		
Seychelles		
Solomon Islands		
St Kitts & Nevis		
St Lucia		
St Vincent & the Grenadines		
Swaziland		
Tonga		
Trinidad & Tobago		
Tuvalu		
Vanuatu		

Annex 2

Survey Results

Individuals invited to participate: 374

Average item response rate: 22.4 per cent (minimum = 9.6 per cent, maximum = 38.5 per cent). Some questions were completed by more individuals, who nonetheless did not complete the whole survey.

The survey was available in French and English (Q1 allows the choice)

Throughout the survey results, where 'rating averages' are provided, these represent a weighted average of the results, with 1st assigned a weight of 5, 2nd a weight of 4 and so on.

Q1. Please choose a language for the survey (144 answered question)

English: 107

French: 37

Q2. What country or region do you represent? (93 answered question)

Negotiators from small countries (30 countries)

Barbados 1	Jamaica 3	Seychelles 2
Benin 6	Kiribati 2	St Kitts and Nevis 1
Burkina Faso 1	Madagascar 1	St Lucia 2
Burundi 1	Malawi 2	St Vincent & the Grenadines 1
Comoros Union 5	Mali 2	The Bahamas 2
Cook Islands 5	Mauritania 1	Tonga 1
Ethiopia 2	Mauritius 7	Tuvalu 1
Micronesia, Fed. States of 1	Papua New Guinea 1	Uganda 1
Gabon 1	Samoa 2	Zambia 3
Guyana 2	Senegal 1	Zimbabwe 1

Negotiators from regional organisations:

Africa 1	SADC 2
ACP 1	Pacific 4
Central Africa 2	
West Africa 7	
CARICOM 1	
CARIFORUM 2	
COMESA 1	
ESA 4	
OECS 6	

Q3. Where do you work? (108 answered question)

Government in capital: 52 (48%)

Regional organisation: 21 (19%)

Government mission: 5 (5%)

Other: 30 (28%)

Q4. Are you (or have you been) directly involved in trade negotiations? (110 answered question)

Yes: 81 (74%)

No: 29 (26%)

Q5. How successful do you consider your country to be in achieving its objectives in trade negotiations, compared with other small countries? (88 answered question)

Answer options	Response (%)	Response (no.)
Very successful	4.5	4
Successful	22.7	20
Average	53.4	47
Unsuccessful	13.6	12
Very unsuccessful	5.7	5
	N	88

Q6. How often are the outcomes that your country is seeking in trade negotiations compatible with those of powerful states? (93 answered question)

Answer Options	Response (%)	Response (no.)
Nearly always	2.2	2
Often	6.5	6
Sometimes	48.4	45
Seldom	37.6	35
Almost never	5.4	5
	N	93

Q7. To what extent do you feel your country can influence the outcome when negotiating with the following partners? (93 answered question, not all respondents answered both parts)

	High influence	Moderate influence	Low influence	No influence	Response count
A large trading partner like the EU or USA	3	22	52	16	93
A trading partner of similar economic size	27	38	18	1	84

Further analysis of responses (restricted to respondents who identified whether they represent a country or region)

A large trading partner like the EU or USA

	High influence	Moderate influence	Low influence	No influence
Regional representative	0	10	12	1
Country representative	0	9	31	13

Q8. In your experience, what political and technical factors most increase the ability of small states to have an impact in trade negotiations? Please rank, with '1st' being the most important. (91 answered question)

	1st	2nd	3rd	4th	5th	Rating average
Quantity and quality of human resources	20	11	13	11	9	3.2
Political leadership	17	9	11	5	13	3.2
Effective negotiating strategy	9	27	15	15	4	3.1
Effective government institutions	13	11	17	9	11	3.0
Quality of available information	8	12	8	4	12	3.0
Coalitions with other countries	14	9	10	17	12	2.7
Engagement of civil society and private sector	8	10	12	20	15	2.4

NB: 'Rating average' is a weighted average of the results, with 1st assigned a weight of 5, 2nd a weight of 4 and so on.

Comments:

- La collaboration entre les Ministères (Agriculture, Commerce et Finances).
- Tous ces facteurs sont très importants.
- Différencier la politique et la technique.
- Les deux autres critères sont remplis si les cinq avant sont satisfaits
- Mais le facteur le plus important est le poids économique.
- La qualité des ressources humaines est également un facteur très important pour les résultats à atteindre.
- Exposure of the negotiators to negotiating forums.
- These are all very important and it is difficult to rank them. The differences in the level of importance of all of these is miniscule at best.
- Engagement of civil society and the private sector.
- The other two factors are also important.
- Just as the importance of the engagement of civil society and private sector are important, so are the quantity and quality of available information and human resources.
- Should separate quality and quantity of human resources. Quality is more important.
- All of the above impact significantly.
- Political leadership is also crucial, as it determines the policy direction, and the private sector and civil society also need to have a stake as they are largely affected by the outcomes of the negotiations.
- Effective country dialogue to reach a position prior to any negotiation contact.
- Mutual understanding between government and the private sector, i.e going towards the same objective.
- Effective government institutions take care of the quantity and quality of human resources, the quality of information and clear structures for the engagement of stakeholders. Another key issue is that of financial resources, as the institutions are sometimes overstretched given the many trade negotiations.
- A well-trained pool of human resources will know where to look for quality information.
- Since trade negotiations impact on the activities of the private sector, political leadership is not important in itself, but rather in providing the right environment and appropriate financial resources to help the private sector and civil society to engage and participate effectively in the negotiations by providing information, views and other support to official trade negotiators.
- Public sector fully engaged and aware of the impact of negotiations on private sector industry.
- Adequate preparation and wide public discourse.
- An effective negotiating strategy is important, but it will flow from what has been identified.
- An effective strategy and quantity/quality of human resources and level of preparedness are important.
- All the above factors play a role.
- This segment does not allow for proper answering.

Q9. Which coalition or regional group is most important for your country in trade negotiations? (91 answered question)

Note: Respondents were asked to name the coalition/regional group, and were not given options to select from. Also, the number of survey respondents from each region varied and many of those surveyed were participating in EPA negotiations, where countries have to negotiate in regional groupings. Without a further breakdown of results according to the origin of respondents – and the particular negotiations in which they were involved – the table is not intended to infer the relative importance of different groupings. Instead, its purpose is to provide a snapshot of the diversity of regional and issue-based groups to which countries belong.

Group/region	Number of respondents
ACP Group	1
Africa Group	6
Asia Pacific	2
Cotton-4	2
CARICOM	14
CARIFORUM	6
COMESA	11
ECOWAS	8
ESA	13
G20	1
G77	1
G90	1
Indian Ocean Commission	1
LDC Group	4
None	1
Oceania, New Zealand and Australia	2
OECS	1
Pacific	9
SACU	1
SADC	1
SVE	2
The Horn States	1
UEMOA	1
Do not know	1
Total	91

Q10. What are the main advantages that your country derives from negotiating in this group? Please rank in order of importance, with ‘1st’ being the most important. (90 answered question)

	1st	2nd	3rd	4th	5th	Rating average
Reinforcing regional integration	24	24	20	10	5	3.5
Pooling technical expertise	22	23	22	10	3	3.5
Negotiating as a larger market	21	19	20	16	4	3.3
Increasing political weight	19	14	15	31	4	2.8
Reducing the likelihood of retaliation by powerful states	3	8	4	12	54	1.6

Comments:

- Attirer les investissements directs et étrangers tout en rassurant les réformes des règles au niveau national et en se conformant des mesures des règles internationales. Appui aussi au renforcement des capacités technique et financière.
- Apprendre les bonnes pratiques des autres pays.
- Mieux défendre nos intérêts.
- Safeguarding our regional interests, championing our strengths and advocating for the vulnerable in our society as well as development support.
- Customs revenue has been a highly motivating factor.
- My responses are related to WTO negotiations.
- LDCs have common interest in the trade negotiations.
- Still too small to truly be able to negotiate evenly with larger states/unions.
- This applies to negotiation at multilateral level. The ranking would be different for bilateral negotiations.
- Technical expertise assists if the experts are sufficiently prepared.

Q11. How much influence does your country have within this group, in comparison with other countries? (89 answered question)

Answer options	Response (%)	Response (no.)
Very high	9.0	8
High	30.3	27
Moderate	44.9	40
Low	12.4	11
Very low	3.4	3
	N	89

Q12. How many professional staff work full-time on trade negotiations for your country? (79 answered question, not all respondents answered both parts)

No. of people	0	1	2	3	4	5	6	7	8	9	10	More than 10	N
Your country's mission in Geneva:	17	8	18	5	3	5	2	1	0	0	1	2	62
Your country's lead ministry on trade:	4	7	11	14	5	5	3	7	4	2	2	14	78

Q13. For how many years are officials typically assigned to work on trade negotiations? Please leave blank if not applicable. (36 answered question, not all respondents answered both parts)

Length of time	0–6 months	6–12 months	1–2 years	3–5 years	6–10 years	Over 10 years	Response count
Your country's mission in Geneva:	2	0	4	13	1	0	20
Your country's lead ministry on trade:	3	2	5	8	9	5	32

Q14. In your experience, what do trade officials usually move on to after being posted to Geneva? (70 answered question)

Stay in government	31
Mix of government and international organisation	13
Mix of government and private sector	3
Mix of all 3	1
Leave government	15
Not sure/other	7

Q15. What proportion of staff working on international trade negotiations have an academic degree in any of the following? (85 answered question)

Answer options	Most	Some	Few	None	N
Economics or law	52	18	13	1	84
Subject related to international politics	6	37	21	7	71
Other academic degree	18	17	31	2	68
No academic degree	1	3	9	34	47

Q16. What personal qualities do you consider most important for enabling your country’s negotiators to be effective? Please rank, with ‘1st’ being the most important. (90 answered question)

Answer options	1st	2nd	3rd	4th	5th	Rating average
Experience in trade negotiations	39	24	11	6	3	4.0
Technical knowledge	26	32	20	3	3	3.9
Strategic thinking	15	17	29	7	7	3.3
Work ethic	4	7	4	15	19	2.0
Charisma/personality	3	4	8	20	20	1.8
Language skills	1	3	10	19	11	1.8
Personal conviction	1	3	4	15	16	1.6

Q17. What sources do you rely on most for information and analysis needed for international trade negotiations? Please rank, with ‘1st’ being the most important. (86 answered question)

Answer options	1st	2nd	3rd	4th	5th	Rating average
Government ministries	21	17	21	10	9	3.3
Regional organisations	18	27	16	16	3	3.3
International governmental organisations	18	17	21	20	5	3.1
Your country’s mission in Geneva	16	12	9	9	17	2.9
Non-governmental organisations	10	10	11	19	24	2.3

Q18. How good do you think the quality of information and analysis is that your government produces in preparing for trade negotiations? (86 answered question)

Answer options	Government does not produce	Good	Average	Poor	Very poor	Response count
Trade flow data	8	24	38	13	2	85
Diplomatic intelligence	12	22	22	14	8	78
Economic impact studies	10	17	26	21	9	83
Legal advice	12	18	27	18	8	83

Q19. In your experience, how helpful are private consultants and advisers in preparing for trade negotiations? (84 answered question, not all respondents answered both parts)

Answer options	Country does not use	Very helpful	Helpful	No impact	Unhelpful	Response count
Consultants hired by your government	16	22	36	5	1	80
Consultants provided by donors	2	22	54	1	1	80

Q20. Why do you think small countries maintain a mission in Geneva? Please rank, with '1st' being the most important. (80 answered question)

Answer options	1st	2nd	3rd	4th	5th	Rating average
To keep the government informed on international affairs	26	22	13	10	7	3.5
To influence trade negotiations	27	17	7	10	14	3.3
To improve international perception of their country	16	11	18	11	20	2.8
To maintain relationships with powerful states	6	13	21	23	10	2.5
To secure aid packages	4	15	17	20	20	2.3

Q21. When staff in your country's missions abroad send reports on trade negotiations back to capital, how often do they receive feedback on those reports? (74 answered question)

Answer options	Response (%)	Response (no.)
Almost always	17.6	13
Often	20.3	15
Sometimes	40.5	30
Rarely	17.6	13
Almost never	4.1	3
	N	74

Q22. How effective are formal mechanisms for trade policy co-ordination in your country? (83 answered question, not all answered both parts)

Answer options	Do not exist	Excellent	Good	Average	Poor	Response count
Among government ministries	3	2	31	28	17	81
With the private sector and civil society	2	3	22	28	24	79

Q23. How effective is parliament in holding your government to account on trade negotiation outcomes? (81 answered question)

Answer options	Response (%)	Response (no.)
Not involved	9.9	8
Very effective	3.7	3
Moderately effective	50.6	41
Ineffective	35.8	29
	N	81

Q24. Which actors most influence your government's trade policy process? Please rank, with '1st' being the most important. (85 answered question)

Answer options	1st	2nd	3rd	4th	5th	Rating average
Domestic private sector	45	15	15	5	1	4.2
International donors	21	15	13	8	8	3.4
Foreign private sector	7	18	9	8	14	2.8
NGOs	1	17	16	23	10	2.3
Academia and think-tanks	5	10	7	14	24	2.1
Trade unions	2	4	15	15	13	2.1

Q25. How often do you employ the following kinds of tactics in trade negotiations? (Responses restricted to those currently or previously directly involved in trade negotiations – 64)

Answer options	Often	Sometimes	Seldom	Never	Rating average
Arguments about special and differential treatment	44	12	4	1	3.6
Coalition building	41	15	6	0	3.6
Legal arguments	19	24	13	3	3.0
Working with NGOs	8	25	20	2	2.7
Direct dialogue among heads of state	8	26	15	8	2.6
Involving the development agencies of donor countries	7	25	18	5	2.6
Delay tactics	7	17	25	3	2.6
Adding new issues to the agenda	4	25	24	6	2.5

Q26. How often do powerful states use the following kinds of tactics when negotiating with your country? (Responses restricted to those currently or previously directly involved in trade negotiations – 65)

Answer options	Often	Sometimes	Seldom	Never	Rating average
Imposing stringent negotiation deadlines	43	16	5	0	3.6
Putting pressure on the executive branch of government	26	25	9	2	3.2
Making threats related to trade	27	23	9	2	3.2
Cutting out negotiators by dealing directly with their superiors	26	22	5	8	3.1
Making threats in issue areas other than trade	18	27	8	6	3.0

Q27. In trade negotiations, how often are you concerned about each of the following factors? (Responses restricted to those currently or previously directly involved in trade negotiations – 61)

Answer options	Often	Sometimes	Seldom	Never	Rating average
Withdrawal of trade preferences	35	15	8	2	3.4
Losing aid	25	16	16	4	3.0
Appearing ill-informed	10	27	15	7	2.7
Overstepping the mandate given by your superiors	17	20	9	13	2.7
Offending the country/countries you are negotiating with	9	26	13	12	2.6

Q28. What changes would enable your country to tackle the constraints it faces in trade negotiations? Please rank, with '1st' being the most important. (80 answered question)

Answer options	1st	2nd	3rd	4th	5th	Rating average
Greater priority given to trade by government	27	20	11	10	0	3.8
Stronger links between development plans and trade	23	9	18	7	8	3.4
Private sector priorities driving negotiating objectives	15	19	14	13	8	3.1
Better government understanding of the needs of small economic actors (SMEs, farmers, etc.)	3	17	12	18	11	2.5
Civil service reform (improved salaries, systems, etc.)	8	7	6	12	21	2.2
Increased donor assistance on trade	4	7	14	14	23	2.1

Q29. If you could effect any reform in your country to dramatically improve performance in trade negotiations, what would it be? Please also add any other comments on the constraints small states face in trade negotiations. (56 answered question)

- Training opportunities for trade negotiators.
- Obtain technical assistance to have trade policy adviser(s) located in-country.
- Reform to reduce vulnerabilities to globalisation and focus more on capitalising while mitigating the risks.
- Better legal support on international trade issues for the negotiation teams!! More discussions between government and private sector to figure out future trade opportunities (e.g. new free trade agreements). More time to be spent on alternative solutions when preferential trade options disappear. There is a lot of talk on this, but no initiatives have been seen yet (e.g. from the EU). Please note that my views in this survey relate to the private sector. We are involved in the trade negotiation process, but we do not manage it.
- Systematic linkages with private sector, stronger policy development and analysis domestically, more support for the work of the mission and greater involvement of executive ministries in areas under their remit (i.e. fisheries, services, intellectual property).
- Training of trade negotiators and work-placements in Geneva to enhance the skills of negotiators. CD-Roms with decisions of WTO on trade issues should also be made available to all ministries involved in trade negotiations.
- More collaborative approach between government agencies, development of robust trade policies that link with other legislation and more manpower within the trade areas.
- To gain a better understanding of what our real needs are so we know what is worth fighting for. Also a better assessment of what our future needs may be.
- Human resource development, establishing effective and functioning trade policy co-ordination mechanisms.
- I would lead the country's negotiations. I would not accept lies and misinformation and actually be transparent on all requests. Trade for small island states (SIS) is almost impossible without resources and there is a vital need to show with facts, figures and actual experience that the developed countries are actually imposing a dependency model on the SIS with the trade rules being applied.
- Create a Ministry of Trade to handle all issues relating to domestic and foreign trade. At present trade is handle by three to four different ministries and other organisations.
- Perhaps the establishment of a national consultative mechanism is an area where I can play a critical role. However, adequate funding (and two newly recruited administrative assistants) is desperately needed.
- 1. Institute a legal structure for trade negotiations; 2. Increase accountability of senior government negotiators (e.g. through Parliament); 3. Recruit the most talented government officials for negotiations and ensure they serve for at least five years, especially before being posted to a non-trade mission abroad!!
- Building a team of well-informed negotiators who are knowledgeable and can advance strategic decisions and positions that can better the economies of small countries through trade. However, small economies face supply side constraints to ensure that they are able to compete in the global economy.

- The main change would be that trade be given a higher priority by the government. However, the justification for this is nullified by our declining economic fortunes as liberalisation continues. It has become increasingly difficult to convince governments in this region that it is in their interest to invest resources in the negotiation of trade agreements either in bilaterals or in the WTO.
- Negotiation teams need to be developed who are appropriately remunerated and there is adequate budget to attend appropriate meetings. The team members need to be appointed by the state to maintain consistency and not changed for political reasons or nepotism.
- Civil service reform to minimise the appointment of square pegs in round holes, especially persons who are favoured by the ruling party in government and not necessarily those who are technically competent and qualified to do the job. Increased consultations and dialogue with the private sector and civil society in general. Continuous training on trade-related issues to build capacity within the private sector to articulate their own interests. The inclusion of private sector representatives on the trade negotiation team to best articulate their own interests. Better dissemination of trade information and statistics.
- Capacity building and prioritisation of objectives to suit developments needs. Diversification of trade negotiation experts. Increase in team output and effectiveness. Specialisation in all sectors of trade negotiations. Enough disbursement of funds to carry out trade negotiations and active participation in all regional and multilateral trade talks. Involvement of all non-state actors in mainstream trade policy formulation and processes. Involvement of private sector in same above.
- Financial resources and human resources.
- Economic stabilisation underpinned by a democratic political dispensation.
- Government should be more focused and maintain a core team involved in these negotiations.
- Strengthen and empower trade policy institutions, especially in technical areas.
- Effective and inclusive negotiating structures at national and regional levels; and minimising the influence of donor countries in the determination of our negotiating positions.
- Incorporate trade in the national development plan.
- Ensure that regional governments are unified and participate actively in the negotiations. Small states have little or no ability to influence trade policy positions of major, powerful economies, e.g. the EU.
- The most important is to improve co-ordination among the government ministries, private sector and civil society. The process of preparing national positions should be inclusive, though every so often, civil society NGOs have separate agendas and do not toe the agreed line.
- Build the capacity of trade negotiators, increase technical assistance in trade negotiation areas.
- Ensure that personnel directly engaged in negotiations or the background research are fully trained in international trade – intellectual property rights and other related issues such as WTO agreements (ISPM 15, etc.) – and then ensure that there is a formal mechanism for dialogue on all negotiations between the private and public sectors that actually provides enough time for informed discussions, research and impact assessments.

- The major constraint is the difference between the haves and the have-nots. The majority of our members are small island economies with little capacity to influence trade negotiations with larger trading partners such as the EU. Improving the technical expertise and capacity of our members could improve performance in trade negotiations.
- The reform would focus on recruiting more trade negotiators, providing facilities for private sector to participate in trade negotiations, providing financial resources to access information or employ consultants to work on specific issues, and provide regular training to keep up to date on all trade-related issues. Participation in discussions organised by international organisations such as UNCTAD, other UN agencies and international NGOs would help in influencing trade negotiations.
- 1. A properly staffed Trade Policy Unit; 2. Strong national private sector organisations and sectoral (services/industry) associations; 3. Functional national trade policy co-ordination framework involving government/civil society/NGOs; 4. Current and reliable statistical data bases to facilitate technical analyses in formulating national/regional negotiating positions. Donor assistance should be geared towards assisting private sector organisations in establishing and maintaining a trade policy technical secretariat to facilitate capacity building among its membership and meaningful participation by the private sector in national trade policy formulation and implementation.
- Grant negotiating teams a clear mandate and monitor the execution of the overall strategy instead of the constant attempt by governments to micro-manage negotiations.
- Improvement in data gathering and analysis.
- Greater co-operation among small states.
- Do analytical impact studies; state strategic objectives; recruit capable persons.
- Reform economic policies related to investment, trade and private sector development to further support private sector led economic development while improving social development policies. There is also need to reform the public sector with a view to reducing the number of public servants and streamlining the services provided by government for a more efficient and effective private sector. Overarching this is a need for political reform.
- Improve the quantum, quality and variety of expertise available. More effective political understanding of the trade negotiations and implementation processes. Effective private sector organisations to support and input into the process. Allocation of sufficient resources to enable the process. These address the constraints that I see.
- Ensure that a development plan is established; improve co-ordination between the ministries; increase consultations between the public and private sectors; and improve the quantity and quality of information available.
- Improve human resource and institutional capacity in trade negotiations, including research and analysis skills.
- Make the private sector an integral part of the negotiating team, including providing their representatives with diplomatic passports.
- Reform: recruitment policies, especially on selection, training and retention of staff. The presence of advisers has a more dramatic effect, but is not sustainable.

- Trade needs to be made a priority and be integrated with overall planning of the country. Training for the staff and access to information is critical.
- Consider establishing a multi-disciplinary team of experts who can dedicate a good portion of time to preparing for negotiations and consulting stakeholders regularly. Improved remuneration would help keep them motivated.
- Data to back up arguments would improve performance of trade negotiations for my country, particularly on agricultural products, industry and government Treasury.
- Reformier les voies de communication et de prises de décision (mandat des négociateurs ...) entre les capitales et Genève, afin d'accélérer les prises de décisions.
- Motiver les fonctionnaires en les revalorisant. Qu'on garde toujours les responsables des affaires économiques dans les mêmes places et qu'on recrute des cadres avec des profils économiques adaptés.
- Revoir les programmes de formation.
- Faire une priorité les négociations commerciales, afin de relancer la croissance.
- Réforme de l'organisation de l'administration administrative destinée à doter les négociateurs des compétences nécessaires.
- Mettre en place un groupe de négociateurs professionnels publics-privés avec des pouvoirs reconnus par toutes les parties et notamment la légitimité au niveau des autorités publiques.
- Renforcer les compétences techniques des négociateurs par la formation et une participation plus régulière et soutenue aux réunions de négociations.
- Former le maximum possible de négociateurs, améliorer la communication avec tous les acteurs concernés et constituer des groupes solides avec d'autres petits pays. Pour les petits Etats, il faudra améliorer leur participation aux négociations en augmentant le nombre de négociateurs pour éviter les absences enregistrées très souvent et améliorer leur qualité technique.
- Réformes allant dans le sens d'améliorer la capacité d'offre de mon pays par la mise en place de politique permettant de doter le secteur privé de moyens. Renforcer les capacités de négociations des fonctionnaires en charge des questions de négociations commerciales.
- Former de véritables négociateurs.
- Améliorer la capacité d'offre et des acteurs sans laquelle le pays ne peut vraiment tirer de réels profits des avantages commerciaux qui découlent des négociations.
- Renforcement capacités/formation des fonctionnaires aux techniques de négociation; aide aux missions diplomatiques à Genève; personnel, moyens financiers; réformes des structures de l'Etat pour mieux coordonner les actions de politique commerciale.

Annex 3

Interview questions

- Q1. Name, job title and organisation?
- Q2. What is your role in trade policy formulation?
- Q3. What are your government's core objectives in international trade negotiations?
- Q4. How do you think your country's smallness and levels of development affects your ability to achieve these objectives in trade negotiations?
- Q5. When you enter negotiations, what kinds of information and analysis are most critical for you to have?
- Q6. In pursuing your country's trade objectives, what tactics and strategies do you use to try and influence negotiating outcomes?
- Q7. What tactics have your opponents used?
- Q8. Is there any difference in the way that you approach negotiations with states like the EU or US and how you approach negotiations with economies closer to your own in size?
- Q9. In your opinion, to what extent does a small state's influence in trade negotiations depend on whether its ambassador and trade negotiators possess certain personal qualities that make them more effective?
- Q10. How much trade negotiation experience do people in your mission have?
- Q11. In your view, how close is the relationship between capital and mission?
- Q12. How and by whom are the reports you send back to capital/mission sends to you scrutinised?
- Q13. How is trade policy co-ordinated among different ministries and actors in capital?
- Q14. How active are lobby groups and private interest groups in your country on trade negotiation issues?
- Q15. What regional or coalition groupings are most important at the present time for your country's interests in trade negotiations?
- Q16. What are the main benefits and costs which you perceive from negotiating in the context of a regional or coalition grouping?
- Q17. How does your country influence the group's negotiation positions?
- Q18. What are your country's options if the regional group takes a position adverse to your country's interests?
- Q19. What are the three factors that you think are most critical for a small country to succeed in international trade negotiations?
- Q20. Interviewer's thoughts and comments on the interview in general and cross-cutting themes?

Annex 4

List of people interviewed

Semi-structured interviews

Note: To preserve the anonymity of interviewees, the interview references used in the text of the report have been changed. For instance 'C3' does not correspond to the third capital-based interview listed below.

Brussels-based officials

1. Bertrand Khanyizira, First Secretary, Malawi Embassy to EU, Jul-08
2. Bonny Haufiku, Agriculture Counsellor, and André H. Apollus, Commercial Counsellor, Namibia Embassy to EU, Jul-08
3. Alan E George, First Secretary, Sierra Leone Embassy to EU, Jul-08
4. Sutiawan Gunessee, Ambassador, Mauritius Embassy to EU, Jul-08
5. Audrey Dime, Commercial Counsellor, Seychelles Embassy to EU, Jul-08
6. Stephen Katenta-Apuli, Ambassador, Uganda Embassy to EU, Jul-08
7. Prosper J Mbeni, Minister Plenipotentiary, Tanzania Embassy to EU, Jul-08
8. Roy Mickey Joy, Ambassador, Vanuatu Embassy to EU, Jul-08
9. Bruce Lai, First Secretary, Trinidad and Tobago Embassy to EU, Jul-08
10. Marx Kahende, Ambassador, Kenya Embassy to EU, Jul-08
11. Tupou Raturaga, Counsellor, and Namita Khatri, Trade Officer, Fiji Embassy to EU and WTO, Jul-08
12. Morgan Karinge Githinji, Expert Multilateral Trade, ACP Secretariat, Jul-08
13. Arnold Thomas, Chargé d'Affaires, Organisation of Eastern Caribbean States/Dominica Embassy to EU, Jul-08
14. Emanuel Derek Awuri, Trade Officer, Ghana Embassy to EU, Jul-08
15. Marcia Gilbert-Roberts, Ambassador, and Esmond Reid, Minister Counsellor, Jamaica Embassy to EU, Jul-08
16. Tuala Falani Chan Tung, Ambassador, Samoa Embassy to EU, Jul-08
17. Errol Humphrey, Ambassador, Barbados Embassy to EU, Jul-08
18. Mamoruti Tiheli, Ambassador, Lesotho Embassy to EU, Sep-08
19. Yaya Sow, ECOWAS Representative, Jul-08
20. Arega Hailu Teffera, Ethiopia Embassy to EU, Sep-08 (by email)

Capital-based officials

1. Harrison JK Mandindi, EPA chief negotiator, Malawi, Aug-08
2. Edison Borbor, Policy Division, Sierra Leone Ministry of Trade, Sep-08
3. Dr Richard Konteh, Deputy Minister of Finance and Development, Sierra Leone, Sep-08
4. Aurelie Walker, former Hub and Spokes Programme, Seychelles, Aug-08
5. Abdulla Thawfiq, former trade negotiator, Maldives, Aug-08

6. Douveri Henao, legal expert in negotiations, Papua New Guinea, Aug-08
7. Peter Elimu, Senior Foreign Trade Officer, Uganda (by email)
8. Emmanuel Mutahunga, MTTI Acting Principal Officer (in charge of EPAs), Uganda
9. Silva Ojakol, Commissioner for External Trade, Uganda
10. Trevor Simumba, Trade Policy Expert, Sierra Leone/Zambia
11. Wallie Roux, Trade Policy Expert, Namibia
12. Malan Lindique, Permanent Secretary, Ministry of Trade and Industry, Namibia

Geneva-based officials

1. Joy Kategekwa, former Legal Officer for WTO issues, Uganda Geneva mission, Jul-08
2. Jennifer Neves, Trade Attaché, Swaziland Geneva mission, Jul-08
3. Isabel Mazzei, former negotiator (now with Oxfam), Guatemala Geneva mission, Jul-08
4. Saviour F Borg, Permanent Representative to the United Nations, its specialised agencies and other international organisations in Geneva, Jul-08
5. Manleen Dugal, Technical Adviser for Pacific members of WTO, PIFS Regional Representative, Geneva mission, Jul-08
6. Jose Egidio Paulo, Trade Counsellor, Mozambique Geneva mission, Jul-08

Experts

1. Nicolas Imboden, IDEAS Centre, Jul-08
2. Paul Goodison, European Research Office, Aug-08
3. San Bilal, ECDPM, Aug-08
4. Hunter Nottage, Advisory Centre for WTO Law, Aug-08
5. Vinod Rege, Commonwealth Secretariat, Jul-08
6. Darlan Fonseca Marti, South Centre, Jul-08
7. Luisa Bernal, UNDP, Jul-08
8. Sir Shridath Ramphal, former Commonwealth Secretary-General, Sep-08
9. Edwin Laurent, Head of International Trade, Commonwealth Secretariat, Aug-08
10. Carl Greenidge, Deputy Senior Director, CRNM and former Director, CTA, Sep-08

Participants in Geneva Focus Group Discussion

1. H.E. Arsene Balihuta, Ambassador of Uganda
2. H.E. SBC Servansing, Ambassador of Mauritius
3. Matthew Wilson, First Secretary on behalf of Ambassador Clarke of Barbados,
4. Manleen Dugal, Pacific Islands Forum Secretariat
5. H.E. Kwabena Baah-Duodu, Ambassador of Ghana
6. Kofi Amenyah, Minister Counsellor (Trade), Ghana
7. Rashid Kaukab, CUTS, former South Centre and Pakistan Mission
8. Professor Yash Tandon, Executive Director, South Centre
9. Aileen Kwa, Co-ordinator, Trade and Development Programme, South Centre
10. John Odell, University of Southern California
11. Seline Leo-Lohia, Papua New Guinea/Pacific Islands Forum Secretariat WTO Office
12. Vinod Rege, former Trade Adviser, Commonwealth Secretariat

Interviews for Barbados case study

1. Matthew Wilson, First Secretary, Barbados Mission in Geneva, Aug-08
2. Don Marshall, Lecturer, University of West Indies, Barbados, Sep-08
3. Dr Keith Nurse, Director, Shridath Ramphal Centre, University of West Indies, Barbados, Sep-08
4. Malcolm Spence, Senior Co-ordinator (Intellectual Property/SPS) Caribbean Regional Trade Negotiating Machinery, Barbados Sep-08
5. Ramesh Chaitoo, Services Trade Specialist, Caribbean Regional Trade Negotiating Machinery, Barbados Sep-08
6. Dame Billie Miller, former Minister of Foreign Affairs and Foreign Trade, Barbados Sep-08
7. Joel Richards, Research Officer, Private Sector Trade Team, Barbados, Sep-08
8. Michelle Hustler-Small, Senior Project Officer, Barbados Coalition of Service Industries, Sep-08
9. Cleve Scott, Programme Officer, Oxfam, Barbados, Sep-08
10. James Paul, Chief Executive Officer, Barbados Agricultural Society, Sep-08
11. Carlos Warton, Trade Consultant, Barbados Manufacturing Association, Sep-08
12. Kay Sealy, Chief Economist, Ministry of Foreign Affairs and Foreign Trade, Barbados, Sep-08
13. Teresa Marshall, Permanent Secretary, Ministry of Foreign Affairs and Foreign Trade, Barbados, Sep-08
14. Sandra Phillips, Deputy Permanent Secretary, Ministry of Foreign Affairs and Foreign Trade, Barbados, Sep-08
15. Euclid Goodman, Senior Foreign Service Officer, Ministry of Foreign Affairs and Foreign Trade, Barbados, Sep-08
16. Shantal Munro-Knight, Senior Programme Officer, Caribbean Policy Development Centre, Barbados, Sep-08

Interviews for St Lucia case study

1. Peter Josie, former Minister of Agriculture and board member of WINDECO, St Lucia, Sep-08
2. Guy Myers, Minister for Home Affairs and Security, former Trade Minister, St Lucia, Sep-08
3. McDonald Dixon, Trade Adviser, Ministry of Commerce, St Lucia, Sep-08
4. Randolph Cato, Director Economic Affairs Division, Organisation of Eastern Caribbean States, St Lucia, Sep-08
5. Alicia Stephens, Programme Officer, Organisation of Eastern Caribbean States, St Lucia, Sep-08
6. Calixte Leon, former Trade Adviser and EPA Negotiator, Ministry of Commerce, St Lucia, Sep-08
7. Flavia Cherry, Chairwoman, Non-State Actors Panel, St Lucia, Sep-08

Interviews for Benin case study

1. Kako Nupukpo, French Agricultural Research Centre for International Development (CIRAD), research fellow and university professor in Lomé, Bamako, 24/04/2007
2. Jean-Marie Gnamblehou, Ministry for Trade and Industry, Republic of Benin, Head of the Division for Trade Services, Cotonou, 11/08/2008
3. Ernestine Atanasso, Ministry for Trade and Industry, Republic of Benin, Director of External Trade, Cotonou, 11/08/2008
4. Ambassador Amehou, Ministry of Foreign Affairs and Co-operation, Republic of Benin, Cotonou, 11/08/2008, 12/08/2008 and 20/08/2008
5. Yacoubou Zakari Allou, Agence Interprofessionnelle du Coton, Director of Agreements and Conventions, Cotonou, 12/08/2008 and 19/08/2008.
6. Bio Goura Soulé, researcher at the Laboratoire de Recherche en Sciences Economiques et Sociales (LARES), Cotonou, 12/08/2008
7. Valérie Elegbédé, Ministry for Trade and Industry, Republic of Benin, Technical Co-ordinator, JITAP project, Cotonou, 12/08/2008
8. Noel Lokossou, Ministry for Trade and Industry, Republic of Benin, Permanent Secretary for Relations with ACP Countries and the EU, Cotonou, 13/08/2008
9. Alphonse Moudoukou, MCI (cotton processing factory), Adviser, Cotonou, 13/08/2008
10. Roch Mongbo, University of Cotonou, socio-anthropologist and consultant, Cotonou, 13/08/2008
11. Samson Nougbohoué, National Institute for Statistics and Economic Analysis (INSAE), Republic of Benin, statistician, 13/08/2008
12. Louise Sénou, Ministry of Trade and Industry, Republic of Benin, Director of Competition Regulation and Fraud Reduction. Cotonou, 18/08/2008
13. Félicité Koukou, Ministry of Trade and Industry, Republic of Benin. Division for External Trade, Cotonou, 18/08/2008
14. Marie-Louise Akati, Ministry of Trade and Industry, Republic of Benin. Manager of the JITAP project, Cotonou, 18/08/2008
15. Madame Séphou, Ministry of Agriculture, Farming and Fisheries, Republic of Benin, Technical Advisor. Cotonou, 19/08/2008
16. Désiré Agounoté, Ministry of Agriculture, Farming and Fisheries, Republic of Benin. Manager. Cotonou, 19/08/2008
17. Mr Quenum, Ministry of Trade and Industry, Republic of Benin, Directeur of Regional and International Trade Relations. Cotonou, 19/08/2008
18. Barthélémy Gagnon, Agence Interprofessionnelle du Coton, Permanent Secretary, Cotonou, 19/08/2008
19. Abel Gbetoenonmon, Economic journalist, Agence Afrique Performance, 20/08/2008
20. Benicchio Romain, Oxfam International in Geneva, Policy Adviser for Trade Issues, phone interview, 03/09/2008

Interviews for Ghana case study

1. Gyekye Tanoh, Co-ordinator, Africa Trade Network, Third World Network, Aug-08
2. Professor Ernest Aryeetey, Director, Institute of Statistical, Social and Economic Research (ISSER), University of Ghana, Aug-08
3. Tony Oteng-Gyasi, President, Association of Ghanaian Industries (AGI), Aug-08
4. Cletus Kosiba, Executive Director, Association of Ghanaian Industries, Aug-08
5. Ibrahim Akalbila, Co-ordinator, Ghana Trade Livelihoods Coalition (GTLC), Aug-08
6. Dr Charles Jebuni, Centre for Policy Analysis (CEPA), Aug-08
7. Isaac Osei, Chief Executive, Ghana Cocoa Board (COCOBOD), Aug-08
8. Dr Osei Boeh-Ocansey, Chief Executive, Private Enterprise Foundation (PEF), Aug-08
9. Senior Economist, Private Enterprise Foundation (PEF), Aug-08
10. Hon. JB Danquah Adu, Chair to the Parliamentary Select Committee on Trade and Industry, Aug-08
11. Seth Evans Addo, Chief Director, Ministry of Trade, Industry and Private Sector Development and PSI (MOTI), Aug-08
12. William Kofi Larbi, former Chief Negotiator, Director 'Captains of Industry' Division, MOTI, Aug-08
13. Patrick Poku, Chief Negotiator, Brussels Trade Attaché, Aug-08
14. Emmanuel Awuri, former Trade Attaché, Brussels, July-08
15. Elvis Kofi Amenyah, Trade Attaché, Geneva, July-08
16. H.E. Kwabena Baah-Duodu, Ghana Ambassador in Geneva, July-08
17. Brahms Achiayao, former Chief Negotiator, Director 'Captains of Industry', MOTI, Aug-08
18. Mombert Hoppe, Trade Economist (ODI Fellow), MOTI, Aug-08
19. Ebo Quaison, Multilateral Trade Division, MOTI
20. Irene Maamah, Director of ECOWAS Bureau, Director, Ministry of Foreign Affairs, Regional Co-operation and NEPAD, Aug-08
21. Dr Regina O Adutwum, Director General, National Development Planning Commission (NDPC), Aug-08
22. Technical Adviser to Director General, NDPC, Aug-08
23. Salome Dansoe, Acting Chief Director, Chief Director, Ministry of Food and Agriculture (MOFA), Aug-08
24. Leena Otoo, Deputy Director, MOFA
25. Mary-Anne Addo, Head, ACP/EU Unit/WTO, External Resource Mobilization-Multilateral Division, Ministry of Finance and Economic Planning (MoFEPD), Aug-08
26. Oku-Afari, Director of Policy Unit, MoFEPD, Aug-08
27. Economist, Policy Unit MOFEPD, Aug-08
28. Antoine S Agbadome, HUB Regional Trade Policy Adviser, ECOWAS, Sept-08
29. Dr Gbenga Gregory Obideyi, NEPAD Adviser, Multilateral Trade and Investment Policies Trade and Customs Policy Department, ECOWAS, Sept-08
30. Kolawole Sofola, EPA Support Unit, ECOWAS, former Fellow of the Overseas Development Institute, Ministry of Private Sector Development, Aug-08

31. Kingsley Offei-Nkansah, General Secretary, Ghana Agricultural Workers Union, Aug-08
32. Abena Sono, DFID Ghana Country Office, July-08

Interviews for Mauritius case study

1. Narainduth Boodhoo, Deputy Director, International Trade Division, Ministry of Foreign Affairs, International Trade and Co-operation (MFAITC)
2. R Bahadoor, Principal Agricultural Planning Officer, Ministry of Agro Industry and Fisheries
3. Nuuramsing Baichoo, Analyst, Ministry of Finance and Economic Development
4. Yajoshi Basant Rai, Divisional Scientific Officer, Fisheries Division, Ministry of Agro Industry and Fisheries
5. Vishnu D Bassant, Director, Ministry of Finance and Economic Development
6. Usha Beegun-Ramdun, Senior Analyst, Ministry of Finance and Economic Development
7. Chumpesswur Betchoo, Officer in Charge, Customs Department, Mauritius Revenue Authority
8. S Bhanji, Director, Small Enterprise and Handicraft Development Authority
9. R Bharosay, Ministry of Industry, Small and Medium Enterprises, Commerce and Cooperatives
10. Assad Bhuglah, Director, International Trade Division, MFAITC
11. Dr Arvin Boolel, Minister of Foreign Affairs, Regional Integration, and International Trade (from September 2008; when interviewed was Minister of Agro Industry and Fisheries), Member of the National Assembly (Government)
12. Pradeo Buldee, General Secretary, Mauritius Trade Union Congress
13. Dev Chamroo, Director, Policy and Planning Board of Investment
14. Mahmood Cheeroo, Secretary-General, Mauritius Chamber of Commerce and Industry
15. Mr Chidambaram, First Secretary, MFAITC
16. Nitin K Chikhuri, Ministry of Agro Industry and Fisheries
17. V. Chooramun, Divisional Scientific Officer, Fisheries Division, Ministry of Agro Industry and Fisheries
18. Ambassador Patrick Curé, Permanent Secretary for Multilateral Cooperation, MFAITC
19. Dr Jayen Cuttaree, former Minister of Industry and International Trade (2000–2003); former Minister of Foreign Affairs, International Trade and Regional Cooperation (2003–2005), Member of the National Assembly (Opposition)
20. Amedee Darga, Chairman, Enterprise Mauritius
21. Dookhee, IT Team Leader, Customs Department, Mauritius Revenue Authority
22. Manisha Dookhony Manager, Planning and Policy, Board of Investment
23. Madan Dulloo, former Minister of Foreign Affairs, International Trade and Cooperation (2005–2008), Member of the National Assembly (Opposition)
24. Laurent Law Toon Fong, Legal and International Affairs Officer, Mauritius Chamber of Agriculture

25. Mr Gunnoo, Acting Director, Customs Department, Mauritius Revenue Authority
26. Reshad Hosany, Permanent Secretary, Commerce and Cooperatives Division, Ministry of Industry, Small and Medium Enterprises, Commerce, and Cooperatives
27. Jean-Noel Humbert, Chief Executive Officer, Mauritius Sugar Syndicate
28. Mira Hurbungs, Divisional Scientific Officer, Fisheries Division, Ministry of Agro Industry and Fisheries
29. Ramjit Imrit, Director, Industry Division, Ministry of Industry, Small and Medium Enterprises, Commerce, and Cooperatives
30. Anita Kawol, Environment Officer, Environment Law Division, Ministry of Environment
31. Ambasador Jagdish Koonjul, Ambassador, MFAITC
32. Jocelyn Kwok, General Secretary, Mauritius Chamber of Agriculture
33. Vinod Luximon, Senior Trade Policy Analyst, International Trade Division, MFAITC
34. Raj Makoond, Director, Joint Economic Council
35. Daroomalingum Mauree, Divisional Fisheries Officer, Fisheries Division, Ministry of Agro Industry and Fisheries
36. Mr Moris, Small Enterprise and Handicraft Development Authority
37. Rooma Narrainen, Manager, Mauritius Chamber of Commerce and Industry
38. SFA Anund Priyay Neewoor, Secretary for Foreign Affairs, MFAITC
39. DS Lan Ng Yun Wing, Director, Department of Environment, Ministry of Environment
40. Anoushka Parmaloo, Customs Officer I, Customs Department Mauritius Revenue Authority
41. Yahyah Pathel, Divisional Environment Officer, Ministry of Environment
42. Natasha Ponen, Trade Policy Analyst, International Trade Division, MFAITC
43. Deepnarin Prithipaul, Divisional Environment Officer, Ministry of Environment
44. Lilowtee Rajmun, Assistant Director, Mauritius Export Association
45. Dr G Rajpati, Executive Director, Mauritius Sugar Authority
46. Mandusa Devi Rambaccussing, Trade Policy Analyst, International Trade Division, MFAITC
47. Soraya Ramjanally-Nuthay, Senior Trade Policy Analyst, International Trade Division, MFAITC
48. Rajendra Gupta Ramnarain, Team Leader, Customs Department, Mauritius Revenue Authority
49. Lalldan Ramroop, Director of Trade, Commerce Division, Ministry of Industry, Small and Medium Enterprises, Commerce, and Cooperatives
50. R Sawmy, First Secretary, MFAITC
51. Vishnu Soondron, Divisional Scientific Officer, Fisheries Division, Ministry of Agro Industry and Fisheries
52. Djaheezah Subratti, Environment Officer, Policy and Planning Division, Ministry of Environment
53. Aisha Timol, Chief Executive Officer, Mauritius Bankers Association
54. Danielle Wong, Director, Mauritius Export Association

55. Aslam Yadallee, Divisional Environment Officer, Ministry of Environment
56. Martine SC Young Kim Fat, First Secretary, Multilateral Cooperation Division, MFAITC

Interviews to supplement Papua New Guinea and Tonga desk research

57. Douveri Henao, Legal Officer, Papua New Guinea, 19/08/08
58. Michael Poltorak, Anthropologist specialising on Tonga, 21/08/08
59. Grant Percival, Samoan Association of Manufacturers and Exporters, 27/08/08
60. Wayne Golding, Papua New Guinea Chamber of Commerce, 27/08/08
61. Kathy-Ann Brown, Commonwealth Secretariat Legal Adviser to Tonga, 17/09/2008
62. Barry Coates, Executive Director, Oxfam New Zealand, written response received by email, 20/09/08
63. Samantha Ward, Overseas Development Institute, Adviser to Tonga, written response received by email, 22/09/08

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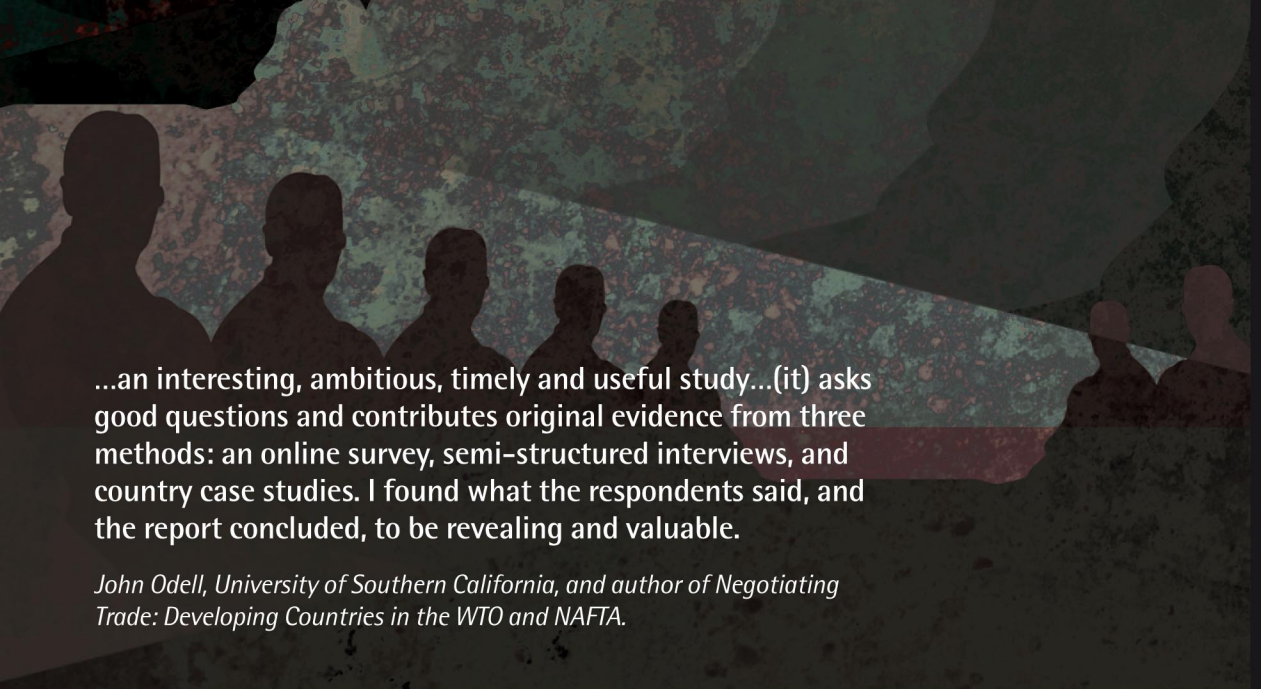
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...an interesting, ambitious, timely and useful study...(it) asks good questions and contributes original evidence from three methods: an online survey, semi-structured interviews, and country case studies. I found what the respondents said, and the report concluded, to be revealing and valuable.

John Odell, University of Southern California, and author of Negotiating Trade: Developing Countries in the WTO and NAFTA.

Of enduring concern for small states are the numerous constraints they face in international trade negotiations. This study provides evidence that small states can still have an important influence over the outcomes of negotiations if they successfully identify and tackle these underlying constraints.

Building on existing scholarship, *Manoeuvring at the Margins* is the first attempt to thoroughly analyse the views of representatives from small states on the constraints they face in this area. The authors, led by Dr Ngaire Woods and Dr Carolyn Deere-Birkbeck of the University of Oxford, highlight three areas where small states can maximise their potential influence: establishing an effective negotiating team by strengthening human resources; harnessing the support of civil society and the private sector; and improving negotiation strategies. The recommendations they provide will be useful in assisting trade policy-makers in small states to achieve greater success in WTO and other trade arenas.



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