

Small states, big deals: a practical framework for trade negotiations



Image credit: Secretary General Scotland with Hon. José Jardim, Finance Minister, Curaçao by The Commonwealth

How can developing countries smaller than many multinational companies secure successful trade deals? Research by Associate Professor Emily Jones is helping to show the way.

Trade is vital for small developing countries: it can help them to achieve their development objectives and bring about lasting economic and social change. But how do you negotiate a trade deal when you are smaller and weaker than the countries you want to negotiate with, and in some cases smaller than multinational companies? Emily Jones, now Associate Professor in Public Policy at the Blavatnik School of Government, carried out research which examined why some small nations achieve success in trade negotiations, while others fail. Crucially, the research was then turned into a handbook that is now widely used by negotiators.

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Useful links:

Global Economic Governance Programme:
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The obstacles to successful trade are significant. Globally, there is a complex network of trade agreements, often brokered by the richest and largest countries who set the agenda, and this puts small developing countries at a major disadvantage. In order to address these challenges, Dr Jones worked closely with the Commonwealth Secretariat and a group of experienced negotiators from a range of small developing countries, under the direction of Ngaire Woods and Carolyn Deere-Birkbeck.

The results, published as a book entitled *Manoeuvring at the Margins*, challenged the conventional view that it was mainly 'institutional weakness' that made small developing countries unsuccessful negotiators. For the first time, the researchers systematically gathered and analysed the views of small states themselves on the constraints they faced and identified some important lessons:

- Power asymmetries between countries cannot be ignored, and it is crucial to recognise and acknowledge this, rather than pretending that small states can be raised to the level of equal players.
- Factual knowledge (such as an understanding of World Trade Organization law) is important, but there are many other fundamental skills that are not specifically taught in certain states – including manoeuvring, strategy and psychological techniques.
- A great deal of wisdom exists amongst small states about how to maximise their chances in negotiations, but this does not necessarily get distilled and transferred to others who might benefit.
- Some of the key constraints faced by small states are in fact not external, but arise from the way in which they choose to prepare and organise for the negotiating process.

Conducting and publishing this research was an important development – but the next step

enabled the findings to have real impact amongst the people who most needed it.

In collaboration with the Commonwealth Secretariat, Dr Jones created a book entitled *Negotiating Against the Odds* – aimed specifically at trade negotiators from small developing countries. This is the first research publication of its kind to provide practical advice for small states on negotiating effectively with larger parties and avoiding common pitfalls. It drew extensively on real-life case studies to illustrate the tactics that smaller countries could use, even when faced with financial and human resource shortages, or pressure tactics from larger countries.

The book has sold more than 1000 copies and has been purchased by or passed on to numerous government officials in developing countries with responsibility for trade negotiations. It is also used in training programmes. Dr Jones recently ran a 3-day executive training course for 35 senior Indonesian government officials in Jakarta, building from the research in her book. In the wake of Brexit, she is now helping to train UK government officials for upcoming trade negotiations. Dr Jones regularly presents her work on the World Trade Organization's Advanced Trade Policy Course, reflecting the book's much wider application.

Assad Bhuglah, Director of Trade Policy at the International Trade Division, Mauritius, describes the book as 'a ray of hope to small states' – a tribute to the way the guide pulls together many different perspectives from academic research into a coherent practical framework.

Further reading

Jones, E. (2013) *Negotiating against the Odds: A Guide for Trade Negotiators from Developing Countries*, London: Palgrave Macmillan.

<http://www.palgrave.com/us/book/9781137320230>