

SMALL STATES IN THE MULTI-POLAR WORLD

Introduction

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Abstract: The multipolar world of present day, with one dominant state and a couple of contender states, is comprised of small, mid-size and large states. Small states comprise between half and two-thirds of the world's states depending on the criteria used for classification. However, their influence is diametrically opposite to their number. The contemporary transnational developments have changed the role and position of small states, giving them new opportunities for international action, albeit concurrently making them more vulnerable to external economic and environmental influences, such as overexposure to one economic activity and the consequences of the climate change. Small states, despite their relatively small importance for the transnational developments, deserve the attention of scholars and the general public, as well as the civil society. Large states could learn from successful small states and be more concerned for the fate of small states. The difficulties of small vulnerable states are predictors of the world's vulnerability.

Key words: small states; small economies; vulnerability; multipolarity; geopolitical economy; dominant and contender states

Tracing the Origins of This Special Issue

Historically, small states have deployed a number of different strategies in their international engagement. They include bandwagoning, balancing, integration, neutrality, non-interference, protection by larger states, and cooperation between themselves. On the hypothesis that opportunities for these had widened with the further advance of multipolarity in the 21st century, we in the Geopolitical Economy Research Group launched the “Small States in a Multipolar World”

research group; our first initiative was a call for papers for panels at the Socialist Studies Society Conference, held at the University of Calgary, in May and June 2016. These panels offered some authors the chance to present their ideas and engage in discussions. Their insights have enriched the final versions of the papers. Two papers have already been published in the previous issues of *World Review of Political Economy* (WRPE). Other papers from the panels constitute this special issue of WRPE. It is devoted to the functioning of small states in a multipolar world and to how small states navigate the struggle between dominant and contender states. The manner in which small states navigate the world order reflects the reality of the asymmetry between a large number of small players/states and a small (but growing) number of large players/states. The large states are the ones that truly matter in the international economy, and they can be divided into the “the game-controllers” (the dominant states) and the potential “game-changers” (the contender states). However, small states deserve attention as well. Whereas the relations between dominant and contender states may be the leitmotif of the geopolitical economy of any era, small states are not without their importance and even effect on it. Our project aims to develop this part of geopolitical economy studies, and the present issue is its first major publication.

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The Dilemmas Facing Small State Scholars

In studying small states and their role in the multipolar world, the authors are faced with distinctive methodological problems. The first is the “eternal” dilemma about the definition of smallness: Can smallness be defined, and if so, can it be quantified? Is the quantification sufficient, or should other non-quantitative criteria be used as well. On the contrary, should the quantification be used at all? Realizing that this is the “eternal” dilemma in small state studies, the authors do not go into this tangled set of questions and, at this stage, simply assume that the countries studied so fit into the category of small states. In any case, even the largest of the states included in this volume, Sweden, can be considered small by relational criteria of regional position and relative power which many consider best suited for defining small states (Appadurai 1996; Campling 2006; Ponížilová 2013; Steinmetz and Wivel 2010).

In this issue, we focus on questions beyond those of definition. They include the following:

- If the intertwined relations of dominant and contender states dominate the multipolar world, how are we to understand the role of small states in it?
- What does it mean to be small in international political/economic relations, in geopolitical economy?
- How has advancing multipolarity changed the meaning and significance of “smallness” compared with a couple of decades ago?
- How does understanding small states and their behavior, including their sovereignty strategies amid the changing patterns of control and the opportunities afforded by and in the interstices of the clashes between dominant and contender states, contribute to our understanding of multipolarity? Since small states, by nearly any criteria, comprise between a half and two-thirds of all states, they should not be omitted in the studies of international economy, and in geopolitical economy. After all, they are the one most affected by the relations between large states.
- The question of choices for small states—their inherent limitations and the extent to which multipolarity expands them—is the one that needs to be addressed particularly.
- There is also the question of the parts of transnational elites originating from small states, and how their relations with other parts of transnational elites affect the international behavior of small states in different parts of the world.
- Are the elites from small and weak states more prone to the influence of transnational capital and the influence of dominant and contender states? Although it seems logical that the asymmetry in power and the ability to reject the influence of the more powerful would point to the positive answer, the things are very often more complicated and need to be addressed.
- Economic smallness does not have to amount to economic deprivation, as the current exceptions (e.g., some Caribbean states, Cyprus, Malta, Seychelles, Mauritius, etc.), which do not have vast natural resources to export indicate. Absolute smallness is therefore less a defining feature of the weakness of a small state than vulnerability to dominant and contender states’ capacity for political disruption and control, and economic appropriation. Here, the regional position and other specific features are what matters, even if we discuss only small island states, which, especially if they are remote and ecologically vulnerable, “by nature” in a deprived position (especially is that visible in small island states of the Pacific ocean). Small island states of the Caribbean are generally better off than small island states

of the Pacific Ocean, for example. Nevertheless, in almost every region there are huge differences. In the Caribbean, the differences in the level of GDP per capita, but nevertheless in the other indicators, such as Human Development Index, between the “Treasure Islands” and Haiti, for example, are immense. We can also find such contrasts in the Indian Ocean. Seychelles and Mauritius are positive examples of small, once developing, remote and ecologically vulnerable island states’ development. In the same geographical region of the world, and at the other, negative end of the spectra, are the Comoros.

- In the world that continues to move toward a higher degree of multipolarity, how may the position of small states be altered? In trying to answer that question, we regard multipolarity as an evolving reality to which the study of small states can contribute significant insights. What strategies are proving to be efficient for small states in the pursuit of better economic and political positions?
- Do regional economic organizations really help small states to confront the influence of dominant/contender states or do they just help subordinate small states to the dominant/contender states within the particular regional economic organization/integration?

It is particularly through the studying of the aforementioned dilemmas that we can realize the specificities of small state behavior in the multipolar world.

The Multipolar World of the Present Day and the Implications for Small States

Among the key changes that have led to the second advance of multipolarity (the first was the period from about 1870 to 1914, the so-called “Second Globalization,” but actually the internationalization, manifested through the relations between the (then) dominant state, the British Empire and the (then) contender states: USA, Germany, and Japan) in the post-Second World War world is the relative decay in the power of the dominant state, the USA and the rise of the contenders. The US position of overwhelming post-war dominance had largely been an artifact of the wars which had swelled its economy while shrinking those of allies as well as axis powers (Desai 2013, 74). So it was not surprising that its 50% share of world production fell fairly quickly: by 1970 it had shrunk to less than 25% and though it appears to have stabilized since then to about 22%, this is in the context of critical questions about measurement (Assa 2015).

This decline did not, however, lead to a corresponding diminution of US ambitions. George Kennan had stated in 1948,

We have about 50% of the world's wealth but only 6.3% of its population. [...] In this situation, we cannot fail to be the object of envy and resentment. Our real task in the coming period is to devise a pattern of relationships, which will permit us to maintain this position of disparity without positive detriment to our national security. (quoted in Desai 2013, 96)

However, despite all the mechanisms—political, economy as well as military—that the USA has deployed in the pursuit of this objective in the previous 70 years, its dominance continues to be undermined.

The Marshall Plan, introduced after the Truman Doctrine was already proclaimed and about the same time as Kennan made his famous speech recommending containment, was essentially an Anglo-American plan to sustain American-centric accumulation by making the mid-size powers and small states whose ruling elites were favorable to USA serve as satellites. The recovery and rising living standards of West European countries, the Marshall Plan's proclaimed intention, were actually its side effects while also helping to cut support for left parties, which was particularly important in Italy and France.

The USA continued its central role of the enforcer of this system, followed mainly by the United Kingdom (the City, although no longer the premier financial center of the world, retained its important role and became particularly important from the 1990s). North Atlantic Treaty Organization (NATO) was an important part of this system and most of its members could, by most of the criteria used, be considered as small states (Denmark, Norway, Luxembourg, etc.). There were also other small states which played an important role, including dependencies of particular former colonial powers and US allies such as Hong Kong, Singapore, the province of Taiwan, the Treasure Islands, and so forth. The states that cannot certainly be considered as small, such as South Korea, and former enemies and now prime allies (Germany, Japan) were supported by the US capital flows. That helped to realize the concept of the Triad, its three pillars the Anglo-America, the Western Europe (and today the European Economic Area plus Switzerland and old European microstates), and Asia-Pacific Rim (Japan, South Korea, the Asian Tigers, Australia and New Zealand).

The US military dominance, backed by economic power, the economic penetration of new post-colonial markets, backed by military power, and the support for military governments and juntas in the Third World only managed to slow the pace of the relative decline of the US economy in the world, making it, concurrently, the world's most indebted state. Wall Street and its role, the introduction of the dollar as the world's reserve currency and the conversion of working-class incomes into a global consumption service were designed and protected to prolong the perceived US hegemony and make the US capable of fully emulating the role

of the British Empire. One of the best examples of the use of the US military-industrial complex and the overwhelming military power was in the late 20th century used by the neoconservatives in the G.W. Bush Administration to ensure “A New American Century.”

As North Atlantic capitalism ages, the changing nature of capitalist enforcer role changes over time. It enhances the capitalist sovereignty of some metropolises, creates new interstitial opportunities for intermediary and small states, disrupts and destabilizes populations and nation-states including the USA, and extrudes excluded contenders.

For the Great Recession, primarily experienced by the developed economies, and demographic stagnation of the developed countries, and the demographic boom of the underdeveloped ones, as well as the prodigious growth of China and, to a lesser extent, other large emerging economies, especially India and Brazil, the “weight” of the developed world economies have sharply decreased in the world economy in just 10 years. It is worthwhile noting that in 2004, the share of the European Union (EU) in world economy was 31.4%, the share of the US was 28.1%, and Japan’s share was 10.7%. Combined, the three pillars of the Triad stood at over 70%. If South Korea, Taiwan, Singapore, Norway, Switzerland, Iceland, and a couple of highly developed European microstates were included, the share of the Triad was about three-quarters of the world economy. Ten years later, in 2014, the share of the EU was 23.8%, the US stood at 22.2%, and Japan 5.9%, its share decreasing the sharpest. Combined, the pillars of the Triad had 51.9% of the world’s GDP, their combined share been cut by about 25% in just a decade. Concurrently, China’s share in the world’s economy, which in 2004 was 4.5%, rose to 13.4% in 2014.¹ Therefore, in just 10 years, China’s share has risen almost 300%. As Kellogg (2015, 262) points out, “In China, national income per capita increased 674 percent.”

If we observe the data about GDP corrected in accordance with purchasing power parity (PPP), the situation in 2015 was the following: China’s share of the total world GDP was 17.08%, the EU’s share was 16.92%, and the US’s share was 15.81%. India was responsible for about 7% and Japan for 4.26% of the world’s GDP (PPP).²

Trends on variables such as the rise and fall of national incomes, both per capita and as shares of the world total, share of world manufacturing, with a specific focus on distribution of the key sector of high-technology manufacturing, and the distribution of large corporations, support the thesis of the emergence of a multipolar world system (Kellogg 2015, 260).

The aforementioned economic developments have indirect political, military and geopolitical implications: The Asianization of the international economy may also lead to a gradual Asianization of international politics, which can bring the

large Asian nations (China and India) and one Eurasian large nation (Russia) together into at-par relations with the West. That India and Pakistan (despite their arch-rivalry in the Indian subcontinent, and complicated relations when put into a triangle with P.R. China, as well as the overarching “supervision” of the subcontinent by USA) are bound to join the Chinese-led Shanghai Cooperation Organization (SCO)³ demonstrates aspirations to coordinate Asian security. In a way, it reminds us of Greece and Turkey entering NATO together, in 1952. A realistic possibility that Turkey has, after the referendum of April 16, 2017, said its final “Goodbye” to the EU (after the EU effectively ended its stalled negotiations with Turkey anyway), and may enter the SCO⁴ instead is not only the expression of Mr. Putin and Mr. Erdogan’s renewed good relations, but it has long-term geopolitical implications in the direction of multipolarity. The consequences for NATO could be even more serious than for the EU, although these two organizations cannot be viewed separately at all when it comes to security.

The multipolarity thesis conclusion drawn from the data shown in the previous section is the following: The fluid relationships at the apex of the world’s economic, political, and military power are slowly, albeit surely moving into the direction of reducing the (relative) importance of one pole, that is, the dominant state, due to the rising importance of contender states.

Our understanding of multipolarity, and related phenomenon such as the limits of Anglo-American empire or the rivalry of dominant and contender states (see Desai 2013, 2–3, 10–11), can be deepened by the study of other states actors, no matter how small and constrained these are by the dominant powers. Strategies, patterns of actions, specificity of regional positions of small states, have to be addressed when it comes to the past, present, and future world of multipolarity. Each small state represents a case for itself. However, we believe that similarities in the patterns of their behavior can be identified if we study external and internal factors that influence them. While small states are a diverse category, they also have some basic similarities (smallness of territory, population, or economy, or smallness of all three mentioned characteristics), and studying their role and position in the multipolar world offers a huge pool of new conclusions. Thus, the purpose of this special issue is to address small state problems and its specificity in the multipolar world and to point out the possibility to use geopolitical economy in studying the aforementioned issue. The perspective of small states can lend insight, whether we define multipolarity through the categories of states, groups of states, or geographical redistributions of economic and political power:

- (1) Multipolarity is rooted in (increased) Asianization of the global economy, and by (challenged) extension, Asianization of the world order. The Asianization of military domination and global popular culture is far

slower, though large Asian states are narrowing the gap on these fields too. The influence of China and India in the cultural field is immeasurably lower than that of the USA, but it is growing.

- (2) We can expect that these processes will continue into the medium-term future. For us, two are the most important:

The rise of contenders, we believe, will continue to be more rapid than the rise of dominant states, and the role of the nation state/national economy will not decrease, thereby creating conditions for a truly multipolar world in the first half of the 21st century. (Kurecic and Kampmark 2016, 43)

The continuous economic growth of the emerging economies, which is considerably higher than the rise of the developed economies, and has not undergone the Great Recession, the demographic trends, which favor the emerging economies above the developed economies (especially the European economies and the Japanese economy), the rise of social cleavages and xenophobia in Europe that will lower the immigration needed to replenish the workforce, the need for large security apparatuses (due to terrorist activities) and the tendency toward larger military spending that will burden the economies of Europe and USA represent some of the factors that will reduce the gap between the nominal and relative “weight” of economies of the developed world (comprised of the dominant state and its allies mostly) and the emerging economies (comprised mainly of contender states, as well as mid-size economies either more oriented toward contender states or to the dominant state).

We believe multipolarity is likely to increase in its degree in the foreseeable period, due to demographic and economic expansion, and to a lesser degree (at present) political and military development. Whether we observe the mobility of capital, the influence of Russia via military interventions, and the ever-increasing economic and coordination capacity of P.R. China, as they impact and are navigated by small states, the trends are evident.

On the one hand, multipolarity is also visible in the factors that contribute to the persistent rise of P.R. China, such as “quantitative easing”—transferring wealth from the public to private capital, which contributes not just to the saving of capitalism from itself (Kellogg 2015), and the increasing influence of contender states (China and Russia primarily) in the regions of the world where small and/or weak states prevail, as shown in the paper by Kurecic. On the other hand, the influence of emerging economies or states with renewed influence (China and Russia) in the small island developing states (SIDS) is a reality, and it is bound to increase, as pointed out in the paper by Anderson. These multipolar relations fit into the perspective of uneven and combined development.

Nevertheless, the USA seems to be again going through another period of what Seymour Melman called “Pentagon capitalism,” whereby militarized “state management,” typified by the actions of Secretary of Defense Robert McNamara, drew an ever-tighter loop around economic, military, and political authority (Farish and Vitale 2011, 778). The US military-industrial complex could again be the main driver of the global capitalist economy, explaining the United States’ military presence in almost every part of the world. However, that would not necessarily mean that the pace of multipolarity would slow down.

With the dissolution of 19th-century empires, and the further demise of the Soviet Union, the number of states in the world has more than quadrupled; the overwhelming majority are small and mid-size states, in most cases former colonies or their parts. While formally sovereign, most of these states are neither substantively sovereign nor independent, because their economies are critically dependent on larger states, international financial institutions, and multinational corporations. The situation in this sense has not changed fundamentally. It is neocolonialism and neo-imperialism in its prime, pillage refined and fine-tuned.

If we observe only the states, and do not study other actors in the international political and economic arena, it is apparent that relations and processes are crucially defined by less than a dozen or, at the most, less than two dozen states. Therefore, if we do not include regional organizations/integrations/military alliances, and instead focus on the organizations that have global or superregional importance, we are facing small groups comprised of large players—take for example the UN Security Council with its five permanent, veto-capable member states. There is also the G7, with its seven developed large states (economies). Alternatively, there are the Brazil, Russia, India, China and South Africa (BRICS), an organization of five-member states. While highly asymmetric in power, combined they represent about 40% of world’s population. Although the BRICS do not have the economic power of the G7, and probably never will, they are responsible for a huge proportion of the world’s economic growth, and their share in it is currently rising. Although most of the emerging economies (for example the group called the MINTs for Mexico, Indonesia, Nigeria, and Turkey) are showing a higher GDP growth rate than Russia or Brazil, the sheer size and growth of these states and their economies makes the BRICS a prime association of contender states. Finally, there is G20, heterogenic and highly heterogeneous; its operational capabilities and therefore its effectiveness are doubtful. Even if we study G20, we are still missing 170+ states (We are intentionally evading the term “sovereign states,” due to the fact that most of these states are *de facto* not substantively sovereign. They are highly dependent on larger states or protected by them and are dependent on international financial institutions, among other sources of dependence). Nevertheless,

these states exist, and their existence and their territorial integrity (albeit in a much lesser degree) are in most cases not seriously disputed.

A Brief Overview of the Papers

Alberto Martínez Delgado's paper, "Fragmentation and Weakening of States: Instruments of Global Domination," studies the role of the state in the contemporary geopolitical economy, emphasizing the dual role of states (as a utility and as a threat), the embodiment of the interests of the dominant social groups, the competition and belligerency between states, and the interaction with other economic and social institutions. The author underlines the dominance of the oligarchic-imperial ideology, in its different variations, even over some expressions of the new postmodernist left and the double global-imperial policy of dismembering non-hegemonic states, on one hand, and weakening of the state institution, usurping some of its traditional functions (particularly those related to a direct economic role) even inside the hegemonic states. To support his theses, the author refers to the geopolitical texts by Brzezinski and Kissinger from the late 1990s, about the role of preserving the American dominance. Martínez Delgado conceives multipolarity as the global dominance of a few countries, hierarchically structured; he presents subordination between poles as egalitarian international relationships, or as relaxed and fluctuating dependence. Clearly identifying USA as the dominant state of the present day, the author emphasizes the role of free-trade agreements as the prime instruments of economic dominance. The "dismembering" of the non-hegemonic states stands out as one of the prime roles of the oligarchies, operating mostly from the hegemonic states. Martínez Delgado weighs against this role Soros' contrasting elite vision, adopting the Popperian notion of the "open society" as a nuance to be introduced in global monopoly capitalism:

The difference between global capitalism and a global open society is not great. It is not an either/or alternative but merely a change of emphasis, a better balance between competition and cooperation, a reassertion of morality amid our amoral preoccupations. (Delgado 2017 in this issue of WRPE)

As New Left answers to the oligarchies' hegemonic visions, the author concludes that the constructivist-discursive theories of Laclau-Mouffe, and the Spanish party Podemos are still submitted to the oligarchic ideological dominance.

In his paper, "Small States and Regional Economic Integrations in the Multi-Polar World: Regional Differences in the Levels of Integration and Patterns of Small States' Vulnerability," Petar Kurecic draws on the multipolar world model to characterize small states' reactions to multipolarity, in relation to their regional

affiliation. Kurecic analyzes the responses (as the products of strategies or sometimes as “logical” reactions without too much strategy behind them, either because of the various chains of events, or the incapability of small states to act independently, according to their strategies) of small states to the multipolar world, particularly through their access into regional economic organizations. Kurecic founds his inquiry upon Desai’s (2013) multipolarity model of the dominant and contender states’ struggle for dominance in the world economy. Connecting the relation of small states toward the dominant and contender states with the regional position of small states, Kurecic employs Desai’s framework to explain the reactions of small states to multipolarity. Systematically categorizing relations between small states and dominant/contender states in every region of the world, the author offers us an overview of the complex regional relations through the lenses of the small states’ roles in the multipolar world. Kurecic concludes that the influence of P.R. China on small states is by no means an exception; it is visible in almost every region of the world impact. Small states, especially those that are economically weak and dependent, represent the perfect objects of influence for the dominant state and for the contender states. The author further concludes that the EU, which protects its small members against an overarching Chinese and/or Russian influence (which is a privilege that small states in most regions of the world do not have), currently lacks real mechanisms to protect its small states (economies) against the influence of large EU members and transnational capital originating primarily in the long-standing connection between German and Atlantic capital.

The paper “Human Development Strategy in Small States” by Tim Anderson discusses the specificities of small island states when it comes to human development. One of the most interesting features of small island states is their vulnerability, which is often a product of both smallness and remoteness. Anderson studies human development strategies, the constraints imposed by neoliberal globalism, and better practices arising in recent times. Anderson points out that small island states have particular vulnerabilities but may also benefit from counter-leverage and realignments within new regional blocs, given appropriate priorities and sufficient political will. There are already a number of relevant and important “post-Washington consensus” themes and lessons from the BRICS, CELAC (Community of Latin American and Caribbean States), and ALBA (Bolivarian Alliance for the Peoples of Our America) groupings. These have much to do with redefined, more egalitarian policies, which make education and health more affordable and available social inclusion, and participation, and less to do with a focus on the exploitation of natural resources. The author considers the strategic opportunities and challenges for small states within the new forms of integration presented by an emerging multipolar world with its new regional blocs. Best practice has come from sustained and focused human capacity building. Anderson observes that there are no examples of

strong human development in small island states built on resource extraction strategies, but several human development successes in those which are relatively resource poor but which have invested heavily in human capacity. Thus, historically, appropriate priorities and longer-term commitment have proven critical.

In the paper “Latin American ‘Neo-Developmentism,’ State Action and Supranational Realignment: What Consequences to Multipolarity?”, Sergio Ordóñez and Carlos Sánchez propose a new perspective upon new capitalist phases of development and advocate pursuing a Latin American alternative to neoliberalism, “Neo-Developmentism” (as other alternatives, the authors mention Scandinavian solidary liberalism and the Asian selective corporatism). Before discussing Neo-Developmentism, the authors explain the Gramscian contribution to the extended state concept: as an inverted reflection of the historical bloc. While historical bloc refers to the set of agreements, alliances and commitments between all social classes and groups that result in the configuration and reconfiguration of a national space around a historical project, the extended state refers to the ruling classes’ set of praxis tending to maintain and recreate its dominance in the same space and in terms of the same historical project. The passage to “Neo-Developmentism” in South American countries took place upon the basis of the remains of the old corporatist historical bloc preserving the hegemony of land-owners and agro-mineral-exporting bourgeoisie alliance, inherited from the Industrialization by Import Substitution (ISI) and neoliberalism, in addition to transnationalized financial and industrial groups. Neo-Developmentism had, the authors claim, produced high growth rates, diminishing social inequality, social inclusion, and the emergence of new international middle classes until the year 2011. The achievements of Neo-Developmentism had been accomplished based on commodities exports to Asia and particularly to China, and by an inner re-distributional policy of the agro-mining international rent undertaken by the national states, resulting on new industrial policies and on social inclusion. When discussing the geopolitical economy aspects of Neo-Developmentism, the use of external power to improve a geo-economic and political realignment with the contender states (the BRICS), namely China and Russia, and the Global South, is emphasized. The authors particularly study Brazil’s and Argentina’s Neo-Developmentism, centered on state action. Supranational realignment of the aforementioned states and the possible consequences to multipolarity of the recent setbacks suffered by the progressive governments is discussed as well, noting that these trends will not stop China, the BRICS and the Global South from reconfiguring South America further, though another push might have to wait until the next expansive phase of the commodities prices cycle.

Mara Fridell studies neoliberal-inclusion politics in 21st-century Sweden, which casts contrasting light on social democratic citizenship instituted as a small

state strategy moderating exploitation and appropriation within global monopoly capitalism's hegemonic geopolitics of war, migration, and accumulation. In "The Social Democratic Small State Strategy and Immigration: Sweden in the 21st Century," Fridell has chosen small states—and Sweden as a venerable small state—as an object of study due to their renewed importance and interest of the academic community. Fridell asserts the importance of seasoned small state scholarship insights to multipolarity model development: Given the massive militarized economic power of global hegemonies, spectacular organized challenges, or just back-foot belligerency toward those global hegemonies surface and recede over time. Yet hegemony both coheres and destabilizes. While China reels, Russia reacts, India festers, and a chastised Latin America defers again, organization, insurgency and electoral defection brew and boil in the Atlantic Anglo-American heart of the global capitalist system. Moments of shaken faith in the ascendancy of the semi-periphery provide a geopolitical analytical opportunity to restore curiosity about how some societies have maintained divergent policies, practices and culture against political-economic domination for over a century. Among the states that have pursued sovereignty in the interstices between dominant and contender states, the Nordic actually-existing social democracies have in particular sought to investigate what they have called small state strategy. Fridell analyzes the Swedish small state's contemporary navigation of hegemonic power pressure in a study of immigration reform politics and policy. Dissecting the tendentious neoliberal efforts to portray Sweden in an immigration crisis requiring labor market deregulation in conformity with Atlantic Anglo-American and German hegemon strategy, Fridell compares the central features of immigration policies in Europe, uncovering the intervening role of female labor in the Swedish state and by contrast in more conservative states' patriarchal reproduction. Fridell finds that from its late 19th-century origins in economic deprivation, the resilient social reproduction of the small state's social democratic model is not only rooted in historical, insurgent socialism and institutionalized labor power but also secured in the capillary embedding of high-skill female labor within the state. It is this institutionalization of socialist-feminist social reproduction that has permitted the small state society and economy to develop in a semi-sovereign way, affording it outsized immigration capacity and some significant resilience against dominator-contender hegemony.

The authors Petar Kurecic, Goran Luburic, and Goran Kozina, in a paper "Smallness of the Economy as a (Dis)advantage: The Evidence from Selected Interdependent Macroeconomic Data," analyze the effects of smallness of the economy on a sample of the smallest economies in the world from 1980 to 2014. Upon a theoretical discussion about the various classifications of small economies and the particularities of small economies, emphasizing their openness

and vulnerability as the main negative characteristics, and on the other side, the capacities for rapid change/adaptation and cohesion as the main positive characteristics, the authors pursue an economic analysis, analyzing sets of macroeconomic data (foreign direct investment [FDI] net inflows in current US\$ and GDP in current US\$; external debt and GDP), and calculating correlation between FDI and GDP for 40 smallest economies, classified by their total GDP. What have attracted the attention of the authors particularly are two different groups of small island states: SIDS and so-called *Treasure Islands* (the title of N. Shaxson's book). The authors have done a regression analysis between the FDI net inflows (independent variable) and the gross fixed capital formation (GFCF), as well as between the FDI net inflows, and the growth of external debt (dependent variable) for the 10 smallest economies. The results were used to ascertain whether there is a significant connection between FDI and external debt and if it can be mathematically modeled. The authors conclude that there is a significant correlation between the FDI and GDP in most of the studied small economies. The authors were also able to identify the effect that they refer to as "the Treasure Islands effect." They have found that the median value of FDI in GDP for the 40 smallest economies in 1981 was 4.0%, while for the 40 smallest economies in 2014 it was 4.2%. But seven small Caribbean island economies showed a much higher median FDI value in GDP of 10.1%. Linear regression shows that FDI and external debt are significant interconnected variables. So the connection was also shown between the increasing FDI and the increased external debt.

Notes

1. See http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Share_of_world_GDP,_2004_and_2014.png.
2. See http://www.economywatch.com/economic-statistics/economic-indicators/GDP_Share_of_World_Total_PPP/.
3. See <http://www.livemint.com/Politics/LmKr3SGD8AQWLs2t93VII/Entry-of-India-and-Pakistan-in-SCO-will-contribute-to-region.html>.
4. See <https://sputniknews.com/politics/201611231047740077-turkey-sco-membership/>.

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