



Instrumentalizing the European Union in Small State Strategies

Alyson J.K. Bailes & Baldur Thorhallsson

To cite this article: Alyson J.K. Bailes & Baldur Thorhallsson (2013) Instrumentalizing the European Union in Small State Strategies, *Journal of European Integration*, 35:2, 99-115, DOI: 10.1080/07036337.2012.689828

To link to this article: <https://doi.org/10.1080/07036337.2012.689828>



Published online: 16 Jul 2012.



Submit your article to this journal [↗](#)



Article views: 2098



View related articles [↗](#)



Citing articles: 7 View citing articles [↗](#)

ARTICLE

Instrumentalizing the European Union in Small State Strategies

ALYSON J.K. BAILES* & BALDUR THORHALLSSON

Faculty of Political Science, University of Iceland, Reykjavik, Iceland¹

ABSTRACT The paper argues for exploring the functionality of the EU in small states' comprehensive security strategies. Institutions and states today frequently publish security 'strategies' defining their overarching aims and policy principles. For small states, membership of regional institutions can be a strategic aim—easing multiple security concerns—but itself tends to modify strategic agendas and discourse. The paper argues that the EU offers small European states soft security strategic options not previously available nor (currently) paralleled elsewhere; and that small states can and do make use of this broader 'shelter', albeit at a certain cost. It calls for an update of the small states literature by focusing on the importance of existential and 'soft' security benefits increasingly offered by multilateral institutions like the EU.

KEY WORDS: small states, security, strategies, European Union, alliance, soft security, multilateral institutions

Introduction: Framing the Issue

The original small states literature primarily focused on the inability of small states to defend themselves from a military attack and economic vulnerability (Baker Fox 1959; Vital 1967; Archer and Nugent 2002). It commonly claims that small states need to find a protecting power or to join an alliance in order to prosper, economically and politically (Keohane 1969; Handel 1981; Steinmetz and Wivel 2010). The literature's key concepts, vulnerability and a lack of capabilities (Neumann and Gstöhl 2004), were developed from observations based on the world order of the 1960s, the Cold War and the de-colonization process, and thus defined security almost exclusively in 'hard' military and economic terms.

Correspondence: Address: Alyson J.K. Bailes, Faculty of Political Science, School of Social Sciences, University of Iceland, 101 Reykjavík, Iceland. Email: alyson@hi.is

Increased globalization, the neo-liberal international economy and the post-Cold War order have challenged these assumptions. From the 1980s and especially after 1990, small state studies shifted their focus and became occupied with the more prosperous entities in this class. Small states were suddenly seen as smart, innovative, resilient and more flexible in responding to global competition (Katzenstein 1984, 1985; Briguglio, Cordina, and Kisanga 2006; Cooper and Shaw 2009). On the other hand, the financial crisis starting in 2008 has clearly indicated that small states are more than ever hostage to the broader fortunes of the international economy. Good economic management and central administrative competence are of key importance for such small, open and interdependent entities in order to limit external shocks (Thorarinsson and Petursson 2010; Pétursson and Ólafsson 2010; World Bank 2011; Briguglio *et al.* 2010). Also, membership of international bodies such as the EU and the IMF has proved a crucial and generally positive factor for small states striving to cope with economic crisis (Panke 2010; Thorhallsson 2011). Accordingly, the small states literature has been forced to turn back to its original findings on economic vulnerability.

It remains, however, a weakness of the classic small state analysis that it has not paid sufficient attention to 'new' threats and risks which have become the most frequent concrete challenges for small states as for others. They include human and animal epidemics, cyber security, infrastructure breakdowns, interruptions of supply, and natural disasters (whereby, for instance, a single volcano may close most of Europe's airports for days if not weeks). While traditional analysis has focussed on small states' ability to deal with 'hard' military attacks (Neumann and Gstöhl 2004), actual policy-making in many small states even before the Cold War's end was less concerned with this and, instead, saw their territory, integrity and welfare under threat from the effects of increased globalization, non-state violence or environmental degradation (as an early example see Commonwealth Consultative Group 1985).

When it comes to security solutions, historically small entities have always sought protection by larger neighbours (Alesina and Spolaore 2003). The world order after the Second World War offered small states a new alternative, namely to seek protection through membership of multi-lateral institutions. Membership of the United Nations provided general recognition by the international community. The International Financial Institutions similarly provided aid and economic shelter, albeit often at the cost of conditionality imposing severe constraints on states' domestic policies. Many European states also sought economic shelter and political solidarity through membership of the EU and military security through membership of NATO, although a few smaller states preferred neutrality in order to preserve their independence. Others, notably the smallest European polities—Andorra, Monaco, San Marino, Liechtenstein and primarily Iceland—continued to seek economic and military protection preferentially from their large neighbours.

This analysis now needs updating to accommodate the modern spectrum of 'softer' security concerns, and the increased variety of international or

regional organizations now addressing such issues—some of them with unprecedentedly transnational and integrative approaches. These multilateral fora range from global agencies and processes such as the climate negotiations, and activities of UN agencies like the World Health Organization; down to regional entities like the EU with its multiple competences, and smaller ‘sub-regional’ or neighbourhood groupings that address local environmental, transport, infrastructural and other societal challenges (Roberts and Vigilance 2011; Cottey 1998). Through their coordination, resource re-distribution, and regulatory activities such groupings can achieve an impact on non-military security phenomena that not even the most powerful single state could hope for. This ‘added value’ is available among others to the large number of small European states that have joined or applied to join the EU up to 2011, though some of them are held back by their electorate or denied entry (Avery, Bailes and Thorhallsson 2011). Member states’ various ‘soft’ security preoccupations and vulnerabilities have in turn helped drive the EU’s increasing activism in areas like energy security, crime and migration control, and disaster response.

The EU is notoriously difficult to categorize and to compare with more traditionally defined ‘institutions’, but that merely increases its interest for the present enquiry. Not only does it impact upon security for its members (and neighbours, and partners) at many levels and in an unusually wide variety of fields, but it governs itself in new ways that moderate the traditional realist calculus of big-small state relations. Thus Katzenstein (1997) argues that small states seek EU membership in order to limit their economic dependence on Germany; the more closely a small state is involved in the European integration process, the fewer direct constraints it encounters from large neighbours. This raises the question, largely neglected by the small states literature, whether small states may be driven towards an EU ‘shelter’ by other soft and/or indirect security benefits that they perceive as being offered on good terms or at least, do not wish to be excluded from. Do EU non-military security policies, in fact, provide small states with solutions not available from their larger neighbours or from more traditional international organizations?

Concepts from the small states literature may also need adapting to the changed spheres, formats, and governance modes in which multilateral frameworks offer security. For example does ‘the alliance concept’ hold good when transferred from traditional military threats to other dimensions where small states are vulnerable? Is using an institution like the EU for ‘shelter’ directly analogous with using a state or traditional alliance for the purpose, and if not why not?

Such questions could be addressed in many ways. This study seeks to explore potential small state approaches and their implications, with the help of observed examples, through the medium of the relevant national security (or broader external) ‘strategies’. The first part of the paper therefore looks at the meaning of national ‘strategy’ in a twenty-first century context. What happens and what ends are being sought when a modern state publishes something called a [security] strategy? The section then looks for possible common features in European small states’ actual strate-

gies, and asks what role(s) multilateral institutions specifically might play within such a framework.

The remainder of the paper explores the European Union's possible strategic relevance for small states, starting with a table of its stronger or weaker security functions. It asks how the traditional calculus changes when a small state seeks something other than 'hard' traditional security by engaging in new-style, deep-reaching regional integration. The final conclusions offer provisional findings and further research suggestions.

'Strategy' and Small States

In the last 15 years, NATO, the EU and the Organization for Security and Cooperation in Europe (OSCE) have all published one or more iterations of a document called a (security) strategy or strategic concept—see for example the North Atlantic Treaty Organization 2010, Council of the European Union 2003, OSCE December 2003—and many individual European states have followed suit. These texts diverge from the old, strictly military, notion of strategy by covering a far wider range of security issues than just 'hard' military ones. Most of them define *other people's* conflicts, terrorism, crime, environmental issues and illegal migration—for example—as shared security concerns. Further, they are open documents designed for declaratory effect, and often prepared through a process engaging different stakeholders—for an institution, its member nations, and in a country, different agencies and sectors—in search of a new unity of purpose. Traditional military strategies by contrast were top-down creations that often worked best when kept secret.

Nevertheless, using the old term 'strategy' for these documents well captures their broad-brush, long-term and forward-looking quality. Their public function is to convey a set of principles and long-term goals to a domestic public, for reassurance as well as guidance; and to the outside world as a token of transparency, an invitation to cooperate, or a warning to possible enemies. In post-Cold War Europe states have commonly used published strategies to advertise their new identity, not least vis-à-vis institutions they hope to enter, after a regime transition; while elsewhere a new strategy document may provide a stage in post-conflict rehabilitation. Drafting a new strategic concept is seen as a major step, second only to constitutional reform, in the process of Security Sector Reform (Geneva Centre for Democratic Control of Armed Forces ed.).

The fact that presentational considerations loom so large in modern strategy documents should caution against reading them as a literal account of the drafters' real concerns, goals and ambitions. Rather, the strategy itself is a means to an end, capable of serving the same tactical and instrumental purposes as any governmental statement to a wider audience. The most obvious example is when a state 'imports' key parts of its manifesto from statements already made by a state whose protection it seeks, or an organization it aims to enter. More broadly, a nation may pretend in its strategy to be more conformist, high-minded and coopera-

tive than it really is in hopes of buying friends and aid, or of deflecting adversaries. It may sound tougher than it really is to deter enemies or bluff its way to advantages. It may proclaim a united strategy to mask inner divisions; or to crystallize and impose elite views on a broader public.

The interesting question is how such divergences between the declared strategy and the true national sentiments and/or governmental calculations hidden behind it will be resolved. In some cases, especially if the drafters have got out too far ahead of broader public opinion (or have promised more than they can perform), events may expose an unregenerate national reality before too long. It is also possible, however, for an aspirational strategy statement to become a self-fulfilling prophecy. From post-war Germany and Italy onwards, a succession of European states have committed themselves to the ideals of European integration not least as a way of escaping and transforming unwanted aspects of their former national identities. Once such a state has won entry to the institution(s) whose values it is aligning itself with, the obligations of membership itself should help to keep it from backsliding. For small states endowed with fewer distinct policy features to start with, earning protection and legitimacy through NATO and/or EU membership may become a sufficient 'strategy' in itself, followed by a wholesale importation of the sheltering institutions' strategic priorities after entry.

Options for Small States

When a *small state* engages in strategy-making—and most need to, given the range of their security challenges combined with little capacity for self-help (Handel 1981)—it is likely to be especially tempted to use a declared strategy for instrumental and tactical effects. It cannot change its environment by force and can only hope to do so to a limited and focussed degree by influence and persuasion (Keohane 1969), or possibly by resistance (portraying itself as too prickly and unpredictable to attack, etc). Revealing its deepest strategic worries might achieve little except to encourage predators and disillusion partners. From this starting point, some of the instrumental purposes for which small states have actually designed their declared strategies are:

- to project an image of harmlessness and helpfulness, for instance by promoting global goods like aid, human rights, the environment, innovation, etc (e.g., Sweden and Finland);
- to signal loyalty to an actual/ potential protector state: often a world power (*vide* Iceland's former relations with the USA); or a leading regional power, like Germany or France in Europe; or a former colonial power (as small Caribbean states may seek UK aid, or Franco-phone African states look to Paris);
- to convey loyalty and belonging, or the aspiration to belong, to a regional or functional grouping: the EU and/or NATO in Europe, or groups like CARICOM in the Caribbean, African sub-regional groups, and ASEAN in South-East Asia;
- to make common cause with other small states on a shared issue (e.g., small island states publicizing climate change risks).

A small state may also use an ‘imported’ strategy when it lacks an established policy tradition and/or the resources and expertise to invent one of its own; or for other inward-looking purposes such as solemnizing a change of regime and/or policy course, or masking internal divisions of views, values and interests. Naturally, such tactical alignments with an outside model risk creating an elite/grassroots gap where ordinary citizens do not have the insight to—or are not given the chance to—understand the strategy’s logic and embrace its goals. Such vertical gaps, as well as horizontal polarization of views, are not necessarily less dangerous in small populations. Differences within small elites easily become personalized and embittered, while a gulf can develop between a cosmopolitanized elite at ease in the outside world, and the public whose existence remains more coloured and shackled by smallness.

Institutions as Protectors

Such behaviour may be traced, *mutatis mutandis*, among small states quite far back in history and could be explained under an interest-based, competition-based realist worldview. Does anything change, however, when the object that the small state seeks to impress and align itself with through a declared strategy is not a state but a multilateral organization? The answer is not simple because in a strategy with instrumental intent, aims vis-à-vis states and institutions may well be interlinked. Most obviously:

- an institution may offer shelter against an over-powerful or hostile external power: e.g., joining NATO to insure against Russia, or ASEAN to balance China;
- joining an institution that includes one or more powerful states may be a preferable way to leverage their aid: it softens the big/small inequality of a bilateral tie and imposes systematic restraints on the larger player(s) themselves;²
- where the regional leader(s) have historically been or could be a threat to small neighbours (like Germany in Central Europe), bringing as many of the latter as possible into the same organization can achieve a kind of benign encirclement;³
- when seeking entry to an organization, an obvious tactic is to look for sponsorship from one or more influential members, and/or team up with like-minded applicant states (like the Visegrad states with NATO/EU in the 1990s)⁴ or regional friends who are partly inside (like the Nordics now).

These options all fit within established ideas of state-directed ‘bandwaggoning and/or balancing’ in small state strategies (Walt 1987; Scheuerman 2009). Bandwaggoning implies supporting a larger state’s policy line to ensure its protection, while balancing involves joining with one or more other states to offset undesirable influence from a naturally dominant power. Both these concepts may equally well capture small states’ aims and tactics vis-à-vis organizations—like NATO—that use inter-governmental forms of governance. For all its collectivised structures and assets, NATO’s actions still require ad hoc agreement among allied states using the consensus method. The institution’s annual budget is rather small and

states taking part in NATO operations carry the bulk of their own costs. Within such a system it is rather easy to trace, not just what security benefits a given small member state seeks from the other states involved, but also what it ‘pays’ in terms of support given, favours performed, and risks shared—for instance, by joining a specific NATO operation—to please its stronger partner(s).

The complication is that most small allied states also have an interest in keeping NATO itself viable, credible and outwardly united, also to reassure their own publics. This can generate other tactics not aimed at individual states, such as ‘backing the majority’, or (more positively) trying to mediate larger members’ disagreements. Intriguing tensions arise when a small state’s bandwaggoning strategy (Walt 1987) obliges it to back initiatives by a leading member that it realizes are over-risky and divisive for the organization. In recent NATO examples, small allies seem to have continued bandwaggoning in cases where their national security relied more on US aid (e.g., Poland and the Czech Republic), but felt free to join the oppositional camp if they were less vulnerable and/or strategically closer to another power like France (e.g., Luxembourg). The first option can lead to further strains when the US itself changes course, as President Obama has done on several NATO topics (such as missile defence plans) since taking office. Predictably, the smallest states are usually found reversing their own line fastest, a shift that aggravates risks of grass-roots incomprehension or alienation from elite policies as discussed above.

The EU: No Ordinary ‘Institution’

What happens to this picture if small states’ survival strategies drive them instead, or in addition, to join the European Union with its post-modern scheme of governance? While tackling EU realities in any familiar frame of International Relations theory is notoriously tricky, plenty of empirical work has been done and is still proceeding on how small states have fared and how they have chosen to pursue their interests as members or applicants to the Union (Panke 2010; Thorhallsson and Wivel 2006; Thorhallsson 2000). Here, however, the focus will be more particularly on the security-related, and broader strategic, motives for seeking membership. As a starting point, the following table summarizes what the Union can *prima facie* offer any given member state in terms of levels of protection in selected, softer and harder, security dimensions. The next sections explore the implications when a small state seeks to use the EU as a ‘shelter’ in some or all of these modes. To highlight the aspects that go beyond more traditional understandings of small state options, special emphasis will be placed on the (a) the existence of non-national ‘powers’ in the EU system, and (b) the different nature in this context of any calculus of national costs and benefits. Table 1.

EU Institutional Features and Post-modern Power-play

As is well known, EU governance has unique ‘supranational’ features whereby the European Commission and the European Court of Justice

Table 1. The EU as protector: a unique strategic profile

<i>Dimensions of the broader modern security concept are listed, moving from those of the EU's greatest competence and effectiveness to those where it is least involved and effective</i>		
Security dimension	EU Coverage	Assessment
Economic and financial	Single Market, trade bloc, Euro, structural funds	Single market promotes self-reliance including food security, single trade personality gives negotiating strength/global influence. Structural funds support and reform problem sectors. Euro replaces weak currencies, creates joint responsibility (bail-outs), but also joint vulnerability, invasive disciplines. Anti-pollution/environment protection standards, common response to incidents, internal standards, disciplines to mitigate climate change, global solution.
Environment	Common standards, climate change	Standards for health and safety, consumer protection, disease monitoring; epidemic control coordinated.
Health	Common standards, epidemic response	Close nuclear cooperation under EURATOM and strong non-proliferation policies. But internal energy market still divided, leverage with outside suppliers reduced by national divergences. Energy saving policies in climate context quite strong.
Energy	Emergent field with internal and external weaknesses	Article 222 of Lisbon includes major natural disasters. Funds/assets in Brussels to assist, common infrastructure schemes and safety standards, emergency aid worldwide.
Civil emergency response	Solidarity rule, central funds and assets	'Single border' for Schengen zone, backed by FRONTEX; common visa, asylum, refugee rules, agreements with neighbours; travel and transport security.
Border and migration control	Schengen, joint visa and migration policies	Art. 222 of Lisbon Treaty dictates common response to terrorist attack (inc. military means). Control and prevention by intelligence, police, legal/judicial, financial, technical etc. cooperation.
Terrorism (and major crime)	Defence agreement for attacks, wide range of non-military measures	Membership/enlargement a powerful tool, plus influence on neighbours and diplomatic/political/humanitarian/economic efforts worldwide.
Conflict prevention and mediation	Non-military tools, existential effects	

Weaponry issues	Industrial/R+T aspects, export and arms controls	European Defence Agency and market measures to promote research/ collaboration, export controls for all relevant items, initiatives for global arms control.
Military missions	Crisis and humanitarian missions, citizens' rescue	Limited to 'Petersberg' crisis management tasks, in practice rather small/low-risk; also civilian missions, support for security reforms.
Collective defence	On paper but not in fact	Article 42.7 of Lisbon Treaty delegates this to NATO, leaves policies of 6 non-allied Member States unchanged.

have independent powers to administer an extensive set of common policies and programmes, and to censure states that violate their legal EU obligations (Nugent 2010). At present every state provides one member for both the Commission and Court, and small state nominees can receive important portfolios. The idea in the Treaty of Rome was precisely that these bodies should represent a common European interest beyond traditional power-play, and it is natural therefore for smaller states to look—especially—to the Commission for understanding, protection, and the assurance of fair play on a level playing field (Thorhallsson 2000). They may of course be disappointed: as political actors concerned for their own survival, the Commission and other central organs are frequently tempted to crack down on small offenders rather than intransigent large ones, or to tilt resource flows towards the larger and louder *demandeurs*. However, that is no better or worse than the way protector states in the past have treated their protégés. This set of small state options could accordingly be interpreted under a realist model where the Commission acts as a quasi-state patron—of variable power according to the field of policy concerned.

However, the nature of the EU policy-making and legislative process adds possibilities of a newer kind. First, some parts of the Commission to which Commissioners or other high officials from small states may be appointed directly administer large funds and execute business Europe-wide, like agricultural policy, regional aids, or research funds and scholarships. Second, in the vast majority of EU business the Commission takes the initiative in proposing and drafting new laws, which set the scene for member states' discussion even if the Council of Ministers can amend or even reject them. This brings new openings for small states: not only if their nationals hold relevant Commission posts, but also if they can catch the Commission's ear and influence drafting through their special expertise, as—studies have shown—the Nordic EU members have managed to do in fields such as environmental standards, gender, and EU transparency (Magnúsdóttir 2009). However, small states have to prioritize within the EU in order for their small bureaucracies to cope with its workload, and can only in practice seek such impact in a limited range of key sectors (Thorhallsson 2000).

Third, EU legislation has to be debated in the European Parliament, and the recently-adopted Lisbon Treaty has given the latter much larger powers of co-decision—which the Parliament may further leverage (in horse-trading fashion) to push its ideas or modify Council positions even in fields where its formal standing is weaker. This opens new routes to influence for small state representatives who may win chairing and *rapporteur* positions, or sway the debate by their arguments (Wallis 2011).

Finally, the dynamics of decision taking within the Council itself differ subtly from those of the purely inter-governmental NATO. The fact that the Council can decide certain matters by majority voting does not greatly help small states, since their number of votes is deliberately calculated to make it hard for them to block the will of the 'big'. However, the culture of consensus normally prevails so that votes are avoided. The right of veto

still exists, and in the most ‘strategic’ policy areas—foreign affairs, security and defence—full consensus is still required. Cyprus has notoriously exploited these possibilities even when isolated to block EU decisions involving cooperation with Turkey. When a small state has visceral objections, the majority may also accept an opt-out to let the majority plans proceed: Denmark’s four opt-outs from the Maastricht Treaty in 1992–1993 being the best-known case. When Ireland, in 2008, suffered a ‘no’ vote in a referendum on the Treaty of Lisbon, other states offered it both reassurance and specific concessions (including the preservation of one Commissioner per state) to promote a positive result in a repeated vote.

Strategic Costs and Benefits

The novel nature of the EU is even clearer when the substance of strategic goods on offer and the ‘price’ to be paid for them are contemplated. While a traditional protector state or alliance may offer physical security against military attack, economic support, and possibly some help with internal security (law and order), the EU’s profile as a ‘shelter’ is exactly the reverse. As shown by the box above, the EU’s control over its members’ fate and behaviour is strongest in the economic and financial field, including external economic activity and currency management, and in other ‘softer’ dimensions of security such as health, environmental protection and mitigating climate change. It has far wider and more profound impacts on border management and internal security, including the struggle against terrorism, crime, smuggling and illegal migration, than it does on any aspect of ‘hard’ defence.

Further, the EU’s impact on the ultimate questions of war and peace, or of dominance and subordination, both among its own members and in handling outside powers is above all *existential*. It is not the provisions of the EU Treaty that prevent war between France and Germany, or that in future may banish further hostilities in the Balkans, but rather the impact of living in a single market, single movement area and single governance system upon the sense of identity, the perceived interests and indeed the values of these countries themselves. Similarly, if Europe has any success in pacifying powers like Russia and China and drawing them into mutually beneficial cooperation, it is certainly not thanks to the Union’s military assets nor even the merits of its specific common positions. The very fact of so many modestly sized countries forming a united venture—however imperfect their solidarity and common will—has altered the atmosphere and strategic calculus. The EU also has more room for manoeuvre and more positive options for dealing with these larger powers than NATO, for example, precisely because it does not appear as a strategic competitor in a traditional zero-sum game (Bailes 2006; Whitman 2011).

Whatever difficulties these novel features create in categorizing the EU, they should make the Union a congenial place for small states who have little alternative to adopting similar conciliatory postures and pursuing their interests by similar non-coercive, non-zero-sum means. With some exaggeration, it might be claimed that the whole Union adopts a typically ‘small state’ strategic posture writ large—making it no accident that the

Council has so often chosen small-country statesmen to mediate on its behalf, and commanders from states like Sweden and Ireland for its military deployments. The Lisbon Treaty's creation of the European External Action Service as a combined and enlarged external relations staff, overseeing all EU offices abroad, opens another field where small states' citizens may hold positions vital for advising on and developing, as well as implementing, the strategies of a Union now speaking for 500 million citizens.

Yet the solutions offered by the EU require an unprecedented degree of pooling of sovereignty and assets, transfer of public functions to supranational level, and binding transnational regulation, demanding a much more profound and intimate 'price' from a small client than in a classic external protection relationship. As in globalization generally, the smallest are at greatest risk of identity erosion: not just through reduced freedom of strategic choice, but economically because their assets may be bought by others, demographically through the temptation for emigration, societally because of immigration, and culturally because of pressure to use the EU's leading languages and import cultural products. Some transnational perils like terrorism, crime, and illegal migration even risk being aggravated when a small state drops its frontier defences to expose itself to a European common space thoroughly infiltrated by these phenomena.

These costs and changes may not be resisted if they go hand in hand with rising prosperity and greater equality with neighbours, as well as the achievement of permanently guaranteed frontiers (see, for instance, Katzenstein 1997). The more fragile, divided, and backward a small state may have felt beforehand, the more it may embrace this kind of multinational 'socialization'. As noted, many states from post-World War Germany onwards have relied on the EU to change features of themselves that they wanted to shed (Blitz 2006). Yet it is telling that when integration strategies are tested politically, as in referendums, the fears expressed within small states often hinge on iconic identity issues that may not lie within the EU's formal remit at all, such as abortion and national military policies.⁵

In short, the choice of the EU as strategic protector presents a small state with a dilemma not unrelated to, but sharper than, the choices involved when looking to another state or an alliance like NATO. The benefits include not just an end to war and enhancement of many specific dimensions of security, but a partial liberation or transmogrification of smallness to the extent that the EU's internal workings have moved beyond both traditional inter-state power balances and the limitations of state sovereignty. The catch is that to enjoy these benefits, the small state must open itself to more profound transformations than in any other strategic relationship—short of actually being consumed by a protector state or an old-style empire. It risks losing more, proportionally, of its distinctive identity because that identity was less complex to start with, and because it has less room to withstand the dynamics of a single market.

Further, precisely because it has theoretically equal standing in the EU collective, the small state must shoulder internal and external responsibili-

ties towards other member states, neighbours, and recipients of common aid (who include the ex-colonies of other members), far beyond what it could ever incur in its own right. To take just two examples, contributions to the EU budget depend not on the size of the state but its level of earnings so that small members may in effect be subsidizing larger but less advanced ones. All states still take turns in the six-monthly Presidency that speaks for the EU towards external partners and organizations, although this role has been so weakened by the Lisbon Treaty as to leave little scope for positively promoting national priorities.

Finally, any specific security issue affecting any number of EU states is apt to generate EU-wide policy measures, so that a small state with no experience of—say—terrorism or mass migration has to devote serious legislative effort, money and manpower to fighting these evils for the sake of fellow members, themselves remote from its history and geography. In Nordic member states after September 2011, the sudden tightening of EU anti-terrorism policies caused serious debates about the cost–benefit balance of measures that would supersede long-established national laws and perhaps damage valued liberties. Conversely, some Central European members have protested at costly pollution-reducing measures championed by the Nordics in the interests of climate change mitigation and environmental security.

Conclusions

In terms of concrete national interest, the EU's specialization in 'softer' dimensions makes it a very relevant security provider for most small states of the region who no longer have urgent military concerns. Even for those still aware of threat, like Finland and the Baltic States, the EU offers an extra layer of political and existential security; and its effects (as noted) hold out the best hope of eventual conflict suppression among and within the Western Balkan candidates. The Union's active role in economic and financial security is important for many more states, as the Euro-crisis has shown—while also showing how difficult that role can be to exercise. Small states can benefit disproportionately from the EU's pooled assets, regulatory framework, best practice lessons, and emergency assistance in fields such as border management, law and order, anti-terrorism and—crime, response to natural disasters and accidents, and pandemic control; while it is arguably only through such a larger collective that they can make any impact at all on global phenomena like climate change.

In process terms such common solutions not only relieve small states of trying to cope alone, but are more efficient than collecting odds and ends of support from national partners, or appealing direct to global bodies. The prospect of shelter (as distinct from ad hoc aid) from a single large partner is, as already argued, hardly viable in such dimensions. Smaller nations may thus feel pressure not to be left out from the rapid development of EU soft security strategies—just as they feel pressured to join the common market according to Katzenstein (1997). They may further see the collective European voice on such issues as their best or only vehicle

for asserting their interests in relevant dealings with great-power partners, and in global policy-making. In sum, the EU can no longer be written off as a purely economic actor or dismissed as an inefficient security provider, despite the fact, that its 'hard' security role remains minimal. The EU's unique soft security features offer small European states a kind of 'escape from smallness' that no other known security construct has been able to provide.

Returning to the analysis of strategy-making above, it might seem that small states must 'pay' for EU membership by aligning their strategies with the Union's collective one across a multiplicity of security-related fields, with little space for opt-outs, and with peculiarly lasting effect since so many relevant EU policies are set in law. The EU accession process indeed puts pressure on states to publicly accept the Union's norms and goals—if not yet to implement them in detail—even *before* their entry. This is just one aspect of the phenomenon known as 'Europeanization' that has inspired a large literature in its own right (for instance, see Featherstone and Radaelli 2003; Schimmelfennig and Sedelmeier 2005). Further, as the EU's non-military security policies operate within societies and take effect down to the individual level, the elite have little chance to 'hide' the process of strategy adaptation from the public, or to restrict imported elements to a superficial level not entailing deeper national transformations.

In practice, however, the picture is more nuanced. To start with, the EU's impact is weakest in the traditional, external dimension of security—the classic realm of 'strategy'. The Union contains both NATO and non-NATO states, nuclear weapon states and states that abhor nuclear weapons, former colony-owners and former colonies. Members thus have much leeway in practice to balance their external posture between 'Europeanized' and nationally determined features, and it does not follow that a smaller member must always become most 'Europeanized'. Cyprus shows an example of small state diplomacy with a strong nationalistic flavour: and Ireland's and Sweden's more idealized versions of non-Allied status in defence have survived remarkably well after decades in a community dominated by NATO members.

Conversely, many of the 'softer' dimensions where the EU introduces stricter disciplines are not necessarily defined at home as 'security' matters or questions of strategy. Citizens will rather assess the net utility and acceptability of European postures on (for instance) animal health, carbon emissions, money laundering or border formalities on the basis of their concrete effects in the economic, social, and possibly cultural spheres. It is equally possible for European citizens to 'securitize' (= regard as a security issue, see for instance Emmers 2010) something that EU elites would rather not treat as a 'threat', for example worker migration from one EU zone to another. For these and other reasons, the extent to which EU membership is regarded as a strategic choice, and EU-dictated activities are defined and assessed in security terms, can and does vary greatly—from nation to nation, and between the elite and publics in individual states. Thus, small states that instrumentalize the EU for non-traditional security purposes may do so in numerous ways and with varied motives,

some of them not clearly articulated or at least not couched in security language; while others with different national attitudes may be deterred from EU membership by precisely those strategic effects of integration that their peers find most comforting.

The small states literature has yet to grasp the full implications of the new security dilemma in the new globalized post-Cold War order. It should recognize that international and regional organizations increasingly offer states new 'soft' forms of security to tackle new or newly prominent threats. The latest financial crisis drove the literature back to basics by highlighting the economic vulnerability of small entities. The new security paradigm and evolving institutional roles in it demand a similar revision of such core elements of the literature as the sources of possible protection, and the importance and cost/benefit balance of alliance formation. According to the literature, small states' alliance formation is mainly based on traditional military threats and, sometimes, on their economic vulnerability. It does not take into account the importance of soft security concerns or of new potential solutions offered by an entity like the EU, and is thus in danger of failing to grasp the significance of the Union as a security protector. Aspects of the alliance concept may hold good in assessing the alliance formation tactics (also involving other powers) used by small states approaching the EU, and also for certain costs involved in adopting the rules and norms of the protector. But it needs adaptation to accommodate the changed spheres and formats in which a multilateral institute like the EU offers security; the new-style costs arising from intrusive and law-based integration processes; and new potential benefits for smaller actors within the EU's part-supranational system.

To do justice to these new factors, the literature should start looking for common strategic adaptations by small states that are not only spurred by military and economic vulnerability. It could elucidate the EU's specific role by probing different states' reasons for attributing positive or negative comprehensive security effects to the Union. Finally it would be interesting to compare the strategies used by closely engaged non-members, such as Norway and Iceland at present, to 'cherry-pick' useful security benefits from the EU (for instance, the Schengen system) without paying the costs of full membership.

Notes

1. This paper carries further the analysis in Bailes (2009), and contains some material also presented at the 2011 International Studies Association conference in Montreal.
2. Thus from the point of view of current NATO/EU applicant states in the Western Balkans, full membership of those organizations is far preferable to formalizing the historical alignment of some of them with France (only) and others with Germany (only), let alone with Russia (for Serbia). In the early 1990s, similarly, the Baltic States made clear that they did not see an old-fashioned defence understanding with Germany or reliance on a Nordic group led by Sweden as a tolerable solution.

3. The small state may also gain more options, at less risk, for balancing between several large neighbours and playing them off against each other within a cooperative institution than it would have in an unregulated space. It could be argued for example that the Shanghai Cooperation Organization brings its Central Asian members these benefits vis-à-vis Russia and China.
4. In the late 1990s, the Central European applicants to NATO and EU joined with certain Balkan states in the informal 'Vilnius' and 'Riga' processes, where they compared notes on accession prospects and tactics and undertook not to undermine each others' prospects.
5. Abortion has been a concern both in Malta at the time of accession and in recent Irish referendums, while fears of conscription to a 'European army' played a role in the latter. Malta felt it necessary to seek formal recognition of its neutrality in its EU accession treaty and Iceland is expected to do likewise with its non-military status.

References

- Alesina, A., and E. Spolaore. 2003. *The size of nations*/Alberto Alesina and Enrico Spolaore. Cambridge, MA: MIT Press.
- Archer, C., and N. Nugent. 2005. Small states and the European Union. *Current Politics and Economics of Europe* 11, no. 1: 1–10.
- Avery, G., A.J.K. Bailes, and B. Thorhallsson. 2011. Iceland's application for European Union membership *Studia Diplomatica (Brussels Journal of International Relations)* 64, no. 1: 93–119.
- Bailes, A.J.K. 2006. China and security strategy. In *Security strategy and transatlantic relations*, eds. J. Peterson and R. Dannreuther, 104–18. Edinburgh: Routledge.
- Bailes, A.J.K. 2009. Does a small state need a strategy? Occasional paper, University of Iceland Centre for the Study of Small States, http://stofnanir.hi.is/ams/sites/files/ams/Bailes_Final_0.pdf (accessed June 2011).
- Baker Fox, A. 1959. *The power of small states. Diplomacy in World War II*. Chicago: University of Chicago Press.
- Blitz, B.K. 2006. *War and change in the Balkans: nationalism, conflict and cooperation*. Cambridge: Cambridge University Press.
- Briguglio, L., G. Cordina, and E.J. Kisanga. 2006. *Building the economic resilience of fragile states*. Malta: Formatek Publishing for the Islands and Small States Institute of the University of Malta and the Commonwealth Secretariat, London.
- Briguglio, L., G. Cordina, S. Vella, and C. Vigilance. 2010. *Profiling vulnerability and resilience: a manual for small states*. London: Commonwealth Secretariat, <http://publications.thecommonwealth.org/tools-for-mainstreaming-sustainable-development-in-small-states-865-p.aspx> (accessed 24 June 2011).
- Commonwealth Consultative Group on the Special Needs of Small States. 1985. *Vulnerability: small states in the global society/report of a Commonwealth Consultative Group*. London: Commonwealth Secretariat.
- Cooper, A.F., and T.M. Shaw. 2009. *The diplomacies of small states: between vulnerability and resilience*. London: Palgrave Macmillan.
- Cottey, A. 1998. *Sub-regional cooperation in the New Europe*. London: Palgrave Macmillan.
- Council of the European Union. 2003. *A secure Europe in a better world – the European security strategy*, Brussels, 12 December.
- Emmers, R. 2010. Securitization. In *Contemporary security studies*, ed. A. Collins, 109–26. London: Oxford University Press.
- Featherstone, K., and C.M. Radaelli. 2003. *The politics of Europeanization*. Oxford: Oxford University Press.
- Geneva Centre for Democratic Control of Armed Forces. Nd. *Who we are*, <http://www.dcaf.ch/> (accessed 5 July 2011).
- Handel, M. 1981. *Weak states in the international system*. London: Frank Cass.

- Katzenstein, P. 1984. *Corporatism and change: Austria, Switzerland, and the politics of industry*. Ithaca: Cornell University Press.
- Katzenstein, P. 1985. *Small states in world markets: industrial policy in Europe*. Ithaca: Cornell University Press.
- Katzenstein, P. 1997. The smaller European states, Germany and Europe. In *Tamed power: Germany in Europe*, ed. P. Katzenstein, 251–304. London: Cornell University Press.
- Keohane, R.O. 1969. Lilliputians' dilemmas: small states in international politics. *International Organization* 23, no. 2: 291–310.
- Magnúsdóttir, G.L. 2009. Small states' power resources in EU negotiations: the case of Sweden, Denmark and Finland in the environmental policy of the EU. PhD thesis, University of Iceland.
- Neumann, I.B., and S. Gstöhl. 2004. *Lilliputians in Gulliver's World? Small states in international relations*. Reykjavik: Centre for Small State Studies.
- North Atlantic Treaty Organization. 2010. *Active engagement, modern defence – Nato's new strategic concept*, Lisbon, 19 November.
- Nugent, N. 2010. *The government and politics of the European Union: seventh edition*. London: Palgrave Macmillan.
- Organization for Security and Cooperation in Europe. 2003. *OSCE strategy to address threats to security and stability in the twenty-first century*, <http://www.osce.org/mc/40533> (accessed 24 June 2011).
- Panke, D. 2010. *Small states in the European Union: coping with structural disadvantages*. London: Ashgate.
- Pétursson, Th.G., and Th.T. Ólafsson. 2010. Weathering the financial storm: the importance of fundamentals and flexibility. Economics working paper 2010–17, http://www.econ.au.dk/fileadmin/site_files/filer_oekonomi/Working_Papers/Economics/2010/wp10_17.pdf (accessed 24 June 2011).
- Roberts, J.L., and C. Vigilance. 2011. *Tools for mainstreaming sustainable development in small states*. London: Commonwealth Secretariat, <http://publications.thecommonwealth.org/tools-for-mainstreaming-sustainable-development-in-small-states-865-p.aspx> (accessed 24 June 2011).
- Schimmelfennig, F., and U. Sedelmeier. 2005. *The Europeanization of Central and Eastern Europe*. Ithaca: Cornell University Press.
- Scheuerman, W.E. 2009. *Hans Morgenthau: realism and beyond*. Cambridge: Polity Press.
- Steinmetz, R., and A. Wivel. 2010. *Small states in Europe. Challenges and opportunities*. Farnham: Ashgate.
- Thorhallsson, B. 2000. *Small states in the European Union*. London: Ashgate.
- Thorhallsson, B. 2011. Domestic buffer versus external shelter; viability of small states in the new globalized economy. *European Political Science*. *European Political Science* 10: 324–36.
- Thorhallsson, B., and A. Wivel. 2006. Small states in the European Union: what do we know and what would we like to know? *Cambridge Review of International Affairs* 19, no. 4: 651–68.
- Vital, D. 1967. *The inequality of states: a study of small powers in international relations*. Oxford: Clarendon Press.
- Wallis, D. 2011. Voices off? The impacts of MEPs in small states in a post-Lisbon European Parliament. Lecture presented at the Institute of International Affairs at the University of Iceland, 2 March.
- Walt, S.M. 1987. *The origins of alliances*. Ithaca, NY: Cornell University Press.
- Whitman, R.G. 2011. *Normative power Europe: empirical and theoretical perspectives*. London: Palgrave Macmillan.
- World Bank. 2011. *Small states and the financial crisis*, <http://go.worldbank.org/YX770A97D0> (accessed 24 June 2011).