Without doubt the security dilemmas faced by many smaller actors in the international system have become increasingly more acute. This is not simply a function of smallness considered in terms of limited capabilities. It is clear too that since the 1970s the operational setting of international relations has become progressively more complex and in many respects hostile. A major aspect of these developments is the growth of non-military threats. As such the business of being and remaining a smaller sovereign actor in modern international relations has become increasingly more difficult.

How do smaller actors cope? What is the range of threats? What are the options? In order to examine these questions this paper looks at five areas:

(1) the definition of security
(2) why small states are vulnerable
(3) developments in internationally sourced security
(4) national options
(5) newer threats and responses

Defining Security

The question of what constitutes security can be addressed from three perspectives—the international system, nation state and the individual. Only the first two of these are considered in this paper. Internationally, security can be thought of in terms of the stability of the international system, defined as the level of tension or violence and the corresponding extent to which actor interests can be accommodated through diplomacy, without recourse to violence, on the basis of mediation,
rule and norm setting. In the event of violence occurring, the task of diplomacy is ultimately peaceful settlement, through the negotiation of ceasefires, withdrawal and other measures of a longer term nature. From a quite different perspective, violence may be a preferred end in itself and diplomacy the means of orchestrating violence rather than bringing about a negotiated solution.

At a national level, security has traditionally been considered in terms of responses to essentially external threats of a military kind. From this perspective diplomacy features as the statecraft of force, involving such actions as deterring aggressors, building up coalitions, threatening or warning an opponent and seeking international support or legitimacy for the use or control of force. The concentration on external threat has in part been a byproduct of the so-called 'Golden Age' of western (largely American) strategic theory, influenced by the cold war and the requirement that strategic analysis provide improved policy advice for dealing with the Soviet Union. However, the advent of large number of new states into the international community, many with pre-occupying internal problems, underlined the inadequacy of traditional definitions. In fact, national security, that already ambiguous symbol, had to take on an additional dimension. To reflect this, the definition of security needs to be broadened de minimis to include, for certain states, regime maintenance as a primary national security objective. The appropriateness of a wider definition of security can be seen not only from a small country perspective but from an advanced industrial country too as in the case of Japan. The Japanese Study Group on Comprehensive National Security identified three politico-strategic objectives, including closer cooperation with the US, increasing Japan's self defence capability and the improvement of Sino-Soviet relations. In addition the Group identified the attainment of energy security, achieving food security and earthquake control as three other central security objectives. Apart from this, it is also useful to add to the conventional classification of states a further category made up of those states with acute external and internal national security problems—the 'dual security' states.

**Threats and Small States**

For indicative purposes threats to small states can be grouped within four
broad categories. These are threats to:

(i) territorial security
(ii) political security
(iii) economic security
(iv) technological security

Threats to territorial security may arise from the actions of a primary power or more powerful neighbours. Other than direct intervention in the form of invasion or occupation of territory, external assistance might be provided to overseas based national dissidents, mercenaries, or internally to guerrilla or secessionist groups. Secessionism has proved an enduring and difficult issue as in the cases involving Chad, Eritrea, Sri Lanka, Thailand and Burma. The fragmentation of the modern state has in fact become a particularly noteworthy feature of contemporary international society. In some instances secessionist or separatist groups have become linked with transnational violence. More generally, transnational violence, in the form of sabotage, assassination, the taking of hostages and the hijacking or destruction of aircraft and ships has intensified and been facilitated by the relative ease of modern transport. The modern state too faces major administrative problems in controlling both its territory and external policy. In this respect, other threats to territorial security include refugee movements (e.g. from Mozambique to Zimbabwe or Kampuchea to Thailand) and externally controlled illicit operations e.g. smuggling, drug traffic, arms deals and piracy. Scattered small island states in this respect face recurrent difficulties, which tend to be magnified and exacerbated if the small state is an offshore transit centre close to a major power (e.g. Bahamas, Hong Kong). As Osthheimer notes, “good domestic security depends in part on the ability to guard against the undesirable movement of people and goods that threaten economic and political security”.10

Threats to political security are amongst the commonest forms of threat to small states. The weak nature of many third World states essentially derives from the lack of legitimate and effective civilian or military institutions. A regime may be threatened from a number of sources such as ethnic disturbances, major domestic cleavages, and internal threats backed by external involvement. Some small
states have also become extremely sensitive to external media coverage of internal developments in their country. Moves to limit information may, however, have an opposite effect to that intended by creating heightened uncertainty about a regime and its policies.

In the third area of threats to economic security are included internal, external or transnational actions which adversely affect three main areas; national economic development policies; the international financial position and international trade policies. A fourth aspect of economic security is the effect of periodic major natural disasters and industrial accidents such as Bhopal.

The fourth group of threats—technological—is suggested in order to convey the problems associated with the technical development of a state. Rapid developments in a number of areas of technology, such telecommunications and data transfer, as drawn attention to the problem of technological management. Thus, technological security is concerned with the ability of the state to evaluate, plan and co-ordinate both the acquisition and use of appropriate technology for developmental requirements. Rather than the piecemeal acquisition of technology, the concept of technological security places emphasis on developing national capabilities to make strategic analyses of technology.12

Vulnerability

There are a number of factors which suggest the special situation of small states in terms of their vulnerability to the range of threats outlined above. The capacity of a small state to lessen its vulnerability is often constrained by its location and the fragile nature of its political system. Adding to the question of the extent to which the state is perceived as weak is the credibility of its foreign policy. Small states, furthermore, tend to be vulnerable in varying degrees because of the administrative limitations they face in influencing and trying to control aspects of their external environment. Above all, for the small state, unlike larger states, the margin of error is limited. Mistakes of a strategic nature in public policy can have lasting and extremely damaging consequences. Whilst larger states may adapt and adjust to shocks and adverse developments, small actors in general have less capacity to cushion themselves and fashion alternative courses.
Some Implications for Diplomacy

Security interests of states and organisations are seldom static, except for a limited number of core values. New interests are acquired and marginal values are either elevated or discarded. At an economic level, continued access to overseas markets for key exports, the availability of raw materials and the protection of the overseas assets of its nationals are frequently ranked as important security considerations. Conversely, security interests may be downgraded or contracted, as may happen with foreign bases or particular security agreements being allowed to lapse. States generally too face entirely novel and far reaching threats from, for example, maritime fraud, international economic fraud, narcotics groups and transnationally organised crime.

The purpose of diplomacy is to contribute to the process of recognising and identifying new interests at an early stage through continuous reporting and assessments, facilitating adjustment between different interests and contributing to policy implementation.

Secondly, the internal aspect of national security has a number of implications for diplomacy. In those states in which national security is essentially internal, security policy-making tends to be highly personalised around the leader. National security diplomacy too is likely to be conducted internally, rather than through the country’s embassies abroad or other external channels, with representatives of international organisations, NGOs foreign corporations on such issues as food aid, disaster relief and project implementation. Other non-military national security concerns are likely to involve issues such as financial security, insurgent groups and refugees. Dual security states tend to encounter problems concerning the balance of emphasis between internal and external security requirements, and, in their external diplomacy, the need to compromise on pragmatic grounds with ideological opponents. For example, those states with insurgency problems may find it necessary to attempt policies of political cooperation with an insurgent groups protecting power. Writing albeit largely in an external context Arnold Wolfers notes: ‘security covers a range of goals so wide that highly divergent policies can be interpreted as policies of security.’

A third feature for many weaker states is the problem of establishing suitable regional security arrangements. A noticeable feature of recent diplomacy is the high priority attached by states which perceive themselves weak or vulnerable in a local or regional context to
enhancing their security through declarations and treaties, frequently negotiated within the framework of the United Nations.

Security and the International System

The founding concept of post-War international security within the UN framework was intended to be based on the idea of collective security. The UN charter envisaged collective action to forestall or limit the action of a potential aggressor, through military and other measures. Thus the Charter concept of security was one of states acting in concert to control or limit force. Such collective action clearly required universality of membership or something close to that and the willingness of members to provide appropriate military forces on a suitable scale as envisaged under article 43 of the Charter.

The failure to achieve collective security has meant that approaches to security within the UN system have been developed on an ad hoc basis with the negotiation and establishment within the limits of what is politically possible of UN observer, truce and peacekeeping forces. The operating experience of the UN Military Observer Group in India and Pakistan, UNOGIL (Lebanon, 1958), Suez (UNEF, 1956) and ONUC in the Congo (1960-2) however formed the basis for the subsequent development of the concept of preventive diplomacy set out by Secretary-General Hammarskjold. Central to the idea of preventive diplomacy was putting UN forces into areas of potential superpower conflict, to forestall direct involvement, with the aim of limiting the scale of the conflict. Writing in 1960, Hammarskjold noted:

Those efforts must aim at keeping newly arising conflicts outside the sphere of bloc differences. Further, in the case of conflicts on the margin of, or inside the sphere of bloc differences, the United Nations should seek to bring such conflicts out of this sphere through solutions aiming, in the first instance, at their strict localization.

Preventive diplomacy, to which the efforts of the United Nations have to a large extent been directed, is of special significance in cases where the original conflict may be said either to be the result of, or to imply risks for, the creation of a power vacuum between the main blocs.
In this way the success of preventive diplomacy depends on the inter-relationship between the peacekeeping operation and the related diplomatic efforts to resolve the conflict. Operating experience in the Congo, Cyprus (UNFICYP, 1964—and the Lebanon 1978) suggest that there are a number of particular conditions which influence the effectiveness of preventive diplomacy. In the first place, states must be prepared to put the matter before the UN. Successive Secretary-Generals have criticised one or more parties to a conflict for their unwillingness to allow UN involvement. Other than this the cases under review indicate the importance of the initial and continued consent of the host government, and, the primary powers. The operation of ONUC especially brought the UN into major crisis. The United States and Soviet Union not only had very difficult views on the legality and mission of ONUC, but the Soviet Union attacked the impartiality of the Secretary-General. In the troika proposal, the Soviet Union called for substantial changes including the establishment of three secretaries-generals. The controversy over the operation directly precipitated the financial crisis over the funding of UN peacekeeping operations. As a result of dispute over the purposes of the force, the Soviet Union and a number of other states refused to finance the force. Following the Congo experience, subsequent operations have been funded in differing ways, such as voluntary contributions as in the case of UNFICYP. The accumulating debt arising from peace keeping operations, which had risen to nearly US 400 million by 1985-6, has impaired the capacity of the organisation, both politically and militarily, to undertake or continue preventive diplomacy type operations. Another important long term effect on UN diplomacy has been on the increasing tendency for selective funding of UN activities. The growing politicisation of funding has spilled over also into participation in the UN specialised agencies.

The continued financial problems associated with preventive diplomacy have made the condition that smaller members shoulder a disproportionate amount of the burden of providing forces and other resources. In those circumstances in which the mandate is particularly ill-defined, as with UNIFIL, the smaller UN member faces difficult diplomatic choices if it wishes to withdraw from a force, as in the case of the Netherlands withdrawal from UNIFIL. Whilst a withdrawal may not fundamentally affect a preventive diplomacy operation, it
can have potential damaging effects on host country-donor relations and on the morale and political effectiveness of the force. The dilemma may be heightened for the small state if a large power decides to withdraw or reduce its contribution to a UN force, as in the France force reduction in Lebanon because of fears of hostages being taken.

The overall effectiveness of preventive diplomacy is closely related to the supportive or 'quiet' diplomacy undertaken by the Secretary-General and others. Initiatives by the Secretary-General need to be both politically acceptable and be perceived as having some likely measure of success. In practice, quiet diplomacy appears very often to make no major progress and its overall impact is difficult to gauge. Such advances as are made are often at the margin (e.g. arrangements for prisoner of war exchange in the Iran-Iraq war) rather than at a substantive level. Initiatives are likely to become that more difficult as the problem becomes entrenched. Mediation in the Cyprus dispute became progressively more difficult following the Turkish invasion of 1974, which fundamentally altered the UN mission, and, the Cyprus problem. The scope for UN initiatives may additionally, be limited by other mediatory efforts e.g. the Haig mission in the Falklands conflict. It is clear that the longer a peacekeeping force remains deployed in a conflict, the more such a force comes to be seen as a built-in feature of the conflict with the result that diplomatic initiatives become independent of the operation and purposes of the force. In this way what was initially preventive diplomacy is progressively changed to some other form of general diplomatic activity.

**Rules and International Security**

Apart from preventive diplomacy as an approach to security in the international system, a further important dimension of internationally derived security is the development of tacit and formal rules. Rules may take the form of treaties or agreements, less formal means including declarations, through to informal tacit arrangements such as customary restraints, or accepting the spirit of an agreement. In general, rule setting involves lengthy procedural and definitional diplomacy, especially within international organisation, in view of the high interests at stake. In the UN extensive diplomatic efforts have been devoted to such issues as definitions of aggression, the legal status of mercenaries, and the principles of international law concerning friendly relations. Related
to these rule setting conferences are investigations into, for example, challenges and threats to international security from new sources such as internationally organised crime, or, the use of chemical weapons in particular conflicts. These and other similar inquiries and UN special missions frequently form the basis for UN resolutions and formal legal instruments.

A noticeable feature of internationally sourced security is the efforts sponsored particularly, though not exclusively, by weaker states to establish regimes to regulate the status and use of particular territory. Other attempts to neutralise territory or limit use include Austrian neutrality (1955), the Rappaki plan for zonal disengagement in Europe (1957-8) and the creation of the Saudi Arabian - Iraq neutral zone. More recently attempts to designate international areas for peaceful purposes have increased. For example the non-aligned movement discussed the Indian Ocean at the Lusaka conference in 1970. In December 1971 the issue was taken up by the UN General Assembly, which declared the Indian Ocean a zone of peace and formed the Ad hoc Committee on the Indian Ocean. A number of regional treaties, including the Treaty of Tlatelolco (1967) have declared nuclear free zones. In South-east Asia, ASEAN issued a declaration in 1971 intended to secure recognition of South Asia as a zone of peace, freedom and neutrality (ZOPFAN), whilst the Valletta declaration of September 1984 made peaceful use claims for the Mediterranean as a closed sea. These and similar declarations suggest that states continue to find value in committing very significant amounts of their diplomatic time in international diplomatic conferences despite the remoteness of the objectives.

Allies, Alliances and Diplomacy

The foregoing has looked at the scope and limitations on internationally sourced security in the form of preventive diplomacy and internationally agreed rules. Of the other national action undertaken by states in the pursuit of security, three broad areas of diplomatic activity have been devoted to the enhancement of security, the redefinition of security interests and the maintenance of freedom of action.

In seeking to enhance security, states have traditionally had at their disposal methods such as negotiation of arms supplies and security arrangements with a protecting power. Other options include avoidance of
direct involvement in conflicts, maintenance of a low diplomatic profile, or, conversely, seeking international political support. Those states which have opted for security through neutrality find it necessary periodically to reinforce the credibility of their orientation by statements or protestations against infringements or erosion of their status. For other states reliance has continued to be placed on bilateral arrangements. Such arrangements have been between local powers e.g. Malaysia and Australia. More often than not a major external power has featured in an agreement. Between 1970-1980, for example, some ten countries signed bilateral treaties of friendship and cooperation or similar arrangements with the Soviet Union.

Relatively few formal multilateral security alliances have been concluded in recent years. The period since 1972 has, outside Europe, been largely one of alliance demise. An exception is the creation of the Gulf Cooperation Council in 1981. Diplomatic cooperation amongst the GCC members (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates) has increased considerably since then although the security arrangements remain embryonic. It is interesting to note in this context that ASEAN has remained essentially an economic organisation, despite some suggestions of altering its focus following the winding up of SEATO. A factor working against any formal alliance has undoubtedly been the differing defence arrangements which members have with a variety of external powers, including the US-Philippine arrangements, and the usual Five Power defence pact combined with semi non-alignment of Malaysia. In the GCC case existing arrangements with external powers similarly inhibit regional security cooperation. The most important constraints however remain the low military capabilities of most individual members in relation to the range of threat and differing estimates of the significance of internal threats.

Whilst there appears to have been reluctance amongst states to enter into formal multilateral alliance commitments since the 1970s, interest nevertheless has been shown in regional arrangements of a lesser nature. A good example is the South Pacific Forum, which brings together Australia, the Cook Islands, Fiji, Kiribati, Nauru, New Zealand, Nuie, Papua New Guinea, Solomon Islands, Tonga, Tuvalu, Vanuatu and Western Samoa. The grouping has been drawn increasingly together on a number of issues, including problems connected with extended maritime boundaries under the new law of the sea conven-
tion, lumping waste at sea and nuclear testing. The massive extension of the sea space of the smaller member of the Pacific Forum has posed major problems of development, administration and security. The views of the smaller members of the Forum on how best to maximise the benefits especially from fisheries and other sources have been at variance with the revised security perceptions of the larger members of the Forum. Australia and New Zealand have been concerned to limit or prevent Soviet hydrographic, fisheries and naval presence in the region. Both countries, for example, have given increased development assistance to Tonga, Western Samoa and the Cook Islands to dissuade them from granting fisheries access to the Soviet Union.

An important area of high diplomatic activity whether it is in a bilateral or multilateral framework concerns the acquisition of weapon systems and technology transfer. Very frequently in bilateral arrangements involving a larger external power, demands by the smaller state for advanced weapons systems or replenishment of equipment are invariably the source of diplomatic dispute in that concessions by the primary power on supply may sometimes conflict with its other foreign policy interests. Supply remains the essential lever over an ally. The failure of the USSR to refurbish the Egyptian army both before and after the October 1973 was a major factor in the re-orientation of Egyptian foreign policy after 1975. In the NATO context, weapons system enhancement has been a source of conflict between Western Europe and the United States. Ravenal for example, has suggested that the disputes are of a cyclical nature, in that they are patterned as a result of periodic decisions on deployment, upgrading or the introduction of innovatory weapons systems, as illustrated over with the MLF, TNF and SDI decisions.

Redefining the Purposes of Security Arrangements

Efforts to redefine the purposes and benefits of security arrangements have now become almost an everyday feature of international relations. In arrangements involving major powers, minor powers have periodically attempted to gain higher economic benefits from allowing their territories to be used as foreign bases. In fact the adequacy of base payment and offset arrangements has become an important cause of alliance ‘fraying’ in NATO. In the Turkish-United States dispute, for example, Turkey has sought higher levels of military assistance and the modernisation of the Turkish armed forces, which has met with Greek counter lobbying.
in the US Congress. Furthermore, Turkey’s complex foreign policy orientation has proved to be a source of both strength and weakness. As a ‘crossroads’ state, links with European, socialist, Arab and Islamic countries, suggest diversification, mixed with an unwillingness to undertake a fundamental shift in security orientation away from the United States.48

In contrast, Greek policy since 1981 offers an unusual illustration of a smaller member of the NATO alliance attempting a more ambitious redefinition of its national security interests and alliance relations.49 Although the incoming socialist government was committed to the removal of American bases and nuclear weapons under a neutralist foreign policy, the ‘essentials’ of Greek security policy have remained intact. The Papandreou Government subsequently renewed the bases agreement with the United States in September 1983. Greek policy has, however, been modified in several respects. In terms of style, the marginal elements of Greek foreign policy (e.g. the Polish question) have been conducted with a strong anti-western flavour.50 Domestically, disputes involving the NATO alliance have been used as foreign policy crises and have served as a diversion from domestic issues. Greek security policy towards NATO itself has been modified to some extent with limited participation in NATO exercises. Underlying Greek policy is a redefinition of security in which the major threat is seen as coming from the south. The disputes with Turkey over the Aegean and the Turkish occupation of northern Cyprus, along with the associated conflict with NATO over such questions as airspace and the security status of Lemons have been accorded high priority by the Papandreou Government. The constraints on more substantial redefinition mainly come paradoxically from the requirement for continued US military equipment for the armed forces, and, political support in the conflict with Turkey.51

Outside of Europe, the issue of the stationing, presence and use of nuclear weapons has been a source of dispute within the ANZUS alliance52 (Australia, New Zealand, United States) between New Zealand and the United States, whilst the presence of US warships carrying nuclear weapons in Japanese ports has become increasingly sensitive for Japanese government.53

In ANZUS, New Zealand redefined its security interests in 1985 with the refusal to allow port facilities to United States warships with potential nuclear capability.54 In response the United States initially cancelled joint exercises, meetings of communications officials and the
sharing of joint intelligence. With no modification of New Zealand policy, the United States suspended its security arrangements under ANZUS with New Zealand in August 1986.\(^5^6\) The New Zealand action underlines a dilemma for smaller alliance members of how to gain diplomatic support for security through conventional rather than nuclear forces. It is a problem which nuclear guarantor states have yet to develop an effective response to. A shift from deterrence to defence if anything enhances the need for transit facilities and sharing nuclear risk.

Redefinition of security has occurred for a number of other reasons. In defining security states have sometimes sought to diversify their sources of security. For example, Malta has experimented with various security arrangements with differing countries, including Libya, since the 1970s, and in an Exchange of Notes with Italy declared itself as having neutralised status in 1981.\(^5^6\) In other instances, unfulfilled economic and military commitments can lead minor powers to switch protecting states rapidly e.g. Somalia from the Soviet Union. The arms supply policies of an external power by definition have security implications for neighbouring states and can create perceptions of vulnerability. Thus the Egyptian abrogation of the Egyptian-Soviet treaty in 1976\(^5^7\) was influenced not only by Soviet failure to build up the Egyptian armed forces but also by the Soviet rearmament of Libya.\(^5^8\) In their economic actions external powers are generally sensitive to the security implications of cuts in budgetary and other assistance to former colonies. In some instances reductions in budgetary assistance by an external power have led to efforts to find a new economic patron. The Central African Republic and Benin, for example, have attempted to diversify from France. Yet these exercises have generally been short lived and often led to a coup d'etat.\(^5^9\)

In the main, states outside Europe have found it difficult to develop effective regional security arrangements.\(^6^0\) The contribution to regional collective security of organisations such as the OAU has on the whole been very limited.\(^6^1\) This situation seems for the most part to have been tacitly accepted and the organisation's role confined largely to political and economic questions. In relatively rare cases some states have taken the step of actually withdrawing from a regional organisation. Morocco, for example, withdrew in 1984 from the OAU.\(^6^2\) It is clear that withdrawal tends to be an action of last resort because of diplomatic isolation. Although a regional organisation might be ineffec-
tive in military terms, it is never the less, a diplomatic milieu for contact, discussion and lobbying, which are essential in themselves ingredients to continued perceptions of independence, legitimacy and security well-being by the member states.

Security and Freedom of Action

As a matter of *raison d'être* states are anxious to safeguard their freedom of action as much as possible to conduct what they consider to be appropriate security policies. In the context of international conferences, meetings and other contacts, questions to do with representation, consultation and coordination of policies are seen as especially important. Small states attach importance to having their positions understood and accepted as far as possible by other allies and likeminded countries. Reasons of international prestige and recognition of their potential role or contribution also make states sensitive to questions of representation. In the case of the CSCE conference, although a number of countries had only indirect interests, such as Malta and Cyprus, they nevertheless were active in articulating their particular neutralist and non-aligned concerns.

Special Problems

Three problems have been set out to illustrate some of the newer and difficult security problems faced by small states. Not all aspects of these problems are directly shaped or influenced necessarily by larger states, but, in fact small states themselves can in some instances be an important source of conflict and instability. In the first illustration the law of the sea convention, signed in 1982, has affected the territorial and economic security of small states in several ways. The extension of EEZ jurisdictions under the convention (article 56) has resulted in competing claims and the search for territory to support further territorial extensions, as in the South China sea. Secondly, the convention creates for maritime legal purposes several classes of states, e.g. archipelagic, coastal states and port states, the formation and establishment of which can be contentious e.g. Ecuador's claim to archipelagic states, or limitations on the passage of naval vessels through the Indonesian archipelago. In other words, the tendency for the law of the sea convention to be interpreted on a selective basis, using a narrow conception of national interest is likely to influence further international conflict and erode the wider impact of internationally endorsed rules.
A separate aspect of extended jurisdictions, the management of offshore resources, will only be briefly noted here. It is many smaller states, especially island communities, have found the management of extended offshore resources, especially fisheries, beyond their capabilities. The loss of traditional grounds and the transfer of fishing effort by medium and large states such as Spain, Taiwan and Japan has put considerable pressure on small and micro island states. The dilemma such states face over fisheries licensing regimes is whether to trade protracted negotiations and loss of revenue for a degree of revenue but inadequately enforced legislation and catch effort.

As a second illustration, small states face particular difficulties in managing their international financial relations as a result of rapid and far reaching political and technical developments in that sector. The requirement for high levels of information on para statals, offshore banking units (OBUs), foreign exchange movements and other significant financial flows of individuals and corporate entities is important. Without that information small states have proved vulnerable because of the independent financial transactions of agencies such as development financial transactions of agencies such as development corporations, mining agencies and airlines which have led to the acquisition of short and long term liabilities not always known about by the central government. The problem of control is further illustrated by the growth in OBUs. In the Gulf region, for example, the Kuwait banking crisis showed how rapid capital movements could introduce both multiple levels of instability, and, increase exceptions of vulnerability. The growth of offshore financial centres, in the Middle and Far East, Pacific and Latin America has meant that smaller actors on the margins have become vulnerable to capital shifts and adverse developments in the economies of capital market centres.

The special problem faced by small states in the third area, international trade, derive from the qualitative changes in international protectionism, the blurring of the line between aid and trade the failure of the North-South dialogue. A major source of small state vulnerability is the marked increase in protectionism since the late 1970s. Periodic trade disputes, between small states and larger powers have become an everyday feature of the diplomatic agenda. The resolution of those disputes has very often been of a short term nature, such as interim arrangements on fabric imports, which eventually require lengthy
renegotiation, whilst backlogs of goods build up. A further disturbing feature is the emergence of multi-product disputes, which may develop out of failure to reach agreement in a quite separate sector.65

At a macro-structural level, the failure of North-South negotiations on trade and economic redistribution has created a vacuum in multilateral diplomacy. Although this has given a spur to economic cooperation amongst developing countries (ECDC)66 it is by no means clear what sustained trade growth is will produce. Also the growth of managed trade in a number of forms, such as barter and counter trade, reflects the enhanced problems small states have in gaining diversified and secure market access.67 Whilst for some small states the managed trade elements remains structurally small,68 the capacity to manage an economy internally can be reduced if there is over-reliance on counter trade in one sector, such as oil.

Conclusions
This paper has examined the security difficulties and dilemmas faced by states in contemporary international relations. A major theme has been the extended range of threats smaller actors face. Some of these are entirely novel and pose complex problems of internal and external response stretching already limited resources. The wider range of threats itself, particularly of a non-military kind, underlines the inadequacy of traditional definitions of security. Above all, these developments place a high premium for small states as far as the conduct of their external policy is concerned on good information, coordination and technical professionalism.

Notes


6. See also *Vulnerability Small States in the Global Society* (London; Commonwealth Secretariat) 1985 pp. 23-4. This definition excludes category (iv) on technology.


20. The projected deficit as at 31 December 1985 was 390.7 million, of which 116.3 million related to withholding, or delay in payments to the regular budget and the balance to peace-keeping activities. See A/40/1102, 12 April 1986, paras. 11 and 15. See also *UN Monthly Chronicle*, Vol. XIV, No. 5 (May 1982) pp. 65-70.

21. The United States has indicated that it will continue to withhold its pro rata share of the annual UN assessment attributable to the costs of the Preparatory Commission set up under the Law of the Sea Convention. The United States, Turkey and the United Kingdom argued that the costs of the Preparatory Commission should be borne by those states party to the law of the sea convention, since the Commission, which deals inter alia with deep seabed mining is legally independent and distinct from the UN and not answerable to it. See *Oceans Policy News*, January-February 1984, p. 3.


25. UN General Assembly Resolution 3314 (XXXIX) 29 UN GAOR, Supp. (No. 31), 142 UN DOC. A0631 (1975).
28. See statement by Giuseppe Di Gennaro outgoing chairman of the UN Committee on Crime Prevention and Control, and Executive Director of the UN Fund for Drug Abuse Control, in UN Chronicle, Vol. XIX No. 5 (May 1982) p. 60.
32. See *Study on the naval arms race*, Report of the Secretary-General, A/40/535, 17 September 1985, pp. 50-70.
34. A/40/535, para. 238, p. 65.

40. The initial US-Philippines base agreement was on 14 March 1947, providing for the establishment for a 99 year period of 23 American military, naval and air bases in the Philippines. A mutual defence treaty was signed in Washington on 30 August 1951, as a continuation of the 21 March 1947 Military Assistance Agreement. See A Decade of American Foreign Policy Basic Documents 1941-8 (Greenwood Press, New Work, 1968), pp. 869-81 and 881-5.

41. See M. Pathmanathan, Readings in Malaysian Foreign Policy (University of Malaya, Kuala Lumpur) 1980 esp. pp. 126-42.

42. UN Doc. A/40/535, 17 September 1985, para. 254.

43. The Times, 11 August 1986.


46. See Fahmy, ibid, pp. 145-7, 172, 183-5.


55. The port access issue came to a head in early February 1985 when the New Zealand government declined to approve a requested visit by an American warship, USS Buchanan on the grounds that it was unable to satisfy itself that the vessel was not nuclear armed. See Report of the Ministry of Foreign Affairs, March 1985 (Wellington, 1985) pp. 21-2.

56. The Times, 13 August 1986.

57. Exchange of Notes on Malta becoming a neutralised state, with Italy, 15 September 1981. See Italian Yearbook of International Law (1982), pp. 352-7 for the texts of the two Notes.

58. Ismail Fahmy, Negotiating for Peace in the Middle East, ibid., p. 172.


67. See *Economic and Technical Cooperation and Developing Countries* (Office of the Chairman of the Group of 77, Ljubljana, 1984), Vols. 1 and 2; and UN Doc A/36/333, 26 June 1981 (Caracas Programme of Action).

68. See GATT, L5915, 18 October 1985, p. 44.