

What Led Iceland to Recognize the Baltic States in 1991?

Master Thesis: Case Study within Foreign Policy Analysis

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In honor of Peter van Krieken, my mentor and friend

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Timeline of Relevant Events

- 1939 Jon Baldvin Hannibalsson, later to become the foreign minister of Iceland, is born into the home that was in effect the center of the Social Democratic Party in the North-West of Iceland. Hannibalsson's father was the leader of the Social Democrats, his uncle a parliamentarian and expert on foreign policy. Hannibalsson and his brothers initially reject the ideology and prefer to call themselves Marxists
- 1939 The Molotov-Ribbentrop Pact is signed. Under this pact, the Baltic States fall under the sphere of Soviet influence.
- 06-1940 The Red Army enters all three of the Baltic States
- 08-1940 Soviet Proxy governments installed in all three Baltic States apply to join the Soviet Union and are subsequently grouped as Baltic Republics within the Soviet Union
- 1953 Hannibalsson's oldest brother, Arnor, studies in the Soviet Union until 1959. Here Arnor meets and studies with people from all over the Soviet Union, including the Baltics. Arnor's friends eventually reach out to him for support during the Baltic independence movements. According to Hannibalsson, these friends proved to have important information which became important during the revolution, and Arnor became one of Hannibalsson's most trusted advisors concerning the Baltic issue
- 1984 Jon Baldvin Hannibalsson becomes Chairman of the Icelandic Social Democratic Party
- 1985 Mikhail Gorbachev introduces the glasnost and perestroika aimed at simultaneously reforming the Soviet Union economically and politically
- 1986 Calls for independence arise in the Baltic region
- 1987 Jon Baldvin Hannibalsson becomes the Icelandic Minister of Finance
- 1987 The Environmental Protection Club, which would turn out to become of the greatest mass movements in the Baltic area, is established in Latvia
- 1987 The start of the four-year Singing Revolution in Estonia in which, over the period of four years, Estonians join in in mass singing of patriotic songs
- 1988 Jon Baldvin Hannibalsson becomes the Icelandic Minister of Foreign Affairs
- 16-11-1988 Estonia issues the Estonian Sovereignty Declaration in which Estonian laws are declared to be superior to Soviet laws

- 23-08-1989 On fiftieth anniversary of the Molotov-Ribbentrop Pact, the mass popular movements of all three of the Baltic States unite and form a 600 kilometer long human chain from Tallinn, through Riga and ending in Vilnius as a united call for independence
- 1990 Right after the founding of the popular movements, the Baltic States meet and form the Baltic Council
- 11-03-1990 Lithuania becomes the first of the Baltic States to declare independence with the democratically elected Vytautas Landsbergis as the chair of the Supreme Council of Lithuania. The Soviet Union responds with a trade embargo on Lithuania, spurring caution in other states that wish to follow in Lithuania's footsteps. After the Lithuanian parliament votes to temporarily suspend its declaration of independence, deliveries resume
- 03-04-1990 Edgar Savisaar is elected to chair the council of ministers in Estonia
- 04-05-1990 Latvia declares that it has embarked on a path towards independence
- 07-05-1990 Ivars Godmanis is elected chair of the council of ministers in Latvia
- 08-1990 Starting in Augusts 1990, various new states declare independence from the Soviet Union including Armenia, Abkhazia and Transnistria.
- 10-1990 Landsbergis visits Iceland. Landsbergis was familiar with Arnor, the foreign minister's brother. After the visit, Hannibalsson and Landsbergis remain friends
- 1990 The Baltic States are invited to the CSCE Conference in Copenhagen. Lennart Meri representing Estonia, Janis Jurkans representing Latvia, and Algirdas Saudargas representing Lithuania present themselves, only to be unseated at the Soviet Unions behest. For the first time, Hannibalsson publicly takes on the plight of the Baltic States
- 1991 Soviet tanks embark towards Estonia, but eventually turn back
- 13-01-1991 Fourteen non-violent protestors are killed while hundreds are injured in Vilnius, Lithuania while defending the Vilnius TV Tower and parliament from Soviet troops. On live TV, newscasters report on the ongoing violence occurring at the building.
- 13-01-1991 As the TV Tower massacre unfolds, Hannibalsson receives a mid-night phone call from Landsbergis urging him, as a NATO foreign minister, to come to Lithuania and stand in unity with the Lithuanian people. Hannibalsson responds to the call and flies to Lithuania. Hannibalsson while there visits the graves of the victims and stands with demonstrators. He hereby became the first Western foreign minister to

visit the country following its declaration of independence. Upon his return to Iceland, Hannibalsson submits a report to the Althingi's foreign affairs committee. Even Opposition parties respond with support for continued Icelandic assistance to the Baltics. Prime Minister Hermanssons offers a letter to Mikhail Gorbachev through his ambassador in Reykjavik in which he condemns the violence. In Icelandic media, Hannibalsson carefully encourages the Soviet leadership to negotiate with the Baltic governments. He does not publicly criticize the USSR.

- 17-01-1991 American invasion of Iraq unfolds: the Gulf War. The US seeks Soviet support. The attention of the media shifts away from the Baltics.
- 20-01-1991 Pro-communist forces unsuccessfully attempt to overthrow the democratically elected pro-independence party in Latvia. Farmers come to Riga with their tractors and build barricades around the city. The Soviet Special Forces kill four and injure 12 civilians in Riga.
- 1991 Iceland's first ambassador to the Soviet Union, Olafur Egilsson: "For some time it looked like diplomatic relations would be cut." A journalist from one of the biggest newspapers in Moscow asks him if he has already started packing in an interview.
- 19-08-1991 Failed Coup d'etat in Moscow to remove Gorbachev, who, regardless, resigns on the 24th of August
- 19-08-1991 NATO meeting in Brussels: Yeltsin informs the NATO Secretary General that he is in charge in Moscow
- 20-08-1991 Estonia declares independence
- 21-08-1991 Latvia declares the path towards independence complete and hence proclaims independence
- 22-08-1991 Hannibalsson decides that Gorbachev's absence is a window of opportunity. Hannibalsson invites the three Baltic foreign ministers to Iceland. Iceland recognizes the independence of the Baltic States
- 23-08-1991 Denmark recognizes the independence of the Baltic States
- 27-08-1991 All other members of the EU issue recognition to the Baltic States by the 27th of August
- 02-09-1991 The United States issues recognition to the Baltic States
- 06-09-1991 The Soviet Union recognizes the independence of the Baltic States
- 17-09-1991 All three of the Baltic States are admitted to the United Nations
- 26-12-1991 The Soviet Union ceases to exist

1. Introduction

This thesis will concentrate on Iceland's foreign policy, specifically at the end of the Cold War. As the Soviet Union was collapsing in 1991, the Icelandic Minister of Foreign Affairs, Jon Baldvin Hannibalsson, lobbied ardently for the recognition of the Baltic States within the international community. Hannibalsson did this against the wishes of the United States, the Soviet Union, NATO, and even his Scandinavian counterparts, the Swedish and Norwegian ministers of foreign affairs. This thesis aims to uncover what factors led to this puzzling decision by addressing the following question: What led Iceland to recognize the Baltic States on the 22nd of August 1991?

Though Lithuania was the first of the Baltic States to initiate its bid for independence, Latvia and Estonia quickly followed suit. In August and the following months of 1991, Iceland and other states, including the Scandinavian and other Western States, recognized the independence of all three Baltic States. As Iceland was the first to recognize the Baltic States, this research will evaluate Iceland's motivation for recognizing these States.

Conventional wisdom among foreign affairs scholars is that small states generally do not try to upset the status quo. In fact, early research on small states interchangeably used the term "small states" and "weak states" (Hey, 2003: 4). Additionally, with the dominance of the realist paradigm came the idea that big powers alone were the shapers of the international system (Waltz 1979). However, Marshall Singer conducted research on small states in 1972 and concluded that small states may lack coercive power, but that they may yet contain attractive power (Singer 1972). A small state's level of development, geographic location, internal stability and importance to a great power could help bolster a state's attractive power (Vital, 1967). This was especially the case at the end of the Cold War. Within the bipolar system, small states were expected, and generally did ally with a great power. As this system unraveled in 1991, Iceland chose to defy international pressures

This research will therefore contribute to the research agenda of small state foreign policy analysis by increasing our understanding of the factors that may motivate a small state towards a particular decision within the international system. By testing a range of variables, including the role of Icelandic Identity and the foreign minister's leadership, this thesis will determine which factors were decisive to understand the decision to recognize the independence of the Baltic States.

Before proceeding to the analysis, it is necessary to understand why this research is important. When analyzing the membership of international organizations, one finds that small states are actually some of the largest collective stakeholders in the international system. For example, over 25% of the World Bank's members are classified as small states, with a population that does not rise above one and a half million persons (World Bank). Within the United Nations, the Forum of Small States is now comprised of one hundred and five countries that are united in a non-ideological forum that allows states to discuss policy (Singapore Ministry of Foreign Affairs). With over half of the member states of the United Nations also being members of a small state forum, it is self-evident that small states need not necessarily be seen as weak and irrelevant in the international arena. After all, the international arena is comprised of a majority of small states. Considering the fact that small states are important, including them into foreign policy analysis requires that we understand what motivates the foreign policy decisions of small states. This research is also relevant as it adds to the limited literature on the Icelandic role in the Baltic recognition process and the end of the Cold War. The role that Iceland played in the recognition process of the Baltic States has not been exceptionally well documented due to the fact that Iceland is a small state and is not necessarily considered to be an influential international player. Additionally, most of the domestic sources are written in Icelandic limiting research opportunities.

This thesis will first present an initial overview of the existing literature concerning Iceland and its recognition of the Baltic States, small states and their role in the international arena, as well as the importance of identity within international politics. Subsequently, the theoretical framework section will present the five hypotheses that will be tested in this thesis. The methodological section will then present the variables as well the methods that will be employed in testing the hypothesis. The following section presents an analysis of the empirical data which will help evaluate the relevance of each hypothesis. Lastly, the conclusion describes the linkages and interactions among the hypotheses.

2. Literature Review

This following section outlines several aspects concerning the Icelandic decision to recognize the Baltic States. The first section discusses existing literature in which Kirstina Spohr Readman examines the importance of Baltic independence and the role it played in the collapse of the Soviet Union. Subsequent sections discuss existing foreign

policy literature that discusses small states and the importance of identity within foreign policy analysis.

2. 1 Icelandic recognition of Baltic States

Most of the literature concerning the independence of the Baltic States is focused on the role that these states played in the collapse of the Soviet Union. Very little literature is focused on the role that Iceland played in the process. One author who did write about the role of Iceland in relation to the collapse of the Soviet Union is Kristina Spohr Readman (2006). In contrast to traditional independence movements, the struggles of the Baltic States have had an international dimension (Readman, 2006: 2). These successful independence movements were a signal that the bi-polar status quo within the international arena had started to wither. After all, the wishes of both sides of the polar divide were not being respected. While the Baltic people had significant influence on the fate of the Soviet Union, it was the policy of Western governments that had the greatest influence on the fate of the Baltic States due to the ending Cold War and Western interference (Readman, 2006: 2). According to Readman (2006), the western state that had the most influence on the evolution of the Baltic States' independence movement was Iceland due to the fact that Iceland was the first state to recognize the independence of the Baltic States.

Readman argued that the Baltic States could count on Icelandic support in their struggle for independence. She stated: "one can only speculate as to why these two Nordic countries [Denmark and Iceland] were such keen advocates of the Baltic Republics" (Readman 2006: 18). Readman concluded that Iceland did have a greater "*direct* impact than the Western great powers" (Readman 2006:32). This thesis aims to replace the speculation with a study that will indicate why the Baltic States could count on support from Iceland and why Iceland chose to support their plea despite the opposition of the Western great powers.

2. 2 Small States

Prior to delving into the factors that may have motivated Icelandic recognition of the Baltics, this thesis will first evaluate the more general literature concerning small state foreign policy.

Existing literature on small state foreign policy indicates that small states tend to exhibit a low level of participation in world affairs, to limit their behavior to their immediate geographic arena, to emphasize internationalist principles, international law, to secure

multinational agreements and to join multinational institutions whenever possible, to choose neutral positions, to rely on superpowers for protection, partnerships, and resources, and to aim for cooperation and the avoidance of conflict (Hey 2003:5). Several scholars have offered general theories on the foreign policies of small states. Miriam Elman (1995) claims that domestic institutions and actors determine the available paths that a small state can take internationally (Elman 1995: 187). Thus, she claims that domestic institutions are of more importance in comparison to international pressures in small states. Similarly, David McGraw (1994: 7) claims that changes in leadership leads to ideological changes, which in turn affects a small state's foreign policy decisions. However, Sasha Baillie offers an alternative explanation for understanding the foreign policy of small states. Baillie, a senior Luxembourgian civil servant, argues that small state foreign policy is dependent on mainly three factors: a country's historical context, its decision-making processes and institutional frameworks, and its negotiation behavior (Baillie 1998: 196).

Another group of scholars studying small state foreign policy focuses on the security needs of small states. According to Hey, the turn of the century was actually the most peaceful and secure period for any small state (Hey 2003: 8). Hence, an outdated focus on mere security considerations paints an incomplete picture of small state foreign policy. Therefore, this thesis will include traditional security analysis in order to identify the factors that motivated this decision, while also evaluating how identity, personality, economic, and bureaucratic factors may have equally played a role in the Icelandic decision.

2.3 Identity

Additional research concerning small state foreign policy, and specifically on Iceland's foreign policy, focuses on the importance of identity. Several authors, including Eirikur Bergmann (2014), Olafur Hardarson (1985), and Gunner Gunnarsson (1990) have written about the importance of identity and history in the development of Icelandic foreign policy. Hardarson specifically discusses the importance of Icelandic Identity and how this identity shapes Icelandic foreign policy regarding the public security debate in Iceland (Hardarson 1985: 297). Similarly, Bergmann discusses post imperial sovereignty attitudes and how Icelandic colonial history affects Icelandic foreign policy (Bergmann 2014: 33)

While one may intuitively assume that small states are vulnerable and react mostly to international pressures, broader research into small state foreign policy also concludes that identity is important, especially when small states decide to challenge the international status quo, such as was the case when Iceland recognized the independence of the Baltic States. Research by Giorgi Gvalia, David Siroky, Bidzina Lebanidze and Zurab Iashvili (2013:98) also concludes that elite ideology is the deciding factor in such cases where small states challenge the status quo. These authors gathered that small states are most likely to challenge the status quo when elite ideology is deeply embedded in formulating foreign policy. The authors deduced that a closer look at the elites involved in the decision making process can advance the understanding of small state foreign policy.

During the Cold War, bipolarity was the nature of the international system. States were expected, and to a certain extent, obligated to be part of one block or the other. As bipolarity was the norm during the Cold War, scholars did not evaluate identity as it was considered irrelevant (Hudson: 117). States had to maneuver internationally within the polarized system. However, this norm dissipated by the end of the Cold War as culture and national identity seemingly became more important factors in influencing the formulation of foreign policy (Hudson 117).

Despite these predictions, integrating identity into foreign policy analysis has never become an accepted fact. Identity, after all, was not the domain of International relations but of other social sciences such as sociology and psychology (Hudson 118). In addition to the fact that identity was not predominantly researched within political science, identity and culture are largely amorphous concepts, making them difficult to study. As Valerie Hudson states, culture and identity are dynamic in nature and not “carved in stone” (Hudson 119). Thus, the fluidity of a people’s culture and identity make these concepts difficult to use in explaining foreign policy.

Though identity remains fluid and difficult to study empirically, scholars studying small states have repeatedly recognized the importance of identity and elite ideology in the foreign policy of small states (see Katzenstein 1985; Hill 1996). The aforementioned authors whose work focuses on Icelandic foreign policy have also put significant emphasis on Iceland’s identity in explaining its foreign policy. Therefore, in order to explain why Iceland recognized the independence of the Baltic States, this research will

also evaluate Icelandic Identity and the role it played in the decision making process leading to this particular decision.

3. Theoretical framework

In order to determine what led Iceland to recognize the independence of the Baltic States, this thesis will build on five foreign policy analysis frameworks. Two of the frameworks will evaluate the economic and security considerations that Iceland considered when making its foreign policy decision. The third framework evaluates the role of identity in a state's foreign policy, while another framework will analyze the importance of bureaucratic structures. The final framework will analyze the role of leadership.

3. 1. H1: Security Considerations

Contemporary (realist) foreign policy scholars often refer to security needs as a primary motivator for foreign policy decisions. John Mearsheimer (2001) comes to the conclusion that larger and more powerful states commonly buck-pass in order to guarantee security. (Mearsheimer 2001: 157-162). Buck-passing happens when states feel threatened, but rely on another state that feels threatened to prevent the aggressor state from rising in power (Mearsheimer 2001: 158). Randal Schweller (1994, 1996), argues that states, especially smaller and weaker states, are more likely to bandwagon, or ally with a powerful state instead of behaving at odds with the more powerful state's interests. Through utilizing traditional Realist theories, one would conclude that Iceland should have acted according to the wishes of at least one of the two world powers that were involved in the issue through 'bandwagoning.' This realist, security focused point of view would therefore lead to the conclusion that Iceland must have considered its security needs and acted in order to further its security in the decision making process that led up to the recognition of the Baltic States.

According to several Icelandic Scholars, one of the most important motivating factors behind Icelandic Foreign policy decisions is indeed Iceland's security. Iceland does not have a standing army and therefore relies on partners for its security. In 1949, Iceland joined NATO and in 1951 Iceland signed its first treaty with the United States concerning security cooperation (Hardarson 1985: 297, 298). These security considerations have also had a profound impact on domestic politics within Iceland. For example, the debates concerning the future of the American armed forces based in Iceland was severely heated. Iceland's vulnerability was made most evident on

September 30th, 2006, as the United States unilaterally decided to withdraw (Ingimundarson 2007:7). This decision left Iceland without any territorial defense and forced a reevaluation of Iceland's foreign policy and a shift towards Europe.

Iceland's territorial defense strategy is merely one aspect of Iceland's security strategy (which also includes energy security, for example). However, Iceland's foreign policy as a whole is heavily influenced by security considerations, including its territorial defense according to, among others, Icelandic scholar Valur Ingimundarson (2010: 80).

Considering the importance given to security within Icelandic foreign policy, it is interesting to note that Iceland's decision to recognize the independence of the Baltic States seems to have gone against the wishes of the international partners upon whom Iceland traditionally relied for security, namely the United States and NATO. Iceland traditionally bandwagons with the United States¹, while it appears that Iceland clearly contradicted the wishes of its security guarantor. This leads to the question: did Iceland consider security considerations in the decision, and if so, what importance was given to these security considerations? Based on Schweller's understanding of security considerations, this thesis will test the following hypothesis:

H1- Iceland's decision to recognize the independence of the Baltic States took into account the wishes of its security allies.

3. 2. H2: Economic Considerations

The previous hypothesis already tested realist, security focused strategies. However, Robert Keohane and Joseph Nye's complex interdependence theory would lead us to believe that Iceland may have also decided to act according to other interest, such as economic ones. This leads to the following question: Did Iceland consider and plan to benefit economically from the decision to recognize the independence of the Baltic States?

Keohane and Nye (1972) claimed that "multidimensional economic, social and ecological interdependence" (Keohane & Nye 1972: 4) has caused the use of force to become progressively harmful to states (Keohane & Nye 1987: 727). The basic premise of interdependence theory is that power is derived from asymmetrical relationships (Keohane & Nye 1987: 728). For example, a state with limited economic power and no

¹ A very clear example of Iceland's 'bandwagoning' can be seen in Iceland's decision to join to the 2003 coalition of the willing, despite the fact that it does not have a standing army.

military power is likely to be less powerful in an interdependent relationship with a colossal economic and military powerhouse.

In addition to security considerations, Baldur Þórhallsson noted that Icelandic politicians had the tendency to exclusively focus on concrete economic advantages when shaping their foreign policy (Þórhallsson 2005:128). This focus on financial resources and wealth can also be seen in other small states, such as Luxembourg. Similar to Iceland in its small size, Luxembourg has made maintaining its financial supremacy a focus of its policy and, among other things, has dedicated its foreign policy to perpetuating this status (Hey 2003: 92). Likewise, Caribbean states have also developed foreign policy with goals to foster economic integration, cooperation and development (Hey 2003: 34-38). With small states giving such preference to economic strategies within their foreign policy, it would be expected that Iceland would be influenced by similar factors in its decision to recognize the independence of the Baltic States, leading to the second hypothesis:

H2- Iceland's international financial arrangements were considered to be decisive in the decision to recognize the independence of the Baltic States.

3. 3. H3: Icelandic Identity

The complexity of using identity as an indicator of foreign policy is very evident in the case of Iceland. Understanding how the Icelandic identity affected foreign policy decisions requires us to evaluate the beliefs that are central to the Icelandic Identity. According to Judith Goldstein and Robert Keohane, there are several types of policy beliefs. The first types of beliefs are held at the most fundamental level, while other beliefs may either be principled or causal. This thesis will examine the beliefs at the fundamental level, as these collective beliefs form identity. These conceptions, according to Goldstein and Keohane, “are embedded in the symbolism of a culture and deeply affect modes of thought and discourse” (Goldstein and Keohane 1994: 8). These fundamental beliefs thus shape identity through defining the worldview of a group of people.

Ideas and beliefs that form the Icelandic identity are of great importance in studying the reason behind Iceland's recognition of the Baltic States. As will become evident in this case study, as ideas become embedded in belief systems, they form a strategy and guide the state when dealing with foreign policy events (Goldstein and Keohane 1994: 12). This reliance on ideas may therefore lead to actions that are contrary to the society's

best interest, simply because ideas do not always lead to the most profitable strategy (Goldstein and Keohane 1994: 17). In instances where states deviate from the most profitable strategy, rationally explainable through cost and benefit analysis, culture and ideas can often explain this divergence. For example, in 2015, Sweden cancelled a \$500 million defense deal with Saudi Arabia due to human rights concerns². This is a clear example of an idea (the importance of human rights) taking precedence over the most profitable strategy.

Whereas the most rational option for Iceland may have been to join the status quo to safeguard its security interests in NATO and its economic interests with the Soviet Union³, one possible alternative explanation for Iceland's decision to rebel against the systemic pressures is the impact of ideas that are deeply woven into its identity. Evaluating Icelandic identity and its effects on policy will therefore assist in understanding the lack of conformity with traditional structural-rational approaches in the decision to recognize the independence of the Baltic States. In order to determine if identity played a role in Iceland's decision to recognize the independence of the Baltic States, the following hypothesis will be evaluated:

H3- Icelandic identity led Iceland to recognize the Baltic States.

3. 4. H4: Structural Conditions Leading to Disproportionate Influence

One key element in this thesis is to test whether Jon Baldvin Hannibalsson, as foreign minister, had disproportionate influence in the decision-making process leading to Icelandic recognition of the Baltic States. However, before this subject can be explored, the research must first indicate if the structural conditions were in place to allow for such a predominant leader. Iceland can best be described as a small democratic island state. However, as research by Jan Erk and Wouter Veenendaal (2014) has illustrated, these small states have a tendency to be very nondemocratic and lean towards nepotistic systems of government. This trend is very obvious in microstates. However, while investigating the case of Iceland, it will also be of importance to evaluate any disproportionate influence. For example, evaluating how personal politics develop (the importance of personal relations), as well as particularism (to what extent politicians cater to their own families and friends while ignoring other voters who vote for other

² "Sweden Cancels Defense Deal with Saudi Arabia - World Bulletin." *World Bulletin*. N.p., 11 Mar. 2015. Web. 15 Mar. 2015. <<http://www.worldbulletin.net/world/156405/sweden-cancels-defence-deal-with-saudi-arabia>>.

³ At the time, the Soviet Union provided more than 40% of all Icelandic petroleum

parties) will allow us to better understand what sets small-state democracies apart from larger states (Erk & Veenendaal 2014: 142-144).

While identity may play a central role in the foreign policy decisions of small states, another factor that may have influenced the foreign policy of Iceland is the leader coordinating the foreign policy of the state. This sentiment is in line with the existing arguments presented by Erk and Veenendaal that address small state governance (see Erk and Veenendaal, 2014). Their research indicated that microstate politics is dominated by the personality and relationships in the elite (Erk and Veenendaal, 2014: 142). It is therefore important to evaluate what Hannibalsson's role was in the process leading up to Iceland's recognition of the Baltic independence, and if he was in a position to exert a significant amount of influence in the process. This leads to a conditional hypothesis for this research:

Conditional H4- Hannibalsson's influence within the Icelandic foreign policy agenda was disproportionate due to the bureaucratic system and governmental structure in Iceland.

3. 5. H5: Hannibalsson's Leadership

The final hypothesis will evaluate the role of Hannibalsson's leadership in this foreign policy decision. Foreign policy scholars have suggested that identity and culture form the core beliefs of leaders as well as the methods that those leaders will employ in the pursuing of their core beliefs (Hudson 132). Hence, in order to utilize identity and culture in the explanation of foreign policy, one must identify 'who draws what ideas' out of their identity and 'how the ideas are employed' (Wilkening, 1999: 706, as cited by Hudson 132).

The most prominent foreign policy scholars who have studied leadership traits are Margaret Hermann and Charles Hermann. Margaret Hermann pioneered modern leadership studies with Michael Young. The development of the Leadership Trait Analysis (LTA) program on ProfilerPlus.Org is often used to analyze interviews with foreign policy leaders. Their program will also be used in this research.

Foreign policy analysis traditionally evaluates the roles of leaders, groups and coalitions (Margaret G. Hermann, Thomas Preston, Baghat Korany and Timothy M. Shaw 2001: 83). However, when evaluating small, democratic states, a single, powerful individual may actually take the decisions by himself. In such a situation, this person becomes the sole decision unit and acts as a predominant leader (Hermann et. al. 2001: 84).

It is believed that in the course of a crisis situation, power is likely to gravitate towards the top. The most senior leaders make decisions in moments of crises, leading to a particular situation that resembles the decision-making apparatus of autocratic regimes (Merritt and Zinnes 1991: 227, as cited by Hermann et. al. 2001: 83). These autocratic tendencies are also very much dependent on the style of leadership that the decision-maker has. However, the idea concerning the gravitation of power is not as relevant in most small states where power resides with top leadership both during routine periods of decision-making and times of crisis.

Several scholars within foreign policy analysis have identified 5 distinctions among leaders. There are crusaders vs. pragmatists, those who are directive vs. consultative, task-oriented vs. relations-oriented, and transformational vs. transactional (Hermann et. al. 2001: 86). These typologies are based on the principle—that there is one type of leader that is guided by ideas, causes, and problems that must be solved, while the other type of leader is guided by the context in which the leader finds him- or herself. In summary, one type of leader is goal-driven while the other is contextually responsive (Hermann et. al. 2001: 86).

Those leaders who are goal driven view the world through their own passions and ideas. They believe in who they are and what they do as being one and the same. Their personal standards guide their professional choices. On the other side of the spectrum, one finds contextual leaders who attempt to build coalitions. Such leaders first try to establish where others stand before making their own decisions (Hermann et. al. 2001: 86, 87). These contextual leaders enjoy support from others and dislike devoting resources to confrontational exploits (Hermann et. al. 2001: 88).

Contextually responsive leaders stand in stark contrast to goal driven leaders. The latter type believes that they know what is happening in foreign countries and they believe that they can control those circumstances. These leaders do not accept constraints, but only recognize surmountable challenges. These leaders continually redefine principles, strategies and priorities to suit what they deem most important (Hermann et. al. 2001: 88). While contradicting opinions are relevant to the contextually driven leaders, goal driven leaders fight for their personal principles, passions and beliefs in spite of these conditions (Hermann et. al. 2001: 89).

Using this theoretical framework, this thesis will investigate the role Hannibalsson played in Iceland's decision to recognize the independence of the Baltic States. By evaluating Hannibalsson's leadership method and the ideologies he holds dearest, this thesis will evaluate if his ideals influenced the foreign policy of Iceland. The goal is to determine whether and to what extent his personal ideologies played a role in the decision making process. In order to test the theoretical framework, this final hypothesis will be tested:

H5- Foreign Affairs minister Hannibalsson played a determining role in Iceland's decision to recognize the independence of the Baltic States.

4. Research Design

This following chapter is the research design. Section 4.1. and 4.1.1. will outline what data and methods will be used to test the hypotheses. The following section outlines why this case was selected, with the last section detailing each of the variables and how they are measured.

4.1 Data Collection and Methodology

This thesis will mainly utilize primary sources. An in-depth interview with former Icelandic Foreign Minister Jon Baldwin Hannibalsson is the most important primary source. Additional e-mail correspondence with other Dr. Gunnar Pálsson will also be another primary data source. Economic data will be gathered from the Center for International Data. Additional secondary source data will be collected from academic articles.

Though data is limited, existing literature concerning Icelandic identity can be found in articles written by foremost Icelandic scholars (Pórhallsson 2005; Ingimundarson 1991; Gunnarsson 1990; Bergmann 2014; Hardarson 1985.), Gaps in data can be filled through the aforementioned interviews with Icelandic foreign affairs professionals who played an active role in the decision making process. Qualitative data will also be collected from Dr. Guðni Th. Jóhannesson 1997 Masters Thesis which also looked into Iceland's role in the process. Additional quantitative data will be gathered from the Observatory of Economic Dependency.

4. 1. 1. Method of Analysis per Hypothesis

H1- Security Considerations

In order to test the first hypothesis and evaluate whether Iceland was influenced by security considerations as it recognized the Baltic States, qualitative analysis will be conducted through interviewing the foreign minister, Hannibalsson. Additional secondary sources (academic articles) will be used to analyze what Iceland's security interests were at the time and whether the decision to recognize the Baltic States bolstered those interests.

H2- Economic Interests

In order to test whether Iceland acted in accordance with economic interests, economic data was collected from the Massachusetts Institute of Technology's Observatory of Economic Complexity. The tool composes a visual narrative of trade relationships on the basis of data provided by Robert Feenstra's the Center for International Data (2005). In order to determine whether there was a trade relationship that would have been worth protecting, trade data will be collected for the year 1990 (the year preceding Iceland's recognition of the Baltic States). The data will therefore reveal whether Iceland and the largest stakeholders (the United States and the Soviet Union) had an economic relationship on which Iceland was dependent. Subsequently, through analyzing the statements made by Hannibalsson in an interview, the section will uncover whether Iceland acted in its economic interest by recognizing the Baltic States.

H3- Icelandic Identity

In order to determine to what extent Icelandic Identity may have played a role in the Icelandic decision making process leading up to the recognition of the Baltic States, this thesis will utilize interviews with Hannibalsson and Gunnar Pálsson to qualitatively assess the influence of Iceland's colonial history as well as the importance of sovereignty using content analysis.

H4- Predominant Leadership conditions

Through qualitatively analyzing content collected through interviews with Gunnar Pálsson as well as news footage in which the largest Icelandic lobby makes a media statement, the thesis will evaluate if the structure within the Icelandic government allowed for a predominant leader to influence the recognition of the Baltic States. Additional statements by Hannibalsson will also be utilized.

H5- Hannibalsson's Leadership

The final hypothesis will be tested through utilizing both quantitative and qualitative methods of content analysis on an interview conducted with Hannibalsson. Initially, qualitative analysis will be conducted to determine whether Hannibalsson had a personal interest in the Baltic Issue. Next, through inputting the interview into the LTA program, scores will be revealed for various traits that form a personality. Subsequently, through qualitatively analyzing how these traits combine to form a single personality, this thesis will reveal if Hannibalsson's personality was favorable to turning him into a predominant leader within Iceland on this issue. The LTA program generally requires at least 50 spontaneous interviews be put through the program in order to form a credible personality profile. Due to the lack of available interview data, the quantitative data will merely be used as a guideline in forming the profile. An increased reliance on qualitative analysis conducted in the testing of previous hypotheses will be incorporated to determine which personality profile best describes how Hannibalsson responded to this issue as a leader. Should Hannibalsson's personality and interests align to indicate that Hannibalsson had personal interest in the case, that his personality was conducive to him being a predominant leader on the issue, and should previous hypotheses prove that Hannibalsson was in a position to exert his opinions on Iceland's response to the issue, then the hypothesis will be correct.

4. 2 Case selection: Deviant Case

This case has been selected because it clearly deviates from the expected norm in international relations theories. At the time of the event under study, the norm was that small states were expected to follow the decisions of one of the global polar powers, especially during the bipolar division of international politics. This case is a clear example of an anomaly within the international system. Iceland and other small island states are traditionally considered to be unimportant states within the internationally arena. In this example, Iceland deviated from that norm and exerted significant influence within the international system by recognizing the Baltic States, and lobbying for their international recognition. The goal of this research is to therefore identify why Iceland deviated from the norm within the international system. This thesis uses a case study research design to question this deviation by qualitatively and quantitatively assessing the reasons behind why Iceland recognized the Baltic States. The insights from this particular case might exemplify small state "rebellion," such as Iceland's decision to recognize the Palestinian state⁴. This thesis would therefore offer invaluable insights

⁴ At the time of Iceland's recognition of the Palestinian State, Iceland was the first Western State to do so.

into international instances in which a dependent state acts contrary to the will of its dependee.

The initial expectation is that at least one of the hypotheses studied below will reveal a relationship between one of the independent variables and the dependent variable and thus be able to explain why traditional international relations theories such as neorealism may have less explanatory power to shed light on Iceland's decision to recognize the Baltic states in 1991.

4.3 Variables

The following section will introduce the variables that will be used in conducting this research and testing the hypotheses. These variables take into account the theoretical framework as well as existing literature which explain why these variables were important in the decision making process.

Dependent Variable: Iceland's recognition of the Baltic States

The dependent variable is the fact that Iceland recognized the independence of the Baltic States, thus making the dependent variable dichotomous: recognition of the three Baltic States or not.

Independent Variable 1: Icelandic security Consideration

This thesis will evaluate to what extent the security needs of Iceland had influenced the decision to recognize the independence of the Baltic States in 1991. If security considerations had taken prominence, it should be expected that Iceland acted in synergy, or, at the very minimum, in cooperation, with its traditional security partners. This variable will be measured dichotomously. If Iceland acted against the wishes of its security partners, Iceland's security partners did not determine its policy.

Independent Variable 2: Economic interests

Through its decision to actively lobby for the recognition of the Baltic States and eventually recognizing the independence of the Baltic States, Iceland stood at odds with several states. The Soviet Union and the United States were two of these states. More importantly, the Soviet Union had historically been one of Iceland's significant trading partners in the fishing and energy industry⁵. In order to determine whether this variable

⁵ Per example, in 1962 the USSR was recipient to more than 10% of all Icelandic exports (Observatory of Economic Complexity).

is of importance, the volume of trade between Iceland and the Soviet Union will be analyzed prior to the decision to recognize the Baltic States. Identical analysis will be conducted in order to determine whether the decision could have had negative affect on the financial standing of the country if the United States would have canceled trade relations. This initial analysis will indicate whether economic interests were of any importance. Additionally, perceptions concerning the trade relationship will be analyzed through interviews and media analysis. This variable will therefore be measured by measuring the trade relationship between the Soviet Union and Iceland as well as the relationship between the United States and Iceland and subsequently quantitatively and qualitatively assessing whether Iceland acted in accordance with its economic interests. Quantitative analysis will be conducted by analyzing historical trade data derived from Alexander Semoes' Observatory of Economic Complexity. This tool allows for the composition of visual narratives that indicate trade and relationships between countries (Observatory of Economic Complexity). The data will therefore clearly indicate how dependent Iceland was on the Soviet Union regarding import and export as well as for the United States. Additional qualitative analysis will be conducted in which perceptions of stakeholders will be evaluated. If the stakeholders found the relationship to be of critical importance, then this hypothesis predicts that decision makers would do their best to protect these interests.

Independent Variable 3: Icelandic Identity

This variable, Icelandic Identity, will focus on aspects of Icelandic identity and culture that have a significant influence on Icelandic foreign policy. These aspects have been well defined and researched by several Icelandic scholars (*Pórhallsson 2005; Ingimundarson 1991; Gunnarsson 1990; Bergmann 2014; Hardarson 1985*). The authors identified that Iceland's firm belief in formal sovereignty and Iceland's colonial history, as well as the importance given to a robust security policy are rooted in Icelandic identity (i.e. Gunnarsson 1990: 143). In order to identify whether these two indicators, anti-colonial attitudes and ideas concerning formal sovereignty, played a role in Iceland's decision to recognize the independence of the Baltic States, the following questions will be answered:

Iceland's firm belief in formal sovereignty—*The importance of formal sovereignty within Icelandic foreign policy is rooted in Iceland's own identity and history. As a result, Iceland has a tradition in which it advocates for the sovereignty of other states*⁶.

- Was the importance of Baltic sovereignty raised during the decision making process that led to Iceland recognizing the Baltic States?

Iceland's colonial history—*Iceland own colonial history has formed several of the ideals that characterize Icelandic foreign policy.*

- Can any parallels be drawn between Iceland's colonial history and the history of the Baltic States' incorporation into the Soviet Union?
- Was Iceland's colonial history used as a motivating factor to recognize the independence of the Baltic States?

According to leading scholars on Icelandic foreign policy, these aspects of Icelandic foreign policy are deeply engrained in Icelandic identity and have therefore been continually present throughout modern-Icelandic history. In order to identify what role these indicators played in the decision to recognize the Baltic States, both of the indicators will be evaluated. Subsequently, Icelandic foreign minister Hannibalsson will be interviewed in order to evaluate if these elements of Icelandic identity were also influential when he made the decision to recognize the Baltic States. If the foreign minister confirms that Iceland's anti-colonial attitudes as well the importance given to formal sovereignty were of importance in the decision making process, then it can be concluded that Icelandic identity did in fact influence the decision to recognize the independence of the Baltic States. If one of the two indicators played a role, the conclusion will be that the Icelandic identity played a partial role in the decision. If the indicators did not play a role in the decision to recognize the independence of the Baltic state, then it will be concluded that identity did not play a role in the decision to recognize the independence of the Baltic States.

Independent Variable 4: Structural conditions leading to disproportionate influence in the Icelandic Ministry of Foreign Affairs

In order to test whether Hannibalsson's influence in the Icelandic Ministry of Foreign Affairs was disproportionate, the bureaucratic structure and tradition will be analyzed. Peter Baehr (1973: 68) for example refers to the fact that the parliaments in small states

⁶ From 1990 onwards, Iceland has recognized the independence of over 30 states, often eclipsing other (Western) states by recognizing these states before the status quo recognized their independence. For example, Iceland became the first Western state to recognize the independence of Palestine on the 29th of November 2011. (<http://www.theguardian.com/world/2011/nov/30/iceland-recognises-palestinian-state>).

often complain of their lack of influence in foreign policy. It is also of interest to determine how many career civil servants worked in the senior management of the foreign ministry, or whether the minister was personally responsible for most management and policy issues. It is also of interest to evaluate whether pressure groups actively opposed the policy of a foreign minister (Baehr 1973: 68). As the influence of the foreign minister increases, pressure groups will be unable to influence policy. In order to determine whether Hannibalsson's influence was disproportionate, the aforementioned aspects will be analyzed. Firstly, it will be evaluated how often Hannibalsson reported or included the Icelandic Althingi in the decision to recognize the Baltics. Secondly, it will be evaluated how the ministry of foreign affairs' bureaucratic structure would have contributed to disproportionate influence by the foreign minister. Lastly, viewpoints of the traditionally strong pressure groups in Icelandic society will be evaluated. If these viewpoints contradicted the foreign policy decision, this would be an indicator that the foreign minister had disproportionate influence to even counter the influence of the most influential pressure groups. Data for this variable will be collected through interviews with a senior civil servant, Dr. Gunnar Pálsson, and the foreign minister, as well as media analysis of the viewpoints of lobby interests.

This variable will be measured qualitatively through content analysis on interview data. Through determining what the working relationship was between the foreign minister and his prime minister, an initial determination can be made concerning the foreign minister's role within the Icelandic government. As Hannibalsson's independence from the prime minister increases, his disproportionate influence on Icelandic foreign policy increase.

Lastly, through analyzing whether the most important relevant lobby⁷ interests had access to the relevant policy makers and whether the lobbyist were capable of influencing policy, this thesis will determine whether the foreign minister was able to disproportionately influence policy by disregarding the lobby interest. If Hannibalsson had disproportionate influence in any of the following: the ministry, the government, or lobbying bodies, then the foreign minister did indeed have disproportionate in the decision making process to recognize the independence of the Baltic States.

⁷ The Icelandic boat owners and fishing lobby interest is traditionally the most powerful lobby in Icelandic politics (Interview Hannibalsson 2014).

Independent Variable 5: The Icelandic Foreign Minister's Leadership

The independent variable considered here is the type of leadership employed by the Icelandic foreign minister, Jon Baldvin Hannibalsson, as he ardently lobbied for the international recognition of the Baltic States. Using Hermann's leadership typologies and written and in-person interviews conducted with Hannibalsson, a profile will be sketched. The focus will be on Hannibalsson because within the Icelandic government system, it will be tested based on H4 that Hannibalsson had been free to make his own foreign policy decisions, with very little external influence from his government partners or the established foreign ministry institution.

In order to differentiate between different leadership styles, Hermann et. al. present three sets of questions. These questions will also be applied when studying the role of Hannibalsson:

- How did Hannibalsson react to political constraints?
 - o Did Hannibalsson respect or challenge domestic constraints?
 - o Did Hannibalsson respect or challenge international constraints?
- How open was Hannibalsson to incoming information?
 - o Did Hannibalsson selectively rely on his existing knowledge of the situation, or did he adjust to new and incoming information from external and new information sources?
 - o Did Hannibalsson use new information selectively?
 - o Did Hannibalsson use his existing knowledge selectively in order to only further his personal ideals or goals?
- What motivated Hannibalsson to take action?
 - o Was Hannibalsson motivated by an internal focus of attention or by responses from salient constituents?

The answers to the above posed questions identify various forms of leadership styles as illustrated in Table 1 below. To be more precise, the interplay between these variables leads to eight different leadership styles, as can be seen in table 1. Through the analysis of these various leadership typologies, one can better understand the role of a leader in a political process. Especially in events where strong leaders dominate the decision-making process, understanding their personality types helps explain outcomes.

TABLE 1. Leadership Style as a Function of Responsiveness to Constraints, Openness to Information, and Motivation

Responsiveness to Constraints	Openness to Information	Motivation	
		Problem Focus	Relationship Focus
Challenges Constraints (Becomes a crusader)	Closed to Information	<i>Expansionistic</i> (Focus is on expanding one's power and influence)	<i>Evangelistic</i> (Focus is on persuading others to accept one's message and join one's cause)
Challenges Constraints (Is generally strategic)	Open to Information	<i>Incremental</i> (Focus is on maintaining one's maneuverability and flexibility while avoiding the obstacles that continually try to limit both)	<i>Charismatic</i> (Focus is on achieving one's agenda by engaging others in the process and persuading them to act)
Respects Constraints (Inclined toward pragmatism)	Closed to Information	<i>Directive</i> (Focus is on personally guiding policy along paths consistent with one's own views while still working within the norms and rules of one's current position)	<i>Consultative</i> (Focus is on monitoring that important others will support, or not actively oppose, what one wants to do in a particular situation)
Respects Constraints (Is usually opportunistic)	Open to Information	<i>Reactive</i> (Focus is on assessing what is possible in the current situation given the nature of the problem and considering what important constituencies will allow)	<i>Accommodative</i> (Focus is on reconciling differences and building consensus, empowering others and sharing accountability in the process)

Table 4. 1. 1.: Leadership Style⁸

Though Hermann's typologies can be deduced through quantitative analysis using the LTA software, a lack of directly available data limits the reliability of the results which need to be complemented by further analyses. Therefore, Hannibalsson's leadership profile will be sketched qualitatively using several available speeches and interviews and relying on Hermann and Young's methodology. Using Hermann's research and LTA software, a definitive profile will be drawn up and used to evaluate the personality trait independent variable for the thesis. If it does become evident that Hannibalsson had

⁸ Table from Hermann et. al. 2001: 95.

either an expansionistic, evangelistic, charismatic or incremental personality in his support of the recognition of the Baltic States, we should also expect to see that the foreign minister made considerable effort to convince and persuade others to accept and join the cause.

5. Analysis

This following section will analyze which factors played a role in the decision making process that led up to the Icelandic decision to recognize the Baltic States. The section will test each hypothesis individually, beginning with the first hypothesis which tests security considerations based on traditional realist theories. The following section evaluates whether economic factors may have motivated the decision to recognize the Baltic States. The third hypothesis tests whether Icelandic identity provides sufficient motivations for the Icelandic decision to recognize the Baltic States. Subsequently, the fourth hypothesis tests the whether the government and bureaucratic frameworks in Iceland were conducive to a predominant leader, with the fifth and final hypothesis testing whether Hannibalsson's personality was conducive to him becoming a predominant leader in the situation.

5.1 Security Considerations

Contemporary realist arguments suggest that Iceland, as a small island state should have made careful security considerations in the process leading up the recognition of the Baltic States. After all, Iceland does not have its own standing army. This has caused Iceland to be dependent on other states for its security. In 1991, Iceland was reliant on NATO and had an American base on its territory in order to guarantee security. Hardarson (1985), a prominent Icelandic scholar, claims that Iceland's foreign policy has caused the formation of major cleavages in domestic politics within Iceland since the Second World War (Hardarson 1985: 297). Despite the importance given to security, a consensus among both politicians and the general population concerning the security strategy lacks. Therefore, Iceland's NATO membership, the stationing of foreign troops, and the presence of a military base have been the source of major contentions within Icelandic politics. These issues have even led to the collapse of a government coalition in 1964⁹, thus proving their importance domestically.

⁹ The Keflavik Treaty allowed for a continued American presence to be stationed at Keflavik Airport. *"The Keflavik Treaty in 1964 led to the dissolution of the government – a coalition of the Independence Party, the Social Democratic Party, and the Socialist Party. A new party, the National Preservation Party, was formed in 1953, mainly to oppose the Keflavik base; the party had two members elected to the Althing, but lost them in 1956"* (Hardarson 1985, 297)

This first hypothesis therefore aims to determine whether security needs were considered in the decision leading up to recognition of the Baltic States. In order to evaluate this hypothesis, the following question will be answered: did Iceland consider its security policy in the decision-making process leading up to the recognition of the Baltic States?

5. 1. 1. Analysis

Hannibalsson's 1990 yearly foreign policy report to the Althingi noted: "the collapse of communism and the disintegration of the Warsaw Pact imply that the political preconditions for Soviet use of armed force against Western countries hardly exist now" (Gunnarson 1990: 148). However, Hannibalsson continued to claim that one should not infer that this would lead to a change in Icelandic security policy. In the report, Hannibalsson claimed that changing East-West relations were a source of uncertainty and that the continued Soviet naval presence in the north did not indicate diminishing capabilities of the USSR¹⁰ (Gunnarson 1990: 148). Hannibalsson continued to indicate that political arrangements would gain priority over military arrangements due to substantial shifts in the international system (Gunnarson 1990: 148). That is to say, Hannibalsson believed that states would increasingly rely on political solutions versus military interventions.

A paper authored by Gunner Gunnarson in 1990 offered a glimpse into Icelandic Foreign policy at the time. Gunnarson worked as an advisor at the ministry of foreign affairs beginning in 1989. He was also a longstanding professor of international politics at the University of Iceland. He was also the director of the Icelandic Commission on Security and International Affairs. His credentials make his opinion on Icelandic security policy in the 1990's especially relevant in proving this hypothesis.

Gunnarson noted in his paper that knowledgeable sources within the United States government had indicated that the Keflavik base, of seminal importance to Iceland's security strategy at the time, was not a likely candidate for closure. Gunnarson saw the base as one of the United States' more important military assets in Europe. After all, the Soviet Northern Fleet was expected to remain significant, therefore forcing the United States to retain an interest in the region (Gunnarson 1990: 149). The US Navy used

¹⁰ Foreign Affairs, Report of Minister for Foreign Affairs Jon Baldvin Hannibalsson to Althing (Reykjavik: Ministry for Foreign Affairs, 1990), pp. 48-50. As summarized in Gunnarson 1990: 148

Iceland as a base to control and, if need be, engage Soviet submarines from the Northern Fleet (Ingimundarson 2007: 10). The United States, according to Gunnarson, was also expected to diminish its military presence in Europe, thus increasing the importance of its military presence in Iceland (Gunnarson 1990: 149). Gunnarson does fail to answer one very important question though: If the United States felt that it could or needed to scale back its military presence in the European mainland, why would it have any interest in keeping a substantial presence on Iceland? If containing Russia was the only purpose of the American base, then a base elsewhere in Europe may also have been possible.

Furthermore, Gunnarson predicted that NATO would stay intact and that Iceland would most likely continue to participate in NATO (Gunnarson 1990: 150). Both Hannibalsson, in his yearly report, as well as Gunnarson stress the importance of a sound focus on Icelandic security policy. Continued caution because of the Soviet Northern Fleet kept Icelandic security high on the Icelandic Ministry of Foreign Affairs' agenda in 1990 as Icelandic heavily lobbied for the recognition of the Baltic States internationally.

In mid-March 1990, the Althingi congratulated the Lithuanians on their declaration of independence. On the 23rd of March, Hannibalsson contacted his Soviet counterpart, Eduard Shevardnadze, and urged him to initiate communication with the democratically elected Lithuanian government (Readman 2006:17). The following day, according to the former American ambassador to Iceland Charles E. Cobb jr., a U.S. embassy official handed a note to the Hannibalsson in the ministry of foreign affairs. The note contained the following lines:

We ask [that] your government raise the situation of Lithuania with the Soviet Union urgently because time is of [the] essence. You should ask that the confrontational steps, including military preparations, coercion of Lithuanian leaders or any effort to prevent freely elected leaders there from governing be stopped and that negotiations be started with the government of Lithuania.¹¹

¹¹ T "US embassy to MFA of Iceland, 24.3.1990" quoted in MA thesis from Studningur Islands provided to the author by Gudni Jóhannesson to Kristina Readman. Jóhannesson provided his notes and thesis for my research. In my interview with Hannibalsson I asked him about receiving any support from the American's for his views, he responded that he never received any communication from US Secretary of State James Baker or the United States in which they approved of and encouraged him on the Baltic States issue. This inconsistency makes it difficult to have a conclusive position on the issue. I was unable to recover the note, though Readman claims it was declassified several years ago. Both Jóhannesson and Readman are credited researchers, authors and scholars, thus leading me to conclude that the note must indeed exist. It could indeed be the case that the note was never handed to Hannibalsson himself, while it was delivered to the Ministry. I additionally specifically asked Hannibalsson about the note and Ambassador Cobb and his performance. Hannibalsson's response: "his source is the US ambassador in Reykjavik, at the time. His name is Jack Cob...Jack Cobb was an American businessman from Miami who was a crony of the Bush family and he had bought the Icelandic ambassadorship in

This note indicates American support for Iceland's role as a mediator in the conflict. Thus, if Iceland at this point weighed its security interests, it would not have hesitated in interfering in the issue knowing that the United States, its primary security guarantor, supported its role as a mediator.

In as much as the United States may have supported the role of Iceland as a mediator, the United States appears to have staunchly opposed the hasty recognition of the Baltic States. Washington had prioritized pacific relations with the Soviet Union, reunification of Germany and Gulf War concerns. Hence, Washington was unable or unwilling to publicly interfere with Soviet (domestic) issues (Readman 2006:18). According to Ambassador Cobb, these concerns were communicated to the Icelandic government (Johannesson 1997: 94). Furthermore, Hannibalsson himself was personally warned concerning his interference in the issue (see footnote 11).

Hordur Helgason, Icelandic Ambassador to the CSCE, met with Janis Jurkans, the Latvian foreign minister, in August of 1990. Helgason subsequently stated that Jurkans had claimed the following concerning the US president George H. W. Bush's intentions: "if the small states of the world would unite in support for the Baltic countries he would immediately declare support for that movement" (Johannesson 1997: 32).

Bush may indeed have made those promises, but the actions spoke louder than his words, leading Hannibalsson to compare the Western Policy response towards Lithuania "uncomfortably similar to Munich 1938" (Johannesson 1997: 38). Additionally, Hannibalsson publicly criticized the United States during the May 3rd NATO meeting, calling its attitude in response to the situation "half-hearted" (Johannesson 1997: 38 & Readman 2006:18), and he named the Franco-German letter to the Lithuanians as 'dishonorable' (Readman 2006:18). In the letter, the French President and German chancellor urged the Lithuanians to abandon their independence declaration and initiate talks with the Soviets (Readman 2006:18). Hannibalsson's

Reykjavik for \$100,000 dollars. He wanted to become ambassador in Canada but that was too much. That would have cost \$1,000,000 for the election fund. He was a businessman devoid of any political comprehension as far as I knew. I was never aware that he did anything except saying a few silly things if he opened his mouth. During my time as foreign minister, there were four foreign secretaries of state...the last one was Baker, he was impressive. Four foreign ministers, secretaries of state, not a single one of them spoke to me on this issue except perhaps sometimes in the corridors at NATO after one of my speeches, saying 'be careful, be careful, don't push this too far, this is very dangerous, you should realize the stakes, you should realize how important overall picture is. Be careful be careful'"(Hannibalsson 2014, interview).

criticism led US secretary of State Baker to observe, “the smaller the NATO partner, the stronger the steps demanded against the Soviet Union” (Readman 2006:18).

This situation showed that the United States and NATO both were not supportive of the Icelandic method of dealing with the Baltic Issue. Iceland, without a standing army, was solely reliant on both the United States and NATO for its security. Iceland’s only security threat appears to have been the Soviet Union’s Northern Fleet. It would therefore be expected that Iceland would respectfully follow NATO’s and the United States’ standpoint, while tactfully dealing with the Soviet Union if it weighed its security needs in its response to the Baltic Issue. However, these expectations were disconfirmed as Iceland blatantly went against the wishes of both its security partners and potential adversaries. In doing so, Iceland did not let security considerations influence its decision.

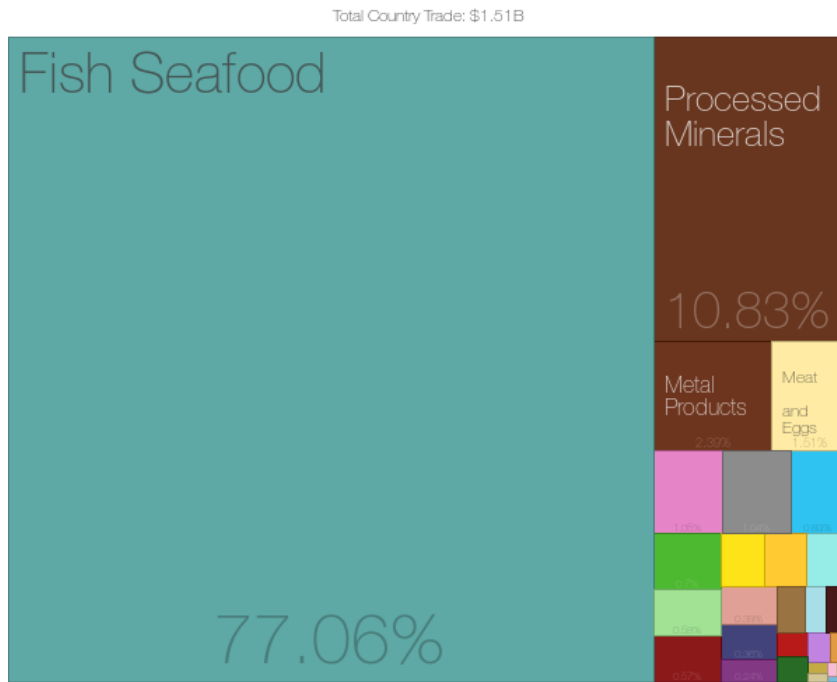
Thus, hypothesis 1 is proven incorrect as Iceland did not prioritize its security needs when deciding to recognize the independence of the Baltic States. This therefore leads to the conclusion that traditional realist explanations fall short in explaining this case.

5. 2 Economic Considerations

With traditional realist explanations failing to explain this case, this hypothesis moves on to test economic interdependence theories and their explanatory power. Iceland had historically enjoyed good trade relationships with both the United States and the Soviet Union, the two major stakeholders in this process. Through analyzing Iceland’s trade relationship with the major stakeholders involved in the process, this thesis will first determine whether there was any form of economic interdependence between Iceland and the Soviet Union. This hypothesis assumes that Iceland, as a small, dependent island state would have done all it could to protect valued trade relationships. In order to test this hypothesis, the following section will analyze whether Iceland had profitable trade relationships with the stakeholders involved in the process, and whether Icelandic decision makers considered that recognizing the Baltic States against the will of major trading partners could have a negative affect on those trade relationships.

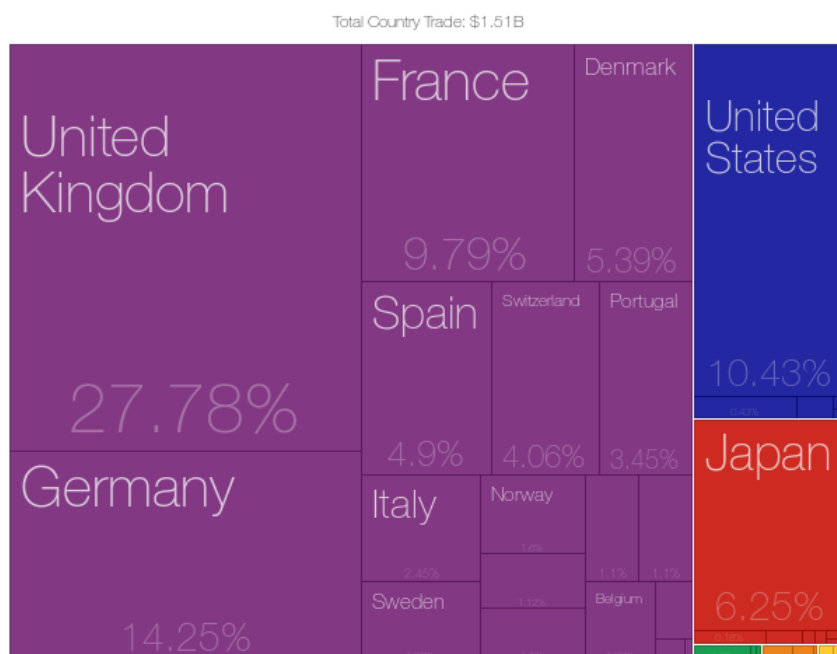
5. 2. 1 Data

The following graphs illustrate Iceland’s trade and the partners with whom it traded. This first graph illustrates all Icelandic Export in 1990. According to the graph, Iceland exported \$1.51 Billion worth of trade, 77.06% of which were fish products.



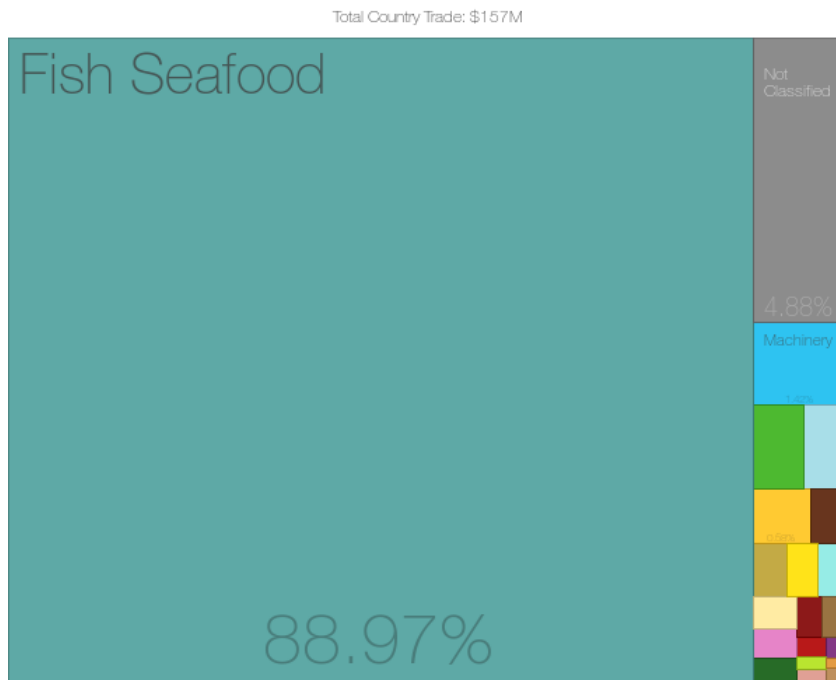
Graph 5. 2. 2. 1: Icelandic Exports: 1990

This subsequent graph illustrates to which countries Iceland exported these products. It is worth noting that the Soviet Union does not appear among Iceland's export trade partners. Additional data provided by the Observatory of Economic Dependence confirms that Icelandic exports to the Soviet Union were negligible.



Graph 5. 2. 2. 2: Icelandic Export Partners: 1990

The following graph indicates which products Iceland exported to its trade partner, the United States, in 1990.



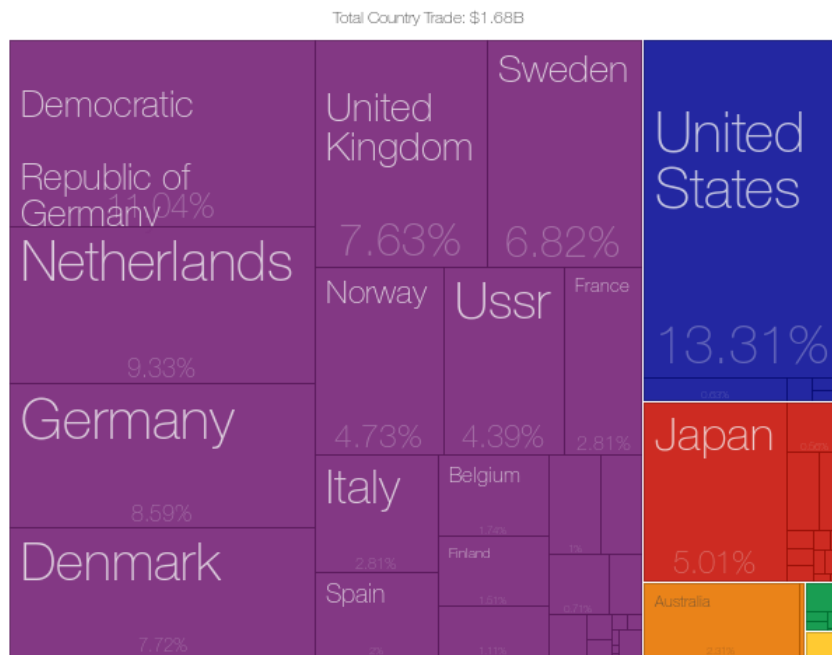
Graph 5. 2. 2. 3: Icelandic Export to the United States: 1990

This following graph illustrates the products which Iceland Imported in 1990.



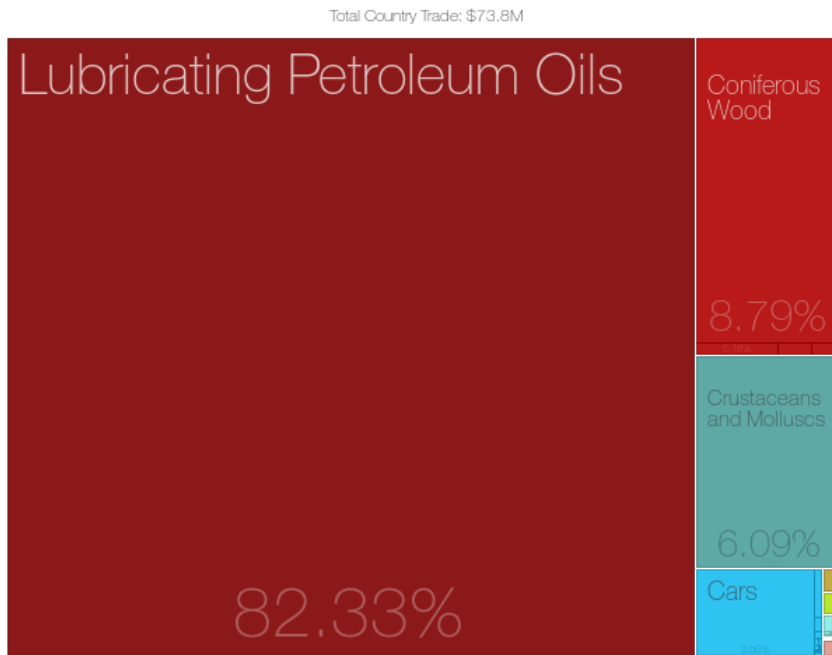
Graph 5. 2. 2. 4: Icelandic Imports: 1990

The following graph illustrates from which countries Iceland imported these various products. As indicated on the graph, the Soviet Union was a significant trading partner as 4.39% of all Icelandic imports originated from the USSR. In the graphs, petroleum imports have been included in the category “Chemicals and Health Related Products,” which totaled 11.83% of all Icelandic imports. Additional data confirms that 8.7% of all Icelandic imports were Petroleum related imports.



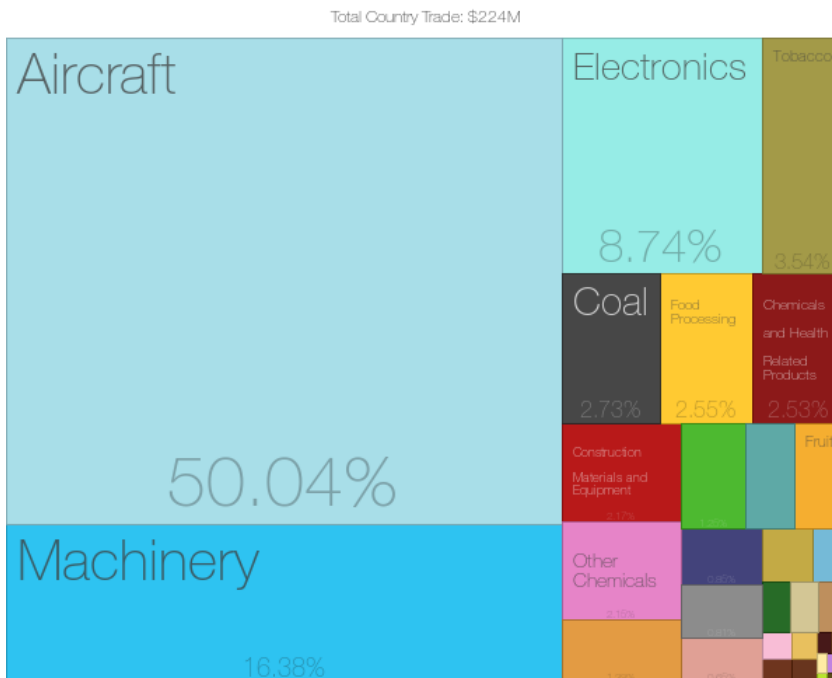
Graph 5. 2. 2. 5: Icelandic Trade Partners (imports): 1990

The following graph illustrates which products Iceland imported from the USSR. It is noteworthy that a little over 82% of those imports were petroleum imports. Considering Icelandic imports from the USSR accounted for 4.39% of all Icelandic imports, and considering that 82% of those Soviet imports were petroleum related, it can be concluded through additional data analysis that 41.38% of all Icelandic imported petroleum products originated from the Soviet Union.



Graph 5. 2. 2. 6: Icelandic USSR Imports: 1990

The following and final graph in this series indicates which products Iceland imported from the United States.



Graph 5. 2. 2. 7: Icelandic Imports from the United States: 1990

Additional data, complementary to the previous graph, indicates that a mere 0.11% of all imports from the United States were petroleum related (Observatory of Economic

Complexity). These imports fall under the 2.53% “Chemical and Health Related Products” in graph 5. 2. 2. 7.

5. 2. 2. Analysis

This data indicates that in the year that led up to Icelandic recognition of the Baltic States, Iceland still enjoyed very strategic and important trade relationships with both the United States and the Soviet Union. Iceland imported 40% of its petroleum from the Soviet Union and the United States purchased 12% of all fish and seafood that Iceland exported in 1990 and nearly 10% of all Icelandic exports were destined for the United States.

It would therefore seem that, even though there was a degree of interdependence, and even dependence from the Icelandic side, Iceland did not give serious heed to economic interests in the decision making process which led to the recognition of the Baltic States. According to Hannibalsson, especially from the Soviet side, there was indeed a specific threat to cancel the trade relationship.

“Their ambassador in Reykjavik handed a strong protest note to us and said two things. Number one that Iceland was in a totally unacceptable way interfering in the domestic affairs of the Soviet Union; and second, if Iceland would not cease acting in this way, the Soviet Union would have to consider other...measures, which of course meant terminating the trade relationship...So the soviets said if you don't stop this we will terminate this relationship. So this was not at all risk free. Many in Europe said, 'well Iceland is a far away country it has no repercussions.' 'This is just political adventurism,' that's what the Swedish foreign minster said about me. (Interview Hannibalsson 2014).”

Within the Icelandic media, the Icelandic fishing lobby also publicly stated its concern that the political decisions would have adverse effects on their ability to export their products (Those Who Dare 2015). The data and Hannibalsson's words indicate that there was a significant risk, and that Iceland did not necessarily act in its own best economic interests by taking the decision to recognize the Baltic States. Hannibalsson did subsequently state that the Soviet threats were “empty threats” as the Soviet Union was in decline. Whereas the Soviet Union had once purchased a majority of all Icelandic

fish and seafood products, by 1990 it was not purchasing any anymore. Concerning the petroleum trade, Hannibalsson stated that other markets had been lined up.

“Through informal contacts, for instance with the Norwegian foreign minister Thorvald [Stoltenberg] who was a close friend. I was absolutely sure that I would be able to, on very short notice, switch to other sources of oil, both from Norway, and from the international market (Interview Hannibalsson 2014).”

Therefore, Hannibalsson stated that he was unafraid of the Soviet threats (Interview Hannibalsson 2014). His statements are quite bold. However, in hindsight, he has the ability to be quite bold. The question remains whether Norway had the capability to fill the gap that the Soviet Union would have left if it did indeed stop supplying petroleum.

Taking such a hard stance against the state which provides 40% of the petroleum imported into the country, is quite bold, and as a Swedish colleague noted, could be considered to be “political adventurism.” It must therefore be concluded that Icelandic financial interest cannot explain this decision. The contrary was actually the case, as it would have been in Iceland’s economic interest to maintain the relationship with the Soviet Union and the United States.

Thus, hypothesis 2 is proven incorrect, as Iceland did not prioritize its economic needs when deciding to recognize the independence of the Baltic States. This therefore leads to the conclusion that economic interdependence explanations fall short in explaining this case.

5. 3. Icelandic Identity

Considering economic and security variables were unable to provide a possible motivation that could have led to Iceland’s decision to recognize the Baltic States, this following section analyzes whether Icelandic identity may have had a role to play in the decision making process.

5. 3. 1. Analysis

Iceland has a long tradition in which formal sovereignty is of great importance. According to Eiríkur Bergmann, Iceland’s political identity was shaped, molded and engraved by its independence struggle from its colonizers (Bergmann 2014:33). Based on a fundamental belief in formal sovereignty, Iceland embarked on a 14-year mission towards independence from its Danish colonizer in 1930 (Bergmann 2014:33). These

same beliefs and attitudes endure to this day. These attitudes can be best observed in the dismally low popular support for accession to the European Union (Bergmann 2014:33, 34 & Capacent Callup, 2012). While Iceland is part of the EEA and adheres to the Schengen Agreement, Icelandic governments and the general population have been keen to oppose any arrangement that could appear to result in a loss of sovereignty (Bergmann 2014:33).

In order to understand the importance of sovereignty to Iceland, one must first understand the Icelandic relation to fishing grounds and territorial control. As Hannibalsson put it, "You must understand: the "sea barons" monopoly of utilizing the fish-stocks inside Iceland's EEC (exclusive economic zone) to understand anything about Icelandic politics at all. Especially the hostility against EU-membership (Private email, Hannibalsson 2015)." The Icelandic economy has historically been dominated by fishing. As graph 5.2.2.1. indicated, 77% of all Icelandic exports stemmed from the fishing industry. The Icelandic fishing lobby has successfully lobbied against EU-membership, primarily because it would be catastrophic to the current system. EU competition and public tender laws would unravel the current system in which these "sea barons," as Hannibalsson so called them, dominate a highly lucrative market.

According to Valur Ingimundarson, Iceland traditionally relied on the United States for security because it feared giving up sovereignty and needed to maintain territorial integrity in order to control fishing grounds (Ingimundarson 2007: 9). Incongruous to what one would expect, Iceland's non-military traditions appear to be as entrenched as its belief in formal sovereignty (Ingimundarson 2007: 17). Considering Iceland's dependency concerning its security, one would expect it to submit and obey, or at the minimum show restraint in stepping on the toes of its security guarantors. An example of such behavior can be seen by evaluating Iceland's government's strong support for both the Afghan and Iraq wars, despite popular opposition in Iceland¹². Considering the fact that Hypothesis 1 proved that Iceland did not pay special consideration to Iceland's security needs or arrangements, this hypothesis aims to identify whether other issues engrained in Icelandic identity can explain the decision.

¹² In 2003, Iceland joined the 'coalition of the willing' as an unarmed state months before a highly contested election, despite the fact that the general population vehemently opposed this stance. This decision was characteristic of Prime Minister David Oddsson's strong pro-American stance, hoping to in exchange receive security from the United States (Ingimundarson 2007: 13).

In an extensive interview, Hannibalsson (2014 interview) was questioned with regards to the influence of Icelandic identity on Icelandic foreign policy. Hannibalsson's response referred to a divide in Icelandic society between the East and the West¹³. The interviewer prodded deeper by specifically asking whether Iceland's history became important in the Baltic issue at any point. Hannibalsson's response alluded to previous negative portrayals¹⁴ in the media of Iceland, and that these had made him aware of the media's bias. Hannibalsson never explicitly referred to the importance of formal sovereignty and colonial history as an identity factor that influenced Iceland's decision-making process (Hannibalsson, personal interview: 2014).

No explicit evidence was found that indicated that Iceland specifically referred to the importance of formal sovereignty in discussions with foreign government leaders, besides discussing the Baltic States' right to self-determination. However, concerning Hannibalsson's response to NATO, clear evidence, presented in the section dealing with hypothesis 1 indicates that Hannibalsson was forthright in criticizing his NATO partners for the sake of the Baltic States. This indicates that Iceland was quite firm in its response to NATO, namely in the fact that it would not budge or compromise its stance to satisfy his security partners. This appears to indicate that Iceland found the sovereignty of the Baltic States to be more important than its own good relations with its security providers.

Concerning the influence of Iceland's colonial history, Hannibalsson, in the interview, did not explicitly indicate that anti-colonial attitudes played a role in the Baltic Issue. Hannibalsson also did not state that the anti-colonial attitudes motivated the decision to recognize the Baltic States.¹⁵

Hannibalsson did however specify that colonial rule did shape Icelandic identity. The periods of colonial rule, on several occasions, resulted in drastic population losses. Hannibalsson claimed that these instances were elements of colonial rule that formed Icelandic identity. When asked about his opinion of the David and Goliath analogy which

¹³ Iceland's parliament, the Althing sits on the division of two tectonic plates. According to Hannibalsson, Iceland continues to struggle with this East versus West division. Iceland continually struggles with the questions of whether it should draw towards Europe, or towards the United States. For security it relied heavily on the United States till this current millennium, while it's largest trading partners form the European Union (Interview Hannibalsson 2014).

¹⁴ Iceland had suffered extensive negative media coverage during the Cod wars, in which Iceland unilaterally extended it's Exclusive Economic Zone, much to the vexation of, especially, the United Kingdom whose fishermen were active in the area.

¹⁵ It is important to note that he was not specifically asked whether colonial attitudes influenced the decision. The interviewer asked open questions concerning identity, thus eliminating cues to include certain aspects of Icelandic identity while excluding others.

has been used to describe the Baltic Issue, Hannibalsson also noted that colonialism has influenced the manner in which Iceland's responded to international agreements that constrained Iceland's own management over its fish stock.

Neither formal sovereignty nor anti-colonial attitudes were explicitly mentioned as factors of Icelandic identity that influenced Hannibalsson. Hannibalsson did, however, mention the idea of small state sympathy. Hannibalsson indicated that small state sympathy is embedded in Icelandic identity and that this element of Icelandic identity prevented any public criticism of his policy concerning the Baltic States. Hannibalsson describes small state sympathy in the following way:

"We tend to look upon ourselves as steeped in the Cod Wars¹⁶ as Davids against Goliaths and we tend to feel instinctively that we want to support the small guy against the big one" (Hannibalsson, personal interview: 2014).

To a certain extent, this small state sympathy is the combination of anti-colonial attitudes and the belief in formal sovereignty. Seeing as how Hannibalsson indicated that the history of fishing disputes shaped the manner in which he looked at the Baltic issue, and seeing as how the argument for formal sovereignty is based on the fishing industry's importance, it can be concluded that Hannibalsson's use of the concept 'small state sympathy' combines both the concepts of formal sovereignty and colonial heritage. It can therefore be concluded that Icelandic identity did partly influence Iceland's decision to recognize the independence of the Baltic States in the sense that, in the eyes of Hannibalsson, it motivated him, garnered domestic support for the cause, and prevented criticism.

Gunnar Pálsson, undersecretary for security and defense at the ministry of foreign affairs at the time, further stated, *"the decision to recognize the Baltic States was squarely grounded in Icelandic history and national self-realization"* (Pálsson 2015, email).

The fact that these identity factors were so engrained into the belief structure of the elite actors in Iceland is of vital importance in testing the final two hypotheses. The ideas that Hannibalsson had with regards to why Iceland should so actively support the Baltic States is relevant because ideas are of importance if they are embedded or

¹⁶ The three Cod Wars (1958, 1972, 1975) between Iceland and United Kingdom each concerned Iceland's extension of its exclusive economic zones.e (right after 1:17:20 part I, pg 13 transcription)

internalized by the actors with the greatest impact on the foreign policy. It is therefore of vital importance to determine how great a role Hannibalsson personally played in the decision making process in Iceland that led to the recognition of the Baltic States.

Thus, hypothesis 3 is proven correct, as Iceland decision to recognize the independence of the Baltic States was (at the very minimum, partially) motivated by Icelandic identity and history. It is noteworthy that the elite within the foreign ministry of affairs had internalized these elements of Icelandic identity. The following hypothesis will therefore analyze whether this elite had a disproportionate influence on Icelandic foreign policy.

5. 4. The Foreign Minister's Disproportionate Influence in the Government Structure

This fourth hypothesis evaluates what role the minister of foreign affairs played in the Icelandic government structure. Prior to specifically looking at Hannibalsson's role in the decision making process that led to the recognition of the Baltic States, this hypothesis aims to test whether the structural conditions in place allowed for one man to influence Icelandic foreign policy towards recognition of the Baltic States.

5. 4. 1. Analysis

In the case of Iceland, the government structure led to nearly all foreign policy decision making power to lie in the hands of the foreign minister, in this case, Jon Baldvin Hannibalsson. The ministry of foreign affairs was quite small with less than 100 people employed (excluding foreign-based personnel). Furthermore, within Iceland, power resided with an established elite. Hannibalsson's, uncle, father and grandfather were established figures within this elite, as was the head of government at the time. Within this established elite, Hannibalsson claims to have been able to set his own foreign policy strategy, without interference (Hannibalsson 2014, interview).

In order to measure Hannibalsson's influence in the Icelandic government system, interviews were conducted with other stakeholders in the process such as Gunnar Pálsson, who among other positions served as the permanent undersecretary for security and defense under Hannibalsson. Lastly, media research into the position of the fishing lobby in Iceland was conducted in order to deduce their standpoint on the issue. Interviewing and collecting data these different sectors (bureaucratic and lobby) allows for a proper analysis into the role that Hannibalsson personally played in the issue.

The greater the opposition among these people, the greater the influence Hannibalsson would have had. One problem that has been anticipated in the data is related to bias. Bureaucrats, especially active ambassadors, are hesitant to paint a picture of their former boss as being domineering and bulldozing his way through policy. Furthermore, as political undersecretary, Pálsson was a political appointee making the likelihood of conflict between him and the minister very low. Hannibalsson would not have brought Pálsson on board if he intended to ignore the advice given. Concerning the opposition leaders, politicians are very hesitant to confess that they actively opposed policy, especially if their evidence suggests that their concerns were unnecessary. Lastly, lobbyist are also hesitant to, in hindsight, declare that they eagerly opposed policy that, if anything, worked in their favor by providing higher income and revenue over the long term. These concerns with lobbyist have been taken away because of the (very limited) availability of media data. However, the concerns with the data provided by the bureaucratic and political leaders remain in place.

Pálsson worked alongside Hannibalsson in various functions at the ministry from 1988 till the beginning of 1991, after which he left for another appointment. In his capacity at the ministry, Pálsson and Hannibalsson frequently discussed the Baltic Issue. In order to determine whether Hannibalsson's interaction with government officials allowed for input from those officials, questions related to the working environment were asked. In order to establish a baseline measurement for comparison, Pálsson was first asked to describe the typical interaction between ministers of foreign affairs and civil servants in Iceland. Pálsson claimed that the typical interaction *"varies considerably from one minister to the next...though that political councilors of different stripes have, in the past few years, exercised growing influence with foreign ministers relative to the civil servants"* (Pálsson 2015, Email). Pálsson further stated that Hannibalsson was keen to seek advice from his closest officials (under-secretaries), and that he often sought outside advice from the University of Iceland. Concerning whether Hannibalsson was open to criticism, Pálsson stated the following:

"Hannibalsson was painstaking in trying to anticipate criticism, internally as well as from abroad, concerning the Baltic issue. He was particularly keen to foresee and rebut points of view that could be levied against Iceland from major allies in this connection" (Pálsson 2015, email).

Pálsson also indicated that Hannibalsson often actively sought out and brought “the devil’s advocate” onboard in his attempt to anticipate and mitigate criticism. That is, Hannibalsson was continually open to discussing with those who opposed his viewpoints. Hannibalsson actively brought them into the discussion in order to perfect his own position on the issue in order to diminish the effect of such criticism preemptively.

Pálsson’s answers reveal several interesting factors, albeit in a subtle manner. The first responses indicate that political under-secretaries may give advice and that their advice is appreciated. However, considering the questions asked which related specifically to the relationship between the minister and civil servants, the reply leads one to infer that the advice of civil servants may not have been as valued whereas the advice of political appointees was valued. The answer concerning increasing influence of various political councilors also reveals that, in the past, this may not have been the case. The answer concerning Hannibalsson’s relationship with criticism reveals that Hannibalsson actively opposed criticism and did all he could in order to preemptively reduce the effect of public criticism on his plans.

Pálsson’s was also asked to comment on Hannibalsson’s working relationship with his prime ministers, Mr. Oddsson and Mr. Steingrímur Hermannsson. He replied as follows:

“I don’t think it would be proper for me to comment on the working relationship between Hannibalsson and the two Prime Ministers you mention. As far as the Prime Ministers’ involvement is concerned, I’m certain Hannibalsson carried with him the full backing of the government, while it has traditionally been the practice that the Foreign Minister formulates and executes foreign policy, based on the government’s agreed policy platform (private email Pálsson’s, 2015).”

Neither Mr. Oddsson nor Mr. Steingrímur Hermannsson was disposed to conduct an interview for this thesis. In addition, the information provided by Mr. Pálsson does not allow for a conclusive answer to determine whether Hannibalsson’s working relationship with his Prime Ministers was pleasant, and whether his prime ministers had input into the recognition process.

Hannibalsson’s comments concerning the working relationship between him and Mr. Hermannsson suggest that Hannibalsson was able to determine and execute his own

policy. Concerning a particular trip¹⁷ on which Hannibalsson embarked into the Baltic States in 1991, Hannibalsson stated the following:

“I did it on my own because I knew [if I consulted my prime minister prior to embarking on the trip] there would be all sorts of complications and nonsense so I simply didn’t” (Interview Hannibalsson 2014).

This statement suggests that Hannibalsson did indeed have the ability to work independently from the influence of his prime minister¹⁸.

Lastly, the relationship Hannibalsson had with the fishing lobby in Iceland was, according to Hannibalsson himself, nonexistent. Hannibalsson stated that he refused to meet with lobbyist to discuss the policy vis-à-vis the Baltic States. Hannibalsson stated in his interview that the fishing lobby strongly opposed his stance and lobbying efforts concerning the Baltic issue, but that they never outwardly lobbied against the state of affairs. Hannibalsson claimed that, because public opinion and small state sympathy was strongly on his side, it would have been a losing battle for the lobby (Hannibalsson 2014, interview). Though it may be true that Hannibalsson never had any contact with the fishing lobby, the lobby did externalize its concerns. A recent documentary chronicling the story of the Baltic independence includes the following segment:

“Fish exporters met with Asgrimsson, the minister of fisheries and Jon Sigurosson, acting foreign minister, to express their concerns about relations with the Soviet Union. [A representative of the fishing industry subsequently made the following statement during a news interview] ‘It has been difficult to receive payments for our products this year’” (Those Who Dare, 2015)

It would therefore seem that, even though Hannibalsson refused to meet with the fishing industry, there were indeed contacts with various ministries, including the ministry of foreign affairs, and government officials concerning the Baltic Issue. With the fishing lobby being the most powerful lobby in Iceland, it is noteworthy that their concerns were ignored.

¹⁷ While a TV tower had been taken under siege in one of the Baltic States, Hannibalsson boarded a plane and headed to the state in question where he stood on the square with demonstrators and faced the media. This particular event was quite important in the independence struggle as the Soviet Union refrained from using violence against demonstrators following this event.

¹⁸ Following the interview, Hannibalsson’s wife confirmed that Hannibalsson set his own course, without consulting his prime minister, to the concern of his wife.

The situation sketched by this data is one that is consistent with existing research on small-state politics: power is largely gravitated at the top. This data also confirms this hypothesis, proving that Hannibalsson held significant influence in the government. It is also noteworthy that that Hannibalsson acted independently from his prime minister as well as the most powerful lobby in Iceland on the Baltic issue.

This data therefore leads to the conclusion that Hannibalsson's influence within the governmental structure was disproportionate. In comparison to other Western states, it would be unheard of that a foreign minister would be able to conduct extensive international lobbying for the recognition of a state without consultations with coalition partners and the prime minister. Thus, hypothesis 4 is proven correct, as Icelandic government structures were conducive to the foreign minister exerting disproportionate influence in Icelandic foreign policy.

5. 5. The Foreign Minister's Role in the Recognition Process

The previous hypothesis concluded that Hannibalsson was in a position to exert disproportionate influence in Icelandic foreign policy in general. It is therefore of interest to determine whether Hannibalsson's personality in this specific situation was conducive to him having disproportionate influence available to him. This following section of analysis therefore combines both quantitative and qualitative analysis to evaluate what influence Hannibalsson's personality may have played in the process that led to Icelandic recognition of the Baltic States. Using the framework laid out by Hermann et. al., this thesis will first evaluate whether he, as a predominant leader in this issue, exercised influence, and secondly evaluate how his personality influenced the Icelandic response.

5. 5. 1. Analysis

According to Hermann, leaders act as predominant leaders under any of the following conditions:

- *They have a general, active interest in, as well as involvement with, foreign and defense issues;*
- *The immediate foreign policy problem is perceived by the regime leadership to be critical to the well-being of the regime—it is perceived to be a crisis;*
- *The current situation involves high-level diplomacy or protocol (a state visit, a summit meeting, international negotiations); or*

- *The issue under consideration is of special interest to concern to the leader.*

These conditions for predominant leadership would also be necessary conditions for a predominant leader to arise were present in the Baltic issue and Iceland's response towards the issue. Hannibalsson had an active interest in foreign affairs issues. The foreign Soviet problem was perceived to be the problem of the international community. The situation was negotiated and discussed internationally at the ministerial level, and Soviet and specifically Baltic issues were of great interest to Hannibalsson personally due to his extensive research into the Soviet Union while studying at Harvard University. Additionally, Hannibalsson's brother had studied with several of the leaders of the Baltic independence movement and was therefore sympathetic to the plight of the Baltic States. Hannibalsson relied on his brother for insights into the Baltic independence movements, and subsequently became sympathetic to their cause (Hannibalsson 2014, interview). Considering it can be determined that the circumstances for predominant leadership were present, and considering that other factors do not sufficiently explain why Iceland recognized and lobbied for the recognition of the Baltic States, this following section tests whether the Hannibalsson's personality corresponds to the personality type typically seen in a predominant leader who challenges the status quo.

This section of the thesis, while most important, is also the most complicated due to the limited availability of data. Confidence in this profiling system increases when the usual data required is of 50 interviews of 100 words or more collected in a variety of settings (Hermann 2002:3). Due to the limited availability of English-language media, the lack of data was a restriction. The absence of this ideally unscripted interview data resulted in a single 4-hour interview being used as the sole data source. Therefore, the quantitative LTA analysis alone is insufficient to reach any valid and credible conclusion concerning Hannibalsson's personality. However, the profile derived from the personality trait analysis can be supported by conclusions derived from qualitative analysis of the interview.

This first section will present the quantitative results gathered for seven different personality traits while also explaining the importance of each of the traits. The following section will explain how each of the personality factors interact with each other forming a profile.

In the following table (5. 5. 2. 1), the quantitative data of the analysis is presented. In the left column, the name of the trait is indicated. The center column indicates the score that became apparent in the analysis. The following table contains the cumulative mean, low and high score for the trait of 122 world leaders who were also profiled in the development of this profiling system. The table also contains a reduced sample of heads of state. For the purposes of this research, cumulative mean, low and high score of the 122 political leaders will be used for comparison. It should be noted that a low, high, or average score do not in and of themselves offer any insight into a leader. The combined insight gained from all the data, both quantitative and qualitative offer insight.

Trait	Score
Conceptual Complexity	0.5874
Self Confidence	0.2893
Belief in Ability to Control Events	0.3112
Task Focus	0.679
Distrust of Others	0.0064
In Group Bias	0.0221
Need for Power	0.1917

Table 5. 5. 2. 1: Trait Score Jon Baldvin Hannibalsson

Potential Comparison Groups

Personality Trait	87 Heads of State	122 Political Leaders
Belief Can Control Events	Mean = 0.44 Low < 0.30 High > 0.58	Mean = 0.45 Low < 0.33 High > 0.57
Need for Power	Mean = 0.50 Low < 0.37 High > 0.62	Mean = 0.50 Low < 0.38 High > 0.62
Self-Confidence	Mean = 0.62 Low < 0.44 High > 0.81	Mean = 0.57 Low < 0.34 High > 0.80
Conceptual Complexity	Mean = 0.44 Low < 0.32 High > 0.56	Mean = 0.45 Low < 0.32 High > 0.58
Task Focus	Mean = 0.59 Low < 0.46 High > 0.71	Mean = 0.62 Low < 0.48 High > 0.76
Ingroup Bias	Mean = 0.42 Low < 0.32 High > 0.53	Mean = 0.43 Low < 0.34 High > 0.53
Distrust of Others	Mean = 0.41 Low < 0.25 High > 0.56	Mean = 0.38 Low < 0.20 High > 0.56

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Table 5. 5. 2. 2.: Comparison groups

5. 5. 4.: The Personality Profile

These seven personality traits interact to form a complete profile. It is important to note that this profile is relevant to a particular situation as Minister of Foreign Affairs, and not representative of Hannibalsson’s ordinary, daily personality. This personality profile being sketched consists of these seven traits, which in turn can be divided into three elements. These three elements relate to Hannibalsson’s motivation (internal or external motivation), openness to new information (open or selective) and his responsiveness to constraints (respect or challenge).

Hannibalsson’s response to political constraints reveal how important it was for him to influence the environment in which he found himself as opposed to adapting to the environment and the international and domestic demands (Hermann 2002: 6). Should

¹⁹ Table 7 in Herman 2002: 33

he be prone to challenge constraints, he would likely have seen the situation as a series of surmountable obstacles and challenges.

Hannibalsson's openness to information would have been dependent on the way in which he entered the situation. Considering the fact that he entered the situation with a well-formulated vision, he would have been likely to surround himself with people who reinforced his point of view or supported his predispositions (Hermann 2002: 6, 7). According to Hermann (2002), a leader with advocatory role would be intent on finding evidence that supports his views, while ignoring contradictory evidence. The attention of the leader would be on convincing others of their position (Hermann 2002: 7). As indicated by Pálsson, Hannibalsson was keen to foresee and rebut points of criticism preemptively, often even inviting the "devil's advocate" into meetings (Pálsson 2015, interview). Not necessarily because he was open to their point of view, but because he was so intently focused on convincing others that he did not want to be blindsided by their criticism. The interaction of these three elements give way to the following eight personality profiles, in Table 5. 5. 2. 3.

TABLE 1. Leadership Style as a Function of Responsiveness to Constraints, Openness to Information, and Motivation

Responsiveness to Constraints	Openness to Information	Motivation	
		Problem Focus	Relationship Focus
Challenges Constraints (Becomes a crusader)	Closed to Information	<i>Expansionistic</i> (Focus is on expanding one's power and influence)	<i>Evangelistic</i> (Focus is on persuading others to accept one's message and join one's cause)
Challenges Constraints (Is generally strategic)	Open to Information	<i>Incremental</i> (Focus is on maintaining one's maneuverability and flexibility while avoiding the obstacles that continually try to limit both)	<i>Charismatic</i> (Focus is on achieving one's agenda by engaging others in the process and persuading them to act)
Respects Constraints (Inclined toward pragmatism)	Closed to Information	<i>Directive</i> (Focus is on personally guiding policy along paths consistent with one's own views while still working within the norms and rules of one's current position)	<i>Consultative</i> (Focus is on monitoring that important others will support, or not actively oppose, what one wants to do in a particular situation)
Respects Constraints (Is usually opportunistic)	Open to Information	<i>Reactive</i> (Focus is on assessing what is possible in the current situation given the nature of the problem and considering what important constituencies will allow)	<i>Accommodative</i> (Focus is on reconciling differences and building consensus, empowering others and sharing accountability in the process)

Table 5. 5. 2. 3.: Leadership Style²⁰

Responsiveness to constraints

People who believe that they are in control of what happens and have a high need for power have often been seen to challenge constraints (Hermann 2002: 11). Those leaders who are low in those two traits tend to focus on building consensus and compromising, while leaders who are moderate in those two traits have the ability to fluctuate between either respecting and challenging constraints, depending on the

²⁰ Table from Hermann et. al. 2001: 95.

situation. Both Hannibalsson's feeling of being in control and his need for power are significantly lower in comparison to other world leaders according to the quantitative data, leading to the initial conclusion that Hannibalsson may have been respectful of constraints. This conclusion may however be inaccurate.

The interview with Hannibalsson resulted in several conclusions. Concerning his need for power, it became evident that Hannibalsson was not necessarily in high need for power. The biggest example in support of this argument is the fact that Hannibalsson allowed his government to collapse and formed a new government with his ideological enemy at the cost of giving his new coalition partners the prime minister position in Iceland²¹ (Hannibalsson 2014, interview). This conclusion is therefore in line with the quantitative data.

Concerning Hannibalsson's belief that he could control events, the quantitative data is insufficient to draw some conclusions. Hannibalsson's score falls slightly below the mean range for global political leaders. However, if one were to compare Hannibalsson's score to the heads of state comparison group, one would find that Hannibalsson does indeed fall in the mean range score for that group. It is therefore of interest to conduct further qualitative analysis on this score.

In the interview, Hannibalsson repeatedly mentioned the importance of his NATO membership during the interview. Hannibalsson does recognize the constraints that he had to deal with while being the representative of one of the smallest, island-state members of NATO. However, Hannibalsson also claimed that this membership made his presence of greater importance to the Baltic States. Furthermore, Hannibalsson often referred to the times in which he took the floor at NATO meetings and other international conferences. He also often emphasized the fact that his NATO membership allowed him to open doors for the foreign ministers of the Baltic States, as well as to influence other international states. Considering the issues concerning the reliability of the quantitative analysis, and considering the qualitative data that supports a genuine belief that he had influence over global issues, despite the fact that he came from an "unimportant state" as he put it, it would be realistic to assume that Hannibalsson's belief that he could control events could at best be characterized as falling within the mean of the average world leader.

²¹ Prime Minister Hermannsson was replaced by David Oddsson on April 30th 1991.

It must therefore be concluded that while Hannibalsson had a low need for power, he did believe that he could control events to a certain extent. This data suggests that Hannibalsson did not necessarily respect structural constraints. On the contrary, he actively challenged both domestic and international pressures. His performance at international conferences is evidence for his lack of respect for international constraints, while the considerable domestic lobbying which went against his policies illustrates Hannibalsson's willingness to challenge domestic constraints as well.

Openness to Information

A political leader's openness to information is largely dependent on their levels of self-confidence and conceptual complexity (Hermann 2002: 17). The relationship and balance between these two traits dictates how open the leader will be to receiving incoming information. Robert Ziller (1977) and his colleagues noted that the balance of these traits shape the leaders self-orientation, which in turn is indicative of how open a leader is to receiving input from others (Hermann 2002: 17, 18).

According to quantitative data, Hannibalsson's conceptual complexity was exceptionally high in comparison to other political leaders. The qualitative analysis leads to the same conclusion. Hannibalsson strategic response concerning the Baltic Issue illustrated that he was able to both understand why people held certain viewpoints, while still ardently working to change their point of view, or to change the circumstances to enable these people to change their point of view. Hannibalsson repeatedly demonstrated this ability in the intensive lobbying that he conducted in order to guarantee Iceland's recognition of the Baltic States would not remain a symbolic gesture, but that other states would eventually follow suit. The fact that Hannibalsson would also invite the "devils advocate" also demonstrates his ability to recognize the importance of contradictory opinions. This illustrates an exceptional conceptual complexity in Hannibalsson.

While his conceptual complexity may be high, Hannibalsson's self-confidence was measured as being quite low. The qualitative data does indicate that this may have indeed been the case. During his interview, Hannibalsson made it clear that the Baltic States would eventually have regained their independence with or without his help. Hannibalsson did in very few instances refer to his personal ability, such as in the following example concerning the economic consequences of the issue:

“I was absolutely sure that I would be able to, on very short notice, switch to other sources of oil” (Hannibalsson 2014, interview)

However, within the four-hour interview, Hannibalsson rarely referred to his personal ability. Even in response to questions concerning his personal influence or opinion, Hannibalsson often answered the questions in rather non-personal and objective manner by relying on historical facts. When he did give his opinion, he often started by saying “I think” and continuing with his opinion. Considering the fact that self-confidence was measured by the amount of times a speaker uses personal pronouns (me, myself, I, my, mine) by reflecting how important the leader thought of himself in a certain process, Hannibalsson’s responses confirm that his self-confidence was not exceptionally high, or that he did not think of himself as the most important actor in the policy process. However, this conclusion does not mean that Hannibalsson’s general self-confidence was necessarily low. As the example above illustrates, concerning domestic issues, Hannibalsson was very confident of his influence on the issues. However, with regards to this particular international issue, Hannibalsson’s self-confidence was lower.

Generally, people whose conceptual complexity is greater than their self-confidence tend to be open to contextual information and often are pragmatic in their response to others (Hermann 2002: 18). An important characteristic of these people is that they are sensitive to situational cues and act based on what they feel is appropriate under the conditions in which they are working (Hermann 2002: 18). This is definitely an appropriate description of Hannibalsson’s character in the Baltic issue. Hannibalsson could very well have issued a letter in which he recognized the independence of the Baltic States and subsequently urged the Icelandic Parliament to do the same early on in the conflict. However, knowing that the goal was to garner international support in order to ensure that Icelandic recognition would not remain symbolic, Hannibalsson waited a substantial amount of time before inviting the representatives of the three states to Iceland for a recognition ceremony on the 22nd of August 1991. The timing of the ceremony led to other western states to quickly follow suit in issuing recognition of their independence.

Pálsson confirmed that Hannibalsson also possessed another trait characteristic of leaders who are contextually open to information, namely, being open to others and listening. Pálsson stated that Hannibalsson often sought out feedback from others in

order to improve his plan and to preemptively mitigate criticism concerning this issue. This therefore leads to the conclusion that Hannibalsson was contextually open to new information. He might not have changed his ideals and his goals based on this information, but he did increase the odds of achieving his goals by listening and adapting to others.

Motivation: problem focused or relationship focused

Leaders can be either driven by internal focus, such as by a particular cause, ideology or interest, or they can be driven by external focus, such as the search for acceptance, power, or support (Hermann 2002, 24). Leaders who tend to identify closely with their own group tend to see the world as permeated with threats and therefore focus to insure survival. Leaders who are less strongly tied to a group tend to see the world as an opportunity for mutual (or their own) benefit. Therefore, in order to assess a leader's motivation, it is important for both to evaluate their reason for seeking office and their need to preserve the group that they are leading as well as their position within that group (Hermann 2002: 24). In order to determine motivation, three traits will be analyzed and compared: in-group bias, distrust of others and task focus.

In order to determine the reason for seeking office, this thesis first evaluates the leader's task-focus. Leaders who emphasize on the problem focus on moving their group forward and assume office for the same reason, while those who focus on group maintenance and relationships tend to focus on keeping the loyalty of constituents high. Charismatic leaders tend to fall in the middle focusing both on relationships and problems, depending on the circumstances (Hermann 2002: 25). According to leadership trait analysis, Hannibalsson's task focus score falls well within the average range when compared to the task focus of the comparison group, leading him to take on the trait of most charismatic leaders. The qualitative analysis of this trait confirms this evidence.

Hannibalsson entered politics after writing a book in which he chronicled the problems within Icelandic society, and offered an ideological solution for the country. He subsequently made a tour around Iceland visiting a hundred different places in order to discuss with the constituents (Hannibalsson 2014, interview). This is a great example of his relationship-focused leadership in which he focused on the preservation of his group and sought to increase the loyalty of his constituents. Once a member of the government, Iceland pushed reforms that eventually led to a collapse of the cabinet. In

this example Hannibalsson placed the solving of the problem and his goals above relationships. In forming the next government, Hannibalsson again made sure he could solve the problems he deemed necessary, even if it cost him his popularity among the population. As finance minister in this government Hannibalsson introduced a value added tax system that also taxed food, which had never been taxed in Iceland (Interview Hannibalsson 2014). These examples extracted out of Hannibalsson's political career exemplify the manner in which he fluctuated between focusing between relationship-focus and problem-focus policy orientations.

Concerning certain aspects of the Baltic Issue, Hannibalsson showed a clear problem-focused personality. He refused to meet with the largest lobby in Iceland concerning the issue, even though the conflict could potentially have had catastrophic consequences for the Icelandic economy. Furthermore, Hannibalsson frustrated NATO and his biggest security ally, the United States by taking on such a staunch position on the issue contrary to the status quo.

The issue does also include examples of Hannibalsson's focus on relationships. After the Soviet Union threatened to end the Soviet-Icelandic trade relationship, Hannibalsson responded in the media by carefully defending his actions, while not explicitly condemning the Soviet Union for their actions (*Those Who Dare* 2015). Another example that exemplifies his focus on relationships can be found when Hannibalsson received a phone call in the middle of the night of the Sunday massacre in Vilnius.²² Knowing the danger of heading into this zone and fully knowing the adverse consequences this could have on his relationship with both his allies, enemies and trading partners, Hannibalsson embarked on a plane and travelled to Vilnius to support their plight in Januari 1991. In telling the story during the interview, Hannibalsson also lays substantial focus on the relationships that he enjoyed with each of the key players in the Baltics, including the heads of state and leaders of the popular movements, and how he supported them. Hannibalsson also enjoyed repeated contact with other stakeholders within NATO to persuade them to support the Baltic cause. Another testament to Hannibalsson's devotion to relationship is the fact that he waited to recognize the Baltic States until he felt that enough momentum had been built so that the recognition would not be merely symbolic. Hannibalsson strategically waited for a window of opportunity that would also motivate other Western state's to recognize the Baltic States.

²² On January 13, 1991, 14 civilian protesters were killed and hundreds injured by Soviet Forces as they demonstrated in Vilnius at the TV Tower. Upon receiving a phone call from Lithuania, Hannibalsson embarked on a trip to the country to visit the graves of those who died. Hannibalsson subsequently stood with protestors in Vilnius.

Hannibalsson continually lobbied to ensure that other states understood the plight of the Baltic States, often having to explain why the Baltic States were not a rightful part of the Soviet Union in his opinion. Therefore, both the quantitative and the qualitative data overwhelmingly support Hannibalsson's charismatic approach in which he both focused on the problem and relationships that he deemed important. In order to gain more insight into Hannibalsson's motivation, we must evaluate his distrust of others and his in-group bias.

Both Hannibalsson's in-group bias and distrust of others were exceptionally low in the quantitative analysis. In-group bias is a worldview in which center stage is dominated by one's own group (Hermann 2002: 29). While anything under .34 is considered 'low,' Hannibalsson's in-group bias was a mere .02. This indicates that Hannibalsson definitely did not see Iceland as the center of the world. This is not surprising considering the fact that he started his narrative in the interview with the following sentence:

"Well, I became foreign minister of my small insignificant country in the fall of 1988" (Hannibalsson 2014, interview).

Iceland's relatively unimportant position on the global stage, as well as Hannibalsson's high conceptual complexity, logically explains Hannibalsson's low in-group bias when discussing Iceland's foreign affairs.

Hannibalsson's incredibly low distrust of others, a mere .006, leads us to believe that the data was insufficient to make any definitive assessment. It is therefore necessary to determine whether Hannibalsson's low distrust of others can also be supported qualitatively.

Distrust of others is measured by the focus of nouns and noun groups that refer to people other than the leader. Distrust is measured by analyzing whether the leader doubts or feels wary about what these people are doing (Hermann 2002:31). The final score is calculated by the percentage of times in an interview the leader exhibited distrust. Considering the extremely low score this next section will briefly analyze Hannibalsson's trust of other parties.

Hannibalsson's actions indicated that he trusted the Baltic leaders, if not he would never have supported their bid for independence, and he most definitely would not have

personally counseled²³ the leaders in their bid. Hannibalsson's actions also suggest that Hannibalsson had significant trust in both NATO and the United States. These two parties were responsible for the security of Iceland considering it lacked a standing army. Hannibalsson's outspoken dissent would never have occurred if he did not trust these partners to continue providing support and defense guarantees to the island. Lastly Hannibalsson's relationship with the Soviet Union is more complicated. The Soviet Union was a major Icelandic trading partner. However, Hannibalsson's actions illustrate that he did not hold an important esteem of his Soviet partners. Hannibalsson claims to also have made sure that other trading partners for the import of oil and export of fish were arranged²⁴ (Hannibalsson 2014, interview). This does indicate a certain level of distrust of the USSR. Hannibalsson did not trust Soviets as reliable trading partners into the future. Additionally, despite the fact that the Soviet northern fleet was based in waters not far from Iceland, this did not deter Hannibalsson from ardently supporting the Baltic cause despite Soviet pressure

Both Hannibalsson's in-group bias and his distrust of others were low. He must not have believed that the world was a very threatening environment to work in and he must also have believed that the Baltic issue could have been handled without damaging general relations with partners (though he did arrange back-up plans for the Soviet relationship). The fact that Hannibalsson issued a legal report²⁵ based on principles of international law in which he explained his position to the Soviets and offered to act as a mediator also illustrates that he knew there were existing constraints and that he still tried to call for a negotiated solution. Hannibalsson firmly believed that cooperation would continue to be possible both with individual partners (Such as the United States and the Soviet Union) and with NATO. All in all, the fact that he did not feel threatened leads to the conclusion that he focused on advantages and opportunities and building relationships despite disagreements, while simultaneously being unafraid to focus on the problem, even at the cost of damaging the relationship with one of his most

²³ Hannibalsson claims to have had repeated contact with both the heads of state and the foreign ministers of the Baltic States. For example, Hannibalsson stated the former about a specific instance in which he attempted to counsel Landsbergis: *"When he, after independence had to deal with agricultural issues, I sat with him one evening with him trying to have him interested in what to do about agriculture...No interest. This was a minor issue that he wanted to push through some low level agricultural minister. The issue [for Landsbergis] was survival of Lithuanian language. This was high politics."*

²⁴ Hannibalsson claims that the Norwegian Minister, a good friend, would have been more than willing to fill the gap that would have been left should the Soviet Union have stopped providing petroleum products. This claim can quite easily be made in hindsight, as no evidence can prove or disprove this claim.

²⁵ The report argued that, according to International Law, the Soviet Union did not have a legitimate claim over the Baltic States. Hannibalsson: *"When they showed their displeasure first by recalling their ambassador and sending their protest note through our ambassador in Moscow, my reaction was not to keep silent, but to answer them in a very respectful way, but taking up the case in legal terms, showing that I had certainly not interfered with domestic affairs of the Soviet Union and offering my services as an intermediate. I was very reasonable and very diplomatic (Interview Hannibalsson 2014)."* Unfortunately the Icelandic Foreign Ministry lost the report, and oddly enough, the ministry recovered no other copy of the rapport.

important trading partners, the Soviet Union. However, despite the problems at hand, Hannibalsson continued to stand by Baltic partners. Hannibalsson went so far as to fly to the Baltic States as the TV tower crisis unfolded, all in display of his support. His focus was therefore not so much on the problem and more so on the relationships, despite his firm criticism. Hannibalsson's end goal was not for Iceland to recognize the Baltic States, but that the Baltic States would be recognized internationally. Hannibalsson claims to have waited with recognition till the conditions in the Baltic States, the Soviet Union, and with other international partners aligned in a way that would result in other states following suit and also recognizing the Baltic States (Interview Hannibalsson 2014). The fact that he waited until he felt this goal could be realized before recognizing the Baltic States himself also illustrates his commitment to the relationships he had with both the Baltic States and the international community. His continued lobbying eventually paid off.

Hannibalsson's profile

Table 1 illustrates how the three personality elements interact to construct a leadership profile. Using the data and qualitative analysis, we can come to the following conclusion. Hannibalsson definitely challenged constraints, was open to information, and was relationship-focused, falling under the 'Charismatic profile' with a "focus on achieving one's agenda by engaging others in the process and persuading them to act" (Hermann 2002: 9). It was this character profile that enabled Hannibalsson to work with other leaders in order to garner substantial support for recognition of the independence of the Baltic States.

The general prediction that Hannibalsson played a determining role in Iceland's decision to recognize the Baltic States has been proven. As Iceland's foreign minister, Hannibalsson was a position to exert significant influence over Iceland's foreign policy as a predominant leader due to the bureaucratic and political structure in place in Iceland at the time. This hypothesis furthermore proved that his character had a great influence in garnering international support for the international recognition. Considering that Hannibalsson had considerable personal interest in the Baltic plight, it can with confidence be concluded that Hannibalsson's presence and personality definitely played a determining role in Iceland's recognition of the Baltic States.

6. Conclusion

Existing research had already chronicled the story of Baltic independence. However, this research had largely ignored why Iceland so actively lobbied for the recognition of the Baltic States, and eventually was the first Western state to recognize the independence of the Baltic States. This research aimed to shed light on this second factor, namely, why Iceland was the first Western state to recognize the Baltic States.

This thesis initially proved that traditional realist and economic interdependence theories could insufficiently explain this Icelandic decision. However, the importance of Icelandic identity in the decision making process that led up to Icelandic recognition of the Baltic States was subsequently proven. The importance of Icelandic identity within the process was amplified due to the fact that these elements were embedded within Hannibalsson, who proved to have disproportionate influence in the decision making process. Hannibalsson's personality was also conducive to lobbying for the recognition both within the Icelandic government and internationally. His personal lobbying for the Baltic cause led to Iceland becoming the first Western State to recognize the independence of the Baltic States in 1991.

The importance of Baltic independence on world history may seem irrelevant at a first glance. However, the independence movements birthed in the Baltic States spread to other former Soviet Union states that quickly embarked on similar quests for independence. With the lives of 18 civilians protestors, the Baltic States paved a way for other states to claim their right to self-determination. These numerous independence bids unraveled an already destabilized Soviet Union, eventually leading to a shift in the bi-polar world order. And the "small, insignificant country" of Iceland played a very important role in this process as illustrated in this thesis. More importantly, the Icelandic Foreign Minister, Jon Baldvin Hannibalsson, played a very important role in ensuring that the Baltic States would gain their independence by recognizing the States, and lobbying for other states to issue recognition.

Icelandic identity, imbedded in a predominant leader who had little regard for existing international and domestic constraints, motivated Hannibalsson to act in support for the Baltic States despite the potential adverse consequences for his own nation. As Hannibalsson himself stated in his interview, should someone else have been at the head of the Icelandic Foreign Ministry at the time, Iceland's support would likely have been

much less visible. Hannibalsson's own beliefs, the lack of bureaucratic restraints, and his own personality significantly influenced the Icelandic response to the Baltic Issue.

Though this thesis focuses on a single issue in history, this thesis also shows that small states and the leaders of small states can indirectly exert significant international influence. The rebellion of the Baltic States and the brave support of a small island state in the Atlantic Ocean changed the course of modern European history. The Soviet Union collapsed sooner rather than later because of the Baltic secessions. Other former Soviet States gathered the courage to follow suit. This process initiated because of mass protests and the sheer determination of a few single-minded and determined leaders.

Unfortunately predominant foreign policy theories offer insufficient explanatory power to analyze this event, as well as similar events in foreign policy. Small states require alternative methods of analysis. Whereas sufficient theories offer explanations for the foreign policy decisions of larger, traditionally important, states, there is no single foreign policy analysis theory that allows for comprehensive analysis of the foreign policy decisions of small states. This thesis revealed a few of the elements that such a comprehensive theory would need to include in order to gain sufficient explanatory (and possible) predictive power.

This research was limited due to a lack in data availability and theoretical frameworks that sufficiently explain this event. An expanded research project should therefore include more data, especially Icelandic data. Such data is available, though linguistic barriers complicate the analysis of the data. However, through testing more foreign policy analysis frameworks and determining which aspects apply to small state's in similar decision making processes, and through conducting a larger study in which diverse foreign policy events are analyzed in various countries, an expanded project could offer more insight into the role of identity, leaders and small states in foreign policy making. With the majority of all states in the world being small states, such research could potentially offer unprecedented insight into the ways in which small states influence global affairs.

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