ALBANIAN FOREIGN POLICY IN THE LENS OF SMALL STATE BEHAVIOUR THEORIES

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Abstract

The trajectory of Albania's foreign policy illustrates how small states navigate the constraints of an anarchic international system by blending realist survival imperatives, institutional engagement, and identity-building. This paper examines Albania through the analytical lens of "small but smart" state behaviour. From a realist standpoint, Albania's vulnerability, limited capabilities, and unstable neighbourhood compelled it to seek security through alignment with dominant Western powers, notably the United States, NATO, and the European Union. This reflects patterns of band wagoning and hedging, in which small states maximize survival by attaching themselves to protective alliances. Yet Albania's strategy extends further, seeking institutional "shelters" and conditionality frameworks. Liberal institutionalist insights explain how Albania leverages multilateral frameworks to stabilize orientation, anchor reforms, and amplify visibility disproportionate to its size. Constructivist perspectives highlight the symbolic dimensions of Albania's diplomacy. By projecting itself as a responsible, cooperative, pro-Western actor, Albania leverages its "intersubjective smallness" as a source of credibility and soft power. The paper argues that Albania increasingly reflects Ian Bremmer's "pivot state" logic: while lacking material weight, it displays agility in managing asymmetry, embedding within Western structures while maintaining regional flexibility. This trajectory shows how small states can convert vulnerability into relevance in a fragmented order.

Keywords: small states; smart diplomacy; institutional lock-in; pivot state

Problem Statement

The study of small states in International Relations has long been marked by debates over their limited agency, vulnerability, and structural dependency. Classical realist approaches, exemplified by Keohane, Walt, and Mearsheimer, portray small states as system-ineffectual actors whose choices are shaped primarily by the distribution of power and the imperatives of survival. From this perspective, small states are forced to bandwagon, balance, or hedge in order to compensate for their lack of material capabilities. While such frameworks capture important aspects of Albania's post-communist trajectory, they risk reducing its foreign policy practice to passive adaptation rather than strategic agency. This gap calls for a more nuanced exploration of how Albania navigates structural constraints while seeking to maximize its influence.

At the same time, liberal institutionalist theories emphasize the ability of small states to use institutions as shelters, avenues of conditionality, and mechanisms of lock-in. Albania's persistent integration into NATO, the European Union, and regional multilateral

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initiatives shows that it is not merely a security-seeking dependent but also an institutionally embedded actor that leverages international norms and rules to gain visibility and credibility. However, existing scholarship often treats Albania's institutional engagement as compliance-driven, overlooking its strategic use of multilateral platforms to project smart diplomacy. This presents a problem of under-theorization: Albania's foreign policy is more than a story of adaptation; it is also a case of active norm entrepreneurship and identity construction.

Finally, the evolving context of the G-Zero world, as described by Bremmer[1], highlights the limitations of both purely realist and institutionalist accounts. In an era of fragmented leadership, multipolar competition, and weakening global governance, the question arises: can a small state like Albania transcend its material limitations and act as a pivot, shaping outcomes by diversifying partnerships, projecting norms, and embedding itself in overlapping institutional frameworks? Addressing this problem is crucial not only for understanding Albania's foreign policy but also for advancing broader debates about the capacity of small states to exercise smart influence in an anarchic and uncertain international system.

Literature Review

Robert Keohane's early realist contribution[2] situated small states within the systemic constraints of an anarchic order. He emphasized that the international system is dominated by great powers, rendering small states "system ineffectual" actors, dependent on stronger allies for survival. In this framing, Albania's post-communist vulnerability illustrates the rational logic of aligning with powerful patrons to secure external protection. Stephen Walt advanced this debate by refining the realist lens through his balance of threat theory[3], which argued that states align not merely against concentrations of power but in response to perceived threats. This perspective sheds light on Albania's Euro-Atlantic orientation, where NATO membership and U.S. partnership functioned as strategic balancing against instability and regional insecurity.

John Mearsheimer's structural realism provides a further refinement, highlighting the anarchic nature of international politics and the compulsion for states to maximize survival through rational calculation. In The Tragedy of Great Power Politics, he posits that uncertainty about others' intentions drives even small states to act prudently, forming alliances and hedging to mitigate existential risks.[4] Albania's reliance on NATO guarantees and strategic anchoring in Western structures demonstrates precisely the type of security-maximizing behavior predicted by Mearsheimer, underscoring the centrality of rational survival in small-state foreign policy.

Moving beyond realism, Keohane's neoliberal institutionalism[5] challenged pessimistic assumptions by showing how institutions facilitate cooperation under anarchy. Institutions reduce transaction costs, create predictability, and enhance credibility, thus enabling small states to escape marginality. For Albania, NATO and EU frameworks provided not only security and reform roadmaps but also reputational capital, embedding it

[1] Ian Bremmer, *Every Nation for Itself: Winners and Losers in a G-Zero World*, Portfolio, New York, 2012, p. 3
[2] Robert O. Keohane, *Lilliputians' Dilemmas: Small States in International Politics*, "International Organization", Vol 23, No. 2, 1969, pp. 291–310
[3] Stephen M. Walt, *The Origins of Alliances*, Cornell University Press, New York, 1987, p. 44
[4] John J. Mearsheimer, *The Tragedy of Great Power Politics*, W. W. Norton & Company, New York, 2001, pp. 7–15
[5] Robert O. Keohane, *After hegemony: Cooperation and discord in the world political economy*, Princeton University Press, Princeton, 1984, pp. 1 – 10

within rule-based structures that amplified its international presence. This institutional lock-in underscores the analytical shift from viewing Albania as a passive security-seeker to recognizing its strategic use of multilateralism.

The conditionality literature, particularly Schimmelfennig and Sedelmeier[1], further refines this institutionalist argument. Conditionality links external rewards with domestic reforms, compelling states to adapt in exchange for integration benefits. Albania's judicial reforms, anti-corruption measures, and adoption of the acquis Communautaire highlight how EU and NATO conditionality structured its internal transformation. Rather than an externally imposed burden, conditionality served as a roadmap, enhancing Albania's credibility and signaling its long-term commitment to the liberal order. This illustrates how institutional leverage can empower small states to stabilize domestic politics while securing international legitimacy.

Complementing these perspectives, Baldur Thorhallsson's shelter theory emphasizes the multidimensional protection small states seek through security, economic, and normative shelters.[2] Albania's NATO membership, EU integration, and activism in the UN and OSCE exemplify these interlocking shelters. Constructivist contributions, particularly Joseph Nye's concept of soft power[3], enrich this analysis by highlighting the role of identity and attraction. Albania projects itself as a responsible, democratic, and pro-Western actor, using norms and values as instruments of visibility. This combination of shelter-seeking and soft power performance reframes Albania not merely as a dependent small state but as a "small but smart" actor with potential pivot-state qualities.

Methodology

This paper employs a qualitative theoretical research design, relying on the systematic analysis of International Relations theories to explain Albania's foreign policy behaviour in the post-communist era. Rather than engaging in quantitative hypothesis testing, the study focuses on conceptual interpretation, drawing on realism, liberal institutionalism, and constructivism as the primary theoretical frameworks. The rationale for this choice lies in the fact that Albania's foreign policy trajectory cannot be adequately understood through empirical data alone; instead, it requires a theory-informed lens that situates its behaviour within broader debates about small states in international politics.

The analysis is limited to theories that directly illuminate Albania's strategic conduct. From realism, the works of Robert Keohane, Stephen Walt, and John Mearsheimer highlight the structural constraints and survival imperatives that shape Albania's alignment choices. From neoliberal institutionalism, the insights of Robert Keohane, Schimmelfennig and Sedelmeier, and Thorhallsson explain Albania's reliance on institutions, conditionality, and shelter for stability and credibility. Finally, constructivist contributions, particularly Joseph Nye's concept of soft power, help interpret how Albania constructs its "small but smart" identity through norm promotion and symbolic diplomacy. This selective focus ensures theoretical precision while maintaining relevance to Albania's actual foreign policy practices.

Guided by this framework, the research asks: How can the foreign policy behaviour of Albania be explained through the interplay of realist, liberal, and constructivist theories, and to what extent does this behavior align with the emerging logic of a 'small but smart' pivot

[1] Frank Schimmelfennig, Ulrich Sedelmeier, *Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe*, "Journal of European Public Policy", 11, No. 4, 2004, pp. 661–679
[2] Baldur Thorhallsson, *Domestic Buffer versus External Shelter: Viability of Small States in the New Globalised Economy*, "European Political Science", 10, No. 3, 2011, pp. 324–336
[3] Joseph S. Nye, *Soft Power: The Means to Success in World Politics*, Public Affairs, New York, 2004, pp. 1–10

state? This question provides the foundation for the subsequent analysis, which integrates theory with Albania's foreign policy trajectory to assess the extent of its agency, adaptability, and strategic positioning in a fragmented international system.

Explaining Albania's Foreign Policy: Realism, Institutions, and Identity

Albania's foreign policy trajectory cannot be fully understood through a single theoretical lens; instead, it reflects a strategic blend of structural realism and liberal institutionalism. From a realist perspective, Albania's post-communist vulnerability, regional insecurity, and lack of material power compelled it to seek security through alignment with dominant Western actors. This moves underscores Albania's constrained autonomy and its survival-driven logic in a competitive, anarchic system.

Yet Albania's behaviour also exhibits traits emphasized by liberal institutionalism, particularly in how it engages the international system. Its pursuit of EU accession, participation in multilateral institutions like the OSCE and the UN Security Council, and its role in regional platforms such as the Berlin Process show that Albania is not merely a passive ally but an active diplomatic player. These actions reflect a commitment to institutional norms, rule-based cooperation, and the pursuit of influence through engagement rather than coercion. In this view, Albania leverages institutions to reduce asymmetries and maximize its diplomatic capital—demonstrating strategic agency despite structural limits.

Finally, constructivist insights further enrich this analysis by highlighting how Albania's identity and normative positioning shape its external behaviour. Concepts like "intersubjective smallness"[1] help explain how Albania navigates its perceived role as a small but responsible actor. Its efforts to promote regional peace, endorse Kosovo's independence, and uphold democratic norms reflect a form of norm entrepreneurship. In doing so, Albania enhances its international visibility not only through alliances and institutions, but also through the symbolic capital of values, credibility, and soft power—adding a smart, performative layer to its small-state strategy.

Realist Approaches

Keohane's Structural Constraints

In realist theory, small states are understood in systemic terms, meaning their behaviour and fate are largely shaped by the international system's distribution of power. Robert Keohane's seminal 1969 study was one of the earliest to frame the "small state" problem at the structural level of world politics. He portrayed small states as analogous to Lilliputians facing Gulliver - diminutive players confronted with giant powers and thus unable to significantly influence the rules or outcomes of the game. As Keohane concludes, "If Lilliputians can tie up Gulliver, or make him do their fighting for them, they must be studied as carefully as the giant".[2]

In his work Lilliputians' Dilemmas: Small States in International Politics, Robert O. Keohane analyses small states through a realist lens, situating their behaviour within the broader structure of an anarchic international system. He emphasizes that the global order is dominated by great powers, whose actions largely determine the outcomes of international politics. As a result, their agency is severely constrained, and they must operate with a high

[1] Sarina Theys, *Small States Reconsidered: Small Is What We Make of It*, "Journal of International Affairs", 2022, pp. 81–95

[2] Joseph S. Nye, *Soft Power: The Means to Success in World Politics*, 'Public Affairs", New York, 2004, p. 310

degree of dependency on more powerful states for survival, security, and influence. He assumes that all states, regardless of size, are rational actors seeking to maximize their security under conditions of anarchy and uncertainty. This realist framing presents small states not as norm entrepreneurs or institutional innovators, but as structurally limited actors whose primary task is to adapt strategically within the constraints imposed by their environment.

Keohane even classified small states as "system ineffectual" actors, highlighting that they can do little to shape the international system on their own.[1] In other words, by virtue of their limited capabilities, small states are fundamentally constrained by structure – they must operate in a world dominated by great powers, which sets strict limits on what they can achieve. As Keohane quipped, if the Lilliputians ever manage to "tie up Gulliver, or make him do their fighting for them", then even these tiny states warrant careful study alongside the giants.[2] Because of these structural constraints, realism holds that small states are inherently weak and dependent on great powers. Lacking the military or economic capacity to guarantee their own security, small states rely on external protection and support. Rothstein famously defined a state as "small" if it "cannot obtain security by its own capabilities and thus requires external help".[3] This means small states must seek the shelter of stronger allies or patrons to survive. "Small states often attach themselves to great powers for protection, a behaviour consistent with band wagoning under structural realism."[4]

The dependence is structural: great powers dominate the international system, so the survival and prosperity of a small state are frequently contingent on the goodwill, alliances, and support of those major states. Realists argue that autonomy for small states is severely limited - their freedom of action is constrained by the need to appease or accommodate the interests of more powerful countries on which they hinge for protection. Given their vulnerability, the room for manoeuvre of small states is extremely limited, they must choose pragmatic strategies like band wagoning or hedging to ensure survival. In a hostile world, a weak state has neither the heft to balance against a threat nor the luxury of imposing its will; instead, it often bandwagons by siding with a stronger power. Aligning with the dominant or threatening great power is seen as a rational survival tactic for the weakest states, since they have little to contribute to any counter-balancing coalition and would risk destruction by resisting.[5]

At the same time, small states may try to hedge between multiple powers, avoiding firm alignment and keeping their options open. Hedging has been described as an "insurance-seeking" strategy under high uncertainty, where a state avoids taking sides and pursues relations with competing big powers to maintain a fallback option.[6] Acting on survival instincts, a cautious small state will hedge "for as long as conditions compel," maintaining ambiguity and cultivating multiple partnerships until it is forced by circumstances to pick a side.[7]

In essence, realism suggests that because small states cannot independently alter their strategic environment, they survive by either band wagoning with powerful patrons or

[1] *Ibidem*, p. 295
[2] *Ibidem,* p. 310
[3] Robert L. Rothstein, *Alliances and Small Powers*, Columbia University Press, New York, 1968, p. 29
[4] Stephen M. Walt, *The Origins of Alliances*, Cornell University Press, New York, 1987, p. 17
[5] *Ibidem*, pp. 17 -18
[6] Darren J. Lim, Zack Cooper, *Reassessing Hedging: The Logic of Alignment in East Asia*, "Security Studies", 24, No. 4, 2015, p. 699
[7] *Ibidem*, p. 718

hedging between rival great powers – adaptive moves that reflect the tight constraints imposed by their small size and the overwhelming influence of larger states in the international system.

Albania's post-communist foreign policy behaviour closely mirrors the dynamics Keohane identifies in his realist treatment of small states. Facing structural constraints, limited material power, and a volatile regional environment in the 1990s, Albania operated as a "system ineffectual" actor - unable to shape broader international outcomes on its own. As a rational small state seeking survival in an anarchic system, Albania pursued a strategy of alignment with dominant Western actors, particularly the United States, NATO, and the European Union.

This behaviour reflects both a recognition of Albania's inherent vulnerability and an effort to secure external guarantees for its sovereignty and development. Its accession to NATO in 2009 and its ongoing EU integration efforts can be seen as expressions of a realist logic: anchoring itself within the protective umbrella of institutional and military alliances to offset its structural weakness. Albania's preference for quiet, loyal diplomacy, especially in its relations with the U.S., further illustrates how small states adapt by aligning with great powers that can offer security, legitimacy, and international visibility in return.

Walt's Balance of Threat Logic

Stephen M. Walt's balance of threat theory provides a crucial refinement to classical realism by shifting the analytic focus from the sheer distribution of power to the perception of threats. In contrast to traditional balance of power theory, which posits that states align against concentrations of power, Walt argues that states are more likely to form alliances in response to threats, which are shaped by four variables: aggregate power, geographic proximity, offensive capabilities, and the aggressiveness of a state's intentions. This reframing is especially relevant for small states, which lack the capacity to shape the balance of power independently but can react strategically to perceived dangers in their environment. While the theory was developed primarily to explain alliance formation among larger actors, its insights are particularly useful for understanding how small states navigate structural insecurity. Small states may be too weak to deter threats on their own, but they can make calculated decisions to align with or against specific actors based on how threatening those actors appear in relative terms.[1]

In this logic, small states act not out of ideological loyalty or institutional preference, but based on the imperatives of survival. They may choose to balance against a threatening power by joining coalitions that counter it, or they may bandwagon—aligning with the threatening actor if balancing options are too risky or unavailable. For Walt, bandwagoning is not irrational but a logical choice when a state is isolated or when opposition would be suicidal.[2]

Small states often inhabit precarious geopolitical environments where the capacity to resist coercion is minimal, and thus the calculus of alliance-making becomes a critical survival tool. Even when they participate in balancing coalitions, small states do so cautiously, often deferring to larger partners for security guarantees while contributing modestly to the collective effort. This explains why many small states during the Cold War aligned either with NATO or the Warsaw Pact depending on which bloc was seen as offering more credible protection or posing a lesser threat. Walt's theory allows us to view such

[1] Stephen M. Walt, *The Origins of Alliances*, Cornell University Press, New York, 1987, pp. 21–26
[2] *Ibidem*, pp. 27–33

alignment not as ideological submission but as realist adaptation to threat perception and structural vulnerability.

Albania's post-Cold War alignment strategy illustrates the core logic of Walt's balance of threat theory. Following the collapse of the communist regime and facing significant internal fragility and regional instability, Albania recognized that its strategic survival depended on embedding itself within Western security structures. The disintegration of Yugoslavia, ethnic conflicts in the Western Balkans, and fears of Russian influence made the regional environment highly uncertain. Albania thus opted to balance these threats by pursuing NATO membership, deepening bilateral ties with the United States, and advancing EU integration. Its accession to NATO in 2009 formalized its alignment with the Western bloc, not only to deter regional adversaries but also to stabilize its internal institutions and gain external legitimacy.

From a Waltian perspective, Albania's strategy is a textbook case of a small state responding to its threat environment with calculated alliance choices. The country's preference for "quiet diplomacy" with the U.S. and consistent Euro-Atlantic orientation reflect not abstract normative commitments but realist instincts: align with the actor perceived as both non-threatening and capable of delivering protection. In sum, Albania's foreign policy demonstrates how even small and system-ineffectual states can engage in balancing behaviour when motivated by clear threat assessments and existential concerns.

Stephen M. Walt's balance of threat theory provides a useful lens to understand Albania's strategic alignment with Turkey, Italy, Greece, and Austria. Rather than balancing against power alone, Albania engages in a form of threat-based alignment, distributing its partnerships to guard against shifting regional dynamics and perceived intentions. This quadruple alignment allows Albania to reduce overdependence on any single actor and respond flexibly if one partner becomes more assertive or less cooperative. By positioning itself within overlapping diplomatic and security networks, Albania effectively manages uncertainty and enhances its autonomy, an approach that reflects rational threat-balancing behaviour by a small state navigating a volatile geopolitical environment.

Mearsheimer's Structural Realism (Rationality and Survival Under Anarchy)

In Mearsheimer's structural realism, the international system is defined by anarchy, meaning there is no overarching authority to enforce rules or ensure state survival. In such a system, states are compelled to act as if the worst is always possible: they assume other actors may become threats and behave accordingly. This generates a logic of self-help, in which each state seeks to maximize its security and, ideally, its relative power. Mearsheimer argues that this uncertainty, combined with the potential for conflict, pushes even status quo states to act as if they were revisionist, seeking to prevent vulnerability by acquiring capabilities or allies. In this worldview, trust is limited, intentions are opaque, and prudence demands preparation for the worst.[1]

A core assumption of Mearsheimer's theory is that states are rational actors—they assess the international environment, weigh risks and benefits, and choose strategies that maximize their chances of survival. Rationality here does not imply moral or legal consistency, but rather strategic calculation under constraints. Small states, although limited in capabilities, are equally subject to this pressure: their foreign policy choices reflect cost-benefit assessments shaped by systemic insecurity. A rational small state will not take unnecessary risks, nor will it place faith in abstract norms; instead, it will form alliances,

[1] John J. Mearsheimer, *The Tragedy of Great Power Politics*, W. W. Norton & Company, New York, 2001, p. 74

align with strong partners, or adopt hedging strategies to avoid isolation and coercion. Even if unable to project power, the small state behaves with survival as its primary objective.

Albania exemplifies this rationality-driven realism in both its historical and contemporary foreign policy. In the post-Cold War period, surrounded by instability in the Balkans and recovering from internal collapse, Albania acted as Mearsheimer's theory would predict: it sought shelter under the NATO umbrella, built a special relationship with the United States, and pursued EU integration not merely for normative reasons but as a strategic survival mechanism. Albania did not attempt to challenge regional powers independently nor embrace neutrality, it recognized its material constraints and calculated that alignment with the dominant Western bloc offered the highest probability of security, legitimacy, and development. In doing so, Albania demonstrates that even small states, far from being passive or naïve, embody the rational and security-maximizing behaviour central to Mearsheimer's structural realism.

Neoliberal approaches

Whereas realism explains Albania's search for security in terms of threat and survival, neoliberal institutionalism, particularly through the work of Keohane and Thorhallsson's shelter theory[1], helps explain how Albania uses international institutions to advance its interests, reduce asymmetries, and gain diplomatic relevance in a rule-based international system.

Institutions and Cooperation Under Anarchy: Keohane's Neoliberal Institutionalism

Robert Keohane's neoliberal institutionalism challenges the pessimism of structural realism by arguing that cooperation is not only possible under anarchy but also rational and beneficial, especially when mediated by international institutions. While accepting the realist premise that the international system is anarchic and states are rational, self-interested actors, Keohane contends that "Institutions reduce the costs of making and enforcing agreements; they facilitate cooperation by providing information, reducing transaction costs, making commitments more credible, establishing focal points for coordination, and, in general, promoting the continuity of relations (p. 85). This allows for sustained cooperation even without a central authority. The theory further posits that states are motivated by absolute gains, the desire to improve their position regardless of how others fare, rather than the relative gains obsession of realists "Neoliberal institutionalism assumes that states seek absolute gains and are concerned primarily with their own welfare, not with the distribution of gains". For small states in particular, this shift is crucial: it enables them to engage in rule-based frameworks that amplify their security and influence. Keohane's collaboration with Nye on "complex interdependence" adds another layer, showing how economic, political, and institutional links can substitute for brute force in international affairs.[2]

Albania's foreign policy behaviour reflects many of the assumptions and predictions of neoliberal institutionalism. Following its post-communist transition, Albania actively sought institutional frameworks to ensure security, stability, and integration into the Western order. NATO membership has provided Albania with hard security guarantees and the ability to participate in collective operations far beyond its individual capabilities. Simultaneously, its EU integration process has created a roadmap for comprehensive reforms via the adoption

[1] Robert O. Keohane, *After hegemony: Cooperation and discord in the world political economy*, Princeton University Press, Princeton, 1984; Baldur Thorhallsson, *Small States and Shelter Theory: Iceland's External Affairs,* Routledge, London, 2018

[2] Robert O. Keohane, Joseph S. Nye, *Power and Interdependence: World Politics in Transition,* Little, Brown and Company, Boston, 1977, p. 95

of the acquis Communautaire, reinforcing democratic governance and rule of law. Beyond these, Albania has engaged multilaterally through organizations such as the OSCE, the United Nations, and the Council of Europe, not only to promote its international profile but also to align itself with liberal norms. This pattern of behaviour suggests a preference for binding multilateral frameworks over transactional bilateralism, contrasting with realist expectations and illustrating how small states use institutions to escape marginality.

Albania's conduct in the international system aligns with Keohane's insight that institutions are not mere reflections of power but instruments that can shape state behaviour and generate predictable outcomes. By committing to rule-based regimes, Albania has pursued a deliberate strategy of institutional lock-in, which helps stabilize its foreign policy orientation and protect against regional volatility or great power coercion. This lock-in strategy allows Albania to cultivate a rule-abiding image, internalize liberal norms, and gain reputational capital as a reliable partner. Furthermore, Albania increasingly participates in issue-based coalitions within institutions, leveraging thematic alignments (e.g., security, migration, human rights) to exert influence disproportionate to its size. In doing so, Albania exemplifies how small states can convert institutional membership into strategic assets—mitigating vulnerability while projecting smart diplomacy in a fragmented world.

Conditionality and institutional leverage: Albania between Reform and Reward

Within the framework of neoliberal institutionalism, conditionality is understood as a rational strategy through which international institutions influence domestic behavior by linking external rewards to internal reforms. As theorized by Schimmelfennig and Sedelmeier, conditionality operates on the logic of instrumental adaptation: states adopt policies or undertake reforms not out of normative commitment, but in pursuit of concrete benefits such as membership, funding, or legitimacy.[1]

Institutions like the European Union and NATO serve as gatekeepers, defining the criteria for compliance, providing monitoring mechanisms, and reinforcing credible commitments. This transforms cooperation under anarchy from a precarious undertaking into a structured and incentivized process. In this logic, international institutions do not merely reflect the interests of powerful states but actively shape state behaviour through the offer of selective rewards.

Albania's post-communist trajectory provides a compelling example of how conditionality can be a central driver of political and institutional transformation in a small state context. This is supported – among others - by Elbasani, who argues that "EU conditionality is increasingly acknowledged as the single most important external factor shaping domestic institutional change in the Western Balkans".[2]

Following decades of isolation and institutional fragility, Albania has turned to Euro-Atlantic structures not only for strategic alignment but also for internal reform. The EU's conditionality has played a central role in this process, tying progress in the accession process to substantive changes in areas such as rule of law, judicial reform, anti-corruption efforts, and minority rights. Similarly, NATO imposed conditional criteria - such as democratic civilian control of the military - prior to Albania's membership in 2009. In both cases, Albania has embraced conditionality not as an imposition but as a roadmap toward credibility

[1] Frank Schimmelfennig, Ulrich Sedelmeier, *Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe*, "Journal of European Public Policy", 11, No. 4, 2004, pp. 662–663

[2] Arolda Elbasani, *EU Enlargement in the Western Balkans: Strategies of Borrowing and Inventing*, "Journal of Southern Europe and the Balkans", 10, No. 3, 2008, p. 294

and modernization. Institutions thus serve a dual role: they project external discipline and offer a structured pathway toward integration and legitimacy.

For Albania, conditionality has evolved into a strategic instrument, one that allows the country to lock in reforms, anchor its foreign policy orientation, and signal long-term commitment to the liberal international order. Rather than oscillating between competing power centres or resorting to ad hoc alliances, Albania has chosen a path of institutional entrenchment. This lock-in effect makes reforms more difficult to reverse and provides a stable framework even amid domestic political turbulence. Moreover, by aligning with the values and procedures of international institutions, Albania enhances its reputation as a reliable partner and gains disproportionate diplomatic visibility through multilateral platforms. In this sense, conditionality serves not only as a tool of compliance but also as a mechanism of empowerment, offering small states like Albania a rules-based pathway to influence and security within the international system.

Thorhallsson's Shelter Theory (Institutional, Economic, Normative)

Thorhallsson's Shelter Theory offers a compelling framework to understand how small states cope with the vulnerabilities of an anarchic international system. Rooted in neoliberal institutionalist thought, the theory posits that small states lack the material capabilities to ensure their security, economic resilience, and diplomatic autonomy on their own.[1] As such, they seek external "shelters" - protective structures provided by larger powers or international institutions, to compensate for their structural weaknesses. These shelters function across three interrelated dimensions: security, economic, and political/normative. Rather than relying on self-help strategies or balancing power like realists suggest, small states under this framework thrive through institutional embeddedness, rule-based cooperation, and norm alignment.[2] Thorhallsson thus reframes small state agency not as passive dependency, but as strategic reliance on structured partnerships for survival and prosperity.

The most visible dimension of shelter theory is security shelter, and Albania's case exemplifies this through its integration into NATO. Given its post-communist vulnerabilities, limited defence capacity, and unstable regional environment, Albania could not afford autonomous security. By joining NATO in 2009, it embedded itself within a collective defence framework that guarantees territorial integrity under Article 5. This alignment not only mitigates external threats but also enhances Albania's strategic relevance in the Balkans. Moreover, Albania's contribution to NATO missions and defence reforms under Alliance supervision reflects its active use of the institution for both protection and projection. This security shelter thus provides more than deterrence; it affirms Albania's Western identity and ensures that national defence is tied to a broader multilateral commitment.

The economic shelter dimension is equally vital for small states, especially those with fragile or transitioning economies. Albania has actively pursued EU integration not only for political reasons but also for economic security. Even prior to full membership, access to the EU market, financial assistance (e.g., IPA funds), and regulatory alignment with the EU acquis provide a degree of economic predictability and resilience.[3] The EU acts as a

[1] Baldur Thorhallsson, *Domestic Buffer versus External Shelter: Viability of Small States in the New Globalised Economy*, "European Political Science", 10, No. 3, 2011, pp. 325–326

[2] Baldur Thorhallsson, *Small States and Shelter Theory: Iceland's External Affairs,* Routledge, London, 2018, pp. 27–28

[3] Baldur Thorhallsson, *Domestic Buffer versus External Shelter: Viability of Small States in the New Globalised Economy*, "European Political Science", 10, No. 3, 2011, p. 330

stabilizing anchor for investment, trade, and development strategy. Structural funds, technical assistance, and economic conditionality help Albania modernize key sectors while reducing vulnerability to regional shocks or unilateral dependencies. In this sense, economic shelter is not passive aid, but an interactive process of market integration, institutional adaptation, and long-term convergence with the European economic space.

Finally, Thorhallsson (2011) emphasizes the importance of political or normative shelter, whereby small states seek legitimacy, visibility, and influence through multilateral institutions.[1] Albania has skilfully used platforms such as the United Nations, OSCE, and the Council of Europe to amplify its voice, promote its identity as a responsible actor, and build diplomatic capital. This normative alignment enhances Albania's image as a rule-abiding state committed to democratic values, human rights, and international cooperation. The 2022–2023 tenure as a non-permanent member of the UN Security Council is a prime example of how Albania leverages multilateralism not just for shelter, but for visibility and leadership. In this way, political shelter supports Albania's broader goal of transitioning from a peripheral actor to a "smart" diplomatic player—well-embedded in the normative structures of the liberal international order.

Constructivist Elements

This is like a "jump" to meaning-making. While structural realism and neoliberal institutionalism explain much of Albania's strategic alignment and institutional engagement, emphasizing survival under anarchy and cooperation for material gains, they do not fully capture how Albania constructs and communicates its identity as a proactive international actor. This is where constructivism becomes essential. Constructivist theory emphasizes the role of ideas, identities, and intersubjective meanings in shaping state behaviour.[2] It is not just what Albania has or does, but how it is perceived, how it perceives itself, and how it positions itself within the international community that defines its foreign policy choices. The concept of being "small but smart" is not rooted solely in objective metrics of power or rational calculation, but in socially constructed narratives, norm promotion, and symbolic diplomacy, areas where Albania actively shapes its own role. Through constructivist lenses, smallness is not a weakness to overcome, but a resource to reframe in ways that generate legitimacy, visibility, and influence.

In constructivist terms, "smallness" is not merely a quantitative condition but an intersubjective identity, a product of shared understandings, narratives, and expectations about a state's capabilities and role. Albania's smallness is both internally acknowledged and externally reinforced, yet it is not passively accepted. Instead, Albanian diplomacy often uses this perceived smallness strategically, emphasizing its role as a trustworthy, cooperative, and non-threatening actor in a volatile region.[3] Rather than seeking to escape its category, Albania leverages the symbolics of being small—deploying identity as a diplomatic tool. In this way, constructivism helps explain how subjective size shapes foreign policy behaviour as much as material capabilities.

[1] *Ibidem,* p. 330
[2] Alexander Wendt, *Anarchy Is What States Make of It: The Social Construction of Power Politics*, "International Organization", 46, No. 2, 1992, p. 396
[3] Edmond Haxhnasto, *Albania Will Remain a Serious Partner and an Important Regional Factor,* "Tirana Times", n.d.

Constructivist interpretations of soft power, especially as developed by Joseph Nye[1] stress that attraction is not just a function of cultural export or diplomacy, but of credibly projecting a coherent identity. For small states like Albania, whose material means are limited, soft power becomes a constructivist tool of recognition and meaning-making. Albania consistently projects itself as a modern, pro-Western, rule abiding, and peace supporting state, an image reinforced through its unwavering alignment with EU and NATO values, its activism within UN institutions, and its self-representation as a stabilizing actor in the region[2], building a narrative around its values and its commitments rather than its size. Through public diplomacy, symbolic leadership (e.g., strong support for Ukraine, hosting diplomatic summits), and alignment with international norms, Albania shapes how others see it, and how it sees itself. In this way, soft power is not merely an outcome of resources but a constructivist performance of identity, one that Albania uses to gain symbolic influence in a crowded international arena.

Conclusions. Albania and the Pivot State Logic in an Anarchic System

Realist theories, especially those of Mearsheimer, Walt, and Keohane, portray Albania as a small state acting rationally for survival through band wagoning, balancing, or hedging. These strategies, though typical of small states, laid the groundwork for Albania's more stable positioning within Euro-Atlantic structures, signalling the move toward a role greater than mere dependence. Neoliberal perspectives, through Keohane, Thorhallsson, and Schimmelfennig, reveal how Albania strategically embedded itself in institutions, using shelter, conditionality, and lock-in to stabilize its orientation and amplify its influence. Constructivist insights, especially Nye's notion of soft power, highlight Albania as a norm entrepreneur projecting identity, credibility, and symbolic capital, again traits that align with pivot state behaviour.

Bremmer's concept of the pivot state is crucial here.[3] Pivot states thrive not because of material power but through agility, diversified alignments, and institutional embeddedness. In a G-Zero world marked by fragmented leadership and multipolar competition, such states become swing players. Albania's NATO membership, EU integration path, and growing multilateral activism suggest it could evolve from a peripheral small state into a future pivot, provided it avoids overdependence and sustains diplomatic flexibility.

In sum, Albania's foreign policy demonstrates a micro-level application of pivot state logic. By combining realist alignment, institutional shelter, and soft-power projection, it leverages its "small but smart" identity to enhance strategic relevance in the Western Balkans and beyond. While not yet a full pivot state, Albania's trajectory shows how small states can convert structural vulnerability into diplomatic capital. This conclusion underscores both the adaptability of Albania's foreign policy and the broader theoretical lesson: in a fragmented international order, even small actors can exert outsized influence through smart, multidimensional strategies.

[1] Joseph S. Nye, *Soft Power: The Means to Success in World Politics*, 'Public Affairs", New York, 2004, pp. 1–10

[2] European Commission, *Albania 2024 Report*, 2024; U.S. Department of State, *Country Reports on Human Rights Practices – Albania*, n.d, https://www.state.gov/reports/ (08.11.2025)

[3] Ian Bremmer, *Every Nation for Itself: Winners and Losers in a G-Zero World*, Portfolio, New York, 2012, p. 3

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