

produce all that a small state needs, nor to consume all that it produces. Hence, the answer is specialization for special external markets, stemming from either the geographical location or the specific features of social and economic structure and cultural traditions. The volume of exports in most of these states is much greater in the overall GNP and economic activity than is the case in most large states.

Different small states have developed different strategies for coping with these problems. Switzerland, for instance, has specialized in certain industries and has developed centers of international monetary systems, thereby gaining international power and reputation. Another possible solution is the fostering of international organizations (such as the Red Cross), and the achievement in this way of a 'central' rather than a marginal international position as well as an internal sense of identity. Whatever the solution, the specialization has created the dependency on, and sensitivity to, changes in international markets, above all because the small states cannot directly influence fluctuations in the demand for their products.

These problems exist not only in the economic sphere (a field which has been relatively well explored) but also in the cultural, scientific-technological, and political spheres. Thus, in the scientific sphere, one of the main problems is how entrepreneurship and technological discoveries are possible when the heavy investment in facilities needed for this purpose is not available. Small scientific communities, if they orient themselves to large scientific communities, face the problem of maintaining their autonomy, identity, and distinct areas for explorations. In the educational sphere, small countries are under cross-pressures, which may endanger their self-identity and make it necessary for them to emphasize their own tradition, history and internal problems, as opposed to sharing the more universal traditions of the large societies. In the cultural sphere, one of the problems of small countries is how to absorb cultural "floods" (in terms of quantity) from prestigious international cultural centers and still maintain their own identity and obtain international recognition.

It should be stressed that this type of dependency is entirely different from that which exists between countries of the Third World on the one hand and the West on the other, or from the different types of dependency within the Soviet orbit. This dependency is manifest above all in the *type* of specialization the small European states have developed - not a specialization in raw materials but rather a specialization in trade or services. It is also easier to control some crucial areas in the international system.