

Globalization and Greek Foreign Policy

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RÉSUMÉ

La politique extérieure de la Grèce fait face aux mêmes défis que la politique extérieure de toute nation, dans le contexte d'une globalisation plus moins en crise. Cet article est centré sur quelques domaines de pointe de la globalisation, qui influencent plus particulièrement la politique extérieure hellénique: l'intégration européenne, la diaspora grecque, la marine marchande grecque, le phénomène de l'immigration et la lutte pour les oleoducs et les gazoducs pour le transport du pétrole et du gaz naturel.

ABSTRACT

In the context of a Globalization, more or less in crisis, Greek foreign policy faces the same challenges as the foreign policy of any other nation. This article focuses on some leading areas of Globalization, which influence particularly Greek foreign policy: the European integration, the Greek Diaspora, the Greek merchant navy, the immigration phenomenon and the battle of oil and natural gas pipelines.

Even if Globalization is considered as the product of the development of capitalism, nevertheless this tendency is not really a new one. Human societies across the globe have established progressively closer contacts over many centuries. Throughout history, people-philosophers, preachers, adventurers, generals, soldiers, merchants, crusaders, "barbarians", pilgrims, migrants, nomads and financiers-have constructed an ever-more-global society and global economy. In antiquity, trade and cultural exchanges between peoples were also a reality, as it is reported, for example, by Homer in *Odyssey* and *Iliad*¹ or by the Greek historian Herodotus.² In modern times, Globalization is associated with the colonial empires, like the Spanish

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one, the Portuguese, the French and especially the British one. But if in the modern times we associate Globalization with the Empire phenomenon, why can't we do the same for antiquity or for the Middle Ages? Why, for instance, Alexander's Empire, the Roman Empire, the Byzantine Empire or the Arab Empires can't be associated with the Globalization phenomenon? One, of course, can object that trade and exchanges at that time were limited and it's true. Nevertheless, Globalization is not only the economic exchanges. Globalization is also a cultural phenomenon or a religious one. Christianity, for instance, or Islam constitute global movements of integration as it was, before stoicism, the philosophical movement. But trade also was vivid in one way or another in antiquity or in the Middle Ages. One can mention, for example, Greeks or Phoenicians in antiquity who, with their colonies, dominated trade around the global world of that time. Another example is the «Silk Road», a trade route of some five thousand miles long through central Asia linking China with Constantinople, Damascus, Rome and Alexandria. There were not only goods traded but cultural and religious exchanges were also taking place between peoples of Asia, Africa and Europe. It was a route connecting East and West and linking traders, merchants, pilgrims, monks, soldiers, nomads and urban dwellers from China to the Mediterranean Sea; its role was a unique one in developing trade and political and cultural relations.³

In modern times, Globalization is the result of an increasingly global economy with free trade, free flow of capital and cheaper foreign labour. Changes in communications and transportation and, generally, progress in technology gave the process new impetus. But other elements like cultural common values, travel and every day communication are also some of the characteristics of Globalization. Coming up with a definition of Globalization is difficult, as it is a complex trend. A single definition of the phenomenon does not exist, either among academics or in everyday conversation. Nevertheless, one may consider Globalization, following Immanuel Wallerstein, as the process, completed in the twentieth century, by which the capitalist world-system spreads across the actual globe.⁴ From a liberal point of view, Globalization is the acceleration and intensification of economic interaction among the peoples, companies and governments of different nations or even the economic integration, or the flow of information, technology, and commerce and the increasing world-wide integration of markets for goods, services and capital. Some thinkers, economists and intellectuals consider that the current wave of Globalization

has its origins in the economic crisis of the 1970s. According to them, Globalization came as an alternative to the Keynesian economic model imposed after the economic crisis of 1929. Considering Globalization in this way, they associate it with Friedrich von Hayek and, later, Milton Friedman, the guru of neoliberalism. More than an economic paradigm, Globalization became gradually, in the hands of neoliberals, a political ideology especially after the 1990s collapse of the Soviet Union.⁵

It is interesting also to note that nowadays there are references more and more of collapse of Globalization and the rebirth of the nation-state. The technocratic and technological determinism and market idolatry are not any more the theology of the economy,⁶ especially these days with a new crisis in the markets.

This new global environment definitely influences international relations as a whole and the foreign policy of every nation. In this sense, Greek foreign policy faces the same challenges as the foreign policy of every other nation, in the context of a Globalization more or less in crisis.

After the Second World War, Greece is part of major global organisations like the United Nations, the World Trade Organisation, the Organisation for Economic Co-operation and Development or the NATO Alliance. The Greek economy also has been integrated in the international economic system. In this way from a political and economic point of view, the Greek foreign policy follows the integration of the contemporary world and is forced to respect this new environment. There are, however, some particular elements, some leading areas of Globalization, which influence particularly Greek foreign policy. In this article we will insist on five of these leading areas, the European integration, the Greek diaspora, the Greek merchant navy, the immigration phenomenon and the battle of oil and natural gas pipelines.

The European Integration

Some analysts and academics insist that the European integration is the main characteristic of the Greek foreign policy in recent years. They call it the phenomenon of Europeanization of Greece's foreign policy.⁷ But this Europeanization began in the 60's with the Association Agreement with the European Economic Community (EEC)⁸ of that time, even if Greece became a full member of the European Union on January 1, 1981. Even if we consider the pause during the military dictatorship, there had been a new beginning after its collapse. Greece became the 10th member of the

European Community (now the European Union) and participated for the first time in the European parliamentary elections held on October 18, 1981. Why these analysts and academics place Europeanisation of Greece's foreign policy only in the mid-90's? Certainly the post-Cold war environment is an important factor to consider the Greek foreign policy in a new perspective. However, these analysts used to associate Europeanisation of Greek foreign policy mainly with the Greek-Turkish rapprochement of that time and the so-called "modernization" which was the ideological slogan of the Costas Simitis government. According to this analysis, there had been a major change in Greece's foreign policy in the mid-1990s accompanied by the modernization of the Greek political system. The implementation of this policy resulted from the will of the government to move Greece to the epicentre of the European developments following a reformist agenda. But other secondary actors and processes, such as the Civil Society, the media, the immigration, the trans-national Greek lobby, contributed to this change.⁹ Academics, supporting this point of view, describe the change in Greek foreign policy at that time in terms of an ideological contrast between "Europeanism" and "nationalist populism".¹⁰ There is no doubt that the membership in the European Monetary Union was an important step for Greece's integration not only in the European structures but also in the global international society. But this revisionism, introduced in Greek foreign policy in the mid-1990s under the paradigm of "Europeanisation" or "modernisation", is not really a profound major change especially in terms of modernization. The simplistic consensus, among a number of revisionists - and somehow postmodernists - political scientists, foreign policy analysts and social scientists in general, is more an ideological one than the result of sociological research findings. The so-called change reflects more the communication patterns of this period than the social reality. The goals fixed by this revisionist policy, in areas like the Cyprus question, the Aegean contention or the Balkan equation, didn't give tangible results. Today, Costas Simitis, who as prime minister presided to this revisionism, recognizes its failure by abandoning the support of Turkey's full membership in the EU. From the champion of Turkey's full membership, he considers now that the best solution for the E. U. is a framework of a special relationship with this country, and through this special relationship Greece may solve some of its problems in South-eastern Europe.

To say that the Greek foreign policy "was first under the sway of national populism, roughly until 1996, and Europeanism thereafter" is a kind of

Manichean thinking, because, neither before 1996 the so called nationalist populism was the single ideology that guided the Greek foreign policy, nor the so called Europeanism displaced, after 1996, the national populism.¹¹

More serious was the failure to reform the Greek political institutions and especially the administration. The weakness of Greek political institutions, coupled with a tendency towards populist politics during the Simitis era, contrasts with the rhetoric of reformism and modernization. The wider process of modernisation of the Greek economy, society and politics was rather a relative failure not only in the Simitis era but also in the era of his successor, the actual Prime Minister Costas Caramanlis. Greece is always marching with the political institutions inherited from the post-dictatorial era of the 70s.

Europeanisation of Greek foreign policy, if we consider such a direction, didn't result *ex nihilo* in the mid-1990s. It resulted rather from a long march, which began in the 60s and accelerated in the era after the collapse of the dictatorship in 1974. The modernization of the country's political structures in the post dictatorship era opened the door of the Europeanisation of the Greek foreign policy and its integration in the multidimensional mechanisms and institutions of the global international system. There is no doubt that the post-Cold war period of the 90s exercises a considerable influence in the orientations of the Greek foreign policy. There is no doubt that the new post-Cold War global system pushed Greek foreign policy to be adapted to this new environment. After all, it was the only way for the country to serve its national interests. Therefore, Greece has opted for a multilateralist foreign policy. In reality, this multilateralist option has been adopted after the collapse of the dictatorship in 1974 and it was adapted to the post-Cold War environment. There is a large consensus around the multilateralist contours of Greek foreign policy. The adoption of the multilateralist paradigm liberates in a way, partly, the Greek foreign policy from the American dominance or pressure in vital for Greek questions like the Balkan situation, the Aegean dispute or the Cyprus question. Contrary to some "revisionist" suggestions, the priorities of Greek foreign policy remain unchanged. The whole range of Greco-Turkish problems, including Cyprus and the Aegean, remains the first priority of Greek foreign policy, despite economic, social and political interdependences which have been created between the two countries in recent years. The Balkan situation follows as its second priority, especially the Macedonian question and, even more, the risk of the Albanian expansionism after the Kosovo declaration of independence.

The Greek merchant Navy

Shipping is the second largest contributor to the Greek economy after tourism and constitutes the heavy industry of the country. It forms the backbone of world shipping and is the first truly globalized sector of the Greek economy. The shipping industry is uniquely free of the territorially based constraints under which most industries still operate. Shipping capital's freedom from the constraints of time and space functions to disenfranchise labour and to create what is perhaps the first truly global labour pool. Its key centers of operation are Piraeus, London and New York. The port of Piraeus is the third largest in the world in terms of passenger transportation. Greek shipping is accounting for roughly half of all European shipping and almost 20 percent of the world shipping fleet.¹² It flies a variety of flags, including flags of convenience. However, some Greek shipping is gradually returning to Greece following the changes to the legislative framework governing its operations and the improved infrastructure. Approximately 23.5 percent of the world's oil tankers of 73.8 million DWT belong to Greek ship owners. This is as large as the US and Japanese fleets combined. The Greek-owned merchant fleet totalled 3,700 ships in February 2007, 8.5% of the world merchant fleet and 16.5% of world tonnage. During 2006, Greek ship-owners spent approximately \$23.7 billion for the purchase and building of new ships, \$8.7 billion for acquisitions and \$15 billion for shipbuilding. Spending \$8.7 billion, Greeks come first in investment in ship acquisitions, followed by the Norwegians (\$3.5 billion) and the Germans (\$3.2 billion).¹³ In a way, Greek merchant fleet is a commercial giant.¹⁴

The impact of the Greek merchant navy on Greek foreign policy is evident. This impact is manifest on the decision making and as an instrument of power in realizing the objectives of this policy. This is not a new phenomenon, as the Greek merchant fleet was a powerful tool of the Greek economy from the beginning of the independence in the nineteenth century. During the war of independence, it has been transformed in a very effective war navy. During the nineteenth century, it constituted a bridge between the small Greek state, the Greeks living in the Ottoman Empire and the Greek Diaspora. The Greek ship-owners were able to exercise considerable influence in decision-making in Athens but at the same time they were the economic arm extension of this small Greek state in the global world. They continued to have the same role along the twentieth century giving Greece the possibility to have a presence in the international political

arena. For example, in 1956 Greece was invited to participate in the conference held in London concerning the Suez crisis. Responding to those analysts questioning Greece's invitation, the influential French journal *Le Monde* wrote: "Greece was invited because Greek ship-owners control, either under national flag or flag of convenience, the more important merchant fleet in the world".¹⁵ In the Israeli-Arab war of 1973 Greek ship-owners exercised pressure on the dictator George Papadopoulos not to allow the use of the American military bases in Greece against Arabs because of their relations with them as the transporters of the Arab oil. Papadopoulos tried apparently to limit American operations and this policy was eventually one of the reasons that caused later his overthrow by a group of officers under the brigadier-general Demetrios Ioannides, more docile to Americans.¹⁶

As it was noted, "indeed, so grateful were Greece's ship-owners for the concessions they were granted, in an effort to persuade them to register their ships under the Greek flag rather than under flags of convenience, that in March 1972 they elected Papadopoulos president for life of the Association of Greek Ship-owners".¹⁷

The repatriation of shipping activities back to Greece is more intense in recent years and the relations between ship-owners and governments in Athens more complex. Nowadays Greek ship-owners continue to influence Greek politics. But, contrary to their predecessors, they expanded their business to other sectors of the economy by transferring ship-owning capital into other domestic sectors. They control for example media and insurances, they entered the banking sector, the telecommunications and the real estate market. Ship-owners are these days among the new media barons. In this way, they are able to intervene with more efficiency in the decision-making, either in interior politics or in foreign policy. Greek foreign minister Dora Bakoyianni refers to the other dimension of influence of the Greek ship-owners, the one that reinforces the foreign policy of the country, giving it a positive perspective in the international scene. This is particularly true in a global economy in which the Greek ship-owners are among the main champions.¹⁸

The Greek Diaspora

The Greek Diaspora existed even before the Nation-State building. The modern Greek Diaspora started when Greece was still a part of the Ottoman Empire and played a crucial role in Greece's independence. In the late 18th century, Greeks abroad developed a mercantile empire which included areas

of Eastern Mediterranean and the Balkans. It was this Diaspora that first developed the concept of a Greek nation influenced by the European liberal movement and the ideas of the French Revolution. Historically the Greeks from the antiquity created colonies around the Mediterranean and Black Sea basins, especially in Sicily, Southern Italy, Spain, Southern France and the Black Sea coasts. But the modern Greek Diaspora goes back to the 15th century when many Greeks fled Constantinople after its fall in 1453. They found refuge in Western Europe, especially in Italy. Later, Greeks from the Ottoman Empire created communities in the countries of the Western and Central Europe, in Russia and around the Mediterranean. As it has been noted “a Diaspora nation before the creation of the Greek State in 1829, Greeks played an important role in an area stretching from Vienna to Cappadocia and from Saint Petersburg to Alexandria”.¹⁹ The Greek Diaspora contributed to the making of the modern Greek nation-state, since the period of the Enlightenment, acting as a channel of Western ideas and modernization into Greece and the Balkans. It was in these communities of the Diaspora that a Greek bourgeoisie has been developed and which took the leadership of the war of independence. It was toward the end of the 18th century that this rising Greek bourgeoisie, with the beginnings of a national consciousness, began to develop. In the nineteenth century, the Greek mercantile Diaspora reached the peak of its international presence. The base of this Diaspora was of course outside the new created Greek state. “A cosmopolitan bourgeoisie, it spread from the Black Sea and the Danube, throughout the Mediterranean and reached up to Northern Europe and Britain. Within the context of the Greek mercantile Diaspora, networks based on informal partnerships and, often, verbal contracts were developing over the centuries”.²⁰ It was an important trans-state network with trans-state activities in different areas, with the trade as the main economic activity. Diaspora financiers played an important role in the financing of the Greek public debt. They were also major shareholders in the Greek railway companies. They acted as mediators to raise substantial bond capital for the railways during the Greek railway boom (1882-1910) or acted inside the consortia formed with foreign financiers. As it was noted, “Greek Diaspora financiers, particularly those with experience in the financing of the Ottoman and Egyptian public debts, provided a gateway to Greece, acting as trusted guarantors for Western European bankers. They were familiar with Western business practices, while they also had an intimate knowledge of local conditions, and thus lowered the risk and transactions costs for

foreigners. These services were indeed of crucial significance, as Greece was not easily penetrable”.²¹ Inside this bourgeoisie, ship-owners, bankers and merchants established alliances with the political elites of the new Greek state and contributed to the development of its policies. Many of the so called national benefactors were from this people. They identified their own interests with those of the Greek State. The example of Emmanuel Benakis, who enriched himself in Egypt, is characteristic from this point of view. Benakis was a friend of Eleftherios Venizelos, financed his party and became minister of Finance in his cabinet.²² Another example is Andreas Sygros. A banker, founded the *Crédit Général* in 1872 with a capital invested by a group of Greek Diaspora financiers. The discussions around this investment took national proportions with the participation of the newspapers, the intelligentsia and the political and economic elites of the country. These discussions put into evidence the ramifications of Sygros and his friends from the Diaspora with the power elites of Athens.²³ Facing especially the antagonism of British and other European financial interests, the Greek financiers and merchants of the Diaspora were obliged to look for the protection of their own national state notwithstanding its weakness. During this period, “in the context of the Globalization of the nineteenth century, the Greek economy integrated into the European capital market through informal network arrangements, in which foreign and ethnic Greek financial institutions intermingled, with the Greek Diaspora playing the cohesive role”. Nevertheless, “in the more difficult and problematic financial environment of the inter-war years, informal financial networks which had operated reliably before 1914 became fraught with uncertainty” and Greek Diaspora lost its role as mediator. The historical Diaspora, heritage of the Ottoman period, evaporated, for different reasons, during the twentieth century and has been succeeded by the migrant Diaspora in the USA, Canada, Australia and Western Europe. This new wave of migrants proved that, indeed, the Greeks are a diasporic nation. Even if in the beginning the new migrants were poor peasants, their children occupied a new socio-economic space as merchants, financiers, academics and professionals. But they never attained the influence of the historical Diaspora. This is partly, because the Greek State is not anymore as weak as it was in the nineteenth century. Nevertheless this is not the case of the Greek ship-owners, if we consider them as part of the Diaspora who continued to have an enormous influence in the decision making in Athens after the Second World War. But, at the same time, they were not really associated to the migrant Diaspora

but, rather, they were the continuation of the historical Diaspora. We may consider this group as the connecting element between the historical and the migrant Diaspora. In the meantime, some of them have gradually chosen to transfer their offices in Greece.

As it has been noted, “three types of Greeks made up the Diaspora: the very poor, the very rich and the political exile, often an intellectual”.²⁴ The great majority of the transatlantic emigration was composed by the first category. The third category, the political exile doesn't exist any more.

Certainly, at the end of the Cold War, things have changed. Greece became a host country of immigrants, the Greek Diaspora is not any more reinforced with fresh immigrants and, inside the second and third generation, a new solid bourgeoisie appeared. Especially solid is the new Greek-American bourgeoisie. It is characteristic that in *Forbes* magazine's annual list of the four hundred richest American billionaires (2007) there were three Greek-Americans. In Great Britain, an annual Greek Rich List detailing the top 100 millionaires and billionaires covering the Greek and Greek-Cypriot community in the UK is also published. For 2008, the top 100 are worth a staggering £ 10,708 billion in total. Of the top 100, only 15 people actually inherited their wealth. The other 85 are self-made. In Australia and Canada we have also some millionaires, generally self-made.

What is the relation of these billionaires and millionaires with Greece? Did they influence decision making in Athens? Did they have to defend any interests in Greece? Some of them make business in Greece, others invest in Greek companies and others make, or intend to make, business in the Balkans and the East Mediterranean. Certainly, they don't have the same close economic relations with Greece as the Greek Diaspora bourgeoisie of the nineteenth century. But many of them have developed relations with the Greek political elite in Athens. In the USA, for example, they contributed to the creation of chairs in some universities to honour Greek politicians. There is also information that some of them contribute to their electoral expenses. Therefore, in one way or another they exercise some kind of influence in the Greek capital.

But we have to consider the Diaspora as a whole and see it as a bridge between Greece and the global world. We have to consider it as a lobby for the Greek interests in the host countries, particularly in the United-States. This lobby which, in the beginning acted in favour of Greek interests, acts now more and more in favour of the host country. Van Coufoudakis noted already in the nineties the “reverse influence phenomenon”, i.e. the influence of the

Greek-American Diaspora in the decision-making in Athens in favour of American interests,²⁵ a phenomenon that took more importance nowadays. A new triadic relation is more and more the new pattern of Greek Diaspora.

The Impact of the Immigration

Greece, throughout its modern history, was a country of emigration. Some millions of Greeks emigrated in the 19th and the 20th centuries to different destinations like Europe, the United States, Canada, Australia and Africa. Around 12% of the Greek population emigrated from 1881 to 1951. The reverse phenomenon of immigration began in the 1990s after the collapse of the Soviet Union and the Eastern and South-Eastern Communist regimes. Therefore, the beginning of mass illegal immigration into Greece, in the early 1990s, was largely the result of disintegration of the former Soviet bloc. Nevertheless, a small immigration group grew before at the beginning of the 1980s when a small number of Asians, Africans, and Poles arrived in Greece and began to work in construction, agriculture, and domestic services. In 1986, legal and unauthorized immigrants totalled approximately 90,000. One third of them were from European Union countries. The 1991 Census registered 167,000 "foreigners" in a total population of 10,259,900.

In the 1990s the war in Yugoslavia and the instability in the whole area of Balkans has created a flow of legal and illegal immigrants from these neighbouring countries who entered Greece. The main flow came from Albania. In recent years however immigrants entering the country come from as far away as Iraq, Pakistan, Afghanistan and the Philippines. In fact, Greece became a labour importing country as the other South-Eastern European countries. These migrants work in the agricultural domain, in small business, in domestic services and in construction. The total estimated number of immigrants today in Greece is more than one million, including legal migrants about 600,000, illegal migrants and refugees. In proportion to its population, Greece has therefore more immigrants than many other European countries. Policing the entry of migrants in Greece is difficult because of the large coastline of the country and the multiple islands²⁶.

The immigration phenomenon has an important impact on Greek foreign policy. The country faces a new geopolitical environment, a new geopolitical scene with new challenges and new opportunities

For a long time, immigration has been considered of low interest in international relations. Not anymore, in the reality of Globalization as

population movements are seen today as a matter of security. Theorists of international relations have been forced to face the phenomenon of immigration in terms of national, regional and international stability.²⁷ There is a perception, nowadays, of a global migration crisis. These considerations provoke more tensions and heated discussions in Greece in terms of national security. First of all, there is a perception of a threat to Greek national identity. Secondly, illegal immigration may result in bilateral tensions between Greece and the countries of origin or the transit countries. And, thirdly, because of the numbers the integration of the immigrants in Greek society is not assured. In one way or another immigration nowadays became a tool of foreign policy for host countries as well as for countries of origin. Greece experienced for a long time immigration as a tool of its foreign policy from the point of view of a country of origin. It was the era of a trans-national Greek lobby, especially the Greek-American lobby. A lobby that always exists but which acts more and more, as it was already pointed out, in favour also of the American interests.²⁸ Today it experiences immigration as a tool of its foreign policy from the point of view of the host country. From the status of emigration to the one of immigration, the Greek foreign policy has faced difficult challenges. The political instability in the Balkans, the problems that Greece faces with some neighbouring countries like FYROM and Turkey and even sometimes Albania, exacerbated the discussions on the phenomenon, deeply emotional sometimes. But it is true also that the immigration pressures had a real impact on the internal policies of the country.

Greece and the Battle of Oil and Gas Pipelines

Greece has been trying in recent years to promote herself as emerging energy hub. On the one hand Athens tried to establish solid relations with Russia in order to avoid total dependence from Washington and to obtain the support of Moscow in some crucial areas of its foreign policy like the Aegean dispute and the Cyprus question. On the other hand, from an economic point of view, cooperation with Russia opens to Greek economy interesting new horizons for activity. The American reaction to this openness to Russia is permanent. To some point, it is the same reaction manifested against Europe's cooperation with Russia in the area of energy. Russia, on the other hand, is fighting to establish a dominant role in Europe's energy supply. Washington considers that this cooperation leads to Europe's dependence from Moscow with dangerous consequences. In reality, it's an over reaction in order to protect the American strategic interests.

Washington fears the creation of an autonomous political and economic European pole, detaching Europe from the American hegemony. In the case of Greece, there is one more reason why Washington reacts to Athens-Moscow rapprochement. It's the fact that, by this rapprochement, Russia is facilitated to expand its influence in the Balkans.

In November 19, 2007, *The New York Times* wrote: "Greece and Turkey opened a \$300 million pipeline on Sunday, creating an energy corridor that connects the rich natural gas fields in the Caspian Sea region to Europe, bypassing Russia and the volatile Middle-East. The 178-mile pipeline also solidifies improved ties between Greece and Turkey, linking the long-time Aegean rivals through a project that will give Caspian gas its first direct Western outlet and help ease Russia's energy dominance as oil and gas prices soar". Two things are clear in this article of *The New York Times*: the first one is that the pipeline creates an energy corridor connecting the rich natural gas fields of the Caspian Sea to Europe, bypassing Russia. It's an important point because one major objective of the American policy is to isolate Russia by creating oil and gas pipelines bypassing it, in order to cut any dependence of the former Soviet Republics of Caucasus and the Caspian Sea from Moscow. The second thing that underlines the *New York Times* article is that the pipeline improves ties between Greece and Turkey and links the two countries in a project under American hospices. In other words, the project is more political than economic, because it diversifies supplies of energy to Europe without going through Russia and, in the meantime, encourages Greek-Turkish rapprochement. It's not without reason that the inauguration of the pipeline by the prime ministers of Greece and Turkey Costas Karamanlis and Tayyip Erdogan was attended by the American Energy Secretary Samuel W. Bodman.

When later, in December 2007, Greek premier Costas Karamanlis paid an official visit to Moscow, Russian president Vladimir Poutin offered to supply Greece double as much gas up to 2040. The Americans expressed again fears that a possible long-term Russia-Greece agreement on gas supply may damage the project to buy gas from Azerbaijan supported by Washington. One has to remember also that Greece cooperates with Russia in the oil sphere in the Burgas-Alexandroupoli pipeline project. It's another project that Washington looks with suspicion, whether Greece considers it as corresponding to its national strategic interest. Nevertheless, Greece agreed in May 2007 to cooperate to the building of a Turkish-Greek-Italian natural gas pipeline to transport gas from Azerbaijan. In fact, it will be the second phase of the

strategically significant section connecting the natural gas systems of Turkey and Greece. The connection will be extended via Greece to Italy.²⁹

In a visit to Washington in March 24, 2008, Greek Development Minister Christos Folias “was able to outline Greece's energy policy in meetings with U. S. officials during which he emphasised Greece's potential role as an important energy hub for South-Eastern Europe”. In those meetings, “he presented Greece's policy of ensuring the greatest possible diversity of fixed energy supply, explaining that Greece actively supported multiple sources and routes for transporting energy and was already obtaining natural gas from both Algeria and Russia”. No doubt he wanted to reassure Washington that Greece's energy policy was one of diversity. He also pointed “to the country's participation in the construction of the Burgas-Alexandroupolis oil pipeline and the Turkey-Greece-Italy (TGI) pipeline, which will transport natural gas from the Caspian Sea to the West, as well as ongoing discussions with Azerbaijan regarding the South-stream pipeline that will transport natural gas from Russia”.³⁰

In April 7, 2008, the governmental committee convened and focused on development and energy issues under the Prime Minister Costas Karamanlis. Development Minister Christos Folias after the meeting said that he briefed the Committee on the issues of energy policies and the latest developments. Folias went on saying: “*We repeat our dedication we have to re-advance our country to an energy node of South Eastern Europe, in a key-position. Our will, intention and dedication are to secure for our country efficient energy supplies and to avoid pollution in the best price. In addition, we want to be the trade-transit center for energy transmission to our partners in the European Union*”.³¹

In the meantime, visiting Athens on April 9, 2008, the Deputy Assistant Secretary of State for European and Eurasian Affairs Matthew J. Bryza, expressed again the American reservations concerning Greek and European dependence from Russian gas. Americans oppose the South Stream pipeline, a Russian-Italian backed project, with possibility of Greek participation, which will transport Russian gas to Europe. On the contrary Washington supports the Greek-Turkish-Italian pipeline which will transport the Azeri gas. Bryza met Foreign Minister Dora Bakoyannis and other Greek officials with whom he discussed Balkan and energy issues. Speaking at a conference, Bryza said the United States aimed at sharpening competition in the natural gas sector by bolstering the negotiating position of Greece, Turkey, Italy, Georgia and Azerbaijan vis-a-vis Russia and its Gazprom monopoly. He noted that Greece receives 80 percent of its gas from only one company, but

stressed, 'our goal is not to have a standoff with Russia on energy.'³² Speaking in the conference of the *Economist* in Athens on April 10, 2008, Bryza said that it is a tragic mistake the fact that Greece receives 80 percent of its gas from only one source, the Gazprom.³³

On April 29, 2008 the Greek and Russian leaders signed a deal in Moscow on Greece's participation in the South Stream pipeline. The deal was signed at a Kremlin ceremony attended by Greek Prime Minister Costas Karamanlis and Russian President Vladimir Putin. The proposed Russian-Italian South Stream pipeline will pump Russian gas under the Black Sea to Bulgaria before splitting into two branches. One branch will take gas northwest to Austria, while the other will head southwest to Italy, going through Greek territory. According to experts, the amount of natural gas being consumed in Greece over the next eight years is expected to double.

Meanwhile, Putin said both the South Stream project and a proposed Russian-backed oil pipeline through Greece could only benefit Europe. "The aim is to significantly increase the energy security, not only of the Balkans but of the entire European continent," Putin said, before warning critics in Europe that they should not snub Russian gas.

The two leaders also discussed the 280-kilometer (175-mile) Burgas-Alexandroupolis oil pipeline that will connect the Black Sea to the Aegean as a vital alternative route, bypassing the tanker-congested Bosphorus Strait. Yesterday's visit by Karamanlis to Moscow is his third trip to Russia, while Putin has also visited Greece three times.³⁴

One has to recognise the political and economic implications of all these planned energy networks in the Balkans and the Southeast Europe for the European Union as a whole, but also the implications in the trilateral relations between Brussels, Washington and Moscow. It is clear that in this context Athens tries to balance its foreign policy between American dependence and Russian cooperation, especially in the area of energy in order to better serve its national interests. It is not however certain that this policy, promoted by prime minister Costas Karamanlis, is entirely shared by the whole political spectrum, especially inside his own party.

Conclusion

Greek foreign policy entered a new era in the context of Globalization facing new challenges as they were explored above in this article. Nevertheless the old problems like Greek-Turkish relations and the Balkan equation, are

always in the agenda. There is no doubt that, in this new era, Greece is forced to adopt balanced policy, inside and outside European Union, of multilateral orientation and with open options for the future.

NOTES

1. "Tell me, O muse, of that ingenious hero who travelled far and wide after he had sacked the famous town of Troy. Many cities did he visit, and many were the nations with whose manners and customs he was acquainted". The beginning of *Odyssey*.
2. Herodotus (fifth century BCE). The great Greek historian describes the Persian Empire under Cyrus, Cambises, Darius, Xerxes, and the expedition in 480 B. C. He describes also many peoples from an ethnographic point of view and he is indeed an anthropologist with great interest. In other words Herodotus presents the global world of his time.
3. The Silk Road was initiated around 114 BC by the Han Dynasty (114 BC), although earlier trade across the continents had already existed. The first person who used the term "Silk Road(s)" or "Silk Route(s)", was the German geographer Ferdinand von Richthofen in 1877.
4. Immanuel Wallerstein, *Utopistics: Historical Choices Of The 21st Century*, New York: The New Press. 1998, p. 32.
5. See for example John Ralston Saul, *The Collapse of Globalism*, New York, Overlook, 2005.
6. *Ibid*
See also, Niall Ferguson, "Sinking Globalization", *Foreign Affairs*, March/April 2005 issue.
John Gray, "A diverse world would be a safer world", *Resurgence*, issue 212.
7. See the special issue of *Études helléniques/Hellenic Studies*, Greek Foreign Policy, Emerging Actors and Processes, vol. 15, no 1, 2007 edited by Panayotis Tsakonas.
8. On 9 July 1961, Greece becomes the first European State to sign an Association Agreement with the European Economic Community (EEC).
9. See the special issue of *Études helléniques/Hellenic Studies*, Greek Foreign Policy, Emerging Actors and Processes, vol. 15, no 1, *op. cit.*
See also – among others - Ian Lesser, Stephen F. Larrabee, Michele Zanini and Katia Vlachos-Dengler, *Greece's New Geopolitics* (RAND, National Security Research Division, Santa Monica, 2001), Charalambos Tsardanidis and Stelios Stavridis, "The Europeanization of Greece's Foreign Policy: A Critical Appraisal",

Journal of European Integration (Vol. 27, No. 2, June 2005), pp. 217-239; Panagiotis Ioakimidis, "The Europeanization of Greece: An Overall Assessment" in Kevin Featherstone and George Kazamias, *Europeanization and the Southern Periphery* (London Frank Cass, 2001), pp. 73-94; and Panagiotis Ioakimidis, "The Europeanization of Greece's Foreign Policy: Progress and Problems" in Achilleas Mitsos and E. Mossialos (eds.), *Contemporary Greece and Europe* (Aldershot, Ashgate, 2000), pp. 359-372.

10. *Ibid*

11. George Kalpadakis and Dimitri A. Sotiropoulos, "Europeanism and Nationalist Populism: The Europeanization of Greek Civil Society and Foreign Policy", in *Études helléniques/Hellenic Studies*, Greek Foreign Policy, Emerging Actors and Processes, vol. 15, no 1, p. 61.

12. John Tagliabue, "Rough Going for Greek Merchant Fleet", *The New York Times*, May 27, 1997.

13. Sources of Statistics concerning Greek merchant fleet are the Ministry of Mercantile Marine, The Aegean and Island Policy, the Hellenic Center for Investment, Bank of Greece and US Central Intelligence Agency (CIA) data.

14. John Tagliabue, *Ibid*

15. *Le Monde*, 8-08-1956.

16. Jacob Abadi, "Constraints and Adjustments in Greece's Policy toward Israel" *Mediterranean Quarterly* 11. 4 (2000) 40-70. The author refers to *Jerusalem Post*, 29 November 1973. In his article noted that "...the junta had to be extremely cautious. Consequently, it refused to provide bases and facilities to the American airlift of weapons to Israel during the Yom Kippur War of October 1973".

Spyros Markezinis, at that time prime minister of Papadopoulos, also referred to the American role on the overthrow of the dictator because he refused some facilities to Americans during this period. See Spyros Markezinis Memories, 1972-1974, Athens 1979, pp. 93-111 (Σπύρος Μαρκεζίνης, Αναμνήσεις 1972-1974, Αθήνα 1979, σσ. 93-111).

See also Andre Slengesol "Bad Show? The United States and the 1974 Cyprus Crisis" *Mediterranean Quarterly*, 2000; 11: 96-129.

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32. *I Kathimerini*, English edition, April 11, 2008.
33. *To Vima*, April 11, 2008.
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