

FOREIGN POLICY UNDER AUSTERITY

GREECE'S RETURN TO NORMALITY?

SPYRIDON N. LITSAS &
ARISTOTLE TZIAMPIRIS



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Editors

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FOREWORD

Taken as a synthetic whole, the chapters in this volume consider the ongoing life of Greek foreign policy from the onset of deep austerity in early 2010, since which time 13 sequential austerity packages have been negotiated and signed. How have these ever tightened circumstances been reflected in Greek foreign policy? Surprisingly little scholarly attention has been given to this question—until the publication of this volume, which gives it comprehensive and multi-dimensional attention, to most satisfactory effect.

Before Greece's debt crisis, Greece had been one of the more broadly pro-European countries in Europe. Greece's own national foreign policy interests were not entirely subsumed in European interests, to be sure, but they were largely aligned with them—and national interests (such as Cyprus) were pursued through a fundamentally European framework. Over the course of the crisis, though, this affection for and gravitation towards Europe and its institutions have, to say the least, waned. Over the past six years our screens and front pages have been full of the images of unpleasant stand-offs between dour European officials and their alternately (depending on the administration) resolute, insouciant, determined, or defiant Greek interlocutors. We have seen Samaras and Barroso in Brussels, Varoufakis and Schaeuble in Bonn, Tsipras and Merkel in Berlin, Tsipras and Juncker in Brussels—and no one (except, unwisely, Varoufakis) looked like they were having a lot of fun.

As the impact of austerity set in—as the distinctly unenjoyable nature of Greece's plight became clearer—years of pro-European consensus in Greece gave way to a type of anti-Westernism and anti-capitalism more closely associated perhaps with Latin America: riots filled the streets, and

anti-Western rhetoric exploded. Athens and other Greek cities saw the proliferation of anti-Europe graffiti, and the cartoon equation of Merkel in particular, and of Germany and even Europe in general, with Hitler and the Third Reich is now commonplace in Greek political discourse. Famously, in the summer of 2015, the far-right Greek parliamentarian Dimitris Kammenos compared Greece's remaining part of Europe to being in Auschwitz, posting to his Facebook account a doctored image of Auschwitz's "Arbeit Macht Frei" sign with one that read, instead, "We're Staying in Europe."

This dramatic change in orientation towards Europe has not gone unfelt in the arena of foreign policy—which in Greece since the 1990s had largely cleaved to Europe, European consensus, and European interests. The onslaught of austerity has brought Greece back to a more independent foreign policy, a foreign policy no longer seen through a solely European lens. At the same time, the circumstances of austerity have forced Greece to elevate the potential for economic gain to a centerpiece of its foreign policy efforts.

It is these shifts, and more broadly the nature of foreign policy under austerity, that is the focus of this volume. The reader will see that the circumstances of austerity have provided surprising and interesting new channels for Greek foreign policy (Huliaras and Kalatzakos); have reanimated old friendships (Filis); and have created new sub-systems within the Mediterranean region (Voskopoulos, Roufos, Tsafos). Because of austerity, long-standing conflicts have been revisited in new ways (Raptopoulos; Tziampiris). And because of austerity, write this volume's authors, we need to reconsider the limits of foreign policy in the context of a single currency zone (Skiadas, Papadopoulos, Kalaitzidis). In short, as one of the volume's two co-editors (Litsas) metaphorically puts it, in its foreign policy Greece needs to re-find "Ariadne's thread," and develop a new Grand Strategy that will lead the country out of the current labyrinth in which it finds itself.

While the chapters in this volume will not, perhaps, provide all the keys for achieving this, they do a fine job of showing the foreign policy impact of austerity, and, at the same time, of helping us better understand Greece's foreign policy over much of the 20th century.

K. E. Fleming
Remarque Institute, New York University
September 2016

PREFACE

The idea for this edited volume was born during the seemingly never-ending discussions of the two editors trying to decipher the consequences of the Greek sovereign debt crisis and assess the sociopolitical consequences that followed.

We concluded that what was missing was not yet another self-flagellating volume about the origins of the crisis but one focusing on the political and diplomatic prospects of leading Greece and its people outside the trap of a modern labyrinth that had been entered back in 2010. As International Relations theorists, with a certain preference for political realism, we could not simply follow a typically Weberian analysis. In other words, we eschewed a macroeconomic analysis with some zero-sum game theory as its “topping” to be served to the public followed by implicit claims that we had just reinvented the wheel. Rather, our main goal was to follow a more original approach, focusing on most aspects of Greek foreign policy under austerity and suggesting a way forward despite the huge challenges that exist.

Hence, the contributors to this volume scrutinized the problems in their issue area, assessed the new conditions, looked into the future and suggested specific ways out of the stalemate by utilizing an ancient Greek approach: political analysis.

In a period when many experts see only impregnable walls barring any progress, when a large number of Greek politicians act as if extras in an Almodovar film and a grey shadow has covered the bright sun of Greece’s Mediterranean reality, we decided to make an academic contribution by producing a work that does not deny a priori the prospects of the Greek

state and society returning back to a level of international diplomatic normality.

Our attempt was not easy. We discovered that grey produces black and black bears the fruits of Stygian darkness. In other words, when almost everybody in Greece seems already to have surrendered to the apathy of an emphatic failure, we had to produce a scientific analysis that does not admit final defeat but explores the prospects of opening a new chapter for Greece. We also discovered the difficulties of trying to be even guardedly optimistic while almost everybody feels otherwise, and how difficult it is to assess the foreign policy capabilities of a nation that many have already written off.

Although, this volume tries to keep an open-ended and somewhat optimistic stance for the long term, it does not construct a parallel reality for the state and its prospects. We simply strived to maintain a down to earth, realistic approach. The analysis and paradigms that follow are hopefully not the products of over-optimistic or idealistic imaginations.

We would like to thank our esteemed colleagues who participated with their studies in this collective volume. We would also like to thank Lena and Maria, our wives, for their patience and continuous support. This work is dedicated to them.

We believe that Greece's new generation deserves and must live in a better and more prosperous country. When our children ask us one day what we did during Greece's darkest moments in the 21st century, we can reply that, as academics, we attempted to show a way forward for Greek foreign policy. Whether our calls are heeded remains of course to be seen.

Spyridon N. Litsas & Aristotle Tziampiris
Thessaloniki & Athens
September 2016

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From Sentimental Idealism and Incompetent Realism Towards a New Greek Grand Strategy: Searching for Ariadne’s Thread

Spyridon N. Litsas

INTRODUCTION

A characteristic example of the importance of Grand Strategy for the fate of a state can be found in the case of Athens during the Greco-Persian War (499 BC–449 BC). After the defeat of the Greek army in Thermopylae (480 BC), the Athenians sent an official delegation to the Delphic Oracle to ask for divine guidance regarding the best possible method to face the advancing Persian army. Pythia, Apollo’s priestess, offered the Athenian delegation the following oracle:

When all the other places are seized that are bounded by Kekrops and the secret groves of divine Kithairon, heavenly Zeus gives to the children of Triton a wooden wall that alone remains intact, to the benefit of you and your sons. Do not wait for the army of cavalry and infantry coming from the mainland, but retreat and turn your backs on them. You shall confront them again. (Souza 2003: 59–60)

The Athenians interpreted Pythias’ reference to the ‘wooden wall’ as advice to face the Persians at sea instead of waiting for them behind the wooden

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fortifications of the Athenian acropolis. They abandoned their city, confronted the Persians at sea at the Battle of Salamis (480 BC), and inflicted a decisive defeat upon the invaders, pushing back the mighty Persian army and its allies to Asia. From that point on and for many decades afterwards, the Athenians' turn to the sea led them to become one of the most formidable naval powers in human history. The oracle can be seen as 'divine' advice on military tactics given through Pythia to the Athenians in order to defeat the aggressors. It can also be seen as the first grand strategic guidance in human history, since the 'wooden wall' not only saved Athens but also set the course for it becoming one of the greatest naval powers in human history.

Many believe that Thucydides was the first who framed the concept of 'Grand Strategy' in his narrative about the Peloponnesian War. Although Thucydides' account is undoubtedly one of the main foundations of International Relations (IR theory),¹ he did not attribute to it the immense depth we do today. Thucydides approached the concept of Grand Strategy indirectly as the political outcome deriving from both tactical and strategic successes that occur between contending states (Martel 2015: 61). The term itself never actually appears in his magnum opus.

In modern times, the term 'Grand Strategy' was primarily used by Basil Liddell Hart (1991: 321–322) as a means to 'coordinate and direct all the resources of a nation, or band of nations, towards the attainment of the political object of the war'. He paved the way for other notable IR scholars to thoroughly investigate the specific concept and publish their own approaches accordingly.² For the majority of IR analysts researching Grand Strategy, it is something that goes far beyond the conventional wisdom derived from historic narratives, various strategic doctrines, or the labyrinthine theoretical norms of the discipline. Plunging into the theory of Grand Strategy gives analysts the opportunity to scrutinize closely the state's domestic ontology and all the related political norms that affect its international status. In other words, it gives analysts the opportunity to evaluate and comprehend a state's strengths and weaknesses as well as its ability to withstand systemic pressure that threatens its survival.

Therefore, the substantial appeal that Grand Strategy has for the IR discipline is quite justifiable. For instance, for Athanassios Platias and Constantinos Koliopoulos, Grand Strategy '... can be understood as a state's response to specific threats to its security; it must identify potential threats and devise political and other remedies for them' (2006: 41–42). For John Lewis Gaddis, Grand Strategy is or should be the 'calculated

relationship of means to large ends' (2009). For Paul Kennedy, Grand Strategy refers to a 'policy that is, in the capacity of the nation's leaders to bring together all of the elements, both military and non-military, for the preservation and enhancement of the nation's long-term best interests' (1991: 5). Barry Posen defines Grand Strategy as a 'political-military means-end chain, a state's theory about how it can best 'cause' security for itself ... A Grand Strategy must identify likely threats to the state's security and it must devise political, economic, military, and other remedies for those threats' (1984: 13). Colin Gray approaches the term as 'the theory and practice of statecraft itself' (2010: 18). Last but not least, Thomas Christensen attributes an intriguing definition for the term that is, as will be shown in the following paragraphs, very close to my own analysis. He defines grand strategy 'as the full package of domestic and international policies designed to increase power and national security' (1996: 7).

Apparently, there is a continuous notional evolution concerning the whole concept, as well as a demonstrable theoretical inconsistency. At the rise of the twentieth century, grand strategy was all about the management of a nation's hard power during peace or wartime. Nowadays, it refers to every major or minor element of hard, soft or smart power that has to do with the everyday management of the state. This has mainly to do with the fact that states do not fight so often anymore; however, the survival of the case is directly linked with other aspects of international politics such as the economy, as the Greek question clearly shows. The perplexities of designing and implementing a Grand Strategy advance as international politics becomes more and more complex. This complexity drives grand strategy to evolve in methods, essence, and ethos. A state failing to implement ontological evolution enters into the narrow alleys of failure. The Greek case, alas, is the perfect example for this orbit of decay (Featherstone 2011; Litsas 2014).

My main scientific hypothesis in this chapter is that Grand Strategy is not only a multitudinous means to a political end, or a *modus operandi* to implement a series of policies in the internal and the external of the state. It is something more intense and at the same time more impenetrable because Grand Strategy refers directly to and influences deeply the survival instinct of a state. This is why I argue that grasping the Grand Strategic disposition of a state is like being aware of its most intimate secrets. These are the disguised details that offer a valid opportunity to understand the scrutinized state in the most profound manner. The Grand Strategy of a state does not only refer to its military or economic capacity, or to the

prospect for strengthening its position in the international system by projecting and producing new sources of power in its daily systemic course of action. Additionally, it refers to the social norms of a state or the past experiences that form its historic recollections, and certainly is not limited to giving insightful descriptions regarding the cultural heritage, ethos, and urges that make every sovereign power unique in the international environment. Above all, Grand Strategy reveals a specific feature of the state that is almost impossible to calculate with any other technique that is available in the wide spectrum of the social sciences; that of the probabilities of a country to withstand systemic pressures and survive. Of course, this presumes a state's Grand Strategy is being rationally implemented, or the imminent risks that a failing state may produce for the status quo of the periphery that accommodates it.

I will evaluate the present Greek Grand Strategy that led the state to its current failures and make a series of proposals for establishing a pristine Greek Grand Strategy. My main aim is to assist the state to exit the current labyrinth and return to normality, augment an active stance in the international arena, cooperate more closely and productively with its main allies, and restore its autonomy without expecting salvation from a *deus ex machina*. In such a critical time for Greece, mainly due to the unprecedented economic crisis that penetrates every core of its ontological status, this chapter aims to bring to the surface the main political mistakes of the past and propose a new political route that will give the state another chance to come back to normality, just as Theseus found his way out of the Labyrinth by using Ariadne's thread.

THE MODERN GREEK GRAND STRATEGY

Greece, like the majority of the Balkan states following independence from the Ottoman Empire, sought maximum territorial expansion. That was a direct result of the geopolitical facts that followed the formation of the Greek nation-state. The new state that emerged from the 1821–28 War of Independence was small and fragile, and was totally dependent on the Great European powers, notwithstanding that the primary goal of the revolutionaries was totally different. *Filiki Etairia* (Φιλική Εταιρεία), the secret organization that prepared the revolt against the Sublime Porte, was set not just on the establishment of an independent state but also the revival of the Byzantine Empire and control of vast territory in the Balkans with Constantinople as its administrative, political, cultural, and military

center of gravity (Dakin 1973: 41–49). This particular Greek Grand Strategy, even before the establishment of the Greek state, was more sentimental than realistic and did not account for the deep changes the era of modernity brought upon nineteenth-century European politics.

From Greece's recognition of its external sovereignty in the London Conference of 1832 and up until the early twentieth century, its Grand Strategy can be characterized as a synthesis of sentimental idealism and incompetent realism. This sense of political bipolarity can only be understood by analyzing the political norms of the Greek collective consciousness and, most importantly, those of the nation's political elite immediately after the end of the War of Independence. The Greek population was placed between the ultra-conservative aura of the Greek Orthodox Church (e.g. Gazi 2009: 95–104; Frazee 2009), an organization that played a pivotal role during the Revolution in favor of the Greek cause, and a native post-Revolutionary political elite that emerged either from the battlefields or held powerful administrative or military posts under the old regime and was unable and unwilling to accept the new civic realities that peace imposed upon the state. Charles W. Crawley remarks that the nation's political elite 'not only incapable of managing a modern system of government themselves, but [they] had no wish to live under such a system' (Stefanidis 2007: 6). Every attempt to modernize the state was either provoking animosities among the powerful Greek families (for example, the murder of the first Greek governor Ioannis Kapodistrias from the family of Mavromichalis in October 1831), or had been sabotaged by the Palace that, throughout Greek history until the abolition of the monarchy with the referendum of 1975, used to behave as a source of ultra-conservatism and profound despotism. Since the early days of the state and until the defeat of the Greek army in Asia Minor in 1922, Greek Grand Strategy can be characterized as an odd blend of nationalist claims influenced by the Megali Idea (Μεγάλη Ιδέα), the Great Idea, which referred to the establishment of an ideology that aimed to create a greater state, both in terms of territory and prestige.

Firstly, the new state that appeared was a tiny one, including just the Peloponnese and Central Greece. The very expectation of greatness cultivated during the War of Independence for an independent state that would dominate the Balkan region was instantly denied. Koliopoulos and Veremis (2010: 25) describe the situation immediately after the appearance of the Modern Greek state on the international scene regarding the territories that remained outside the restricted national borders:

The new nation-state on the southeastern fringe of Europe with Capodistria at the helm did not include most of what were known at the time as the ‘historical Greek lands’: Epirus, the Ionian Islands (which belonged to Great Britain), Thessaly, Macedonia, Thrace, the Asia Minor west coast, and the adjacent islands, Crete and Cyprus.

Secondly, the leverage of the new state was much more intense outside its suffocating region due to the powerful and influential Greek communities that were living all over Europe or the Ottoman Empire. This raised hope among the citizens of the new state for a new pan-Hellenic uprising that would be able to offer to the state an upgraded territorial status. Ioannis Kolettis, the spiritual father of the Megali Idea and a prominent political figure of the new state, defined its ideological core before the Greek constituent assembly in 1844 in the following terms:

The Greek kingdom is not the whole of Greece, but only a part, the smallest and poorest part. A native is not only someone who lives within this kingdom but also one who lives in Ioannina, in Thessaly, in Serres, in Adrianople, Constantinople, in Trebizond, in Crete, in Samos and in any land associated with Greek history or the Greek race. (Clogg 1992: 48)

This odd, yet notable, blend of nationalism, romanticism, and irredentism produced an unmistakable recipe for national defeat. During that period the Greek Grand Strategy was utterly oriented to the liberation of the rest of the Greek population under Ottoman rule, a noble goal except for two fundamental details: the Greek army was more interested in politics than battlefield excellence, and there was no sign from abroad that the European powers were willing to support the Greek cause.

The direct result of all these can be found in two cases of sound military defeat due to the poor preparation and chimerical goals of the Athenian politico-military establishment. In April 1886, during one of the usual political crises in Athens that led to the resignation of the Deliyannis Government, units of the Greek army crossed the frontiers into Macedonia. The Ottoman army trapped the unprepared Greek units, captured 280 men, and paraded them from town to town to disgrace them in the eyes of their compatriots. The whole incident resulted in a serious blow to Greek national prestige, a diplomatic rift with the European powers, and a poisonous political atmosphere in Athens (Koliopoulos and Veremis 2010: 55–56).

The second incident was the Greek-Ottoman War of 1897. The Greek army crossed the frontier in Thessaly and Epirus and clashed with the stationed Ottoman forces there. The Greek army was ill equipped and considerably outnumbered by a superior Ottoman army, and was led by the inexperienced Crown Prince Constantine. The result was a heavy defeat of the Greek army and a counter attack by the Ottoman forces that threatened the very existence of the fragile Greek state. The war was stopped after the intervention of European forces. Greece had to cede minor border areas to the Sublime Porte and pay the Sultan a large war indemnity. As a consequence of the maximalist Grand Strategy that was promoted by Athens, the state went bankrupt and International Financial Control was imposed by the European powers for several decades to ensure that the latter would service its foreign debts incurred during the war (Koliopoulos and Veremis 2010: 56).

Lastly, an influential factor that inspired the Megali Idea was the close sociopolitical relationship between Greece and Russia. This owed more to the sentiments of the Greek people than to those of the Greek political elite, which kept a more pro-French or pro-British position. The common Christian Orthodox doctrine, the great influence of the Greek Orthodox Church among the Greek people, and the decisive intervention of Russia during the last phase of the Greek War of Independence in Navarino were the main reasons behind the belief that Moscow supported the goal of Greater Greece. This preposterous and utterly inaccurate belief was something that was neither denied nor confirmed by Moscow in order to increase the sociopolitical volatility in the region. As will be argued later on, this irrational conviction shaped to an unprecedented degree the Greek national identity, and does so even today (Fray 2015).

The Megali Idea maintained its central role in the Greek Grand Strategy until 1922. The beginning of the twentieth century brought considerable changes in Greek political life. The charismatic Eleftherios Venizelos entered the stagnated Athenian political stage bringing realism, cosmopolitanism, and rationalism to Greek politics (see e.g. Gardikas-Katsiadakis 2006: 87–114). Within a short period of time Greece managed to double its size, and succeeded in defeating the Ottomans three times in a row during the First and Second Balkan Wars and the First World War. Under Venizelos, Greece came very close to fulfilling a large part of the Megali Idea with the diplomatic support of Great Britain. However, the political choices of the Greek electorate sent Venizelos away from office and led to the re-emergence of the pro-German King Constantine, which resulted in

the withdrawal of British support and eventually to the military defeat of the Greek army by Kemalist forces in the desert of Anatolia. The collapse of the Asia Minor campaign followed the violent end of the Greek presence in Anatolia and the arrival of over 1.5 million refugees from Asia to the Greek state. As a result, the Megali Idea came to an abrupt end and the Grand Strategy of the state in the following decades focused upon the process of healing the wounds of the 1922 catastrophe. It has to be said that the crushing of the Megali Idea created a deep vacuum in the Greek collective consciousness and is mainly responsible for bringing minimalism, defeatism and radicalism instead.

During the mid-war period the Greek domestic political scene produced unstable democratic regimes that led to Metaxas's fascist coup d'état in 1936, while the nation's foreign policy was trying to establish close relations with Turkey on the one hand and with the European powers on the other, showing a profound distaste for the USSR and its ideological representatives in the Balkan region. This fervent anti-communism can also explain the polarization within Greek society after the end of the Second World War. Greece was one of the countries that displayed a fierce resistance to the Axis occupation forces (see e.g. Mazower 1995). However, as soon as the German army abandoned Greek soil the nation fell into a new period of violent introspection. From December 1944–46 Greece witnessed a long period of political instability, while from 1946–49 the Greek Civil War took place between the Communist forces of 'Dimokratikos Stratos' and the Greek state (see e.g. Sfikas 1994; Woodhouse 2002).

The end of the Greek Civil War found the state within the Western camp, but with a ruined economy and destroyed infrastructure (Christodoulakis 2014). With US economic and political support delivered through the well-known Truman Doctrine, the state managed to stand on its feet again and from the early 1950s, with a seven-year pause between 1967 and 1974 due to the military junta, Greece witnessed a period of celebrated economic growth, social cohesion and democratic maturity until 2010—especially after the restoration of democracy in 1974. During that period the Greek Grand Strategy may be divided into two levels.

The first level refers to the positioning of the state in the international system. In general, Greece is a Western state that made the choice to enter the North Atlantic Treaty Organization (NATO) in order to protect itself from possible Soviet expansionism. In terms of alliance theory, the main motive of Athens in entering NATO was to face the threat of Soviet hard and soft power.³ Nevertheless, it has to be noted that this pro-Western

stance did not, and still does not, come naturally to the Greek political elite which is either too conservative to follow the liberal stance of the USA or too populist. During the 1980s and 1990s governments or major political parties succeeded in manipulating the Greek electorate by adopting an anti-American rhetoric which blamed Washington for the derailing of the state's political status quo and for the Turkish invasion in Cyprus (see e.g. Botsiou 2007: 213–234, Stefanidis 2007). Nonetheless, this concealed or openly demonstrated anti-Americanism of the Greek governments remained mere rhetoric and did not modify the state's Grand Strategy. Greece continued to be a member of NATO, and in 1981 became a member of the European Economic Community. Since then and until today the main orientation of the Greek Grand Strategy has remained towards the West, even though this posture had a more European instead of Atlantic flavor due to a fervent pro-Brussels stance from the majority of the Greek premiers. The only Greek premier who tried to modify the Greek Grand Strategy and apply a more pro-Russian one based mainly on energy co-operation was Konstantinos Karamanlis (Keridis 2010: 88). Karamanlis came to power in 2004 with an uncompromising desire to modernize the state, the economy, and society. Nevertheless, his decision to steer traditional Greek grand strategy after 2004 in a more pro-Russian direction,⁴ in an attempt to achieve a more pluralistic foreign policy, was a political miscalculation mainly due to the fact that Russia is fundamentally weak and cannot safeguard Greek interests in the same way and spirit that the USA can. On top of that, there is a strong competition between Athens and Moscow, as seen in: rivalry for the hearts and minds of the monks of Mount Athos, one of the holiest places for the Christian Orthodox Church; dispute over the doctrinal supremacy of the Ecumenical Patriarchate in the Christian Orthodox world, where the Kremlin advances the Moscow Patriarchate., Meanwhile, the Russian attitude towards the Greek economic crisis, and towards Greece's dispute with the Former Yugoslav Republic of Macedonia (FYROM) over use of the name 'Macedonia' have definitely not been supportive to Athens (see e.g. Kaplan 2003; Baev 2015; Karagiannis 2015). In addition, Karamanlis's attempts resulted in considerable fog around Greek-American relations, increasing distance between Athens and Washington and creating a sense of distrust on Capitol Hill about Greek intentions and diplomatic commitments.

The second level of the Greek Grand Strategy refers to the positioning of the state in the region of the Eastern Mediterranean and the Balkans. The main preoccupation of the Greek Grand Strategy is to face Turkey's

security dilemma. Athanasios Platias accurately argues that the two main sources of Greek insecurity towards Turkey are geographic proximity and the much smaller Greek population (2000: 68). Greek-Turkish relations have been thorny since the beginning of the anti-colonial struggle in Cyprus in 1955 and the attempts of the Greek Cypriots to achieve Enosis (unification) of the island with Greece (Litsas 2005). In 1974, Turkey invaded Cyprus after a failed Athenian-plotted coup d'état against the democratically elected government of Archbishop Makarios, and as a consequence the Turkish army occupied the northern part of the island, which continues to the present day (see e.g. Hitchens 1997: 61–100). Panayotis Tsakonias describes the consequences of the Turkish invasion of Cyprus for Greek public opinion:

... the Turkish invasion and subsequent occupation of the northern part of Cyprus was not only a traumatic experience for Greece, but it has further strengthened (and justified to some extent) the Greek mentality about neighboring Turkey's perennial revisionist attitude. (2010: 33)

However, even after 1974, Greek-Turkish relations were constantly toxic. During the Imia Crisis in 1996 the two nations came as close as ever to a violent confrontation that exposed the profound Greek weaknesses in urgent military mobilization. Conflagration was averted due to the catalytic intervention of the Clinton Administration; the US did not want to see two NATO allies resolve their territorial disputes over the two Imia islets in the south-eastern Aegean using violence (Litsas 2014: 59–62).

The main aspect of the Greek Grand Strategy in order to face Turkey is neither deterrence nor containment. It is rather the most inappropriate method for the preservation of peace and status quo in the region; appeasement. The option of appeasement refers not only to the military doctrines of the Greek army but it embraces every aspect of social life. One can witness the distinct passive character of appeasement in some Greek media, where Turkey is presented as a giant with unlimited military resources and Greece as a dwarf who has to constantly appease the problematic neighbor in order to maintain survival.⁵ Through these oversimplified approaches, Greek public opinion is 'educated' to face Turkey's aggression in the Aegean Sea with a mixture of apathy and psychological resignation. This attitude spills over to the country's international state of affairs, transforming Greece into a trainspotter in the international arena instead of a doer.⁶

Greece, since 2010, has faced an unprecedented crisis of sovereign debt (see e.g. Bitzenis et al. 2013; Lavdas et al. 2013). After three memoranda of understanding that sealed three loan agreements, Greece is the first Western state facing six years of continuous recession and austerity in peacetime. The sociopolitical consequences are dire. Political instability is being manifested in the continuous parliamentary elections that led to the formation of six national governments in a period of five years! The economy is in ruins, the private sector in a state of coma, while capital controls imposed upon Greece since July 2015 have made the situation, if this is possible, ever worse. There is a constant stream of young and talented Greeks leaving the country. This ‘brain drain’—the tragic loss of the well-educated and skillful human capital—intensifies the population-ageing phenomenon (Smith 2015). The latter in collaboration with high unemployment—created by the contraction of Greece’s private sector following heavy taxation imposed by the International Monetary Fund, the European Central Bank, and the European Commission after the bailout of 2010—severely jeopardized the very existence of the already frail and poorly functioning welfare state. In addition, one of the most characteristic negative consequences of the sovereign debt crisis has been the participation of the fascist party Golden Dawn in the Greek Parliament. In the two latest elections in 2015, Golden Dawn climbed to third place in the preference of the Greek electorate.

As was widely expected, the socio-political and financial crisis that penetrates the Greek core since 2010 has deeply affected the country’s Grand Strategy. The only significant achievement of the state was the improvement of Greek-Israeli relations to a new upgraded status. However, as the evolution of the Greek crisis has already demonstrated, this is not enough by itself to change Greece’s descent into the void of oblivion.

TOWARDS A NEW GRAND STRATEGY?

Undeniably, Greece is in urgent need of deep and genuine reconstruction at every level that will aim at the modernization of the state in its internal and external essence and will include: (a) society; (b) the economy; (c) political system; (d) foreign policy; and (e) military strategy. I promote the argument that since the Grand Strategy of a state is something much more than just a foreign policy formula, then in order for this to be able to function as a power booster, or for the Greek case as the vehicle to take

the nation out of the current stalemate, Grand Strategy must include the domestic and international spheres simultaneously.

Society

Since the early days of the modern Greek state there has been one defining sociopolitical characteristic: nepotism. One of the most well-respected members of the old guard of the Greek conservative party, Ioannis Varvitsiotis, stated once in an interview that since 1864 there had always been a Varvitsiotis in the Greek Parliament (Kaliagopoulou 2007). This statement is not enough by itself to reveal the magnitude of nepotism that penetrates the very essence of the Greek political system; however, it gives a good idea of the way politics evolve in modern Greece. Since 1974 and the restoration of parliamentary democracy, political power had been limited to a few powerful families (*politika tzakia*) and their close acolytes due to an unparalleled practice of nepotism, favoritism, and cronyism (e.g. Featherstone and Papadimitriou 2015: 17; Sotiropoulos and Bourikos 2003: 179–181; Polychroniou 2016). To the above must also be added: members of parliament who have in a sense inherited their seat from senior members of their families; high-ranking executive members of the administration who follow the career paths of their parents; members of academia who teach at the same department as their parents or in-laws; journalists who work in public media because their parents were journalists, too. From all these it becomes evident that Greece is perhaps the only European state where social mobility exists only as empty rhetoric, resembling more non-Western regimes. In order for Greek society to gain a sense of dynamism and meritocracy, social mobility has to be assisted to function and produce results. For this, Greece needs a new sociopolitical narrative, an equivalent of the so-called ‘American Dream’ whereby hard-working people will be able to climb the social ladder and achieve a better present for themselves and their families not because of their social background but because they are simply worthy of it. Only then can Greek society develop new norms that will promote effort and zealotness in work, and will prove to every citizen of the state that someone can progress solely through his or her own endeavors.

In addition, the Greek state must invent a new way to invigorate its ageing population in order to give a kiss of life to the problematic welfare state that is about to collapse (see e.g. Kostandaras 2013). The only feasible way to do so is to apply a successful melting-pot system, the equivalent of the

US paradigm, accepting immigrants who have specific professional skills that the Greek state has decided—after careful planning—that it will need. By this means, the Greek state will be able to absorb new populations, maintain the welfare system, and at the same time lay the cornerstone of cosmopolitanism and anti-xenophobia in Greece’s collective consciousness. Opening the gates to a pre-regulated number of immigrants while the level of Greek unemployment stands at over 26 percent may sound paradoxical. However, even if Greece had zero unemployment the welfare state would still be at a critical point due to the rapid ageing of the population; while if the retirement age were simply raised then this would create greater unemployment. Therefore, the real challenge for Greek society is to modify its productive model and its unsophisticated economy, and at the same time to produce a social melting-pot system that will put a stop to the rapid ageing of the population.

Economy

The Greek economy is based upon a great illusion. For reasons that have more to do with mere wishful thinking than rational analysis, Greek public opinion believes that the state can thrive economically through tourism. This largely explains the nation’s endeavors to turn around the touristic sector. Greece has every potential to raise its annual GDP through the tourist industry (see e.g. Petrakis 2012: 433–441), but this sector could not generate sufficient primary wealth to regenerate the Greek economy. This is mainly because Greek tourism, due to lack of first-line investment, fails to attract high-level tourist income. In general, the profile of tourists that visit Greece is lower-middle-class and has prefers all-inclusive tourism packages. This has to do with the fact that there are not many six-star hotels in Greece, limited marina infrastructure, and very few even mediocre golf courses around the country. Hence, in reality, the tourist infrastructure of Greece is not appealing to high-level-income visitors, focusing more on quantity and volume than on quality and income. For example, Northern Greece is the top touristic destination for citizens of the neighboring Balkan states. This results in hundreds of thousand of visitors from these countries, raising the annual total sum of tourists. However, Balkan tourists have a lower income level compared even to Greeks, and therefore the revenue from their holidays is very low while at the same time their preference for this part of the country functions as a deterrent for tourists of higher income who prefer a different and more demanding

style of leisure and entertainment. Undoubtedly, tourism can function as a useful addition to the Greek economy but not as the cornerstone of a new advanced economic model of the state that will set as its main target generating primary wealth instead of just circulating the already existing one in a conventional service financial system.

Greece must modify its efforts in order to revive the economy in two different directions. First, it should invest in digital technology. The new developments in that specific area modify in a catalytic way the center of gravity of global production (see e.g. Rifkin 2011). Greece can invest in human capital, such as designers and technicians, in order to take an active part in the new so-called Third Industrial Revolution that will transform the way the global economy functions in the decades to come. This will create new jobs and raise the technological culture, as well as the productive awareness, of Greek society.

Second, Greece can exploit its merchant naval capacity, which is the second largest in the world. The Greek merchant naval industry can absorb a large part of the unemployed and some of the more highly skilled of the refugees, while it will also establish a sociopolitical norm of openness and extroversion within Greek society. The sea has always been a major source of income for Greece, even before the establishment of the modern Greek nation. Turning towards the sea again will contribute to a change in the mentality of Greek society that for decades has been oriented towards economic growth deriving mainly from Brussels and the financial packages of the European Union. In order for this to succeed, the Greek state must apply a tax-exemption policy to every shipowner who is willing to adopt the Greek shipping register and offer a job to every individual currently registered to pay social security contributions to the Greek state. For this plan to function even more efficiently, Greece has to implement a wide privatization scheme regarding all the shipping docks of the state, and offer a series of economic incentives to the powerful community of Greek shipowners to support the running of the docks by sending their ships there for maintenance, repairs, or building new fleets.

Political System

The two following features have characterized the Greek political system throughout history. On the one hand, excessive volatility in the pre-1974 period produced numerous military juntas and outright violations of the democratic will of the Greek people, facilitated by the lack of a stable

system of checks and balances. On the other hand, after 1974 and in particular in 1986, the Greek political system became totally unbalanced due to the constitutional reform that transformed the president of the republic into a puppet figure with no decisive constitutional powers whatsoever. In 1986, Prime Minister Andreas Papandreu decided to cut the Gordian knot and sideline his main political antagonist, President of the Republic Konstantinos Karamanlis, one of the most prominent figures of the Greek conservative political sphere of the twentieth century (see e.g. Foundethakis 2005: 87). Papandreu abolished every article of the 1975 constitution that offered the president the right to intervene against a decision of the government if it was putting under threat the national interest and the internal democratic balance of power.

Since 1986, Greece has had a *sui generis* political system whereby the Premier controls all the powers and no one can question his unlimited authorities.⁷ This utterly unbalanced political system produces a one-dimensional constitutional *modus vivendi* that does not help the state to face any sort of demanding challenges successfully, such as the sovereign debt question in 2010, or to take decisive action at political or military crossroads, such as the Imia Crisis in 1999 (see e.g. Athanassopoulou 1997).

Greece, in order to discover a secure path towards political stability, has to establish a political system that will proceed with constitutional provisions to balance the unlimited constitutional powers of the prime minister. This can be achieved by implementing the condition whereby the president of the republic as well as the prime minister will both be directly elected by the people and they share between them decisive political powers. Their political relations and status would be checked and balanced both by the Parliament and by a Supreme Constitutional Court guaranteeing the uninterrupted functioning of the Greek democratic system. Such a development would offer the Greek state the opportunity to construct the necessary foundations for a smart and stable state, since its constitutional core would not be affected by any kind of crisis. It would have as its cornerstone the provision of permanent secretary generals in key ministries, as in the British system.

A system of checks and balances would offer the long-desired peace and tranquility to the Greek political system that has, since 2010 and the beginning of the harsh austerity era, witnessed four parliamentary elections, one referendum, five different prime ministers and numerous government reshuffles. Obviously, this reveals the unprecedentedly high political volatility that penetrates the Greek state, affecting in the most

negative way the national prestige while also jeopardizing any realistic option of producing a productive and convincing Grand Strategy. The reformation of the Greek political system is thus an essential step for the state in order to stand on its feet again.

Foreign Policy

For various reasons that have to do mainly with a simplistic way of approaching international politics, the majority of Greek people believe that only a multilateral foreign policy can safeguard the national interests of the state. This has to do mainly with the prevailing perspective among Greek opinion makers that Greece will gain more if it presents a more balanced or even neutral policy towards great-power antagonism. While views that move around the prospect of more close relations with China do not challenge the Greek positioning in the Western caucus, this changes during discussion of Greek-Russian relations.

The Cold War had a definite end and the Soviet Union faced the consequences of a non-violent defeat that led to its liquidation, after the sound collapse of the Warsaw Pact. However, since the beginning of the Syrian Civil War and the troubles in Ukraine with the annexation of Crimea by Moscow, diplomatic relations between the USA and Russia have entered a new phase of high antagonism (see e.g. Aron 2013). Arguments that urge the Greek state to adopt a more pro-Russian stance at the international level, or even a more balanced positioning between Washington and Moscow, actually jeopardize Greece's international status. Any shadow that is being cast upon Greece's commitment to NATO and to the Western world in general undermines the position of the state, gives the impression that the state's responsibilities to its allies are not being taken seriously, and facilitates the establishment of an anti-Western attitude within Greek society that promotes political extremism and social radicalization.

The first vital step that Greece has to take in order to shape a new formula of foreign policy is the unequivocal commitment to the Western allied framework and values. A secure step towards this direction would be to adopt a more active role in NATO military operations. The Greek army has the quality and ability to adopt an active role in military operations and to lead in crisis-management situations such as the one it maintained during the 2001 insurgency in the FYROM that preserved peace and order within that fragile state and in the Balkan region as well (Tziampiris 2002). By being more actively involved in NATO-led international crisis management,

Greece would be able to increase its influence in the Middle East and in South Eastern Europe, also enhancing its strategic value within NATO.

Since 1981 Greece has been a full member of the European Economic Community, and then of the European Union. This was a historic decision for the fate of the state that provided Greece with the opportunity to be among the elite states of the Old Continent. However, due to Andreas Papandreou's anti-Americanism, Konstantinos Mitsotakis's and Konstantinos Simitis's ultra pro-European stance and Karamanlis's choice to keep a distance from the USA, Greece ended up 'putting all its eggs in one basket'. In the early days of its European saga, Greece demanded—then waited, expected and hoped—to gain in power simply by being a member of the European socio-political and financial framework. These hopes proved to be of no avail, mainly because Athens did not try to raise its international status or to modernize its economy. When the economic crisis of 2008 hit the European shores, the major European elements proved not only unfit but also unwilling to save Greece from its own structural weaknesses and mistakes. The Greek sovereign debt that within a short period of time spilled over into the euro-Mediterranean zone exposed Europe's critical structural problems that had put under threat the whole structure. Therefore, Greece must be ready to withstand a possible political tsunami that may hit the European continent in the years to come, possibly due to a collapse of the monetary union or because of other political issues that may arise, such as an uncontrollable refugee crisis that puts an end to the Schengen Area, the rise of numerous euro-phobic political forces in Europe, a political rift between Berlin and Paris over differences in the quality and direction of their economic agendas. At the end of the day, international politics is a game that demands every participant be prepared for the worst-case scenario. Greece must cultivate an alternative political *modus vivendi* and enhance its relations with the USA, Great Britain, Egypt, and Israel for reasons that are going to be further analyzed in the following paragraphs, opening a parallel road towards international stability and economic reconstruction.

Greek-American relations began during the early days of the Greek War of Independence when the USA was the second country in the world to give official recognition to the political cause of the Greek rebels (Repousis 1999). Since then, the Greek-American relations have been firm. The two states fought side by side in every major war of the twentieth century, they both share common political and social ideals and they both belong to the core of NATO. However, most importantly, both the US and Greece are