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# FLORIDA INTERNATIONAL UNIVERSITY

Miami, Florida

NORMS AND GREEK FOREIGN POLICY: 1981-2000

A dissertation submitted in the partial fulfillment of the

requirements for the degree of

DOCTOR OF PHILOSOPHY

in

INTERNATIONAL RELATIONS

by

Arghyris Arghyrou

2004

To: Dean R. Bruce Dunlap College of Arts and Sciences

This dissertation written by Arghyris Arghyrou, and entitled Norms and Greek Foreign Policy: 1981-2000, having been approved in respect to style and intellectual content, is referred to you for judgment.

We have read this dissertation and recommend that it be approved.

Francois Debrix

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Nicholas G. Onuf, Major Professor

Date of Defense: May 12, 2004

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Dean R. Bruce Dunlap
College of Arts and Sciences

Dean Douglas Wartzok University Graduate School

Florida International University, 2004

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## **DEDICATION**

I dedicate this dissertation to my family and friends for the emotional and material support they provided me during the writing of this dissertation. In addition, I dedicate this dissertation to my professors from whom I received the intellectual tools that enabled me to complete this task.

#### ACKNOWLEDGMENTS

I wish to thank all the members of my committee for their support and patience. There was a moment that many thought I will never complete this task but they kept pushing me. I would like to thank the Department of International Relations and Joe Slater for their funding. In addition, I would like to express my appreciation to those part of the Florida International University community for their support: the secretaries in the Department of International Relations, the Library staff, and the personnel at the University Graduate School. Regarding my research, I would like to thank, Maria Chrisovitsioti who was instrumental in helping me access the PASOK archives.

#### ABSTRACT OF THE DISSERTATION

NORMS AND GREEK FOREIGN POLICY: 1981-2000

by

### Arghyris Arghyrou

Florida International University, 2004

#### Miami, Florida

### Professor Nicholas Onuf, Major Professor

From the end of WWII to the end of the Cold War Greek foreign policy was shaped by the dynamics of the Cold War. The major issues facing Greek foreign policy decision makers in the post-cold war era are its relations with its Northern neighbors, Albania, The Former Yugoslav Republic of Macedonia (FYROM), and Bulgaria, its relations with Turkey, and Greece's future in the European Union. Although the three issues overlap there is consensus among the Greek political elite that the relationship with Turkey is the most pressing since Turkey poses the most immediate security threat. In the last twentyfive years the two countries came to the verge of war three times over the continental shelf in the Aegean and Cyprus. The latest crisis was in 1996. Since then Greek policy makers have embarked on a conciliatory road towards Turkey that has gained momentum in the last three years. The purpose of this dissertation is to describe the process of the recent change in Greek foreign policy vis-à-vis Turkey, as reflected in the words and deeds (speeches, interviews, statements, policies) of the Greek policy makers. In addition, the study seeks to understand how this change is related to rules existing at the

global, regional, and domestic levels. The central question to be asked is: how do rules existing at these levels regulate and constitute the foreign policy process of the Greek government. I utilize the theoretical insights and concepts provided by constructivism in order to carry out my research. The analysis establishes the relationship between the agents (Greek foreign policy makers) and the various rules and explores this relationship as an ongoing process by ascertaining the social context within which this process is unfolding.

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## Chapter One

#### **Introduction**

#### Overview

When we talk about the Turkish threat we are not referring to the distant past but to a threat that a few years back invaded Cyprus. We are talking what we have suffered which can be summarized in the phrase: the shrinking of Hellenism. It is impossible for our government to allow the reduction of our country's defensive capabilities when it faces the increased offensive capabilities of our neighbor Turkey.

Andreas Papandreou, Prime Minister of Greece

The decision in Helsinki creates favorable prospect for the betterment of our relation with Turkey and the region at large. The decision will help the collaboration of the two countries for the benefit of their people.

Constantinos Simitis, Prime Minister of Greece

Andreas Papandreou said the above in a speech in 1984, and Constantinos Simitis in the year 2000. Both statesmen belong to the same political party, the Pan Hellenic Socialist Movement (hereafter PASOK). Yet their respective statements illustrate a different posture towards Turkey. Papandreou adopted a tough stand embedded in a "realist" discourse. Simitis's position towards Turkey made the Helsinki accords of 1999 possible. In Helsinki, Greece (along with the other European allies) for the first time recognized Turkey (along with the other European allies) as a formal candidate for membership in the European Union (hereafter EU). Regarding the thaw in the relations between the two countries that came to the verge of war three times since 1974 the *New York Times* reported, "four years after Greece and Turkey went to the brink of war over a barren islet in the Aegean Sea, their foreign ministers met here today to sign a series of accords and pledge themselves to peace" (January 2000).

Since 1996, when Simitis became prime minister, the Greek government adopted a conciliatory policy towards Turkey. Greece's new posture vis-à-vis Turkey has been characterized as heralding "a new prospect for relations between the two states and introduces the EU as a major factor of pacification in the troubled region" (Veremis 2000, 55). Simitis's rapprochement towards Turkey is part of a more comprehensive project. Simitis has embarked on a comprehensive modernization project that encompasses both the domestic and foreign spheres. This project is to be achieved by Greece consolidating its position in the EU and leaping towards a modern society modeled after the advanced Western European states. In order to do so Simitis has had to overcome opposition at home within his own party PASOK, and especially the Papandreou legacy. Contrary to the opposition from the domestic sphere, the monumental changes in international society that came about with the demise of the Cold War have aided his project.

The present dissertation examines the role of both international and domestic norms/rules (the two terms are used interchangeably) in the making of Greek foreign policy during the last twenty years. Foreign policy is the result of policies decided upon and enacted by the authoritative decision makers of a particular state. These are the agents who represent states in international society. Agents operate within an institutional context (international and domestic society) composed of norms. Norms form the social context within which agents operate. Located within this social context are the factors that motivated Simitis to redirect Greek foreign policy towards Turkey. In order to understand the redirection of Greek foreign policy, it is necessary to consider

Greek foreign policy in the 1980's when PASOK came to power and Papandreou dominated foreign policy decision-making in Greece.

The dissertation is divided into seven chapters. The first chapter is divided into two sections. The first one provides an overview of the topic and its importance to the field of international relations and Greek scholarship. The second section presents the methodology used to analyze and understand the topic presented. The second chapter is the literature review and theory. The literature review covers certain key works that are concerned with norms in international relations. I categorize this literature in terms of works that ascribe explanatory power to structure and works that portray a more balanced relationship between agents and structure. The present dissertation belongs to the second category. Thus, the theory chapter continues with a critique of the structural constructivist literature, and presents a theoretical scheme that incorporates both structure and agency.

The third chapter is a narrative providing background information on Greece and the issues involved. This chapter is divided into four sections. The first one gives a historical background of the three foreign policy issues examined in the dissertation- the relation with Turkey, the European Union, and Former Yugoslav Republic of Macedonia (FYROM)-and also gives a historical account of Greece's position in international society. The second section describes the functioning of the Greek political system with reference to the hegemonic position of the prime minister in the decision making process. The third section is concerned with Greece's two conceptions of identity. Knowing how authoritative decision-makers view their state and its role in international society is imperative for understanding the specific state's foreign policies. The last section is a

comparison of the personalities of the two prime Ministers. I left this section last because the following three chapters have to do with an analysis of the two prime ministers' speeches and policies. The presentation of a section on the personalities of the two leaders is not meant to imply that the agents' personalities stand on their own. On the contrary, it is asserted that the personalities of the two leaders are embedded in one of the two identities that characterize Greek society. Individual actions always take place within a wider social context.

The fourth, fifth and sixth chapters carry out the substantive research by examining the speeches of Papandreou and Simitis during the period 1981-2000. During this period Nea Dimocratia (New Democracy/ND) was in power from 1990-93. For reasons to be explained later the fact that ND was in power these three years does not have a bearing on the argument of the dissertation. All three chapters are structured in the same manner so the reader will be able to compare them. Each chapter is divided into four sections. These sections cover the social context, in terms of norms, that affect the making of Greek foreign policy. In order to determine the influence of norms on the actions of agents, the examination of the agents' discourse is the starting point. Policies enacted bearing on the norms in question, are also presented. Thus the four sections in each chapter are presented through an analysis of the political discourse of Papandreou and Simitis. The four sections in each of these three chapters respectively deal with, international society, the European Union, Turkey, and domestic society. In the fifth chapter there is a section on FYROM that is presented together with Turkey. During this period FYROM preoccupied Greek foreign policy makers but for reasons to be given later the relationship with Turkey was always present. The seventh and last chapter is the conclusion of the dissertation and recapitulates the argument and presents the findings of the present dissertation.

There are two reasons why this dissertation is important. First it sheds light on the Greek-Turkish enmity that has brought the two countries to the brink war three times in the last thirty years. A Greek/Turkish war would have been detrimental not only for the two countries and Cyprus but also for the Western alliance. The fact that NATO and the European Union must not have been able to prevent such a conflict would hurt their credibility, especially now in an era in which the dominant themes in International Relations are conflict resolution through diplomatic means, human rights, democracy and economic performance. Moreover, war between the two counties would have added to the existing instability of the Balkan Peninsula with which both countries share borders as well as ethnic ties, and also would have added fire to the other two tumultuous regions the Caucasus and the Middle East where Turkey has an important role. Turkey is considered by the U.S. as the regional power that serves as a stabilizer in these regions. <sup>1</sup>

Apart from the political contribution of the present dissertation there is a theoretical contribution in both the international relations field and Greek scholarship on the subject. With respect to the former, the present dissertation belongs to the recent efforts by scholars to transcend certain dichotomies in international relations theory, such as, structure/agent, rationality/normativity and international/domestic. The constructivist literature on norms has directed its research towards the transcendence of the aforementioned dichotomies. The present dissertation incorporates both the international and domestic social contexts and the factors therein that influence the making of Greek foreign policy.

In terms of Greek scholarship, the following observation suffices to point out the importance of the present paper: Greek scholars writing about International Relations have been influenced by the dominant schools of thought existing in the United States and Europe. According to Constantinidis (1997, 11), there are two schools of thought in Greece today, the Realist and the Transnationalist. The former emphasizes the threats (especially from Turkey) that Greece faces and recommends that Greece adopt a tougher stand vis-à-vis these threats. The latter emphasize the new realities that are developing in world politics, after the end of the cold war, and see the future of Greece bound with that of the European Union and the Western World. Furthermore, the transnationalists support a conciliatory approach towards Turkey and the northern neighbors (Albania, FYROM, and Bulgaria). These two schools of thought are rooted in the traditions of realism and liberalism (Constantinidis' transnationalism) and their offshoots neorealism and neoliberalism, and thus share their theoretical and ontological biases. Regarding the Greek-Turkish relation and Greek scholarship, Constantinides's pithy remarks capture the influence of the former on the latter. "One would expect a scholarly exchange of views with explicit reference to theory and paradigms in support of the arguments that each side [realists and transnationalists] provides even in a debate concerning the security of the country. Unfortunately, the use of terms loaded with heavy political overtones and significance due to the history of the country does not foster an open and serious debate" (ibid., 12).

Agents are situated within social contexts composed of norms. The social contexts in this case are the international and domestic societies. Both of these societies are composed of norms. Agents' identity is composed of these norms that in turn shape the

way agents (individual or collective) define themselves and look at the world around them. What the agents say about themselves and the world around them is crucial in our understanding of their intentions, motivations, and goals. Moreover, since norms are constitutive, their influence on agent actions is discerned through the agents' discourse. Examining agents' discourse provides us with a hint regarding the specific agent's way of looking at the objective world. Identity is understood here as a heuristic construct. A collection of norms makes up the identity of agents. Norms are both regulative and constitutive and thus construct the identity of agents. In turn, different identities project diverse interests because norms tell people with a particular identity what they should do in a specific social context.<sup>2</sup>

Some norms are more general than others. They range from universal norms "telling" all of humanity that they have a common identity to the specific norms that shape the identity of a particular collectivity. The dynamic between universal and regional norms varies in time and space giving rise to different identities. Not only do states have different national identities, but within a specific state there can be more than one collective identity whose representative agents are vying for power. The interests of a state expressed in a particular foreign policy are shaped by the prevailing collective identity among the authoritative decision makers in power at a specific time. Hence, in order to understand the foreign policy of a state we have to examine those norms, international and domestic, that shape its national identity at a particular time. The diffusion of international norms to the domestic sphere is analyzed through the examination of the discourse of the authoritative decision-makers and policies enacted representing these norms. The resonance of international norms on domestic society is

manifested differently in various states. Moreover, the dynamic between international and domestic norms creates the possibility for changes in foreign policy.

The major theories of international relations in the 1980's, neorealism and neoliberalism, take the unitary state as the main actor in international politics. States are treated as "individual units" that act rationally in international society. The norms of international society regulate their behavior. That is, state action is determined by the dominant norms of an anarchical international society and domestic factors are neglected (in the case of neorealism). These norms "cause" states to act in a certain way. If states do not conform, the consequences will be detrimental. Neorealists and neoliberals confer motivational power to only one set of actors enveloped in rational choice theory. Thus actor identity is constructed through a limited conception of agency based on instrumental rationality. This precludes an examination of other motivational factors that exist in the international and domestic societies and their contribution to the making of foreign policy. This emphasis on one set of motivational factors reduces agency from the ability of actors to choose or not from a variety of courses of action. This choice can be manifested in rejecting, changing, or choosing another norm. Neorealism and neoliberalism are concerned with behavior and not agency. Behavior captures human activity as a mere response to objective forces, i.e., norms. To reiterate, constructivism asserts that norms are both regulative and constitutive. Constructivism came to the forefront of international relations theory in the 1990s. Constructivism's starting point is that "people make society and society makes people (Onuf 1998, 59).

The dissertation examines the last twenty years of Greek foreign policy towards

Turkey. After 1996 when Prime Minister Constantinos Simitis took power there has been

a redirection of Greek foreign policy towards Turkey. This redirection is a considerable deviation from the customary manner in which Greek foreign policy-makers have treated the relationship with Turkey, considering the tumultuous relationship between the two countries. This redirection of foreign policy towards Turkey, borrowing from Ioakimidis (1996, 33-52), I call the Europeanization of the Greek/Turkish dispute. Simitis' goal has been for Greece to enter the group of technologically advanced modern societies, and he has sought to achieve this goal by consolidating Greece's position within the EU. By the same token he seemed to believe that by incorporating Turkey within the EU the latter can be "tamed" and be moved away from its revisionist policies towards Greece. The two countries came to the verge of war three times since 1974 over the issue of control of the continental shelf in the Aegean and Cyprus problem.<sup>3</sup> Yet, it is not only territorial disputes that fuel the animosity between the two countries. Historically, the Greek-Turkish relationship stretches six centuries back to when the Ottoman Turks conquered Constantinople in 1453 ACE. The Greeks consider the Byzantine Empire (Constantinople was its key city) as part of their heritage. Thus, the historical memories between the two countries feed the respective populations with feelings of suspicion, mistrust, and at times hatred towards each other.

The disputes over the Aegean and Cyprus surfaced in the mid-seventies. A newly defensive posture for Greece materialized during this time under the government of Constantinos Karamanlis. Greek policy from the end of WWII to 1974 was shaped by the dynamics of the Cold War. Greece became a member of NATO in 1952 and along with Turkey served as the defenders of the southeastern flank of the Western alliance. Greece's forces were positioned to meet a Northern threat from the communist Balkan

states. However, by 1974 when Turkey invaded the island of Cyprus, inhabited largely by Greek-speaking population, Greek security concerns began to diverge from those of NATO. The main security threat was now in the East. Turkey was viewed as a revisionist power with the ultimate goal of expanding westward.

The Greek government, through an increase in arms spending, endeavored to deter Turkey from any territorial demands against Greece. Greek foreign policy towards Turkey took a defensive posture, where Greek statesmen would react to provocative statements by their Turkish counterparts and engage in a tit for tat in terms of military spending. The policies aimed at deterring Turkey, and the arms race that ensued, continued with the government of Andreas Papandreou, which came to power in 1981, but began to be transformed when Constantinos Simitis succeeded Papandreou in 1996. Both, Papandreou and Simitis belonged to PASOK. Although Papandreou belonged to a different party than Karamanlis (Nea Dimocratia) he followed the latter's foreign policy towards Turkey in his third term. Paradoxically, Simitis turned Greek foreign policy towards Turkey around one hundred and eighties degrees. The question is; why the redirection of Greek foreign policy towards Turkey during Simitis term in power? Two prime ministers belonging to different political parties followed the same policy towards Turkey and two prime ministers belonging to the same political party have enacted opposed policies towards Turkey.

Papandreou came to power in 1981, the same year that Greece entered the Economic Community. This was first time in the history of Greek politics that a party with a leftist agenda came to power. From this point on Papandreou began his efforts to steer Greece towards a socialist society and away from the grip of the West, the European Union, and

especially the United States. These efforts were frustrated by Greece's entry into the European Union and its relation with Turkey. Papandreou's government was initially cold towards the European Community (EC).<sup>4</sup> During the period that PASOK was the main opposition party (1977-81) Papandreou promised the Greek people that when he came to power he would not enter the EC. After PASOK won the elections of 1981 Papandreou relaxed his anti-Community rhetoric. During his second term in office (1985-89) Papandreou tried to implement policies that corresponded to EC prescriptions but abandoned them when pressured by the anti-Community members of PASOK. Papandreou's implementation of policies that corresponded to the recommendations of the Community was a result of instrumental reasons and not due to Papandreou's accepting and embracing EC values. In contrast Simitis' attitude towards the EU was one of full acceptance of EC values. The difference between the two statesmen and their attitude towards the EC/EU lies in the dual character of Greek national identity coupled with the empowerment of certain norms (old and new) in international society that emerged after the demise of the cold war.

The factors that influenced Simitis to redirect Greek foreign policy towards Turkey are found in both the international and domestic environments. Since the end of the cold war the norms that compose Western identity, e.g., capitalism, sovereignty, liberalism, instrumental rationality, and democracy, have come to dominate in international society. The bundle of norms composing Western identity was challenged from the end of WWII by the norms of the communist bloc. Although today Western norms are dominant they are by no means the only norms that shape state action. Other worldviews embedded in Islam, Hinduism, or Buddhism challenge the dominance of Western norms.

Domestically, there are two bundles of norms, each forming the contours of distinct conceptions of Greek national identity. The first bundle embraces Western norms and its adherents are called the modernizers. The alternative conception belongs to the traditionalists or, as Nikiforos Diamandouros calls it, "the underdog culture" that rejects Western norms and advance a form of Greek "exceptionalism" embedded in the Byzantine/Christian tradition (1996, 11). Papandreou and Simitis belong respectively to the traditionalist and modernizing collective identities.

Simitis and his allies within the modernist camp are constructing a discourse that is downplaying the Turkish "threat" and elevating the underdog culture as the main threat/obstacle to Greece's development. Simitis has placed considerable importance on Greece's membership in the European Union. In his efforts to steer towards a Western path of modernization he has attacked the underdog culture at all levels. His "New Thinking" identifies the underdog culture of Greece as the "real" threat to Greece's prosperity and not Turkey. This should not be taken to mean that Turkey is not still perceived as a legitimate threat. Yet, Turkey is an identifiable entity and Greece can devise measures to deal with it, such as, defense spending, alliances, the European Union, economic collaboration etc. The "domestic threat" is more difficult to deal with even if Simitis is the Prime Minister. Simitis wants to put aside the "Turkish headache" and go on with what is the real issue for the future, the European Union. His policies regarding Turkey's membership in the European Union have to be placed within Simitis's worldview.

Thus the conception and location of Greece's main threat has changed from an external existential (Turkish threat) to a domestic symbolic threat (underdog culture). This kind

of threat involves the discourse on national identity. This discourse is larger than the discourse on specific substantial threat(s). In the case of Greece, the discourse on national identity subsumes the discourse of the Turkish threat because the Ottoman Empire/Turkey has been part of the building process of Greek identity that began in the 18<sup>th</sup> and 19<sup>th</sup> centuries. The discourse on national identity is associated with status, pride, and honor of a specific nation/state and subsumes discourses on specific security threats. Frequently the two discourses are indistinguishable from each other, but at other times they are separated. This relationship is affected by the dynamics of domestic and external forces. Today, Simitis in order to downplay the security threat posed by Turkey is elevating the discourse associated with development (the status of Greece) and the place of Greece in the EU and by extension its standing in the international society.

In addition to Greece's membership in the European Union and the relationship with Turkey (the key foreign policy issues preoccupying Greek policy makers the last twenty years) there was the brief problem with FYROM and its implications for Greece's standing in international society. The possibilities for change that open up due to dramatic alterations of the global norms are not realized in every domestic context in the same manner. Individual, domestic, and regional dynamics are activated and meshed with global forces to create unforeseen events, domestic and international. The incident with FYROM is one of these dynamics. Greece, instead of following its European allies' wish to resolve the crisis arising out of the breakdown of Yugoslavia, was adding fuel to fire by placing an economic embargo on the new state due to FYROM's adoption of the name Macedonia which the Greeks claimed that historically belongs to the Greek nation (more on this in chapter three). The incident with FYROM demonstrates the

unpredictability and complexity of world politics. Moreover, the FYROM issue demonstrates the continuity in Papandreou's populist/nationalist style of leadership, a style that Simitis was very critical of in his speeches.

Most states face a real or perceived security threat from a neighboring state. Yet, their economic well-being is implicated in the workings of the world capitalist economy. How states balance the financial demands of military spending with those of the domestic/world economy is a case-by-case matter. In the case of Greece Simitis opted to elevate Greece's status in the world economy and reduce tensions with Turkey in order to reduce the financial burden of military expenditures. As a threat Turkey not only creates security concerns but also stifled Greek efforts at economic modernization due to the large amounts of funds spent on armaments. Greece continues to have one of the highest percentages of military expenditures as a percentage of its GDP in the world, and the highest among the members of the European Union. Nevertheless, the status of small countries in international society is associated more with economic performance than with military might.

## Methodology

I have chosen a constructivist approach because it captures the making of foreign policy as a social process involving multiple factors. Moreover, this social process is neither viewed as the prerogative of human collectivities whose social arrangements are the result of forces that are above the comprehension of human beings (structure) nor as the accomplishment of omniscient human beings (agency). It captures the dynamics between agency and structure. The element that links human beings with society is norms/rules.<sup>5</sup> Norms are simultaneously part of the social environment of individuals

and an instrument enabling human beings to comprehend their social environment. This comprehension is expressed through language. This is the reason I examine the political rhetoric of the two Prime Ministers. The difficulty with the sort of discourse analysis is that it deviates from the traditional positivist approach where the event or outcome be explained (dependent variable), and the factors that explain it (independent variables), are operationally specified.

The analysis of the discourse of the two prime ministers sheds light on their motivations in terms of the enactment of a specific policy. Through the discourse the pertinent norms are extracted, and since norms are both regulative and constitutive their elocution sheds light into their influence on agent's actions. When agents speak and provide reasons for their actions or intended actions they typically invoke a narrative response. The norms that are discerned in agents' discourse are intersubjective, meaning that agents within a particular social context understand these norms, both as to prepositional content and narrative force, and act accordingly. Constructivism considers reasons as causes because "doing something for reasons means applying an understanding of 'what is called for' in a given set of circumstances" (Giddens 1984, 345). Norms/rules provide people with a path or paths of action, by presenting them with choices and clarifying ends. Perhaps most importantly, their intersubjective character confers collective identity, within which individual identities are embedded.

The period under examination is 1981-2000. PASOK ruled (still rules) sixteen years during this period. Nea Dimocratia ruled only for three years during 1990-93. There are three reasons why I have not examined the role of ND more extensively. During this period the issue with FYROM dominated Greece's foreign relations. The prime minister

and president of ND, Constantinos Mitsotakis, adopted a tough stance towards FYROM. When Papandreou came to power in 1993 he inherited this problem and continued the nationalistic/realist posture established by ND. Thus, examining PASOK's policies captures the dynamics between Greece and FYROM during this period. Second, one of the points the dissertation makes regarding Greek identity is that there are two dominant conceptions vying for power that cut across Greek society and thus there are no particular institutions (political parties) that are associated with one or the other identity. Thus the selection of PASOK is justified due to this feature of Greek society and the fact that it ruled for most of the time period under examination. Lastly, the changes that I seek to understand where authored by Simitis who belongs to PASOK.

I examined the political speeches of each prime minister during the period they were in power. However, in both cases I do use certain speeches from periods that Papandreou and Simitis were not in power to show continuity and discontinuity in their political careers. Paradoxically, Papandreou was restrained by international norms in pursuing his policies, whereas Simitis was restrained by domestic norms in implementing his policies. Thus, Papandreou had more freedom to espouse radical policies when he was not in office than when he came to office in 1981 and had to take in consideration Greece's membership in the EC. This is why Papandreou's political career is often characterized as exhibiting a disparity between rhetoric and action. On the contrary, Simitis was always in the shadow of Papandreou, and could push his political agenda only when he became prime minister. Thus, Simitis's policies are more consistent than Papandreou's. This consistency has increased Simitis popularity and has made up for his lack of rhetorical virtuosity.

Regarding the type of speeches, I selected them and presented them thematically and chronologically. The chronological order gives a sense of continuity or discontinuity in terms of the rhetoric and policies pursued. Thematically most of the speeches deal with all the themes examined in the dissertation. There are some speeches that are devoted to a specific theme. The themes presented are: Greece's role/status in international society, the relationship with the EU, the relationship with Turkey and the brief problem with FYROM, and the influence of international norms pertaining to the aforementioned themes relationship on domestic politics. To repeat, international society and domestic society are not two mutually exclusive social areas but are interrelated. In the present case the domestic social context conditions the influence of international and regional norms.

Each chapter is divided according to the themes presented above. The relevant discourse pertaining to each theme is selectively quoted followed by a narrative that presents enacted policies related to the theme at hand. There is more than one quote selected and presented in order to demonstrate the legitimacy of the particular norm to the respective agents. However, the identification of a norm in the discourse of a particular agent is a preliminary method in identifying the influence of a norm on an agent. A second step is to identify the translation of the particular norm's content into concrete policies. When norms become institutionalized, they are either inserted in the legal system of the particular state or they repeatedly show up in policy related discourse. In addition to identifying the presence of norms and pointing out policies that correspond to the norm, I also present cases where the norm is rejected or contested as additional evidence as to the legitimacy of a norm.

Each quote is selected for thematic content and also for stylistic presentation. The use of certain words and expressions are laden with meaning, a meaning that goes beyond the literal translation of words and sentences. I have tried to present that meaning as faithfully as I could. The present author translated all the material presented. The speeches were found in various sources. In the case of Papandreou I had access to the PASOK archives and two bound volumes containing his speeches. In Simitis' case all of his speeches with the exception of those made in 1996 are on the website of the office of the prime minister. The 1996 speeches were found in the PASOK archives. In addition I have used works (books and articles) by the two prime ministers since both have academic backgrounds. Moreover, secondary sources such as, newspaper articles, think tank publications, and scholarly books and articles have been used.

## **Preliminary Findings**

Through the examination of the speeches of the two prime ministers, each substantive chapter identifies the norms, international and domestic, that influence the making of their respective foreign and domestic policies. International norms permeate into the domestic sphere and are either accepted or rejected depending on the domestic social context, which in turn is composed of norms. In the case of Greece, there are two dominant bundles of norms forming two distinct but related conceptions of national identity. The one set of norms is embedded in Western culture and is espoused by the member states of the EU and the other advanced industrial states. These norms are rooted in the Western discourse of democracy/liberalism and capitalism and derivative sub-discourses, such as the notion of the peaceful resolution of conflict, free trade, and the liberalization of the economy, i.e., less state intervention in society. However, during

Papandreou's rule the Western liberal democratic model and the concomitant free market ideas were hotly contested in international society. An alternative set of norms rooted in the so-called *Third Worldism/Dependency* perspective coupled with socialist ideas was also prominent.

Papandreou's policies and discourse disclose his commitment to the latter set of rules. Yet, with respect to Turkey, Papandreou adopted a position rooted in a "realist" discourse. His policies of increased armaments, the defensive pact with Cyprus, and the embargo of FYROM exhibit a commitment to the notion of a self help system that in turn lead to the creation of an unstable environment in the Balkan/Eastern Mediterranean region. With respect to EU efforts to bring the Greek economy in line with the rest of the EU members, the result was disappointing during Papandreou's government. Contrary to EU recommendations, Papandreou's policies lead to increased state intervention in the economy and the further institutionalization of Greece's clientelistic (discussed in chapter three) system to every aspect of Greek society through the auspices of PASOK. Although Papandreou tried to implement some EU policies in the late eighties, the opposition within his party was too strong, and he abandoned any reforms. During his third tenure Papandreou's government became engulfed in the issue with FYROM that stirred nationalistic feelings among the Greek population and lead to the further isolation of Greece from its EU allies.

Simitis came to power with a cohesive and comprehensive plan to modernize Greece through its full participation in the next step of EU's institutionalization. International society was now dominated by Western norms entrenched in liberal/democratic and capitalist discourse. Within a few months of his first term Simitis began to send signals

to the Turkish leaders that he wanted to mend the relationship between the two countries. By 1999 Simitis's rapprochement towards Turkey culminated with the Helsinki Accords. In terms of the EU and domestic reforms Simitis's project of modernization has experienced both support and opposition. The modernizers support Simitis's policies, whereas the traditionalists, especially PASOK members, reject his modernization project. Simitis attacked the traditionalists at both the normative and political levels. He began to liberalize the economy by privatizing state owned companies and implementing legislation consistent with EU law. Simitis's policies have been directed towards the modernization of Greece. This entails the reconciliation of relations with Turkey in order to divert much-needed funds from defense to the economy. At the same time Simitis has wanted Greece to be included in the core of the EU's future because his modernization project would have little chance to succeed without EU help.

Simits has been aware that the diversion of money from defense to the economy and financial aid from the EU are not enough for the success of his program. The opposition within Greece and especially PASOK has mobilized arguments that transcend economic issues. They have raised issues of Greece's identity. Thus, Simitis has attacked the traditionalist's "symbolic capital". The peculiarity of the discourse on Greek identity makes this task more difficult than the mending of relations with Turkey and the improvement of the Greek economy. The inability of either conception of identity to dominate the discourse on Greek identity has to do with the fact that both discourses trace their origins back to Greece, albeit to different historical times. For modernizers classical Greece and its influence on the Enlightenment is the point of origin, whereas for traditionalists the Byzantine/Christian legacy occupies cardinal position. Yet each

tradition is compelled to acknowledge the other because Modern Greek national identity is composed of both. International norms become salient in domestic society when there is a cultural match between international and domestic norms.

## Endnotes

<sup>&</sup>lt;sup>1</sup> For the importance of Turkey to the West see, Kramer (2000, XI-XII).

<sup>&</sup>lt;sup>2</sup> I have combined the definition of rules from Onuf (1998, 59) and the definition of norms from Katzenstein (1996, 54).

<sup>&</sup>lt;sup>3</sup> For an analysis of the Aegean problem between Greece and Turkey see, Wilson (1988).

<sup>&</sup>lt;sup>4</sup> I will use the name for the European Union that was used at the particular time.

<sup>&</sup>lt;sup>5</sup> I use the two terms interchangeably.

## Chapter Two

## **Norms and International Relations**

#### Introduction

Recently there has been an upsurge in constructivist writings in International Relations. One of the theoretical concerns of constructivists is to challenge the structuralist premises of neorealism and neoliberalism and their narrow view of international society, a view that considers state action to be determined solely by the logic of anarchy. In order to challenge the neorealist/neoliberal position many constructivists advance dichotomous theoretical conceptions, such as materialism/idealism and rationality/normativity to define the two opposing camps.<sup>3</sup> They also posit two dichotomies-regulation/constitution and structure/agency-to mark the key properties of social construction. In this dissertation only the structure/agency dichotomy is considered a helpful heuristic tool for differentiating neorealism/neoliberalism from constructivism. The other dichotomies are transcended when agency is introduced into our analyses. Neorealism and neoliberalism consider the unitary state as the main actor in international society. When human beings, as individuals or as collectivities, are considered the only agents then not only are the above dichotomies transcended, but so is the international/domestic divide.

Constructivism advances the proposition "that people make society, and society makes people (Onuf 1998, 59). People, individually or in collective capacity, are the only ones who can be agents. The norms/rules of the particular society they happen to live in confers the power to people to act on behalf of themselves or others (ibid., 60). Thus, governments are collections of people empowered by rules to act on behalf of the people

inhabiting a specific state. Consequently, if people are the only agents then states cannot be considered as agents in themselves but act in international society through the agents that are empowered to represent them. This conception of state agency renders problematic the conception of states as unitary actors. In order to understand the motivations behind agents' actions, which represent the state, the introduction of domestic and even individual level factors is imperative. This introduces a multiplicity of factors that make the aforementioned dichotomies problematic. A more complete approach towards international politics is thereby achieved. This is so because a constructivist approach does not reject all of the theoretical insights of neorealism and neoliberalism.

The concept of national identity has been instrumental in the introduction of norms and transcending the structure/agency and international/domestic dichotomies. National identity introduces the domestic level as an explanatory factor in the making of foreign policy because domestic norms are involved, in addition to international norms, in the making of national identity. The agents representing states acquire their conceptions of their respective state and its position in international society through the particular state's interaction in international society. Yet, this interaction is carried out in combination with domestic norms that have been institutionalized through time. Norms are at the same time part of the objective social reality facing agents, both international and domestic, and a medium by which agents understand their social context and are empowered to act within this context. Agents understand what the particular norm requires them to do within a specific context. This understanding is part of agents' identity since these same norms construct an agents' identity. Norms are at the same time

regulative and constitutive. Norms not only make reality understood but they also provide self-understanding. This self-understanding or identity is an intersubjective concept.

Introducing the domestic social context involves the presentation of social forces within a particular state. This involves questions of national identity, domestic politics, and leadership. National identity refers to the self-conceptions of the individual members of particular collectivities. These self-conceptions are not individual based but intersubjective, i.e., community based that include perceptions of state/society relations, the character of international society, and the role of the particular state in it.

Consequently, leadership is not introduced as a separate explanatory variable but as part of the specific national identity. The individual level is composed of the authoritative decision makers of states as the actors who utilize international and domestic norms in the enactment of foreign policy. They are the agents representing states in international society. Moreover, leaders' discourse is one of the key indications for international norm diffusion at the domestic level (Checkel 1999, 88; Cortell and Davis 2000, 70). Yet,

All these state officials do not approach international politics with a blank slate on to which meanings are written only as a result of interactions among states. Instead, they approach international politics with an already quite comprehensive and elaborate appreciation of the world, of the international system and of the place of their state within it. This appreciation, in turn, is necessarily rooted in meanings already produced, at least in part, in domestic political and cultural contexts (Weldes 1996, 280).

The present chapter is divided into three parts. The first part is divided into two sections. The first section, labeled *Structural Constructivism*, provides a review of the literature concerned with the influence of norms, domestic and international, on state behavior. The second section develops the arguments contained in *The Culture of* 

National Security because the theoretical and substantive essays provide important theoretical insights into constructivist analysis. The second part, introduces the concept of identity, which serves, along with norms, as the mediating concept between social context and agents. The third part presents the theoretical framework utilized in the present dissertation and also the relevance to the case presented, Greek foreign policy.

#### Structural Constructivism

The literature on international norms has its roots in regime theory and institutional neoliberalism (Checkel 1999, 84). The demise of the Cold War provided fertile ground for constructivists emphasizing the causal significance of ideas and norms. The initial thrust of the norms literature shared the neoliberal and neorealist emphasis on the effects of the international environment on state action. Thus, changes in international society, manifest in the emergence of new norms, alter actor identity, which in turn affects the making of foreign policy. Although, this led many constructivists to focus on the institutional features of the international system and its effects on national identity, gradually their research agenda expanded to include the domestic and individual levels as explanatory variables in the making of foreign policy (Cortell and Davis 2000, 65). In keeping with neoliberal/neorealist assumptions, during the initial phases of the norms literature, states were treated as unitary actors, hence the use of the terms state identity (ibid.). When the state is treated as a unitary actor, changes in foreign policy are attributed solely to changes in international society's norms. Even when states are anthropomorphized and construct their identities and interests through intersubjective meanings derived from their interaction in international society (Wendt 1992), the notion of the unitary state still exists (Weldes 1996, 280).

Nonetheless, constructivists transcend the Neorealist/neoliberals objectivism.

Objectivist theories seek to identify an "ahistorical matrix or framework to which we can ultimately appeal in determining the nature of rationality, knowledge, truth, reality, goodness, or rightness" (Bernstein 1983, 8). Neorealism and neoliberalism identify anarchy as such an objective principle. It is not material factors (weapons or wealth) that are the primary explanatory concepts of neorealism and neoliberalism. These "material" objects acquire their meaning through ideas that revolve around the concept of an anarchical international system and their relation to power. The view of materialism/idealism I adopt here is similar to the one espoused by Adler (1997, 324). According to Adler, the constructivist view of material reality and its relation to ideas, is that while "there is a real world out there, they nevertheless believe that it is not entirely determined by physical reality and is socially emergent. More important, they believe that the identities, interests and behavior of political agents are socially constructed by collective meanings, interpretations and assumptions about the world" (ibid.). Human beings ascribe meanings to physical objects (both natural and human made). These meanings pertain to the function and purpose of objects. Certain of these meanings, after long periods of time of having similar functions and purposes (weapons, money) acquire an "essence", i.e., that they have always had the same meaning to human beings across time and space.

For example Eyre and Suchman argue that norms, which exist at what they call "world-level cultural models" (1996, 87), push states to militarize. These norms link militarization with "sovereign status as a nation, with modernization, and with social legitimacy" (ibid., 88). Actor identity is shaped by the environment (ibid., 89). Actors,

states in this case, "are constituted by the social system" (ibid.). Price and Tannenwald argue that the traditional deterrence theory cannot explain the non-use of chemical weapons during WWII or the non-use of nuclear weapons by the US in the first ten years after WWII when it had a monopoly and the opportunity to use them against the Soviets (1996, 118).<sup>4</sup> The authors argue that the reason for this is the existence of a normative opposition or a taboo in preventing the use of such weapons (ibid., 119). In terms of actor identity, the norms regulating chemical and nuclear weapons are "part of a larger explanation concerning the rise of international society and efforts to regulate destructiveness of warfare among 'civilized' states" (ibid., 144). Thus, to abide by these norms is to be considered civilized, a powerful normative standard in international society.

Finnemore, discussing a series of military interventions in the post-Cold War era, argues that the realist and liberal theories cannot account for the humanitarian aspects of many of these interventions, such as, Somalia, Cambodia, the protection of the Kurds in Iraq during the second Gulf War, and the intervention in Bosnia (1996, 153). This pattern of intervention "cannot be understood apart from the changing normative context in which it occurs" (ibid., 154). The changing normative context brings about changes in the manner states perceive their interests. "In this essay I understand norms to shape interests and interest to shape action" (ibid., 158). Christian Reus-Smit identifies what he calls fundamental institutions of international society (1997, 555). These fundamental institutions are grounded in the underlying normative foundations of international society or constitutional structures (ibid., 556). Constitutional structures "are coherent ensembles of intersubjective beliefs, principles, and norms that perform two functions in ordering

international societies: they define what constitutes a legitimate actor, entitled to all the rights and privileges of statehood; and the define the basic parameters of rightful state action" (ibid., 566). Raymond asserts that "international norms tell us who shall play the political game, what the playing board looks like, and which moves are acceptable" (1997, 215). Thus, international norms are key in the activities of states within international society. International society is composed "of specific collective understandings [norms] about appropriate behavior of its members" (Risse-Kappen 1999, 529).

A component of international norms are regional norms, which are also important in the analysis of foreign policy enactment. Regional dynamics, such as, animosities (wars) between neighboring states, regional integration efforts (EU, NAFTA), ethnic issues (irredentist claims), and historical memories, are crucial in the making of state identity and subsequently in foreign policy enactment. Jeffrey Legro argues that the recent emphasis on norms "is indeed central, but recent analyses have overemphasized international prescriptions while neglecting norms that are rooted in other types of social entities-e.g., regional, national, and subnational groups" (1997, 32). In many cases state identities are rooted in these "other types of social entities". For example, Michael Barnett argues that in the case of Middle East states "it is the politics of identity rather than the logic of anarchy that often provides a better understanding of which states are viewed as a potential or immediate threat to the state's security" (1996, 401). The identity in question is Pan-Arabism which is an ideology and not an identity. Ideologies are also composed of sets of norms/rules and are incorporated into the identities of various collectivities in different degrees. Pan-Arabism affected "the identity and

interests of, and the socially acceptable policies available to, Arab leaders in ways that fundamentally shape their desired and available security policies" (ibid., 408). Thus, in this case we see the effects of an identity at the regional level affecting foreign policy.

Another group of scholars went a step further and incorporated the role of domestic norms, their interaction with international norms, how the latter are diffused to the domestic context, how they affect state identity, and their influence in the making of foreign policy in a particular state (Checkel 1999). "Domestic norms, however, are deeply entwined with the workings of international norms...[and] there is a two-level game occurring in which the domestic and the international norm tables are increasingly linked" (Finnemore and Sikkink 1998, 893). The criticism of the neorealist conception of the state as a unitary actor is not new in international relations theory. The liberal tradition, in various guises, has "opened up" the state and developed explanations of how state acts in international society based on domestic factors (Katzenstein 1978; Gourevitch 1978).<sup>5</sup> Within the recent norms literature several scholars have advanced different schemes regarding the diffusion of international norms and the role of domestic factors for this diffusion. Particularly, they examine the way international norms are diffused and institutionalized within specific domestic contexts.

Audie Klotz examines the constitutive effects of the anti-apartheid norm on US interests, bringing about a change of foreign policy towards South Africa (1995, 452). Transnational activists espousing anti-apartheid norms "generated pressures in Congress for a policy overtly and subsequently in support of racial equality in South Africa" (ibid., 459). Klotz demonstrates the way international norms are linked with domestic political processes to alter a specific foreign policy. "Focusing in this way on transnational

transmission mechanisms and connecting congressional sanctions policy with global norms opens domestic political processes directly to systemic influences and demonstrates a broader role for norms, including substantive effects on states' definitions of their interests" (ibid., 460). Alastair Johnston argues that China "has historically exhibited a relatively consistent hard realpolitik or *parabellum* strategic culture that has persisted across different structural contexts into the Maoist period (and beyond)" (1996, 217). China's strategic culture of realpolitik has persisted across different international societies with different threats and different levels of Chinese technological development (ibid.). Even today when China's "threat environment is the most benign since 1949 (a phenomenon that neither neoliberals nor neorealist approaches can comfortably account for) suggest that China's realpolitik behavior is ideationally rooted" (ibid., 221). In this case domestic strategic culture affects foreign policy.

# The Culture of National Security

One of the key texts on constructivism is *The Culture of National Security* (hereafter CNS) edited by Peter Katzenstein (1996). The arguments within CNS serve as the backbone for the presentation in this section. In addition I include certain arguments from Alexander Wendt's *Social Theory of International Politics* (hereafter, STIP). The latter is the meta-theoretical statement behind CNS constructivism. The authors of CNS advance two arguments. First, they utilize an institutional approach to the study of international relations and especially national security policy-making that seeks to "redress the extreme imbalance between structural and rationalist styles of analysis and sociological perspectives on questions of national security" (ibid., 5). I broaden their focus on national security to foreign policy. They want to expand the ontological horizon

Neoliberalism by introducing cultural factors in their analysis. Second, they argue that the cultural environment, both at the domestic and system levels, not only has a steering effect on state behavior but also shapes state character or state identity (ibid., 33). Asserting that state identity is constructed within a specific social environment relativizes, to a certain extent, state identity and precludes essentialist assumptions, like those of the Neoliberals and Neorealists, which confer a fixed identity on states. State identity is constructed through state interaction with other actors in the international and domestic environments. Both of these social environments are composed of norms.

The authors of CNS invoke the authority of the English School that viewed the international system as a society, composed of norms, which states uphold. For the English School, "Material power matters, but within a framework of normative expectations embedded in public and customary international law" (Katzenstein 1996, 45). Moreover, the "central thesis [of the English School] is that state behavior cannot properly be explained without reference to the rules, customs, norms, values and institutions that constitute international society as a whole" (Evans 1998, 148). The constructivist approach in CNS is presented as belonging to a tradition of "sociological perspectives" that regard actors' properties as endogenous to the environment and thus conditioned by environmental structures, both domestic and international. When environmental cultural factors (norms), at the domestic or global levels, change they affect actor identity. This in turn has effects on the conduct of foreign policy. For example, the radical changes in Eastern Europe, after the end of the Cold War, brought about such changes to Eastern European states' identity that they redirected their security and foreign policies one hundred and eighty degrees and are now joining NATO and the European Union.

International society is composed of norms. The authors adopt the concept of culture to capture norms, both at the domestic and international levels. In my case the concept of international society, as defined above, includes norms. These norms are embedded in all international institutions, formal and informal. For example a host of norms surround the concept of sovereignty codified in international law. These rules tell states how to behave towards other states. Moreover, there are also informal institutions, such as "the balance of power, spheres of influence, and treaties" (Onuf 1998, 71). These bundles of norms also tell states how to behave in the relevant context. Norms pertaining to capitalism are codified in institutions such as, the EU, GATT, and WTO. In addition, international norms include conceptions of state power based on military and economic factors, as well as, conceptions of which states are democratic and civilized or authoritarian and barbaric. These conceptions elevate or reduce a state's status in international society. In addition, superpower rivalries and relations of dependency and exploitation are also constituted and regulated by bundles of norms. On a regional level, there are relations of adversity and friendship between neighboring states. Although these relations usually have a long history and follow their own logic apart form the dominant norms of international society, they are affected by broader international changes.

The social environment has three types of effects on actors. "First, the environment might affect only the *behavior* of actors. Second, the environment might affect the contingent *properties* of actors (identities, interests, and capabilities). Finally,

environments might affect the existence of actors altogether" (Katzenstein 1996, 41). I follow the authors of CNS and concentrate on the first two types of effects and take the third one for granted. Neoliberals and neorealists who emphasize actor behavior adopt the first type of effect. Actor behavior changes when transformations in the system level take place. Behavioral analysis does not include actors' self-motivations and selfconceptions into their analysis because behavior focuses on the observable actions of agents without inquiring into their motives, desires, reasons, and goals. Such a move entails the inclusion of domestic factors, such as, identity, political parties, the structure of the decision-making process in the making of foreign policy, and other collective agents. The rational choice theory's (RCT) model of actor motivation, adopted by neorealism and neoliberalism, provides actors with a narrow field for choice. "The perhaps surprising result, therefore, is that rational choice theory is highly deterministic" (Wendt 1999, 126). Thus, "[since] theories [Neoliberalism and Neorealism] may acknowledge a role for environmental structures in defining the opportunities and constraints facing actors, and thereby in conditioning the behavior of the latter via 'price' effects, but not in constructing actors themselves" (Katzenstein 1996, 41).

Andrew Cortell and James Davis argue that, "the interaction between international norms and domestic actors cannot alone provide a complete account of national policy choice. To develop such as an explanation requires an analysis of those factors that motivate domestic actors to appeal to international rules and norms in the first place" (1996, 452). The authors are opening the black box of domestic politics in order "to offer a better understanding of how international norms and rules affect state behavior (ibid.). The concept identity illustrates the co-constitutive relationship between identity and

norms. Both international and domestic norms are instrumental in shaping state identity. Norms are defined as, "collective expectations for the proper behavior of actors with a given identity," (ibid., 5), and are both regulative and constitutive. Norms not only stipulate or prohibit certain courses of action by states but also define the actors themselves (Onuf 1998, 68; Dessler 1989, 455). By defining actors, norms simultaneously regulate their activities.

For example even a seemingly pure regulative norm (No Littering!) that regulates the disposal of waste has additional connotations. It distinguishes between well-meaning environmentally conscious civilized people who throw trash in the garbage can and "trash" people who do not. Thus the rule shapes self-image and helps to constitute the identity of members of a culture. In other words it regulates conduct and also constitutes actor identity; the rule makes sense to people because it contributes to a thick set of connotations that make cultures what they are. "From a constructivist point of view, all rules are always constitutive and regulative at the same time. By definition, rules regulate the conduct of agents because rules are normative-they tell agents what they should do. Furthermore, the regulation of conduct constitutes the world within which such conduct takes place, whether agents intend this consequence or not" (Onuf 1998, 68). Thus, the constitutive aspect of rules/norms also defines the world of agents, "the way things are, the way it works" (ibid., 67). And if agents do not follow the specific norm then consequences ensue (ibid.).

Norms constitute state identity by setting limits, formal and informal, in what states can do in what sorts of circumstances. Associated with these characterizations is a host of other meanings that agents (in this case those representing states) have about others,

themselves, and the environment. Consequently, a modern state exhibits certain characteristics and forms of behavior that are expected from others in specific situations. This is a powerful normative constraint on state action. Yet, states can transcend these restrictions. When new norms become institutionalized they create the prospect for new identities and thus new courses of action. The concept of identity and agency are instrumental in understanding the constitutive effects of norms.

### Identity

Identity is the mediating concept between the environment and agents' interests. Agents enact policies to advance the interests of the collectivity they represent, interests based on their identity and the norms that constitute that identity existing both at the international and domestic environments. The concept identity is taken from social psychology where it refers to, "images of individuality and distinctiveness ('selfhood') held and projected by an actor and formed (and modified over time) through relations with significant others" (Katzenstein 1996, 59). Thus, identity is shaped by self-understandings (internal aspects) and it is also a relational concept that captures relations between actors and includes how others view a specific actor (external dimension). Hence, actors' (individual and collective) conceptions of themselves and others in a specific environment depend on these self-definitions that are derived form, "shared understandings, expectations, and social knowledge embedded in international [and domestic] institutions" (Wendt 1994, 397).

Ted Hopf treats identity as "cognitive devices or heuristic...[because] an individual needs her own identity in order to make sense of her self and others and needs the identities of others to make sense of them and herself" (2002, 4-5). A particular

individual's view of the world, how she/he views the other human beings (co-nationals and foreigners), his/hers membership in a particular state, or a particular society, his/her country's position in the world, and international society as a whole, are a product of an individual's identity. The way an individual views the world and its identity are inseparable. They are co-constitutive because the norms that make an individual's worldview are also constitutive of its identity. For example, by being a Greek national you have been socialized in Greek culture and acquired a particular view of the world shaped by family, education, and the political culture of Greece at the time you happened to be born.

This conception of human cognition brings out the limitations of human knowledge and the need for simple heuristic devices in order to categorize the messy reality of other human beings and groupings. Human beings due to the limited capacity of their brains cannot process large amounts of information constantly and thus rely on "cognitive economizing devises" (Hopf 2002, 5). In order for human beings to understand others, they identify them via a few and simple categorizations that are based on the self's identity. "Identities categorize people according to common features, making the other's actions intelligible and an individual's own actions vis-à-vis them intelligible to himself. This very simple logic of intelligibility goes a long way toward explaining why individuals routinely choose only a small fraction of the actions, verbal and otherwise, that are objectively available to them at any given time. Their choices are effectively bounded by the social cognitive structure, discourses, and their identities" (ibid.).

These categorizations are assumed to be objective by most human beings but instead they are the product of past constructions in a particular society in time and space and

they are constantly evolving. This conception of identity is based on the assumption that human beings and artifacts in the world do not have an immutable, fixed and eternal essence but acquire their identity in a relational manner. i.e., by being in relation with other entities in the world. Hopf identifies this relationship of Self and Other as the "logic of mutual constitution" (ibid., 7). This relational understanding of identity is extended to the collective level, i.e., national identity.

Katzenstein et al. in CNS express a conception of identity as mutually constituted similar to Hopf's. In CNS there are two types of identity, relational and intrinsic. One is relational because it involves other actors within a specific social structure where actor identity is defined in terms of its relations with the other actors. Intrinsic identity refers to an actor's social attributes that are inherent (or perceived to be so) to the actor. The authors qualify this point by stating that it is intrinsic "relative to a given structure" (ibid.). By this they want to avoid a complete relativistic position but also avoid to essentialism. Within a particular social structure actors acquire certain attributes that due to institutionalization seem to have been around forever. However, a constructivist approach to social life cannot be essentialist since actors constantly construct society (Onuf 1998, 59).

In international society these "intrinsic" aspects of an actor's identity (states) are objectifications usually related to the conception of nationhood and the efforts of national elites to construct a coherent identity for the particular national group. This national construction is manifested through the historical narratives constructed by particular states. Since every state has a collective narrative, each state respects each other's assertions regarding their identity as long as the narrative does not infrange on their

security concerns, by promoting irredentist designs. By nationhood, the editors of CNS mean the ideological self-conceptions of a particular county, such as, "socialist fatherland", the "land of opportunity", democratic, Islamic, technologically advanced, civilized, industrial, all imbued by nationalistic discourse, tracing the origins, cohesiveness, and greatness of the particular national group. These "collective understandings" are usually rooted in history. The emphasis on the historical origins of the nation is indispensable for the identity of a specific nation. For example, the Greeks put considerable effort into the construction of their modern identity in the postindependence era (1829). This construction is done with material, such as collective memories, ideas, and social practices that is woven together into a coherent narrative by intellectuals, politicians and norm entrepreneurs. Some of these materials exist within the social practices and collective memories of the particular group, and others are fabricated in order to support the collective narrative and account for changes in the domestic and international environments.6

In many cases there is more than one conception of national identity within a state competing to be the dominant self-conception of a particular state. Although, for outsiders the great majority of the people inhabiting Greece, are called Greeks and perceived to belong to the Greek nation (national identity), the inhabitants can have different self-conceptions of what their country should be like and where it is heading. In the case of Greece two dominant collective identities steeped in different norms have evolved since independence. These two collective identities have vied, through their agents, for the control of the state since Greece gained its independence in 1829. Thus, conflict emerges even among domestic actors who share a "common" national identity.

As Barnett stated, "actors with a shared [national] identity might very well debate and contest their associated norms" (1996, 409).

In many cases the ideological conflict to monopolize the representation of a group emerges when the social context (international or domestic) changes and gives rise to new conceptions of selfhood that represent new interests and give rise to new conceptions of identity. A new identity in turn gives rise to new conceptions of the particular state's position in international society and its relations with other members of international society. The ongoing construction of national identity manifests the contested nature of identity. In the ensuing conflict one of the groups usually dominates and defeats the other. This can occur via a social revolution, a military coup, or through democratic elections and debate. Conceptions of nationhood are rooted in the ideology of nationalism that emerged in 19<sup>th</sup> century Europe. These norms were once domestic norms that were disseminated through European colonialism and imperialism and became international norms. "Many international norms began as domestic norms and become international through the efforts of entrepreneurs of various kinds" (Finnemore and Sikkink 1998, 893).

The specific national identity of a state shapes its foreign policy towards specific directions considered to be the best venues for the accomplishments of the particular state's interests. Interests are always re-conceptualized, debated and re-defined. "Interest should be derivable from identity in the sense that an individual's identity implies his interest" (Hopf 2002, 16). In other words the interaction of domestic conceptions of identity with the norms of international society described above. "One of the main purposes in examining the topography of domestic identity is to explore how states

understand themselves through domestic others, how state identities are constructed at home as well as through interstate interaction" (ibid., 10). In fact, the specific identity of the state in question (state A) is intimately related with its historical interaction with other social collectivities in adjacent territories. In the case of Greece, the relationship with Turkey has been dominant in the construction of Modern Greek national identity. Although Turkey is considered the primary threat to Greece's security, the two competing collective identities within Greece also have elements within them that led and still lead to different ways of dealing with Turkey. The traditionalists take a militaristic posture towards Turkey. The modernizers, steeped in Western cosmopolitanism, want Greece to enter the family of advanced Western states through economic, political, and cultural adoption of Western values. They want to reconcile Greece's relation with Turkey because that is what Western norms promote. Yet, the long history of Greco-Turkish conflict also lurks in the consciousness of this culture. However, increasingly it is pressing the issue of reconciliation with Turkey and raising the issue of another threat, closer to home and more elusive.

Identity is expressed through discourse. Hence, "Each identity is associated with a collection of discursive practices, including a language with a vocabulary, written or verbal, and characteristic physical behaviors, such as, gestures, dress, customs, and habits" (Hopf 2002, 1). Thus in the case of Greece the two competing identities are composed by their own discursive practices. In turn, any political leader in Greece is situated in one of these identities. "The meanings which objects, events and actions have for 'states' are necessarily the meanings they have for those individuals who act in the name of the state. And these state officials do not approach international politics with a

blank slate on to which meanings are written only as a result of interactions among states" (Weldes 1996, 280). In short, state identity is not only derived from state interaction within international society and international norms but also constructed by domestic actors and norms. The personality of leaders is important but it is not conceptualized in isolation from the specific collective identity the leader in question belongs to and which in turn is embedded in norms that exist in both the international and domestic levels.

Through the analysis of the discourse of Greek political leaders light is shed on the way they understand themselves, Greek society, domestic political arrangements, Greece's relation with other states (neighbors and not), and Greece's position in the international society. Within these discursive practices the particular leader establishes a unique cognitive universe which nevertheless is intelligible to other Greeks. Norms are the mediating point between society (international and domestic) and individuals. Individuals when they speak and act, do so by interpreting the existing norms that prescribe a certain course of action. This is what makes people agents. Hence, norms are at the same time outside of individuals (social facts) and are interpreted and internalized by individuals (acquire intersubjective meaning). Moreover, agency implies that human beings can refuse to follow the prescriptions of a norm, change a norm, or introduce new ones to counter existing norms. In the cases examined in the present dissertation, prime minister Simitis' discourse and policies were in conscious opposition to the dominant norms of Greek society and especially his party, PASOK.

Different conceptions of national identity lead to different foreign policies, hence social change. Social change is closely related to identity and agency. Agents, whether

individual or collective, follow courses of action in order to accomplish ends, ends that are conceptualized based on the particular actor's identity. "Change in identity can precipitate substantial change in interests that shape national security policy" (Katzenstein 1996, 61). The theories of Neorealism and Neoliberalism posit actor identities as exogenous to the environment, environmental changes at the domestic and system levels have only a constraining effect on actor actions, a relationship that does not affect their identities. "What 'exogenously given' *does* mean, however, is that identities and interests are not seen as being continuously in process or sustained by interaction itself. In the analysis of interaction they are constants, not processes or outcomes even if they change outside interaction...therefore, rationalism direct us to treat states as given (usually as egoists), and to focus on how their behavior changes in response to changing prices in the environment" (Wendt 1999, 315-16).

This approach to social change is partial. It captures a key dynamic in human relations (instrumental rationality) but neglects other key components that motivate human action, coercion and obligation. According to Hurd there are, "three generic reasons why an actor might obey a rule: (1) because the actor fears the punishment the rule enforcers, (2) because the actor sees the rule as in its own self-interest, and (3) because the actor feels the rule is legitimate and ought to be obeyed" (1999, 379). The first motivation can be collapsed into the other two. It shares the rationalist logic of the second assertion as their underlying motivation. Fear of punishment is ultimately a self-interested act. It shares the logic of appropriateness with the third assertion (March and Olsen 1998). Defying punishment is a question of doing the right thing, carrying out your responsibility, or a question of honor. A constructivist approach to social change includes both motivational

factors in order to capture social change. I will elaborate this point later, but for now it suffices to say that any conception of agency, individual or collective, can accommodate both motivational factors.

## Agency and Constructivism

The constructivism developed in CNS remained explicitly within a structural approach to the study of social reality, precluding agency from the analysis of social life. As Katzenstein himself noted, "when essays [in CNS] deal with issues of 'meaning' (for instance, when discussing any contested interpretations of norms and identity), there is no commitment to any 'subjectivism' in whatever sense. The authors in this volume are thoroughgoing structuralists: they are interested in how structures of constructed meaning, embodied in norms or identities, affect what states do" (1996, 66). Moreover, CNS's theoretical work is informed by Wendt's metatheory, and thus, has adopted his type of structuralism. Several scholars who have recently addressed the question of agency and constructivism have concluded that the brand of constructivism developed in CNS lacks agency. Constructivists have succeeded in enriching the ontological horizon of international relations theory. Yet, the majority of them failed to incorporate agency within their analysis. As Jeffrey Checkel stated, "Constructivists, despite their arguments about mutually constituting agents and structures, have advanced a structure-centered approach in their empirical work. Moreover, Wendt's theoretical stance has led to a neglect of domestic agency....It [constructivism] fails to explore systematically how norms connect with agents" (1998, 342).

Wendt's ideational structuralism confers two levels on social structure, the micro and the macro levels. The micro level refers to the level of state interaction with states as the

major actors and the macro level refers to the characteristics of the system level (similar to Waltz's system level). Wendt alludes to another level of structure, the unit level by which he refers to theories that "explain outcomes by reference only to the attributes, not interactions, of individual states" (Wendt 1998, 147). Wendt does not include the interaction level in this definition of reductionism, while Waltz's influential treatment of reductionism did (1979). Reductionist theories for Wendt are ones that explain international politics based exclusively on factors that belong to the individual actor (state), such as, political parties, ideology, or bureaucratic politics. Wendt argues that these theories treat states as autistic (ibid., 148). Wendt concentrates on the micro level of structure where the key actor, the state, assuming anthropomorphic qualities interacts with other states and the macro level. The micro level is the intersubjective world of states (actors) and the macro level the location where ideas and norms exist independently of actors; nonetheless they exert an effect on state actions. As Colin Wight stated, "Wendt's location of agency in the state is inconsistent with his approach to the agent-structure problem. Wendt advocates a structurationist solution...at the level of the state and the state system, and a structuralist solution at the level of the individual and state" (2000, 128). Human beings are disregarded completely as agents. Quoting Wight again, "where in Wendt's theory are the only moving forces in the social world; human beings?" (ibid., 127).

The majority of the essays in CNS follow Wendt's lead and limit themselves to the international structure with states as agents. Yet, a few, like Hermann and Barnett include domestic factors in their analysis. In my case I incorporate the authoritative decision makers of a particular state who are the key agents. Making human beings the

key agents removes the domestic/international boundary. This is so only if the agent is taken as a participant in the social process to be described. Human beings as agents are then faced with an environment consisting of norms existing in both the domestic and international societies. Both are instrumental in the shaping of actor identity. This in turn affects the actors' interests and the enactment of foreign policy. Domestic and international societies are analytically differentiated based on the norms that compose each one. Although, these norms might be specific to each society, they eventually permeate the other one. Nonetheless, they both constitute agents and face the agent (human beings) as his/hers social environment. When a political actor proposes and declares new foreign policies or justifies existing ones, his/her rhetoric reflects norms that are located in both the domestic and international societies. In addition, when domestic the concept of identity takes on a slightly new meaning. Although it is still predominately the product of domestic norms, identity is influenced by international norms. The introduction of human beings as agents rattles the "cohesiveness" of national identity conferred on states when they are anthropomorphized.

Considering the individual as the key agent also transcends the rationalist/normative dualism. In a series of articles (1997, 1998, 1999) Checkel has explored the dynamics between RCT and constructivism. To reiterate, RCT adopts methodological individualism where the key actor in social analysis is the individual (or state). The agent in RCT reacts to external stimuli, changes in the environment, via his/her rational capabilities that enable him/her to calculate in a cost-effective manner the implications of the changes in the environment. In other words, changing "norms affect the incentives facing societal actors and politicians; they constrain behavior. Constructivists, in

contrast, suggest that the effects of norms reach deeper-they are shared understandings that constitute actor identities and interests" (Checkel 1997, 473). According to Checkel both rationalists and constructivists are correct. He argues that instead of researchers trying to establish the analytical supremacy of one or the other approach it is more appropriate, since both logics are part of the human condition, to incorporate both in the particular analytic scheme and indicate when one logic or the other takes precedence over the other. In this way researchers can identify cases where one or the other prevails or both are included, albeit in an asymmetrical manner.

Checkel differentiates between the rational choice approach and the constructivist approach in terms of the type of norm diffusion. Checkel identifies two norm diffusion processes that are both channeled through the elite of the respective society. "This reflects the fact that elites are the 'gatekeepers' who ultimately control the political agenda" (1997, 476). In the first diffusion scenario societal groups pressure elites to enact policies that reflect a specific international norm. This pressure forces elites to "recalculate strategies" to include norm prescriptions but their interests remain the same. In this case norms constraint or regulate elite behavior. In the second scenario, elite learning is the key to norm diffusion. "Agents are taught new values and interests; their behavior comes to be governed by logics of appropriateness that are learned, through a process of interaction, from global norms" (ibid., 477). Whichever logic predominates is a matter of the structure of domestic politics (ibid.). Any particular action probably involves elements of each. Political actors are constituted both by their interests, by which they evaluate their expected consequences, and by rules embedded in their identities and political institutions. They calculate consequences and follow rules, and

the relationship between the two is often subtle (March and Olsen 1998, 952). But, in some cases, especially regarding new international norms the instrumental posture towards them predominates, especially initially.

For example, when Greece entered the European Union new norms entered the political debate in Greece. When Papandreou came to power, through an anti-Union agenda, he consciously refused to abide by many of the Union's norms. In cases when the pressure by the Europeans was mounting, for Greece to make economic changes, Papandreou proceeded with economic reforms only to back away a few years later. His commitment to socialism and social justice induced him to revoke specific policies that were designed to further Greek integration into the Union. The point is that agents, in most cases, rationally calculate their actions in terms of the goals they have in mind. What messes up these calculations are other norms constituting the agent that drive her/him not to do the "seemingly" rational thing. "Rules bound situations of choice by defining means and ends available to chooser" (Onuf 1989, 258). Papandreou's efforts to achieve the ends of his political agenda, made public many times, were hindered by the European Union's norms. When he decided to abide by the Union's norms (for reasons to be examined later on) these in turn were thwarted by domestic pressures, other agents who invoked his initial commitments of social justice.

This is similar to the game of chess, where the identity of a piece, e.g., the bishop, regulates its activities and at the same time makes the bishop what it is within the parameters of the chess game. Moreover, the rules that define the other pieces also constitute the bishop's "social environment" and at the same time regulate its activities. Papandreou's socialism was part of his identity and thus regulated and constituted his

activities. When confronted with new international norms the dynamic that ensued included Papandreou's identity. "Actors often cannot decide what their interests are until they know what they are representing-'who they are'-which in turn depends on their social relationships" (Katzenstein 1996, 60). These social relationships, which constitute actor identity, are the actor's social environment that begins to socialize them from the day of their birth. This socialization even goes further back in time since the socializers (society, school, parents) are socializing the new members through their socialization and so on; hence the importance of tradition.

To establish the importance of norms in international politics is one thing, but to show how international norms diffuse to the domestic context is a second difficulty with which constructivists have to struggle. "At issue then, is how norms 'out there' in the international system get 'down here' to the national arena and have constitutive effects" (Checkel 1999, 85). Checkel invokes the concept of diffusion in order to examine effects of system norms on the domestic environment. The rationalist accounts of norm diffusion basically acknowledge a norm and its content, and then identify the policies that the particular norm prescribes in the domestic policies of a particular state. The "agents" involved in the diffusion process merely change their behavior according to costs and benefits they identify with the particular norm. A constructivist approach should show how norms constitute agent identity and interests. The constructivists Checkel identifies above who preclude agency from their analysis also fail to show how norms constitute agerts properties.

Checkel posits two developments in diffusion research that can aid constructivists with their research (ibid., 86). The first development refers to the importance of identity in the diffusion of international norms to the domestic level. The second is the incorporation of agency. These two developments in diffusion research, "should be of interest to constructivists as they have uncovered abundant evidence that the process of norm diffusion to their adopter populations (states and groups/individuals within them) depends critically on social and cultural characteristics of the population" (ibid., 86).

However, a one-to-one cultural match between international norms and domestic norms is not always the case. When it is, diffusion is quick. In most cases, as evidenced by the process of globalization, both resistance and acceptance accompany international norm diffusion. In order to determine the extent of congruence (cultural match) between the international and domestic norms Checkel defines cultural match as, "a situation where the prescriptions embodied in an international norm are convergent with domestic norms, as reflected in discourse, the legal system (constitutions, judicial codes, laws), and bureaucratic agencies (organizational ethos and administrative procedures)" (ibid., 87). The degree of cultural match is an empirical question. For my purposes I examine domestic political discourse and policies enacted (social practices) as an indicator to determine the degree of cultural match. Moreover, situations that demonstrate the clash between different domestic conceptions of identity are presented, such as, when the prime minister dismisses a minister who disagrees with him.

The political rhetoric of the Greek Prime Minister is key, since as mentioned above, political elites (individual or as a group depending on domestic political structures) are the "gate keepers of the domestic context". Norm prescriptions can be identified through the analysis of the political discourse of the key decision-makers. "... repeated declarations by authoritative actors are indicative of the state's commitment to the rule"

(Cortell and Davis 1996, 456); or as Checkel stated, "Specifically, I define norm empowerment [he defines this as the process of, 'how norms reach the domestic arena'] as occurring when the prescriptions embodied in a norm first become, through changes in discourse or behavior, a focus of political domestic attention" (1997, 476). According to Charles Hermann (1990), leadership is one of the sources of foreign policy change. Leader-driven changes is the consequence of the "determined efforts of an authoritative policy maker, frequently the head of government, who imposes his own vision of the basic redirection necessary in foreign policy" (ibid., 11). As will be presented in chapter three, the prime minister in Greece occupies a position of preeminence within the authoritative decision-making process. However, leaders are bounded by the domestic political structure of decision-making, and international and domestic norms.

#### Theoretical Framework and Case Selection

Following the lead established by the concluding remarks in the previous chapter I begin the present section with a quotation that aptly captures the theoretical position I presented in the previous sections. Referring to intersubjective meanings and human action, Adler stated that,

This raises the issue of causality. In the physical world, causal relations connect entities and occurrences into structures and patterns. In the social world, however, deterministic laws are improbable; the heroic leap of faith that social forms 'determine' human action [structuralism], or the ontologically incomplete assumption that individual action 'determines' social forms [methodological individualism], must both be rejected. Constructivism subscribes to a notion of social causality that takes *reasons as causes*, because doing something for reasons means applying an understanding of what is called for in a given set of circumstances. However, because people do what is called for on the basis of norms and rules emerging in historical and cultural circumstances, norms and rules structure and therefore *socially constitute*-'cause'-the things people do: that is, they provide actors with direction and goals for action" (1997, 329)

"Causal" relations, the dependent/independent variable dynamic, do not follow a strict positivist approach. Agents are situated within a social context, composed of both domestic and international norms. Norms are both regulative and constitutive. Agents, both individual and collective, encounter norms as part of their objective social reality. Agents act based on norm prescriptions, and this is manifested in the agents' discourse and actions. Agents act based on the prescriptions of norms, not only out of fear of punishment or the prospect for reward, but because they have internalized these prescriptions and considered them the right thing to do. They become part of an agents' identity, who they are. Identity illuminates the constitutive aspects of norms vis-à-vis agents. The self-conceptions individuals and collectivities have are a result of norms existing in both the domestic and international contexts. New norms create the opportunity for new identities to emerge and clash with existing ones or they empower existing ones. If agents with a different identity come to power then new domestic and foreign policies are enacted.

By examining the discourse of the key decision makers in the making of foreign policy we simultaneously capture the aforementioned aspects of norms. This is so due to the relationship between norms, language, and social practices. Norms regulate human activities, and so "cause" certain actions, but not in the positivist sense of causation where the two events (depicted by the dependent and independent variables) are two distinct social entities where the independent variable precedes the dependent variable. Norms also constitute/define human beings, social relations, and the social context within which they act. Actors understand what the norms define. Therefore human beings understand who they are (identity), their relations with others, and the world around

them, and this knowledge or understanding is the link between society and the individual.

Language is the medium through which the agent expresses this understanding.

Consequently, what individuals say and do matters. The particular human being(s)

examined at a particular time and space did not author the majority of the rules

composing their social environment. Yet through their understanding they follow these

rules and through their practices reproduce them.

Norms are the link between the objective social context and individuals. This is expressed in the agent's discourse and the social practices they engage in. The concept of identity links the subjective aspects of agency to norms, i.e., the objective social context. Identity is composed of self-conceptions rooted in norms. Still, agency is absent because at this point a causal relationship can be established between norms and agents where norms determine agency, i.e., individual's self-conceptions can be thoroughly determined by norms. The distinctive characteristic of agency, as defined before refers to the individual's capacity to choose from a variety of courses of action, even to choose inaction. All courses of action must take norms into account. No course is taken *ex nihilo*. Agency is the ability to act otherwise (to transcend the dominant courses of action available), to repeatedly obey rules (routine), or to combine rules and create something new.

The international society to which states belongs is composed of other states, NGOs and IGOS, international social movements, collections of norms, and international law. Since other states are a key aspect of international society, the surrounding regions of a specific state are of primary importance for the particular state's foreign and domestic policy. Most states have quarrels with their neighbors. The norms that pertain to the

regional level might contradict broader international norms embedded in international institutions, such as international law, and IGOs and NGOs. In the case of Greece the rivalry with Turkey and to a lesser extent the brief rise in tensions with FYROM are composed of norms that contradict the prevailing norms in the post-cold war and especially the EU norms regarding the resolution of conflicts.

Since international norms are instrumental in the making of agents' identity, then what the agents in question say and do is important in determining international norm diffusion in the domestic context. Agents' discourse also reveals the influence of domestic norms in the making of the specific agent's identity. Consequently, the analysis of discourse is key in the determination of norm diffusion and in capturing the dialectical relationship between international and domestic norms. The identification of a norm's prescription in the discourse of specific agents is one way to identify the diffusion of international norms to the domestic sphere. This is demonstrated by the convergence of domestic norms with international norms (cultural match). This can be established by the frequency of a norm's content found in the discourse under analysis. Moreover, in addition to repetition, the manner in which a specific individual refers to norms and the institutions they represent is indicative of a norm's constitutive effects on the corresponding individual. For example, Papandreou was dismissive of the EU whereas Simitis was enthusiastic about the prospects of Greece entering EMU and event talked about the future of the Union itself. Although, the first indication of norm diffusion is the discourse of elites, it is also the least effective indicator for the institutionalization of a specific norm's prescription

Consequently, policies enacted that represent norm prescriptions and debates among the elites regarding the new norms and policies indicate the institutionalization of international norms within a particular society. The new norms create new opportunities to the various agents composing a society. Coupled with agents' ability to choose there is the possibility for social change. Social change can be incremental, i.e., through debates or the enactment of new policies, or it can be violent through revolution. This is an empirical question and it depends on the scope of diffusion within a particular society, the convergence of domestic and international norms, and the resistance to the new norms by domestic forces.

In the present case, the policies enacted are compared with previous existing policies regarding the same issues. Moreover, the debates among elites regarding new norms and policies shows that norms favored by certain elites are used to justify certain policies rejected by other elites. In the case of Greece, the prime minister, as the hegemonic decision-maker, terminates a specific debate with the removal or transfer of a specific minister opposing his policies. The comparison of Papandreou's and Simitis's discourses and policies captures the effects of specific international norm on Greek society. The selection of Papandreou and Simitis is due to the hegemonic position of the prime minister in the decision-making process that renders the analysis of their discourse and policies imperative to our understanding of Greece's foreign policy. The formal aspects of Greek politics further reinforce the hegemonic position of the prime minister within the Greek political system (more on this in chapter three). Moreover, both men belong to the same political party. This amplifies the magnitude of change brought about by Simitis' policies.

As mentioned above, new international conditions give rise to new norms that in turn have influence on national identity. Thus, there can be more than one collective identity within a specific state. These collective identities can coexist in harmony or vie for the control of the state. The struggle for power can take different forms. It can be a military confrontation (civil war, revolution) or a peaceful confrontation, e.g., through elections. The struggle is carried out for control of the state and its resources but also at the symbolic level. The battle at the symbolic level and the victory that ensues (if it does) is what legitimizes a group's hold on power. Symbolic rivalry is not over material resources, although conflicts pertaining to state control involve non-symbolic resources, it is over the question of one's conceptions of the specific country's national identity, its future course, and the policies that will achieve the goals set. Symbolic battles bring out accusations of apostasy, selling out to foreigners, giving up on your true heritage, or hampering the country's future development.

In the case of Greece, this country has a contested national identity. The two collective identities are comprehensive visions of Greece and compete for ascendancy. They include conceptions of domestic politics (state/society relations), international politics, and Greece's position in world politics; one embracing and the other rejecting Western values (Diamantouros 1983). There is an idiosyncratic feature within Greece's dual national identity. Unlike other developing countries where there is a relatively clear division between modernizers (associated with Western ideas) and traditionalists (associated with home-grown ideas) across demarcated political lines, such as political parties and classes, the two collective identities in Greece cut across political lines and permeate society from top to bottom. As Tsoukalas stated, "The struggle between

tradition and modernity is not reducible to an opposition between domestic and imported cultural tenets, but is seen as an inevitable function of the 'essence' of Hellenism" (1996). The reason for this is that both traditions trace their origins to the same *topos*, Greece. As a result, political conflict revolving around issues of Greece's relation with its social environment (regional and global), which entails questions of Greece's national identity, transpires within the same political party. The two Prime Ministers I examine, although both belong to the same political party (PASOK) have different views about foreign policy and Greece's position in the world.

The last point to be addressed is that of leadership and personality. Personality is part of an agent's identity and it is shaped primarily by domestic norms in the early stages of socialization. Personality cannot be taken in isolation for the agent's broader identity. Personality sheds light on why a specific individual has a particular identity. In addition, personality reveals the determination, conviction, and sincerity of a leader in terms of the policies he/she pursues. This is related to the *manner* a leader views international and domestic norms and institutions.

#### Conclusion

The present chapter offered the theoretical arguments behind the dissertation. The starting point is constructivism's central tenet that "people make society and society makes people" (Onuf 1998, 58). In international relations the authoritative decision-makers of a state are one group of agents, albeit a very influential one, that act on behalf of states. Agents are situated within a social context composed of norms, norms that shape the parameters within which agents act. Norms are constitutive and regulative at the same time. Norms are part of the agents' objective social reality and at the same time

they define agents' identity. In turn, agents' identity colors the way agents view the world around them. In the case of agents representing the state their identity shapes state interests and the enactment of foreign policy. Agency was defined as the quality of human beings to act otherwise. New norms create the opportunity for new courses of action, hence social change. By the same token new norms can be used to reinforce the "way things are". Agents, either individually or collectively, utilize norms, old and new to further their interests and the interest of the collectivities they represent.

#### Endnotes

<sup>&</sup>lt;sup>1</sup> For the various classifications of constructivism see, Adler (1997, 335-336), Ruggie (1998, 35-36), and Smith (2000, 40-54).

<sup>&</sup>lt;sup>2</sup> In an anarchical system the neorealists foresee the enforcement of rules only by the existence of a hegemon, whereas the neoliberals envision cooperation even after the demise of a hegemon (Keohane 1984).

<sup>&</sup>lt;sup>3</sup> For the "convergence" thesis between neoliberalism and neorealism see, Ruggie (1998, 855), Wendt (1999, 29-35), and Baldwin (1993).

<sup>&</sup>lt;sup>4</sup> Price and Tannewald provide additional examples where chemical and nuclear weapons were not used and traditional deterrence theory provides an inadequate explanation.

<sup>&</sup>lt;sup>5</sup> Neoliberals have neglected this aspect of liberal thinking in international relations theory and have adopted the Waltzian conception of international structure based on the concept of anarchy where agents are motivated by instrumental rationality (Wendt 1999,19).

<sup>&</sup>lt;sup>6</sup> For an analysis that examines the primordial, instrumental, and constructivist, aspects of the debate on ethnicity see, (Tilley 1997).

<sup>&</sup>lt;sup>7</sup> This statement needs clarification. The constructivism elaborated by the authors of CNS lacks a conception of agency. For criticisms see Checkel 1998, Smith 2000. Other constructivists have included conceptions of agency into their analysis by collapsing agency and structure into a mediating concept, rules (Onuf 1989). This view does not analytically separates agents and structures but, "people make society [structure], and society [structure] makes people. This is a continuous, two-way process" (Onuf 1998, 59). This conception of social life requires a mediating point, a common "place" where society and human beings share.

<sup>&</sup>lt;sup>8</sup> Checkel provides a spectrum that can be utilized by the researcher in order to measure norm congruence. I do not find this particularly helpful. I concentrate on elite discourse and the enactment of policies to demonstrate norm diffusion.

## Chapter Three

## Greece: History, Politics, and Leadership

#### Introduction

The present chapter examines the historical and political context in Greece relevant to the present dissertation. The chapter is divided into three parts: Greece's relation with its external environment, i.e., international society; the domestic aspects of Greek politics and the political biographies of the two prime ministers, Andreas Papandreou and Constantine Simitis. Each part is further subdivided into several sub-sections. The first sub-section in the first part briefly situates Greece within international society beginning from the post-independence era (1829) to the present, emphasizing Greece's relationship with the Great Powers. Greece's relationship with the powerful states of Europe during the nineteenth century and with the United States in the post WWII era has molded the perceptions of the Greek public, both at the elite and mass levels, regarding Greece's position in international society.

The next three sub-sections are concerned respectively with Greece's relation with the European Union, Turkey, and FYROM. The relationship with Turkey takes up the lion's share in this part because this relationship is of primary importance. Emphasis is placed on two points of contention between the two countries, Cyprus and the Aegean. The second part is concerned with the domestic level and specifically the character of Greek politics. There are two sub-sections within the second part. The first sub-section examines the formal aspects of Greek politics whereas the second presents Greek political culture and its implications for state/society relationship. Both of these aspects of Greek politics will be examined in relation to their contribution to the hegemonic

position of the prime minister. The last part is divided into two sub-sections that respectively provide the political biographies of Papandreou and Simitis, the two Prime Ministers who have governed Greece nineteen out of the last twenty -two years.

Each sub-section in the narrative has a different structure in terms of its temporal dimension. For example certain sections go back to the post-independence era after the formation of the Modern Greek state and other sections begin in the post WWII era. Depending on the theme examined, all sections bring the reader up to recent developments (2001). However, in some cases I am brief since the same period is covered in the chapters examining the political discourse of the two prime ministers. In these cases I present the material in a complementary manner. Thus, this chapter is an extended introduction to the three chapters that examine the discourse and policies of Papandreou and Simitis. To reiterate, PASOK has been in power nineteen out of the last twenty-two years (1981-2003). The brief interlude (1990-93) where the ND ("Nea Dimocratia", literally New Democracy) party was in power will be treated in the end of the fifth chapter. Chapter five examines the years 1981-1989 and chapter six the period 1993-1996 of Papandreou's tenure.

#### Greece and Its External Environment

## Greece and the International Society

Since its independence from the Ottoman Empire in 1829, Greece entered a situation of political and economic dependence with the great powers of Western Europe. This subordinate role with the West continued during the two World Wars through Greece's alliance with the Western powers. From the end of WWII to the end of the Cold War Greece's dependency on the West persisted with its entrance in NATO in 1952 where,

along with Turkey, Greece served as one of the defenders of the southeastern flank of the Western alliance. The entry into the European Union in 1981 gave Greece the opportunity to reduce its dependency on the United States and enter into a more equitable relationship with the Western European states. Greece's dependent relationship with the West, coupled with great power intervention in its domestic politics, has produced the view among most Greeks that their country's misfortunes are the result of the machinations of Western governments and agencies-such as the CIA-that undermine the interest of Greece in order to promote their own interests in the region.

Great power penetration into Greek domestic politics began during the Greek War of independence (1821-29) and continued in the post independence era. After the Napoleonic Wars, the major European powers established rules regulating their relations in order to keep the balance of power. This was the purpose of the Congress of Vienna, which unlike previous conferences, was not only designed to achieve peace but also to construct new rules for the conduct of states. The new rules were situated in the institution of the European balance of power and were enacted in order to preserve that balance. What was different from previous negotiated settlements was that now the five major powers would cooperate to enforce the rules and keep the balance of power. The leaders of these powers negotiated in order to adjust, "territory, resources, and populations as equitably as possible among the major powers" (Craig and George 1983, 27). Every one of the powers was to be involved in situations of crisis, which might affect the balance of power. Thus, England, France, and Austria were concerned with Russia's interference in the Greek War of independence and the possibility of Russia gaining territories from the Ottoman Empire, especially the Turkish Straits (Miller and

Kagan 1997, 67). As a result England, Russia, and France collaborated in promoting Greek independence, an act that enabled all three powers to gain a foothold in the Balkans.

The strategic importance of Greece at the time made it the focus of the European powers. These powers supported the Greek quest for independence against the Ottomans and after the establishment of an independent Greek state they made sure that the new state remained under their patronage.

The various powers exercised influence through military and diplomatic means as well as through economic pressure in the form of loans and grants...As different states assumed the role of protector, Greek institutions and policies reflected the transitions. A chronology of modern Greek politics would reveal few major crisis or policy landmarks that were not related to foreign pressure...Politicians have encouraged foreign intervention when it helped their side in domestic political crisis but decried intervention when opponents were aided (Legg and Roberts 1997, 57).

The intervention of the European Powers in Greek politics gave rise, among the Greek public, to a conspiratorial view of politics, both domestic and international (ibid., 55-57). There is some justification for this sentiment. In the years after independence the direct involvement of the European powers was clear. They arranged for the first ruler of Greece to be a European, King Otto of Bavaria, who ruled as an absolute monarch between 1835-43 with his second in command also a foreigner, Chancellor Armansperg (Vakalopoulos 2000, 224). "Although the Greeks were the beneficiaries of the great power involvement, they had no say concerning future borders-these were delineated by the great powers alone and constituted a compromise between Russia and Britain.

Likewise, it was the great powers who appointed the future king of Greece" (Miller and Kagan 1997, 68). An additional event that demonstrates the level of foreign intervention

in Greek politics is the names of the first three major political parties. They were all named after the foreign country whose interests the party promoted, the English, Russian, and French parties (Vakalopoulos 2000, 211).

In the years before WWI, the British put pressure on Greece to join the Triple Entente due to its strategic location and its proximity to the Ottoman Empire (ally of the Germans) and the Middles East. The king of Greece at the time, Constantine I, was connected by marriage to the German Kaiser, thus the English and French were worried about Greece's allegiances. Constantine I opted for neutrality but the British and French, allied with Constantine's I domestic opponent, Eleftherios Venizelos, and sent troops to the Northern port of Thessalonica forcing the King to resign (Legg and Roberts 1997, 60-61). "Venizelos had collaborated with the Great Powers in order to gain the upper hand in his struggle against the monarchy" (ibid.). In the years before WWII erupted, Greece tried to maintain a neutral policy regarding the European balance of power emphasizing its regional security. A series of treaties were enacted with its immediate neighbors, Bulgaria and Turkey, since they were perceived as the main potential threat. Ironically, the security threat came from an unexpected direction, Italy. Although the Greek forces defeated the Italians, the Germans in turn defeated them and Greece was occupied by the Axis powers until 1945.

After the end of WWII, Greece entered a bloody and destructive civil war between the communist and governmental (right wing) forces. During WWII, the Greek resistance movements, communist or right wing, were assisted by the British government. After the war ended a government was established in Athens but it was too weak to subdue the communists who began to challenge the government for control of Greece. The British

supported the government forces and Tito (leader of Yugoslavia) supported the communists. In 1947 the British declared to the Americans that they couldn't keep supporting the government forces. The United States considered Greece part of the South East Mediterranean defense perimeter against Soviet expansionism. The move by the British together with the events in Turkey and Iran, prompted the United States to initiate the so-called Truman Doctrine (Legg and Roberts 1997, 61-62). The United States intervened in Greece and by 1949 the communists were defeated and Greece embarked on its Western road to development. Through the Truman Doctrine Greece received generous amount of aid.

American interference in the domestic affairs of Greece continued after the end of the civil war in the form of financial and military aid and direct meddling in the domestic political scene. The whole relationship between the two countries was based on the threat of communism. All of Greece's Northern neighbors, Albania, Yugoslavia, and Bulgaria, were communist states. "The influence of the United States in Greek affairs indeed covered the gamut from military strategy to economic planning and social policy. U.S. preferences were reflected on matters such as election laws, specific compositions of cabinets, and in personal selection and promotion to key positions in the armed forces, intelligence agencies, and security forces" (Couloumbis 1983, 18). The political and economic dependency of Greece on the United States was reflected in several policies that Greece undertook during the Cold War era. Greece sent troops to Korea, joined NATO (1952), facilitated the location of military bases for the United States on its soil, and supported all of the US policies promoted in the United Nations (Coufoudakis 1990, 231). During the 1950s, Greece experienced political stability and economic growth due

to military and economic assistance from the United States. Although the Greek governments from 1949-1981 (democratic and authoritarian) enjoyed a cordial relationship with the United States, based on their mutual hatred for communism, the majority of the Greek public still believed that all that happened in their country was a result of the machinations of foreigners. In particular, Greeks believed that the United States government was orchestrating events through NATO, the CIA, and its local agents. Two recent events that had and still have this conspiratorial interpretation are the accession of the military dictatorship in Greece (1967-74) and the Turkish invasion of Cyprus (1974). In both cases, according to popular belief, the promotion of foreign interests (US/NATO) in the South Eastern Mediterranean trumped the interests of Greece.

In the economic sphere, Greece entered the world capitalist economy as a peripheral country. Several Greek scholars draw similarities between the Greek experiences with those of the Southern Cone countries of Latin America. "Despite the geographical distance and the obvious differences in cultural and historical backgrounds, Greece and to a lesser extent the major northern Balkan societies before their post-war collectivization show marked and significant similarities with the 'advanced' countries of Latin America's southern cone" (Mouzelis 1986, xiii). Greece's dependent status continued after the post WWII era when, through American aid, Greece began to experience rapid economic development. The Greek economy in the 1960s was considered a "miracle", experiencing between 5-7 percent growth of GDP annually (Thomadakis 1995, 102-103). This rapid economic development transformed Greece from an agrarian to a newly industrialized country (Kazakos 1994, 13). However, this growth was stifled by the oil

crisis of the early seventies, the increased military expenditures due to the Turkish invasion of Cyprus, Greece's entry in the European Union, and the coming to power of the Socialists in 1981 (Thomadakis 1995, 104).

The Greek economy is characterized by low value-added type of production, i.e., agricultural products, textiles, light manufacturing, and a strong service sector that is dependent on tourism (Legg and Richards 1997, 177). With the rapid development of the 1960s came the rise of consumer demand. This in turn adversely affected the country's balance of payments since Greece had to import more than it exported. The balance of payments has been one of the key arguments in the dependency school literature, illustrating a dependent relationship between periphery and core. The problems of the Greek economy are tied to the role of the state, a theme examined in a latter section. Moreover, since 1981 the Greek economy cannot be examined without reference to the European Union, which is the topic of the next section.

Greece and the European Union

Greece's relationship with the European Union began in 1959 with negotiations regarding the harmonization of the Greek economy with that of the other members of the European Economic Community (hereafter EEC). The negotiations covered issues and policies relating to trade, the harmonization of Greek agriculture with those of the EEC members, and the provision of financial and technical assistance that would prepare the Greek economy for entrance into the Community (Kazakos 1994, 1). The Association Agreement that came out of these negotiations was signed in 1961 and ratified by the Greek parliament in 1962 (Christopoulos 2000, 200). The Association Agreement entailed a custom union with the EEC, with a grace period of twenty-two years. The

entry date, 1984, was contingent on the performance of the Greek economy. During this time, the Greek economy through European aid, would bring its economic performance up to par with those of the other members. If this was achieved Greece would become the tenth member of the EEC. Greece's desire to enter the EEC had two dimensions: a political one, where the strengthening of Greece's position within the Western alliance was to benefit from the entry into the EEC and an economic dimension that would make the Greek economy more competitive due to its encounter with the more advanced economies of Western Europe. Moreover, EEC financial aid would relieve the budget that had been strained because of high military expenditures.

The process for full entry was nevertheless thwarted by the political developments in Greece in the mid-sixties. The political instability led to a military coup in 1967 that alienated the Europeans given that one of the key prerequisites for becoming a member in the EEC was that each member country has a democratic regime. The military dictatorship ended in 1974 after the Turkish invasion of Cyprus. The inability of mainland Greece to protect the Greeks of the island delegitimized the military regime forcing its leaders to step down without a fight. Constantine Karamanlis became the Prime Minister of Greece and pushed for a full membership in the EEC primarily for political reasons. Apart from his belief that Greece belonged to the West, Karamanlis knew that an entrance into the EEC would strengthen and consolidate democratic institutions in Greece. Moreover, entrance into the Community would enhance Greece's security vis-à-vis Turkey and lessen the country's dependency on the United States, which was considered by a large section of the Greek population responsible for the Turkish invasion of Cyprus. After 1974 Turkey was viewed as the main threat to

Greece's security (Kazakos 1994, 4). From an economic perspective the financial and technological aid from Europe was viewed as beneficial and essential for the further development and modernization of the Greek economy (Ioakimidis 1997, 122). This was considered a key ingredient for the consolidation of democracy.

For the reasons listed above the Greek government applied for full entry into the EEC in 1975, despite the fact that the Association Agreement provided for 1984 to be the date of full membership. Initially, the European Commission did not support Greece's entrance even though the economy was experiencing a higher growth rate relative to the European average. There were too many structural problems with the Greek economy, which despite its growth rates was viewed as not being at the same level with the economies of the other members of the EEC. The Commission expressed its reservations in the following words, "the Greek economy at its present stage of development contains a number of structural features which limits its ability to combine homogeneously with the economies of the present member states" (Quoted in Kazakos 1994, 4). The Commission went on to emphasize the relative large size of the agricultural population of Greece, the structure of agricultural industry, and the weakness of the industrial sector. It concluded that the costs to develop the Greek economy would be high (ibid.). The Commission recommended a transition period of several years before Greece would be ready for full entry.

The Greek government-dissatisfied with the Commission's statements and through the leadership of Karamanlis-embarked on an aggressive campaign to overturn the Commission's sentiments. Karamanlis used his charisma and his friendship with the President of France, Valry Giscard d' Estaing<sup>1</sup> and other political dignitaries and argued

persuasively that Greece's entrance into the Community would consolidate its nascent democratic regime. Moreover, Karamanlis used the argument that Greece belonged to Western Europe, historically, geopolitically, and culturally (Christopoulos 2000, 340). Karamanlis' efforts paid off and, with the support of the Council of Ministers Greece became the tenth member of the EEC on January 1<sup>st</sup> 1981.

The next phase in the relationship between the Economic Community (hereafter EC)<sup>2</sup> and Greece is marked by the coming to power of PASOK (Panhellenic Socialist Movement), a newly formed socialist party that rose from a small opposition party to the ruling party of Greece within seven years. During 1977-1981, when PASOK was the main opposition party, its chairman Andreas Papandreou, declared that if his party came to power it would conduct a referendum to allow the Greek people to decide the country's future in the EC (Ioakimidis 1996, 122). Papandreou's rhetoric before his ascendance to power was very dismissive of the European Community. PASOK's position represented the ideological beliefs of Papandreou, a position developed during the years of PASOK's life as the main opposition party. Papandreou's ideological position was a mixture of socialist ideas, dependency theory and nationalist themes promoting a "Third Way" to a socialist society and the promise of delivering Greece form its dependency on the West. PASOK's popularity can be explained by Papandreou's anti-Westernism that matched the sentiments of a substantial portion of the Greek population at the time (Verney 1993, 134).

In its first years of formation (1975-77) and before PASOK's ascendance to power Papandreou rejected European membership unequivocally. When PASOK became the main opposition party (1977-81) with the opportunity to become the ruling party in the

next elections, the radical anti-European rhetoric was tempered down and comments about Greece not entering the Community were not repeated. When Papandreou took office in 1981 he limited himself to vehement criticisms of the European Community and took actions such as vetoing concerted EC decisions regarding key foreign policy issues. Yet he did not raise the question of Greece's withdrawal from the EC. Many of the European allies expressed dissatisfaction with Greece's stance and regretted allowing its entrance a few years earlier. Greece was called the "odd country out, maverick, black sheep of the EC" (Ioakimidis 1997, 122). During the second tenure (1985-89)

Papandreou's rhetoric was even more moderate, yet certain policies regarding the role of the state and privatization contradicted EC prescriptions about state/society relations within member states.

In 1990 Nea Dimocratia came to power. Even though this was a pro-European party, the relationship between Greece and the European Union reached its lowest point. The reason for the deterioration of the relationship with the EU was not economic but political. Greece diverged from the policies of its allies regarding the events in Yugoslavia. Greece supported Serbia and protested the inclusion of the name Macedonia in the title of the new state (FYROM). "Greece's position vis-à-vis the 'Macedonian' problem did not just diverge from its partners' but remained completely inexplicable in their eyes. This attitude was in direct contrast to the Greco-Turkish problems, which the other member states' governments at least understood, even when they adopted positions contrary to the Greek one" (Mitsos 2000, 69). The EU/Greek relationship deteriorated even further when Papandreou came to power for the third time in 1993. Papandreou's imposition of an embargo on the new state drew harsh criticisms from the Europeans.

By 1995 the problem with FYROM was settled and Greece returned to a more pro-European posture. The main thrust of Papandreou's EU policy was the European Monetary Union (EMU) (Christopoulos 2000, 404). This policy signaled a change in Papandreou's view of foreign and domestic capital. Capitalism was not viewed as a system of exploitation but considered a catalyst for the development of the Greek economy. Papandreou's new approach to the EU was characterized by an effort to reduce the role of the state in the economy, promote privatization, and increase tax revenues (ibid.). Yet, as in his second term, the pressure from organized labor and the traditionalists within PASOK did not allow Papandreou to make substantial progress in this direction. Moreover, Papandreou and his associates in PASOK did not take the EC seriously. At most, their view of the EC was based on instrumental reasons. "In fact, rather than considering the EC to be a strong imperialist chain, PASOK policy-makers' assessment of the EC was in terms of a loose framework with weak institutional dimensions" (Lavdas 1997, 155).

In contrast to Papandreou, the current prime minister of Greece, Constantine Simitis, is an enthusiastic supporter of Greece's relationship with the European Union. The central theme in Simitis' overall policy, both domestic and foreign, is modernization.

Modernization is to be achieved through the EU<sup>3</sup> and specifically by Greece becoming more competitive economically. Commenting on the first few months of Simitis' first term, Mitsos said that, "the combination of an unambiguously Europeanist rhetoric with the clear devaluation of the Macedonian issue, and especially an economic policy characterized by a complete convergence of goals and a gradual nominal convergence with the other EU member states, led to Greece's reinstatement in the European game"

(2000, 96). Simitis wants Greece to follow the path of the advance European states to avoid dropping to a second tier position. Although Greece is the least developed state within the European Union, it is still treated as an equal. However, with the enlargement of the Union the possibility for a two-track trajectory to materialize within the Union is stronger than ever.

Greece and Turkey: The Perverse Alliance

The contemporary relationship between Greece and Turkey cannot be understood without reference to their historical past. The two countries have a rich history between them that dates back to the fall of Constantinople (today Istanbul) at the hands of the Ottoman Turks in 1453 CE. When two neighboring states have a long history of hostilities, the historical memories amassed and shared by their respective populations are fundamental for the understanding of that specific relationship. Greeks view the fall of Constantinople to the Ottomans as a defeat in the hands of barbarian hordes and the Turks consider it the rise to power of the Ottoman Turks who formed a glorious empire stretching from the Balkans to Iraq. Moreover, the birth of modern Greece and Turkey was marred by wars fought between the two countries. The Greek war of independence, 1821-1830, against the Ottoman Empire gave birth to modern Greece and the Greek-Turkish war of 1922 gave birth to modern Turkey (Clogg 1991, 12).

The 1922 Greek-Turkish War ended with the signing of the Lausanne Treaty in 1923. The signing of this treaty by Eleftherios Venizelos (Prime Minister of Greece) and Kemal Ataturk (President of Turkey) inaugurated the longest period of détente between the two countries. It was the skilled political leadership of Venizelos and Ataturk that achieved this reconciliation between the two countries (Couloumbis 1983, 25). The friendship

between the two countries continued until the 1930's. In 1933 they signed a friendship pact stipulating the protection of their borders and the commitment to engage in negotiations to solve matters of common interest. In 1935 they entered the Balkan Entente (including Romania and Yugoslavia) hoping that they could deter Italy and Germany from attacking them.

The Greek-Turkish friendship lasted through WWII and continued after the conclusion of the war, with both countries coming under the military umbrella of NATO. Their warm relationship was demonstrated when the two countries sent troops to Korea to fight on the side of the U.S. forces. However, the honeymoon came to an end in the late 1950's over the issue of Cyprus. "When the vital interests of one was seen to be threatened by the other, as happened with the Cyprus issue during 1954-55, the progress attained in Greek-Turkish reconciliation and collaboration was threatened and, ultimately undone" (Bahcheli 1990, 16).

Cyprus was a British colony from 1878 to 1960 when it gained independence.<sup>4</sup> The population of the island was composed of 80% Greek-Cypriots, 18% Turkish-Cypriots, and the remainder 2% was composed of Maronites and Armenians (Tzeremias 1991,145-146). The relationship between the two communities (Greek and Turkish-Cypriot) exhibited both conflict and cooperation. However, with the beginning of the Greek-Cypriot struggle for independence (1955) from British colonialism, the relationship took a turn for the worse. The Greek-Cypriot demand for *enosis*, meaning union with Greece which was considered the motherland, was matched by the Turkish-Cypriot call for *taksim*, meaning the partition of Cyprus into a Greek and Turkish part and their uniffication to the respective motherlands (Greece and Turkey) (McDonald 2001, 117).

In Turkey, the anti-Greek riots that broke out over the issue of Cyprus cooled the relations between the two countries even further.

The British, facing a mounting armed struggle that was costing them too much decided to grant Cyprus its independence. This was achieved in 1960. The constitution of the island incorporated both communities in the sharing of political power. Britain, Greece, and Turkey guaranteed the integrity of the constitution and the island. However, the structure of the constitution resulted in a deadlock regarding vital legislation and in 1963 fighting broke out between the two communities. Between the years 1963-1974, the two communities became isolated from each other. More fighting ensued in 1967 pushing the two communities further apart.

The involvement of mainland Greece and Turkey in the domestic affairs of Cyprus reinforced the intransigence of the two communities. In all spheres of life the two communities were evolving in diverse directions. In 1974 a group of Greek officers and a Greek-Cypriot paramilitary organization staged a coup overthrowing the government of Archbishop Makarios in an effort to unite Cyprus with Greece. In response, and since it was a guarantor power of the constitution of Cyprus, Turkey invaded the island on the pretext that it was protecting the rights of the Turkish-Cypriots and restoring order to the island. The troops are still there today, occupying the Northern 37% of the island. England and Greece, the other two guarantors, did not intervene.

England opted not to intervene for its own reasons even though the then Turkish Prime Minister Bulent Ecevit went to London and had talks with the British government regarding a joint intervention in Cyprus to restore the 1960 constitution (Tzeremias 1991,734-735). Greece was not considered a partner in the intervention because the

Greek government was behind the coup against Makarios. In addition, Turkey knew that Greece was too weak, both militarily and politically, to be able to intervene in a forceful manner against the invasion. The reasons for Greece's weakness were related to the military government and NATO defense policies.

In 1967 a military dictatorship has been established in Greece. To reiterate: Greece, until the early sixties was a loyal ally of the United States. In 1964 the Center Union party came to power under the leadership of George Papandreou, the father of Andreas Papandreou.<sup>5</sup> George Papandreou's Sr. promise for liberalization included the tacit notion that Greece would follow a more independent foreign policy. The Center Union party represented the center-left forces in Greece (not the communists). The election of George Papandreou to power was enough to cause an uneasy feeling to the right wing forces in Greece and NATO allies, especially the United States. His son, Andreas Papandreou, was campaigning to check the activities of the CIA in Greece, a move that the United States was not pleased about.

George Papandreou policies, economic recession, and his friction with the military and the King resulted in his resignation in 1965 (Vakalopoulos 1979, 453). Two short-lived governments came to power between 1965-67. Amidst worker's strikes, economic problems, and political instability, a military coup took place bringing to power a triumvirate of colonels. The leader, George Papadopoulos, was the head of KYP (Central Intelligence Agency) the equivalent of the CIA in the United States. The United States government did not object to the military coup since its leader was a staunch anticommunist (Ibid., 455). Papadopoulos extolled the Greek-American friendship and

collaboration since the Truman Doctrine and the United States government was pleased to see Greece back on the "right path".

In the previous crises between Turkey and Greece over Cyprus, 1963, 1964, and 1967 and in 1974, Turkey realized that Greece was in no position to militarily challenge Turkey. The reason Turkey did not invade the island before was the existence of a different international context. In the sixties the United States objected to a Turkish invasion of the island due to the fear of Soviet reaction. In the mid-seventies, détente, the oil crisis, Watergate, and Vietnam preoccupied the U.S. policy makers.<sup>6</sup> This was the perfect opportunity for Turkey to invade Cyprus if domestic events legitimized such an intervention and if Greece was neutralized. The military coup against Makarios legitimized the intervention since Turkey was one of the powers that guaranteed the integrity of the Cyprus constitution. Greece was politically isolated due to the military regime. Militarily, Greece's defense posture in NATO was twofold; a) geared towards internal security (suppression of leftist elements) and b) in case of a communist attack, Greek forces were to delay the enemy until NATO reinforcements arrived. "The military implications of these role assignments (namely internal security and delay action) and the resulting force posture-lack of strong air and naval components-was that Greece was not able to defend itself autonomously against an attack" (Platias 1991, 97).

The Turkish invasion of Cyprus in 1974 and the inability of the dictators of Greece to respond led to the downfall of the military regime and the restoration of democracy.

The chaos of the Greek mobilization and the stark exposure of her international isolation precipitated the downfall of the military dictatorship and its replacement by a civilian government headed by Constantine Karamanlis. Karamanlis soon made it clear that he did not envisage war as affording any kind of way out of the Greek-Turkish impasse. But relations between the two countries remained in a

critical state and, since that time, a whole complex of factors, of which Cyprus is but one, have bedeviled relations between the two countries. The continental shelf dispute predated the July 1974 crisis (Clogg 1991, 15).

Cyprus is not the only point of contention between the two states. The issue of the continental shelf and territorial waters in the Aegean became issues of contention between the two countries in the early seventies due to the discovery of oil in the North Aegean. For Greece and Turkey the Aegean dispute is more pressing than the Cyprus problem since the former issue is a question of national security for both. The Cyprus problem involves other parties, such as the United Nations, thus the potential for its resolution is not "completely" under their control. The Aegean dispute contains several issues but I will concentrate on the territorial waters issue and the delineation of the continental shelf.<sup>7</sup>

The Aegean Sea includes approximately 3,000 islands under Greek jurisdiction. Some Eastern islands are as close as half a mile from the coast of Turley. During the Cold War the geo-strategic value of the Aegean was crucial since whoever controlled it was able to monitor the Soviet fleet's passage into the Mediterranean. Due to the many islands, only a few waterways exist that allow big ships to go through making navigation difficult but also easier to monitor (Brown 1991, 10). With the demise of the cold war the issue of the Aegean became more of a bilateral issue between the two countries.

Greece wants to refer the issue to the International Court of Justice since international law is favorable to Greece's position. Turkey, on the other hand, argues that the issue is political and should be solved by bilateral negotiations. This gives Turkey an advantage because it is more powerful than Greece. "By promoting negotiations over judicial solutions to issues such as the continental shelf, Turkey gave preference to a political

solution over which it could utilize 'might is right' tactics, rather than risk an unfavorable court decision due to her weak legal position" (Coufoudakis 1991, 43). The legal issues involved are complex and thus I will limit the analysis to the basic points of contestation.

The two countries disagree on the interpretation of the treaties involved. In terms of the continental shelf, Turkey argues that both countries should negotiate and share the resources of the Aegean. Turkey's contention is based on a ruling of the International Court of Justice in 1982 that said, "that delimitation is to be effected in accordance with equitable principles, taking into account all relevant circumstances (Carley 1995, 3). Greece cites the 1958 UN Conventions on the Law of the Sea stipulating that, "islands" [have a] right to a continental shelf" (Ibid., 6). Turkey objects to the Convention's "definition of the continental shelf as including the submarine area adjacent to islands (Article 1b) and the right of coastal states to exploit such areas" (Wilson 1988, 4). Turkey advanced the position that the Aegean continental shelf is an extension of the Anatolian (Modern Turkey) continental shelf (Ibid., 4-5). The problem according to Wilson is.

whether the Geneva Convention can be regarded as the 'last word'. Turkey appears to hope that the convention will be overtaken by a new one arising from the current law of the sea conference (UNCLOS III). But Greece can cite opinions to the effect that the 1958 Convention is declaratory of international customary law, and thus, by implication, 'final'....If both principles are accepted as having validity (which seems to be the case in a variety of International Court judgments), the task in the Aegean dispute is to find a compromise based on equity-though equity, as the International Court ruled in 1969, does not necessarily imply equality" (1988, 5).

Apart from the overall issue of the delineation of the continental shelf issue between the two countries, which includes the whole of the Aegean, there is the newly emerged matter of the so-called "gray zones" posed by Turkey during the Imia-Kardak crisis (see below). After the 1919-22 War between Greece and Turkey, the two countries signed the Lausanne Treaty in 1923. The Dodecanese islands in the Eastern Aegean, populated by Greeks, were ceded to Italy.<sup>8</sup> In 1932 Italy and Turkey signed an agreement "concerning sovereignty over the islands, islets, and rocks situated between the Anatolian [Modern Turkey] coast and the [Dodecanese]" (Raftopoulos 2000, 136). The Imia-Kardak islets according to the Greek side were included in the Italian-Turkish agreement. The Dodecanese passed to Greece in 1947 after Italy sided with the defeated Axis powers during WWII.

During the Imia-Kardak crisis Turkey questioned the Italian-Turkish agreement publicly and raised the question of "gray zones" in the Aegean, islets and rocks that according to Turkey were not covered by the aforementioned agreements. In addition, the Turkish side invokes the United Nations Law of the Sea Treaty of 1982 stipulating that for islets to have a continental shelf they should be inhabited and able to be economically sustainable. Greece cites the Geneva Convention that states that islands have their own continental shelf. "Turkey supports neither convention and maintains that the Aegean has special characteristics which require a special solution. She proposes to seek political relief to the question of delimitation of the continental shelf, based on the principles of equity and equality" (Brown 1991, 12).

The second issue regarding the Aegean dispute is the extent of territorial waters. Both countries have traditionally adhered to a six-mile limit. The United Nations Law of the Sea Treaty of 1982 gives the right to states to extent their territorial waters to twelve miles. Turkey follows the twelve-mile limit with respect to the Black Sea. Greece expressed the possibility of following the twelve-mile limit in the Aegean. Turkey argues

that if the territorial waters were expanded to twelve miles then the Greek share of the territorial waters would rise from 43% (based on a six mile extension of territorial waters) to 71%, "a situation impossible for Turkey to accept" (ibid., 12). Hence, as with the continental shelf issue, Turkey insists for a political solution since it is more powerful than Greece.

The Turkish invasion of Cyprus and the Turkish stance regarding the Aegean have prompted the post 1974 Greek governments to embark on a rearmament plan in order to amass enough force to deter Turkey from further military action. This plan entailed the development of a domestic military industry and diversifying the sources of arms importation. The first Prime Minister in the post-junta era, Karamanlis, began the modernization of the Greek army and the development of the air and naval forces that had been neglected until then due to Greece's role in NATO's defense plans.

In 1981 PASOK came to power and Papandreou continued the Karamanlis security policy and, in 1985, initiated a new national defense policy that began to emphasize the qualitative aspects of security. He said to the parliament in 1987 that, "Our competition with Turkey along the quantitative dimension leads nowhere. Hence, emphasis should be given to qualitative improvement of our defense system in its entirety" (Quoted in ibid., 100). By the qualitative dimension of security Papandreou was referring to the technological dimension of armaments, training, intelligence, and the coordination and combination of land-air-naval forces. In 1993, Papandreou formed the so-called Joint Defense Pact (JDP), which was an alliance between Greece and Cyprus in case of further Turkish aggression against the latter. Greece was now committed to the defense of Cyprus. As a result of the two countries' mutual hostility, they have embarked on an

arms race that places Greece and Turkey among the five highest spenders in arms in the world (Kiritzis 1999, 26).

The Aegean dispute and the Cyprus problem continue to be present in the relationship between the two countries today. Since 1974, Greek-Turkish relations followed a trajectory of highs and lows engulfed in an expensive arms race. All that was accomplished towards the reduction of friction during negotiations between the two countries was undone due to an incident or a disagreement over the Cyprus problem or the Aegean dispute. The period before and after the Davos Agreements<sup>10</sup> (see below) exemplifies this trend in the relations between the two countries. Greek and Turkish scholars hailed the Davos agreement as a substantial step towards the reconciliation of the relations between the two countries (Birand 1991 and Coufoudakis 1991).

In the eighties two incidents brought the two countries to the brink of war. In 1986, a border incident occurred between Greek and Turkish patrols: Two Turkish and a Greek soldier were killed (Clogg 1991, 19). This was a preamble to the 1987 crisis, the most serious crisis between the two countries since 1974. Turkey deployed the survey ship *Sismic*, under the escort of warships, in order to explore oil drilling in the North Aegean. Sismic was to enter disputed waters and conduct research. Greece objected vigorously and put its forces on alert. Turkey followed suit and the danger for escalation was imminent. Papandreou dispatched his foreign minister to Sofia to consult with the Bulgarian government, a move that made clear the wider implications of a war between the two countries. The United States wanting to avert a war between two NATO allies put pressure on Turkey to back down. Turgut Ozal, Prime Minister of Turkey, declared that Sismic would only conduct research in international waters. The possibility of war

between the two countries was real. This realization prompted Ozal and Papandreou to meet in Davos where they reached the "no war agreement" (ibid., 20). "With a view to creating a much-improved climate in bilateral relations the two leaders agreed to establish a 'hot line' between Athens and Ankara, agreed to meet at least once a year and to visit each other's counties" (ibid.).

However, the spirit of friendliness initiated at Davos did not last long. Soon the disagreements besetting the two countries resurfaced. In 1988, the Turkish foreign minister in one of his speeches expressed his worries regarding the Turkish minority in Thrace and precluded any possibility of the withdrawal of the Turkish troops from Cyprus (Christopoulos 2000, 393). The withdrawal of the Turkish troops from Cyprus was one of the cornerstones of Papandreou's foreign policy towards the Cyprus problem. "Papandreou regularly declared, prior to 1988, that there would be no dialogue with Turkey on the issues that were open to negotiation as long as Turkish troops remained in Cyprus" (Coufoudakis 1993, 171; Couloumbis 1993, 127). Greece, in turn, decided to block the possibility of a Turkish/EU rapprochement. The Davos spirit of reconciliation completely evaporated within a few years. In 1989 PASOK lost the election to Nea Dimocratia (New Democracy, ND) amidst a failing economy and scandals.<sup>12</sup>

In 1990, ND came to power and Constantine Mitsotakis became the Prime Minister. His tenure was marked by the rise of a new external issue preoccupying Greek policymakers and the Greek public at large, even the Diaspora. This was the issue of Macedonia, which emerged after the breakdown of Yugoslavia. This issue is examined in the next section. Regarding New Democracy's policies towards Turkey, the Davos II agreements (1992) is the highlight of Mitsotakis' tenure. He met with his counterpart

from Turkey, Suleyman Demirel, and reached an agreement for the betterment of the relations among their countries. Mitsotakis and Demirel were both pushed towards this direction due to the events in Yugoslavia. The effort between Turkey and Greece to mend their differences was a precautionary move in case something unexpected emerged from the breakdown of Yugoslavia (Christopoulos 2000, 410). Yet the events in Yugoslavia, especially the Macedonian issue, did not bring the two countries closer. Davos II had the same fate as Davos I. Disagreements over the Cyprus, lead to the lack of progress in the negotiations regarding a solution to the Cyprus problem, resulting in the breakdown of Davos II.

In 1993, ND lost the early elections to PASOK. The elections were premature because ND came to power with a narrow majority. In the Greek political system, a party has to get 151 seats out of 300 in order to form a government. If the smaller parties do not agree to unite with the largest parties and form a coalition government, then no government is formed and new elections take place. By the same token, if the party that gave the majority party a vote of confidence withdraws from the coalition the government collapses. In the 1990 elections Nea Dimocratia gained 150 seats. It needed one more seat in order to form a government. PASOK could not form a coalition government even if all the other parties that received seats joined forces with PASOK. Only ND could form a government, but only if one of the smaller parties joined ND for a coalition government. Indeed, the leader of the DIANA party (Democratic Renewal) agreed to join and ND formed a government (Kaloudis 2000, 72-73; Drogidis 1997, 700-701).

Nea Dimocratia was forced to call an election because it lost the majority. The events that led to this situation had to do with the Macedonian issue. The Macedonian issue heightened nationalist feelings in Greece. The Foreign Minister of the Mitsotakis government, Antonis Samaras, adopted a hard stance towards FYROM, arguing that if Greece accepted the newly independent state with the name Macedonia in its title, there was a possibility of inviting future irredentist claims by FYROM (Kaloudis 2000, 74). Prime Minister Mitsotakis was more conciliatory on the name issue and thus asked Samaras to resign. Samaras resigned and the following year (1993) he formed a new political party (Political Spring) that attracted several of Nea Democratia's deputies causing the loss of the party's majority in parliament.

Papandreou came to power in October 1993 and remained in office until January 1996. He was in power for the third time, albeit this time only for a little more than two years. His third tenure was marked by illness, which at many times incapacitated him. In spite of that, Papandreou was still making the key decisions regarding foreign policy. For example, within a few months of coming to power, Papandreou imposed an economic embargo on FYROM. This move led to the worsening of the relations between the two countries (Christopoulos 2000, 417). The relations with Turkey were also implicated in the FYROM issue. In the post Cold War geopolitical environment, Turkey lost its strategic position vis-à-vis the ex-Soviet Union. However, a new role for Turkey emerged, as the stabilizer in the Caucasus and Central Asian regions that include Turkish-speaking people. The United States and Western Europeans promoted Turkey's role to the Caucasus and Central Asian region in order to counter the influence of Islamic

Fundamentalism supported by Iran (Kramer 2000, 97; Stearns 1995, 69). Turkey welcomed such support since it had aspirations to become a regional hegemon.

The Balkan region was also experiencing fundamental changes. It offered Turkey the opportunity to penetrate the region since there was a substantial Muslim minority many of whom trace their roots to the Ottoman years. The Balkans were part of the Ottoman Empire for nearly four centuries (ibid., 147). Turkey was one of the first countries to recognize FYROM and offer substantial aid to the small state (Constas 1995, 92). This was viewed by Greece as a threatening move. Since Greece's policies alienated FYROM's leadership, Turkey's courtship was welcomed. Greek/Turkish relations showed no signs of improvement during Papandreou's third tenure. Nationalism ran high in the region, a situation inimical to the development of amicable relations between neighboring countries. In January of 1996, Papandreou stepped down as premier due to the deterioration of his health (Kaloudis 2000, 76). Papandreou kept the PASOK leadership for another six months until his death in June of 1996 (Drogidis 1997, 717).

Constantine Simitis became the new prime minister and leader of PASOK. There were many differences between the two men (to be examined later) in terms of personality and ideology. Initially however, the posture towards Turkey did not appear to be different. The reason was that, upon Simitis' assumption of office a new crisis with Turkey materialized, the so-called Imia-Kardak crisis that brought the two countries to the brink of war. The names refer respectively to the Greek and Turkish names of two uninhabited islets in the South-East Aegean. The background for this crisis goes back to 1995 when the Greek Parliament ratified the Law of the Sea Convention that grants Greece the right to expand its territorial waters from six to twelve miles. As mentioned above, Turkey

would not concede to such a move by Greece. Turkey did not sign the law of the Sea treaty. Moreover, the Turkish Parliament gave its consent to the Turkish government to take any measure necessary, even war, if Greece extended its territorial waters to twelve miles (Athanassopoulou 19997, 76; Christopoulos 2000, 411).

The crisis culminated in January 1996 when the mayor of the Greek island Kalymnos raised the Greek flag on the Imia-Kardak islets. Turkish reporters took down the flag followed by the restoration of the flag by Greek military personnel (Christopoulos 2000, 411). This occurred on the Eastern Imia-Kardak islet. Turkey send troops to the Western islet and threatened to go to war. The Greek government mobilized its forces. The two countries would have probably engaged in armed conflict if President Clinton had not personally intervened and defused the situation. Nationalist rhetoric reign high in both countries and politicians were careful not to give the impression that they were conciliatory.

The Imia-Kardak crisis added a new twist to the issue of the territorial waters in the Aegean. For the first time Turkey raised the issue of "gray areas" in the Aegean whose ownership was not determined by international treaties (Athanassopoulou 1997, 86). The Greeks viewed this move by Turkey as further proof of the latter's revisionist policies in the Aegean. According to Athanassopoulou, the invention of the so-called "gray areas" was probably a political move by Turkey in view of Greece's signing the Law of the Sea convention and the possibility of Greece extending its territorial waters to twelve miles, an implication unacceptable to Turkey.

Prime Minister Simitis and his counterpart from Turkey, Tansu Ciller, agreed to meet and begin a dialogue with the United States as a mediator (ibid., 77). This agreement by

both leaders was relatively surprising since both countries did not welcome the involvement of a mediating third party. Greece especially was hesitant of American involvement. Since the invasion of Cyprus in 1974, the Greek elite and population at large considered American policies as favoring Turkey. Greece saw Turkey as the aggressor adopting expansionist policies against Greece with the tacit approval of the United States. The United States did not wish to get involved in a bilateral issue between two NATO allies. As long as the security and cohesion of NATO was not threatened the United States was aloof towards the Greco-Turkish conflict. "For 20 years Washington maintained what one might call a policy of 'equidistance' towards Turkey and Greece in relation to problems in the Aegean, while at the same time asking Greece to negotiate a settlement with Turkey for the sake of regional stability" (ibid., 77). The Greek apprehension for US involvement lead to Greece's turning down the American initiative event though Sinitis initially accepted.

Greece also sought the support of its European allies. Greece belonged to the Union whereas Turkey did not. The EU members initially supported Greece's position. When Turkey protested strongly, several of Greece's European allies began to send conciliatory messages to Turkey. The EU made it clear to Greece that its policies towards Turkey would not revolve around the Greco-Turkish relation (ibid., 80). The EU and the United States considered (and still do) Turkey as a crucial state for the stability of the Balkans, the Caucuses, the Middle East, and Central Asia. Moreover, Turkey was a potential market of 70 million. Another reason for the EU's and the United States' support of Turkey was the growing Islamic threat within that country. The success of the Islamist Welfare Party in the elections of 1995 fed the Western and Turkish secular elite fears

regarding an Islamic threat in Turkey. Finally, the policies of Mitsotakis and Papandreou regarding Serbia and FYROM (see below) came to haunt the Simitis government. In retaliation to the European aloofness Greece blocked a financial assistance package to Turkey worth \$250 million (ibid., 81).

Simitis was caught in a situation that he inherited from the past. He wanted better relations with the EU and Turkey. In order to do so he had to consolidate his position at home to put his plans in action; yet Simitis' first year in power exhibited continuities with Papandreou's nationalist and hard-line approach towards Turkey. There were several domestic factors that lead to this outcome. First Simitis has just come to office and PASOK was dominated by nationalist elements that argued for a tough position against Turkey. This group put pressure on Simitis to back down from his initial position of accepting American mediation on the issue of the Aegean, which he did. Simitis backed down because he wanted to appease the hardliners and gain their support for the upcoming elections regarding PASOK's presidency due to Papandreou's death (ibid., 79; Kazamias 1997, 80). Second, Simitis was concerned with the possibility of being labeled a 'defeatist' early on his carrier, a label that would haunt him during his tenure (Kazamias 1997, 80).

Nevertheless, Simitis wanted from the beginning to placate Turkey and solve their differences and embark on what he considered a more pressing issue: the modernization of Greek society. Simitis was a "modernizer", critical of Papandreou's nationalist/populist rhetoric and policies. His intentions were known by the hardliners who threatened not to support him. Thirty-two PASOK MPs send him an open letter stating that, "no matter how faithfully Simitis pursues Papandreou's policy of deterrence

towards Turkey, his party's nationalists will still regard him as a potential 'retreatist', because, regardless of his record, they still remain uncertain about his deep intentions, which clearly differ from their own" (ibid., 81).

His policy of confrontation with the European allies and the hard-line approach towards Turkey was not Simitis' intention. He was caught off guard by the Imia-Kardak crisis and responded in a manner that limited damage to his political career. "The crisis [Imia-Kardak] hijacked Simitis' foreign policy by delivering a bitter blow to what was his primary goal, that is to lead Greece-according to his expressed wish-away from the short-sighted practices of the past and towards integration a closer political [and economic] co-operation with its partners in the EU" (Athanassopoulou 1996, 114-115). This entailed a stronger Greek economy because Simitis wanted Greece to develop along Western lines by participating fully in the future EU.

To achieve this, a better relation with Turkey was essential. A better relation with Turkey would enable Greece to cut its huge defense budget and divert money into the economy. Between 1974-83, Greek defense expenditures were about 7 percent of GDP and 40 percent of total government expense. In the 1990s, the equivalent figures were percent and 25 percent. "This defense burden was, proportioned with the size of Greece's economy in the 1990s, the highest in NATO, over twice the average of the other EU countries, and about 50 per cent greater than Turkey's....With a normal defense burden, the Greek government could probably have qualified at the same time as other EU countries for entry into EMU" (Close 2002, 272).

Simitis' initial hard-line approach towards Turkey did not lead to the negotiating table immediately after the Imia-Kardak crisis was diffused; however, mounting pressure by

the United States and the EU materialized with the Greek-Turkish meting in Madrid and the signing of the Madrid Accords in March of 1997. The Madrid meeting took place in July of 1997. Simitis met with the Turkish President Suleyman Demirel and not Prime Minister Ciller, who was forced to step down from power due to corruption accusations. The two leaders signed an agreement to "abstain from coercion and other initiatives that would effect each other's legitimate vital interests and would respect the provisions of international agreements" (Veremis 2000, 45). The next two years were crucial for the relations between the two countries. Similarly with the Davos I and II agreements, the Madrid Accords experienced the vacillation of the Greco-Turkish relationship.

The issue of Cyprus cooled the cordial relations that emerged after the Madrid Accords. Turkey announced a partial integration agreement with the so-called Northern Republic of Cyprus. This occurred five days before negotiations between the two communities on the island were to begin (Athanassopoulou 1997, 95). Turkey initiated this policy because the EU made it clear to Turkey that it was not on the list of countries about to begin negotiations for accession into the Union, whereas Cyprus (the Southern part) was. Turkey traditionally held the position that Cyprus should not become a member of the EU without Turkey becoming one also. Turkish politicians often used the threat that if Cyprus became a member then they would unite with Northern Cyprus. The United States and the EU criticized Turkey's audacity since it was undermining the Madrid spirit. Simitis adopted a low-key position on this issue and limited himself to declaring the willingness of his government to abide with the Madrid spirit. This was a calculated move by Simitis to gain the good will of the US and the EU. He stood by his

position despite criticisms by the opposition and the hardliners within his party (ibid., 96).

As I argued in the introduction, Simitis policies began to solidify in 1997 with his insistence on continuing the spirit of Madrid. It would take another two years for Simitis to take charge of domestic politics and pursue his twin policies of reconciliation with Turkey and the modernization of Greek society via a closer relation with the EU. A series of events such as the installment of Russian missiles (S300) in Cyprus; the arrest of the Kurdish leader Abdullah Ocalan; the Helsinki Accords; and the placement of George Papandreou Jr. (son of Andreas Papandreou) as the new minister of foreign affairs made 1999 the year that "Greek-Turkish relations entered a phase of détente" (Keridis and Triantafillou 2001, xvii). All of these issues will be examined in chapter seven. Simitis was the first Greek Prime Minister to hold the view that Greece should solve its problems with Turkey in order to consolidate its position in an integrated Europe and move Greek society into the 21<sup>st</sup> century.

Turkey was also reluctant to abandon the Madrid spirit despite its aggressive policies over Cyprus. The Turkish elite realized that the European route was a more promising venue than the Asian route. Turkey abandoned its policy of becoming the leader of the Turkic speaking countries in Central Asia. "Turkey lacked sufficient material support form the Western allies, lacked sufficient indigenous means for pursuing such an ambitious policy, and met growing and determined Russian resistance against losing influence in its 'near abroad'" (Kramer 2000, 97). Thus, Turkey returned to its emphasis on its relation with the European Union. "Newly risen issues notwithstanding, the

relationship with the European Union remained Turkey's most important foreign policy concern in the 1990s" (ibid., 181).

The European-Turkey-Greece triangle was formed in the sixties when both countries applied for association agreements. As we saw, Greece became a member in 1981. whereas Turkey did not. Apart form the weakness of the Turkish economy, a series of military regimes did not help Turkey's chances to become a member of the Union. Until 1985 the issue of Turkey's membership in the EU was not an issue of contention between the two countries. By 1985 when the EU began to normalize its relations with Turkey due to the restoration of civilian rule Greece began to object to Turkey's admission. The issue of Cyprus was key for Greece's posture. Every time Turkey submitted an application for full membership, Greece would object based on Turkey's poor record on human rights, Turkey's belligerent stance against Greece, and Turkey's unwillingness to push for progress on the Cyprus issue (Georgiadis 2000, 424). This resulted in the opinion that Greece's position was the sole obstacle to Turkey's entrance in the Union. This view was prominent among the Turkish elite and the public at large. In fact many of the European member countries did not want Turkey in the Union. "The size of Turkey and its low level of economic development would 'wreak havoc' on the community, not to mention the political and social shortcomings of the country. Thus, the opinion of the Commission on the Turkish application, published in 1989, left little prospect for Turkish membership" (ibid.).

The Europeans did not want to alienate Turkey completely either. To reiterate,

Turkey's potential as a market and geostrategic position induced the European partners to
enact policies, compensation packages and a custom union, all designed to keep Turkey's

hopes for membership alive. Greece found itself unable to block European overtures to Turkey because of its unpopularity within the Union in the eighties and early nineties (the problem with FYROM). In addition, Papandreou's lax attitude toward the European Union's requirements for member states further exacerbated Greece's position. In 1995, when the Custom Union with Turkey was to take effect, Greece was pressured to accept. Under the auspices of the French presidency, Greece withdrew its veto in exchange for the European Union's agreement to open negotiations with Cyprus for the island's future membership in the Union (ibid., 426).

Since Simitis came to power in 1996, the Greek position vis-à-vis Turkey's entry into the European Union'has been one of support. This was evident by Greece's stand in the European Council's meetings in Luxembourg (1997) and Helsinki (1999) where Greece supported the granting of candidate status to Turkey (Theodoropoulos 2001, ix). At Helsinki the EU agreed to accept Cyprus and determined that a settlement to the Cyprus problem would not be a precondition for the accession of the island into the Union (Nicolaidis 2001, 250).

## FYROM: A Step Backwards

As mentioned in the previous section, the issue of FYROM gave rise to a nationalist wave in Greece. After the breakdown of Yugoslavia, four out of the six republics composing Yugoslavia declared independence. In 1991, the Macedonian Republic announced its independence (Christopoulos 2000, 417). Greece was confronted with the inevitable formation of a new state in its Northern border carrying a name that was and still is considered part of Greek identity and thus sought to place qualifications on the new state's name as a precondition for its independence. Greece raised specifically three

conditions: a) that FYROM would not advance any territorial claims on neighboring states, b) that it would not conduct hostile propaganda against its neighboring states and c) it would not use names that would be accessible to territorial claims and/or propaganda. Propaganda referred to raising the issue of a Macedonian minority in the neighboring states and cultivating irredentist demands (ibid., 417).

In contrast with the Greco-Turkish conflict, which was attached to the perceived national interests of Greece, the conflict with FYROM was largely a symbolic conflict.<sup>17</sup> It revolved around the name Macedonia and the Vergina sun; a sixteen-point star associated with King Phillip the father of Alexander the Great (Clogg 1997, 67). The Greeks associate Macedonia and Alexander the Great with their history. Macedonia is part of Greek history and for another state to include this name in its official title was an outrage. In addition, Greece argued that if the new state included the name Macedonia in its title this would set the stage for future irredentist claims. The reality of the issue is that from a strategic point of view, FYROM was in no condition to threaten anybody militarily. In addition, FYROM due to its geographical position, having no access to sea, depended on Greece for its trade.

The Greek elite and the public at large opted for the belligerent route. One of the reasons was that the economy was not doing well at the time and a nationalist cause would draw the attention of the public away from the economy and unite them behind the ruling party. These events were taking place months before a parliamentary election (ibid). The party in power at the time was Nea Dimocratia. Its leader and prime minister was Constantinos Mitsotakis and the Foreign Minister was Antonis Samaras. Samaras took the three conditions mentioned above to Brussels in a meeting with the foreign

ministers of the European allies and asked for their support (Drogidis 1997, 709). The European allies hesitantly accepted the Greek demands. The European hesitancy was related to the manner the Greek government presented its case. The Greeks put forward two arguments regarding the implications from the use of the name Macedonia by the new state.

First, they referred to the historical argument, arguing that Macedonia and the Macedonians were Greek and thus the adoption of the name Macedonia by the new state, where the population did not speak Greek, was an aberration. Second, the security/threat argument where Greece argued that by including the name Macedonia in the new state's name would facilitate future irredentist claims (Zahariadis 1996, 311-312). The historical argument did not persuade the European allies, not so much because it is inaccurate, but because in modern international conflicts among neighboring states, reverting to history in order to solve recent problems, is usually avoided. In addition, "the history of the region is very complicated; it cannot be easily explained to foreign publics accustomed to thirty-second sound bites. As a result, Greek history became an esoteric subject to most foreign observers, who neither had the time to be informed nor cared to become so" (ibid. 311). The second argument, related to the potential military threat from the new state, was also not taken seriously because the disparity between Greece and FYROM in terms of military capabilities and economic performance were considerable. When Samaras was asked about the military threat from FYROM he was not clear whether it was FYROM or FYROM combining forces with another neighboring state, e.g., Turkey or Bulgaria. This allusion to a third member did not sound convincing because it "depended on a chain reaction of events that was neither clear nor probable" (ibid.).

The Greek position was further compromised due to the lack of agreement among the Greek policy makers. In particular, the disagreement between Prime Minister Mitsotakis and Foreign Minister Samaras, leading to the resignation of the latter, did not help the Greek cause. Although, initially the two men agreed on the importance of the Macedonian issue, they drifted apart in the subsequent months. Samaras was unequivocally against the inclusion of the name Macedonia in the title of the new state whereas Mitsotakis agreed to a compound name. The disagreement between the two men led to the firing of Samaras by Mitsotakis. Despite the weaknesses of the Greek position, the Greek government managed to maintain the support of its European allies. However, FYROM took the issue to the United Nations where Greece had no veto power. After intense negotiations FYROM was accepted to the United Nations but with two conditions: the name FYROM was temporary and the flag with the Vergina star was not flown outside the UN building. Negotiations were to continue between the two countries until a satisfactory solution for both was found.

When Papandreou came to power in 1993 he decided that the negotiations were leading nowhere and withdrew from the negotiating table, imposing an embargo on FYROM in early 1994. This move alienated the European allies and the United States. Instead of the European allies and the US pressuring FYROM to back down regarding the name issue, they were now pressuring Greece to return to the negotiating table and lift the embargo. After US intervention and strong diplomatic initiatives, the two sides signed an accord in 1995. The European allies took Greece to the European Court of Justice over the embargo but withdrew the charges when the accords were signed. This was the extent of the division between Greece and its allies at the time. The United States

promised FYROM that if it signed the accord it would receive full diplomatic recognition. In return FYROM had to keep the compound name and enter into negotiations with Greece and drop the Vergina star from its flag and to sign a treaty regarding the inviolability of their border. Greece agreed to allow FYROM to join international organizations (ibid., 319).

The FYROM issue and Greece's warm relations with Slobodan Milosevic's regime in Serbia isolated Greece from its European allies and the US. The use of forceful means to achieve results (embargo) was becoming delegitimized in the post-cold war era, especially in Europe. By 1996, when the Simitis government came to power, the relations between FYROM and Greece were back to normal. The Dayton accords stopped the fighting in Bosnia and the Balkans entered into a new era of reconstruction. Greece, under the leadership of Simitis, would adopt a new Balkan policy where Greece would play the role of a stabilizer and the promoter of market economics and democracy.

The Domestic Context: Greek Politics and Culture

## Formal Political Structure

In this section I will present the formal aspects of the Greek political system as they pertain to the role of the prime minister. According to the formal language of comparative politics, Greece is characterized "as a unitary state and parliamentary democracy" (Legg and Roberts 1997, 112). Unitary state refers to the fact that power is concentrated in the hands of the central government and no regional institutions or provincial government possess any power. The constitution, like other democratic countries designates an executive, legislative, and a judiciary. Within government institutions power is supposed to be concentrated in the parliament, hence the term

parliamentary democracy (ibid.). The members of the parliament select the prime minister who leads the government. Single leaders dominate Greek political parties, and when a specific political party wins the elections its leader becomes the prime minister.

Greece has a majority-party cabinet system where the party that wins the elections by a majority of votes takes over the government. Greece, since 1958, has an electoral system that favors the large parties. There are 56 electoral districts in Greece and each electoral district (constituencies) corresponds to a number of seats in parliament. The number of seats assigned to each constituency corresponds to the number of citizens (not voters) registered there. The urban centers like Athens and Thessalonica have up to 32 seat constituencies whereas some rural area have one seat constituencies (ibid., 40). However, since constituencies coincide with geographical divisions, individuals who migrate to the city can go back to their place of birth and vote. This feature of Greek elections has reinforced clientelistic relations. There are approximately 300 seats in parliament. The constitution does not specify a specific number but that there have to be between 300-200 seats (Legg and Roberts 1997, 119). The seats are allocated to the party with most votes during an election. Interestingly the two large parties, liberal (ND) and socialist (PASOK) are collaborating silently by accepting the current electoral laws that favor large parties by the fact that they do not get together to pass an electoral law based on proportional representation where smaller parties can benefit (Koutsoukis 1994, 270).

In 1974 when democracy was restored the then prime minister, Karamanlis, proposed laws that gave the president of Greece certain powers. Karamanlis proposed that the president "should have a number of prerogatives such as the dissolution of the

parliament, the holding of referenda on crucial national issues, and even the dismissal of the cabinet which would be exercised without the prime minister's consent" (Alivizatos 1990, 134). Karamamlis was basing his position on the role of the Monarchy in Greece prior to the 1967 military coup. <sup>18</sup> The opposition parties at the time advanced the view that the president should have only ceremonial functions. They were also basing their arguments on the role of the Monarch in pre-junta Greece. They considered the traditional tendency of the King to intrude in domestic politics as instrumental to the intervention of the military in 1967 (ibid., 1993, 66). After a heated debate, the opposition parties withdrew from the Assembly and the Constitutional Amendment regarding the presidency was approved by the Nea Dimocratia party. When PASOK came to power for the second time (1985) it reversed the ND decision of 1975 and transferred all of the presidential prerogatives to the prime minister. This move further strengthened the position of the prime minister.

The presidency remained a ceremonial position. Power lie in the hands of the Prime Minister. "The prime minister is the most powerful figure in the Greek political system" (Legg and Roberts 1997, 122). Paradoxically, according to the third part of the Greek constitution, dealing with the structure of the state and the powers and procedures of the branches of government, the majority of the articles deal with the presidency and the parliament and few with the office of the prime minister. "The organization of the constitution and its detail suggest that the presidency and the parliament are more important than the government [Prime Minister's office]. In reality, however, it is the government, especially the office of the prime minister, that holds political power and orchestrates the actions of other state institutions" (ibid., 113).

According to the Greek constitution, the Ministerial Council (the cabinet) is the government (Koutsoukis 1994, 271). The cabinet consists of the prime minister (president of the government) and the ministers. The cabinet is the highest executive organ and collective decision-making body of the Greek republic. The cabinet decides on policy through three means: open voting, majority rule, and debate (ibid., 273). Regarding the majority rule, a legal majority must sign a specific cabinet bill. If a minister dissents he/she must express his/hers dissent in the minutes of parliament but abide by the majority decision. The minister cannot go public with his/hers dissension. If he/she does go public then the prime minister may ask the minister to submit his/hers resignation since he/she is undermining the collective decision-making nature of the cabinet. These scenarios, when they do arise, are political in nature and pertain usually to power plays within the specific party in power (ibid., 272-273). For example Papandreou dismissed Simitis in the late eighties, Mitsotakis dismissed Samaras in the early nineties, and Simitis dismissed Pangalos in the late nineties. In most cases, the Prime Minister does not dismiss an opponent but reshuffle the ministerial positions sending a powerful minister to a position of little influence.

The prime minister's prerogative to name ministers and if necessary sack them is a powerful tool at his disposal. In addition, the prime minister's political office is a central institution in assisting the prime minister with controlling the cabinet. Set apart and above from the cabinet its function is to assist the prime minister with governance. The political office has been labeled the "eye" of the prime minister and its importance has increased since Papandreou came to power. "It supervises the work of the ministers in keeping deadlines and implementing work plans and policies" (ibid., 275). Another

powerful tool at the prime minister's disposal is his power to choose the candidates to be included on the electoral list for every constituency before elections. "The fear of not being in the list makes deputies more careful in their criticisms regardless of whether or not their party is in power" (ibid).

This concentrated power in the hands of the prime minister is part a result of the structure of the political system but also of other features of the Greek political system, such as clientelism, the large centralist state, and concomitantly the lack of a strong civil society, features I will examine below. As a conclusion of this section I offer the words of Koutsoukis who summed up the hegemonial position of the prime minister in Greek politics in the following words; "the 1975 constitution [has] led to the emergence of a powerful prime minister as a primus solus, and a system of 'prime minister centrism'. The autonomy of cabinet ministers is thus subject to the prime minister's dominance...the only alternative to submitting to the prime minister is for a minister to dissent and resign, if he is not dismissed first" (ibid., 280).

State, Society, and Political Parties

As seen above, the formal structures of the Greek political system confer considerable powers to the prime minister. In this section I examine the relationship between the state, civil society, and political parties and the implications of their relationship for the hegemony of the prime minister. Nikiforos Diamandouros (1994, 6-7), commenting on the effects of industrialization on late industrializers in Southern Europe (Greece, Italy, Portugal, Spain) argued that the penetration of modernity to these countires has been instrumental in the shaping of state/civil society relationship. Diamandouros argues that in early industrializing states civil society played a stronger role in the overall

socioeconomic and political trajectory of the state in question, whereas in late industrializers civil society remained weak even after considerable development occurred (ibid., 5). In the former case, the capitalist center witnessed the "development of strong trade unions and working class parties [as well as other organizations], at a time of restricted levels of state expansion and against a historical background encouraging the formation of a *corps intermediaires* between state and people, [that] resulted in the establishment of a *strong and autonomous* civil society" (Mouzelis 1986, 73). Mouzelis emphasizes *strong* and *autonomous* because in some cases there are unions with huge memberships but they are controlled by the state and in other case there are autonomous groups but are very weak vis-à-vis the state (ibid.).

Greece belongs to the late industrializing countries. Until 1829, when Greece gained independence, the territory demarcating Modern Greece was under the control of the Ottoman Empire. The legacy of the Ottoman/Byzantine tradition<sup>20</sup> bestowed on the Balkan countries that gained independence from the Ottoman Empire during the 19<sup>th</sup> century, a strong statist tradition. Mouzelis argues that relations of incorporation characterize the association between the state and civil society in late industrializers.<sup>21</sup> Incorporation refers to a relationship between state and civil society that is different from corporatist forms of state/civil society relations.

Both incorporation and corporatism capture the different types of inclusion of the lower strata of the population in rapidly changing societies due to industrialization. Mouzelis argues that the two forms of corporatism that Schmitter developed, state and societal corporatism, pertain to two forms of *de jure* arrangements between the state and civil society organizations (workers, employers). In state corporatism, the state from a

position of strength creates (through coercive means) societal organizations and controls them through laws. In societal corporatism, the state and societal organizations negotiate as equals their type of relationship (ibid., 75). "Incorporation as used here refers to the *de facto* control exercised by the state over associations which, while on paper free from legal commitments to keep the 'social peace' are weak and therefore easily subjected to state manipulation and control" (ibid.).

The incorporation of newly mobilized societal groups in late industrializers is accomplished by way of two methods: clientelism and populism (ibid., 76). Clientelism is a dyadic relationship between a patron (a person holding considerable power in a specific social context) and the client who depends on the former for his/her economic well being. The patron offers goods and services (that he monopolizes) to the client in return for loyalty, services, goods, or in the case of politics, the client offers his/her vote. Populism is a type of leadership where a charismatic leader through his eloquent rhetoric and policies gains considerable political following. Populist leaders have been identified in traditional, transitional, and modern societies because there are certain themes in populist discourse and policies that are similar. Populist discourse is characterized by a set of core ideas that organize social reality in a simplistic and dualistic manner. Usually the populist politician addresses the masses as the people (o laos in Greek) who are the underprivileged pitted against a privileged oligarchy. The latter are usually portrayed as pawns of foreign powers aiding them in the exploitation of their country. "Consequently, it [populist discourse] mobilizes not a specific class, but the 'people' or the 'masses' in general, against whatever is identified as the 'enemy', be it the state, 'officialdom', the

ruling class, the economic and political oligarchy or a foreign power" (Lyrintzis 1987, 671).

These two forms of incorporation are related but not in any necessary manner. Clientelistic relationships do not necessarily evolved to or require populist policies. Clientelism is still today a feature of Greek politics although in recent years (post-junta era) it has taken a different form due to the development of large mass parties and the political centralization of these parties. Mouzelis, commenting on these developments, argues that at some point of their developmental trajectory, late industrializers exhibit a combination of traditional (clientelism) and modern (bureaucratic) elements. The first mass modern/bureaucratic party in Greece is PASOK. Through its elaborate network of dedicated cadres, it managed to spread its influence in every corner of Greece. The local notables who would get votes for the urban politicians were sidelined by the party cadres who became the new political brokers. (Mouzelis 1995, 19). In political clientelism the role of the local patron is crucial for the generation of votes for the urban politicians. In Greece, these local patrons had considerable power and autonomy vis-à-vis the urban centers of power. However, with the advent of the mass political parties in the post-junta era their power diminished. The political cadres of the centralized/bureaucratic parties (PASOK and ND)<sup>22</sup> either replaced them or they became party members and continued their function as local political entrepreneurs. However, they loss their autonomy since they became accountable to the party leader.

This gradual loss of power by the local notables to political parties transformed traditional clientelistic relations to a new form of clientelism called bureaucratic clientelism (Lyrintzis 1984, 103). The party organization through its extensive

networking acts as the political patronage instead of the local patron (Sotiropoulos 1996, 61). The party becomes a collective political patron. This does not alter the central aspect of clientelistic relations base on "informal, contractual, instrumental and reciprocal exchange" (ibid.). In bureaucratic clientelism, the citizen members of the party and the party bureaucracy have certain expectations. "From the individual citizen's point of view, bureaucratic clientelism implies the exchange of political support from the voter in exchange for nonpolitical, usually job-relates, favors from the politician. From an organizational point of view, bureaucratic clientelism means the practice of extended political appointments to already existing organizations and the creation of new organizations to be filled with politically recruited personnel (ibid., 48).

As a consequence, the party in power creates new ministerial or organizational positions and fills them with its supporters. This leads to a huge state apparatus. The demands of the populace for better education, housing, health, higher incomes, and job security, are satisfied with state resources. Thus, public expenditures rose from 20 percent to 50 percent of GDP from 1976 to 1988 respectively (Sotiropoulos 1993, 47). In terms of job favors, when Papandreou came to power in 1981, governmental ministerial positions including ministers and deputy ministers, totaled between forty and fifty members (the highest in Europe) in contrast to thirty-two in 1973 (ibid., 46; Legg and Richards 1997, 161). In addition, members of PASOK after the 1981 victory, instead of going to the Greek National Manpower Agency to find employment, they went to PASOK's "Solidarity Bureau" (Sotiropoulos 1996, 62). Three to four thousand members of PASOK were hired immediately in the public sector. By 1985 there were 224,000

more employees working in the public sector than in 1980. They were hired in the first year of PASOK in power (Sotiropoulos 1993, 44).

Through bureaucratic clientelistic processes political parties manage to dominate the state. This occurs by "the systematic infiltration of the state machinery by party devotees and the allocation of favors through it" (Lyrintzis 1983, 103). This leads to the increase of the public sector and a huge state but it does not necessarily increase the strength of the state, i.e., its ability to be autonomous from societal interests. Mouzelis aptly described the Greek state as "a colossus with feet of clay" (1995, 25). Political parties penetrated the state machinery which "came second and was from the outset below party" (ibid.). Public appointments were based on party criteria (membership, devotion, subordination to the leader's will). Moreover, the Greek constitution gives political parties a lot of leeway in their dealings with the state bureaucracy. "For example parties may revise the structure and procedures of public administration at will" (Sotiropoulos 1993, 52). Another factor that contributed to the weakness of state bureaucracy is legitimacy. The Greek people at large, although they do not trust the parties wholeheartedly, they trust the public administration even less.

This results in the politicization of everything in Greek society. "This means that the 'logic' of party politics supercedes all other logics (economic, educational, cultural etc); namely, when there are conflicts of interests between those who control the means of domination and the those who control the means of production and means of cultural production the former prevail over the latter" (Mouzelis 1995, 20). For example, the economic sphere was also subordinated to the will of the party-state. Thus, the efforts to privatize have been entangled in political dealings, hardly a conducive environment for

the efficient operation of the market. "Industrial policy in Greece has been defined...by the intense politicization of the economy and the close interlinking of political and economic concerns and objectives... this resulted in considerable business dependence on political dealings often resulting in the survival of lame ducks and inefficient producers" (Lavdas 1997, 151-152). The penetration of the economy was accomplished through the incumbent party's control of the ministers and all other essential personnel and organizations that deal with the economy.

Furthermore, the entrenchment of political parties in Greek society did not allow other forms of political organizations to emerge. Thus, the role of civil society in Greece was and still is inconsequential. Civil society is the social space between the individual and state. It is comprised of organizations, such as, schools, churches, unions, business organizations, groups organized along ethnic and linguistic lines, and social movements like the environmentalists and the feminists. Because the Greek nation is fairly homogeneous, there are few groups organized along ethnic or linguistic lines. The Greek Church, unions, and employers organizations are subordinated to the state and social movements succumb to the patronage of the political parties (ibid.). Consequently this party-state system became omnipresent. Thus, Greeks prefer to deal with the public administration and parties through personal relations that will safeguard the satisfaction of their needs

Populism as a form of incorporation became a powerful force in Greek politics after PASOK won the 1981 elections and it was a product of Papandreou's charismatic personality. In the post WWII era and up to the fall of the junta in 1974, conservative right wing forces held political power. The majority of the population, petty bourgeois

and farmers became more radicalized during the military regime's rule. In addition a substantial section of the student population that participated in the resistance against the junta were becoming politically mature during the seventies. "These strata [petty-bourgeois], together with the farmers, constitute the backbone of [Greek] society and any significant political movement has to win their support. PASOK managed to attract large sections of these social strata and to mobilize them by advancing a populist discourse which addresses them as the 'anti-right' forces and convincing them that the 'right' was the arch-enemy" (Lyrintzis 1993, 34). These social strata, disgruntled with the policies of the right wing governments of the sixties and seventies, were ripe to support a new political force that would bring change. Fittingly, Papandreou adopted the word *allagi* as PASOK's slogan, which means change.

The ability of Papandreou to tap into that section of the Greek population that longed for a new political force in Greece and capture their imagination has been one of his political successes. To this task Papandreou was aided by his charismatic personality and populist rhetoric (elaborated on the next section). The charismatic personality, coupled with the hegemonic position of the prime minister in Greek politics, elevated Papandreou to a position of dominance in Greek political life unparalleled by any other political figure in Greek history. The strength of political parties vis-à-vis the state and civil society further amplifies the power of the prime minister. In most cases of populist regimes the charismatic leader distrusts intermediary elements between the leader and the people. Even in case of well-organized parties like PASOK the leader was the main conduit between him and the people.

Nikos Mouzelis defines political culture as, "the complex set of orientations and discourses that actors use while trying to make sense of, to account for, or to legitimize/delegitimize prevailing political arrangements" (Mouzelis 1995, 31). Greek political culture is rooted in the broader context of Greek culture (hereafter collective identity, but for convenience I will use just identity). In Greece, as in other late industrialized states, the intrusion of modernity has given rise to two antagonistic collective identities with distinct political orientations. One of the two identities is "more traditionally oriented, indigenously based, inward-looking political orientation, hostile to Enlightenment ideas as well as to the institutional arrangements of Western modernity" ibid., 20). The other identity relates with the West and pushes for the adoption of Western values and institutions, believing that this is the best way for Greece to prosper and become a modern and powerful society. These two visions are important in understanding Greek foreign policy since they vie to define what is Greek national identity.

The two collective identities began to solidify themselves in Greek society after independence. One is rooted in the Byzantine/Ottoman tradition and the other has its roots in the enlightenment. The two identities exhibit three features: a) the first characteristic is their "cross-sectional nature, the tendency, that is, to cut across Greek institutions, strata, classes, or political parties in Greek society and not to become exclusively identified with any one such" (Diamandouros 1994, 11); b) the second characteristic, based on the first one, is that "both cultures have historically reproduced themselves within the quasi-totality of Greek institutions, structures, and social

arrangements" (ibid., 12); c) the third characteristics is the fact that the roots of both collective identities have their origins in Greek civilization. Consequently, the discourses associated with the two identities are both needed in the construction of "a coherent" Greek national identity. Moreover, when one or the other are dominant in Greek society, the other identity is not threatened with extinction or suppression but continues to coexist with the identity that is dominant, albeit in a subordinated role. Whichever identity dominates depends on the dynamics between the international, domestic, and leadership levels.

In other societies the clash between modernity and indigenous cultures is clearly delineated in the specific country's institutions. Political parties, classes, and other institutions are affiliated with one identity or the other. In these cases there is a "clear" indigenous tradition tracing its origins to the specific country's history and giving rise to a particular national identity. The modernizers in these cases identify with a tradition that is located outside their country. In Greece the modernizers identify with Western civilization that according to convention has its roots in classical Greece. The traditionalists identify with the Byzantine/Ottoman tradition is also traced to Greek civilization, minus the Ottoman aspect. Modern Greeks consider the Byzantine Empire a continuation of the Greek nation from antiquity.

Indeed the particularity of Greece resides in the fact that both tradition and modernity can be ideally traced back to indigenous sources. If anything, the scourge of an undifferentiated identity resides in the fact of its congenitally bicephalic imaginary origins. In this respect, circumstances have led Greek identity discourses in an "impossible" direction. There can be no coherent national image, both forms of rationalization being ideologically necessary and inevitable. The major price "Helleno-Christian" identity discourses have had to pay for their historical antecedents resides in their congenital incapacity to construct an internally coherent stereotype. The struggle between tradition and

modernity is not reducible to an opposition between domestic and imported cultural tenets, but is seen as an inevitable function of the "essence" of modern Hellenism (Tsoukalas 1993, 67-68).

The Modern Greek national identity discourse was constructed to present the Greek inhabitants of the Ottoman Empire as the heirs of classical Greece. Thus, the European Philhellenes<sup>23</sup> and the Greek Diaspora of Europe served as a conduit for the transmission of the Enlightenment ideas to Greece in order to debarbarize and transform Modern Greeks "into beings worthy of Pericles and Socrates" (Anderson 1983, 72). These ideas (liberalism, nationalism) fueled the Greek struggle for independence. However, the indigenous Greek inhabitants were steeped in the Byzantine/Ottoman and Orthodox Christian traditions and were impervious to the ideas of the Enlightenment. Although both conceptions of Greek national identity adopted the thesis of the continuity of the Greek nation (accepting but emphasizing one or the other points of origin) they developed different conceptions of Greece's position in the world and the road Greece should follow in the future.

The traditional identity has been called the "underdog culture" (Diamandouros 1994, 19). The Byzantine/Ottoman heritage and the Orthodox Church bestowed on it a strong statist orientation coupled with an ambivalent attitude towards capitalism, a clientelistic political culture, a mistrust for foreigners, and in general an anti-Western mind-set (Ibid., 12-13). The underdog culture "whether at the mass or elite levels, became, over time, particularly entrenched among the very extensive, traditional, more introverted, and least competitive strata and sectors of Greek society...[involved] in activities marked, above all, by low productivity, low competitiveness, the absence or tenuousness of economic,

political, and cultural linkages to the outer world and to the international economy..." (ibid., 21-20).

This tradition's conception of Greece's position in the international society (regional and global) and its future in the developmental path is overpoweringly defensive always portraying Greece as the victim of international conspiracies (implying that nothing is at fault at home), in both the political and economic levels. Politically, this gives rise to an exaggerated sense of nationalism and economically it adopts a protectionist stance of leading to the conception that the state will lead Greece towards the developmental path by protecting the weak from the vagaries of capitalism. Moreover, it holds on to the traditional practices of clientelism where clients seek to gain favors by supporting patrons. The underdog culture has been the more numerous and predominant in Modern Greece despite the involvement of Greece in the modern world system since its independence, and more recently, its entry in the European Union.

The other collective identity in Greece is called the reformist or modernizers (*eksihronistes* in Greek) and is imbued in the values of Western Europe. It has been on the defensive in most of the history of Modern Greece (ibid., 21). In contrast to the underdog culture, the reformist position promotes a more secular/rational model of society along the lines of Western European democracies. It supports market economics and the concomitant ideas of less state intervention in the economy and the promotion of competitive economic, practices that would usher Greece into the developmental path followed by Western democracies. It favors the increased linkages between Greece and the international society. It considers the underdog culture as the main obstacle for Greece's development of a modern industrial state. Thus, it attacks the clientelistic

practices associated with the underdog culture and its parochialism. The sections of the Greek population associated with this collective identity are those that traditionally have been engaged in economic (commercial, financial, and industrial), political, and cultural activities that linked them to the international society (ibid., 23). Considerable influence within this tradition was and still is the role of the Greek Diaspora. In their emphasis on reform and the need to emulate Western values and not reject them, the reformers come to emphasize planning, adaptation, and the competitiveness of Greek society within the international society.

Since Greek independence both collective identities have reproduced themselves in the totality of Greek institutions through "adaptation to, or assimilation of, new domestic or international forces and developments affecting the Greek scene" (Diamandouros 1993, 3). Since the two identities cut across Greek society, elements of both are found within one political party. PASOK, the party in consideration here, exemplifies this trait of Greek national identity. Papandreou's rhetoric and policies belong to the underdog culture, as the analysis of his political discourse will show. Yet, as a socialist and an economist trained and educated in the West would make someone assume he belongs to the modernizers. After all socialism is a child of the Enlightenment. On the other hand Simitis belongs to the reformists/modernizers. Even from the time when Simitis was part of the Papandreou inner circle, he displayed modernist tendencies.

#### The Individual Level

## Andreas Papandreou

Papandreou came to power in 1981. His meteoric success has been attributed to his charisma, his astuteness as a politician, and his brilliance as an economist. A close

examination of the discourse of Papandreou reveals a mixture of idealism, populist demagogy, and realism. Kitoeff fittingly said, "Papandreou thus defies the simple labels that have been used to describe him: ideologue, romantic, maverick, opportunist, old style politician, advocate of a unique road to socialism, populist, and so on" (1997, 7).

Another commentator described Papandreou as possessing, "a captivating personality with an unrivalled ability to mesmerize the masses and an excellent communicator, yet at the same time, profoundly egocentric, with the mentality of a person that has been assigned a special mission in life" (Diamantopoulos 1997, 343).

Papandreou belongs to the generation of politicians who wanted to institute a democratic socialist regime, critical of both Western European Social Democracy and Eastern European Soviet style communism (Ioakimidis 1996, 37, and Featherstone 1987, 130). His anti-Western (against the US, imperialism, capitalism) ideas were encrusted in the Dependency/Socialist/Nationalist rhetoric so characteristic of the late sixties and seventies (Featherstone 1987, 129). Papandreou's life had been characterized by contradictions. Although during his academic years when he was a professor in the United States he was apolitical, he became a politician. As a worldwide famous economist he worsened all the economic indicators of the Greek economy. He advocated that Greece be free from foreign intervention, yet his economic policies rendered Greece more dependent on foreign economic centers. A supporter of democracy and pluralism, he created the most centralized political party the country ever had. He attacked the United States and the European Union, calling them exploitative and imperialists centers, nonetheless, by the end of his political career, he promoted closer relations with both (ibid., 344).

Papandreou was born in a family active in politics. His father George Papandreou was prime minister in 1963 and 1964, during a period of political instability that ended in 1967 with the imposition of military rule. Andreas Papandreou participated in anti regime activities during the Metaxa dictatorship (1936-1942) and was arrested and tortured. At this point of his life Papandreou was fascinated by Trotsky's ideas. In 1940 he enrolled in the University of Athens to study law, but before he completed his degree he left to the United States (Makridimitris 1997, 410). He became an American citizen and entered Harvard University where he received a PhD in economics. He worked as a lecturer at Harvard and later on as a professor at the University of Minnesota and Berkeley. He took a leave of absence from Berkeley (1959) and went to Greece where he worked (encouraged by his father) as an economic advisor without showing any desire to engage in politics. He wanted to return to the United States and continue his academic career. Papandreou was a famous economist and wrote several works on economics analysis from the perspective of orthodox liberal economics (Kariotis 1997, 35).

In Greece he worked for the Center for Planning and Economic Research (KEPE), a think tank, as an economic researcher where he published several works on the Greek economy. One of his books titled *A Strategy for Greek Economic Development* contains the following words regarding the association agreement between Greece and the European Economic Community; "It is fair to say that, given the terms of the association, Greece has a small margin of time in which to achieve the structural transformations needed for survival in the European Common Market" (ibid., 38). These words would astonish people who knew Papandreou only as the anti-Western politician vehemently opposed to Greece's entry in the EU. Another theme that Papandreou was writing about

this time was economic planning. Although, in his works in the United States he adopted the conventional economic position that the market provides the best economic system, in his writings concerned with Greece he allowed for increased state intervention in the economy due to the imperfections of market mechanisms in peripheral states (ibid., 39). Overall however, the gist of his writings at this time belonged to the orthodox economic tradition. During this period the radical ideas of dependency theory during the seventies and eighties are absent from his work.

The political instability in Greece, coupled with his father's increasingly oppositional role to the right wing government, prompted Papandreou to enter politics. His father became prime minister in 1963 and Papandreou became his economic advisor (Kitroeff 1997, 11). The political instability in Greece led to the 1967 military coup. Within a few hours after the military began to occupy key positions in Athens, Papandreou was arrested and imprisoned. He was let out of prison eight months later after the renowned economist John Kenneth Galbraith initiated an international campaign for his release (Kitroeff 1997, 14). He was exiled for the second time and ended in Canada teaching at York University in Toronto. In 1971 he published a book titled *Paternalistic Capitalism*, a book that marks his break with orthodox economics. During the period 1971-74 Papandreou was influenced by Paul Sweezy's book Monopoly Capitalism and Galbraith's book The New Industrial State. "This book [Paternalistic Capitalism] represents not only Papandreou's official break with orthodox economics and his first work as a radical political economists, but also his last major contribution to the discipline of economics" (Kariotis 1997, 42). The thrust of Papandreou's last economic work was the role of planning (and the state) in the economy. He argued that the choice is not between

planning and not planning but what kind of planning. The role of the state in planning the economy would be a key ingredient in Papandreou's career as the prime minister of Greece.

Papandreou arrived back to Greece in 1974 after the fall of the dictatorship. Within one month of his arrival he and Constantine Simitis announced the creation of PASOK and put forward a proclamation that became the bible of the movement. In the first elections of the post-junta PASOK gained 13 percent of the vote. Papandreou attracted the marginalized strata of Greek society that lacked access to political power during the long reign of the right wing forces, 1945-67. Adopting a radical anti-Western discourse and the slogan *Allagi* he captured the imagination of the Greek public. In the 1977 elections PASOK doubled its percentage of the vote to 25% making Papandreou the main opposition leader (Makridimitris 1997, 413). And within four years (1981) Papandreou became prime minister.

## Constantinos Simitis

As mentioned above Constantinos Simitis was along with Papandreou one of the founders of PASOK. And as with Papandreou, Simitis is one of those distinguished academics in Greece who eventually ventured into politics and who was consumed by the affairs of state (Makridimitris 1997, 425). Simitis, in contrast to Papandreou, has been characterized as a technocrat and quite cold in comparison with the charismatic and populist personality of the latter (Athanassopoulou 1996, 114). His speeches are devoid of bombastic slogans and they sound more like lectures. "Mr. Simitis is bland in comparison with Mr. Papandreou. But that seems to be what the Greek voters want" (*The Economist* 27 January, 1996, 45). He has been characterized as a workaholic,

honest, rational, and a realist (Skandalidis 1997, 356-357). "Prime Minister Simitis is a technocrat whose 'watchword' is caution. He likes to describe himself as the conductor of an orchestra...He prefers to build consensus within the cabinet and win backing for his policies through persuasion" (Kaloudis 2000, 76). Simitis promised to get rid of the old style of government criticizing its clientistic and populist elements. This was an indirect criticism of Papandreou. Like Papandreou he is also from a prominent family. His father was a lawyer and professor and participated in the resistance movement against the German occupation during the forties.

Simitis studied law and economics in Germany and continued with post-graduate work in the London School of Economics. When he returned to Greece he practice law. At the same time he initiated an informal study group with other Greek social scientist with the purpose of "studying and prioritize the most pressing problems facing the Greek economy and society and the adoption of modern and progressive measures to tackle these problems (Makridimitris 1997, 420). Simitis met Papandreou for the first time during these years. The latter gave frequent presentations for Simitis' group. The ideas espoused by this group of scholars belonged to the Socialist Democratic tradition. During the dictatorship Simitis participated in clandestine activities against the military regime. He was not arrested like Papandreou since he escaped from Greece before the colonels could capture him. He went to Germany where he taught at several universities until his return to Greece in 1974. While in Germany he came in contact with Papandreou in order to participate in the anti-junta activities organized abroad by the later (ibid., 422).

As mentioned above he returned to Greece in 1974 and became, along with Papandreou and the other resistance members of PAK<sup>25</sup>, a founding member of PASOK. He remained loyal to Papandreou even when the latter expelled many of the more radical members of PASOK due to their disagreement with Papandreou's hegemonic style of leadership (ibid.). However, the different ideas the two men had regarding the socioeconomic development of Greece were bound to bring them into conflict. The first clash between them occurred during the elections of 1981. Papandreou became prime minister, but Simitis was denied a parliamentary seat because of this moderate position vis-à-vis Greece's entry in the European Union. However, he was appointed minister of agriculture, a difficult task in view of the fact that Greece had to adjust its economy with those of the other members of the European Union.

During the second term of PASOK (1985-89) Simitis became the minister of the economy. He began a valiant effort towards the stabilization of the Greek economy that entailed adoption of unpopular measures, such as, the devaluation of the drachma and the curtailment of demand by increasing taxes, cutting government spending, and stabilizing salaries (Christopouls 2000, 370). Papandreou came under increasing pressure from his constituents and members of PASOK. Since government spending was an endemic aspect of the party's manner of ruling Papandreou put an end to the stabilization program. Simitis resigned as minister of the economy (Paraskevopoulos 1995, 199-200). In the following two years Papandreou was losing popularity due to the dismal performance of the Greek economy. PASOK lost the elections of 1989 and Nea Dimocratia came to power and ruled until 1993 when PASOK came to power for the third time.

During this period (1987-1993) Simitis remained a member of PASOK. During the ND years he organized another study group whose goal was the modernization of Greek society. Simitis and others who followed his ideas and espoused the modernization of Greek society were called *eksihronistes* or modernizers. The modernization of Greek society was to be holistic, i.e., in the economic, political, and social levels. In his book *Yia Mia Kinonia Ishiri Yia Mia Ishiri Ellada (A Strong Society Leads to a Powerful Greece)* Simitis put forward a programmatic statement for the modernization of Greek society. During PASOK's third term, Simitis became minister of Industry, Energy, Technology and Trade. In 1995 Papandreou criticized Simitis' policies and the latter resigned for the second time. Four months after that he became prime minister.

#### Endnotes

- <sup>4</sup> In 1878 the Ottoman Empire rented Cyprus to the Britain in return for British protection against the Russian advancement against the Ottomans. For a historical overview on the relations between Greece, Turkey, and Cyprus see, Andrew Borowiec (1983) and Glen Camp (1980).
- <sup>5</sup> Both the father and son of Andreas Papandreou are named George. I will put in parenthesis father or son to differentiate them. George Papandreou Jr. became foreign minister of Greece in the latter part of Simitis's first term and was instrumental in implementing Simitis's policies specifically regarding Turkey.
- <sup>6</sup> Within the spirit of détente Turkey and the Soviet Union also established closer relations. This diminished the threat of a Soviet reaction towards a Turkish invasion of Cyprus.
- <sup>7</sup> The other issues are: air traffic control, the militarization a the Greek islands in the Aegean, and NATO operational control. For an analysis of these issues see, Brown (1991, 9-17).
- <sup>8</sup> The Ottoman Empire allied with the Central Powers. After the end of WWI it was dismantled and Modern Turkey and several Middle Eastern countries emerged. Other territories, like the Dodecanese, were given to the Triple Entente allies.
- <sup>9</sup> There is a debate among Greek scholars whether Papandreou's foreign policies were a radical departure from previous policies or a continuity masked by a radical rhetoric (Couloumbis 1993, 113-116). For example when Karamanlis took power in 1974 he withdrew Greece from the military branch of NATO. Papandreou in the years before his coming to power (1977-1981) stated that Greece would withdraw from NATO altogether. He never did, nor did he demand the removal of the U.S. bases from Greece.

<sup>&</sup>lt;sup>1</sup> Karamanlis lived in exile in France during the years of the military dictatorship.

<sup>&</sup>lt;sup>2</sup> By 1986 the EEC was known as simply the European Community (EC).

<sup>&</sup>lt;sup>3</sup> The 1992 Treaty on the European Union (Maastricht) created this new label to signify the next stage of integration of the European Community.

<sup>&</sup>lt;sup>10</sup> Named after the Swiss city of Davos where the negotiations took place.

<sup>&</sup>lt;sup>11</sup> Oil was discovered in the North Aegean in 1973 and since then it became the "apple of discord" between the two countries (Clogg 1991, 14).

- <sup>12</sup> The financial scandal, the so-called Koskotas Affairs, named after a Greek-American "businessman" who appeared I Greece and within a few years was the president of the Bank of Crete. George Koskotas was accused of embezzlement and fled the country. Accusations against the government were made and many members of PASOK was said to be involved in the scandal.
- <sup>13</sup> I mention the Greek Diaspora because in a recent issue of The Economist there is a section on the influence of diasporas on the domestic politics of their mother counties. Regarding the issue of Macedonia the Greek community in Australia the Economist says the following, "Why does Macedonia have no embassy in Australia?...Macedonia has now embassy in Australia because Greeks think the former Yugoslav republic that calls itself Macedonia has purloined the name from them, and the Greek vote counts for a lot in Australia. So, as a sop to local Greeks outraged by its decision to recognize the upstart Macedonia, the Australian government has not yet allowed it to open an embassy in Canberra (Econimist January 4<sup>th</sup> 2003, 41).
- <sup>14</sup> I name the negotiations between Mitsotakis and Demirel Davos II since they were also conducted in Davos Switzerland.
- <sup>15</sup> This is a great case where the fruitfulness of an analytical framework that combines the three levels of analysis, such as constructivism, is demonstrated. The individual leader was restraint by domestic politics and international pressures. In this case the international pressures were a match with Simitis future plans, i.e., the reconciliation of the Greco-Turkish conflict, and the domestic pressures were inimical to Simitis desired policies.
- <sup>16</sup> The political situation in Turkey during period between 1995-97was highly volatile and several governments came to power and collapsed quickly.
- <sup>17</sup> The Greek-Turkish conflict is also aggravated by symbolism.
- <sup>18</sup> Greece, prior 1974 had a monarchical form of government with a prime minister and a king. The latter had mostly ceremonial duties. In 1974 in a referendum the Greek people opted (70%) for a republican form of government where the president replaced the king.
- <sup>19</sup> Papandreou assigned the leadership of the political office to his daughter.
- <sup>20</sup> Before the conquering of Constantinople by the Ottomans (1453 ACE/AD), the Greek peninsula, territories of the Balkans and Asia Minor were part of the Byzantine Empire that lasted almost a thousand years if we consider the beginning of the Byzantine Empire to be the continuation of the Eastern Roman Empire when the Western Empire fell apart in 476 ACE/AD. In 476 ACE/AD a German general disposed the last Roman Emperor in the Western Empire. After that, no emperor claimed the throne in Rome and the

territories of what use to be the Western Roman Empire (Western Europe) entered the Middle Ages.

Mouzelis (1986, xiv-xv) uses the terms parliamentary semi-peripheries to designate countries that have experienced industrialization and have long histories of parliamentary politics. Greece, Serbia, Bulgaria, and several Latin American countries fall within this category. I will use late industrializers because that part of the development of the countries in question came much later than the parliamentary institutions.

<sup>&</sup>lt;sup>22</sup> Nea Dimocratia followed PASOK's example of creating a modern mass political party.

<sup>&</sup>lt;sup>23</sup> Philhellenism was an international movement that promoted the independence of Greece and included a mix of nationalist, romantic, liberal, religious, and capitalist ideas, as well as, notions of heroism. The creation of an independent Greek state was to reenact the glories of classical Greece (Woodhouse 1969, 9; Findlay 1993, 281-286).

<sup>&</sup>lt;sup>24</sup> This is known as the 3<sup>rd</sup> of September Proclamation and it was the key document of PASOK until its revision in 1993.

<sup>&</sup>lt;sup>25</sup> PAK stands for Panhellenic Liberation Movement organized by Papandreou and it was active abroad and within Greece against the dictatorship. In was the forerunner of PASOK (Kitroeff 1997, 16).

### Chapter Four

# Andreas Papandreou as Prime Minister: 1981-89

## Introduction

The present chapter examines the first two terms, 1981-85 and 1985-89, of Andreas Papandreou's premiership in Greece. PASOK won the 1981 elections and Papandreou as the leader of PASOK became the Prime Minister. This was the first time a party on the left came to power in Greece (Featherstone 1987, 113). In the post WWII era Greece was part of the Western alliance defenses (NATO) against communist threat. Right wing forces, supported by the United States, emerged victorious after a devastating civil war (1945-49) in the immediate post WWII years and dominated Greek politics. In 1967, after the government of George Papandreou Sr., father of Andreas Papandreou, collapsed, Greece entered a seven year period of military rule.<sup>2</sup> All leftist political organizations were banned, and many politicians went into exile or were imprisoned. Papandreou went into exile departing the country in January of 1968 (Kitroeff 1997, 15). The 1974 Turkish invasion of Cyprus facilitated the breakdown of the military regime and the return of democracy to Greece with ND heading the first civilian government in the postjunta era. Papandreou returned to Greece on August 1974, and created PASOK out of the anti-dictatorship movement PAK (Pan Hellenic Liberation Movement). Within four years PASOK became the second largest political party in Greece, and in 1981 PASOK came to power with 48 percent of the vote. Papandreou held office for two terms until 1989. In 1990 ND, the main rival of PASOK came to power, and ruled until 1993 when PASOK won the elections again. From 1993 to early 1996 Papandreou was Prime Minister for a third time (Legg and Richards, 1997, 142-43).

To reiterate each substantive chapter contains an analysis of the political discourse of the Prime Minister in power, subdivided into several themes. The key themes, which pertain to Greek foreign policy, are Greece's position in the international society, its relation with the European Union, Turkey, and FYROM, and policies enacted at the domestic context that are related to the aforementioned themes. The analysis of the discourse will be accompanied with narrative that captures the relationship between themes and provides additional background information regarding policies enacted related to the specific themes. This background information supplements the information given in chapter three. As a conclusion each of the three substantive chapters assesses the overall policy and the norms identified in the speeches of the particular prime minister examined. In the first section, titled International Society, I have included one subsection concerned with Papandreou's foreign policy and the so-called Third Road.

# International Society

The way a state perceives the functioning of international society, its position within this society, i.e., its relation with other states and the foreign policy it espouses, are indicative of the particular state's self-conception or collective identity. A state's collective identity is formed historically by the interaction of its domestic society with international society. Domestically, more than one collective identity might vie for political dominance. Whichever collective identity prevails shapes the specific state's foreign policy. The analysis of the political discourse and the policies enacted by the authoritative decision makers of a particular state direct us towards a state's collective identity. This discourse is embedded in the wider domestic and international social context, and it is thus affected by both domestic and international norms.

For example, Greece historically identified itself as dependent on the Great powers of the particular time in question. This gave rise to a conception of weakness, mistrust, and introversion by a large section of the Greek populations regarding Greece's status and interaction in international society. This section of the Greek population belongs to the so-called "underdog culture" or the traditionalists presented in chapter three. As mentioned in chapter three the traditionalists opposed the modernizers. Whichever domestic identity prevailed among the Greek authoritative policy makers shaped Greek foreign policy by giving rise to a corresponding conception of international society, i.e., how it works, the nature of the units that exist within it, how these units should behave, and Greece's position and role within international society. Thus, the norms characterizing the underdog culture were a result of Greece's entry into the European society of states after its independence. The formation of this identity was a result of the interaction of the prevailing international norms of statehood, part of the European balance of power and the predominant domestic norms based on a backward peasant society that mistrusted foreigners.

International norms can give rise to different conceptions of the constitution and working of international society. It can be characterized as anarchic or interdependent; states can be considered as the only important units within the international society, especially great powers, or other non-state actors can be given also importance.

Moreover, state behavior can be perceived as solely based on self-interest, as in the Hobbesian state of nature or it can be perceived as collaborative within an anarchical international society (Bull 1977).

These conceptions are one set of norms influencing state identity. An additional and more powerful set of norms is found in prevailing ideological conceptions, such as, political philosophies (liberalism, communism, nationalism) and religion (Christianity, Islam). The third set of norms shaping state collective identity is located in the domestic context, and it is based on local social practices that have been historically institutionalized. None of these sets of norms exist in isolation, but are all part of the institutional context (international and domestic) that are utilized by agents within states to construct their collective identity. Thus, during the cold war collective identities were primarily organized around the capitalist/communist and developed/underdeveloped or core/periphery dichotomies. Religious conceptions do not seem to have been as influential for constructing state identity (Kepel 1994, 1-12). However, since the late seventies and eighties religious based identities have come to the forefront. The resurgence of Political Islam and Christian Fundamentalism are two examples (ibid.). In the post-cold war era, under the rubric of globalization, states are categorized around the democratic/authoritarian, law abiding/rogue and developed/developing dichotomies.

Some conceptions are not affected by recent changes in international society, such as regional conflicts that usually have a dynamic of their own and are based on idiosyncratic historical developments, nationalism, and historical memories. Other regional developments include regional integration efforts, such as, the EU. In the case of Greece, the EU is instrumental regarding the making of Greek identity. To reiterate, all of these factors involved in the making of a state's identity are expressed in the discourse of the authoritative decision maker(s) of a particular state.

Papandreou's first speech upon his return to Greece in September 3, 1974, the day PASOK was created, set the basic principles of the party, capturing the key ideological elements of his early political life. I say the early years because subsequently Papandreou relaxed his anti-western rhetoric in terms of his foreign policy, moderated his radical socialist agenda (Third Road) and gravitated towards the European style social democracy captured by the slogan *allagi*. This is why I include this speech, as well as the next one even though they were delivered when PASOK was not in power.

The tragedy of Cyprus, as well as other dangers that emerged and face our nation from the shrewd expansive policy of the Pentagon, within the auspices of NATO, as well as the efforts of the American supported junta to transform our military forces into an organ of policing the Greek territory, are in the mind of all Greeks....Greece has been transformed to a forward nuclear post for the Pentagon in order to serve, more efficiently, the military and economic interests of the large monopolies....And of course Greece should withdraw from the military and political wings of NATO. And of course all the bilateral agreements, that allowed the Pentagon to convert Greece into a base for its expansive policy, should be annulled. However, behind NATO and the American bases are the monopolistic multinational corporations and their local surrogates....The root of our misfortune is founded on our country's dependence [on the West and especially the US]....Our country has been transformed into a "vineyard with no fence" where US and Western [European] multinationals with the help of local capital exploit our economy. (Papandreou 1996, 137-144).

The following two key themes are discernible in this speech: first, the identification of the problems of Greece with foreign interference in its domestic policies; specifically interference from the West in general and the US in particular. Second, the root cause for this foreign intervention is traced to the exploitative character of the world capitalist economy and its institutions and agents. The multinational corporations he refers to are both Western European and American. Papandreou subsumes Western Europe and the US under the expression "the West" when he is alluding to the economic aspects of the relation between Greece and the West (capitalism). However, when he is concerned with

political issues he then represents the US as the main villain, which through NATO, the CIA and local proxies plots behind the scenes to bring governments under Washington's control. "The United States are trying, by exploring and carrying out new methods and policies, to establish and solidify a new world division of labor. With their rich and long experience they are influencing the balance of power...Their [US] strategy was always, through the utilization of all means, the same goal, i.e., the extension, control, and reproduction of the Imperium" (ibid., 190).

In a speech in May 1985 at a PASOK conference, marking ten years of party history, Papandreou reiterated his position regarding the global condition by stating that the basic organizing principles of the world capitalist economy are based on the metropolis/periphery dualism:

The crisis of the world capitalist system, a result and reflection of the limitations and capabilities of the system is shaping the terms of the relationship between capital/labor and metropolis/periphery. The new form of control and exploitation that is promoted is based on:

The control of the world market,

The control of the means of communication and transportation,

The monopoly control of the new types of advance technology,

The control of nuclear power and other energy producing material,

The increasing of weapons production,

The control of the world money markets....

The welfare state is been replaced by monopolies and social inequality. Capital and its political expression recommend neoliberalism as the solution to the crisis [of the world capitalist economy] (Papandreou 1996, 193).

In an interview with the Greek newspaper *Ta Nea* (The News) in 1975, titled *Socialism in Greece: How and When*, Papandreou presents his views on the global economic condition and the need for a socialist transformation. "The present economic crisis of modern capitalism is troublesome and more and more people who are the object of exploitation of the huge monopoly capitalists [multinationals] are becoming conscious

that the solution lies to the passage of authority from the monopolies to the people...the solution should be sought only within the parameters of the socialist transformation of society" (ibid., 121-122).

Papandreou's discourse belongs to the populist/left or Third Worldist discourse characteristic of the sixties and seventies in Latin America and in many newly independent states in Africa and Asia which combined anti-colonialism, nationalism, socialism and dependency theory (Featherstone 1987, 130). Dependency theory emerged out of the sixties/seventies world cultural context and comprised one set of norms that explained how international society functions. Although, dependency explained the functioning of the international society primarily in economic terms, "Third Worldism" is a more inclusive ideological position that considers the relationship between the advanced capitalist and Third World states in economic, political, and cultural terms (Evans 1998, 534).

Even though Third Worldism as an ideological position belonged to the left, it did not identify exclusively with Soviet communism. It was a third position squeezed between the two ideological camps of the cold war, communism and capitalism, trying to carve an independent course, espousing a more economically egalitarian international society. It divided international society into North/South and emphasized issues of development. It promoted its independent course through the United Nations and the so-called nonaligned movement and the N IEO, but often-times the non-aligned movement shared the left's criticisms of the West and capitalism, and exhibited a pro-Soviet position. In the seventies there was also a sense that American power was waning and that the Soviets were catching up fast. The American debacle in Vietnam, the Iranian and Nicaraguan

revolutions, and the economic crisis of the world capitalist economy due to the oil crisis gave rise to the sense that the West and its international institutions were in decline and the East (communist camp) was surpassing the West.

However, in the eighties the dominance of the "left forces" in international society began to dissipate when the norms and social practices composing them lost their force. New conventions and norms were revived that supported an alternative ideological position.<sup>4</sup> Historically, at no time did one ideological position dominate others to the extent that the latter was completely assimilated. Different ideologies coexisted but not in a symmetrical manner. When the Soviet Union collapsed, the importance of the NIEO movement, the European Left, the peace movement, the non-Aligned movement, the socialist regimes in the Third World, and the whole of what was considered the "Third Worldist" view, lost their importance. The alternative ideological position that gained prominence was manifested in the rise of Neo-conservatism (Reaganism, Thatcherism), neo-liberal economics, the revival of US interventionism (Grenada, Panama), and the decline of socialist ideas as an alternative to capitalism.

Papandreou criticized the US, considering it the main protagonist behind the coming to power of the dictatorship in Greece and the Turkish invasion of Cyprus (Papandreou 1996, 59-64). In a speech that inaugurated the Second International Conference of European and American Economists, Syndicalists, and Members of Socialist Governments in Athens (1983), he began by referring to the current crisis of world capitalism and that certain countries in Europe, Greece included, "are trying to open the road that leads to socialism" (ibid., 109). The road to a socialist society will be the road to liberate Greece form the clutches of Western imperialism. Socialism will lead Greece

to national liberation: "The Pan Hellenic Socialist Movement is a political movement that is fighting for the following goals: national independence, the sovereignty of the people, social liberation, and democratic processes" (ibid., 140). Here we see the mixture of socialist/democratic and nationalist ideas and the desire for Greece to determine the direction of its future without any foreign intervention. Papandreou asserted that "the present pronouncement is a compass that will guide our journey towards a new, resurrected, humane, socialist and democratic Greece, a Greece that belongs to the Greeks" (ibid.).

In this same speech Papandreou alluded to the so-called "Third Road", his version of socialism that will be the strategy for achieving the aforementioned goals. The "Third Road" is not only meant as a neutral posture towards the two cold war ideological formations, but specifically an alternative to European social democracy and Soviet socialism. Papandreou described the "Third Road" as "a modern and mixed strategic answer that transcends on the one hand the model of social democracy and on the other hand the model of existing socialism...The 'Third Road' is equated with the refusal of blocks [East and West]. It is equated with the safeguarding of a multiparty system, social pluralism, the freedom of thought and movement, and citizen rights. It is equated with the socialization and public control of the means of production and means of political authority" (ibid., 223).

Foreign Policy and the "Third Road"

Papandreou's foreign policy was influenced by the ideas included in his so-called "Third Road" to socialism. Thus he espoused what he called a multidimensional foreign policy that followed a neutral position, was critical of both superpowers but more

consistently critical of the US, identified with Third World political and economic initiatives as well as the Scandinavian peace and anti-nuclear policies. In the September 3<sup>rd</sup> proclamation Papandreou said:

Greece is dissociating itself from the military [NATO], political and economic alliances [United States, European Union] that undermine our national independence and the right of the Greek people to decide and plan the social, economic, political and cultural course of the country. Greece is following a dynamic and independent foreign policy with the following goals: the guarantee of our territorial integrity, the consolidation of an independent popular sovereignty, and the realization of the aspirations of the Greek people...[Greece supports] the removal of all nuclear weapons from the Balkans and the Mediterranean, the neutrality of the Mediterranean region from military alliances [NATO] and the solidification of the economic and political relations with all the people of Europe and the Mediterranean (Papandreou 1996, 142).

This foreign policy was expressed numerous times during the 1981-89 period.

Papandreou criticized ND for following a humiliating foreign policy vis-à-vis the West which he characterized as conducting a "yes man" or "please come in" policy. Referring to New Democracy's policies of acquiescing to the demands of the West he said the following,

"The [political] right views the world in the following way: the world is divided into two [East and West]. You have to belong to one of the two groups because dangers abound. Thus we decide that we [Greece] belong to the West. The moment you decide that you belong to the West you cannot go against the wishes of the powerful because if you do you will lose their support. You have to be always ready to say welcome, come in [referring to a submissive attitude which allows Western powers to come to a specific country uninvited and exploit it]. This ideological positioning, this foreign policy, we reject completely. Our path is the path of dissociation [from the West]" (Papandreou 1983, 5-9/2/1983).

Six years later Papandreou repeats the same thoughts in a speech directed to the citizens of Kavala, a city situated in the Northern part of Greece. Papandreou informs them that they can play a decisive role in the construction of peaceful relations in the Balkans. He said, "We do not live in Greece that 'belongs' to the West anymore but in a Greece that belongs to the Greeks" (Papandreou 1989, 3-5/13/1989).

Papandreou in both cases mentioned above does not say that Greece does not belong to the West. He is just saying that Greece should not belong to the West in a subservient manner like the leaders of ND had done previously. In addition, he includes Eastern Europe when he says Europe. To repeat, Papandreou called his foreign policy multidimensional. "We follow a genuine multidimensional Greek foreign policy. We recognize and acknowledge that Greece belongs to Europe, West and East, because first of all we do not accept that the Potsdam and Yalta agreements can rule the lives of the Europeans" (Papandreou 1996, 256). In his address to the first congress of PASOK (1984) Papandreou was clear regarding his views regarding international developments. "The heavy shadow of the [bipolar] competition, military, economic, cultural, political, and technological, tends to freeze the spheres of influence, to make countries and people impotent [referring to the fact that the Cold War does not allow initiative from second and third rate powers]...PASOK has denied in words and deeds the logic of the Cold War division of the world" (ibid., 203-204).

Papandreou's multidimensional foreign policy had the following elements: a nonaligned policy entailing the withdrawal from NATO and the removal of the US bases from Greece soil, the promotion of peace and nuclear free world, and the support of antiimperialistic Third World governments and movements.<sup>5</sup> For example, Papandreou supported dialogue in El Salvador that would include the revolutionary forces, criticized the US support of the contras in Nicaragua, supported the right of statehood of the Palestinians, began to cultivate friendly relations with Eastern Europe and the Soviet Union, and supported détente. Moreover, PASOK did not criticize the downing of the Korean 747 aircraft by the Soviets (1983) but accepted the interpretation that it was a spy plane for the Americans. In addition, PASOK was not critical of General Jaruzelski's imposition of martial law in Poland. These policies gave PASOK and Papandreou the image of being a radical anti-Western party (Couloumbis 1993, 120-122).

The policy that Papandreou pursued with rigor was his anti-nuclear policy. There are two phases within this policy. The first promoted a nuclear free Balkans, which was supported only by Romania (ibid.). The second phase, and the keystone of Papandreou's anti-nuclear policy, was when Greece joined the so-called "Group of Six" which included, India, Mexico, Sweden, Argentina, and Tanzania, the main purpose of which, was the espousal of comprehensive nuclear disarmament and the postponement of nuclear testing. In addition, this association reinforced Greece's neutralist stance since the leaders of the other five states were associated with neutralist policies or the non-aligned movement (ibid.).

The "Group of Six" was established by the leaders of these countries in response to an invitation from the "Parliamentarians for World Order", a group dedicated to the protection of human life from a nuclear war. Papandreou's anti-nuclear policies was an effort to give Greece a voice in "shaping important" international events and to better Greece's status within international society. When he asserts that, "The Greek government tried through its limited capacity, not only to contribute but also to set off

new initiatives, for the struggle for world peace and nuclear disarmament" (Papandreou 1996, 195), he is telling the Greek people that they should be proud of their small country doing so much good in the world stage. Papandreou uses the words *mikres dynatotites* whose literal translation is limited capabilities to emphasize the fact that a small country like Greece is contributing so much to the world.

The economic (included in the next two sections) and political aspects of the "Third Road" were Papandreou's strategies to improved Greece's status in the international society. Wealth and security are to be found in an independent and self-reliant economic and political strategy. This in turn will create a more powerful Greece. Papandreou was clear on this when he was addressing the Greek Chamber of Deputies, stating that "National independence and territorial integrity, the people's sovereignty, democracy, self-supported economic and social development, our cultural revival ...are the goals for our government and predetermine the course we will follow...We believe that with the support of the people we will create a Greece which will be nationally proud, with a national foreign policy which will be independent and multifaceted. We only have one duty: the national interest (Papandreou 1981, 1).

Papandreou wanted to dissociate Greece from NATO and the EC as a way to improve Greece's international status (as the country who stood up to Western imperialism) and independence. The removal of the US bases and the withdrawal from NATO became a pressing national issue. The reason Papandreou did not go through with this threat is because of the realist aspects of his worldview. To reiterate, the Greek political leadership since 1974 considers Turkey as the most pressing security issue for Greece. Since the invasion of Cyprus, Turkey has been perceived as the main threat to Greece's

territorial integrity. It is the relation with Turkey that injected into Papandreou's worldview elements of political realism. Papandreou characterized his foreign policy as, "a policy of peace, a policy of realism" (PASOK 1981, 3).

This contradictory position is repeated later when Papandreou is talking about nuclear disarmament and Turkey; "We are against arms races and for the promotion and consolidation of peace, but we are at the same time [referring to Greece] under a constant and dangerous threat stemming from the expansionist capabilities of Turkey and the chauvinism of its elite that is guided and supported by our allies [NATO/US]. That is why we are obliged to safeguard our defenses, to provide a substantial part of our resources for the safeguarding of our territorial integrity and national independence" (PASOK 1984, 9). In order for Greece to keep up with Turkey's armaments program it needed US military and financial assistance.

On the other hand, Papandreou wanted an independent Greece. The threat from Turkey was to be countered by Greece's own powers. Foreigners up to now had a negative influence on Greece. "The independence of our country is not only dependent on the control of the state machine and the isolation of the foreign factor, so that it [foreign powers] would have no say in our domestic policy...but for me the most important point is to point out that national independence can be achieved only within the framework of an internal, self-reliant, developmentally dynamic economy (Papandreou 1986, 6-8). This is one of the reasons why Papandreou was not enthusiastic about Greece's membership in the EU. This membership entailed, at least, a partial surrendering of Greece's sovereignty to Brussels.

Theodore Couloumbis advances the following argument that captures the disparity between Papandreou's rhetoric and policies. Couloumbis argued that Papandreou's foreign policy can be divided into two strands: core and peripheral policies. The core policies were concerned with the relationships of Greece with Turkey, the European Union, and the United States. The peripheral policies were those dealing with the nuclear freeze policy and the other Third Worldist foreign policies pursued by Papandreou. The core policies were based on norms embedded in political realism whereas the peripheral policies were based on idealist norms rooted in socialism and internationalism.

## The European Union

Greece joined the European Union in January 1981 when the country was deeply polarized on the issue. The previous prime minister, Karamanlis, encountered stiff opposition form PASOK and the Greek communists who viewed the European Union as an extension of the exploitative world capitalist economy and who believed that Greece was going to suffer economically if it became a member (Featherstone 1996, 4; Ioakimidis 1997-98, 122). Paradoxically, PASOK won the elections in 1981 when Greece was already a member. But, as described in chapter four Papandreou's original radical position of outright rejection of Greece's entry was tempered as PASOK was gaining power and became the main opposition party in Greece (1977-1981). The anti-European rhetoric was furthered toned down when PASOK came to power (Karakatsanis 2001, 112-113). His position was modified from the early radical days where he argued for the withdrawal of Greece from the EEC, to demanding a special relationship with Europe due to Greece's peripheral status, to eventually participating fully in the Community, albeit antagonizing many of the Community's members with his foreign and domestic policies. This gave Greece the reputation as the black sheep of the EU (Ioakimidis 1996, 121).

Papandreou's early rhetoric clearly reflected his views regarding the European Community. In one of his early key speeches, only a month after he was elected Prime Minister, Papandreou said the following: "The rules and regulations of the EC, to which we are obliged to conform as a result of accession, not only make many of the economic problems we have to face more acute, but also create new ones" (Papandreou 1996, 113). In another speech, while referring to the prospects of socialism in Greece, he stated that,

This is a difficult task [to become socialist with an open economy] and I will comment on this after I stress the following point: PASOK's position, when it was the opposition party and before Greece became a member in the EEC, was that a country like Greece will suffer in terms of its economic development. And now that we are in power and in a better position to evaluate [Greece's entry to the Union] we see that we were right....However, now we face the following dilemma: if we withdraw from the EEC, do we stand to loose more than benefit?" (Papandreou 1996, 112-113).

Papandreou's last comment in the form of a question undoubtedly leaves room for the possibility of Greece remaining in the Community. In a key speech at the first PASOK Congress (May 13, 1984) Papandreou reminded the Greek people that it was ND that was responsible for Greece's hasty entry into the European Community (ibid.). During the elections PASOK "was committed to the advancement of a special regime, a special relationship, that would have acknowledged the peculiarity of our country, namely the peripheral character of our country" (ibid.).

By 1985 Papandreou is repeating the justification for Greece remaining in the Union, and emphasizing that it is a different thing to withdraw after you join than if you had not joined at all. Papandreou stressed the fact that it would be very costly to Greece to

withdraw, thus his government enacted a strategy that would improve the terms of Greece's membership into the Union (ibid.). Papandreou gradually came to the realization that Greece is better off remaining in the Union. Thus, he adopted an instrumental attitude towards the EU in which he directed his efforts at acquiring as much financial aid from the EU possible in order for the Greek economy not to fall behind the other Union members' level of economic development.

Papandreou pursued two policies in the EU; first, the protection and promotion of Greek economic interests, and second, the push for an equal and just EU. Regarding the latter issue, Papandreou feared that there would be two tiers in the Union, the North and the South, with the latter falling behind in economic development (Papandreou 1984, 13-14). After all the EU was part of the world capitalist economy and its multinational corporations were just as exploitative as the American ones. It was acknowledged that Greece was a weak peripheral state and its economic interests would be jeopardized in the Union. "I consider it an event of primary importance that it is already being understood within the community that there are unacceptable inequalities within its framework. I consider that this problem of inequalities is of the utmost urgency and that it effects not only the prestige but also the cohesion of the community itself' (FIBIS 1981, 25 November). Later he stated that, "A relatively undeveloped country that belongs to the periphery of the capitalist system is not in a position to mark out an independent developmental strategy and survive as a member of a competitive Customs Union where the large European capitalist corporations rule" (Papandreou 1996, 214).

Through a memorandum submitted to the EC in March 1982, the Greek government sought to be excluded from regulations concerning European competition policy and

asked for the increase in EC financial transfers to Greece in order to compensate for the effects of liberalization on the Greek economy (Lavdas 1997, 158). Greece succeeded in gaining more concessions on the second issue, but in general the negotiations went smoothly and did not create any friction. The Greek government considered that the economic policies of the EC tended to exacerbate the exiting inequalities between the advanced and the less advanced states of the Community (Kazakos 2001, 395). This was expressed in the first sentences of the memorandum. "The rules and mechanisms of the Community continue to function in such a way that they favor the advanced economies....while they have negative effects of the peripheral and less advanced economies" (Quoted in ibid., 369). In the 1980s, the EC was promoting a model of state/society relations that was based on the principles of liberal/capitalist ideology, and was thus promoting the privatization of state owned companies and the liberalization of the economy in general (Lavdas 1997, 191). Through the so-called "special arrangement" PASOK was seeking to arrange "for Greece not to abide by the panoply of EU legislation [pertaining to these issues]" (Ioakimidis 1996, 27). The main reason was that the state was the main employer and "entrepreneur" in Greece, a development that was the result of a combination of PASOK's socialist ideology and the clientelistic political culture of Greece.

Coupled to the instrumental attitude there was also a sense of indifference toward the EC as an institution and especially the disbelief that the integration effort would advance further. Thus, Papandreou did not take the European Community's integrative efforts seriously. His foreign policy priorities, relations with Turkey and the US, the Cypriot problem, and his efforts to construct a neutral foreign policy for Greece took precedent

over the relations with the European Community. According to Lavdas, the Greek government headed by Papandreou assumed, "that the EC was in fact an arrangement even looser than an international regime, because in regimes the lack of reciprocity in the observance of the parties' obligations results in sanctions and/or retaliatory measures. No such possibility was envisaged with respect to the EC" (ibid., 156).

Moreover, in 1983 when the government instituted a five-year plan for economic stabilization, policies pertaining to the EU were assigned an auxiliary role in Greece's future economic development. As one source on Greek politics put it, "certain members of PASOK who were responsible for the design of the five year plan considered that the complete removal of the phrase 'European Community' would be a great accomplishment" (Christopoulos 2000, 366). Papandreou's statements to *Newsweek* reveal his unenthusiastic attitude towards the EC. He stated that Greece needs to renegotiate its position in the EC and in those negotiations Greece would basically determine which clauses it will accept and which ones it will not. Greece will not accept any conditions that will have an unfavorable effect on its efforts to industrialize. He concluded that, "everyone else has been violating the agreement in a flagrant way so they will have to get used to our violating it too" (Quoted in Lavdas 1997, 156).

Another factor contributing to Papandreou's indifference towards the EC were the policies of Ronald Reagan, president of the United States who lead to the so-called second cold war (1980-1990). Reagan's aggressive anti-communist polices towards the Soviet Union reinvigorated *realpolitik* and marginalized liberal ideas of international cooperation. Consequently, the efforts of the Western European leaders within the EC were not taken seriously by their counterparts in the United States, Eastern Europe, and

other parts of the worlds. In addition to this development, the European integration efforts were stagnant and the economic situation in Europe was experiencing an economic recession. The European integration process was described as 'Eurosclerosis' a popular term among Euroskeptics in the late nineteen-seventies and early eighties (McCormick 1999, 74).

Papandreou's perception of the European Community was associated with his so-called Third Worldism. This mixture of socialist and nationalist ideas blamed the West for the plight of Third World countries. Historically the powerful Western European Sates colonized and exploited practically every corner of the globe. According to dependency theory this exploitation stifled the development of the colonies. When these colonies gained independence a new form of colonialism, neocolonialism emerged, that perpetuated the depended and exploitative relationship between the developed industrial and developing states.

By 1985 Papandreou and his government began to view the Greece/EC relationship in a more positive manner. In 1985 Greece signed the Single European Act (SEA) the most important step toward further integration since the Treaty of Rome (McCormick 1999, 77). By signing the SEA, Greece was committing to the integration process of the EC. There were several economic and political reasons for this reversal in Greece's EC policy. Economically, these were: a) the dire state of the Greek economy and the fact that Papandreou worried that if Greece did not sign the SEA then his fears of a two-tiered Europe, one developed and one falling behind, would materialized (Verney 1993, 146); b) the preference of Papandreou to receive a financial package from the EC rather than the IMF, which would impose harsh restrictions on Greece, a situation which would

contradict Papandreou's rhetoric about Greece's liberation form the West, (ibid., 147) and; c) the fact that the Greek public began to see some benefits from the EC, and began to support further integration (ibid.). Politically, there was the need for Western financial/technological aid in order to counter the Turkish threat.

Overall, this warming of relations was more of an effort by PASOK to reap benefits from the EC. Thus, Papandreou's government in collaboration with the EC drafted an austerity program that was directed to reducing inflation and the budget and trade deficits (Ethier 1997, 47). Papandreou announced the austerity program in a speech at the opening of the International Exhibition in Thessalonika (1985). "We have to realize that we are at a decisive juncture. We all have to realize a simple truth. We cannot consume more than we produce. If we adopt an economic strategy today in order to remedy this situation we can avoid future foreign intervention to do so. If we adjust our economy on our own terms with our own initiative, it [the adjustment] will be carried out under socially just and acceptable circumstances...We all have to realize that there is no more time for postponements and delays" (Quoted in Paraskevopoulos 1995, 197).

In a television interview forty days after he announced the austerity plan he repeated the fact that the Greek economy was weak and pointed out specific measures his government was to undertake to remedy the situation; "Taking full responsibility in public, we are forced to adopt certain courageous economic decisions, that are of our own choosing, to rejuvenate our economy and specifically the negative balance of payments. This is done today in order not to find ourselves later on in a situation were we loose the capacity to adopt our own solutions to the economic problem" (ibid.). In both of the excerpts Papandreou is preoccupied with sovereignty, national independence and

dependency, because the future situation he refers to as getting worse is one where the IMF intervenes to "help" improve the Greek economy.

The Greek government asked the EC for a loan. The EC granted the loan but imposed strict conditions (Ioakimidis 1996, 39). These conditions had the purpose of preparing the Greek economy to be incorporated into the European economy. Between 1985-87 PASOK began to adopt structural reforms in order to hasten the integration of the Greek economy into the EC. The key economic measure was the balancing of the budget. Papandreou chooses Konstantinos Simitis as the Minister of the National Economy. Simitis adopted two measures to rejuvenate the Greek economy. The first was the devaluation of the drachma in order to boost exports and make domestic products more competitive vis-à-vis foreign products. The second measure was anti-inflationary, and was introduced so that the devaluation of the drachma would not lead to the rise of prices of goods due to an increase in salaries. This chain of events might happen because the devaluation of the drachma will prompt demands for salary increases (since goods will be more expensive) which will lead to price increases and the loss of any economic gains from the initial policy of devaluation (ibid., 197-198).

The more leftist oriented members of PASOK protested these policies accusing Papandreou of abandoning socialism. In addition, workers who saw a rise in their incomes due to PASOK's pro-labor economic policies and many of who found employment due to PASOK's creation of jobs also protested the austerity policies. Many of the unionists who protested PASOK's policies were removed from their posts. "The expulsion of trade unionists who refused to acquiesce in the stabilization package triggered of the break [within PASOK]. Prominent socialist trade unionists created a new

movement...its goal the preservation of the socialist values allegedly abandoned by PASOK" (Lavdas 1997, 177). This break occurred within the General Confederation of the Greek Workers (GSEE).<sup>6</sup> Eventually Papandreou succumbed to these pressures and abandoned the austerity program. Simitis gave his resignation (under pressure from Papandreou) and Greece abandoned the economic recommendations of the EC. "Greece did not follow the new economic policies of the EC that emerged in the eighties regarding the functioning of markets and macroeconomic policy with the exception of a short period between 1985-87 when Constantine Simitis became minister of the economy and initiated a stabilization plan" (Kazakos 22001, 354).

Although, Papandreou's rhetoric became less hostile towards the EC, he did not completely embrace the EC and the norms it represented. It was still permeated with elements from his "Third Worldist" ideology. Referring to Greece's policies within the EC he said, "the other front that we are fighting against is for a new Europe, not this one with a ruling triumvirate [alluding to Britain, France, and Germany] that is submissive to the commands of the US and with two tiers [of development], North and South [within the Union] that continues to widen the per capita income gap between North and South. We are fighting for an equal Europe through the convergence of all economies and for independence [from the powerful EC member states]" (Papandreou 1984, 13).

In addition to the impediments to the Europeanization of Greece, the process was put on hold due to political scandal. Papandreou was caught in the middle of the so-called "Koscotas Scandal" (Drogidis 1997, 680-683)<sup>7</sup>. In general there was acute political instability in Greece from 1989-1990. The political instability ensued due to the alliance of the leaders of the two small communist parties with ND in order to bring PASOK

down. After three elections, June and November 1989 and April 1990, ND won and stopped PASOK's third bid for power (Christopoulos 2000, 261-261).

To reiterate, the emphasis on the free functioning of the market and a democratic system are two key norms of international society ascribed to by the EU. The primary prerequisites for entrance in the European Community/Union are for the country applying to have a democratic regime and a liberalized economy. The democratic regime instituted in Greece in 1974 after the fall of the junta, definitely benefited from entrance into the EC. By 1990 five elections took place and the transition of power from ND to PASOK back to ND went smoothly. "Successive changes in government have confirmed the stability and at the same time the flexibility of the system in absorbing change. If, as it is argued, "the peaceful rotations of previous opposition parties to power (O'Donnell et al., 1996) is a reliable indicator of democratic consolidation then there can be no doubt that Greek democratic politics are by now genuinely consolidated" (Ioakimidis 1994, 144). A derivative norm from the two key norms mentioned above is the peaceful resolution of conflicts. The European Union emphasizes the peaceful resolution of conflict through negotiation and the enactment of mutual arrangements that would be acceptable and beneficial to the parties involved in the conflict. This rule is rooted in the assumption that democracies do not fight wars against each other (Schimmelfennig 2000, 120-121).

The overall assessment regarding the economic performance of Greece in the European Union, revolves around the "redefinition of the role, size, functions and morphology of the state" (Ioakimidis 1996, 40). The constitutive and regulative aspects of the EC norms on the Greek polity will be assessed with respect of their impact on the

functioning of the Greek state and its relation to the economy and society. Papandreou's ideas regarding the role of the state can be discerned from his writings as an economist. Situated within the left, he embraced the notion of an active participation of the state in the economy. Referring to Papandreou's book *Paternalistic Capitalism*, Kariotis said; "The last chapter is ...concerned with social planning, and Papandreou argues that society's choice is not between planning and no planning, but rather it is in what kind of planned society will be established (1997, 44). Papandreou himself asserted the following; "Taking in consideration Greece's historical experience and the current structure of its economy the role of the public sphere in our effort to restore and develop the economy is decisive...The guiding principles of our industrial policy are included in a five year plan of social and economic development that the government is working on" (1982, 10).

The economic performance of Greece within the EC fell short in comparison to its political performance. European competition policy is rooted in the economic norms of the international society mentioned above. The main component prescriptions of this norm are: a) free trade/no protectionism; b) the restriction of state intervention in the economy, either if this is carried out directly through public enterprises or indirectly through subsidies; c) greater openness, meaning the institutionalization of transparency in the state's dealings with the economy (Lavdas 1997, 190). The Greek government came under pressure from its European allies to reduce state intervention in the economy by privatizing publicly owned companies, such as petroleum and cement companies, shipyards, and banks (Ioakimidis 1996, 40). In addition the Greek state came under pressure to discard a host of regulations that set interest rates, controlled the movement of

capital, and provided for the generous dispensation of subsidies (ibid.). To reiterate, between 1985-87 the Papandreou government established certain polices that reflected the neo-liberal consensus prevalent in the EC, but failed to see them through due to resistance from members of PASOK who belonged to the underdog culture. Conversely, PASOK reverted to its expansionist policies of interference in the economy (Kazakos 1994, 15-16).

The EC did not have the power to enforce these norms directly. The EC began its second stage of deepening in the mid-eighties with the Single European Act. The SEA is a treaty that is composed of regulations that are based on key EU norms committing the drafting states to certain courses of action. The SEA created the largest market and trading entity in the world. The lifting of internal controls on the movement of goods, services, people, and capital were accompanied with the imposition of legal restrictions on protectionism and monopolies (McCormick 1999, 77). Many of these new regulations became binding on the members of the EC. However, regulations contained in the EC legal system (*acquis communitaire*) that are binding upon all member states were, "fairly narrow in intent, [and] they are often designed to amend or adjust an existing law" (ibid., 108). Many of the regulations are part of the six major treaties that have been drafted since the 1960s.

The deepening that occurred with SEA was followed by the Maastricht and Amsterdam Treaties that furthered the integration process with the establishment of the monetary union and the single currency, and made inroads towards the elusive political union though the CFSP (Common Foreign and Security Policy) and the "creation of an ambiguous European Union 'citizenship'" (ibid., 80). Although the European integration

process has made substantial progress towards the creation of a united Europe, most of the success has been in the economic sphere. Efforts toward political integration are recent and still in their early stages with lot of work remaining to be done since member states, through the Council of Ministers, still have most of the decision-making power in the Union. The next two chapters examine how the changed international context has increased the binding power of European Treaties. Non-compliance with key norms would mean severe criticism from the other members of the community and even lead to ostracism from the Union.

Papandreou's verbal commitments to the European Union were initially cold, then lukewarm and contradictory. During his first Premiership he was an acerbic critique of the EC and lumped it together with the exploitative capitalist world market and considered it a puppet of US foreign policy. During his second term he began to view the EC more favorably, and began to stress the fact that it will be detrimental to Greece to leave the Union. Papandreou was more preoccupied with his socialist project, his international foreign policy, and the relation with Turkey than with Greece's membership in the European Union.

#### Greek-Turkish Relations

The relationship between Turkey and Greece is considered by the Greek elites and the majority of the Greek population to be the most pressing issue facing Greece (Arvanitopoulos 1997, 154; Platias 1991, 92-93). PASOK shared with the other political parties this perception. "PASOK's claim that Turkey's expansionist policies posed a vital threat to Greece, reflected the foreign policy consensus that had emerged across Greece after the 1974 invasion of Cyprus" (Coufoudakis 1993, 169). In chapter three it

was noted that the two issues that divide the two countries are the Cyprus problem and the issue of the Aegean Continental Shelf. Both problems involve highly sensitive security issues for both countries. In addition, the history of the two neighbors, from the war for Greek independence against the Ottoman Empire in 1829, until 1922 when Modern Turkey emerged, has been marked by four Greek-Turkish wars.

This shared turbulent history has given rise to mutual conceptions of enmity between the two countries. These historical memories are an integral part of each state's identity discourse that shapes their relationship. The Ottoman Empire ruled the territory that is today Modern Greece from the 15<sup>th</sup> to the 19<sup>th</sup> centuries. If someone travels today to Western Turkey and then into Greece he/she will notice many similarities regarding music, food, and village life. Moreover, if one observes a little deeper he/she will discover similar social practices that are shared not only by Greeks and Turks, but also many other cultures of the Mediterranean basin. Yet, the two great inter-state dividers, ethnic markers (religion, language, nationalism) and territorial claims, coupled with their historical memories, have brought the two countries to the brink of war three times in the last twenty-five years (1974, 1987, 1996).

In 1974 Turkey invaded the island of Cyprus and reinforced the Greek elite's perception that the most imminent security danger for Greece was not from the north (the Warsaw Pact) but from the east (Turkey). Karamanlis embarked on an armament program that had one purpose: to build enough military force in order to deter Turkey from any future adventures against Greece (Platias 1991, 98-99). Papandreou continued along this road of increased defense expenditures in order to deter Turkey. "Unlike other

fields of government policy, under PASOK, defense policy did not constitute a sharp departure from past practices" (Veremis 1993, 181).

Papandreou considered the Turkish invasion to be part of a larger conspiracy contrived by the United States, NATO, and the CIA in order to serve the strategic interest of the Pentagon. Papandreou commenting on the military coup against the late president of Cyprus Archbishop Makarios said that, "the instigation of the coup against Makarios was followed by the barbarian Turkish invasion in Cyprus, in order to divide the island and to convert the Northern half to a base of for the US and NATO in the Eastern Mediterranean" (Papandreou 1996, 138). The September 3<sup>rd</sup> proclamation does not formulate a specific policy vis-à-vis Turkey but, as mentioned above, it outlines a comprehensive policy that has at its core Greek national independence from the political, economic, and military dependency on the West. "For PASOK the regime of the military junta, instituted with the coup on April 21st 1967, was not but a sullen form of colonialism over Greece by the Pentagon and NATO, with the cooperation of the dependent Western European capital and the local bourgeoisie" (ibid., 141). Hence, Papandreou's views regarding Turkey were often subsumed under his Third Worldism/Dependency perspective (Coufoudakis 1993, 169). However, the relation with Turkey consists primarily of a discourse based on nationalism and a realist view of the functioning of international society.

The Turkish invasion of Cyprus and its tacit acceptance by the United States and the rest of the NATO allies led the Greek elite to conclude that NATO was not safeguarding the security of Greece. The Greek-Cypriots belonged to the Greek nation. When Papandreou calls Cyprus "megalonisos", meaning the largest of the Greek islands, he

implied that the island is Greek. Greece is composed, apart form the mainland, by thousands of various size islands in the Aegean and Adriatic.

In an interview to the American Broadcasting Company (ABC), a few days after PASOK won the elections in 1981, Papandreou was asked about his plans regarding the US bases and NATO withdrawal. He answered that one of the ironies of being a member of NATO is that Greece,

feels a threat from an ally on our Eastern border, Turkey. One of the greatest problems of Greek security defense in the last seven years [since the fall of the military regime] is the preparation to defend in case Turkey decides to impose its demands....Turkey claims half of the Aegean....This goes against all the international treaties that specify precisely our borders with Turkey....It is amazing, peculiar, and unique that the Atlantic alliance refuses to guarantee our Eastern borders. It offers protection only for our northern borders....And it is clear that our allies [NATO, US] are aiding Turkey in building a tremendous military machine. Moreover, Turkey has an army of 120,000 men, the so-called Aegean Army. It [the Aegean Army] does not face North towards the Soviet Union but face West towards the Aegean. They have 150 invasion craft. To invade where? The Black Sea? (Papandreou 1996, 346-347).

The Turkish Aegean army was created in 1975 and was composed of 35,000 men during peace and had the second largest fleet (after the US) of invasion/landing craft of all the members of NATO (Tsitsopoulos 1991, 196). The next question was whether he expects a war with Turkey. Papandreou answered, "I would like to say no....The fact that there is a threat does not mean there will be war. In my last speech I offered Turkey an olive branch. I said that the two peoples should work together like good neighbors which would reinforce our national independence and economic development" (ibid.).

This peace offering to Turkey led to a short moratorium "on provocative actions and statements in order to create a climate conducive to substantive negotiations"

(Coufoudakis 1993, 172). This effort to begin a dialogue ended within a year when

Turkey resumed the violation of Greek airspace. In addition, in 1983 the Turkish-Cypriots, with the protection of the Turkish army controlling the Northern part of Cyprus, declared independence. Papandreou made the removal of the Turkish troops from Cyprus a condition for the betterment of Greek-Turkish relations (Christopoulos 2000, 391). Turkey in turn showed no signs of removing its troops form Cyprus.

As mentioned in chapter three, issues regarding the Cyprus problem (and the Aegean) will turn up and undo any efforts towards the reconciliation of the two countries. In 1984 in a key speech, during the first Congress of PASOK, Papandreou characterized the relation with Turkey in the following words,

The foreign threat to our country is real. The aggressiveness of the Turkish elite and its elaborate plans [against Greece] are unfolding gradually. We just have to look at what has happened historically. I mention just a few names, Constantinople, Tenedos, Imvros, and Cyprus....The expansionist policy of Turkey has short, medium, and long-term goals. The short-term goal is to involve us in a dialogue so that they can divert world opinion from their activities in Cyprus (the partition of the island). The medium range goal is to achieve an equal division of the Aegean with us, in terms of control of the continental shelf and territorial waters and the continuation of the illegal occupation of the Northern part of Cyprus. The long-term goal is to create a climate where she can have territorial claims on certain Aegean islands and Western Thrace (Papandreou 1996, 206).

Two points are important in this quotation. First, he assumes that the long term interest of Turkey is to take more territory from Greece. The second point, related to the first one, is that the names mentioned in this quotation, Constantinople etc, are all considered Greek territories that historically were taken from the Greeks by the Turks. Papandreou went on to state that "the expansionist policy of Turkey is rooted in its social system and the political and economic needs of its elite. Consequently, the chauvinism and expansionism of Turkey are not exclusively an outcome of the imperialistic policies

of the US and NATO. The US and NATO support and embrace Turkey's expansionism into their own geo-strategic interests by transforming Turkey to a sub-imperialist station in the area" (ibid.). In a speech to a parliamentary team Papandreou attributed to Turkish policies Hitler-like qualities in their theories regarding "vital interests".

There is no doubt that Turkey has been established as the watchman of the US in the area after the downfall of the Shah. And there is no doubt that the Turkish elite (not the average Turkish citizen) for reasons they know best has taken a truly expansionist, chauvinistic posture that reminds us of theories of vital interests from Hitler's days. And there is no doubt that we are at the end of the barrel of the gun. We are seeking peace by any means. All of our messages to Turkey are peace messages. We have no problem with initiating a dialogue, but under simple and clear rules. We cannot after the proclamation for independence by the pseudo-state of Denktash (the Turkish Cypriot leader) that will divide the island [Cyprus] to talk to Turkey like nothing has happened and go on to discuss other bilateral problems and forget our national responsibility towards our brothers in Cyprus. When the Cypriot problem is solved and peace returns to the island we will talk with Turkey under the terms that our national and sovereign rights are respected and as international law specifies in terms of the Aegean. With this as a starting point, yes, yet not with any other [starting point] (Papandreou 10/3/1984, 7).

The dispute over the Aegean revolves around the issue of territorial waters, although there are other issues of contestation, this one captures the security issues involved.

Greece has abided by the six-mile limit of the territorial sea since before WWII. As noted in chapter three, according to the United Nations Convention on the Law of the Sea Greece has the right to extend the territorial waters to a twelve-mile limit. Turkey threatened that this would be considered *casus belli*. Turkey argued, that extension of the territorial limits to twelve miles will make the Aegean a "Greek lake" (ibid.). If Greece did extend the limits to twelve miles than it will control 71 percent of the Aegean and Turkey 9 percent (Brown 1991, 12). If the issue went to the International Court of Justice Turkey knew that Greece had the law on its side. For this reason, Turkey pushed for a

political solution, arrived at through bilateral negotiations since the Aegean "has special characteristics which require a special solution (ibid.). Turkey, as the more powerful of the two states, knows that through bilateral negotiations it could pressure Greece to acquiesce to its will. Greece of course wanted to forward the issue to the international court.

In 1973, amidst the growing oil crisis, oil deposits were discovered off the coast of the Greek island Thasos. A year later the Turkish government sent a survey ship to conduct seismological studies. In March of 1987 Turkey sent another ship out, and war almost broke out between the two countries. This was the height of the tensions between the two countries in the eighties. The crisis began when Turkey sent a ship to search for hydrocarbons in an area considered part of the Greek continental shelf. Greece put its armed forces on alert and was ready to go to war as Papandreou's statements after the crisis confirm,

Now regarding the incident that led to the brink of war I have to say that we are all proud for our people and our armed forces. In the morning of Friday I talked to our Ministerial Council, the Greek people, and KYSEA [Governmental Council for National Defense] and we said for the first time in our history that if this intrusion [the Turkish ship goes on with the exploration]...there are two option: to go to the Security Council like Karamanlis did in 1976 and they told him to begin a bilateral dialogue with Turkey, something Turkey wants. The other option, the enly one admissible for a proud country, for a small country that has fought for its borders and the survival of its nation...when the ship moves we will stop it along with the seven Turkish warships escorting it and this will only mean war (Papandreou 1987, 4).

These last statements of Papandreou express the seriousness of the perceived Turkish threat by the Greek elite and the people at large. The Greek, Turkish, and Cypriot armies were put on alert. The crisis was diffused when the leaders of Greece and Turkey,

Papandreou and Ozal, reached the Davos I agreements. The events before and after Davos I are described in chapter three.

The other key policies initiated during Papandreou's first two terms with respect to Turkey were: the establishment of a new Greek defense doctrine, deviating form the anticommunist posture of the past, and now adopting an anti-Turkish posture and the recommendation for a Joint Defense Pact (JDP) with Cyprus that was to be integrated within the new Greek defense doctrine (Veremis 1993, 183). The JDP was not implemented in 1984 when it was first proposed because of political differences with the other Greek political parties, but also because of disagreements with portions of the Greek-Cypriot political elite. Consequently, Papandreou just declared that no further aggression from Turkey towards Cyprus would be Casus Belli, i.e., would justify a Greek-Turkish war (Close 2002, 269). The JDP was implemented in 1993 and incorporated into the Greek defense doctrine (Couloumbis and Veremis 1997, 71). The new Greek defense doctrine was expressing the Greek anti-Turkish sentiments that emerged more intensely after the invasion of Cyprus. "Greece sought to institutionalize changes that had already taken place in her defensive stance (Veremis 1993, 183). As mentioned in chapter three, also added to this change in posture was the emphasis on the qualitative improvement of the Greek armed forces.

Turkey is viewed by Greece as a powerful neighbor who has revisionist aspirations in the area at the expense of Greece. Greece as the weaker of the two states views herself as a status quo power. Paradoxically they are considered allies since they both belong to NATO. Yet, the Greeks frequently come to the conclusion that the NATO alliance has not protected the interests of Greece as in the case with Turkish claims in the Aegean and

the invasion of Cyprus. The Greeks and the Turks have been neighbors for centuries. Their relationship has vacillated between amity and enmity. At this point (Papandreou's tenure) the relation was primarily one of enmity, exemplified in the emphasis the two states have put on their defenses. Although Turkey has an extended land border and has problems with her other neighbors, it dedicates a whole army (the Aegean Army), that is outside the auspices of NATO, to the border with Greece. Greece in turn has adopted a new defense doctrine adopting a deterring posture against Turkey.

## The Domestic Context

This section examines the domestic policies of Papandreou, placing emphasis on the role of the state. It is intimately related to the section on the EC policies and the economic aspects of the so-called "Third Road". Papandreou introduced the concept of the "Third Road" in order to present his ideological position. To capture his efforts to establish a New Greek society Papandreou introduced the concept *allagi*. *Allagi* was an expression of Papandreou's populism/nationalist policies because Papandreou wanted to change Greek society form been subservient to the West to a society characterized by national independence, popular sovereignty, and social liberation.

Papandreou combined socialism and populism and ushered PASOK to spectacular political gains within a short of period of time. "By brilliantly bringing about a reconciliation between the concepts of 'left' and 'nation', Papandreou and PASOK succeeded in politically rehabilitating a large and long-marginalized segment of the electorate and became natural recipients of its enthusiastic support" (Diamandouros 1986, 23). This segment of the population was marginalized due to the dominance of the right and its oligarchic politics in the post-WWII era in Greece. They are the popular strata of

the "underdog" culture represented by *petite bourgeoisie*, workers, and civil servants. "The party emerged as the champion of the anti-right-wing forces represented society as being split by the fundamental division between an all-embracing 'non-privileged' majority, which it claimed to stand for, and a tiny 'privileged' oligarchy, representing foreign interests and domestic monopolies, which identified as the enemy" (Lyrintzis 1993, 29).

At the ideological level Papandreou differentiated between state ownership and social ownership of the means of production, a differentiation that is crucial in socialist thought and argued that state ownership does not really change the socioeconomic and political position of the worker. "The transfer of ownership from the individual [owner of the means of production] to the state does not essentially change the relations of production" (ibid., 126). He went on to describe how both, domestic and foreign capitalists will be compensated after the socialization of their property. Referring to foreign capital, Papandreou presented his opinions on multinationals: "We believe that the effects of foreign investments on the broader sociopolitical space are negative. This is deduced from the experiences of many countries that are at same level of development with Greece (ibid., 127).

Papandreou's socialism, at least in its theoretical guise, belongs to what Norberto Bobbio called Democratic Socialism to distinguish it from Social Democracy. The latter is basically a more interventionist welfare state that retains the capitalist relations of production and just tries to alleviate the distributional inequalities of capitalism or, as Papandreou put it, "it beautifies capitalism"(Papandreou 1996, 223). The former changes the relations of production from capitalist to socialist but not in the manner of the Soviet

Union, i.e., in a dictatorial manner. The reversal of the two terms implies a democratic route to socialism.

Papandreou expresses this aspect of his socialist strategy in a speech at the 19<sup>th</sup> Congress of the Parliamentary Committee of PASOK (1986). Talking about socialization of the economy, Papandreou stressed the fact that "We have to avoid a misunderstanding. The fact that these crucial choices [to transform to a socialist economy] are taken at the national level does not mean that the problems [we face] are solved by state intervention. On the contrary, PASOK believes in the socialization, decentralization, and self-rule [referring to workers] of the economy" (Papandreou 1986, 7). Ironically, Papandreou in a previous speech emphasized the decentralization of economic planning with the following phrase: "It is not possible for certain bureaucrats to plan dissociated from the people and the masses executing" (ibid. 1982, 6). I say ironic because his economic record during his first two tenures witnessed the further bureaucratization not only of the economy but the whole Greek society. Papandreou labeled the economic strategy of the "Third Road" as a mixed economy where there would be, "the coexistence of the state, the private and the experimental social spheres [democratic socialism] is not only possible but also the only possibility for a decentralized development, and the betterment of the standard of living in our country" (Papandreou 1984, 19).

In that same speech Papandreou insisted on the possibility of the creation of a socialist system and he gave the following examples after asking the crucial question, "can we build socialism in one country...? I think it is possible, but in a closed economy, in a genuinely close economy. I do not know what our friends and neighbors the Albanians have done. I did not have the opportunity to visit their country. Yet, this is a country that

can speak of socialism, because for Albania the country is all the people. . . Also, a country like China, even if it opens its economy, will not face the problems that we are facing [Greece]" (Papandreou 1996, 112). He goes on to say that Greece's challenge is not only that she is a small country but also the fact that she has an open economy. To be self-reliant was a desired end state by many non-aligned states during the sixties and seventies. It was an alternative to the East/West and capitalism/communism dichotomies that gained credibility due to the perceived "achievements" of Yugoslavia and Tanzania.

Although Papandreou is here equating socialism with self-reliance and autonomy, he is also a pragmatist, and he knows that for Greece to accomplish its goal of possessing a stronger economy it has to participate in the world economy. As mentioned above Greece's membership in the EC, the relationship with the US, and the need of their financial and military aid in order to counter the Turkish threat, served as a realist lever to Papandreou's socialist idealism. "Within the framework of the EEC we have a dual problem of not only trying to guide our country towards socialism, something we cannot do in one day, but also trying to modernize our economy...in order to participate in the third industrial revolution [the information revolution]. We did not make it in the second industrial revolution [1850s] maybe we will make it in the third. But we are struggling to modernize, develop, and march to a socialist society with our borders open" (Papandreou 1996, 113).

Papandreou knows that Greece has to enter the world economy. The point is to enter in a way that makes Greece more dynamic and independent.

The solution is not found in the isolation of our country, in the creation of self-sufficiency. Something like this would signal a lowering of our standard of living. The solution is found in the amelioration of our foreign dependency and

an upgrading of our country in the world division of labor. This demands a programmatic, coordinated and aggressive developmental policy. A policy with the goal for the development of the key aspects of our economy based on modern technology and modern methods of organization and production and based on our own initiatives (Papandreou 1984, 18).

Papandreou was also aware of the new technological developments that were pushing capitalism in new directions. He wanted Greece to become part of these new developments in order to become more competitive in the world market that in turn would reduce its dependency. "At this hour, that capitalism is going though a crisis [the economic crisis of the seventies] we are also witnessing a new industrial revolution in terms of micro-electronics, bio-technology, and information systems" (ibid., 111).

As mentioned above PASOK came to power with the ambition to strengthen the Greek economy through a series of socialist measures like the socialization of the basic units of production, promote the participation of workers in the decision making process of enterprises, and decentralize economic planning (Lyrintzis 1987, 677). Upon winning the 1981 elections Papandreou began to enact and implement policies in order to back up his pre-election promises. PASOK came to power on sounding the slogan *allagi*. This agenda revolved around the dichotomy of society been divided between the haves or privileged and the have-nots the non-privileged. This coupled with Papandreou's "Third Road" strategy meant major restructuring of the Greek society and economy.

The pressure on Papandreou to deliver was high. He began to nationalize several publicly owned companies in such sectors as electricity, communications, and banking (Lyrintzis 1987, 678). One of the socialist ideas of Papandreou, employee participation in management, was introduced; however, this move did not really empower employees. The reason was that at the same time there was the creation of managerial councils

(members high up in the PASOK bureaucracy) that had the real power. In addition, a law was drafted that stated that strikes are illegal unless supported by the majority of the workers. PASOK was criticized for offering, "minimal participation in management to employees, and...sought to secure their passivity and to safeguard social peace by putting legal hurdles in the way of the right to strike (ibid.).

Moreover, Papandreou socialized private businesses; the so-called "problematic companies" that were not making it in the competitive market on their own. They were kept afloat by huge borrowing from the national banks. In 1983 the government created OAE (Organization for the Reform of Enterprises) bringing these companies under state tutelage in order to modernize and make them more efficient (Christopoulos 2000, 366-367; Lyrintzis 1993, 27). There were two additional reasons behind this move. First, if these companies succeeded, it would be an ideological victory for socialism since state controlled enterprises would prove to be more profitable than privately owned companies. The second stimulus was Papandreou's pre-election promise for social justice through employment, that lead to the creation of jobs. It is estimated that the businesses under the OAE employed 208,000 people (ibid.). However, the OAE did not make these companies more competitive. Instead they became a financial burden on the state since most of these companies were running on money borrowed from the state. "Five years later none of these objectives has been achieved: on the contrary most of these companies saw a spectacular rise in the sum of their debts and the overall number of 'problematic companies' increased (Lyrintzis 1987, 679).

The push to create employment was also evident in state bureaucracy. Civil servants increased in number by 40,000 between 1981-89, the first two tenures of PASOK in

power (Featherstone 1994, 286). Historically the Greek state bureaucracy has been larger than any of the other European members of the EU. According to Featherstone, "It has been reported that while the UK has a ratio of one civil servant to 100 of the population, in Greece there is still [1994] one civil servant per 17 members of the population (ibid.). However, although large, the Greek bureaucracy and by extension the Greek state is a "colossus with feet of clay" (Sotiropoulos 1993, 43). All these policies were enacted in order for PASOK to create employment and meet its promises to its electorate about curtailing unemployment. Although these policies did create new jobs they also increased public spending by 40% leading to an increase in public debt of 433%. By 1985 when PASOK was elected to power for the second time it had to introduce an austerity program.

## Conclusion

To reiterate each chapter concludes with a presentation of the norms/rules as expressed in the discourse of the particular prime minister. I begin with a short narrative and then list the norms/rules pertaining to the particular theme. As mentioned in chapter two norms/rules are both regulative and constitutive. They regulate the conduct of human beings because they have a normative content, i.e., they tell human beings what they should do, and at the same time by telling agents what to do they define their world around them. The regulative content of norms/rules is expressed through language and manifested in a particular individual's speech by words/phrases such as, "should", "must", and "we have to do such and such". The constitutive aspect of norms/rules is included in the normative but can also be expressed directly when norms/rules refer to the world, "the way things are, the way it works" (Onuf 1999, 67). By saying that the world

is "such and such" we at the same time connote the normative aspects of the specific statement. For example when Papandreou says that, "Turkey is an aggressive country", he is implying that, Greece is peace-loving country and that aggressiveness is not accepted in international relations.

## International Society

Papandreou's first two terms are characterized by his effort to implement his vision for a new Greek society as captured by his concept of *allagi*. *Allagi* was rooted in the combination of socialism and nationalism and has the mark of domestic Greek political culture. At the international level Papandreou's socialism/nationalism matched with the so-called Third Worldist ideology. Consequently, he pursued policies that supported liberation movements and anti-Western leaders. Overall, Papandreou was critical of the capitalist West. This path was consistent with his emphasis on Greece's need to embark on a neutralist road, liberated from the influence of the West, but not entering into another dependency relation with the East. Below are listed the key normative assumptions expressed in Papandreou's political discourse regarding international society.

- a) "The root of our misfortune is founded on our country's dependence on the West and especially the United States".
- b) "The United States strategy was always....the same goal, i.e., the extension, control, and reproduction of the Imperium".
- c) "Greece should withdraw from the military and political wings of NATO".
- d) "PASOK has denied in words and deeds the logic of the Cold War division of the world".

- e) "The solution to the present economic crisis of modern capitalism should be sought within the parameters of the socialist transformation of society".
- f) "The Third Road is equated with the socialization and public control of the means of production and means of political authority".

# Greece and the European Community

Papandreou's Third Worldism influenced his attitude toward the EC. The European Community was considered part of the world capitalist economy exhibiting its contradictions. Papandreou argued for economic justice within the European Community. His initial anti-Community stance was tempered when he came to power. He then adopted a position of indifference toward the EC, followed by an instrumental stance that sought to reap economic benefits. Below are listed the normative assumptions found in Papandreou's speeches pertaining to the EC.

- a) "The rules of the EC, to which we are obliged to conform, make many of the economic problems we have to face more acute".
- b) "Within the EC there are unacceptable inequalities".
- c) "The rules and mechanisms of the EC continue to function in such a way that they favor the advanced economies".
- d) "We [Greece] are fighting for an equal Europe through the convergence of all economies".

#### Greek-Turkish Relations

Papandreou's anti-Western posture was tempered due to the Greek-Turkish conflict.

Greece adopted a deterring posture towards Turkey, leading the two countries into an expensive arms race. Greece considers Turkey a revisionist regional power with

territorial ambitions against it. The conflictual relationship with Turkey dates back to the Greek War of Independence (1821). The two states fought three wars, and came to the verge of war numerous times. The relationship with Turkey imposed a dose of realism into Papandreou's foreign policy, leading him to relax his anti-Western rhetoric in order to keep receiving Western military and economic aid. The normative assumptions found in Papandreou's discourse concerning Turkey are listed below.

- a) "One of the greatest problems of Greek security is the preparation to defend in case Turkey decides to impose its demands [on Greece]".
- b) "The aggressiveness of the Turkish elite and its elaborate plans [against Greece] are unfolding gradually".
- c) "The long-term goal [of Turkey] is to create a climate where she can have territorial claims on certain Aegean island and Western Thrace".
- d) "There is no doubt that the Turkish elite has taken a truly expansionist and chauvinistic posture that reminds us of theories of vital interests from Hitler's days".

## The Domestic Context

Domestically, Papandreou implemented a five-year plan (1983-87). The plan centered on the role of the state in the economy and ascribed an auxiliary role to market forces. The five-year plan captured Papandreou's economic domestic policy, which centered on the effort to introduce socialism in Greek society. However, Papandreou would frequently emphasize the decentralized nature of his socialism and the alliance between the state and the private sphere. Papandreou's Third Road was to avoid the extreme statism of the Soviet socialist model and the Laissez Faire Western capitalism. The goal

of his socialist strategy was to make Greece a self-reliant, autonomous (from the West) and modern society. Self-reliance did not mean the isolation of Greece from the world capitalist economy, but the severing of Greece's foreign dependency. The state was to insulate the Greek economy from the vagaries of the world capitalist economy, but at the same time usher Greece to a higher level of economic development. This reality of the world capitalist economy plus Greece's membership in the EC and the need for military aid in order to counter the Turkish treat, tempered Papandreou's socialist idealism.

Below are listed the normative assumptions articulated in Papandreou's political speeches concerning domestic society.

- a) "The state will supervise the socialization of the means of production".
- b) "The coexistence of the state and the private sphere is the only possibility for the betterment of the standard of living in our country".
- c) "The solution is to be found in the amelioration of our foreign dependency and the upgrading of our country in the world division of labor".
- d) "We are struggling to modernize, develop, and march to a socialist society with our borders open".

The normative assumptions above, extracted form Papandreou's discourse during the first two terms in office, illustrate his Third Worldism, anti-Westernism, his preference for socialism, suspicion of Turkey, and proclivity for an interventionist state in domestic society. As we shall see in the next chapter some of these themes are tempered and some persist in Papandreou's discourse.

#### Endnotes

<sup>&</sup>lt;sup>1</sup> By left I do not mean a communist party modeled after the Leninist type. By left I capture a broader spectrum of political parties that includes those espousing socialist, communist, or social/democratic ideas.

<sup>&</sup>lt;sup>2</sup> The Papandreou family has been involved in Greek politics for three generations, Giorgos Papandreou Sr., Andreas Papandreou, and his son Giorgos Papandreou Jr. Giorgos Papandreou Jr. will be introduced in chapter seven and he is the foreign minister of Simitis's government.

<sup>&</sup>lt;sup>3</sup> Papandreou uses a well-known Greek idiom *xefrago ambeli*, which means a vineyard without a fence alluding to the ease by which people can go willingly into the field and take grapes. In the same manner the Greek state under the military dictatorship, in alliance with the Greek bourgeoisie, have left the country defenseless to be exploited by Western multinationals.

<sup>&</sup>lt;sup>4</sup> Other agents situated in a different social context carried out this change and the Greek decision makers had no control over these changes.

<sup>&</sup>lt;sup>5</sup> The relations with the European Union and Turkey are treated separately.

<sup>&</sup>lt;sup>6</sup> In Greece, trade unions, athletic clubs, the media, and other collectivities that belong to civil society and are supposed to be independent form the state and political society, where dominated by the dominant political parties.

<sup>&</sup>lt;sup>7</sup> George Koskotas returned to Greece in the late seventies after he migrated to the United States earlier in his life. Upon return he was employed by the Bank of Crete, which he ended owning in a few years. Somehow he managed to become a key financial individual in Greece. Later on it is published in the US that he was involved in sixty-four financially related crimes. This leads to an investigation in Greece and apart form the economic problems of the Bank of Crete Koskotas is associated with financing PASOK's election campaign. This leads to a scandal that creates problems for Papandreou's popularity.

# Chapter Five

# Papandreou's Third Term: 1993-96

### Introduction

When Papandreou came to power for the third time in October of 1993, many PASOK officials expressed the view that the radical days were over. According to Kitroeff, commenting on Papandreou's visit to the White House in April 1994, "The three decades that elapsed [from his last visit to the White house] had witnessed an increasingly anti-American stance by Papandreou which nevertheless, had been replaced by a pragmatic and eventually businesslike collaboration with the United States. The pursuit of income policies to combat inflation domestically and moves towards privatization were additional signs that little were left of Papandreou's old radicalism" (1997, 29). Kaloudis commenting on the withering of Papandreou's radicalism said, "Even though PASOK officials said that the radicals days were over, for his cabinet Papandreou chose old associates instead of younger party officials...On the economic front, Papandreou resisted the privatization of the Greek telecommunications company (OTE) and of two big oil refineries" (2000, 75). Yet, Papandreou also said that there would be "cooperation rather than confrontation with the European Union and the United States" (ibid.).

At the time Papandreou regained the helm of the government, international society was experiencing the shocks from the dissolution of the Soviet Union. Moreover, the European effort toward further integration of the EC/EU was gaining momentum, especially with the signing of the Treaty on European Union or the Maastricht treaty (1993) that was to usher Europe into political union. The name changed from European Community to European Union (McCormick 1999, 76-86). Closer to Greece's borders

ex-Yugoslavia was breaking up in a series of violent wars. The issue that effected Greece the most was the declaration of independence by Macedonia, a former province of Yugoslavia, and the inclusion of the name Macedonia into the title of the new state. For the Greeks, the name Macedonia is associated historically and culturally with their history and thus was unacceptable to them (more on this below). The issue of FYROM caused friction between Greece and its European allies. A further concern of the Europeans was the poor performance of the Greek economy in relation to the other EU economies. It should be noted that Papandreou was ailing most of this time and remained in power only for two years, from late1993 to early 1996.

## **International Society**

In an address to parliament just two weeks after Papandreou became prime minister for the third time he characterized the post-cold war in this fashion:

the great changes of the last few years are concentrated on three issues: International relations, the world economy, meaning the system of production, and world trade, meaning the system of exchange. A common characteristic of all three cases is their globalization. Exchanges, wherever they take part, concern us all. There are no isolated societies. There are no more walls between peoples. Distances are shrinking due to the development of new communication and transportation means. The world is uniting. In order to face [global] problems we have to calculate the interests and aspirations of all peoples. We should also acquire the skills to be able to move in an environment that is full of contradictions. All the great changes that have come to pass have their contradictory positions. On the one hand they open huge possibilities for the world in terms of prosperity and progress. On the other hand they entail dangers for great catastrophe (PASOK Archive, 14/4/1994, 4).

Papandreou went on to assert that these dangers do not emanate from the threat of a nuclear holocaust, which is to a certain extent over due to the collapse of the cold-war rivalry, but from the resurfacing of old regional, ethnic, religious, and racial rivalries. He blamed this resurgence of violence to the "unequal exchange that has been imposed

through the years by the powerful capitalist states. The upsurge in violence is a result of the conflicts that the powerful promote, deliberately, in order to promote their interests" (ibid.). Papandreou then jumped to the issue of how humankind can solve the problems of inequality and violence that plague our era. He asserted that the perennial contradiction of capitalism, between increased production and increased unemployment. has not been transcended. The solution is to incorporate social justice along with the functioning of the free market. "Never before has humankind amassed so much productive power as today. If we put our technology to rational use we could solve almost all of our [global] economic problems. We could eliminate Third World hunger within a generation and we could safeguard social justice and create work for the unemployed and underemployed in the industrial countries. To achieve these it is imperative that we direct the market for social goals" (ibid.). He reasserted this point later on when he stated that, "The market, crucial for the dynamism of entrepreneurial activity, without guidance [state intervention] cannot solve the problem of unemployment...Pursuing only economic/technological development [based on market mechanisms] the only thing that we achieve is the unequal distribution of wealth, misery for 4/5 of the world population and the degradation of our natural and cultural environment" (ibid.).

The West and the US are not singled out as the villains in this economic account of the post-cold war era. They are not portrayed in the terms of the dependency discourse in which the metropolis exploits the periphery. Yet, there are remnants of his dependency perspective when he speaks of unequal development as the root of many contemporary regional conflicts and in his position on social justice being achieved through collective

efforts. Later on he referred to the economic powers of the world but did not call them the "metropolis" or the exploiters of the Third World. Instead, "In world trade, in global transactions, the governments of the powerful economic states try daily to organize the world markets. The powerful economic regions of the world-North America, South America, Asia-are all following the European Union's example, each one organizing their own areas of free trade" (PASOK Archives, 4/11//1994, 6). Papandreou did not mention socialism at all in the passages quoted above. Nonetheless, he still blamed unbridled capitalism as the source of many of our global problems. The solution is a welfare state approach within societies that is also extended to the international society where the powerful can collaborate and promote "rational" solutions to world problems.

Similarly, in the political sphere the US is not singled out as the main villain that promotes its geopolitical interests, through threats, machinations, and bribes. Yet, in the same vein as his economic analysis of world events, his political analysis is strewn with snippets of his anti-Western stance. Referring to the events in Yugoslavia, Papandreou stated that, "There are huge contradictions in this region [Balkans] that suffers from local conflicts that are the result to a certain extent of great power rivalry in their pursuit of new spheres of influence" (ibid., 7). Interestingly, in the case of Yugoslavia, Papandreou blames the European Union and the great powers within it, Britain, France, and Germany and not the United States (ibid.). His reference to Yugoslavia is due to the fact that the events in this country were intimately affecting Greece.

Papandreou's rhetoric on the international society is pervaded with the concept of globalization, albeit with a dash of his "Third Worldism." "In these new times characterized by globalization and cutthroat competition, the empowerment of

transnational bureaucratic institutions and the diminution of state sovereignty, the unstable economic balance, the unprecedented concentration of capital, the control of the world means of communication, and the interlacing of political and economic interests, we will answer to these current challenges with the rebirth of social democratic forces and the implementation of a new progressive strategy" (ibid., 7). Papandreou's view of globalization is not the one held by most journalists, many politicians, and the public at large. Instead it is the leftist view of globalization. This view acknowledges the fact that capitalism has entered a new phase through the so-called "information revolution" and it is spreading its institutions all over the globe faster than ever. Distances are shrinking and the world is becoming a "global village" (Hirst and Thompson 1999).

The left incorporates elements of the dependency perspective that refer to the uneven development of capitalism replete with contradictions. Although Papandreou accepts the fact that state sovereignty is eroding, and that the political sphere is under pressure from economic forces, he wants to reintroduce the state as a key player in policy making, in both the domestic and the international levels. Papandreou lamented the loss of autonomy of the political sphere; "The new economic forces not only guide politics but choke them and cause them to loose their autonomy" (PASOK Archives, 6/7/1995, 10). These economic forces are none others than huge monopolistic multinational corporations that Papandreou referred to in the early years of his career. Papandreou's solution is for politics to regain its independence form economic forces (capitalist ones) so it can promote social justice.

Papandreou's concern with global economic developments at this juncture revolves around the role of the state in relation to the market. The eighties witnessed the

emergence of neo-liberalism with its emphasis on privatization and free trade. With the collapse of the Soviet Union, socialism was discredited as a viable socioeconomic system. Papandreou expressed these developments in the following manner: "The [free] market won this battle. Capital survived and is galloping ahead...It looks like the conservative forces are controlling the political sphere and have the upper hand (PASOK Archives, 6/7/1995, 10). Papandreou relaxed his anti-capitalist rhetoric but at the same time he did not embrace capitalism as the panacea for the world's problems. He envisioned the cooperation of the market and state (welfare state) in this new era forging a new and stronger relation. The betterment of the Greek economy "is a precondition for the drawing out of our national strategy. The following three responsibilities guide our national [economic] strategy, development, stability [order], and the Welfare state" (Parliamentary Proceedings, 1993, 17).

How is Greece to embark on a developmental policy in the new era? PASOK will guide Greece by forging a new alliance between the state and the economy where, "democratic socialism is constructed with modern materials, with a renaissance of its idea, values, and goals" (Papandreou 7/6/1995, 10-11). This renaissance of ideas, values, and goals reduced Papandreou's radicalism to the advocacy of welfare state policies.<sup>2</sup> The key institution in the rejuvenation of the Greek economy will be the state.

Papandreou emphasized social justice and the role of the state in promoting this social justice because he committed himself and still is committing himself to some form of a "socialist" society. Papandreou came to power with the slogan *allagi* that allied PASOK with the so-called "bloc of the underprivileged", and promised to build a socialist democratic society in Greece. He embarked on state directed policies that employed

thousands of people. The "new" economic discourse on privatization meant that many of those jobs would be lost. Moreover, he could not abandon the many promises of the eighties to the Greek people with one stroke. The change in orientation had to be implemented gradually, keeping as many elements of the previous political agenda as possible. The state was crucial in the eighties and it was still crucial for Papandreou in the early nineties. What Papandreou changed was to move his discourse to the direction of European social democracies (welfare states) something that his "Third Road" was supposed to transcend. Papandreou was not only facing an international society heavily favoring privatization, but also the pressure from the European Union.

## European Union

In the early nineties Greece found itself in a grim predicament regarding its image in Europe. Economically Greece was the poorest of the Union's members and it seemed that the Greek government could not rejuvenate its economy. The *Economist* reported that

Despite 13 years in the European Union and handouts now worth \$6 billion a year, Greece still seems to be more close to the volatile Balkans than to Western Europe. First the Greeks exasperated their EU partners by casual approach to European obligations, their slowness in implementing directives and their hostility to better EU relations with Turkey. At one stage, a frustrated Jacques Delors, president of the European Commission, said "he would be happy to see Greece leave".

Papandreou acknowledged this in 1993 when he retook power by stating that the Greek economy is "characterized by the following four problems: a huge public debt, a reduction in productive activity, unfavorable investment policies (high interest rates), and reduction in our competitive capability" (Papandreou 1993, 17). In addition, Greece was at odds with its European partners on political issues and particularly over the events in

Yugoslavia. Greece in contrast with its European allies took a pro-Serbian position, and then imposed an embargo on FYROM as retaliation over the inclusion of the name "Macedonia" into the new state's name (Featherstone 1994, 288). Two scholars stated recently that

In the recent history of Greece's external requirements of its participation in a broader European system of cooperation, and preferred to compromise its long-terms interest in the Balkan area by adopting relations, the issue of the Former Yugoslav Republic of Macedonia (FYROM) has been widely regarded as an instance where Greece failed to realize a narrow definition of national interest. Greek policies with respect to FYROM have seriously damaged its reputation as a European partner and have reinforced a perception of Greece as a country with a strong non-cooperative approach (Mossialos and Mitsos 2000, 23).

Despite these disagreements, Greece took presidency of the EU in early 1994. As in the case with Papandreou's softening his anti-Western rhetoric in term of the working of international society, he also moderated his EU position and was now more accepting of the Union's political and economic policies. As mentioned in chapter four, in the late eighties the Greek position towards the Union was showing signs of improvement. The economic rewards from the EC loans, the benefits that began to accrue to certain sections of the Greek population (farmers especially), and the diplomatic leverage over Turkey were some of the reason for Greece's Europeanization (Ioakimidis 1995, 39). However, a more fundamental process was taking place. Greece, with the signing of the SEA and the acceptance of a loan with conditions attached to it put Greek society into a tighter orbit within the Union. This meant that the socialization process into the EU was becoming more intense.

We saw in the last chapter that Papandreou was critical and dismissive of the EC/EU. What allowed Papandreou to keep a negative stance toward Europe were the existence of

the Cold War, the alternative courses of action, e.g., the socialist or non-alignment routes, the lack of progress in the direction of EC/EU integration, the traditionalist domestic political culture to which he belongs, and his ideology. The collapse of the Cold War rendered the first two options problematic. The key norms of the post-cold war era were coalescing around one paradigm, i.e., the liberal paradigm. The EU began the next step toward integration with the signing of SEA under the auspices of liberalism. Regarding the latter two factors that permitted Papandreou to hold a critical posture vis-à-vis the EC/EU, was the fact that Papandreou as a master demagogue could relax one position and adopt another that he had previously criticized and still maintain an ideological "cohesion". Thus, his initial criticism of the European Social Democrats was not only tempered, but he ended up adopting many of their policies. Coupled with Papandreou's charisma, the support of the traditionalists (underdog culture) enabled him to hold these contradictory positions.

In one of his first speeches after taking the helm of government for the third time, Papandreou stated that in this era of global changes the axes of Greek foreign policy are, "a) The safeguarding of our national independence and territorial integrity and the fortification of Hellenism and b) the insistence on the goal of a European completion (Federation) and cooperating with our partners in a spirit of equality" (PASOK Archives, 23/10/1993, 16). By fortification of Hellenism Papandreou is referring not only to the military aspects that this term connotes, but also the economic and political aspects. Papandreou, after the collapse of the Cold War, realized that the European route was the best option to defend the territorial integrity of Greece from Turkey, which entails the increase of Greece's military and economic power, and also the status of Greece in

Europe and the international society at large. The word that I translated as "spirit of equality" is *isotimia* meaning literally equal-worth. Papandreou wants Greece to better itself in the European Union and be treated as an equal in respect to the other members. In 1995 Papandreou was reiterating that Greece belongs to Europe. "Our journey is definitely through Europe. Our European orientation is a given. However, for which Europe? I will be clear on this: A Europe of many states moving towards a federation of equal partners in a progressive manner" (Papandreou 7/6/1995, 11).

The contrast with the rhetoric of the eighties towards the European Union is remarkable. Papandreou is wholeheartedly embracing a Federal Europe and the full participation of Greece in the process towards this goal. Referring to the Maastricht Treaty Papandreou stated that: "In these hard times we are going through this development [Maastricht Treaty] that must be the beginning for new prospects and a new dynamism towards the unification process, so that our economies [emphasis mine] transcend the stagnation that is plugging them and find solutions to those crucial problems like unemployment and the marginalization of huge parts of the population" (Papandreou 1994, 19). Our economies signify the acceptance of Greece as belonging to the European Union. Although Papandreou never denied Greece's European identity he would always refer to Greece as belonging to the whole of Europe, the ex-Eastern communist states and the Soviet Union included. "The goal of a common European policy should be for a Europe of all Europeans, a Europe that is not divided into Western and Eastern countries" (Papandreou 1996, 196).

Papandreou's insistence on a Europe of equal partners and the promotion of social justice reflects both, his socialist leanings and his fears of Greece falling further behind

economically in the European integration process. Consequently this will mean Greece's security threat from Turkey will increase also. To reiterate, Greece assumed the European presidency in early 1994. Early in 1993 Papandreou referred to the upcoming presidency of the EU by Greece when he said:

The Greek presidency will strive to turn back the downturn of the economy, reduce unemployment, a social problem whose solution we consider of primary importance, and the development of the new policies of the Maastricht Treaty on health, education, and social policy....The Greek presidency believes that the privatization policies and liberalization of the market do not clash with the preservation of a welfare state. Thus, while we will advance the initiatives and lift the obstacles within the European economy that stifle competitiveness we will simultaneously preserve the structure of the welfare state that has developed in Europe and the policies pertaining to it [welfare state] stipulated in the Maastricht Treaty (Papandreou 1994, 88).

Papandreou's turn to the European style social democracy of which he was so critical in the eighties is another manifestation of his de-radicalization. Welfare state policies are not alien to his discourse. Only the acerbic criticisms of the European Union are absent. Papandreou's "Third Road" as presented in the previous chapter was the type of socialism Papandreou wanted to implement in Greece. The "Third Road" was a middle position between the social democracies of Europe and Soviet communism. However, most of his policies can be characterized as welfare state policies. The Greek state continued to provide employment and other services to the "marginalized" population. Whatever socialization of the means of production occurred were transferred to the state as we saw in the previous chapter. Not surprisingly Papandreou in 1990 joined the Socialist International, founded in Germany in 1951 with a membership of forty social democratic parties. As Kariotis stated, "when Papandreou was no longer in power, during a meeting of the Socialist International in Cairo, May 1990, he himself applied on

behalf of PASOK to become a member of the same Socialist International [he criticized before]. Apparently, as Papandreou put it, the Socialist International had moved from the "paternal stage of capitalism to an upgraded role in international solidarity, of support for the struggles of the peoples of the world, for freedom, democracy, and social justice" (Quoted in Kariotis 1997, 49).

The Europeanization of Greece can be discerned by the policies enacted during this time. As in Papandreou's rhetoric, the implementation of policies is not accomplished in a smooth manner. To reiterate, Papandreou could not switch rhetoric and policies 180 degrees within a few years, however radical the changes in the international society. Yet we have witnessed above considerable change in his political discourse towards the West, EU and US. Consequently PASOK enacted policies for the further convergence of the Greek economy with the other European economies and at the same time tried to balance these policies with his rhetoric on social justice.

One area that demonstrates the Europeanization process has been the promotion by the EU, after Maastricht, of structural funds through the so-called Community Support Framework (hereafter CSF). The CSF is concerned with the efforts of the EU to find an efficient way to deliver its structural funds, i.e., economic grants given by the Commission to member states as a form of bringing the different economies to a similar level of development (McCormick 1999, 78). The Commission introduced a system of regional planning where the country concerned would draw up regional plans for development and then negotiate with the EC/EU. The CSF's are detailed documents of how the EC/EU will help the country/region in question (Amstrong 1993, 143). Between the years 1993-94 PASOK implemented the second wave of CSF's from Europe,

marking this move, along with the previous wave under ND, "the first concrete examples in policy planning in Modern Greek history" (Ioakimidis, 1996, 42).

What makes the CSF policies more interesting is the composition of the personnel that drafted them. Previously, any dealings with the EC went through the Ministry of National Economy. With the CSF's a group including people from the private sector and the specific regions to which the funds will go, drafted the CSF's of 1989-90 and 1993-94. In the second period the diversity and composition of the drafting team was even more surprising. It included forty-six private agencies (ibid.). Papandreou gave his blessing by stating: "We actively support the creation of special 'funds for investing in problematic areas' and with the participation of domestic and foreign capital" (Papandreou 1994, 246). The change in discourse is even more striking in this case. Papandreou supported the collaboration of domestic and foreign capitalists and invites them to invest in Greece. I will examine Papandreou's policies regarding the role of the state in the economic convergence process in the section on the domestic context. The domestic and the European are becoming increasingly blurred as efforts to develop European ties are strengthened.

## FYROM and Greek-Turkish Relations

During the brief third tenure of Papandreou the relations with Turkey were put on the back burner and the relations with the European Union and FYROM took center stage. This did not mean that the problem with Turkey was diminishing. It meant that other events, such as the Gulf War and those taking place in the Caucasus region and Central Asia after the collapse of the Soviet Union, the breakup of Yugoslavia, and the pressure of EU relations, preoccupied the two countries and kept them from engaging in

belligerent behavior toward each other. Greece encountered another "security" issue emanating from the North. The breakdown of Yugoslavia created five new states:

Slovenia, Croatia, Bosnia, FYROM, and Serbia. As mentioned above, Greece's position regarding the wars that broke out between the breakaway states and Serbia was counter to the one taken by her allies, the European Union and the US. The key to Greece's alienation was the issue of recognition of FYROM and the name "Macedonia". The Greeks feared that an independent Macedonian state, even if it did not reach the Aegean Sea, would pose a threat because it would constantly search for access to the Aegean, and since it would be weak it would try to balance against Greece by allying with other states in the region. Of course, the greater fear was an alliance between the new Macedonian state and Turkey.

The Greek fears materialized to a certain extent when the ex-Yugoslav Republic declared its independence in 1991, and the new state was recognized by Bulgaria and Turkey. The key question surrounding the increased hostility between the two countries was the inclusion of the term Macedonia in the name of the new state. Initially the new state was named Republic of Macedonia. The Greeks concern with the inclusion of the name of Macedonia is that it gives the new state territorial claims to parts of Northern Greece. By asserting an independent Macedonia, it implies there is a Macedonian nation. Both Greece and Bulgaria deny the existence of a distinct Macedonian Slavic ethnic group. Thus, Greece thought that the Bulgarians would not recognize the new state with the term Macedonia in its name since this would mean that there is a distinct Slavic ethnic nation that is neither Serbian nor Bulgarian (Stearns 1995, 61-62). Turkey recognized the new state in order to promote its geostrategic interests in the region. In

the post cold war era Turkey aspired to become a regional power, not only in the Balkans but also the Caucasus region, Central Asia, and the Middle East (Kramer 2000, vii).

Turkey also provided financial aid to Macedonia (and to the Kosovars and Albanians).

This move by Turkey was viewed by Greece as an effort to gain more influence in the Balkan region.

Papandreou inherited the problem with FYROM from the ND government. The ND government put pressure on FYROM not to include the term Macedonia in its name. Constantine Mitsotakis, the Prime Minister at the time, categorically said that Greece would not accept any name for the new state that includes the term Macedonia. The Macedonian government became more stubborn on the issue. Meanwhile the United Nations recognized the new state under the name FYROM (Former Yugoslavian Republic of Macedonia). The United Nations recognized the new state, on April 1993, with the name FYROM on temporary basis until the name issue was resolved.

The negotiations that ensued did not lead anywhere. By the time Papandreou came to power (October 1993) the EU countries along with other European states recognized the new state with the name FYROM. When Papandreou came to power he reacted by taking a tough stand on the issue. Two weeks after becoming prime minister he said the following regarding the issue with Skopje: "I wish to repeat our decision that we will not recognize a state with a name that includes the word Macedonia or any derivatives...and not to accept the theft of our symbols and irredentist claims against our country....We also believe that all negotiations [with Skopje] can succeed if the negotiations are conducted in good will. From our experience up to now Mister Glygorov [president of FYROM] has shown no such good will" (Papandreou 1993, 16-17). The reference to

"our symbols' is to the *Vergina Star*. Ethnic symbols are intimately related to collective identity. The *Vergina Star* and the Macedonian Kingdom of Alexander the Great are part of the Greek historical narrative that tells the Greek people who they are and where their roots are to be found. This is why Greeks at home and abroad supported both governments (ND and PASOK) regarding their stance towards FYROM (Legg and Richards 1997, 66-67; Stearns 1995, 61).

With the failure of the negotiations, the support of the whole Greek nation, and the perceived intransigence of the Skopje government, Papandreou imposed an economic embargo on FYROM in February 1994. Kitroeff added another reason for Papandreou's position: "it would have not been Papandreou's style to lose control of his deputies over a sensitive nationalist question and indeed handled Greece's attitude towards the new state in a sufficiently dynamic manner so as not to be outflanked by anyone within the party or among opponents" (Kitroeff 1997, 26). Three weeks before he imposed the embargo Papandreou stated that "Skopie cannot survive economically without Greece, regardless how many states recognize FYROM. This is the message we are sending to Mr. Gligorov, that Greece will never recognize Skopje using Macedonia in its name" (Papandreou 1994, 1839). Papandreou put as a precondition that FYROM drops the name Macedonia from its title and removes the Vergina Star form its flag in order to enter into negotiations (ibid.). The Skopie government did not budge, and Papandreou announced the imposition of an economic embargo on FYROM on February 16, 1994. "The Greek government decided: First, the termination of the functioning of the our consulate in Skopje. Second, the termination of the movement of goods to and from

Skopje from the port of Thessaloniki, with the exception of vital goods like food and medicine" (Papandreou 1994, 208).

The combination of the economic pressures on FYROM and international pressures on Greece, especially from the EU and the US, brought the two countries to the negotiating table. The negotiations proceeded with the presence of Richard Holbrook (US envoy) and reached a satisfactory solution for both parties. Greece lifted the embargo and recognized FYROM under this name. FYROM removed the *Vergina Star* from its flag and agreed to remove certain passages from its constitution that the Greeks considered indicated irredentist intentions. However, the word Macedonia remained in the name of the new state. For many Greeks this was a defeat and again blamed the great powers for going against Greek interests.

Papandreou, commenting on the agreements, praised his government for succeeding to come to an agreement beneficial for Greece. Concerning the removal of the word Macedonia form the new state's name he said that negotiations would continue. The Macedonian question can be viewed as a temporary issue that by now has been "resolved" or at least is not a topic of contention between the two countries. The security threat to Greece, although it raised legitimate concerns regarding the irredentist claims (or potential to do so) by FYROM, could be met effectively since the new state was and still is very weak. Moreover, FYROM needs Greece in order to develop and function as a viable society. The port of Thessaloniki is vital for FYROM's trade. The nationalist fervor that brought the two countries to a belligerent relationship has deep historical roots in the Balkans. This time the collapse of a larger state like before (weakening of the Austro-Hungarian Empire) and after WWI (collapse of both the Austro-Hungarian and

Ottoman Empires) lead to rapid changes that found politicians unprepared to deal with in a rational manner.

The "real" threat for most Greeks still came from Turkey. Although the relationship with Turkey was on the sidelines during the crisis with FYROM, with the exception of viewing Turkey as tying to take advantage of Greece's disadvantageous position in the Balkans and Europe, it reemerged after the crisis was over. Papandreou continued to portray Turkey as the aggressor power in the region. "Having the feeling of a permanent threat from Turkey and still having the open wound of the Cypriot problem, our most vital ethnic issue, we do not have any reason not to reconcile our relations with other neighbors...." (PASOK Archive, 6/11/1995, 1015). That same year in an interview with the Greek newspaper Ta Nea (The News) he stated: "Turkey, under the pressures of its domestic problems, still remains our main threat, has not stopped provoking us, and has lead every effort towards the solution of the Cypriot problem to a dead end" (Papandreou 1996, 388). A few months later he states: "We are for peace and cooperation, but the Turkish threat is real and no Greek government can ignore it. Then there is the wound of Cyprus, which is our most important national issue and Turkey has done nothing to solve" (ibid., 392).

The warming and cooling of Greek-Turkish relations continued during Papandreou's third term. In 1995, in order to better relations with the EU, the Greek government withdrew its objection to Turkey's custom union with the EU. Although this was a positive move from the Greek part to bring the two countries together, the new government of Tansu Ciller opted to continue the "cold war" over the Aegean issue. A series of incidents related to the expansion of the territorial waters from six to twelve

miles culminated in 1995 with the Turkish parliament authorizing the government to use any means necessary, including war, if Greece expands its territorial waters to twelve miles (Christopoulos 2000, 411). These events coupled with Papandreou's statements above demonstrate the seriousness of the Greek-Turkish animosity. The invasion of Cyprus is described as a "wound" upon the "body" of Hellenism. Turkey is still portrayed as the aggressor power in the region with territorial aims against Greece. As we shall see in the next chapter the Aegean dispute brought the two countries to the verge of war.

#### Domestic Context

As we have seen, during PASOK's first two terms the state in Greece became allpervasive in regulating the Greek economy. It controlled public enterprises, regulated banks and capital movement, set interest rates, provided subsidies, and controlled employment in the public sector (Ioakimidis 1996, 41). Although PASOK entered an agreement with the EC on an economic stabilization program in 1985, PASOK did not really follow through with the recommended policies and I discern several reasons for this. In 1991 there was a second stabilization program that the ND government concluded with the EC. ND began a liberalization program to privatize or dismantle the so-called problematic enterprises (Christopoulos 2000, 404). In total two hundred enterprises were privatized by ND between 1990-91. As Lavdas put it; "Despite initial oscillations and disputes concerning both the scope of privatization and the necessary regulatory measures that would have to be introduced in a country with poor regulatory experience...considerable progress was made between 1990-93" (Lavdas 1997, 203). But, this progress was stifled by the traditional elements within Greek society.

The attempts at privatization and de-regulation by the prime minister Mistotakis were obstructed by his own colleagues and his party machine, both clinging to their patronage. Linked to the machine were scores of 'chair-centaurs', the managers of public enterprises who had been appointed by Nea Democracy while they participated in the recent coalition governments of 1989-90. Behind these were the formidable public-sector trade unions which fought furiously to keep their members' legally guaranteed and privileged jobs, and were dominated by the left-wing parties (Close 2002, 240).

Papandreou, during his third term tackled the privatization challenge with an effort to balance the public and the private realms. "The same man who in the eighties proposed macroeconomic populist policies and criticized Maastricht will now advance an economic program in order for Greece to enter EMU" (Kazakos 2001, 480). This marks Papandreou's distancing from the ideological position where the political dominates society and from his dependency perspective. The economic plan was composed of the pro-EU economic policies of privatization and liberalization of the economy and financial aid to implement a developmental plan.

Although the Europeans would have preferred to see the Greek government placing emphasis on the former this did not materialize. Emphasis was instead placed on the role of European financial aid, technology, and the increased competitiveness of *public enterprises* (ibid.). Hence, PASOK did not abide with all of the European Union's rules, especially the ones pertaining to privatization. Once more the powerful trade unions opposed plans for the privatization of companies and the reform of the economy in general. Yet, PASOK "was better qualified than New Democracy for this task because of its strength in the trade unions" (Close 2002, 243). However, like ND, PASOK, shared the difficult position of trying to balance pressure from the EU to privatize and liberalize the economy and the resistance to such reforms by the powerful trade unions.

Additionally, Papandreou did not convert to neo-liberal economics within three years. The role of the state and his distaste for privatization were often expressed in his speeches. Two months after he came to power for the third time Papandreou described privatization as "a dark mechanism that has two characteristics: a) it is a fleeting and futile effort to reduce public debt and b) it enables certain private interests to participate in the predatory selling of our national wealth" (Papandreou 1994, 94). In that same speech Papandreou went on to praise the efforts of PASOK in restoring the trust of the Greek people in the state as the catalyst for the development of the Greek economy. "The decisive push to our economy to move forward will be achieved with the restoration of the efficiency of the public sphere" (ibid., 96-97). Papandreou wanted to balance the neoliberal economic principles of liberalization and privatization with the an active state in Greek society, especially the economy. To embrace neoliberalism wholeheartedly would be viewed by his constituents as treason. To go against the new realities of the world economy and espouse some kind of a socialist alternative to capitalism would be anachronistic. Two cases below exemplify PASOK's predicament.

The case of OTE (Organismos Telepikinonion Ellados) meaning Greek

Telecommunications Organization, demonstrates the importance of the state to PASOK's domestic policies in the early nineties. OTE had a monopoly in the telecommunications market in Greece since the early post-WWII era. The ND government put OTE on the privatization agenda and decided to sell 35% of its stock. OTE was a relatively successful state company that simultaneously produced profits and operated efficiently (Lavdas 1997, 207). However, OTE was not up to European standards and liberalization was going to create problems.

The Greek government hired financial advisers (Credit Suisse First Boston Group) and invited international telecommunications companies to submit bids. There was considerable opposition to this move. Not only trade unions (belonging to the right and left) but also Cabinet members and Intracom the Greek company that manufactured telecommunications equipment opposed privatization of OTE (ibid., 208). The EU became involved after the Greek government was accused by the other European companies (the bidders) that it was favoring Intracom. In the meantime elections were held and PASOK came to power. As mentioned above PASOK's economic policies tried to stay faithful to welfare statism. The PASOK government "aimed to construct a privatization package that would be more acceptable to a number of policy opposing groups" (ibid., 209). PASOK promised that OTE would remain a state company. PASOK sacked the financial advisors hired by ND and by 1994 it suspended privatization of OTE altogether with the promise that it will resume it shortly. The final decision regarding the privatization of OTE, was as Lavdas put it, "the most ambitious experiment in 'popular capitalism' in Greece. The final package of PASOK is a combination of private/public ownership. OTE was to diversify with several subsidiaries where private firms can participate, OTE managers rather than the ministries would oversee privatization, and the money from revenue will be used to modernize OTE, and not to reduce public debt (ibid., 211).

The case of Olympic Airlines, the national airlines of Greece, is another example of PASOK's predicament. Olympic Airlines was nationalized in 1975. Since then it operated at a loss. "Olympic has been making losses for most of the period since 1975, overstuffed by patronage appointments and overburdened by low productivity, an

inefficient pricing policy and a very wide route coverage" (ibid., 195). In 1993 the ND government petitioned the EU for a rescue package, specifically a debt write-off. The EU, faithful to its liberalization policy, suggested a series of steps towards liberalization of the airline industry in Greece to the Papandreou government (which in the meanwhile came to power). Liberalization meant competition from domestic and foreign airlines and the possibility of the airline going out of business. For this reason, the government found itself in the familiar predicament of been situated between "two negotiating fronts: with the Commission, and with the national trade unions involved" (ibid., 198). Consequently, after intense negotiations and substantial concessions to the unions, the restructuring package was approved by all members involved (ibid., 199). This agreement did not lead to the privatization of Olympic. The government under pressure from the Union could not pass a law on the airline's restructuring following the agreement. "But was only able to do so [pass a law] in November 1994. When it did, the agreement had already been tempered with the result of further government concessions to several union demands" (ibid.). What this meant was that Olympic Airlines was partially privatized exposed to some competition.

#### Conclusion

Papandreou's third tenure was relatively short in comparison to the eight years of uninterrupted leadership in the eighties. As we have seen, Papandreou's leftist beliefs were still present but were now transformed into a version of social democracy. His criticisms against the West (capitalism, the US, the EU) were also more moderate. The breakdown of Yugoslavia gave rise to the issue of Macedonia, which eclipsed the Greek-

Turkish relationship. Domestically, Papandreou tried to implement certain EU recommendations, but faced stiff opposition from members of PASOK.

International Society

The factors behind the de-radicalization of Papandreou's discourse were the new realities that merged after the collapse of the Soviet Union. Old norms lost their force and others increased their weight in international society. The end of the Cold War lessened the norms associated with "Third Worldism" described in the previous chapter and has elevated the rules that make up the liberal paradigm. Globalization was emerging as the key concept capturing the post-cold war era. Papandreou did not embrace globalization wholeheartedly, but still talked about its contradictions since it was the result of the world capitalist economy. Moreover, the state was still an important actor in the Greek economy. Below are listed the normative assumptions present in Papandreou's political rhetoric pertaining to international society. Below are listed the norms pertaining to international society.

- a) "Distances are shrinking due to the development of new communications and transportation means".
- b) "All the great changes that have come to pass [globalization] have their contradictory positions".
- c) "The market is crucial for the dynamism of entrepreneurial activity but without guidance [of the state] cannot solve the problem of unemployment and other social issues".

d) "In these new times characterized by globalization and cutthroat competition the rebirth of social democratic forces and the implementation of a new progressive strategy is a must".

# Greece and the European Union

As explained in the introductory chapter, the third term of Papandreou as prime minister was the period where we witnessed changes in Greek foreign and domestic policies. Papandreou's lax posture towards the EU was changing, and a serious effort to enter Greece in the Economic and Monetary Union as specified by the Maastricht Treaty was expressed. This process entailed certain requirements such as the liberalization of the economy and the privatization of state companies. However, Papandreou failed to implement most of these requirements due to the pressures from his constituents and members of his party belonging to the underdog culture and opposing the liberalization of the economy. Moreover, his own ideological position was also an impediment to such policies. As the leader of a member of the EU he was under pressured to abide by the norms of the Union. The contradictions of his position led to the slow adoption of policies satisfying EU norms. However the normative assumptions found in his speeches (listed below) during this period, pertaining to Greece's relation with the EU, were not as dismissive of the Union as the speeches of the previous two terms. The normative assumptions found in Papandreou's speeches regarding the EU are listed below.

- a) "Our journey is definitely through Europe".
- b) "Our European orientation is a given".

- c) "Thus, while we will advance the initiatives and lift the obstacles that stifle competitiveness we will simultaneously preserve the structure of the welfare state that has developed in Europe".
- d) "We are implementing a developmental strategy that will contribute to the growth of our economy as well as its convergence with the European economy".

### FYROM and Greek-Turkish Relations

The FYROM issue further complicated Greece's relation with its European allies. The EU-Greece relation reached its lowest point in the early nineties. Greece defied the EU's policy towards Yugoslavia and paid the price with political isolation. By the end of his career Papandreou accepted Greece's relation with FYROM and began to pay more attention to the perennial problems with Turkey. No significant inroads were made in the relations between the two states. By the time Papandreou left the political scene Turkey was increasing pressure on Greece. Papandreou's attitude towards FYROM and Turkey exhibits a different set of rules and normative assumptions, belonging to a combination of nationalism and political realism. Listed below are the normative assumptions contained in Papandreou's speeches referring to Turkey.

- a) "I wish to repeat our decision that we will not recognize a state [FYROM] with a name that includes the word Macedonia".
- b) "Greece will never recognize Skopje using Macedonia in its name".
- c) "Turkey, under pressure of its domestic problems, still remains our main threat".
- d) "The Turkish threat is real and no Greek government can ignore it".

# The Domestic Context

With the signing of the Maastricht Treaty, Greece entered a tighter orbit around the EU. The two realms, international and domestic, as argued in chapter two, were becoming increasingly linked. Consequently, the rules that were identified with regard to the relationship between the EU and Greece are difficult to differentiate from rules pertaining solely to the domestic sphere. This increased linkage between the two realms is expressed in the normative assumptions found in Papandreou's political rhetoric below compared with those presented in the end of the Greek-EU relation.

- a) "The privatization policies and liberalization of the market do not clash with the preservation of the welfare state".
- b) "Privatization has been transformed into a dark mechanism".
- c) "We have restored the people's trust in the state".
- d) "We must reset the boundaries between the welfare state and social justice within a new international context characterized by cutthroat competition".

To reiterate, the normative assumptions of Papandreou's discourse presented in this chapter illustrate the ambiguity of political life. Although, politicians alter their views on specific issues in order to be voted in office, satisfy their constituents, and adapt to a changing social environment, they also hold on to certain core normative assumptions. The comparison of Papandreou's normative assumptions provided in the conclusions of this chapter and the previous one demonstrate the ambiguity of political life. In the next chapter the normative assumptions of prime minister Simitis portray more consistency and direction than Papandreou's. Simitis' direction is to guide Greece to the camp of the Western advance industrial states.

#### Endnotes

<sup>&</sup>lt;sup>1</sup> Papandreou is using the term rationality in the Marxian sense, i.e., employed for the emancipation of society.

<sup>&</sup>lt;sup>2</sup> Papandreou uses the words *koinonike prostasia* literally translated to *social protection*. In the US social and political discourse this can be translated to social *justice*. I use welfare state since its function to protect the needy is clear to all. Social justice carries with it deep theoretical debates.

<sup>&</sup>lt;sup>2</sup> Even public opinion illustrates the changes in the acceptance of the EU in the early nineties for the eighties. In the 1980s 67% of the respondents to the question, "Are you for or against efforts to unify Western Europe?" said yes and in 1993 79% said yes. There was an increase in affirmative answers to a second question, "Has Greece benefited form its entrance in the EU?" from 52% to 68% in the same time period (Tsinisizelis 1996, 238).

<sup>&</sup>lt;sup>3</sup> Most frequently references to the Macedonia issue by the Greek government uses the terms "Skopje regime", (Legg and Roberts 1997, 67).

<sup>&</sup>lt;sup>4</sup> Apart from capturing an aspect of Papandreou's personality this quote alludes to the fact that when the crisis with FYROM began the ND party experienced a disagreement among the two top men of the party (Constnatinos Mitsotkis the Prime Minister and Antonis Samaras the Foreign Minister, on how to handle the Macedonian issue. This disagreement lead to the removal of Samaras from his post and is withdrawal from the ND party move that lead to its lost of parliamentary majority and early elections that PASOK won.

# Chapter Six

## **Prime Minister Constantine Simitis: 1996-2000**

#### Introduction

Simitis became prime minister in early 1996 after Papandreou resigned due to poor health (Athanassopoulou 1996, 113). A few months later when Papandreou passed away Simitis was chosen by the PASOK members to succeed him as president of PASOK. In late 1996 he was nationally elected prime minister and reelected in 2000. Simitis belongs to what some Greek analysts call eksihronistes or modernizers who consider Greece as part of the Western European heritage, and want it to develop along Western lines (Kaloudis 2000, 78). "For the first time [referring to the present] Greece understands that it is part of Europe and that its political and economic success is wholly dependent on the extent to which it chooses to cultivate its relationship with the European Union" (Kurop 1998, 7-8). Simitis wanted Greece to participate in the Economic Monetary Union (EMU), which was the latest integrative move by the EU. He feared that with the projected enlargement of the Union Greece faced the possibility of being relegated to a second tier of development within the EU. Moreover, full participation in the EU would bring about a stronger Greece in the competitive and globalized world economy and concomitantly would modernize Greek society. Nowhere do we find the radical statements of Papandreou. There is no mention of the exploitative capitalist states of the West. Instead globalization, in its liberal guise, is the most frequent reference to the state of the world.

As mentioned in chapter three, the S300 case (missile installation in Cyprus) was the first sign that Simitis wanted to reconcile relations with Turkey. A second incident that

occurred in early 1999 was the so-called Ocalan case.<sup>2</sup> It involved the arrest of the Kurdish leader, Abdullah Ocalan, by Turkish security forces. Members of the Greek government and secret police were involved in the case (described in chapter three). To avoid a renewed friction with Turkey, Simitis sacked his foreign minister, Theodoros Pangalos, who advocated a hard line approach towards Turkey, signaling to the Turkish government that his move towards reconciliation was sincere. The last and more substantial initiative was accomplished in 1999 at the Helsinki Conference. Greece for the first time lifted its objection to Turkey's entry in the European Union. Since the Helsinki Conference Greece has supported Turkey's efforts to become a candidate for full membership in the European Union. In addition, Simitis improved relations with Greece's Balkans neighbors including FYROM.

In terms of domestic policies Simitis' efforts have been directed towards the modernization of Greek society, and specifically aimed at the reduction of the huge and inefficient Greek public sector. Efforts towards the reduction of the state were initiated in Papandreou's second term (1985-89). But, like Mitsotakis' efforts to privatize and liberalize the economy during his term (1990-92), pressures from the traditionalists halted these efforts. Simitis' foray to privatize and liberalize the economy was progressing slowly but steadily. Simitis' efforts on all three fronts the EU, Turkey and domestic modernization, have encountered the opposition of the traditionalists. As mentioned in the introductory chapter, Simitis' endeavors were interrelated. The strengthening of Greece within the EU required a stronger Greek economy. In order to achieve better economic performance, Simitis needed to end the hostile relationship with Turkey in order to divert funds from Greece's overtaxing defense budget towards productive

economic activity along capitalist lines. The only reference akin to a socialist society is his insistence on social justice that was to be achieved via a welfare state, albeit by means of an efficient and reduced public sector. The traditionalists, opposed the liberalization of the economy, the rapprochement with Turkey, and the complete "surrendering" of Greece to the dictates of the EU. Most traditionalists did not want Greece out of the EU, but at the same time found distasteful the pressures from the Union to "rationalize" Greek society. Their position is more of an instrumental one where they want to use the EU's resources without following the conditions attached to the Union's aid.

This chapter has the same structure as the previous two, but with a few differences in exposition. Modernization through full membership in the EU is the cornerstone of Simitis' policy. Both domestic reforms and external relations are shaped according to their contribution to the modernization of Greece and its participation in the core developments of the European Union. Consequently, the sections on the international society, Turkey, and domestic context, include, apart from Simitis' discourse and policies that pertain to the specific issue, statements and policies that reflect Greece's increased "Europeanization", i.e., the impact of EU norms regarding issues in these three contexts. This captures the interdependent relationship between the different aspects of Greek foreign policy, which revolve around EU membership. This is so because presently Greece's foreign policy is consciously situated within the EU context more so than any of the previous administrations examined. Consequently, although the section on the EU is brief and emphasizes the formal aspects of the EU/Greece relationship, the rest of the issues covered revolve around this relationship. If Papandreou's policies where based on an independent Greece and the concept allagi, Simitis' policies stand on the further

integration of Greece within the EU and the concept of *eksihronismos*. Both concepts advocate change, nonetheless different conceptions for the future of Greece.

### International Society

The two previous chapters examined Papandreou's foreign and domestic policy from 1981-89 and 1993-95. There was a brief interlude between 1990-93 when Nea Dimocratia came to power and reference to key policies were covered throughout chapters four and five. Some analysts called Papandreou's third term the deradicalization of PASOK. This de-radicalization was evident in terms of Greece's relationship with the West and especially the EU, regardless of the fact that Papandreou's attitude towards the EU was based on instrumental reasons rather than a conviction in favor of EU norms. Papandreou relaxed his anti-Western rhetoric (EU, US) and deviated from the Third Worldist position espoused in the eighties. Regarding regional policy, Papandreou lifted the embargo on FYROM, but did not make any progress towards rapprochement with Turkey. Domestically he did not advocate the imposition of a socialist society, the so-called Third Road, but as mentioned previously, limited himself to a form of left social democracy where the state is a key factor in the socioeconomic and political life of the country. This is why Papandreou made few inroads in terms of reducing the huge state and attacking the bureaucratic clientelistic ethos supporting it.

Simitis's discourse and policies revealed a further de-radicalization of leftist political practice in Greek domestic and foreign policy. Simitis' embracement of certain liberal/capitalist principles did not necessarily lead to the abandonment of all socialist ideas. Like Papandreou, he advocated a form of social democracy, albeit one where the state plays a lesser role in the economy. Moreover, Simitis espoused liberal/capitalist

ideas, like competition, liberalization, and free trade, which were part of his discourse and were manifested in his policies. Simitis identified with what he called the center left. "That new grand design that is summoned to usher Greece into the next century [belongs to the political position] I call center-left" (PASOK archives, 14/3/1996). Like Papandreou, he belonged to the social democratic tradition. However Papandreou was more to the left, which means that he amplified the role of the state in Greek society, and Simitis was more to the right because he advocated a lesser role for the state.<sup>3</sup>

Simitis wanted to see Greece compete in the world economic arena and he knew this could be accomplished only by strengthening Greece's position within the European Union, which meant embracing capitalist economic and democratic/liberal political practices. Although, Simitis was one of the founders of PASOK, and instrumental in the compiling of the September 3<sup>rd</sup> declaration of principles, he avoided Papandreou's rhetoric regarding a future socialist society in Greece or even the adoption of any socialist type institutions. Simitis wanted to reduce the role of the state especially with respect to the economy and limit its role to being a partner to businesses and a provider of certain fundamental social services.

The collapse of the cold war, the discrediting of existing socialism and the possibility facing Greece of being relegated to a second tier of development within the EU due to the projected enlargement were the key factors that influenced Simitis' course of action with respect to Greek-Turkish relations. In addition, Simitis belonged to the modernist tradition of Greece since his early years of political involvement. As PASOK's minister of the economy between 1985-87 he initiated policies towards the reduction of public spending and the rationalization of the economy. As mentioned in chapter four, Simitis

resigned in 1987 because Papandreou abandoned his economic policies to balance the budget due to organized pressure from representatives of the "underdog" culture. "He prefers to be called –and to be-a modernist....For him 'leftwing' applies to a person with an open mind and critical thought, the one who can see something different, the one who can aim for and achieve certain values, such as democracy, freedom, equality, social justice and solidarity" (FIBIS-WEU-3/12/2000, 2).

Unlike Papandreou, Simitis did not place Greece's relations with other developing countries (Asia, Africa, South America) high in his foreign policy agenda. He was not concerned with adopting policies, like the nuclear freeze policies of Papandreou. These types of policies did not aid Greece's development, but only gave Greece the reputation of an anti-Western country. Besides, Papandreou shared with other traditionalist/nationalists an obvious anti-Westernism coupled with a "pronounced sense of inferiority towards the Western world compensated by a misleading sense of the importance of Greece in world affairs and in history due to the achievements of classical Greece (Diamandouros 1994, 18). Simitis was more pragmatic and knew the capabilities of Greece. He wanted to enhance the competitive advantage of Greece in the international society because he knew that is the only way to gain "respect". To engage in hyperbolic nationalistic rhetoric was not enough in today's competitive world economy. "Unwise nationalism often and inadvertently backfires and creates results that are detrimental for the nation. In world politics only results count" (PASOK Archives, 14/3/1996). In order for Greece to be more competitive in the world economy and the EU it had to modernize along Western lines.

Eksihronismos (modernization) was Simitis' slogan and guide to his policies. "Simitis was persistent and articulate in his advocacy of modernization of the government and the economy, for which goal he sought and won sympathy across party lines" (Close 2002, 246). Papandreou's slogan was allagi (change), a more broad and abstract slogan. By allagi Papandreou encompassed a whole range of policies as long as they were not identified with the political right's policies that dominated the Greek political scene in the post WWII era. Allagi was part of the de-radicalization of Papandreou's discourse substituting the transformation of Greek society to a socialist one with an interventionist welfare state. Simitis' modernization project aspired to elevate Greece to a "powerful and prosperous country" (ibid.). By powerful country Smitis was referring primarily to having a strong and modern economy, and secondarily, to the possession of military power. In an address to the parliamentary group of PASOK, Simitis emphasized soft power in contrast to hard power by placing military power last in his list of factors that will make Greece a powerful and successful country. "A powerful economy, a powerful society, a powerful administration, a multidimensional foreign policy and a powerful defense are the basis for national strength" (Office of the prime minister, 15/1/1997).

His insistence on Greece's competitiveness in the new global environment was shaped by his views on what norms constitute the post-cold war era and what it takes to be successful in this new environment.

First, after the collapse of the Eastern Block, the whole architecture of international security that was based on bipolarity collapsed with it. At the present moment the existence of one and only one superpower, the United States, cannot safeguard a new international order of stability and peace. International relations present a pervasive fluidity and a great change regarding the traditional ways states coexisted and behaved. Each state is searching the most opportune area in the new international competitive environment and distribution of wealth in order

to orient itself. New approaches are taking place, while at the same time old animosities are rekindled and new areas of friction are added to the already existing ones. The Balkans is the most characteristic case of this new and fluid international reality. In today's Balkans, as in the extended region, Greece is a crucial factor for peace and stability. Greece contribution to peace and stability is crucial for the whole region (Office of the Prime Minister 2/21/1997).

Simitis characterized the post-cold war era as a loose unipolar system where the US is the only superpower left, but cannot control the events and processes at the global level in order to guarantee peace and stability. Thus, each state must look out for itself in its search for security and wealth in the new global environment. This was an urging to the Greek people that Greece's membership in the EU was more valuable than ever and Greece had to solidify its position within the Union. In turn Greece could serve as the hub for the Balkan states' entrance into the Union. Greece's economy was much stronger and more dynamic than any of the Balkan states. This could lead Greece to be a key player in the region.

The second characteristic of the new international reality is the increasing importance of global economic developments in policy making. At this moment our planet is revolving around regulations that have as a common denominator the rules of competition. However, the most important aspect of the new international reality is found in the increasingly profiteering actions of finance capital. It is questionable today if the control of the international economy is in the hands of governments or even the large international economic organizations. The uncontrollable movements of global finance capital determine our environment. In this scenario each country in order to minimize the consequences from movements that it has no control over has to find its own route to development, to lean on its productive capacity in a competitive manner in this new environment (ibid.).

In this passage Simits placed emphasis on economic factors, which he believed were becoming increasingly important in world politics. Consequently, in order to be competitive in this new international order, states must create a strong domestic economy within the parameters of a competitive international market and avoid isolationism. In

addition, states must invest in research and development because the new economy is lead by those who have a technological advantage over others. "Cheep labor is not an advantage anymore in the globalized economy. Knowledge is. Thus, we have to emphasize education, research, technology, and institute new rules and values in our society. Yet, in all these we are behind from the advanced states" (PASOK archives, 18/1/1996).

Moreover, the dynamics of the new global economy were transcending territorial borders. "The traditional means of political practice are proving ineffectual. The nation-state is retreating. We are witnessing the transformation of the international state system from one where geopolitics was dominant to one that development is the prevailing mode, characterized by the emergence of new norms" (Office of the Prime Minister, 14/11/1998). The new norms Simitis was referring to were influencing political and socioeconomic developments (ibid, 18/3/1996). Globalization was not a fixed stage in the development of international society but it was a dynamic that rendered international society in a state of constant flux. "This dynamic (globalization) is experienced by the European Union, the advance states in general, and it is dragging along the less developed countries who have to abide by the new norms of the world economy" (ibid.).

Simitis situated Greece in today's globalized international society midway between the developed and developing countries, and the choice Greece had to make is to belong to the former group because they have the know-how and experience to take advantage of the rapid changes in the global economy by utilizing advance research and technological methods. As mentioned above the developing nations have the advantage of cheep labor that attracts foreign investment in productive activities. However, the products they

develop are standard and not at the cutting edge of technology. "Our country today does not have the desire to belong to the developing countries group. Thus, it is imperative that we adapt to the requirements and model of development of the advance industrial states" (ibid., 11/6/1996).

Simitis's pragmatic approach to international developments was evidenced by his comments on efforts to curtail the forces of globalization. "What is being said about the need to put a halt on globalization is outside the realm of reality, as is talk that a halt can be placed on the markets. There is a network of markets that operates supra-nationally and it is not possible to place it under control" (Athens News Agency, 4/6/2000). But, as in the case of the role of the state in the domestic sphere, Simitis supported some kind of social monitoring where there is a safeguarding of basic social needs, but not a situation where the state under the rubric of social justice interferes in all aspects of society. "The rapid changes in technology, the economy, demographic changes, new immigration movements, the weakness to adjust to the fast pace social changes, and the increase in crime create new social problems. The traditional welfare state cannot meet the new forms of social inequality" (Office of the Prime Minister, 14/11/1998).

To reiterate, Simitis espoused social democratic principles but deviated from advocating an omnipresent-interventionist state. Instead, the state was to hand over economic activities to the private sector and become a partner to businesses. "Today's situation prescribes one route. The identification of our advantages to be accomplished by our companies, whereas the state will support them by providing the necessary, technological, legal, and macroeconomic framework that will enable our businesses to function efficiently" (PASOK archives, 11/6/1996). In Greece this was a difficult task

since the state has dominated Greek society not only under Papandreou's government, but also through all governments since Greece's independence.

Simitis' view of international society was characterized above as pragmatic because he viewed world politics through realist lenses, the world economy through a neoliberal worldview (globalization in its liberal guise), but also incorporated socialist principles of social justice and supra-nationalism. Domestically this was to be achieved through a small and efficient welfare state. Internationally, in order for a specific state to alleviate the vagaries of global capitalism and be able to compete, it had to follow the Western path to development, i.e., modernize. Yet, all this was not enough. Greece, like the other countries of the EU could compete in the new world economy alone. They could only do so in unison with and under the auspices of the EU. Simitis supported the supra-national institutions of the EU. "Only Europe as a whole can institute such norms [referring to norms that will enable states to meet the challenges of globalization]. The nation-states of Europe alone cannot do so" (Office of the Prime Minister, 14/11/1998).

## The European Union

From the beginning of his first term in office Simitis expressed the need for Greece to consolidate its position within the EU by satisfying the requirements needed to enter the monetary union. "Maastricht is for many of us a dangerous and uncertain road, but we have to continue our efforts to strengthen our economy because our goal has to be our joining of the core of the developed countries once and for all" (PASOK archives, 18/1/1996). Addressing the Central Committee and the Parliamentary group of PASOK Simitis was clear regarding the priorities of his foreign policy. "Our participation in the Economic and Monetary Union is one of our primary goals....The choice of achieving

equal participation of our country within the European Union is part of the totality of our national strategy....We have to create the conditions that are required to enter EMU with the second wave of countries. If Greece fails to do so the consequences will be detrimental" (ibid., 18/11/1996). Simitis did not doubt that the EU would continue on its integrative path. This is why he was so resolute regarding Greece's entry into the EMU. "[One] of the international realities is that Europe is moving steadily towards the institutionalization of economic and political union. The common currency is the first stop that will be accompanied by institutional and political rebuilding emanating from the Intergovernmental Conference [referring to the 1996 Inter Governmental Conference from which the Treaty of Amsterdam was signed]" (ibid.). In addition to further integration, the EU was moving towards enlargement. As I mentioned previously this entailed the danger of a two-tier economy within the EU, a prospect Simitis wanted to avoid.

Simitis supported the further integration of the Union along federal lines. Simitis supported the creation of strong supranational institutions competent to enact policies independently from any specific member state in a democratic fashion. In short, Simitis would like to see the formation of a truly European government. Simitis has supported the creation of a Common Foreign and Security Policy (CFSP). "The foundational principles on which the European Union is based on have to become laws promoting community solidarity and common interests and security. The Union should strengthen CFSP's scope by developing a common security policy and common defense. Moreover, the Union should develop guidelines for peaceful resolution of conflict through peace-keeping missions and timely interventions in combatant areas" (ibid., 15-16). Simitis

was referring to the Union's neglect of the Yugoslavian crisis until it was too late and also to the Imis-Kardak crisis.

In addition, Greece favored the enlargement of the Union to include the ex-communist Eastern European and Balkan states. Enlargement was related to economic development and social justice. Simitis did want to see Greece enter EMU, but he also warned about the dangers of uneven development within EMU. Thus, he espoused the reduction of economic inequalities among member states, and future entrants, as a prerequisite for the success of the Union. "In order to achieve true integration [the EU] has to establish and execute policies in order to improved the economic performance of the less developed economies within the Union" (ibid., 12). Thus, policies towards social justice, as established by the Single European Act in 1986, should be strengthened. The SEA "made [the] economic and monetary Union an EC objective and promoted 'cohesion', or the reduction of the gap between rich and poor parts of the EC, thereby avoiding a 'twospeed Europe" (McCormick 1999, 77). Simitis enumerated four responsibilities that the member states of the Union had to work on in terms of the Union's future. "The first responsibility is the deepening of the European integrative effort....the key goal within the integrative effort is the strengthening of European norms....The second responsibility is the establishment of a Common Foreign and Security Policy....CFSP has to abide by policies that promote peace and agree with international law....The third responsibility is to better the Union's social policies....The fourth responsibility is the further democratization of the Union" (PASOK Archives, 18/3/1996).

Simitis was well aware that the recent (Maastricht and EMU) integrative moves by the EU translated to additional commitments by Greece that were not limited to the economic

sphere. In 1990s with the signing of the Maastricht Treaty and the creation of the EMU, the EU's "sphere of operation expanded from the original economic concerns of the Common Market to include foreign and security policy, and issues related to questions of justice and home affairs" (Bhabha 1998, 697). The EU is an institutional context based on liberalism in both its political and economic aspects. This institutional context is composed of norms that in part constitute the member states, i.e., define who they are and the how they should behave. Regarding the domestic context, member states have to believe in and adhere to "societal pluralism, the rule of law and democracy as well as private property, a market-based economy and the welfare state [and the respect of human rights]" (Schimmelfennig 2000, 120).

These norms define the domestic context of current member states and are the requirements for future members. In the international context these norms are expressed in the "peaceful management of conflict and multilateralist collaboration" (ibid.). The former norm is apparent in the "democratic peace" notion. Liberal/democratic states are expected to engage in the peaceful management of conflictive situations via diplomatic means because they share the same norms for avoiding armed conflict to solve differences. In its basic form multilateral collaboration has been defined as an institution that "coordinates relations among three or more states on the basis of generalized principles of conduct" (Ruggie 1993, 11). The EU is adamant on the adoption of these norms by both members and future entrants. The reason is that the liberal order of the EU can only be reproduced if the member states are socialized in liberal norms (Schimmelfinnig 2000, 121).

Simitis frequently referred to the basic norms of the EU in his speeches. Referring to the norm regarding the peaceful resolution of conflict, Simitis said that, "Our partners in the Union state that the threat to use violence is an anachronistic method in state relations in today's modern international society. They [our partners] advocate turning to the International Court of Justice and the utilization of international law and treaties and third party mediation for the resolution of conflicts" (PASOK archives, 6/5/1996, 18). Two years later in a speech titled *In search of a European Identity* Simitis said that,

European identity is not only based on the prospect of a unified market (EMU). European identity is based on principles and values of an advanced civilization. Our civilization is based on the Enlightenment. It is based on the values of freedom, democracy, equality, and social justice. But also on social responsibility expressed in a [vibrant] civil society. In addition, our civilization is been built on norms that refer to peaceful international coexistence, the peaceful resolution of conflict, collaboration among states, and the respect of international law. Greece respects all these norms....The kind of Europe that will allow us to move forward is a Europe based on the respect for others. The EU was founded on the unity of difference. The EU was built on the principle of respect for the "other" and the notion of "universality within difference". This was so because Europe is based on many distinguishable realities (Office of the Prime Minister, 14/11/1998, 3).

Referring to the new states to be admitted into the Union (during the Helsinki Conference whose importance will be explained below) Simitis repeated the importance of the norm of the use of peaceful means for the resolution of conflict. "The European Council repeated that the new candidates for the EU must share the values and goals of the Union. It stressed the importance of peaceful resolution of difference, according to the Charter of the United Nations....The use of violence or the threat of violence do not have a place in the [foreign policies] of member states....The rules of the game are clear. There is only one road, which is the peaceful resolution of conflict and appealing at the International Court of Justice" (ibid., 15/12/1999, 3).

Furthermore, Simitis's discourse regarding the future of the EU in terms of further integration and enlargement demonstrated his acceptance of the basic EU norms. On this point the contrast with Papandreou is clear. To reiterate, after he became prime minister, Papandreou adopted two contradictory positions regarding Greece's membership in the EU. He was suspicious regarding further integration because it meant the surrendering of sovereignty to Brussels and this clashed with his "Third Worldism" that advocated the liberation of Greece from foreign influences, especially Western. At the same time he needed European funds so he gradually relaxed his anti-Union rhetoric and adopted an instrumental position. Papandreou's government would accept Union funds but would not support many of the EU policies nor move towards convergence. This infuriated Greece's European allies who considered Greece "an economic drain and political nuisance" (Legg and Roberts 1997, 64). Mitsos captured the Greek attitude towards EU policies, during Papandreou's reign, in the following words; "All discussions within the European Community were approached from a strictly Helleno-centric point of view and in a defensive manner....Success was judged by the degree of resistance to the other's [Union members] decisions and as a result, the greater the number of Greek vetoes or asterisks underlying Greece's distinctiveness, and the more marginalized the country found itself, the grater the success was deemed" (2000, 61).

Contrary to Papandreou's policies that lead to Greece's isolation from its European allies, Simitis saw Greece's full participation in the EU as the only way for the country to prosper. "Heroic isolationism" as he put it, will not make a country competitive in today's globalized economy. The importance of the EU for Greece is that it can provide it with the knowledge and expertise to be able to compete in the globalized economy.

Moreover Simitis talked about the unstable surroundings of Greece, the Balkans, Eastern Europe, and Turkey and that these area offered opportunities for Greece to benefit economically but also to be engaged in future conflict. Yet all of the states in the areas mentioned above wanted (still do) to become members or have closer relations with the EU. "These countries, even if they to not want to be Europeanized, still believe that development and progress can be achieved by establishing relations with the Union" (PASOK archives, 18/3/1996, 4). Through the EU Greece could serve as these countries' conduit to entrance in the EU, a role that will bring substantial economic and political benefits to Greece. The betterment of the relationship with Turkey is a key direction that Greece had to pursuit in order to capitalize its position within the Union.

## Turkey and the Balkans

Shortly after Simitis took office he was faced with the Imia-Kardak crisis. This event compelled Simitis in the early months of his first term to adopt a non-conciliatory approach towards Turkey. Yet from mid-1996 to late 1999 Simitis' policy towards

Turkey has been one of gradual rapprochement. This was expressed in his discourse and his reaction towards two events, the S300 issue and the Ocalan case. As a result of the latter case, the foreign minister at the time Theodoros Pangalos "resigned" and was replaced by Giorgos Papandreou (Andreas Papandreou's son) who shared Simtis commitment to rapprochement with Turkey. With his counterpart form Turkey, Ismail Cem, Giorgos Papandreou promoted the establishment of bilateral committees to advance cooperation between the two countries regarding issues in so-called "low politics". This conciliatory move by the two ministers was aided (sadly) by the spirit of solidarity exhibited by the people and governments of the two countries towards each other after

devastating earthquakes occur in both of them. The so-called "seismic diplomacy" and the warming up of Greek-Turkish relations culminated with the Helsinki Accords in December 1999. Both countries adopted positions that a few years back were inconceivable. From then on Greece and Turkey have entered a new era in their relations. This did not mean that all issues were solved but that the momentum for their solution was established. The key issue for Simitis' government was the Europeanization of the Greek-Turkish problem.

In chapter three I mentioned the reasons why Simitis initially adopted a hard line approach towards Turkey. To repeat, these were: a) the dominance of the traditionalists within PASOK who advocated a tough position against Turkey, b) the need for Simitis to consolidate his position within the party and then gradually unveil his policy towards Turkey, c) his wish not to be labeled a defeatist, and d) the recent incident at Imia-Kardak. As eearly as January of 1996, when Papandreou stepped down and Simitis took over the premiership and a few days after the Imia-Kardak incident, he stated "we have to face Turkish expansionism in a decisive manner" (PASOK Archives, 118/1/1996,). In a meeting with members of PASOK the next day Simitis reasserted the Turkish threat by saying that "Turkish expansionism is becoming more threatening as long as Turkey is suffering from economic and social problems that heightened nationalism. We have to develop a comprehensive strategy (emphasis mine) against this threat" (ibid., 1/19/1996). Later on that year (1996) Simitis approved an armament program for the development and modernization of the armed forces for the 1996-2000 period. "This program will safeguard our country an efficient defense against the threats we are facing" (ibid., 18/11/1996, 8).

In a news conference after returning from France Simitis repeated that Greece's position on the Aegean issue was to forward the dispute to the International Court of Justice. Regarding Greece's position on Turkey's EU candidacy status he said, "As long as the issue [Aegean issue] is not resolved we are not willing to continue our collaboration for the custom union of Turkey with the EU. The customs union of Turkey with the EU is an agreement that confers rights and obligations to the parties involved. One of the obligations for Turkey is to promote friendly relations with its neighbors.

Turkey has not fulfilled this obligation" (ibid., 23/2/1996, 3). Up to this point Simitis' position regarding Turkey did not deviate form the previous PASOK governments. The Greek stance towards Turkey's prospects for membership in the EU frustrated Greece's European allies. According to Athanassopoulou

The first clouds over Greek-EU relations owing to the Greek-Turkish crisis had appeared already when Greece stated-against the advice of Brussels and Washington-that it was not going to co-operate in the implementation of the EU customs union agreement with Turkey. Taking into consideration (a) that Greece cannot expect any political gains in its relation with Turkey by blocking alone the implementation of the agreement and (b) that Simitis's government seeks to win the support of the EU on the basis of the Common Foreign and Defense Policy of the Union which this decision on non-cooperation manifestly undermines, a lot has to be asked regarding the soundness and, ultimately the reasons behind it. Whether the new government has been reacting instinctively or under pressure of domestic nationalist pressure is hard to tell (1996, 115).

Simitis subsequently moved to remedy both of the situations mentioned above that created tensions with Turkey. Athanassopoulou uses the word "instinctive" to capture how entrenched the conflictive relationship between the two countries was. The Greek reaction was part and parcel of the relationship, real or perceived, between Greece and Turkey that has evolved since the former's independence (1829). "Tensions between Greece and Turkey are implicit in their perceptions of one another" (Veremis 2001, 42).

Thus, Simitis warned against the danger of responding to every statement that Turkish politicians make regarding Greek-Turkish relations and getting agitated over it. "Every time that we respond nervously to actions and statements from the Turkish side we are playing by the rules set by Turkey. We should not be tricked into creating an atmosphere of crisis. This helps Turkey" (Office of the Prime Minister, 15/1/1997, 3). Moreover, even when he talked about Turkish expansionism he did so in a levelheaded way and refrained from using explosive nationalistic statements.

The second element impeding Simitis's reconciliatory policy towards Turkey was the domestic opposition from both outside and within PASOK, the latter being the most threatening. On this direction Simitis had to work hard. He placed individuals who shared his view in key positions, especially in the ministry of foreign affairs and eventually the defense ministry. He placed Giorgos Papandreou, known for his dovish approach towards Turkey and a supporter of Simits's modernization efforts, as the minister of foreign affairs after the dismissal of Pangalos due to the Ocalan affair. The second key person that Simitis eventually pacified was Akis Tsohatzopoulos the minister of defense who advocated a hard line approach towards Turkey. I will say more regarding Pangalos and Tsohatzopoulos below.

Simitis rapprochement towards Turkey entailed the change of Greece's priorities in foreign policy. The *comprehensive strategy* mentioned above had one goal: the need to create a stronger and more competitive Greece by modernizing Greek society through further integration in the EU. At the same time Simitis wanted the Europeanization of the Greek-Turkish relationship, by supporting Turkey's efforts to enter the Union. By bringing Turkey into the European family Simitis was hoping that Turkey will abide by

the norms of the EU, i.e., become a full fledge democracy that pursues peaceful relations with its neighbors. Thus, Simitis not only considered the modernization of Greek society as the means for Greece to enter the group of advanced industrial states, but also as a path towards Greek-Turkish reconciliation. "The strength of our country emanates from the comprehensive modernization of our society. Our advantages are furthered advanced by modernization" (ibid., 15/1/1997, 3-4). Regarding Turkey's European route Simitis said, "We have brought to the forefront [at the Luxemburg Conference] the issue of Turkey's entrance into the Union. And I repeat our position: We support Turkey's European road because this will lead to better relations between our countries" (ibid.).

Thus, Simitis gradually shifted the nature of threat to Greece from Turkey to the lack of modernization within Greek society. In order to achieve this he initiated a conciliatory policy towards Turkey, by placing Greek-Turkish relations within the broader context of Greek foreign policy that includes relations with the EU. At the same time he was attacking the traditionalist within Greek society and especially within PASOK since they were considered the main obstacle to Greece's modernization. Moreover, the improvement of relations with Turkey would reduce the financial burden of a huge defense budget as mentioned in chapter four. This simultaneous two-way move, downplaying the Turkish threat and elevating the importance of EU/modernization of Greek society, demonstrated the inseparability of the domestic and international aspects of Simits' foreign policy.

Simitis began to gradually move away form his initial hard-line approach towards

Turkey and to talk more about collaboration. Both postures vis-à-vis Turkey were found
in Simitis' discourse and were expressed in his polices between 1996-98. After 1998 he

began to stress the collaborative dimension more and again this was expressed in his discourse and policies. "Our policy towards Turkey has two dimensions: the collaborative approach and the direct and straightforward one in coping with the expansionism of our neighbor" (ibid., 3). Presenting the main points of his foreign policy Simitis stressed the fact that Greece's new foreign policy represents a "holistic national strategy within which we include the solution of the Greek-Turkish problems and not the other way around where our national strategy is based on the Greek-Turkish relationship....It is characteristic of all of my formal meetings with foreign dignitaries that when referring to Greek-Turkish relations it was always placed within a larger national strategy that emphasizes the promotion of friendly relations with all of our neighbors" (PASOK Archives, 6/5/1996, 4). The incorporation of Greek-Turkish relation in a larger context of Greek foreign policy weakened the Greek foreign policy makers' obsession with the Turkish threat. Simitis went on to say that the pursuit of friendly relations with Turkey (and the rest of the region) would be a difficult task and has to be followed with diligence. "This goal cannot remain a rhetorical goal but materialize in our policies towards Turkey and the other neighbors" (ibid., 11).

Simitis began to consolidate his position within PASOK and thus could afford to challenge the hostile position against Turkey adopted by the traditionalists. As mentioned above, Simitis was chosen by the members of PASOK to succeed Papandreou, first as prime minister and then as president of PASOK. By late September (1996) he won the national elections. Thus, by the end of 1996 Simitis consolidated his power considerably, within PASOK and Greek political life at large. "We can say that [by the end of] 1996 Simitis emerged as the uncontested leader [of PASOK]" (Drogidis 1997,

722). Nonetheless, his premiership and presidency were met with continued resistance. In both intra-party struggles for dominance Simitis' main rival was Tsohatzopoulos, a close associate of Papandreou and the minister of defense. Tsohatzopoulos was the informal leader of the traditionalist camp within PASOK (Close 2002, 246). The traditionalists within PASOK accused Simitis as being too soft towards Turkey. This was claimed because initially Turkey did not respond to the signals of friendship that the Greek government was sending. However, Simitis was determined to promote better relations between the two countries.

Addressing the central committee of PASOK Simitis said,

We would like to help Turkey find its European orientation, to become modernized and to embrace the basic rules that determine cohabitation within the EU. But Turkey must first provide indications that it is abandoning visions of Ottoman expansionism and give concrete examples of respect of international law and the decisions of international organizations with respect of Greece and Cyprus. If Turkey does these then she will find Greece as a conduit to enter the EU. The Aegean will become a bridge of peace and cooperation" (Office of the Prime Minister, 21/2/1997, 3).

This statement for the first time introduces the prospect of Greece supporting Turkey's entry in the EU. Simitis' optimism regarding a federal EU, where member states conduct their relations peacefully, were beginning to creep into his discourse regarding the Greek-Turkish relationship. By incorporating Turkey into the EU, the difference between the two countries disappears since these differences were based on territory, a condition transcended through EU membership. This, of course, was a future possibility. In the near future Turkey's candidacy and prospects for membership were accompanied by several prerequisites that Turkey must follow in order to enter the Union. These prerequisites were the peaceful resolution of conflicts, the adoption of democratic

institutions, and to safeguard the functioning of a free market. In an interview conducted that same year (1997) Simitis answered a question regarding Greek-Turkish relations and the EU in the following manner; "Regarding Turkey's position vis-à-vis the European Union we do not want Turkey's entry to be blocked....we are not of the opinion that Turkey should be cut off from Europe. We hold the opinion that we will benefit the most from Turkey's closer relationship with the EU" (ibid., 12/3/1997, 23).

As mentioned in chapter three, in 1997 the two countries signed the Madrid Accords and the issue of the installation of missiles in Cyprus (S300) arose. The missiles were ordered in 1996, and after it became public, Turkey threatened that if the missiles were installed it would attack the installation sites. The issue was resolved in late 1998. The Madrid Accords moved the two countries towards conciliation, whereas the S300 issue moved them towards friction. Simitis' handling of the S300 issue demonstrated his willingness to keep the spirit of Madrid alive. In response to Turkey's threat to attack the missiles sites if they were delivered to Cyprus, Tsohazopoulos said that Greece would consider such an attack by Turkey casus belli. This brought Simitis to a difficult position. When asked by journalist if he agreed with Tsohazopoulos statement, Simitis conceded that he did, but added that the best result would the demilitarization of the island (ibid.). Later on Tsohazopoulos softened his position by saying that Greece was committed to the safeguarding and security of Cyprus through the United Defense Doctrine. Simitis put pressure on Tsohazopoulos to change his position because he wanted to continue the good will policy towards Turkey. "Simitis was bothered by Tsohatzopoulos' statement regarding the S300 issue and the latter was also unhappy with the prime minister because as he put it 'he [Simitis] is evading my recommendations and

he persists on with the same policies [rapprochement with Turkey] that can lead to defeatism" (*To Vima* [Athens], 28 February 1999). In addition, Simitis persuaded the president of Cyprus, Glafkos Kliridis, to accept the deployment of missiles to Crete, thus putting an end to the issue (McDonald 2001, 140).

Tsohatzopoulos has been the second man in PASOK since Simitis took power in 1996. In the past he was very close to Papandreou and supported his domestic and international policies. As mentioned in chapter three, Simitis was a critic of many of Papandreou's policies and resigned his post of minister of the economy in 1987 after Papandreou put an end to his economic policies. These economic policies were designed to modernize and bring the Greek economy on an equal footing with the rest of the Union members. During Papandreou's third term Simitis and three other members of PASOK, the socalled gang of four, put pressure on Papandreou to resign because he was too ill to carry on his duties. "The gang of four, as the most important dissidents became known, were planning to confront Papandreou and compel him to agree on how to choose a successor and on a time for his retirement....The four, led by Simitis, wanted to strengthen the Greek economy, and improve relations with the Balkan neighbors and the European Union" (Kaloudis 2000, 76). Simitis and the others were witnessing the international isolation of Greece due to its policies in the Balkans (support of Milosevic and the FYROM issue) and Papandreou's anti-Union stance, and wanted to usher Greece in a new era of pro-Union policies and the modernization of Greek society.

Tsohatzopoulos remained loyal to the traditional camp. This inevitably brought the two men in conflict. They vied for the position of prime minister and president of PASOK. Simitis emerged as the winner. During his first term, 1996-2000, Simits

relation with Tsohatzopoulos remained rocky. Tsohatzopoulos was still powerful in PASOK and he did not refrain from criticizing Simitis' policies even beyond issues of defense.

Following the Ocalan affair (described in chapter three) Tsohatzopoulos again questioned Simitis' approach. "Regarding Simitis's handling of the Ocalan affair the minister of defense Akis Tsohatzopoulos criticized Simitis and conferred with his advisors regarding the prospects of challenging Simitis for the PASOK presidency. They advised him against such a move" (*To Vima* [Athens], 28 February 1999). It took Simitis another reelection (2000), consolidating himself as the indisputable leader in PASOK, to transfer Tsohatzopoulos to another ministry. In the summer of 2000 after an incident in Cyprus<sup>6</sup> Tsohatzopoulos,

clearly distanced himself from the way in which the government dealt with Denktas' provocation in Cyprus....It is certain that Tsohatzopoulos, who has consolidated the role of the governing party 'number 2' has started to present opinions on all issues not just issue pertaining to defense. Since the elections [April 2000], he made sure on many occasions to present his standpoint, which is different from that of Simitis....The defense minister has always been one of those who represented (and for many he was the main exponent) PASOK's 'social' and 'patriotic' nature (FIBIS-WEU-8 July, 2000).

By "social" and "patriotic" the author of the above article meant the traditionalists within PASOK. "Social" referred to the policies of PASOK that promoted a huge and interventionist state in Greece by crating jobs for its members. "Patriotic" referred to the nationalistic sentiments, the hard line approach towards Turkey and FYROM, and the mistrust of the Westerners (EU and the US). In the fall of 2001 Tsohatzopoulos was moved to the ministry of development and the position of minister of defense was given to Giorgos Papantoniou.

Papantoniou shared Simtis' view regarding the modernization of Greek society. His statement regarding Papandreou's eight-year rule during the 80s, describing them as "eight lost years", demonstrated Papantoniou's anti-traditionalist stance. Simitis agreed with this statement. "He [Simitis] was elected by the party as prime minister and then party leader against strong opposition from Andreas Papandreou's devotee Akis Tsohatzopoulos, who appealed to those nostalgic for populist practices and for more generous social policies. Simitis, by contrast, agreed with the Minister of National Economy Papantoniou regarding the 1981-89 era as "eight lost years", referring to the decline in the efficiency of the public administration and in the strength of the economy (Close 2002, 246).

The resolution of the S300 issue was the first of a series of signals that the Simitis' government was sending Turkey to express its desire for the warming up of the relations between the two countries. The second incident that occurred was the arrest of the Kurdish leader Ocalan by Turkish security personnel in Kenya in March of 1999. Ocalan was residing in Italy where he was awaiting a decision regarding his request for political asylum. The Italian authorities persuaded the Kurdish leader to leave Italy. He secretly went to Greece escorted by certain members of the Greek security forces. Simitis had no knowledge of these events. Ocalan was then taken to the Greek Embassy in Nairobi Kenya where he was abducted by Turkish security forces and taken to Turkey for trial. Simitis was furious at the Greek personnel responsible for the events. Theodore Pangalos resigned from the post of minister of foreign affairs protesting Simitis' handling of the issue and accusing him of being too soft with Turkey.

Pangalos "was a flamboyant figure who denounced the Turks as 'thieves and rapists'. But he fell from power in the scandal that followed the capture in February of the Kurdish leader Abdullah Ocalan, who had been hiding in Kenya under the protection of Greek diplomats" (New York Times, September 13, 1999, A1-A5). Simitis was furious because this gave an opportunity to Turkey to accuse Greece of being a "terrorist state". Simitis was against giving political asylum to Ocalan. But several Greek citizens, members of the secret forces, and bureaucrats, went behind the prime minister's back and tried to hide Ocalan. The manner that these individuals handled the case led to Ocalan's capture by Turkish security officers in Kenya.

I hope that the majority of the people present in this room agree that Greece could not provide political asylum to Ocalan. This would not serve the Kurdish struggle, Greece, or Ocalan. This act would have benefited only Turkey....Greece correctly announced that it could not provide asylum to Ocalan because such an act would have implicated Greece in the Turkish-Kurdish problem.... I am sorry that Greek citizens under the guise of 'super patriotism' showed such irresponsibility....I will not name them but the law is dealing with them....We have [the Greek government] taken full responsibility for the events and this has been expressed by the resignation of three ministers (Office of the Prime Minister, 5/3/1999, 5,1).

As with the S300 incident, the Ocalan case provided the ground for the worsening of Greek-Turkish relations. Indeed, Turkey threatened to take Greece to the International Court of Justice charging her as a "terrorist state" because it harbored a terrorist. Yet, Simitis was determined to continue the spirit of Madrid. To reiterate, he appointed Giorgos Papandreou, who was a firm supporter of rapprochement with Turkey, as minister of foreign affairs. One commentator referring to the role of individuals in the course of history said "it would be hard to deny that the more recent appointment of George Papandreou as foreign minister contributed to the transfer of Simitis' conciliatory

virtues from the internal to the external front" (Nicolaidis 2001, 251). Giorgos

Papandreou proved to be worthy of Simitis' trust. In the summer of 1999 he initiated and signed, along with his Turkish counterpart Ismail Cem, a series of accords. The accords included agreements on economic collaboration, cooperation in fighting organized crime, illegal immigration, promoting tourism, and protection of the environment. Giorgos

Papandreou expressed the new climate between Greece and Turkey in his speech at the 54<sup>th</sup> UN General Assembly on September 22, 1999.

The earthquakes that shook Greece and Turkey in summer of 1999 created a new climate in our recent diplomatic history. Tragedy generated a genuine feeling of human warmth between two peoples involved in historical strife. Spontaneous dramatic events of fraternity and solidarity were expressed between the citizens of Greece and Turkey. These acts short-circuited elaborate diplomatic strategies and exerted powerful pressure on our governments to move ahead boldly. Our mandate became clear. Our peoples desire to live in peace together. Since the earthquakes, Greeks and Turks are using every opportunity to explore their newfound neighbors and to come together, meet, exchange experiences, and make up for lost time. On a bilateral level we have signed ten agreements that will radically change the environment in which we interact. We do not view these developments as momentary results of what was called seismic diplomacy. We view then as the beginning of a long process that, we hope, will radically affect our lives in the coming years (Papandreou 2001, 6-7).

Apart form the Giorgos Papandreou-Cem Accords several other developments within Turkey and the EU aided Simitis's conciliatory efforts. At the Luxemburg Summit (1997) the EU basically told Turkey that it is not going to be accepted as a candidate anytime soon. "Two years earlier, the EU's Luxemburg Summit had seemed to epitomize the arm's-length approach espoused by a majority of member states in merely acknowledging Turkish candidacy, while the twelve other applicants for membership had been accepted as formal candidates" (Nicolaidis 2001, 247). The Luxemburg Summit advised Turkey to conform with the norms of the EU, both politically and economically,

and her position will be reevaluated. Turkey had to show progress regarding the violation of human rights, the Kurdish issue, the Cyprus problem, the Aegean dispute with Greece, and the poor performance of the Turkish economy. After the Luxemburg Summit the Turks were disappointed and even dismissive of the EU. They argued that the EU did not evaluate Turkey objectively and with the same criteria as the other candidates, and refused to accept an invitation to the European Conference. A few months later Prime Minister Yilmaz "declared the comprehensive political dialogue between Turkey and the EU terminated and even threatened that Ankara would withdraw its application for membership" (Kramer 2000, 196-197).

Yet, within two years at the Helsinki Summit the European stance changed. There were several reasons for this. With the new wave of enlargement imminent, the European position at Luxemburg vis-à-vis Turkey was weakened because several Balkan and Eastern European states formally accepted as candidates did not have a better economy than Turkey's or stronger democratic institutions. Moreover, the debate about whether Turkey belongs to Europe from a cultural perspective was made irrelevant because strong arguments could be made that the Eastern European and Balkan states do not belong to Western Europe culturally either. Germany's change of attitude towards Turkey was another key development. Germany's policy towards Turkey had been one of unwillingness to accept Turkey into the Union, a policy related to the German attitude towards the three million Turkish immigrants in Germany. In 1998 when the Social Democrats came to power this approach towards Turkey changed (Nicolaidis 2001, 254). Furthermore, the EU promoted the twin policy of formally accepting both Cyprus and Turkey into the Union as an incentive for the solution of the Cyprus problem. Cyprus's

entry into the EU would pressure the Turkish Cypriots to find a solution in order to be included in the Union and reap the economic benefits. In addition, Turkey's entry would undermine the North Cypriot policy of threatening to unite with Turkey if the South enters the EU. Another reason mentioned in chapter four was that Turkey's honeymoon with the new Central Asian and Caucasus republics ended and Turkey returned to its European orientation.

Finally, with Greece now promoting Turkey's candidacy, the Europeans could not hide their hesitation over Turkey's entry into the Union behind Greece's veto, but had to make a decision (Veremis 2001, 50). At Luxemburg Greece's overall change of policy towards Turkey was still not evident. Simitis followed the European lead and kept a low profile. He supported Turkey's candidacy on the condition that Turkey put an end to her territorial ambitions against Greece, push for a solution to the Cyprus problem, and abide by the norms of the EU for conflict resolution. On the latter point Simitis was adamant, a position demonstrating his commitment to the EU norms. "Turkey was disappointed by this decision [Luxemburg Summit]. Turkey thinks that our aspiration [the European's and Greece's] to allow her to enter the EU can be based on political reasons alone overriding the [norms] rooted in the foundation of the EU. This cannot and will never happen" (Office of the Prime Minister, 26/2/1998, 3). By 1999 Simitis and Giorgos Papandreou had made it abundantly clear that Greece was pursuing a policy of rapprochement with Turkey and supported the latter's entry into the Union wholeheartedly (Nicolaidis 2001, 254).

A few months before the Helsinki Summit earthquakes shook both Turkey and Greece. In the case of the former the cost of human life and material was high. Greece was one of

the first countries to send relief aid and personnel to help with search and rescue missions. Turkey reciprocated the Greek gesture when an earthquake struck Greece a few weeks later. The mutual solidarity displayed during these trying times for both countries contributed to the thawing of the cool relations that enveloped Greece and Turkey after the S300 and Ocalan incidents, and made the rapprochement efforts at Helsinki easier. "Accelerated by 'seismic diplomacy' as they helped each other through devastating earthquakes, and soothed by Greece's agreement to Turkey's desire to join the European Union, the traditionally thorny relations between Turkey and Greece have improved rapidly in the last 18 months" (New York Times, December 18, 2000, A8). Indeed, many observers of Greek-Turkish relations have hailed the Helsinki Accords as a qualitative break from their previous relationship (Veremis 2001, 55). "The decision of the European Council at Helsinki in December 1999, where Turkey was declared formally a candidate to enter the EU, it is without question a historic decision of tremendous value" (Marias 2001, 250).

Simitis' policy of rapprochement with Turkey culminated with the Helsinki Accords.

The Helsinki Accords produced the following results: a) The confirmation of Turkey's official status as a candidate applicant, b) the removal of the restriction for Cyprus' entry based on the political solution of the Cyprus problem, c) the use of the International Court of Justice to solve the Greek-Turkish problems over the Aegean, and d) confirmation that Turkey will move towards democratization, respect for human rights, and the strengthening of its market economy. Related to the third point, the Turkish minister of foreign affairs stated that Turkey did not have any territorial ambitions against Greece. Prime Minister Bulent Ecevit repeated the same words a few weeks later (ibid.,

46). Moreover, Turkey confirmed its willingness to follow the Agenda 2000 guidelines (ibid., 45). Agenda 2000 is a program devised by the EU that includes the prerequisites the candidate states must satisfy in order to be accepted as full members, as well as other recommendations pertaining to the functioning of the EU (McCormick 1999, 225).

These new Turkish positions regarding Greece, Cyprus, and the EU, and the concomitant Greek acceptance and promotion of Turkey's candidacy had built an atmosphere between the two countries that was conducive for the resolution of their differences and ushered the two countries into a new era marked by collaboration and peaceful relations. Simitis expressed these sentiments in a speech immediately after Helsinki. "A new chapter is starting for our country. A difficult chapter ended. We are entering the new century with optimism and hope" (Office of the Prime Minister, 15/12/1999, 2). Simitis repeated his assertion that Greece wanted Turkey to enter the Union because all conflicts that the candidate states have with other states should be resolved by 2004, and if not then the specific cases will be handed over to the International Court of Justice. Once more Simitis demonstrates his belief in the norms of the EU by saying "The rules of the game are clear to all. There is only one road; the peaceful resolution of conflicts and recourse of cases to the International Court of Justice" (ibid., 3).

As a conclusion to this section I present in brief the main developments with FYROM. Although Simitis did mention FYROM from here on, he placed Greek-FYROM relations within the context of a Greek policy towards the Balkans as a whole. In addition, the Balkan orientation of Greece was placed within Simitis's view of international relations, i.e., globalization. The reason was, as described in the section on FYROM in chapter

four, that the issue was settled and the two countries were to embark on negotiations to solve the name issue. Greece under Simitis embarked on a policy of economic and political cooperation not only with FYROM, but also with all its Balkan neighbors. In some cases it even collaborated at the military level. For example, the Greek army helped the Albanian army reconstruct after it fell apart in 1997 (Close 2002, 279). Under Simtis, Greece became the main economic power in the Balkans and the exemplary society to be emulated by the other Balkan states. Greece was a parliamentary democracy, had a stable market economy, and it was a member of EU, all aspirations of the Balkan states.

The negotiations with FYROM regarding the name issue are still pending (2004) but it is unlikely that the tensions of the early nineties will reemerge. Simitis's modernization program included making substantial inroads in the Balkan economies. In order to achieve this, political tensions must be subdued. As early as 1996 Simitis was talking about Greece's constructive role in the Balkans; "Greece must play a larger role in the Balkans and the Eastern Mediterranean. It must create collaborative ties that will contribute to our development. These ties are still few and our presence is not as strong as it should be" (PASOK Archives, 17/1/1996, 2). A few months later at a conference on the role of Greece in the Balkans, Simitis placed Greece's relationship with the Balkans within the context of his worldview. He said, "The emerging characteristic of the modern world economy is globalization. Balkan collaboration is the only road for all of the Balkan countries to become competitive and develop within this competitive and globalized world economy" (ibid., 12/3/1996, 3).

Regarding the issue with FYROM, Simitis said that Greece would continue to better relations with its northern neighbor, and carry on the negotiations under the auspices of the United Nations to reach a solution regarding the name (ibid., 6/5/1996, 6). A year after Simtis repeated, "that we continue to support the agreements with FYROM and the negotiations in New York regarding the name issue" (Office of the Prime Minister, 20/9/1997, 3). Simitis's statements on FRYOM were sporadic and always placed within the context of Greece's overall Balkan policy. This demonstrated that the issue with FYROM has been placed on a secure footing and relations between the two countries were improving.

## Domestic Context

Simitis' main project was to modernize Greek society in order for Greece to develop and become compatible with its allies in the European Union. To reiterate, *allagi* was Papandreou's promise for social change within Greek society. Simitis's call for social change was *eksyhronismos* (modernization). Modernization for Simitis was the emulation of Western institutions as exemplified in the EU norms. Not only do these norms constitute and regulate policies within domestic society but also the conduct of foreign policy. Simitis' foreign policy, in both its political and economic manifestations, was embedded in Western European liberal norms. Politically this entailed the notion of the peaceful resolution of conflicts guided by international law, and economically it involved the laws of capitalism, such as free trade and competition. Domestically, Simitis's modernization project aspired to rationalize Greek society. This required the establishment of regulations guiding the functioning of public administration and the

privatization of state owned enterprises. However, Simitis's modernization project aspired to bring about quantitative, but most of all, qualitative changes in Greek society.

For us modernization is primarily a qualitative not a quantitative achievement. In order to modernize we have to change the way our society functions. We have to change the clientelestic mindset, the union mentality of labor, and state subsidization and regulation that privilege certain people or groups of people. Modernization does not only entail the adaptation of our society to what is going on in the international society but also, and this is the key, is our effort to take these new developments and use them to enhance a democratic society where citizens can be free, creative, and responsible (PASOK Archives, 14/9/1996, 3).

Of course the quantitative aspects of modernization were important. Simitis was aware that for a society to be modern certain attitudes have to prevail among the population of a specific country. The way human beings view themselves, their relations with their fellow citizens, the relation of the state with society, and how their government conducts its relations with other states are more important than the number of television sets, cars, and telephones that exist in a particular society. This is why he attacked the underdog culture at every opportunity.

In order to legitimize his policies Simitis encased them in a discourse about the new international society which is characterized by globalization and the need to compete in this new global environment. This competition could be fruitful if it was carried out within the rules of the game, i.e., the capitalist world economy. The "underdog" culture, with its anti-Western stance, rejected capitalist practices and opposed Simitis', modernization project. Simitis, in order to appease the traditionalist, kept the remnants of Papandreou's socialist discourse by invoking progress with social justice, a process similar to the welfare polices of the European social democratic parties. In tandem, Simitis attacked the traditionalists by directing his criticisms on its clientelistic relations

and their support for a huge and inefficient state. Indirectly, this was a criticism of Papandreou's populist style of leadership and his reliance of clientelistic relations within PASOK to hold power. Through his discourse he was attacking the symbolic resources of the traditionalists, and by way of reducing the government (to its lowest point since the post-junta era) and replacing key traditionalist ministers with modernizers, Simitis was undermining the material resources of the traditionalist.

Early in his term Simtis began to criticize the so-called "underdog" political culture of Greece. Addressing the central committee of PASOK Simitis said, "The dangers facing us emanate from the globalization of the economy coupled with the weakness of our domestic structures, our own customs, and the weakness of our corporations to respond to globalization and the new competitive environment. We have to change these customs" (PASOK Archives, 17/1/1996, 3). The domestic structures and customs Simitis is referring to are the huge state and the clientelistic relations of Greek domestic politics, respectively. "The welfare state has reached a dead end today. It has no financing sources and it is permeated by non-rational regulations. These relations have historically been based on subsidization, used for political purposes....Our clientelistc society is unfortunately still thriving....We need to modernize our institutions, public administration and our whole political system" (ibid.).

At a key conference of PASOK Simitis took up the issue of modernization and the forces within Greek society that oppose it. "For decades the political parties of Greece have been corrupted by a clientelisite system that requires them to serve the interest of specific persons or groups of persons. Although this system is gradually being undermined, it has bequeathed to us habits, mentalities, and practices that resist the

modernization of our structures and institutions....We have to get rid of these habits and mentalities at any cost, in order for Greece to progress" (ibid., 14/3/1996, 4). Simitis' reference to "getting rid" of traditional practices and habits "at any cost" captures his determination to modernize Greek society. Later in this speech Simitis uses the phrase na pai o topos mbrosta which literally means, "in order for the place (Greece) to go forward". This designates Greek society as backwards and in need of moving forward, i.e., to progress.

According to Simitis the capability for Greece to move "forward" exists. The main challenge is to mobilize the resources Greece possesses in an efficient manner and without committing the mistakes of the past (ibid., 11/6/1996, 2). The mistakes of the past are rooted in the way the traditionalist elements of Greek society handled Greek development, and here Simitis is including Papandreou's terms in power. In a speech regarding the future of Greece Simitis said, "In order to be able to capitalize on our advantages we have to overcome our weaknesses that stifle any initiatives that emanate from within our society to create new conditions that will help us move forward. These weaknesses are the over protective state, clientelistic mentality, the huge bureaucracy, our introvertedness, and our lack of any planned strategies with clear goals to be achieved" (ibid., 3).

The role of the state is a key ingredient that needed to be addressed in order for Greece to become more competitive. Simitis still had a role for the state, but a different one than the one ascribed to it by the previous administrations. The state was still to provide social functions. This Simitis could erase from his discourse. This was the only remnant of socialism in his discourse. Without any allusion to social justice he would lose all

connections with a socialist ideology. I have already indicated that he identified himself with the center-left, something Papandreou would have never accepted. By invoking the term center-left Simitis wanted to legitimize his market oriented policies but also his emphasis on social justice. "Beyond the iron laws of the world economic reality, and beyond the necessities imposed by the need to survive in a competitive environment, social progress and modernization are linked in our main ideas. These ideas promote democracy, social solidarity, a just and efficient welfare state, true freedom, and a democratic and peaceful international order in which we participate creatively" (ibid., 14/3/1996, 10). In addition, Simitis wanted the state to be a partner to the business community to help corporations to compete in the globalized economy. "Today, the identification and capitalization of our advantages should be carried out by our enterprises while the state contributes by organizing and instituting the suitable technological, legal, and macroeconomic framework that will enable our companies to function efficiently" (ibid., 6). Simitis envisioned the Greek state functioning like the liberal state, i.e., to take on the role of an arbitrator in society in order to make sure that everybody follows the rules of the game (free market). The state should stay out of business because it cannot perform efficiently as a business entity (ibid., 9).

The introvertedness of the underdog culture that Simitis criticized above was accompanied by a conspiratorial approach to world (and domestic) politics, where outside powers have plotted against Hellenism since Greece's independence. This led to nationalistic outbursts when events were perceived as threatening the nation, e.g., the conflict with Turkey and FYROM. The excessive nationalistic feeling was a result of the weakness perceived by the underdog culture with respect the West. One way to close this

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gap was by exaggerating the importance of Greece in world affairs and by blaming Greece's problems to outside forces. Simitis criticized these aspects of Greek political culture. "I want to bring to your attention the fact that the policy of isolationism, of rejecting progress, and 'heroically' resisting outside threats [the West], although it is a convenient position to adopt because it blames foreigners for whatever happens to our country it never blames domestic forces [where the forces impeding the progress of Greek society lie]" (ibid., 6/5/1996, 19-20). Simitis went on to differentiated between nationalism and patriotism. The reason was that early in his first term as prime minister Simitis was challenged on the basis of his "soft" approach towards Turkey during the Imia-Kardak incident. Patriotism was associated with love of the country, but a love that wanted to see the country go ahead, to modernize. Simitis criticized those individuals that proclaim nationalistic slogans without any thought to the implications these acts might have. "Patriotism does not mean to 'sound the drums of war' and shout pompous nationalistic slogans. Our patriotic duty today is to create a strong and modern society" (ibid., 20).

In a speech marking Simitis' first year in power he described the goals of his government in the following words,

We have committed ourselves to create a strong and competitive Greece based on a modern society. These two goals are related. Internationally we seek to enter the EMU and participate in the Union on an equal footing with the rest of the members, to create an effective foreign and defense policy [primarily vis-à-vis Turkey] and to participate in the Balkans in a constructive manner. Domestically, we have as our goal to create a modern and competitive economy in order to enter EMU.... This latter goal is concomitant with the modernization of our society (Office of the Prime Minister, 19/9/1997, 1).

In order to achieve his domestic and international goals Simitis had to work hard against the domestic opposition emanating from the traditionalist within and outside PASOK. Simitis not only criticized the traditionalists within his party and outside it, but adopted policies that promoted his goals. To aid himself he displaced individuals (Pangalos, Tsohatzopoulos) who went against his plans and placed individuals who share his views (Giorgos Papandreou, Papantoniou) in crucial positions. "The socialist [PASOK], under the leadership of Mr. Simitis have taken the lead in this process [modernization]; and this has led to the progressive marginalization of the populist section which used to be dominate the party in the years of Andreas Papandreou" (Tsoukalis 2000, 41). As we have seen, Simitis' discourse was pervaded with criticisms of the 'underdog' culture. The difficult task was to implement domestic policies that would go against the entrenched interest of the underdog culture.

The public sector in Greece controlled banks, transportation, shipping yards, utilities, and airlines. Four major state owned banks accounted for "three-quarters of deposits, bank bonds and outstanding loans" (Close 2002, 179). Moreover, the state enjoyed a near monopoly in rail, urban, and air transportation, the shipping industry (shipyards and harbors), and utilities, such as, gas, water, and electricity. "Education at the primary, secondary and tertiary levels were (and still is) state controlled" (ibid.). In comparison with the other members of the EU, Greek state ownership of economic and social activities is not much higher than the other Mediterranean members (Italy, Portugal and Spain). What is much higher in the Greek case is the inefficiency and corruption of public administration. Inefficiency resulted from the protective practices of the state in sheltering state owned companies. "Most public enterprises, because they were protected

both from commercial competition and from any sort of economic discipline, were not just grossly overstaffed but also overpaid and inefficient" (ibid.). Salaries in the public sphere were as much as fifty percent higher than the private sector, and coupled with job security this made the state the most attractive employer. However, this resulted in most of them to running at a loss (see problematic companies in chapter five) and thus being subsidized by the state. A report by the Organization for Economic Cooperation and Development (OECD) in 1999 reported that the public utility companies of Greece suffered from "faults which included backward technology, and considered that their staff could be halved....and estimated that privatization of the utilities would add 10 per cent to the GDP over five years and reduce inflation by one percentage point" (ibid., 180).

State interference in the economy was not only by way of owning companies, but also by regulating the functioning of the market. Greek bureaucrats have the worst reputation in the EU for their "demand of licenses....obstructionism, inefficiency, and corruption" (ibid.). In addition, due to subsidies the state owned enterprises were competing with private companies on more favorable terms, many of the latter were forced to go bankrupt. Because they employed approximately 18 percent of the labor force they distorted the labor market by keeping wages high due to diminished competition. In 1977 the Competition Commission was established in order to reduce the influence of monopolies in the Greek economy. Its effects had been minimal. "The Commission's weakness is typical of the general inefficiency of the state, and also of politician's clientelistic tendency to favor particular interest groups" (ibid., 181).

Although the previous two governments of Mitsotakis and Papandreou tried to impose market mechanisms on the Greek economy, they made few inroads. As mentioned in

chapters four and five Papandreou's policies lead to the enlarged state labeled by some Greek analysts as "the colossus with feet of clay". The cornerstone of European Union economic policy is the liberalization of the economy, meaning that state interference in the economy is minimized and that state enterprises are privatized. During his second term Papandreou tried to impose some of these measure in order to placate the EU. The minister of the economy at the time was Simitis who implemented a set of reforms in order to harmonize the Greek economy with those of its European allies. Simits saw that due to pressures from organized interests, especially labor and bureaucrats, his reforms were never carried out and he resigned. "In Greece the reform-minded technocrats in the second half of the 1980s were easily marginalized in the leader-dominated PASOK which harbored, for ideological and clientelistic reasons, a strong public sector group which faced competition from the pro public-sector left" (Wright and Pagoulatos 2001, 247).

The privatization efforts initiated by the ND party of Mitsotakis between 1990-93 shared the same fate with those of PASOK during its second term. New Democracy's efforts to sell the Telecommunications Company of Greece (OTE) to foreign interest struck a nationalistic chord with the Greek population because this was the time of heightened nationalistic feeling in Greece due to the crisis with FYROM. The underdog culture capitalized on nationalistic feeling to thwart any efforts towards privatization and labeled the acquisition of Greek companies by foreign interests selling out to foreigners. "Repeated efforts to sell three shipyards to foreign investors [had their] representative in some cases nearly harassed away from the premises by angry trade unionists" (ibid., 454). Most of the privatization plans of ND were never implemented. Mitsotakis announced the selling of all the "problematic companies", the dissolution of all state

firms and the sale of many of them to private investors. By 1993 when ND lost the elections to PASOK, "none of these projects was achieved" (ibid., 260). The only state company that was privatized was the Athens Urban Transport Company (EAS) which was "taken back into by the public sector as soon as PASOK returned to power" (ibid,).

It is with Simitis' government that serious efforts towards the liberalization and privatization of the Greek economy began. "The 1996 PASOK government under Costas Simitis, who took over as prime minister after Andreas Papandreou [stepped down], was more decisive than its direct 1993 predecessor in following up a number of privatization projects" (ibid.). Kazakos reinforced this point when he said "Greece only after 1996 will begin to follow the more general tendency [exhibited in the rest of the EU states] towards state reform and privatization" (2002, 512). Simitis' determination to go ahead with his modernization project was demonstrated with the privatization of the Ionian Bank, which was opposed fiercely by trade unions. Subsidies were cut forcing several sectors of the Greek economy to become more competitive. By 1998 all of the so-called problematic industries were sold. The Telecommunications Company (OTE), Olympic Airlines (the major Greek airline) and state banks were partially privatize and thus began to become more efficient. "In all, 31 state companies were sold in the three years 1998-2000; and the proceeds in 1998-99 alone were \$6 billion-twice as much as had been obtained in the previous ten years" (ibid.).

Simitis's domestic reforms also aimed at reducing the size of the government. His government is the smallest since WWII. He reduced the numbers of ministries and abolished the second position of deputy minister in all ministries except the ministry of foreign relations. Apart from the inefficiency, there is the question of coordinating

policy. Another area Simitis recommended for cuts were the positions of advisors and general and special secretaries within the ministries. Advising positions where cut by almost 50 percent, the special secretariat position was abolished, and the general ministers were cut by 40 percent (*Vima* [Athens] 26/10/1997). Apart from the reductions in the central government stuff, Simitis initiated "the devolution of power from the national government" (Close 2002, 248). This was initiated in the early nineties and continued with more rigor under Simitis's government. The devolution of power is related to the EU's structural funds. These EU structural funds are a means to bring all regions within an EU member state to a more equal economic footing (McCkormick 1999, 128-132). An additional reason for the initiation of the devolution process was the inefficiency associated with the central government leading to "weakening public respect for [the] government" (Close 2002, 248).

Simitis' privatization project and reduction of the government was accompanied by efforts at administrative reforms. As with the privatization policies, attempts to reform the public administration were initiated by earlier governments also. Papandreou's government in 1985 established a school for the training of public administrators. This training facility was modeled after the French Ecole Nationale d'Administration (Close 2002, 237). It received large amounts of money form the EU, but it has not been influential in developing an independent civil service. "The persisting lack of a civil service was illustrated in the government's negotiations with the European Commission in 1991 to enter the Economic and Monetary Union. Ministers relied on a few individuals who lacked support from an established bureaucratic structure" (ibid.). Most civil servants entered the service due to its security and pay, and using connections with

cadres of the ruling party. The percentage of labor employed in all of the public sector was in 1991 18 percent (ibid., 238). In 1998 the Simitis government established the office of the ombudsman, which came under attack from within his government. By 1997 labor employed in the public sector declined to 15 percent, a 16 percent decline since 1991.

One final important reform was a continuation of the 1994 so-called Peponis Law, "which stipulated that public, competitive examination, managed by an independent body, the Supreme Council for the Selection of Personnel (ASEP) should be the sole route to permanent places in the civil service" (ibid.). Simitis improved upon this law by extending ASEP's procedures to other public branches such as, schools, local government, and state banks. Moreover, in 2000 the government published a booklet with the technical requirements necessary in order for a person to be hired in the civil service. In 1999 the High Court ruled, "that heads of government departments were free to promote people on merit rather than seniority or formal qualifications" (ibid.). These policies reduced considerably party patronage with respect of the civil service.

## Conclusion

Simitis' modernization project was implemented with rigor and persistence. It was a coherent project that encompassed both foreign and domestic policies, which revolved around the strengthening of Greece's membership in the EU and the rapprochement with Turkey. Simitis recognized the fact that the globalized world economy requires a state to become competitive in order to succeed. Simitis' model of what constituted a successful (and modern) society were the advanced industrial societies. Simitis wanted Greece to achieve their level of development.

# International Society

By the time Simitis came to power, globalization was in full swing. Simitis accepted globalization as the predicament of international society in the post-cold war era. He argued that the old bipolar system was gone, replaced by a loose hegemonic order under the auspices of the US. To reiterate, Simitis emphasized the competitive aspects of the post-cold war international environment and the need for Greece to become competitive. Globalization entailed an emphasis on economic power and a lessened emphasis on military power. Like Papandreou, Simitis could not abandon his socialism completely. However, he pushed liberalization and privatization more rigorously than Papandreou. Simitis advocated the state limiting itself in supporting the private sector to research and development. Below are listed the key normative assumptions identified in Simitis's political discourse that pertain to international society.

- a) "After the collapse of the Eastern Bloc, the whole architecture of international security that was based on bipolarity collapsed with it".
- b) "A characteristic of the new international reality is the increasing importance of global economic developments in policy making".
- c) "At this moment our planet is revolving around regulations that have a s a common denominator the rules of competition".
- d) "It is imperative that we [Greece] adapt to the requirements and model of development of the advance industrial states".

# Greece and the European Union

Simitis had to work simultaneously on both the external and domestic fronts. Greece was to become more competitive in the global economy and this entailed major changes

domestically. In addition, one of the priorities of Simitis was the entrance of Greece into the Economic and Monetary Union (EMU) within the EU. Simitis was worried that if Greece did not enter EMU it would not be able to modernize and catch up with the advanced industrial states of the EU. Moreover, Simitis believed in the EU norms of collaboration among states and the peaceful resolution of conflict. These normative assumptions are discerned in his speeches, and the key ones are listed below.

- a) "We have to create the conditions of achieving equal participation of our country within the EU".
- b) "If Greece fails to do so [create the above conditions] it will be detrimental".
- c) "Maastricht is an uncertain road, but we have to continue our efforts to strengthen our economy because our goal is to join the developed states once and for all".
- d) "Our partners in the Union state that the threat to use violence is an anachronistic method in state relations".

## Turkey and the Balkans

In order to strengthen the Greek economy and safeguard its membership in EMU, Simits had to better relations with Turkey in order to divert funds from the expensive arms race in which the two countries were engaged to the economy. Thus, from the moment he came to power, with the exception of the first months when the relationship with Turkey worsened due to the Imia-Kardak crisis, he began to send messages to Turkey that Greece wanted rapprochement. Even during the Imia-Kardak crisis Simitis refrained from using excessive nationalistic language and biting criticisms of Turkey. The majority of his tenure is characterized by his conciliatory rhetoric and polices towards Turkey, but also the betterment of the relations between Greece and FYROM,

and with the Balkan neighbors in general. Simitis wanted Greece to play a larger role in the Balkan region. The contrast with Papandreou's perceptions and customary behavior towards Turkey (and FYROM) is exhibited in the normative assumptions identified in Simitis' discourse and listed below.

- a) "Our policy towards Turkey has two dimensions: the collaborative approach and the direct and straightforward one in coping with the expansionism of our neighbor".
- b) "We support Turkey's European road because this will lead to better relations between our countries".
- c) "This goal cannot remain a rhetorical goal but materialize in our policies towards

  Turkey".
- d) "We are not of the opinion that Turkey should be cut off from Europe"".
- e) "Greece must play a larger role in the Balkans".
- f) "We continue to support the agreements with FYROM".

## The Domestic Context

Domestically Simitis faced the opposition of the traditionalists. This is a more elusive threat than Turkey. He could not use the same discourse and policies he used vis-à-vis Turkey in identifying the traditional aspects of Greek society as a threat to Greece. The battle with the traditionalists was embedded in the discourse regarding Greece's identity. Simitis changed Greek discourse regarding Greece's position in the international society, relations with the EU, and relations with Turkey. This also entailed an attack on the support structures of the traditionalist within Greek society. The traditionalists' material resources were weakened by removing individuals who opposed modernization from key

positions and by implementing policies and laws that promote the modernization of Greek society. The key normative assumptions found in Simitis' speeches, concerning the domestic context, are listed below.

- a) "In order to modernize we have to change the clientelistic mindset, the union mentality of labor, and state subsidization and regulation".
- b) "We need to modernize our institutions, public administration and our whole political system".
- c) "The dangers facing us emanate from the globalization of the economy coupled with the weakness of our domestic structures, our own customs".
- d) "We have to get rid of [traditional] habits and mentalities at any cost, in order for Greece to progress".
- e) "We have committed ourselves to creating a strong and competitive Greece based on a modern society".
- f) "The state will contribute by organizing and instituting the suitable technological, legal, and macroeconomic framework that will enable our companies to function efficiently".

The deradicalization of Greek political discourse as expressed though the speeches of Simitis is evident in the normative assumptions presented above. In the next chapter the normative assumptions of the two prime ministers are compared in four tables, each table representing one of the four themes found in the three empirical chapters.

### Endnotes

<sup>&</sup>lt;sup>1</sup> Greece qualified for inclusion in the EMU in June 2000 and became part of it officially in January 2001.

<sup>&</sup>lt;sup>2</sup> Abdullah Ocalan is the founder (1970) of the Kurdistan Workers Party (PKK) that has been fighting for an independent Kurdish state. The PKK is operating primarily in South Eastern Turkey. Recently the Turkish government has relaxed its oppressive policies in the Kurdish areas and the PKK is advocating the granting of "cultural rights" to the Kurdish people.

<sup>&</sup>lt;sup>3</sup> Social Democracy as it developed historically in Western Europe has "come to stand for a broad balance between the market economy on the one hand, and state intervention on the other" (Heywood 1998, 140). Within this broad category we can identify more left and right leaning social democrats. The distinction is based on the role of the state they respectively advocate. The more left leaning social democrats grant the state a larger role in the functioning of society than the right leaning social democrats. The distinction is relative to the specific social context under consideration.

<sup>&</sup>lt;sup>4</sup> Greece did not satisfy the requirements to enter EMU with the first wave of countries in 1998). Britain, Sweden, and Denmark did satisfy the requirements but opted not to join (Risse, Engelmann-Martin, Knopf, and Roscher 1999, 148). Greece met the requirements and joined EMU January 2001.

<sup>&</sup>lt;sup>5</sup> This is why the EU member states have been reluctant to accept Cyprus in the Union because the island is still divided and the conflict with the Turkish-Cypriot side has not been resolved. By incorporating a country with unresolved political problems threaten the norm of peaceful management of conflict.

<sup>&</sup>lt;sup>6</sup> Turkish forces in Cyprus advanced their position within the so-called "dead zone" that separates the two communities. This raised tensions between Greece, Cyprus and Turkey.

<sup>&</sup>lt;sup>7</sup> As I mentioned earlier I classified Papandreou as a center-left politician and Simitis as a center-right one.

## Chapter Seven

## Conclusion

## Introduction

The present dissertation provided an overview of the foreign policy of two Greek prime ministers, Andreas Papandreou and Konstantinos Simitis. The presentation begins with a narrative recapitulating the main arguments of the dissertation. The four themes presented at the conclusion of the three substantive chapters are presented again, but this time in a table that compares the norms associated with the two prime ministers so that the reader can see the changes from one discourse to the other.

It has been argued that, since 1996, prime minister Simitis began to send signals to his counterparts in Turkey that he was willing to mend the relationship between the two countries. In 1999 Simitis' efforts came to fruition with the signing of the Helsinki Accords, when Greece lifted its objection to Turkey's elevation to candidacy status with the European Union. The analysis centered on the discourse of the two prime ministers. The comparison of their political discourse determined the presence of certain norms that influence the conduct of the two statesmen. The change in rhetoric and policies from Papandreou to Simitis has been attributed to changes (new norms) in international society, both at the global and regional levels (European Union).

New international norms have an impact on domestic society. International norms are filtered through the domestic context via the existing dominant domestic bundles of norms and are either accepted, altered, or rejected. These domestic bundles of norms form domestic political culture(s). Depending on the historical development of a specific country there can be a hegemonic domestic political culture or two or more existing in a

conflicting (resulting in a civil war or social revolution) or symbiotic state (contest political power through the electoral system). Another key theoretical assertion that guided my methodological approach is that specific foreign policy issues cannot be adequately analyzed in isolation from other international and domestic issues. Thus, the relation of Greece with the European Union and by extension the relation (of the former) with Turkey, and domestic issues, especially questions regarding Greece's future, are included in my analysis. Questions related to the future of a specific country are the most contested ones and are manifested in the enactment of foreign policy.

Domestic political culture and the norms composing it enable individuals to understand the world around them. To reiterate, political culture refers to "the complex set of orientations and discourses that actors use while trying to make sense of, account for, or to legitimize/delegitimize prevailing political arrangements" (Mouzelis 1995, 31). The "prevailing political arrangements" are composed of norms, and are discerned in political discourse and policies enacted. Moreover, as argued in chapter two, domestic political culture is shaped by both domestic and international norms. This characteristic of political culture is what makes it the mediating concept between the social environment and actor interests. Since the norms composing political culture define who you are, these norms define your interests. In terms of the authoritative decision-makers examined here, the norms composing the political cultures that they identify with define the policies they enact, both domestically and internationally.

The authoritative decision-makers are the agents. Agents are delegated authority to act on behalf of a collectivity. In this case Papandreou and Simitis are the agents representing Greece. In the case of Greece the prime minister occupies a hegemonic

position within the political decision-making process. It is argued that in Greece there are two political cultures each constituted by a different bundle of norms. Each of the prime ministers belongs to one of these political cultures. The two political cultures are the traditionalist or underdog and the modernizing or reformist cultures. The norms constituting these political cultures are situated in the international and domestic contexts. To reiterate, the influence of norms on agent actions is determined by examining the discourse of the agents in question.

Two indicators were used to assess the influence of a norm on the prime minister in question: the repetitive pronouncement of the content of specific norms, and policies enacted that represent these pronouncements. Change in policies is the result of factors (norms) existing in both international and domestic contexts. The catalyst is usually external, but by themselves external factors cannot account for change. Their interaction with domestic factors is necessary to explain changes in foreign policy. Norms permeate and become institutionalized within a particular society when there is a "cultural match" between international and domestic norms. In the case of Greece, the norms that compose the modernizing political culture are a close match with the dominant international society norms that began to gain strength in the 1980s and which belong to the liberal/capitalist paradigm.

Simitis' modernization project initiated a comeback for the modernizers who had been on the defensive since the mid 1930s when the Venizelist modernization project lost its dynamism.<sup>1</sup> Simitis directed his energies towards the transcendence of the security threat from Turkey by sending signals and initiating policies that Greece wants to sooth relations between the two countries. Moreover, Simitis pushed for the modernization of

Greek society and its further integration into the EU. The improvement of relations with Turkey and the concomitant modernization project changed the nature of threat for Greece. The threat shifted from the external to the domestic arena and instead of an existential threat that has to be deterred it has been transformed into a "threat" that stems from the remnants of traditionalism within Greek society and cannot be identified in the standard international relations language.<sup>2</sup>

This new threat does not belong to the traditional security type of threat where the state is considered a coherent unit with identifiable inside/outside domains and placing all threats outside the boundaries of the state (Walker 1993, 179-180). The "new threat" is not an existential threat, i.e., one that threatens the territorial integrity of Greece. It is engulfed in the discourse concerned with the future of Greece. It is the struggle for domination within Greek society between the two political cultures I presented in chapter four. This new threat becomes a threat when the representative elite argues that, if we do nothing to change the situation, e.g., take some kind of action, the future of our country is at stake. If Greece does not embark on this road it faces the prospect of remaining outside the club of developed states. The "war" between the two political cultures is not fought with weapons but it is about images (Barnett 1996, 409), images regarding the future of Greece and where it belongs.

Whichever political culture prevails, a new foreign policy that will accomplish

Greece's new interests is enacted. Simitis sought to establish Greece within the Western
camp of advanced developed states. The main obstacle to his foreign policy was not
Turkey but the traditionalists within Greek society and especially those within PASOK.

As mentioned in the introduction, interests are always re-conceptualized, debated and re-

defined. This new foreign policy/interests grouping provided a powerful alternative to the deterrence/arms race response that characterized Greek foreign policy and interests, vis-à-vis Turkey for the last twenty-two years (1974-1996). The new foreign policy and interest are associated with modernization, EU integration, development and economic performance, and détente. By promoting Turkey's European road Simitis hoped that this would transform Turkey's aggressive policies towards Greece by bringing Turkey into the family of European states.

# Comparison of the Four Themes

## International Society

The modernizers considered Greece's interests to be associated with the West and promoted the emulation by Greece of Western political socioeconomic practices. The traditionalists considered Western values as alien to Greece, threatening its unique political culture as a culture neither Western nor Eastern (although through the orthodox Church and the Byzantine/Ottoman heritage there is more affinity with the East). Traditionalists maintained that the West supported Greece's traditional enemy, Turkey and thus, the only way to deter this threat is to arm the country and not trust the Westerners. Instead, Greece should collaborate with the enemies of Turkey. In addition, Western values, embedded in liberalism and capitalism, are destroying the Orthodox Christian values that sustained Greek culture through four hundred years of Ottoman occupation.

To reiterate, the two political cultures of Greece, traditional and modern, trace their roots to a respective past that belongs to Greek history. The socialist ideas that Papandreou incorporated in his discourse were not part of the two political cultures of

Greek society. In a tangential way, socialist ideas (through the enlightenment) can be incorporated into the Modernizers' discourse, but the long history of animosity between capitalism and socialism has marginalized the latter form the Western intellectual and social heritage. Thus, by choosing an ideology that did not correspond to any of the two political cultures, Papandreou had to eventually adjust. And because he rejected modernization as an imperialist cultural hegemony, he combined the underdog culture's anti-Westernism with socialism. Below is a juxtaposition of the normative assumptions found in the discourse of the two prime ministers in terms of their view of the functioning of international society and how Greece is to adapt within it.

Papandreou's First Two Terms

# Papandreou's Third Term (Transition Period)

Simitis' First Term

- a) "The root of our misfortune is founded on our country's dependence on the West and especially the United States".
- b) "The United States strategy was always....the same goal, i.e., the extension, control, and reproduction of the Imperium".
- c) "Greece should withdraw from the military and political wings of NATO".
- d) "PASOK has denied in words and deeds the logic of the Cold War division of the World".
- e) "The solution to the present economic crisis of modern capitalism should be sought within the parameters of the socialist transformation of society".

- a) "Distances are shrinking due to the development of new communications and transportation means".
- b) "All the great changes that have come to pass [globalization] have their contradictory positions".
- c) "The market is crucial for the dynamism of entrepreneurial activity but without guidance [of the state] cannot solve the problem of unemployment and other social issues".
- d) "In these new times characterized by globalization and cutthroat competition the rebirth of social democratic forces and the implementation of a new progressive strategy is a must".

- Simula That Ichin
- a) "After the collapse of the Eastern Bloc, the whole architecture of international security that was based on bipolarity collapsed with it".
  b) "A characteristic of the new international reality is the increasing importance of global economic developments in policy making".
- c) "It is imperative that we [Greece] adapt to the requirements and model of development of the advance industrial states".
- d) "At this moment our planet is revolving around regulations that have a s a common denominator the rules of competition".

# Greece and the EU

In contrast to Simitis's coherent modernization plan for the future of Greece to be achieved through the EU and his wholeheartedly acceptance of Western norms, Papandreou's three terms in office were characterized by discontinuity, i.e., an initial

rejection of the liberal/capitalist norms and the EU, to a hesitant acceptance of the fact the Greece is benefiting from its membership in the Union. Yet, his acceptance of Greece's EU membership was based on instrumental reasons. During his first two terms (1981-1989) there was a tension between his idealistic politics, the establishment of a socialist alternative and norms/rules associated with the liberal/capitalist paradigm and political realism. Both of these sets of norms/rules provide powerful alternative explanations of how the world works. The contrasting views of the two prime ministers are presented below.

Papandreou's First Two Terms	Papandreou's Third Term (Transition Period)	Simitis' First Term
a) "The rules of the EC, to which we are obliged to conform, make many of the economic problems we have to face more acute". b) "Within the EC there are unacceptable inequalities". c) "The rules and mechanisms of the EC continue to function in such a way that they favor the advanced economies". d) "We [Greece] are fighting for an equal Europe through the convergence of all economies".	a) "Our journey is definitely through Europe". b) "Our European orientation is a given". c) "Thus, while we will advance the initiatives and lift the obstacles that stifle competitiveness we will simultaneously preserve the structure of the welfare state that has developed in Europe". d) "We are implementing a developmental strategy that will contribute to the growth of our economy as well as its convergence with the European economy".	a) "We have to create the conditions of achieving equal participation of our country within the EU". b) "If Greece fails to do so [create the above conditions] it will be detrimental". c) Maastricht is an uncertain road, but we have to continue our efforts to strengthen our economy because our goal is to join the developed states once and for all". d) "Our partners in the Union state that the threat to use violence is an anachronistic method in state relations".

## FYROM and Greek-Turkish Relations

In contrast with the norms that predominate in the International society and EC/EU that pertain to the socioeconomic realm of social life, the relation with Turkey is characterized by norms that involve questions of nationalism and political realism. The norms pertaining to nationalism/political realism through their respective prescriptions and assertions tell people how the world is, how it works, their place in it, and it shapes

their conceptions about who is friend or foe. The realist conception of international politics exacerbates relations of enmity among neighboring states. Moreover this conception fits more the "underdog culture" because the latter has already an inherent bias against the West and Turkey. It views both with suspicion, and suspicion is embedded in realist norms. Below are listed the different conceptions regarding Turkey between Papandreou and Simitis.

Papandreou's First Two Terms	Papandreou's Third Term	Simitis' First Term
	(Transition Period)	
a) "One of the greatest problems of Greek security is the preparation to defend in case Turkey decides to impose its demands [on Greece]". b) "The aggressiveness of the Turkish elite and its elaborate plans [against Greece] are unfolding gradually". c) "The long-term goal [of Turkey] is to create a climate where she can have territorial claims on certain Aegean island and Western Thrace". d) "There is no doubt that the Turkish elite has taken a truly expansionist	Papandreou's Third Term (Transition Period)  a) "I wish to repeat our decision that we will not recognize a state [FYROM] with a name that includes the word Macedonia". b) "Greece will never recognize Skopje using Macedonia in its name". c) "Turkey, under pressure of its domestic problems, still remains our main threat". d) "The Turkish treat is real and nor Greek government can ignore it".	a) "Our policy towards Turkey has two dimensions: the collaborative approach and the direct and straightforward one in coping with the expansionism of our neighbor". b) "We support Turkey's European road because this will lead to better relations between our countries". c) "This goal cannot remain a rhetorical goal but materialize in our policies towards Turkey". d) "Greece must play a larger role in the Balkans".
and chauvinistic posture that reminds us of theories of vital interests from Hitler's days".		e) "We continue to support the agreements with FYROM".

# The Domestic Context

Domestic norms stem from the two political cultures described above. However, these domestic norms do not exist in isolation form the international and regional realms. They evolve in a dialectical manner with the norms existing in Greece's social environment.

The pressure from the EU to resolve conflict peacefully and to better economic performance has begun to take precedence over the political realist/nationalist set of norms regarding the relation with Turkey. This is exemplified in the rise to power of Simitis and the modernizing policies, both foreign and domestic, that he began to

promote and enact. Domestically, Simitis attacked the "underdog" culture and its social practices that are centered on clientelistic relationships under the patronage of the state/PASOK.

At any point in the history of modern Greece one or the other political culture dominated the political scene depending on the dynamics between domestic and external forces (Daimantouros 1994, 11-12). And at its moment of dominance the particular "winner" constructed the threats facing Greece. They did not always present each other as a threat, and there were times of national unity especially when there was a threat from the outside. Yet there were moments where one political culture elevated the other to the level of a threat and "attacked" its symbolic and material basis of power. The conflict between the two political cultures is unlikely to take an armed character because as I explained in chapter four they cut across the whole fabric of Greek society and permeate every aspect of Greek society. All current political institutions that represent the Greek population contain both political cultures, a situation making it hard for society to bifurcate into two camps with their own institutions and eventually engage in an armed struggle. The conflict is likely to remain at the symbolic level played by the representatives of each political culture in undermining the material sources of power of the other. Politically this is reflected in the frequent intra-party disagreements among the key personalities, which result in the formation of splinter parties and the frequent sacking of ministers by the prime minister, as well as the staffing of all governmental and bureaucratic positions with party cadres when a specific party comes to power. Papandreou does not defend clientelism or the excessive intervention of the state in the economy as the table below demonstrates. However, his policies as described in chapters

four and five supported the prescriptions of the norms espoused by the traditional political culture. The contrast between the two prime ministers' normative assumptions regarding domestic society is presented below.

Papandreou's First Two Terms	Papandreou's Third Term (Transition Period)	Simitis' First Term
<ul> <li>a) "The state will supervise the socialization of the means of production".</li> <li>b) "The coexistence of the state and the private sphere is the only possibility for the betterment of the standard of living in our country".</li> <li>c) "The solution is to be found in the amelioration of our foreign dependency and the upgrading of our country in the world division of labor".</li> <li>d) "We are struggling to modernize, develop, and march to a socialist society".</li> </ul>	a) "The privatization policies and liberalization of the market do not clash with the "preservation of the welfare state". b) "Privatization has been transformed into a dark mechanism". c) "We have restored the people's trust in the state". d) "We must reset the boundaries between the welfare state and social justice within a new international context characterized by cutthroat competition".	a) "In order to modernize we have to change the clientelistic mindset, the union mentality of labor, and state subsidization and regulation". b) "We need to modernize our institutions, public administration and our whole political system". c) "We have to get rid of [traditional] habits and mentalities at any cost, in order for Greece to progress". e) "The state will contribute by organizing and instituting the suitable technological, legal, and macroeconomic framework that will enable our companies to function efficiently".

## Conclusion

At the present moment Greece has escaped the negative image it had during the early nineties. It has consolidated its position within the EU and has managed to keep friendly relations with the Northern border countries of Albania, FYROM, and Bulgaria. The relation with Turkey is at its most cordial level since the détente of Venizelos and Attaturk in the 1930s. Simitis is enjoying popularity among the Greek population not so much because of his charisma but his consistency. He has pursued his modernization project with vigilance and persistence and it is bearing fruit. The Greek economy is exhibiting dynamism and growth. Yet, the opposition to Simitis' modernization project, both within and outside PASOK, is present. The most likely scenarios for the future is that Greece will continue on this route set by Simitis, albeit this will vary depending on

the conception of Greece's future that the next prime minister embraces. If the next prime minister follows Simitis' project, i.e., the modernization of Greek society then Greece will improve its status in the area and within the EU substantially. Moreover, the relation with Turkey will be set on a secure path towards an institutionalized détente. However, if the next prime minister is steeped in the "underdog culture", then Greece will likely remain in the EU, but it will probably fall within a second tier of development, a possibility that can materialize due to the projected enlargement. This state of affairs will be more conducive to nationalistic outbursts and inimical to a more amicable relationship with Turkey.

# Endnotes

<sup>&</sup>lt;sup>1</sup> Eleftherios Venizelos was prime minister of Greece from 1910-15 and 1928-32. He is considered one of the greatest statesmen of Greece and the originator of Western type reforms.

<sup>&</sup>lt;sup>2</sup> For a similar analysis that influenced my conceptualization of Simitis' "new thinking" see, Hermann (1996, 276-82). Hermann was examining Gorbachev's redirection of Soviet foreign policy.

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