

THE SHELTER IN THE CYCLES OF REASON AND ANGER: GREEK FOREIGN POLICY IN THE BALKANS AND GREEK-BULGARIAN RELATIONS

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ABSTRACT

Greek foreign policy towards the Balkans in the post-Cold War era had two phases. First phase was characterised by the de-Europeanisation (as opposed to the significant process of Europeanisation in 1970s) as hysterical nationalism and irrational, aggressive expressions whereas the second phase was the adequate manifestation of re-Europeanisation as decreasing nationalism, rational redefinition of national interests and of possessed assets, and successful use of economic relations. The relations with Bulgaria have been often smooth although they suffered initially because of irrational Greek reactions to the Bulgarian recognition of Macedonia and Bulgarian-Turkish rapprochement. The relations between the two countries were further deepened during the second phase of Greek foreign policy. In any case, the then unique identity of Greece as a Balkan country in the EU has been manifest in its foreign policy towards the Balkans. The re-Europeanisation of Greek foreign policy contributed significantly to regional stability. One would like to regard this Europeanisation as immutable yet many core issues remain unsolved. The process of the solution of those core issues will show whether Greek foreign policy vacillates in the cycles of Europeanisation and de-Europeanisation or not. This implies that the Europeanisation process is neither immutable nor irreversible.

KEYWORDS

Greece, Bulgaria, Balkans, Europeanisation, Foreign Policy

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*Into the distance, a ribbon of black,
Stretched to the point of no turning back
A flight of fancy on a wind swept field
Standing alone my senses reeled
A fatal attraction holding me fast. How
Can I escape this irresistible grasp?
Can't keep my eyes from the circling sky
Tongue-tied and twisted just an earth-bound misfit...*

Pink Floyd, "Learning to Fly", in Momentary Lapse of Reason, 1987

Introduction

Seldom can a change in human history create what the end of the Cold War has initiated in Eastern Europe. The end of centrally planned regimes resulted in the attempts for redefinition of the internal and external integration tendencies.¹ However, the emergence of new dynamics and problems or simply, the unveiling of the existing ones resulted in the inability of the actors to handle the new situation by developing new standpoints, attitudes and reflexes. This inability can be clearly observed in the Balkans (a region that was endowed a 'nicer' name: Southeastern Europe) where all actors lived through instances of hesitations, perilous self-convictions and inclinations towards violence. The extreme forms of these were lived during the wars in the former Yugoslavia and had a deep impact on the international relations of the region.

Greece has not been an exception to this inability and redefinition process. It has been significantly affected by these changes and has been indeed one of the countries that evidently manifested the above-mentioned inability. It could not re-position itself so as to create a new standpoint, and hence could not produce appropriate attitudes and meaningful reflexes. Simply, it was unable to manage and to accommodate itself according to the changes in the Balkans.

This article attempts to analyse the relations of Greece with Bulgaria in the post-Cold War era within the context of Greek foreign policy towards the Balkans. In this sense, Greece's central concern in

¹Mustafa Türkeş, "Double Processes: Transition and Its Impact on the Balkans" in *Towards Non-violence and Dialogue Culture in Southeast Europe*, Ivan Hadjsky (ed.), Sofia, The Institute for Social Values and Structures Publications, 2004, p. 1.

the Balkans, i.e. the Macedonian Question and its central concern in its entire foreign policy, viz. the relations with Turkey also are to be invoked, although the former will inevitably be more emphasised. Following this introduction, the phases of Greek foreign policy towards the Balkans will be discussed. Then, an analysis of the evolution of Greek-Bulgarian relations, the issues in Greek-Bulgarian relations, and Bulgaria's standpoint will constitute the bulk of the article. The relations of these two countries within the EU are beyond the scope of this article.² Finally, a conclusion to summarise the arguments and discussions is to be presented.

The main argument throughout this endeavour is that Greece has been a Balkan country in the European Union; the problems in its Europeanisation process and its policies in the Balkans can be understood within this framework, it has displayed the characteristics of a Balkan country but as a member of the European Union. For this reason, it would be fruitful to take a look at the main characteristics of a Balkan state.

The major (foreign) policy traditions in the Balkans were formed historically by the fact that the Balkans has always been an arena for great power rivalry. This resulted in the decisive involvement of foreign powers in regional and domestic affairs of Balkan countries. Furthermore, the independence or, to put it differently, the very existence of these states was the outcome of foreign involvement; none of the national movements succeeded without foreign support, including the Greek one. The boundaries were also drawn according to the concerns of the great powers rather than the ethnic composition of the countries in question, which was in all cases multiethnic enough to create minority questions. Thus, the Balkan state is not comfortable either in domestic or in external relations. Consequently, Balkan countries got the habit of relying on one (outside) great power for their own security and for achieving

²In his speech during a visit to Bulgaria, Greek President Papoulias pointed to the prospects of Greece, Bulgaria and Romania creating a 'Balkan nucleus' within the European Union, following Bulgaria and Romania's accession to the EU on 1 January 2007 ("Papoulias: 'Golden Age' in Greek-Bulgarian Relations", *ANA*, 12 February 2007). The possibilities for and results of the efforts for such a 'Balkan nucleus' must be analytically observed in near future, the time does not seem ripe yet for a comprehensive academic analysis.

their foreign policy objectives.³ In this manner, it is argued that the Greek response to the Balkans in the immediate post-Cold War period was affected by the burden of history, ideological difference, foreign intervention, nationalism, irredentism, territorial claims and minorities.⁴

This foreign involvement caused ambivalence towards the West in the minds of the regional political elite and the ordinary citizen because it was mainly conducted by Western States (and Russia).⁵ Although westernisation was considered necessary for the establishment of a strong, well-functioning state⁶ the intentions of the Western countries were often regarded with suspicion. As it will be discussed throughout this article, Greece has constituted an important example within this framework.

The significant changes that Greece has experienced since the mid-seventies also affected its foreign policy towards Europeanisation. This is further accentuated by the acceptance of Greece to EU membership. It is argued that there was a substantial change in the characteristics of Greek foreign policy. For instance, Greece has in principle abandoned nationalism, irredentism or any type of revisionism.⁷ Nevertheless, it can be argued that the end of the Cold War created an environment conducive to the de-Europeanisation of Greek foreign policy. In this manner, the (re)appearance of the historical characteristics mentioned above could be observed throughout Greek foreign policy towards the Balkans. This reappearance revealed the fact that the Europeanisation of

³Charles Jelavich and Barbara Jelavich, *History of Balkans*, New Jersey, Prentice-Hall, 1965, p. 10-26.

⁴Van Cofoudakis, Harry J. Psomiades and, Andre Gerolymatos, "Greece as a Factor of Stability in the post-Cold War Balkans", in Van Cofoudakis, Harry J. Psomiades and, Andre Gerolymatos (eds.), *Greece and the New Balkans Challenges and Opportunities*, New York, Pella Publishing Company, 1999, p. 425.

⁵Jelavich and Jelavich, *History of Balkans*, pp. 10-12.

⁶Roumen Daskalov, "Ideas About, and Reactions to Modernization in the Balkans", *East European Quarterly*, Vol. 21 (2), June 1997, p. 143.

⁷Theodore Couloumbis and Yannis Prodromos, "Greek Foreign Policy Priorities in 1990s", Kevin Fatherstone and Kostas Ifantis (eds.), *Greece in a Changing Europe*, Manchester, Manchester University Press, 1996, p. 169.

Greece has not been a linear process. The more it got involved in the regional questions, the less it presented the character of a contemporary European state.⁸

Greece, Balkans and the End of Cold War

The immediate post-Cold War era was marked by an alarming instability because of the violent dismemberment of Yugoslavia and the precarious commencement of the Transition process. Although this instability came to the agenda with its troublesome potential,⁹ it has also demonstrated the inability of both regional and major actors to cope with the new situation. Greece was seriously affected by this instability to the extent that it could not redefine its position and policies for years. Furthermore, the early years of the post-Cold War era has revealed the fragility of the Europeanisation of Greece and established its then unique identity as a Balkan country in the European Union.

According to the common Greek view, Greece was caught unprepared and the lack of understanding of western states, ambivalence of the members of the EU and the EU-US rivalry complicated this situation further.¹⁰ Initially, the Greek government interpreted these enormous changes as a deterioration of its security environment.¹¹ This deterioration was triggering the increase in the perceived threats of Greece. This self-perpetuating sense of being under threat provoked irrational and destabilising policies towards the

⁸It should be noted that the mainstream opinion on Europeanisation of Greek Foreign Policy will be held in this article. However, this does not mean at all that Maria Todorova's criticisms with the concept of "Balkanism" is ignored, neglected or disagreed by the author. The analysis is within the framework of the mainstream in order to show that the so called Europeanisation is neither immutable nor irreversible.

⁹To see the international mood of the time, please look at "Welcome to the Seething South", *The Economist*, 3 February 1991, Vol. 318, (7696), pp. 45-47.

¹⁰Cofoudakis, Psomiades and, Gerolymatos, "Greece as a Factor of Stability...", p. 423.

¹¹Thanos Veremis, "Greece: The Dilemmas of Change", in Stephen Larrabee (ed.), *The Volatile Powder Keg*, Washington, American University Press, 1994, p. 124.

Balkans. As a matter of fact, Greece started its post-Cold War journey with the claim of being the stabilising force in the region; indeed it was argued that Greece was to contribute to the international cooperation for peace and stability in the region.¹² Its self-perception has been that its role in the Balkan cooperation has always been positive.¹³ Furthermore, it is claimed that because of the tension in Cyprus and Aegean, Greece has pursued a comprehensive Balkan policy in its northern frontiers.¹⁴ However, the ensuing political instability in the country and the continuation of the nationalist-populist foreign policy ended this dream of being stabilising force¹⁵ and Greece happened to be one of the major destabilising forces in the Balkans. It should be noted that this indeed raised the question on the viability of (Greek) Europeanisation when faced with a (perceived) security threat.

The perception about its security constituted the main reason for its emergence as a destabilising force. Its fundamental security self-identification, that is, “a triangle upside down, with its peak in the sea and a vulnerable base touching upon four neighbours, Greece lives in a constant and uncertain balance”,¹⁶ became once again prevalent in the immediate post Cold War years. As a matter of fact, it is argued that the security of Greece can be provided by “collective Atlantic/European policies” to “facilitate a stable (conflict-free) transition to political democracy and the market economy in post-

¹²T. A. Coulumbis and P. Yannas, “Greek Security Challenges in the 1990s”, in Günay Göksu Özdoğan and Kemali Saybaşılı (eds.), *Balkans: A Mirror of the New International Order*, İstanbul, Eren Yayıncılık, 1995, p. 205.

¹³Constantinos Svolopoulos, “Cooperation and Confrontation in the Balkans: An Historical Overview”, in Van Cofoudakis, Harry J. Psomiades and, Andre Gerolymatos (eds.), *Greece and the New Balkans Challenges and Opportunities*, New York, Pella Publishing Company, 1999, p. 24.

¹⁴Thanos Veremis, “Greece and the Balkans in the post-Cold War Era”, in Van Cofoudakis, Harry J. Psomiades and, Andre Gerolymatos (eds.), *Greece and the New Balkans Challenges and Opportunities*, New York, Pella Publishing Company, 1999, p. 31.

¹⁵“More From the Balkans”, *The Economist*, Vol. 328 (7828), 9 November 1993, p. 53.

¹⁶Svolopoulos, “Cooperation and Confrontation in the Balkans...”, p. 24.

communist societies in the troubled Balkans...¹⁷ However, this mainstream optimist view did not become the determinant of the initial Greek Foreign policy towards the Balkans. This view assumed that Greece was not part of the conflicts in the Balkans and regarded these conflicts as originating from the other countries and influencing Greece. In fact, Greece was at the centre of some of the conflicts, such as the Macedonian question, and was indeed a significant contributor to the instability in some others, such as the war in Bosnia-Herzegovina. In this sense, two major determinants shaped Greek foreign policy towards Balkans: The so-called Macedonian question and its redefinition of its eternal obsession with the Turkish threat within the Balkan context. It should be noted before going into the discussion that both of these threats existed more in Greek perceptions than in concrete policy-terms.

Greece had two foreign policy priorities both of which were perceived within the framework of European integration; its economic future that was bound to the EC's evolution and its security within the framework of Western security structure¹⁸. Therefore, Greece relied on the western structures both for its security and its economic development, two basics that a state has to provide for its citizens in order to be legitimate. In this sense, the Greek foreign policy towards the Balkans can be also evaluated within the context of the European integration aims of Greece. Moreover, it should be noted that it displayed the insurmountable characteristic of the Balkan state; namely to rely on foreign involvement for security and domestic well being.

Greece has had this insurmountable characteristic of relying on one great power for its security.¹⁹ US assumed this role until the mid-seventies when its influence in Greece was balanced with the Europeans. The Cyprus question demonstrated in Greek opinion the inability of NATO to provide security to Greece against the perceived Turkish threat; an interpretation which exacerbated Greek feelings of loneliness and insecurity. NATO is argued to have placed some kind

¹⁷Coulombis and Yanas, "Greek Security Challenges in the 1990s", p. 203.

¹⁸Veremis, "Greece: The Dilemmas of Change", p. 124.

¹⁹Nikolaos Zahariadis, "Nationalism and Small-State Foreign Policy: The Greek Response to the Macedonian Issue", *Political Science Quarterly*, Vol. 109 (4), 1994, p. 653.

of restriction on Greek foreign policy in the Cyprus issue. Accordingly, Greece had to comply with the requirements of NATO security framework so could not accurately put forward its view in the international arena.²⁰ In this sense, the uncertainty that emerged in the immediate post-Cold War years emphasised this perception of insecurity and solitude, which was already influential in Greek self-awareness.

The European expectations from Greece were not compatible with this Greek standpoint. It hoped to see Greece as the major stabilising factor in the region where Europeans sought the formation of stability without obliging them to exceed the level of involvement that they envisaged for themselves. In this sense, the EC could not provide the level of security that Greece expected from it in the Balkans.²¹ Consequently, both Greek and European desires turned out to be miscalculations.

This Greek disenchantment was not limited to security. The change and the consequent turbulence had caught Greece not only unprepared but also in dire economic turmoil. The efforts to integrate the country to the EC economic sphere had exacerbated structural difficulties.²² As a result, its economic conditions were problematic both for internal and external relations. It is indeed argued that this problem in the economic conditions prevented Greece from extending aid and investment to the Balkan countries.²³ Therefore, in the immediate post-Cold War years, the economic expectations of Greece from the EU were not met either. Consequently, Greece perceived the changes in the region as a potential threat to its security and was economically unable to become an important economic actor in the region; and the European support that it expected proved to be inadequate.

²⁰James Pettifer, "Greek Political Culture and Foreign Policy" in Kevin Fatherstone and Kostas Ifantis (eds.), *Greece in a Changing Europe*, Manchester, Manchester University Press, 1996, p. 20.

²¹Jonathan Eyal, "A Western View of Greece's Balkan Policy", in Kevin Fatherstone and Kostas Ifantis (eds.), *Greece in a Changing Europe*, Manchester, Manchester University Press, 1996, p. 144.

²²George C. Petrakos, "A European Macro-Region in the Making: The Balkan Trade Relations of Greece", *European Planning Studies*, Vol. 5 (4), August 1997, p. 516.

²³Veremis, "Greece: The Dilemmas of Change", p. 121.

It can be argued that the EU also had negative impact on Greek foreign policy. Membership of the EU decreased the sovereignty of Greece, in other words, it restricted its freedom of action. Greece has found itself bound to a general mechanism in which it has had to consider broader concerns than its narrower national interest, especially concerning its relations with Turkey and Macedonia.²⁴ In this manner, in a region where everyone could consider more or less its own national interest, this dependency crippled Greece's ability to think in terms of solely its national interest.

This can be observed throughout the attempts of the EC to form a Common Foreign and Security Policy. Greece was the only member state having national questions in the Balkans. Therefore, the other member states tended to see the issue within the general concept of stability. The divergence of interests resulted in the fact that Greece felt isolated in the community on the one hand, and it felt that Common Foreign and Security Policy did not serve its interests on the other. This divergence has emphasised the contradictory aspect of the Greece's dual identity of being a Balkan state in EU.

It can be argued consequently that the Greek foreign policy towards the Balkans was initially defined rather by its Balkan character. Greece became part of the problem instead of the solution in the Balkan imbroglio in the first phase of 1991-1995.²⁵ In this manner, the major determinants of Greek foreign policy towards the Balkans were the perceived threats of Macedonia and Turkey as mentioned earlier in this article.

Macedonia became independent as a result of the dismemberment of Yugoslavia; Greece reacted harshly immediately after its independence. The sole existence of the country turned out to be a security threat in Greek opinion. The struggle began and ensued as a dispute over the name of the newly independent republic. Greece

²⁴Couloumbis and Yannas, "Greek Security Challenges in the 1990s", p. 163.

²⁵Axel Sotiris Wallden, "Greece and the Balkans: Economic Relations", in Van Cofoudakis, Harry J. Psomiades and, Andre Gerolymatos (eds.), *Greece and the New Balkans Challenges and Opportunities*, New York, Pella Publishing Company, 1999, p. 78.

found “Republic of Macedonia” unacceptable on the grounds that the name “Macedonia” belonged unquestionably to Hellenism; additionally, Greece has a province with the same name. Moreover, there is a Macedonian minority living in Greece, although they have not truly manifested a problem. Consequently, Greece argues that the use of the name “Macedonia” is the very expression of expansionism.²⁶

This claim of expansion was emphasized with the articles of the Macedonian constitution. The preamble of the constitution referred to the Anti-Fascist assembly for the National Liberation of Macedonia (ASNOM) as the base for the establishment of the Republic of Macedonia. ASNOM’s principles were mainly the unification of the entire Macedonian nation and the liberation of the other two segments of Macedonia. Furthermore, Article 3 argued about border change in accordance with the constitution and Article 49 stated that the republic cares for the status and rights of Macedonians living abroad.²⁷ Palpably, these were more than enough to provoke Greece’s insecurity feelings.

These controversial points provoked the exacerbation of nationalism in Greece often to the extent of hysteria.²⁸ This seriously harmed the evolution of Greek foreign policy towards Europeanisation. In other words, the Macedonian question triggered the de-Europeanisation of Greek foreign policy. Moreover, Greek reactions to the newly independent fragile country disturbed its European partners since Europeans wanted stability in the region and expected EU member Greece to contribute to the formation of stability. On the contrary, Greece became one of the producers of instability because of its nationalist hysteria against Macedonia. This has been one of the areas which demonstrated the inability of Greece to develop new standpoints and attitudes in the post-Cold War era

²⁶Paris Varvaroussis, “Macedonia: Focus of Greek Policy towards Balkans”, *Aussen Politik*, Vol. 46 (4), 1995, p. 359.

²⁷Loring Danforth, “The Macedonian Conflict, Ethnic Nationalism in a Transnational World”, Princeton, Princeton University Press, 1995, p. 148.

²⁸A. Triandafyllidou, M. Calloni, A. Mikrakis, “New Greek Nationalism”, *Sociological Research Online*, Vol. 2 (1), 1997, <<http://www.socresonline.org.uk/socresonline/2/1/7.html>>, 14 February 2009.

combined with the inherent and insurmountable contradictions in its identity.

The Greek perception of the Turkish threat and the dispute between these two countries are beyond the scope of this article. All in all, the redefinition of this perceived threat and the reproduction of the Greek-Turkish dispute in the Balkans should be mentioned. In this manner, the Muslims living in the Balkans turned out to be an integral part of the perceived threat against Greece:

[S]ince 1989 Turkey has been making inroads into the Balkan peninsula via Islamic outposts. More than 5.5 million Muslims of Bulgarian, Turkish, Serbian, Croat, and Albanian ethnic origin reside in a geographic wedge that extends from the Black Sea to the Adriatic, separating Greece from its Slavic Christian neighbours. Turkey is trying to become the champion of the Balkan Muslims and extend its influence in the region in order to enhance its strategic importance in the post-Cold War era.²⁹

The immediate post-Cold War years were already prone to instabilities, the violent dismemberment of Yugoslavia has emphasised this. It is in fact needless to argue that the reproduction of the Greek-Turkish dispute in the post-Cold War Balkans contributed to the instability in the region. Notwithstanding the complexity and mutual responsibilities in the notorious dispute, it can be argued that Greece perceived even the existence of the Muslims in its neighbourhood as a potential attempt on the part of Turkey to encircle its land. Coupled with the independence of Macedonia, this worry exacerbated Greek nationalist hysteria. This resulted in the Greek intellectual investment in the notorious polarisation in the region: Greek reflexive nationalism and perceptions of insecurity in the period of 1991-95, provoked it to attempt at forming an orthodox axis (composed of Greece, Bulgaria, Serbia and Russia) against a perceived Muslim arc.³⁰

The other side of the coin is the Macedonian and Turkish minorities in Greece. Greece conceives itself as nationally

²⁹Veremis, "Greece: The Dilemmas of Change", p. 132.

³⁰Cofoudakis, Psomiades and, Gerolymatos, "Greece as a Factor of Stability...", p. 424.

homogenous and the existence of these minorities harms this ostensible self-perception. This unfriendly attitude against minorities and the insistence on homogeneity signified the dominance of the traditional characteristics of the Balkan state in Greece. It is one of the few countries in the EU, which did not ratify the Framework Convention on National Minorities. This “anti-minority attitude” has been one of the main features of Greek politics and foreign policy and has been widely criticised internationally. The official reply of Greece through the words of Maria Telalian who was the head of the Greek delegation to the UN Committee on the Elimination of Racial Discrimination on March 2001, reiterated its intransigence:

The only officially recognised minority in Greece is the Muslim minority of Western Thrace. The minority is composed of three distinct ethnic groups: those of Turkish origin, Pomaks, and the Roma... All Greek governments have resisted the collective self-identification of the Muslim minority as Turkish. The reason for this is, first of all, the composition of the minority itself and the conviction that the political aims behind this assertion do not contribute to the peaceful coexistence of the various groups.³¹

The Turkish and Muslim minority in Greece is perceived in this manner as a part of the encirclement of Greece. This increased both the insecurity feelings of Greece and the futile insistence on the ostensible homogeneity. In other words, the feeling of being encircled has been combined with the existence of Turkish-Muslim and Macedonian minorities inside the country and resulted in the irrational, hysterical attitudes of Greece. This resulted in the fact that Greece became a part of the problem instead of the solution.

The second phase of Greek foreign policy began with the change of power and the establishment of political stability with the Simitis government. It can be argued that most of the vacillations and hysteria of the first phase disappeared in the second phase with Simitis' and later G. Papandreou's efforts towards more reasonable foreign policy. In this manner, it is argued that the Europeanisation of

³¹*AIM on Minorities on Greece*, AIM (Alternative Information Network), Athens, 31 May 2001, <<http://www.alb-et.com/pipermail/albsa-info/2001-June/01883.html>>, 14 February 2009, p. 1. The term “anti-minority attitude” is used by Panteion University Associate Professor Alexis Heraclidis.

its foreign policy is part of a broader process of Europeanisation of the whole political and economic system in Greece. This Europeanisation signified giving up narrow definitions of national interest.³²

The redefinition of Greek national interest in the Balkans signified the decrease in the nationalist hysteria and increase in the efforts to mitigate the conflicts. This redefinition of the national interest meant the reformulation of Greek foreign policy dynamics; it included the replacement of great power competition by coordinated international efforts and the increase of regional cooperation.³³ In this manner, there has also been significant improvement in Turkish-Greek relations, which also had a relieving impact on the Balkans.³⁴ Similarly, the tremendously uncooperative attitude of Greece against Macedonia decreased with the Interim Agreement that presented the cumbersome name Former Yugoslav Republic of Macedonia as a temporary compromise. It should be noted also that the main reason for this shift in the policy was the isolation of the country in the early post-Cold War years.³⁵

The main dynamic of the second phase has been the economic diplomacy of Greece towards the Balkan countries. It aimed at improvement of bilateral economic relations with all the Balkan countries and economic reconstruction of the region through investments in infrastructure, the promotion of interregional cooperation etc. so as to promote gradual integration of the region to the Euro-Atlantic structures. The investments in the infrastructure consisted of the strategic sectors of transportation, telecommunication

³²Panagiotis C. Ioakimidis, "The Europeanisation of Greece's Foreign Policy: Progress and Problems", in A. Mitsos and E. Mossialos (ed.), *Contemporary Greece and Europe*, Aldershot, Ashgate, 2000, pp. 359, 363.

³³George Papandreou, "Debalkanize the Balkans", *New Perspectives Quarterly*, Vol. 18 (1), January 2001, p. 43.

³⁴Misha Glenny, "Changing Face of Balkan Politics", *BBC World News*, 8 April 2000. <http://www.bbc.co.uk/hi/english/world/from_our_own_correspondent/newsid_705000/705585.stm>, 14 February 2009.

³⁵Charalambos Tsardinis and Evangelos Karafotakis, "Greece's Economic Diplomacy towards the Balkan Countries", *Perceptions: Journal of International Affairs*, Vol. 5 (3), September-November 2000, p. 1.

and energy networks. It should be noted that the increase in the Greek exports to EU markets was declining when Greece initiated the openings to the Balkan market.³⁶ Therefore, the Balkans has had an outstanding place in the Greek exports because of exceptionally high Greek penetration to this region. As a result, Greece has become the only EU country Balkan trade weighs the most in its economy.³⁷ This economic role of Greece has been defined as “a source of vital investment” by the mainstream Greek opinion and presented as the “most important stabilising factor”, also in political sense, in the region.³⁸

Greek-Bulgarian Relations

The relations between Greece and Bulgaria were the best relations that Greece has had with its Balkan neighbours. It can be argued that this stemmed from the fact that Bulgaria started its post-Cold War journey as a relatively reasonable power and continued its stability-oriented sensible behaviour. The relations between these two countries were initially harmed by the Bulgarian recognition of Macedonia and the Turkish-Bulgarian rapprochement. It “suffered from some spill-over of the Macedonian crisis...as well as from Greek perceptions that conservative Bulgarian governments were anti-Greek and pro-Turkish.”³⁹ However, following this initial cooling, it continued well since Greece cannot be at odds with all its neighbours at the same time. It was not surprising that Greece attempted to get Bulgarian support against Turkey and Macedonia.

It is observed that between 1974 and 1989 there was a “new climate of friendship and mutual trust between Athens and Sofia following a century of conflict”.⁴⁰ This resulted in the “Declaration of Friendship, Good Neighbourliness and Cooperation” in 1989. It is argued that shared problems of these two countries with Ankara and Skopje were motivating factors for this Declaration. However, Bulgaria chose to have better relations with Ankara when the Union

³⁶Tsardinis and Karafotakis, “Greece’s Economic Diplomacy...”, pp. 2, 5.

³⁷Wallden, “Greece and the Balkans...”, pp. 101, 103.

³⁸Veremis, “Greece and the Balkans...”, p. 46.

³⁹Wallden, “Greece and the Balkans...”, p. 79.

⁴⁰Svolopoulos, “Cooperation and Confrontation in the Balkans...”, p. 25.

of Democratic Forces (UDF) government was established in 1991 and especially following the election of Zhelyu Zelev as president in 1992. The Turkish minority could establish its own political party and indeed became influential in the parliament. Moreover, a summit meeting between Greece, Serbia and Bulgaria in Athens failed.⁴¹ The orthodox axis that Greece aimed at could not be formed. It seems that all these created disappointment on the Greek side since it would have preferred that Bulgaria did not improve its relations with Turkey and that Greece could polarise the region against Turkey with the help of Serbia and Bulgaria.

The Bulgarian recognition of Macedonia was indeed the major line of friction between these two countries.⁴² UDF government recognised Macedonia in January 1992, although it declared that it did not recognise the Macedonian nation. It was maintained by some Greeks that this standpoint would enable Bulgaria “to renew its traditional claims on this disputed territory at a later date.”⁴³ As a matter of fact, Bulgaria reiterated its historical position of supporting the existence of an independent Macedonia if it is not to be integrated with Bulgaria. The fact that it did not recognise Macedonian nation has been due to the fact that the national histories of these two nations coincided at many points and Bulgarians still believe that Macedonians could have evolved to become a part of the Bulgarian nation, had the developments in the mid-nineteenth century continued.⁴⁴ Moreover, there is also a Macedonian minority in Bulgaria, particularly living in Pirin Macedonia that was acquired by Bulgaria after the Balkan wars. In this sense, the Bulgarian insistence on the non-recognition of this Macedonian minority could have relieved Greece which had exactly the same problem. Both countries needed and relieved each other on this issue of non-recognition. It is not truly understandable how Bulgaria can renew its territorial claims

⁴¹Veremis, “Greece: The Dilemmas of Change”, p. 127.

⁴²Duncan M. Perry, “Bulgaria: Security Concerns and Foreign Policy Considerations” in Stephen Larrabee (ed.), *The Volatile Powder Keg*, Washington, American University Press, 1994, p. 60.

⁴³Veremis, “Greece: The Dilemmas of Change”, p. 127.

⁴⁴For a detailed analysis please look at F. A. K. Jasamee, “Nationality in the Balkans: The Case of Macedonians”, in Günay Göksu Özdoğan and Kemal Saybaşılı (eds.), *Balkans a Mirror of the New International Order*, İstanbul, Eren Yayıncılık, 1995, p. 126.

solely as a result of the recognition of Macedonia as an independent state. As noted above, Bulgarian recognition of Macedonia was rather in order to prevent the territorial claims and consolidate Macedonia's independence since Bulgaria grasped that it can not be integrated to Bulgaria. The Greek misinterpretation can be read as a manifestation of extreme doubts about its neighbours and its reproduction of the context of historical conflicts in its conception of the region.

The leadership in the Balkan countries has been very important in the immediate post-Cold War years in terms of the approach to the regional issues and consequent policies. The Bulgarian leadership has proved relatively competent in this sense, and oriented the country's fate towards European integration. In this manner, it can be argued that the Bulgarian leadership initiated the Europeanisation of Bulgarian foreign policy. It lived through hard times such as the economic crisis, the danger of the spread of the war in former Yugoslavia and so on and so forth; nevertheless it did make efforts to integrate its minorities, and to sustain economic progress and democratic practice.⁴⁵ As it was officially said, it attempted to combine its national interest with the international community's expectations; it indeed took responsibility for the stability of the region.⁴⁶ This reasonable calculation by the Bulgarian elite contributed to the stability of the region in the ways of not emphasising the Macedonian question and of breaking possible axes of polarisation. As a matter of fact, Bulgaria played a central role in eradicating the possible polarisation of the region, which was particularly buttressed by Greece and Serbia.

It should be carefully noted that the moderation and the Europeanisation of the Bulgarian foreign policy was a process. The reconciliation with the Turkish minority was not fully accomplished at the immediate post-Cold War years. Its role in politics was a point of ardent discussion; there were anti-Muslim nationalist circles that argued that the recognition of the rights of Turkish minority could pave the way for substantial Turkish influence. They even went so far

⁴⁵Luan Troxel, "Bulgaria: Stable Ground in the Balkans?", *Current History*, Vol. 92 (577), November 1993, p. 388.

⁴⁶Ivan Kostov, "Bulgaria on the Threshold of the New Millennium: Realized Ambitions and Forthcoming Challenges", *Mediterranean Quarterly*, Vol. 12 (2), Spring 2001, p. 3.

as to use the typical argument of being the borderline between Europe and Islam and protecting Europe against Islam.⁴⁷ In this manner, they supported indeed the idea of axes and polarisation in the Balkans. However, this kind of nationalist/exclusionary views did not become a policy in Bulgaria. Moreover, Bulgaria was not seduced by Greek efforts of forming a sort of bloc against both Turkish minorities in these countries and Turkey; therefore it prevented the dangerous polarisation of the Balkans.

The polarisation of the Balkans through religious axes basically entailed the participation of Bulgaria; it was indeed argued that Greece and Bulgaria could cooperate in terms of defence because both countries faced “a potential revisionist challenge on the part of Turkey...”⁴⁸ This earlier Greek attempt of polarisation against Turkey did not work thanks to Bulgarian foreign policy based on a common sense approach formed by the rational calculation of the country’s position after the Cold War and healthy assessment of its history. This came as a relief in a region suffering from the wars in former Yugoslavia. The nationalist regime in Belgrade would have preferred this polarisation in order to reach its aims of expansion within the former Yugoslavia. Greek foreign policy in its first phase was in favour of this polarisation and thus supported the expansionist aims of Belgrade.

It is argued that the main reasons behind this reasonable stance of Bulgaria were the accurate assessment of the hard conditions of the immediate post Cold War years and the realisation of the fact that nationalist self-expression always brought catastrophes to the country. It attempted to look for national unification three times in the 20th Century and all ended with the so-called national catastrophes. The situation in the immediate post-Cold War years was likely to be interpreted as an omen of the fourth catastrophe; the economic and political stability was not yet established, it would pursue an independent foreign policy for the first time in its history, it never had

⁴⁷Duncan M. Perry, “Bulgaria: Security Concerns and Foreign Policy Considerations”, in Stephen Larrabee (ed.), *The Volatile Powder Keg*, Washington, American University Press, 1994, p. 57.

⁴⁸Coulumbis and Yanas, “Greek Security Challenges in the 1990s”, p. 206.

traditional friends in the West, all external political and economic structures that it relied on were destroyed, and so on and so forth.⁴⁹

A second reason for this foreign policy based on reasonable calculations is a relative domestic stability. This is said to be Bulgaria's main achievement following the uncertainty of the first years after the change.⁵⁰ As a matter of fact, there existed a domestic debate on foreign policy making; the UDF was considered pro-American and pro-Turkish whereas the BSP was considered pro-European and pro-Greek. However, the final presentation of the Balkan policy was based on reasonable calculations. In addition to refraining from axes and alliances, one of the unwritten rules of Bulgarian foreign policy was equidistance to Greece and Turkey.⁵¹ It can be argued that this rational configuration of policies has contributed both to the stability in the region and to the national interest of Bulgaria, which was primarily defined as European integration.

The Europeanisation of Bulgarian foreign policy is certainly related to Bulgaria's conceived orientation in the post-Cold War era. The integration to the Euro-Atlantic structures has been the main aim of its foreign policy since the collapse of the old regime.⁵² This very priority also constituted the bulk of its relations with Greece since the latter has also been a Balkan country that has been a member of these very structures that Bulgaria has wanted to be part of. Furthermore, Greece aimed at extending its influence in the region through the emphasis of this fact and claimed to act as a bridge between the EU, NATO and Balkan countries.⁵³ It is thought that its international

⁴⁹Ekaterina Nikova, "Changing Bulgaria in the Changing Balkans", in Günay Göksu Özdoğan and Kemali Saybaşılı (eds.), *Balkans: A Mirror of the New International Order*, İstanbul, Eren Yayıncılık, 1995, pp. 189-191.

⁵⁰"Petar Stoyanov; Bulgaria's Gladiatorial President", *The Economist*, Vol. 355, (8175), 17 June 2000, p. 54.

⁵¹Nikova, "Changing Bulgaria in the Changing Balkans", p. 192.

⁵²Kostov, "Bulgaria on the Threshold of the New Millennium...", p. 2.

⁵³"General Principles of Greek Foreign Policy in the Balkans", *Embassy of Greece*, Washington/USA, <<http://www.greekembassy.org/politics/balkans/principles.html>>, 14 December 2008.

connections through the EU and NATO constituted its comparative advantage in the Balkans.⁵⁴

The support that Greece gave to the Bulgarian efforts for EU accession has been one of the major issues in the relations of these two countries.⁵⁵ By the same token, the Bulgarian membership to NATO was also an important issue in Greek-Bulgaria relations. Greece increasingly reiterated its support for membership of Bulgaria to NATO and established their military agreements within this framework.⁵⁶ Indeed, this has been one of the major foreign policy tools that Greece discovered in the second phase of its foreign policy. It encouraged itself to extend its influence through the assets that it possessed instead of aggressive expressions and the use of its assets for negative purposes, such as the closure of the port of Thessalonica to Macedonia.

The other major aims of Bulgarian foreign policy have been the promotion of regional cooperation and the economic reconstruction and political stabilisation of the region.⁵⁷ In this manner, the reintegration of Yugoslavia to the world and the increasing stability in the region contributed significantly to the economic and political

⁵⁴Veremis, "Greece and the Balkans...", p. 34.

⁵⁵"High Levels of Greek-Bulgarian Relations Noted during Stoyanov's Talks Here", *Athens News Agency (ANA)*, 03 July 1997; "Greece, Bulgaria Press for Accelerated Stability Pact Action, Pipeline Discussed", *ANA*, 19 July 2000; "Greek Bulgarian Leaders Focus on Latest Balkan Developments", *ANA*, 05 December 2000; "Bulgarian Defense Minister Thanks Greece for its Support in NATO Candidacy Issue", *ANA*, 25 April 2002, <<http://www.greekembassy.org>>, 14 December 2008.

⁵⁶"Greek and Bulgarian FMs discuss Bulgaria's NATO Candidacy", 30 November 2001, *ANA*, <<http://www.greekembassy.org/press/newsflash/2001/november/nflash1130.html>>, 14 December 2008; "Bulgarian Defense Minister Thanks Greece for its Support in NATO Candidacy Issue", *ANA*, 25 April 2002, <<http://www.greekembassy.org/press/newsflash/2002/april/nflash0425b.html>>, 14 December 2008; "Greece, Bulgaria Sign Defense Cooperation Pact", *ANA*, 13 February 2002, <<http://www.greekembassy.org/press/newsflash/2002/february/nflash0213.dhtml>>, 14 December 2008.

⁵⁷Kostov, "Bulgaria on the Threshold of the New Millennium...", p. 2.

situation in Bulgaria.⁵⁸ This has had its impact on Greek-Bulgarian relations;⁵⁹ this time these three countries came together not as part of a perilous polarisation but as the contributors to the regional stability after the fall of Milošević.

The Issues in Greek-Bulgarian

One of the major issues in Greek-Bulgarian relations has been the Bourgas-Alexandroupolis oil pipeline project. This is part of the broader scheme of transporting the Caspian oil to the Mediterranean Sea and of Greek initiatives under the framework of the Trans-European Energy Networks.⁶⁰ As a matter of fact, this is part of the big competition over the distribution of the Caspian oil to the world market, and in this way, an alternative that by-passes Turkey, therefore satisfies Russia, Bulgaria and Greece. It can also be read as a part of the Greek efforts to increase its influence in the Balkans by economic means such as investment in strategic sectors like telecommunications and energy. Moreover, the issue is also related to Greek domestic politics and economics; Simitis did not miss the chance to declare that it would create 55,000 direct and 91,000 indirect jobs in the next eight years, and that “we respond to growth, we respond to unemployment”. Indeed, he added that Greece’s geographical isolation from the rest of the EU would turn out to be a factor to transform Greece into “an energy hub for the Balkans.”⁶¹ In this manner, the use of foreign policy matters for domestic purposes could be inevitably observed.

To cite the final stages in the project, the representatives of the governments of Greece, Bulgaria and Russia initialled the political Memorandum of Cooperation on the construction of the Bourgas-Alexandroupolis pipeline in Athens on November 4-5, 2004. A trilateral intergovernmental Committee met in Moscow on January

⁵⁸“Fresh Hope for Bulgaria”, *The Economist*, Vol. 357 (8194), 28 October 2000, p. 46.

⁵⁹“Greek-Bulgarian Leaders Focus on Latest Balkan Developments”, *ANA*, 05 December 2000, <<http://www.greekembassy.org>>, 14 December 2008.

⁶⁰Tsardanidis and Karafotakis, “Greece’s Economic Diplomacy...”, p. 5.

⁶¹“Simitis Unveils Government’s Energy Policy”, *ANA*, 12 Nisan 2002, <<http://www.greekembassy.org>>, 14 December 2008.

26-27, 2005, and on March 10, 2005, and agreed on the signing by their governments of the trilateral political Memorandum of Cooperation on the construction of the Bourgas-Alexandroupolis pipeline. On April 12, 2005, the Political Memorandum of Cooperation was signed in Sofia by representatives of Greece, Bulgaria and Russia on May 26-27, 2005, in Sofia, the Trilateral Working Committee and Group of Companies that will undertake the initiative for the setting up of the International Company that will construct the Bourgas-Alexandroupolis pipeline held their first meeting.⁶² Finally, it was signed in Athens on March 2007.⁶³

Greece and Bulgaria have attempted to establish a sort of regional energy market, naturally within the framework of European integration.⁶⁴ In this sense, the oil pipeline project Bourgas-Alexandroupolis has been a peak in Greek – Bulgarian cooperation.⁶⁵ They envisage developing their cooperation within this sphere with the significant and indispensable involvement of Russia. In this manner, Greece is to concretise its aim of controlling one of the strategic sectors such as energy. Moreover, it is likely to diminish a possible increase of the Turkish role in the world energy market. Bulgaria is to increase its salience both in the region and in the way to EU, and to provide a significant contribution to its economy. It has also another dimension that is the cooperation of both countries with Russia, which is beyond the scope of the article yet a very important aspect. On the one hand, USA was against this project despite the

⁶²“Bilateral Relations between Greece and Bulgaria”, <<http://www.mfa.gr/www.mfa.gr/en-US/Policy/Geographic+Regions/South-Eastern+Europe/Balkans/Bilateral+Relations/Bulgaria>>, 20 November 2008.

⁶³“Russia Clinches Balkan Oil Deal”, *BBC World News*, 15 March 2007.

⁶⁴B. Borisov, “Greece, Bulgaria to Build Regional Balkan Energy Market with EU’s Support”, *ANA*, 20 March 2002, <<http://www.greekembassy.org>>, 14 December 2008.

Greek President Karolos Papoulias said, “the implementation of the construction of this project of strategic importance will upgrade the two countries’ presence in the energy map” during his official visit to Bulgaria (“Papoulias: ‘Golden Age’ in Greek-Bulgarian Relations”, *ANA*, 12 February 2007).

⁶⁵Ivan Vatahov, “Greek-Bulgarian Business Comes to Peak”, *Sofia Echo*, 21 March 2002.

inclusion of an American firm in the pipeline's program.⁶⁶ On the other hand, the control of the project among the three partners was a matter; Russia wanted to extend its influence despite having secured 51 percent of the project.⁶⁷ It was indeed argued that "pipeline diplomacy" has helped to reassert Russian influence in the region.⁶⁸ Therefore, these two small Balkan countries have installed themselves once again within the competition of major powers. Finally, this desire of being an "energy hub" can be interpreted as a Greek effort to emphasise its role in Europe against the feelings and thoughts of Greece as a peripheral state.

The trade relations and the investments of Greece in the Balkans were seen as an impeccable remedy of the country's situation in the periphery of Europe. The handicaps of the region such as ethnic conflict and instability, which was Greece's problem in the political sense, turned out to be a comparative advantage for Greeks against Europeans in the economic sense.⁶⁹ It is argued that the European economic integration through single European market and Monetary Union created serious problems of adjustment for southern European countries; this has had an important impact in Greece as the intensification of structural difficulties.⁷⁰ Moreover, Bulgaria and Albania provide cheap labour for Greek exports to the EU.⁷¹ Therefore, it can be said that Greece needed the penetration to the regional market; it is not primarily because of the concern on regional stability and reconstruction but because of the Greek attempt to break its isolation and to overcome its economic difficulties. Its impact on the regional stability is yet to be seen.

The EU framework has not been absent. It is argued that Greece's economic relations with Balkan countries are largely determined by EU agreements with these countries as well as by autonomous EU policies. Bulgaria was in the first-generation trade

⁶⁶Costas Iordanidis, "A Crucial Stopover", *Ekathimerini*, 28 August 2006.

⁶⁷*Ibid.*

⁶⁸"Russia Clinches Balkan Oil Deal", *BBC World News*, 15 March 2007.

⁶⁹Wallden, "Greece and the Balkans...", p. 109.

⁷⁰George C. Petrakos, "A European Macro-Region in the Making? The Balkan Trade Relations of Greece", *European Planning Studies*, Vol. 5 (4), August 1997, p. 516.

⁷¹Wallden, "Greece and the Balkans...", p. 105.

and cooperation agreement in 1990. In 1998 relations with Bulgaria was as developed as a free trade zone of non-agricultural products, limited liberalisation in agricultural trade, movement of services and capital etc.⁷²

To come to the Greek-Bulgarian economic relations, the trade and investment relations have often been very intensive although investment was generally more serious than trade initially. Bulgaria had two serious monetary crises in the early post-Cold War years, which decreased the demand for Greek consumer goods. However, the small-scale trade of food and clothing was at good levels. The middle of the 1990s was the period of the establishment of Greek banks in Bulgaria, which resulted in the increasing interest of larger Greek firms in the local companies that were to be privatised. In this manner, the National Bank of Greece established branches and became the majority shareholder of UBB in Bulgaria alongside the Alpha Credit Bank which is active through its affiliate Ionian Bank. Consequently, these paved the way for the investments of Delta SA (dairy product manufacturing firm), 3E (beverage bottling company), Mihailidis SA (tobacco company).⁷³

Greek investment in Bulgaria comprises Greek companies, both small and large, and the Greek arms of multinational companies. Greece rated second in terms of investment in 2000 after Germany.⁷⁴ Later, Greek FDI in Bulgaria was 324.2 million euro in 2005, 512.4 million euro in 2006 and 543.0 million euro in 2007. With a total investment of more than two billion euro, Greece ranks as the fourth-largest investor in Bulgaria, behind Austria, the Netherlands and the UK.⁷⁵

It is indeed argued that Greek investment in Bulgaria has not always been so smooth. A privatisation attempt by Greece's state-run Public Corporation of Greece to buy Bobov Dol thermal power plant failed because of Bulgaria's Privatisation Agency's intervention. However, it is claimed that this case was more of an exception than a

⁷²*Ibid.*, p. 98.

⁷³Tsardanidis and Karafotakis, "Greece's Economic Diplomacy...", p. 4.

⁷⁴Vatahov, "Greek-Bulgarian Business Comes to Peak".

⁷⁵Elena Koinova, "Greek Investments in Bulgaria Soar since 2005", *Sofia Echo*, 28 March 2008.

rule stemming from local factors rather than from any general Bulgarian reluctance.⁷⁶

The Greek telecom company OTE (together with Dutch KPN) attempted to buy the Bulgarian telecom company that was to be privatised. The Bulgarian government declined the offer, and it is then argued that the sale will not be easy for Bulgarians because of “a global sector slump”.⁷⁷ OTE is already involved in developing a GSM mobile telephone network in Bulgaria.⁷⁸ It established a unit called Cosmo Bulgaria Mobile and got a license for 15 years in 2000 yet has financial difficulties.⁷⁹ Furthermore, there were claims that the OTE had collaborated with Telecom Italia in order to be able to get the license.⁸⁰ This is all part of what Greece called “investment in the infrastructure”. It would perhaps be a sort of conspiracy theory to argue that Greek investment in telecommunication is not welcome in Bulgaria; however, it seems that what Greek officials called “bureaucratic difficulties”⁸¹ can be intentional. This insight can be

⁷⁶*Ibid.*

⁷⁷Galina Sabeva, “National Telecom Monopoly won’t be an Easy Task for Bulgaria”, *Kathimerini, English Edition*, 24 January 2002, <<http://www.ekathimerini.com/4dcgi/news/content.asp?aid=12577>>, 14 December 2008.

⁷⁸“B. Borisov: Greek Minister Pledges 62 Million Dollars in Aid to Bulgaria”, *ANA*, 15 November 2000, <<http://www.greekembassy.org>>, 14 December 2008.

⁷⁹“OTE Launches Digital Mobile Phone Network in Bulgaria, Chases 100,000 Subscribers”, *Kathimerini, English Edition*, <<http://www.ekathimerini.com/4dgsci/news/conetmt.asp?aid=12189>>, 14 December 2008; “OTE Claims It is Seeking Funds for Its Bulgaria Unit”, *Kathimerini, English Edition*, 22 March 2002, <<http://www.ekathimerini.com/4dcgi/news/content.asp?aid=14675>>, 14 December 2008.

⁸⁰“OTE Denies Collusion on License”, *Kathimerini, English Edition*, 09 March 2002, <<http://www.ekathimerini.com/4dcgi/news/content.asp?aid=14219>>, 14 December 2008.

⁸¹“Greek, Bulgarian Leaders Focus on Latest Balkan Developments”, *ANA*, 12 May 2000, <<http://www.greekembassy.org/press/newsflash/2000/december/nflash1205a.html>>, 14 December 2008.

supported with the fact that Bulgaria invited other firms and consortiums into the game.⁸²

To note, in terms of trade, Greece has remained Bulgaria's second-largest partner in South Eastern Europe after Turkey and the third-largest EU partner after Germany and Italy. Collectively, the three countries hold more than 60 per cent of Bulgaria's foreign trade turnover, according to preliminary figures from the National Statistical Institute (NSI) for 2007.⁸³

The issue of smuggling and illegal immigrants was an important issue in Greek-Bulgarian economic relations.⁸⁴ The problems were eased with the improvement of Bulgarian economics and politics; its fight against smuggling also increased its custom revenues,⁸⁵ hence it was also beneficial for Bulgaria itself. Greece sought to regulate these affairs through bilateral agreements.⁸⁶ The Greek concern stemmed also from the fact that the Greek firms were seriously harmed. For instance, the Greek record industry lost forty millions American dollars a year due to the pirate product smuggling through Bulgaria. Consequently, they put significant pressure on their government in order to solve this problem.⁸⁷ In sum, the intensity of the smuggling and illegal immigration was decreased, although it was not completely abolished. All in all, it is not as important an issue as it was in Greek-Bulgarian relations.

Last but not least, the other major issue between Greece and Bulgaria has been the peacekeeping activities within the framework of the regional stability, particularly related to the conflicts in former

⁸²Sabeva, "National Telecom Monopoly...".

⁸³Koinova, "Greek Investments...".

⁸⁴"A Bulgarian Way into the EU", *The Economist*, Vol. 357 (8200), 09 December 2000, p. 56.

⁸⁵Sprucing Up Bulgaria, *The Economist*, Vol. 349 (8090), 17 October 1998, p. 54.

⁸⁶"Relations with the Balkan Countries: Relations with Bulgaria", *Hellenic Ministry of Foreign Affairs*, <<http://www.greekembassy.org/politics/balkans/bulgaria.html>>, 14 December 2008.

⁸⁷Cosmas Develegas, "Greek Campaign Aims to Raise Public Awareness", *Billboard*, Vol. 109 (16), 19 April 1997, pp. 8-10.

Yugoslavia; i.e. in Kosovo and Macedonia. Greece has contemplated being influential in terms of regional stability in the second phase of its foreign policy and wanted to replace its unquestioned pro-Serbian stance with a stability-seeking role.

This new contemplation resulted in the organisation of a meeting of Balkan countries on the Island of Crete in November 1997.⁸⁸ The Meeting ended with reiterations of commitments to closer cooperation, regular meetings, of the call to the European Union “not to exclude the region from the integration process”⁸⁹. Its importance was the “talks on the sidelines of the Crete Summit” such as the one between the Albanian Prime Minister Fatos Nano and the Yugoslav president Slobodan Milosevic,⁹⁰ although generally fruitless. This meeting was encouraging in the sense that it was the first meeting of its kind between these two countries in fifty years. It also provided another opportunity for the continuation of the dialogue between Greece and Turkey, and finally, Macedonian delegation made it to Greece. It was in fact a great achievement.⁹¹ The change in Greek foreign policy towards the Balkans can be observed between the efforts of organising a summit consisting of only Serbia, Bulgaria, and Greece and the organisation of Crete Summit. This signified the increasing common sense in Greek foreign policy and the shift from attempts for polarisation to the efforts for regional stability. As stated by the productive foreign minister Papandreou, “...stability in our region is the prerequisite for Greek security.”⁹² Furthermore, Greek self-perception dictated that it was ideally situated for promoting Balkan stability because of its record on regional multilateralism, its economic and social stability, its parliamentary democracy, and its international connections through the EU and NATO.⁹³

⁸⁸“Greece Holds Balkan Meeting”, *BBC World News*, 4 November 1997.

⁸⁹“Meeting of the Heads of State and Government of Countries of Southeastern Europe, Heraclion, Crete, 4 November 1997”, <<http://www.greekembassy.org/politics/balkans/crete.html>>, 14 December 2008; “Balkan Call to Europe”, *BBC World News*, 4 November 1997.

⁹⁰“Albanian Premier Meets Milosevic in Long-Waited Meeting”, *BBC World News*, 4 November 1997.

⁹¹“Balkan Leaders Meet to Talk...”, *BBC World News*, 11 November 1997.

⁹²George Papandreou, “Principles of Greek Foreign Policy”, *Mediterranean Quarterly*, Winter 2001, Vol. 12 (1), p. 4.

⁹³Veremis, “Greece and the Balkans...”, p. 34.

This new standpoint was also marked by Greece's participation in peacekeeping operations and its initiatives for establishing new peacekeeping forces in the region.⁹⁴ In this way, it declared its willingness to join talks with its Balkan neighbours, including certainly Bulgaria.⁹⁵ This peacekeeping issue is certainly related to the stability of the region and constituted an important part of the bilateral talks between Greece and Bulgaria especially after the crisis in Kosovo and then in Macedonia. This is also related to the fact that the conflicts in former Yugoslavia have exacerbated the discussions on the border changes in the Balkans.

Greece and Bulgaria have common interests in this issue of border change. The international administration in Kosovo and its later problematic independence has been interpreted as the change of boundaries in the region where territorial settlements have always been a matter of discord. Both Greece and Bulgaria have considerable minorities; although their minorities do not even have autonomy (let alone independence) in their political agenda, they will not be happy to see that the solution to the minorities question is the secession from the existing state. Therefore, they had reiterated the importance of the UN Resolution 1244 that provided Kosovo's self-government within the sovereignty of Yugoslavia (later Serbia-Montenegro, and finally Serbia). Additionally, they had attempted to draw attention to the democratic change in Yugoslavia, which could increase the chances of keeping Kosovo within Yugoslavia.⁹⁶ The fighting in Macedonia was also interpreted in the same way. Both countries called for more international support to Macedonia and reiterated their views against the change of borders.⁹⁷

⁹⁴Papandreu, 2001, p. 4.

⁹⁵"Greece to Join Talks on Balkan Peacekeeping Force", *BBC World News*, 10 April 1998.

⁹⁶"Greek-Bulgarian Leaders Focus on Latest Balkan Developments", *ANA*, 12 May 2000, <<http://www.greekembassy.org/press/newsflash/2000/december/nflash1205a.html>>, 14 December 2008.

⁹⁷"SE Europe Defense Ministers Condemn Insurgency in FYROM", *ANA*, 06 July 2001, <<http://www.greekembassy.org/press/newsflash/2000/december/nflash0607.html>>, 14 December 2008.

Within the framework of the Kosovo question, Greek officials have presented opinions reminiscent of their anti-American standpoint, in other words, it reflected its anti-American attitude in its Balkan policy. For instance, the Parliament speaker Apostolos Kaklamanis said during his meeting with the Bulgarian Minister of Foreign Affairs Nadezhda Mihailova that the problems of the region must be solved without outside intervention; he claimed that outside intervention is self-serving as “the region’s recent adventures have proved”.⁹⁸

The above mentioned statement of Kaklamanis is understandable within the context of anti-Americanism which stems from the notorious experiences of Greece in its post-war history. However, it is not comprehensible within the context of Greek foreign policy in the Balkans, especially in its second phase. Therefore, it can be argued that this anti-Americanism is to a significant extent intended for domestic consumption and is partly due to the Greek desire to appear more pro-European than pro-American.

Greece’s opposition to the independence of Kosovo is very well known since the beginning. Some argued that Greece was a close ally of Serbia; additionally, it was concerned about its neighbour Macedonia, which could become unstable if its ethnic Albanians agitate for independence.⁹⁹ One can argue that the independence of Kosovo is likely to revive also Greece’s fear of a Muslim arc, although the relations between Turkey and Kosovo have not been in the way of such an alliance. The Greek opposition is to the extent that Dora Bakoyannis has faced criticism, including from the ruling conservatives, for refusing to take a hard-line anti-independence stance.¹⁰⁰ Greek MEP Ani Podimata even proposed amendments in the text adopted by the European Parliament, which was rejected.¹⁰¹

⁹⁸“Bulgaria’s Foreign Minister Meets Parliament Speaker, Athens Mayor”, ANA, 02 October 2001, <<http://www.greekembassy.org/press/newsflash/2000/december/nflash0210.shtml>>, 14 December 2008.

⁹⁹Judy Dempsey, “Kosovo: Recognition Likely from US”, *New York Times*, 25 September 2007.

¹⁰⁰“Greek Communists March to Protest Kosovo Independence”, *International Herald Tribune*, 23 February 2008.

¹⁰¹“EP Rejects Greek Amendment on Kosovo”, *B92*, 29 May 2008, <www.b92.net>, 14 December 2008.

The day after the declaration of independence of Kosovo, Bulgarians continued their ambiguous standpoint on the issue and the president Prvanov even stated that Bulgaria "empathised with the feelings of the Serbian people" on this issue. However, in terms of concrete policy, they profited from the EU framework, by arguing that they would make their final decision following the meeting in Brussels.¹⁰² Finally, they recognised the country together with Hungary and Croatia. It was interpreted as the Bulgarian desire to show its pro-Atlantic loyalty as a NATO member and to prevent growing Russian influence in the Balkans.¹⁰³

Conclusions

The end of the Cold War and the collapse of the old regimes was an important change in the Balkans. It initiated the redefinition of the internal and external integration tendencies in the region. The redefinition of the post-Cold War caught all unprepared, and Greece was not an exception at all.

Greece had gone through a significant process of Europeanisation beginning with the 1970s. However, the changes in the Balkans, especially the independence of Macedonia and the potential Turkish influence in the new configuration in the region have significantly affected its foreign policy. This was manifested as nationalist hysteria, loss of common sense and extravagant aggressive behaviour. In this manner, Greece pursued an unquestioned pro-Serbian policy during the war in former Yugoslavia and seriously attempted a polarisation in the region against Turkey. Therefore, the Greek foreign policy towards the Balkans signified its de-Europeanisation in its first phase. It indeed became an awkward partner within the EU.

This isolation of Greece in fact stemmed from its identity problem. It is held throughout this article that Greece is a Balkan

¹⁰²"Bulgaria Stays Silent on Kosovo Independence", *Sofia Echo*, 18 February 2008, <www.sofiaecho.com>, 14 December 2008.

¹⁰³Nick Thorpe, "Serbia's Neighbours Act on Kosovo", *BBC World News*, 20 March 2008.

country and a member of the EU and NATO. In other words, it is an EU member yet a Balkan country. This then unique identity of Greece has become more apparent with the change in the Balkans. Greece could not cope with the impact of the new dynamics on its foreign policy; it lost its standpoint, it was unable to redefine its attitudes; and its reflexes displayed the characteristics of the Balkan state. In this sense, the Balkan side of its identity prevailed over the European side when confronted with the new circumstances in the Balkans. The relations between Bulgaria and Greece have often been smooth. This is primarily because of well-calculated Bulgarian foreign policy and the Greek calculation that it cannot be disputing with all of its neighbours. It can be argued that the Europeanisation of the former contributed significantly to the re-Europeanisation of the latter. Greece attempted to polarise the region against Turkey, which was supposed to be involved in encircling Greece with the Muslims in the Balkans including the minorities in Greece, together with Serbia and wanted the support of Bulgaria. Bulgaria did not participate in such polarisation, which was crucial both for its integration to European structures and regional stability. Greece went so far as to deteriorate its relations with Bulgaria because of the latter's recognition of Macedonia and rapprochement with Turkey. However, relations were later improved again because of the same reasons of Bulgarian rationality and Greek solitude. The polarisation attempts of Greece remained as an unfruitful and unforgettable attack against regional stability.

The second phase of Greek foreign policy was marked by its re-Europeanisation. The consequence of the first phase was a desperate isolation within the EU and self-defeating vicious nationalist circles. Greece had to readjust itself according to the needs of the country, the region and the Union. It responded adequately this time and both extended its influence and gave up harming regional stability. It signed an agreement with Macedonia despite the fact that it is temporary. It got into a *détente* with Turkey despite the fact that major issues still remain unnegotiated. It broke its isolation in the EU and consolidated the European side of its identity with its successful entry into the EMU. The development of economic relations and the increase in Greek trade and investment in the Balkans has been the dominant dynamic of the second phase. The trade with the Balkan countries had contributed so significantly to the Greek economy that it could ameliorate the structural difficulties exacerbated by European

integration. Its investment strategy was defined as the reconstruction of the region through infrastructure such as the transport, energy and communication. It made significant investments in these important sectors, which also increased its influence.

The issues in Greek-Bulgarian relations in its overall context has been the situation in the Balkans such as the conflicts in Kosovo and Macedonia, the Bulgarian membership to NATO and EU and Greece's support for it, the Burgas-Alexandroupolis oil pipeline project, the economic relations such as the Greek investments in Bulgaria like the penetration of Greek banks, firms and OTE's interest in the privatisation of Bulgarian telecom, and the smuggling and illegal immigration. The overall analysis is demonstrating that there is a commonality of interest between the two countries regarding the peacekeeping activities and the issue of change of borders in the region against such a change.

In conclusion, Greek foreign policy towards the Balkans in the post-Cold War era has had two phases. First phase was characterised by the de-Europeanisation in the way of rising hysterical nationalism and irrational, aggressive expressions whereas the second phase was the adequate manifestation of re-Europeanisation in the way of decreasing nationalism, rational redefinition of national interests and of possessed assets, and successful use of economic relations. The relations with Bulgaria have been often smooth although they had suffered because of irrational Greek reactions to the Bulgarian recognition of Macedonia and Bulgarian-Turkish rapprochement. The relations between the two countries were further enlarged and deepened during the second phase of Greek foreign policy. Furthermore, the re-Europeanisation of Greek foreign policy contributed significantly to regional stability as well as Greek national interest. One would like to regard this Europeanisation as immutable yet many core issues remain unsolved. In any case, the then unique identity of Greece as a Balkan country in the EU has been manifest in its foreign policy towards the Balkans. The process of the solution of those core issues will show whether Greek foreign policy vacillates in the cycles of Europeanisation and de-Europeanisation or not. This implies also that the Europeanisation process is neither immutable nor irreversible.