# Country Profile

**Greece**

<table>
<thead>
<tr>
<th>Capital:</th>
<th>Athens</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographical Size:</td>
<td>131,957 km²</td>
</tr>
<tr>
<td>Population:</td>
<td>10,992,589 (2014)</td>
</tr>
<tr>
<td>Population as % of total EU population:</td>
<td>2.2% (2014)</td>
</tr>
<tr>
<td>GDP:</td>
<td>€182.054 billion (2013)</td>
</tr>
<tr>
<td>Defense Expenditure:</td>
<td>€3.060 million (2013)</td>
</tr>
<tr>
<td>Official EU language(s):</td>
<td>Greek</td>
</tr>
<tr>
<td>Political System:</td>
<td>Parliamentary republic</td>
</tr>
<tr>
<td>EU member country since:</td>
<td>1 January 1981</td>
</tr>
<tr>
<td>Seats in European Parliament:</td>
<td>21</td>
</tr>
<tr>
<td>Currency:</td>
<td>Eurozone member since 1 January 2001</td>
</tr>
<tr>
<td>Schengen area member?</td>
<td>Schengen Area member since 1 January 2000</td>
</tr>
<tr>
<td>Presidency of the Council:</td>
<td>5 times between 1983 and 2014</td>
</tr>
</tbody>
</table>

*Source: Europa.eu*
a. Political System

The Hellenic Republic’s political system is a presidential parliamentary republic, with the president serving as the head of state. It is divided into regions (thirteen) and prefectures (fifty-one), and the autonomous administrative region of Mount Athos. Its constitution, adopted in 1975, particularly aims at protecting religious freedom, defining individual social rights, and establishing the structure and functions of the Government.

The legislative power is exerted by the Parliament (Vouli ton Ellinon). It has 300 seats and is composed of members elected for four years through compulsory elections for every Greek citizen (at a minimum 18 years old), unless it is dissolved earlier. Its main roles include voting Bills and Law Proposals, as well as controlling the Government, which has to request a vote of confidence to the Parliament at its entry. Ministers and Members of the Parliament make legislative initiatives.

The President and the Government exercise the country’s executive power. The Prime Minister (currently Alexis Tsipras, Syriza Party) is the head of government and steers its activities. It is usually the leader of the party having the absolute majority in the Parliament. The president (currently Mr. Pavlopoulos, New Democracy Party) is elected for a renewable term of five years by the Parliament, and has limited powers including the appointment of the Prime Minister, the proclamation of referendums, and the country’s international representation.

The judicial power is exercised by the courts of law, divided into civil, administrative and criminal courts. The highest courts are the Council of State (Symvoulio tis Epikrateias), Areios Pagos, the Court of Auditors, and the Supreme Special Court.

b. Foreign Policy

Greece differs from most of its EU partners, as it is isolated from the rest of the continent, which constrains it to strongly stick to its allies’ foreign policy. In fact, only Bulgaria geographically directly links Greece to EU countries. In addition, Greece is confronted to many international political conflicts. Firstly, it is facing territorial, maritime and air disputes with Turkey, due to Turkey frequently inserting itself in the country’s airspace. Secondly, it has blocked Macedonia from joining NATO and the EU because it has never accepted the use of the name “Macedonia” since the independence of the Former Yugoslav Republic of Macedonia (FYROM). Finally, it refuses to recognize Kosovo as an independent country, and cut off negotiations with Turkey over the Turkish Cypriots and Turkish army occupation of Northern Cyprus since 1974. For these reasons, Greece has always sought to build friendly relations with Russia. The 2015 coalition government led by Syriza differs from previous ones, as it is firmly compassionate toward Russia. It notably refused to support EU sanctions imposed on Russia in the context of the Ukrainian crisis and privileged diplomatic meetings with Russian officials.

To those political difficulties was added the **Greek debt crisis**, which started in 2008 after the global financial crisis and worsened in 2010 as the country almost reached bankruptcy. In fact, Greece announced in 2004 that it had lied to get around the Maastricht Criteria allowing it to join the Eurozone in 2001 (its annual budget deficit was already not low enough). Between 2010 and 2015, the IMF, the ECB and the European Commission (“the troika”) issued bailouts for Greece amounting to more than €240 billion and imposed harsh austerity measures. Unfortunately, the money appears to have helped to pay debts off rather than to stabilize Greek finances, and economic issues did not sufficiently decrease. In January 2015, the leftist, anti-austerity and Euroseptic Syriza party led by Mr. Tsipras won elections, and chose to build a coalition with the nationalist and right wing party Independent Greeks.

The Prime Minister resigned from his functions on August 20, 2015 and called for anticipated legislative elections to take place on September 20, 2015, as members of his own party disagreed with his decision to accept the last bailout program (in contradiction with the ideas for which he was elected). The election resulted in Tsipras winning a second mandate as Prime Minister. He will thus implement the reforms agreed. Today, even though Greece’s government abandoned the ideas of defaulting and leaving the currency union for now, nothing is sure. The radical leftist and Eurosceptic tendencies promoted by Syriza might become very contagious on the continent. This would negatively affect the EU, which has tried for several years to build a coherent foreign policy strategy. Nonetheless, Greece remains a potentially serious foreign policy actor, as it holds all the necessary cards to bring the Western Balkans into Europe. In fact, the country’s current foreign affairs minister (Mr. Kotzias) promoted détente between Greece and Turkey in the beginning of the 21st century, and organized visits in almost all Balkans states, including FYROM. The only missing step forward is Kosovo’s recognition, by which Greece could align with France, Italy and the UK.

At the regional level, besides the EU framework, cooperation is established through the **South East European Cooperation Process (SEECP)**, a cooperation framework formed in 1996 on initiative of Bulgaria, together with Albania, Bosnia and Herzegovina, Croatia, Macedonia, Romania, Serbia, and Turkey. Today, it also includes Croatia, Moldova, Montenegro, Slovenia, and Kosovo. It greatly interacts with the EU and NATO. Greece chaired this non-institutional process focused on peace and stability on two occasions: in 1997-1998 and in 2005-2006. It is an important tool for Greece and the EU’s policy in the Western Balkans, as a means to facilitate EU and NATO enlargement or cooperation in this area. It has a liaison office in Brussels, and focuses on six sectors: economic and social development, infrastructure, security, justice and home affairs, human resources development, and parliamentary cooperation.

---


Greece is also part of the **Black Sea Economic Cooperation (BSEC)**, a multilateral political ad economic initiative created in 1992 and which gained international legal identity and thus became a regional economic organization in 1999. It regroups Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Serbia, Turkey, and Ukraine, and mostly focuses on economic cooperation in the fields of agriculture, energy, transport, banking, and finance. It also aims attention at fostering interaction and harmony among its member states, and ensuring peace, stability and prosperity in the region. Its headquarters are located in Istanbul. This organization provides Greece with important transport and energy bridges, especially crucial in the context of economic cuts between the EU and Russia. The country actively participates in BSEC activities, especially regarding climate stability, and hosts the Black Sea Trade and Development Bank (BSTDB) and the International Centre for Black Sea Studies on its territory. It recently held the BSEC chairmanship (July-December 2014), during which emphasis was put on economic cooperation.\(^{10}\)

**European Union (EU)**

Greece had wanted to access the EU since the late 1970s in order to gain institutional stability, international and regional influence (especially on Turkey), and independence from the US. It also aimed at developing and modernizing its economy. Even though strong doubts were emitted in the first place concerning economic and political sectors, Greece accessed the EU in 1981. Thanks to its links to North Africa and the Middle East, the country is now a key actor in the European Neighborhood Policy’s (ENP) Southern Dimension, which specifically concerns Southern Mediterranean countries such as Tunisia and Israel. Greece encourages those partners to continue democratic and socio-economic reforms in order to gain further EU assistance. In addition, the Hellenic Republic participates in the **Union for the Mediterranean**, in which it is represented in the Deputy Secretary General for Energy.\(^{11}\)

Greece national foreign policy’s accordance with EU standards is controversial according to Reuben Wong, which mentions studies arguing that Greek-EU coherence is only formal, not substantial.\(^{12}\) Indeed, despite Greece’s growing multilateral rather than unilateral approach within the EU framework, Tsardanidis and Starvidis assert that the country notably lacks adaptation of its domestic foreign policy-making to EU factors in order to be perceived as fully Europeanized. According to these authors, this is explained by the fact that the EU’s security and defense system is not efficient enough for Greece, but also by the lack of integration of EU norms and values in the Greek political system and persistent problematic national interests (e.g. the Cyprus dispute).\(^{13}\)

---


c. **Peace & Security Policy**

Greece is part of the usual Western security alliances, including the EU’s Common Security and Defence Policy (CSDP) and NATO. Still, the pro-Russian views of Greece’s Foreign Affairs Minister Kotzias and the polemical (anti-West, anti-Turkey, nationalist, and homophobic) Defense Minister Kammenos create doubts of a potential non-Western comprehensive approach for Greece. Indeed, the recent debt crisis affecting Greece and the European-Russian confrontation recently set up a new game for the Hellenic Republic’s security. In particular, talks over a special status for EU-Turkey relations, which would not advance Greece’s need for guarantees of its territorial integrity, could trigger new Greek actions in security and defense.  

Scholars mention various scenarios. Firstly, the country could move away from the EU and NATO and look for new security alliances with states close to Europe. It could work toward closer ties with Russia and China, or take advantage of its geographical spot to gain control of the eastern Mediterranean, by means of agreements with Egypt, Russia, and Israel. Secondly, Greece could further invest in the EU’s Common Security and Defence Policy (CSDP) and develop the Union’s contribution to small Member States’ security. Considering the penchants of the current government in Greece, nothing is sure with regards to its foreign policy, which has additionally been overshadowed by the recent economic and political turmoil.

According to Mr. Schwartz from the Center for Strategic and International Studies, there are however low chances that Greece fully resigns from the West, as it has shown no uniform desire to do so. Greece would actually depend on NATO in the cases of Western Balkans crisis, negotiations with Turkey over Cyprus, and bigger refugee crisis.

What is certain concerning Greece’s security policy is its decreasing defense budget, which dropped by 46 percent between 2010 and 2015. It is however still one of the high defense budgets of Europe consisting of 2,4 % of GDP. Defense Minister Kammenos has ambitious projects in mind in order to counter the Turkish threat, which contrasts with the necessary Greek budget cuts. The main question that remains regarding Greece’s defense and security policy is thus whether the country will continue its traditional Western alignment or reconsider it.


15 Ibid.


European Union (EU)

Greece has been supporting the EU’s Common Foreign and Security Policy (CFSP) since its establishment. It was notably involved in the CSDP Police Mission (EUPM) to Bosnia and Herzegovina and mission CONCORDIA to FYROM in 2003. It is presently taking part in eight CSDP operations: EUFOR Althea, EULEX Kosovo, EUMM Georgia, EUPOL Afghanistan, EUCAP Nestor, EUNA4F OR ATALANTA, EUAM Ukraine, and EUTM Mali. In addition, the country is leading a EU Battlegroup (HELROC) as the Framework Nation for rapid deployment together with Cyprus, Bulgaria, Romania and Ukraine, and is involved in the Spanish-Italian Ambitious Force (SIAF) EU Battlegroup. During Greece’s Presidency of the Council in 2003, the country participated to the draft of the European Security Strategy (EES), took part in the deployment of the first military and civilian then ‘ESDP’ missions, and helped to establish the European Defence Agency (EDA). 19 As mentioned earlier, Greece’s future within the CSDP is uncertain, and could develop as much as it could decline, depending on the country’s upcoming political choices.

North Atlantic Treaty Organization (NATO)

Greece has been a member of NATO since 1952. The fact that Turkey also joined NATO in the same year allowed defusing the situation between the two. For the period 2014-2015, Greece participated in 1.1% of NATO’s common-funded budgets and programmes20. As previously mentioned, Greece’s future within NATO was recently put into question by members of radical Greek political parties. It is however likely that the Hellenic Republic remains involved in the Alliance, as its Ministry of Foreign Affairs’ website shows. NATO’s strategic partnership with Russia is currently a priority for improvement in Greece’s government, as well as Western Balkans’ integration into the Alliance. 21

Greece’s economic crisis and potential exit of the Eurozone is however generating troubles for NATO, as exposed by Robbie Gramer and Rachel Rizzo on Politico’s website. Indeed, the Alliance’s indigent finances are negatively affecting its capabilities, which would be worsened by a generalized Eurozone crisis. In addition, Russia’s implied power and economic gain from a European overthrow and/or from Greece’s economic decline would be a serious danger for NATO, as the Hellenic Republic’s interests would shift toward the East (not to mention that unanimity is the decision rule within the Alliance). The current migrant crisis and growing Eurosceptic feelings on the continent are also to be considered when analyzing threats to NATO’s influence. Greece’s future economic and political choices will thus be determinant for the Alliance’s fate. 22

---

United Nations (UN)

Greece participated in the United Nations’ founding and has therefore been a member since 1945. It was elected as a non-permanent member of the UNSC for 1952-1953 and 2005-2006. During its last membership of the UNSC, Greece was particularly involved in two sanctions Committees (on Cote d’Ivoire and on Sudan) and held the vice-chairmanship of the UNSC’s Counter-Terrorism Committee. In addition, the Hellenic Republic established the Multinational Peace Support Operations Training Center (certified by the UN) in 2000. The country has always participated in UN Peacekeeping operations, including early ones (e.g. UNMOGIP to observe the India-Pakistan ceasefire of 1949) and contemporary missions (e.g. MONUSCO of 2010 in DR Congo). 23 Greece is currently only taking part in the UNIFIL operation in Lebanon with 51 contingent troops.24

The UN recently urged Greece to show much more leadership in the current migrant crisis, which primarily affected Balkans states. The UN Refugee Agency (UNHCR) called for the responsibility of the national government, but also of the EU, which should not let itself be overwhelmed by the present economic and financial difficulties. Indeed, according to the Agency, more refugees and migrants arrived in Greece in July (50,242 people) than during the whole of 2014 (43,500 people). In total, more than 160,000 refugees and migrants reached the Hellenic soil in 2015, mostly coming from Syria but also from Afghanistan and Iraq.25

Organization for Security and Co-operation in Europe (OSCE)

Greece has been a member of the OSCE since its creation in 1973 as the Conference for Security and Co-operation in Europe, and participates in its activities autonomously and as a member of the EU. It held the OSCE chairmanship in 2009, and thus participated in the establishment of the ‘Corfu Process’ for dialogue on the European security global architecture in that same year. The country is notably involved in the OSCE’s Office for Democratic Institutions and Human Rights (ODHIR) by providing national observers, for instance to assist parliamentary elections in Ukraine in October 2014. During that year, Greece participated in 0.8% of the OSCE’s unified budget, with € 1.175,73426.

Council of Europe (CoE)

Greece became member of the Council of Europe in 1949, at its creation. Since then, it has actively participated in the Organization’s activities. Greece’s contribution to the Council of Europe’s budget for 2015 is of € 3.166.897 (1% of the total budget).27 Recently, Greece was subject to the CoE’s critiques regarding the referendum it organized on July 5, 2015, asking its people if the EU bailout plan should be accepted. Indeed, characteristics of the latter were

not in line with the non-binding guidelines of the Council of Europe, which indicate that voters should have at least two weeks to make their minds up. As the referendum’s notice was very short, the CoE could moreover not send observers on the ground, as it usually does in cases of referendum.28

Strategic Culture

Many factors influenced Greece’s foreign policy and strategic culture, including geographical, political, economic, and social aspects. Above all, the country is located in a very strategic area at the crossroad of Europe, the Balkans, and the Middle East. In order to protect its territorial integrity, Greece allied with the Eastern Mediterranean region because of its decisive maritime power. More recently, the country’s position allowed it to join the NATO Alliance in 1952. The region however remained unstable even after the Cold War, mostly because of the wars in Yugoslavia and the Greek-Turkish dispute going on since the 1960s. From then on, Greek security concerns were almost exclusively focused on the “threat from the East” (i.e. Turkey).

The Turkish occupation of Northern Cyprus that began in 1974, the following Turkish aggressive rhetoric concerning the Aegean Sea status quo, and the increasing Turkish military capabilities were turning points in Greek security thinking. Indeed, the country was left with no other choice than to engage in a military race with its long-time and powerful enemy. In order to protect its interest, the country adopted a defensive military doctrine at the strategic level, and a deterrence tactic that could take defensive or counter-offensive directions. In 1994, it notably developed the Common Defense Doctrine, according to which a Turkish attack against Cyprus would constitute a casus belli for Greece. 29

According to Papadimopoulos et al., Greece however misses a clear strategic culture, notably for its decision-making process, which is certainly due to the country’s false sense of superiority and feeling of “otherness” in comparison to the rest of Western Europe. Moreover, the ethnic determinant of Greece’s national identity makes it very sensitive to external threats, as understood by the Greek political elite who often manipulates those feelings. Indeed, domestic beliefs are clear influential factors for Greece’s foreign and security policy, which is consequently rather static in the international arena. 30

d. Economic Policy

As explained previously, Greece is currently going through an economic and financial crisis triggered by a debt crisis that affects many other policy areas (the country’s public debt was of 174,5% of GDP in 2014). As a result, it received financial support from the Eurozone and the IMF since 2010. The latest accord, the Memorandum of Understanding (MoU) concluded on August 19, 2015, arranged a mobilization of €86 billion in financial assistance over three


years, in accordance with progress of **policy conditions**. The Greek economic policy is supervised by supranational entities, which is in fact the subject of local discontentment. The conditions aim at allowing the Greek economy to return to a sustainable growth path (growth rate was of -6.6 in 2012, -3.9 in 2013, and 0.8 in 2014) based on sound public finances, enhanced competitiveness, high employment (unemployment rate was of 26.5% in 2014), and financial stability. The first payment was made on August 20, 2015 (€13 billion), mainly to address financing needs and overdue payments. In addition, an immediate disbursement (€10 billion) was made for bank recapitalization and resolution.  

Greece’s first priorities are thus to slowly get rid of its debt and to boost its economy by means of increased investment and employment. Despite many Greek politicians’ and economists’ claim that the austerity measures were the cause of the country economy’s collapse, data have shown that the **society’s values and beliefs** have a lot to do with it. As previously mentioned, Greece’s politicians tend to manipulate the population’s feelings and the country’s public sector appears dramatically inclined to **clientelism** and **cronyism**, according to Edmund S. Phelps, 2006 Nobel laureate in economics. As a result, the national government was spending far too much money on public employees. The private sector was as well negatively affected by Greeks’ debased habits, as personal interests and elites are the major determinants for investment and disbursement of subsidies. Competition was very weak and labor productivity pretty low on Greece’s market. Finally, the country’s capital inflow was mostly coming from German and French loans, which made the economy dependent on **structural funds**.  

In conclusion, Greece should not only focus on restructuring its debt and boosting its economy with classic means, but should also tackle deeply rooted behavioral habits which negatively affect its economy, in order to fully recover from its current economic and financial crisis. The Organization for Economic Cooperation and Development (OECD), which the country joined in 1960, already recommended to Greece in March 2010 that the country should pursue efforts to restore confidence in the management and impartiality of the State, improve public communication on the costs of (weak) reforms, maintain strong cohesion to promote the government’s reform program, and consider creating a specialized ‘reform institution’, which still apply today.  

---


e. Other Diplomatic Priorities

Priorities at the European Level

Greece has been hit hard by the refugee flow mostly coming from Syria, Afghanistan and Iraq. The local authorities’ find difficulty in handling the large number of asylum-seekers arriving on Greek territory, which has been aggravated by lack of cooperation, political will, and capability at the EU level. The national migration minister Mr. Mouzalas warned that the particularly affected island of Lesbos (only 5.5 km far from Turkey) was “on the verge of explosion”34. In addition, some migrants willing to reach countries like Finland and Germany have been sent back to their place of entry – Greece, a practice in accordance with the Dublin Regulation, which recently ceased following Greece’s complaints35. The recent proposal from the European Commission to impose national quotas in order to redistribute refugees among the Union might temporarily relieve Greece from its current panic, which came at an unfortunate time considering the political and economic struggle the country faces.

Author
Sophie L. Vériter, Vesalius College (VUB).

Language Revision
Sara Shah, Davidson College.

BIBLIOGRAPHY


