Southeast European and Black Sea Studies
Vol. 5, No. 3, September 2005, pp. 347–363

Routledge
Taylor & Francis Group

Greece's New Geopolitical Environment

Ian O. Lesser*

The geopolitical landscape of Greece has changed considerably in the past few years given not only the various geographical challenges but the emergence of a number of 'functional' ones as well. According to the author, Greece's geopolitical landscape is now much wider as a result of Greece's continued Europeanisation and the effect of globalisation. These include questions of equity and reform, concerns over terrorism and 'homeland defence' as well as the need for multilateral responses to global challenges. Although the verdict is still out as to whether Greece can adapt to its changing environment, the author speculates on some 'wild cards' that could affect the country's geopolitical scene profoundly.

New Landscape, Wider Interests

Viewed over the past decade, and looking toward the next, a key, defining feature of the geopolitical environment as seen from Greece is the progressive enlargement of the country's 'strategic space'.[1] The relevant geopolitical landscape is now much wider than in the past, a result of Greece's continued Europeanisation and a product of globalisation in its various forms. The country's strategic outlook is less distinctive and more European in character, and as Europe's geopolitical horizons have expanded, so have those of Greece. Developments on or near Greece's borders are no longer the only, or even perhaps the most important, factors in the geopolitical setting.

Of course, wider ideological and strategic developments have always had an influence on Greece's national interests and outlook, not least during the Cold War. The Greek Diaspora has also given Greece global interests and 'reach' of some consequence. But the trend toward wider stakes and a wider view has been reinforced over the past few years, partly as a result of the stabilisation of relations with states in the immediate neighbourhood, in the Balkans and, above all, in the Aegean. Greece's geopolitical environment is now a mix of regional and global elements, with many prominent functional issues cutting across regional boundaries.

*Correspondence to: Dr. Ian O. Lesser, Public Policy Scholar, SE European Program, Woodrow Wilson Center 1300 Pennsylvania Ave, N.W., Washington DC 20004–3027, USA. Email: ilesser@medadvisors.net

ISSN 1468–3857 (print)/ISSN 1743–9639 (online)
DOI: 10.1080/14683850500321701

Greece has modest power and potential in global terms, but possesses considerable 'soft power' assets, to borrow Joseph Nye's terminology. The 2004 Olympics were an impressive demonstration of this quality. Greece's new geopolitical setting lends itself to the application of soft power in important ways (Larrabee et al. 2001). The country's geographic position gives it an actual or potential role in political, economic and security developments across a wide region, from Balkan reconstruction and political reform, to the Middle East peace process, and from energy transport to maritime security in the Mediterranean and elsewhere. Notably, very few of these regional and functional roles can be pursued unilaterally, and Greek international policy, whether in operational or strategic terms, requires capable, like-minded partners. In short, in Greece's geopolitical environment the multilateral context, especially the transatlantic context, weighs heavily.

This article explores the contours of Greece's new geopolitical environment in regional and functional terms, identifying elements of continuity and change. It takes account of critical developments on a transatlantic and global basis, and speculates on 'wild cards'—lower probability but high-consequences scenarios—that could affect the geopolitical scene in profound ways, and with special implications for Greece over the next decade.

A More Benign European Security Scene

Since the end of the Cold War, the leading, unresolved problems of European security have been in the Balkans. Successive crises in the region—in the former Yugoslavia, the Former Yugoslav Republic of Macedonia (FYROM), Albania and Kosovo—were a hallmark of the geopolitical scene through the 1990s. The political future of these societies remains uncertain, and the states of the south Balkans face daunting challenges of reform and reconstruction (Larrabee 1999: 313–335). But by any measure, the general situation on Greece's northern borders, and across the land route from Greece to Western and Central Europe, is far more stable today than in the recent past. Moreover, the Balkans are no longer a focal point for external policy differences—or, in the worst case, regional conflict. On matters of security and economic development, multilateral approaches have become the norm, with Greece (and Turkey) as leading players. There has also been a significant shift of responsibility and involvement from the United States and NATO to the European Union (EU) across the region. This trend is broadly compatible with Greek preferences, and the wider Greek stake in extending European integration eastward and southward, through EU and NATO enlargement.

The net result has been a general stabilisation of Greece's northern neighbourhood, and a reduction in the potential for economic dislocations and security spillovers from developments in southeast Europe. These were leading challenges for Greece in the 1990s (Kofos 1991; Veremis 1995). They are no longer as prominent on the strategic agenda (to be sure, some sources of political friction remain as seen from Athens, above all with FYROM). The progressive relaxation in tension with Turkey has also meant that Balkan issues no longer hold a serious potential for Greek–Turkish conflict. Indeed, the potential for conflict along these lines was greatly overestimated, both in

the region and across the Atlantic, during the crisis in Bosnia and afterward. Even before the consolidation of Greek–Turkish détente, it was apparent that Ankara had opted for a multilateral approach to Balkan security and development.

Although the potential for state-to-state conflict, regional collapse and organised spillovers of political violence is greatly reduced, Southeast Europe remains a source of security challenges of a different kind. The activities and penetration of non-state actors, especially organised crime, has arguably expanded over the past few years. Trafficking in arms, drugs, people and contraband of all kinds has emerged as a leading, perhaps *the* leading, security problem across the region. Looking ahead, the management of these risks will be a key subject for the EU's 'third pillar' policy, and a dominant item on the cooperation agenda with Balkan and Black Sea partners.

The movement of economic migrants from and through Albania, and through Thrace, remains an issue for Greek society, and is part of a wider phenomenon affecting southern Europe and Europe as a whole. Few analysts now discuss the competition between a Muslim crescent and an Orthodox axis in the Balkans—a notion that has thankfully disappeared from mainstream foreign policy debate. But the general post-September 11 concern about relations between Islam and the West, and the global issue of Muslim radicalism, still has special meaning in Southeast Europe, where significant conflicts along religious lines remain unresolved. Nor is Greece immune from the larger challenge of integrating Muslim communities across Europe. These issues are closely linked to the evolution of societies along and beyond Greece's northern borders, but also to the evolution of religious terrorism as a global problem.

Turkey, Europe and the Durability of Détente with Ankara

Turkey has multiple geopolitical concerns, but relations with Turkey have traditionally been the core strategic issue for Greece. Greek–Turkish conflict and suspicion has been central to the evolution of nationalism and the emergence of both countries as modern states. As recently as the Imia–Kardak crisis of 1996, Greece and Turkey hovered on the brink of war. The situation as seen from 2005, and looking ahead, has been radically and positively transformed. Greek–Turkish détente has changed the geopolitical landscape in fundamental ways—regionally, and also in terms of external (i.e., EU and US) interests and policies (Dokos & Tayfur 2004; Couloumbis, Kariotis, & Bellou 2003).

Barring an extraordinary reversal, the post-1999 détente is likely to prove durable because the rationale on both sides is strategic, not merely tactical, and is imbedded in a wider European context. Greece's strategic decision to support Turkish integration in Europe—to stabilise the bilateral relationship by anchoring it in a European matrix—played a critical part. Just as important has been the broad policy commitment to European-oriented change in Ankara and among diverse constituencies inside Turkey. For Turkey, EU membership is the grand strategic objective *par excellence*. The EU decision to open formal accession negotiations with Turkey in October 2005 is qualified, conditional and open-ended (Kirisci 2004). It is also a turning point that will shape Turkish–EU and Turkish–Greek relations for the next decade, and beyond. The implications for Greece's geopolitical environment are substantial.

The open-ended character of Turkey's candidacy suggests that eventual Turkish membership in the EU is by no means a foregone conclusion. Turkey has every incentive to proceed with the internal and external changes necessary to keep the process on track, including a positive stance on Cyprus settlement efforts and the progressive resolution of outstanding sea and airspace disputes in the Aegean. But with substantial public, and a good deal of better-hidden elite opposition to the idea of Turkish membership in key European countries, and the likelihood of multiple national referenda on the issue over the next decade, setbacks are likely. The process will not be smooth, and could be highly uncertain and contentious, with the potential for a nationalist backlash in Turkey (the Luxembourg and Cardiff summits of December 1997 and June 1998, respectively, produced a sharp deterioration in Turkish–EU relations, only reversed at Helsinki in 1999). Many Turks will be uncomfortable with the sovereignty compromises inherent in European integration and primed to call for a reassessment if Europe takes a grudging approach to the accession negotiations.

Greece has an overwhelming stake in the outcome of this process. A collapse in Turkey–EU relations, unlikely but not inconceivable, would overthrow the strategy of engagement and 'anchoring' vis-à-vis Ankara, and could revive traditional sources of bilateral conflict in the Aegean, Cyprus and Thrace. In the worst case, Greece could face a more nationalistic and assertive Turkey, estranged from western institutions and partners. This would have dramatic security consequences for Athens, putting Turkish contingencies back at the top of the defence agenda, with all that this would imply for national budgets, political energy and interests elsewhere. It might also cause Greece's European partners to look more sceptically and defensively at Southeast Europe as a whole, and at Athens in particular, as a consumer rather than a producer of security for Europe. This could happen just as the EU begins to develop a credible common foreign and security policy.

A reversal of Turkey's European course, and a return to Turkish–Greek confrontation would produce similar unease in Washington, and could spur highly contentious and politicised debates in Congress, returning Athens and Ankara to a pattern common until the late 1990s. Even in this worst case, a deliberate military clash would not serve the strategic interests of either side, and would remain unlikely. But the risk of an accidental clash and escalation would remain. To complete this extremely negative scenario, it is possible to imagine a return to Greek–Turkish competition under more dangerous and unpredictable conditions than in previous decades, with nuclear and missile proliferation pressures on Turkey's Middle Eastern borders (discussed later) and a more confrontational climate between the Muslim world and the West.

It is worth underscoring that this scenario of estrangement and conflict is highly unlikely, even if the ultimate course of Turkey–EU relations is uncertain. Far more likely, perhaps the most likely scenario, is continued Turkish convergence with Europe in social, political, economic and external policy terms. To the extent that segments of Greek society remain uncomfortable with the notion of Turkish membership (and, to be sure, there will be some real costs and risks), the scenario of convergence short of membership may actually be an unspoken, preferable outcome for Greece and many of its EU partners. Under these conditions, most of Greece's anchoring and deterrence

objectives regarding Turkey might still be sustained. Turkish foreign and security policies would continue to move toward the European mainstream.

One consequence of this path, or the path of full membership, already observable over Iraq and Iran, would be the continued erosion of Turkey's distinctive strategic relationship with the United States (Abramowitz et al. 2004). American relations with Turkey would increasingly become a subset of relations with Europe as a whole, a pattern observable across southern Europe over the past two decades. This is very far from the idea, voiced by some European critics of Turkish membership, of Turkey as a 'Trojan Horse' for American preferences within the EU. Indeed, the challenge for Washington is more likely to be dealing with a Turkey whose foreign and security policies are increasingly in the European mainstream. For Athens, this would reinforce the trend toward addressing Turkey-related questions in Brussels first, and in Washington second, if at all.

The prospect of continued normalisation in relations with Turkey will put a premium on bilateral initiatives aimed at managing shared challenges in Southeast Europe, around the Black Sea and the Eastern Mediterranean. Natural areas for further progress include the joint development of energy transport infrastructure, efforts to monitor and control the flow of illegal migrants, and the struggle against terrorism and organised crime. Military disengagement will be high on the agenda—as a natural counterpart to political détente, but also to reduce the risk of an accidental clash. The increase in (well-publicised) airspace violations and encounters between tactical aircraft in the Aegean in the run-up to the December 2004 Brussels summit points to the potentially damaging effect of 'business as usual' in the Aegean, even under conditions of normalised relations between political leaderships.

The situation on Cyprus, too, is much improved, and there is a strong prospect for a settlement by the end of the decade. Détente with Turkey has been a key part of this equation, but the role of Europe has been and will continue to be central, as a source of incentives for change on the island and as a rationale for 'decoupling' in Athens and Ankara (i.e., the desire on both sides not to hold progress in bilateral relations, or Turkish–EU integration, hostage to lack of progress on Cyprus). Ten years ago, 'decoupling' was a political anathema in both countries, and speculation along these lines was the province of American and European analysts. This is no longer the case. Certainly, Cypriot membership in the EU, and changes in the geopolitical context, have made Cyprus a less pressing question for leading actors, including the United States.

Change in the Mediterranean and the Middle East

Developments in the Mediterranean and the Middle East (apart from relations with Turkey) have emerged as a leading source of change in Greece's geopolitical environment. Trends and events across this region, in the Levant, North Africa, the Gulf and beyond, will have the potential to affect Greece directly, indirectly via the interests of neighbours, and as part of European and transatlantic policies. This is also an area where Greece itself has a significant capacity to shape the regional environment. This area corresponds, roughly, to what is now fashionably called the 'greater' or 'broader' Middle

East, extending from the Maghreb to Pakistan. The region overlaps with the somewhat narrower area encompassed by the Euro-Mediterranean Partnership (the Barcelona Process), which will celebrate its 10th anniversary in 2005, as well as NATO's Mediterranean Dialogue.

With the death of PLO Chairman Arafat, political succession in Palestine, and the formation of a coalition government in Israel and the withdrawal from Gaza, there is a very real prospect of renewed progress—or new reversals—in the peace process. Greece has a keen stake in the outcome, as continued Israeli–Palestinian conflict and the absence of a comprehensive Arab–Israeli settlement is a leading source of transnational risk in the eastern Mediterranean, and impedes regional initiatives along north–south lines pursued by the EU and others.

Terrorism and political violence are part of this equation, alongside stronger dynamics for the proliferation of weapons of mass destruction and the means to deliver them at longer, trans-Mediterranean ranges. Greece has not been a prominent target of Palestinian or Middle Eastern terrorism over the past decade. But this has not always been the case. In the 1970s and 1980s, Greece was the scene of repeated Palestinian terrorist attacks, including aircraft and ferry hijackings. The strategy of Hamas and Palestinian Islamic Jihad over the past years has emphasised attacks on Israeli targets inside Israel and in the West Bank and Gaza. With a few exceptions, international targets, prominent in an earlier era of Palestinian terrorism, have not been a feature of recent terror campaigns.

The post-September 11 environment, and the ongoing crisis in Iraq, could interact with an unresolved Palestinian–Israeli conflict to revive the risk of transnational terrorism aimed at Europe, on the pattern of earlier decades. At the same time, trends in international terrorism before and after September 11 suggest that a second wave of Palestinian/Islamist terrorism in Europe would aim at far great lethality. Greece, with its proximity to the region, relatively porous borders, large-scale international tourism, and reliance on secure sea lines of communication, would be particularly exposed (as would Turkey). This prospect gives Greece a direct security stake in an Arab–Israeli settlement.

Looking ahead, it is possible to envision a much more active Greek role in Palestinian–Israeli negotiations and confidence building, and this could be a natural avenue for collaboration with Turkey in a European framework. In all likelihood, a new round of active Middle East diplomacy emanating from Washington—and there will be tremendous pressure for this—will involve Europe in a much more direct way than in the past. Washington and Israel remain wary of a larger European role in the peace process. But this arm's-length stance may not be sustainable given the cost of reconstruction and security guarantees that would accompany a settlement. Europe, and transatlantic institutions, would probably have to be involved to a greater extent than in the past. Israeli views are also changing, with a growing interest in Israeli participation in European economic and security arrangements. This would be difficult to imagine without a parallel enhancement of Europe's part in regional diplomacy. Just as the status quo or escalation in Arab–Israeli (or Iranian–Israeli) conflict would have a strongly negative effect on Greek interests, normalisation and resolution could be transforming in

security and other terms. The next few years will offer a crucial window of opportunity for a settlement, and the removal of a leading source of regional and global risk.

Greek interests are also engaged in the Gulf, directly via the involvement of Greek businesses and institutions and the effect on energy trade, and indirectly through the exposure of others. Increasingly, Greek exposure and engagement in the region will be influenced by strategies set at a European level. If the EU develops a greater capacity for intervention on Europe's periphery, including the Gulf, this will naturally affect Greek planning (and it will make a substantial difference if this capacity is developed alongside or in competition with the United States).

The obvious open questions for the future concern Iraq and Iran, and to a lesser extent Saudi Arabia. In Iraq, the range of possible medium-term outcomes is quite large, from relatively successful political transition and stabilisation, to chaos and national disintegration. Obviously, Greece, together with the rest of the international community will have a stake in Iraqi stability. But the shape of the future Iraq can have distinctive implications. In particular, the emergence of an independent Kurdish state could de-stabilise the political consensus in Ankara and lead to more active Turkish intervention in northern Iraq—with negative consequences for Turkish stability, prosperity, and relations with the EU and Greece. In the event of widespread chaos in Iraq, Greece would not be immune to the refugee flows and possible spillovers of political violence that might result (Kuehner 2004).

In Iran, there is significant potential for political change over the next decade, even if reformist elements seem, for the moment, to be in retreat. On a political level, it is possible that Iranian relations with the West, including the United States will look quite different by the end of the decade, with multiple, positive implications for regional stability and energy security. At the same time, the potential for détente with Iran will interact with proliferation dynamics, and especially nuclear dynamics across the region. Putting aside the scepticism engendered by pre-war assessments of Iraqi weapons of mass destruction capabilities, Iran almost certainly has a significant nuclear weapons programme underway, and may already be judged a near-nuclear power. Even if Tehran's international posture is essentially status quo rather than revolutionary, Iran's emergence as a new nuclear power, with the capacity to reach targets in Europe, would have substantial implications for Greece.

Beyond the possible direct risk to Greek territory (remote, but with growing EU activism in the Middle East it cannot be ruled out), Greece would be affected by the exposure of Iran's neighbours. Turkey might well respond to a nuclear-armed Iran by seeking to acquire pre-emptive and retaliatory capabilities of its own. It is very unlikely that these would include nuclear arms, but even new, highly capable conventional means could affect military balances elsewhere, in the Aegean and around the Black Sea (Lesser 2004a). Syria, Egypt, Iraq, and Israel would also be part of this equation. The result could be a 'cascading' of threat perceptions and shifts in the regional military balance. Greece, along with the rest of Europe, especially southern Europe, would be increasingly exposed to the retaliatory consequences of western policies across the broader Middle East. With this prospect in view, Greece will have a clear interest in international initiatives aimed at containing nuclear and ballistic missile arsenals in the Middle East.

With the increase in terrorist attacks on regime and foreign targets, the future stability of Saudi Arabia cannot be taken for granted. As the world's leading oil producer, the internal situation in the country has structural significance for the world economy. That said, it is extremely unlikely that Saudi oil would remain unavailable for long. Potentially more meaningful is the future of Saudi politics. The advent of a radical regime, more closely linked to international terrorism, could have a destabilising effect on regional security, and could trigger a range of Western responses—an unlikely scenario, but one that would create a new and dramatic crisis on Europe's southern periphery.

The fact that Libya, once considered a leading source of weapons of mass destruction and missile risks for southern Europe, has divested itself of its weapons of mass destruction arsenal, suggests that proliferation trends can be halted or reversed, with economic and political reintegration as a key incentive. Greece is a leading beneficiary of this development, as Colonel Qaddafi actually threatened the use of these weapons against Greece if Greek territory was used to facilitate attacks against his regime. The rehabilitation of Libya and the improvement in the security situation in Algeria are positive developments for Greece in a region where energy interdependence is increasing. The construction of new gas pipelines across the Mediterranean and the Adriatic gives Greece (and Turkey) a more direct stake in conditions in the central and western Mediterranean, as well as the eastern Mediterranean.

Closer to Greece's own neighbourhood, pressures for political change emanating from within Arab societies, and from European and American policies, could lead to substantial, positive evolution in key states such as Egypt and Syria—or new instability. Together with the prospects for resolution of the Israeli–Palestinian dispute, the outlook for democratisation in the southern Mediterranean will have a substantial influence on the outlook for north–south relations, and the success of specific initiatives of interest to Athens. The Euro-Mediterranean Partnership (the Barcelona Process) has operated for a decade, with mixed success. Cooperation n the economic 'basket' has been hindered by the paucity of viable projects for funding, and weak trade and investment ties on a south–south basis. Political and security cooperation, an area where southern Europe has a special stake, has been hobbled by widespread distrust in the south, concerns about European intervention and interference, and a preference for long-standing bilateral relationships. That said, the EU is engaged in an effort to strengthen its security dialogue with southern Mediterranean states as a component of its wider European Security and Defence Policy efforts (Aliboni 2004; de Vasconcelos 2004).

NATO and the OSCE are also engaged in active dialogue and cooperation on north–south lines, alongside several subregional efforts. Once a marginal dimension of NATO strategy, the Mediterranean initiative and a related dialogue aimed at the Gulf have become more central to Alliance activity as security risks have shifted southward. The geographic and functional scope of EU and NATO initiatives in the south should be of keen interest to Greece, as the issues they are designed to address, including the absence of effective confidence-building measures, are found in abundance in the eastern Mediterranean. In the past, it was assumed that there could be a natural division of

labour between the EU and NATO in places such as North Africa and the Middle East. But with the EU pursuing a more active security and defence agenda, and with NATO taking a more comprehensive approach to security over a wider area, the areas of comparative advantage are less clear-cut.

What is clear is that institutions and strategies traditionally oriented toward security and development in Europe will increasingly focus on the continent's southern periphery—Europe's 'near abroad', to borrow a somewhat tainted Russian term. Again, Greece will be a leading stakeholder in this process of strategic adaptation and globalisation. In general, a focus southward will be to Greece's advantage as problems in the southern and eastern Mediterranean and the Gulf are taken up, and with a wider range of partners on offer. On the other hand, growing attention to the Middle East may divert EU and US attention from unresolved problems within Europe and of special interest to Athens, in the Balkans, the Aegean and Cyprus (Cordesman 2005).[2]

More broadly, Greece will be affected by the evolution of transatlantic approaches to the Middle East. American officials have begun to redefine the Middle East in ways that reflect a perceived 'arc of crisis' stretching from West Africa to the Mediterranean, the Gulf, South and Central Asia—broadly, the Muslim 'south'. The Bush Administration's 'Broader Middle East Initiative' focuses on reforming undemocratic and dysfunctional societies across a vast, underdeveloped and unstable area, much of which lies on Greece's southern periphery. The Initiative—which has received a cool response from Middle Eastern and European partners—reflects goals that were part of the rationale for the intervention in Iraq: the desire for new democratic 'models' and the belief that 'shaking things up' can have positive consequences for the region, and, by extension, western security. With the widespread instability in post-intervention Iraq, this seems a more distant prospect, and the notion of Iraq as a model resonates in few places. The Iraq experience has opened a debate on both sides of the Atlantic, and within the Middle East, regarding the leverage of external actors over the internal evolution of regional states, and the risks governments, including those in the West, are willing to accept in pursuit of longer-term change (Lesser 2004b).

Regardless of the prospects for the Broader Middle East Initiative, the idea that a wider regional approach, going beyond North Africa and the Levant, is necessary to address a range of trans-regional problems is likely to persist and influence European as well as American strategy. The EU may find that the Barcelona Process needs to be broadened in scope to embrace partners beyond the Mediterranean basin, an idea that intersects with emerging EU policies toward the wider European neighbourhood. The fate of Iraq—and policy toward Iran—will be critical tests for this evolving posture toward the Middle East. Both cases, in different ways, pose the question of whether the 'north' still has a status quo posture toward the 'south'. The question is sharpest in relation to American policy, but it is also relevant to Europe, where relations with the south are increasingly conditional and closely linked to Europe's own internal security concerns. Indeed, after September 11, and the March 11 events in Spain, strategy toward the Mediterranean and the Middle East may be less about traditional foreign policy *per se*, and more about extended homeland defence. The progressive Europeanisation of Greek foreign and security policy at virtually all levels means that the country

will be affected by debates over security, identity, and the general issue of Islam in Europe, even if the centre of gravity for these debates is elsewhere, in France, Germany, the U.K. or The Netherlands (Lesser 2004b; Shore 2004).

Eurasian Questions

Two open questions affecting stability and development in the wider Eurasian space, including the Black Sea, the Caucasus and Central Asia, will be the evolution of Russia, on the one hand, and the evolution of EU policy toward the region, on the other (Valinakis 1999). Much of this area is distant from Greece in geographic terms, but linked through a variety of cultural, historical, and more tangible economic interests. After the Middle East and the Mediterranean, it is probable that the Black Sea will emerge as a growing area of strategic interest and engagement for Europe, Turkey and the United States, and almost certainly a leading area for Russian re-engagement. Existing frameworks for economic and security cooperation in the region, including Black Sea Economic Cooperation, in which Greece already plays a role, may experience a renaissance over the coming years as the region becomes more central to European strategy.

A wide-ranging analysis of Russia's internal evolution and foreign policy outlook is beyond the scope of this discussion. But it is worth noting that, after a decade in which Russian behaviour has been a marginal factor in the geopolitical environment on Greece's periphery, Russian behaviour may be more consequential in the period ahead. Economic recovery, together with rising Russian nationalism and activism, could make Russia a much more important actor, as partner or competitor for the West across Eurasia. Greece may not be as sensitive to a reassertion of Russian power as others in Europe (the United States is likely to be most sensitive to this possibility), but Greek interests could be affected in new and unpredictable ways. As an example, Turkey's extensive energy and economic ties to Russia could develop into a broader, strategic relationship, particularly under conditions of stagnation or reversal in Turkish–EU relations. This need not have negative consequences for Greek interests, but it could alter the geopolitical calculus in the Balkans, the Black Sea and Central Asia, potentially even in the eastern Mediterranean, in ways that Athens will need to understand. At the most basic level, the waning of the traditional Turkish perception of Russia as a long-term strategic competitor could have implications for Turkish freedom of action elsewhere.

Greece will also be affected by the overall evolution of Russia's relations with the West. A positive relationship would open new possibilities for the cooperative management of transnational issues over a broad area, including terrorism, organised crime, and environmental concerns. It could also make Russia a more relevant and effective partner in the Middle East. By contrast, a revival of Russian–Western frictions, perhaps over the political future of Ukraine or in Russia's 'near abroad', would bring a very unwelcome new element of strategic competition to Greece's geopolitical environment, and another source of potential transatlantic disagreement. The centre of gravity for Russian–Western relations in the twenty-first century is very unlikely to be in

Central and Eastern Europe—the geopolitical future of these regions is essentially settled by EU and NATO enlargement—but on the southern periphery, where Greek interests are more directly engaged (Blackwill & Sturmer 1997).

The evolution of Europe's stance toward the region will also be critical. If the political transition in Ukraine is consolidated, Europe will eventually face new decisions regarding the extent of that country's integration with the EU, decisions that will also shape the future of relations with Russia—and Turkey. The emerging wider neighbourhood policy may not be adequate to address this challenge of integration over the longer term. A reformed, democratic, more prosperous Ukraine will undoubtedly seek closer integration, if not membership in the EU. Looking ahead a decade or more, an EU willing to envision membership for Ukraine might also be more comfortable with membership for Turkey. Less likely, but possible, is a situation in which the issue of Ukraine forces an even sharper debate about the identity and extent of Europe. At that point, a more xenophobic Europe could well move Ukraine ahead of Turkey in the queue, a development certain to provoke a nationalistic backlash in Turkey.

American Power and Transatlantic Relations

The progressive Europeanisation of Greek perceptions and policies, and the 'normalisation' of bilateral relations with Washington over the past decade, have given Greece a different set of stakes in the evolution of American foreign policy; less direct, less contentious, but no less important. From an American perspective, relations with Greece are now largely a subset of relations with Europe as a whole. To the extent that transatlantic relations are healthy, this trend is largely positive, opening the way for regional cooperation that would be difficult to envision in a traditional bilateral mode (this effect was in evidence in the Gulf in 1990, and again in Kosovo). By contrast, when transatlantic relations are troubled, as they have been for the past few years, the scope for bilateral cooperation naturally contracts (Lindstrom 2003). Key aspects of American power and activism will have special significance for Greece, and for Europe as a whole.

First, the terrorist attacks of September 11, 2001 continue to have a profound effect on the international policy outlook of the Bush Administration and American society. This is an obvious point, but one easily forgotten four years after the events. Europe, too, has been deeply affected by these events and subsequent terrorist attacks in Istanbul, Madrid and London. But Europeans often overlook the extent to which the September 11 experience continues to shape American strategy in key areas, including Iraq. Most notably, the experience has reinforced a shift in America's foreign and security policy outlook that has been underway for some time, and was evident for much of the Clinton Administration. That is, the shift from a regional to a functional approach.

Traditionally, America's foreign policy establishment has seen the world in terms of regions and regional policies—Europe, Asia, Middle East, Latin America, and so on. The intellectual and bureaucratic structure for this worldview still exists, of course, but the cutting edge of the foreign and security policy debate is no longer framed in this way. The foreign policy of the Bush Administration, and the wider policy debate, is now

driven, above all, by a series of functional challenges, with counter-terrorism and counter-proliferation at the forefront (but trade policy, technology policy, health policy, etc., are also part of the agenda). This trend has several effects relevant to Greece. It has led to a general decline in American interest in traditional regional security organisations, including NATO. It has led to a redefinition of regions (e.g., the 'broader' Middle East) to accord more closely with functional challenges (democratisation, economic development, and the containment of religious extremism) that are essentially trans-regional in nature. Not least, it has imposed new measures for the quality of bilateral cooperation, with symbolic ties, affinity, and traditional habits of cooperation counting for less, and visible assistance with specific policy problems counting for more. This tendency marks a significant change in the interaction between Washington and longstanding allies in Europe and elsewhere, and, allowing for possible alterations in style, is likely to persist. With many pressing functional challenges concentrated in Greece's neighbourhood of the Balkans, the Mediterranean, the Black Sea and the Middle East, Greece will be strongly affected by this shift.

Second, much American external policy today, and for the foreseeable future, will have less to do with conventional diplomacy and more to do with extended homeland defence, another enduring legacy of September 11. This trend relates to, and reinforces the tendency toward, a more closely measured, functional strategy as noted earlier. Europe may also be moving in this direction, on a national basis, and in its emerging common security strategy. A comparison of the recent European strategy paper (the 'Solana document') and the most recent US national security strategy document, suggests that both are now driven by similar functional concerns, closely tied to homeland security.[3] On this basis, there is actually considerable ground for transatlantic coordination on key issues, if narrower issues of policy approach, and wider issues concerning American and European power, can be resolved.

Third, the war in Iraq, coming against a background of well-known disputes over arms control, environmental policy, international legal institutions, and other matters, has produced a fundamental shift in America's relationship with the international community. Beyond the sharp deterioration in public attitudes toward the United States, policy elites in Europe and elsewhere are beginning to question whether the United States remains a status quo power or whether it has revisionist, even revolutionary, objectives in key places, and on key issues. The emergence of this question is not surprising, as it mirrors aspects of America's own international policy debate, in particular the desire of neo-conservatives and some neo-liberals to 'shake things up' rather than merely accept adverse conditions, in Iraq and elsewhere. In a more modest fashion, this question may also be asked about Europe in the future, to the extent that the EU adopts a more assertive and conditional stance toward troubled societies on its periphery.

Fourth, the extent of American interest and engagement in Europe is an open question for the future. Greece, like others, is used to thinking about American power largely in a European and transatlantic frame. But the resolution of key issues of European security, and the emergence of strategic challenges elsewhere, could lead to a fundamental reorientation of American engagement. This is already visible in the

shift of American military presence to the European periphery and beyond, to the Middle East and Central Asia, and to the Asia-Pacific region. This trend will be felt in the Greek geopolitical environment. In 10 years, it is quite possible that there will be no American military presence in the centre of Europe. But it is almost certain that the Sixth Fleet will remain in the Mediterranean (access to Greek facilities, especially those at Souda Bay on Crete, will be relevant in this context). The United States will remain an important political, economic, and cultural power in Europe, but its defence involvement will probably be much reduced. Over the longer term, the rise of China as a strategic competitor, and the rise of both China and India as economic actors, could produce structural shifts in the character of America's international engagement. Greece, of course, would continue to see these trends largely through a European lens.

Finally, the extent to which the EU develops an independent foreign and security policy, and common defence capability, will be significant factors in Greece's geopolitical setting, and in transatlantic relations. American analysts and policy-makers tend to view Europe's common foreign and security policy aspirations with some scepticism. Transatlantic differences of recent years, and the potential for continued divergence, reinforce European interest in an independent capacity for crisis management and intervention, on a regional basis if not on a global basis. Whatever the outlook for concerted European strategy and power projection in absolute terms over the next decade, it is certain that Europe will be relatively well equipped to act in nearby regions, in the Balkans and around the Mediterranean—in short, in Greece's neighbourhood.

Globalisation and Global Issues

The expansion of Greece's strategic space owes a great deal to Greek modernisation and Europeanisation. It is also part of the wider phenomenon of globalisation in its social, economic, and technological dimensions. Arguably, Greece has long been a relatively 'globalised' society via the far-flung and active Greek Diaspora. With positive developments in Greece's immediate neighbourhood in recent years, and the closing of larger divides in the European arena, Greek policy-makers will be free to focus to more heavily on global issues, in a European context, as well as in some areas of special interest to Athens. As an example, with its extensive shipping industry, Greece will have a strong interest in maritime security, worldwide, and international responses. In recent years, analysts have noted a marked increase in maritime piracy and the growing threat of maritime terrorism, including plots against shipping in the Mediterranean.[4] Concerns about security at maritime choke points, common during the Cold War, have re-emerged in the guise of threats by non-state actors.

The wider agenda of global and transnational issues, including human rights, development, trade, migration, health, arms control, climate change, and crisis management—and the creation or reform of institutions designed to address these challenges—will almost certainly play a more prominent role in Greek diplomacy over the next decade. In the wake of the extraordinary tsunami disaster in the Indian Ocean,

and hurricanes in the U.S. global civil emergency planning and early warning will undoubtedly be important issues. Greece and Turkey, with their own seismic experience, may be able to make a special contribution in this area.

Greece's two-year term as a member of the United Nations Security Council, beginning in 2005, will naturally involve the country even more directly in global issues, including many along north–south lines. It will also strongly reinforce Greece's existing interest in multilateral approaches to regional problems, and a preference for United Nations mandates in crisis management. Naturally, the Security Council role will also give Greece a pronounced stake in the evolution of European and American attitudes toward the role of the United Nations, and issues (e.g., Iran's nuclear programme, or possible new multilateral efforts in Iraq or the Middle East peace process) likely to come up for decision by the Council in the near-term.

Some 'Wild Cards'

Looking ahead, it is possible to imagine developments, including some in Greece's immediate neighbourhood, that could disrupt or accelerate the trends described here, and pose new strategic challenges for Athens. A short list of these geopolitical 'wild cards' would include the following, each with the capacity to transform the environment in different ways:

- *A sharp deterioration in Turkish–EU relations, the rise of more nationalistic policies, and a return to Greek–Turkish confrontation.* This is not a likely scenario, by any means. But reversals in this area would call into question key elements of Greek international policy as it has developed over the past decade, and complicate the management of regional issues over a wider area, beyond the Aegean and Cyprus.
- *A shift in the centre of gravity of Jihadist terrorism to Europe.* The infrastructure and motivation for this already exists (Stevenson 2004). Apart from risks to Greek territory itself, dramatic new attacks in Europe could transform European security thinking, alter the calculus of Turkish integration in unpredictable ways, and result in new pressures on EU members on the periphery of the Schengen area (i.e., on Europe's borders).
- *Regime change or instability in one or more key states around the southern and eastern Mediterranean*. Revolutionary change or widespread instability in Syria, or in Egypt, could produce refugee flows and spillovers of political violence, with direct consequences for Greece.
- *Renewed instability and conflict in the Balkans*. The range of unresolved political and territorial questions in the region makes this a standing possibility. But improvements in the wider environment, including the position of Russia, Greek–Turkish détente, and greater European capacity to intervene, suggest that risks from this quarter may be more effectively addressed today than in the 1990s.[5]
- *A large-scale environmental incident in the Aegean, the Adriatic, or the eastern Mediterranean.* This could have lasting effects on transit and tourism, with substantial physical and environmental consequences for Greece and its neighbours.

- *The rise of one or more new nuclear states in the Middle East*. Greece is unlikely to be targeted directly, but, as noted earlier, a new nuclear arsenal in the region could have a cascading effect on the military balance extending to the Balkans, the Black Sea, and the Mediterranean. The counter-proliferation strategies of the United States and Europe would also affect Greek security. It is possible to imagine international intervention to secure existing nuclear arsenals under conditions of chaos in, for example, Pakistan—a contingency that could arise during Greece's term on the Security Council.
- *Resolution of the Israeli–Palestinian conflict and a comprehensive Arab–Israeli settlement.* A wild card of a very different and positive kind, this could transform the political, economic, and security climate in the eastern Mediterranean and far beyond. It would also open a range of possibilities for Greek engagement, from trade and investment to participation in monitoring, peacekeeping, and confidence-building activities under United Nations, EU, NATO or regional auspices.

Overall Observations and Conclusions

Greece's geopolitical environment has evolved in significant, and generally positive, ways over the past decade. A number of factors have contributed to this changed environment. First, the rise and consolidation of Greek–Turkish détente has had a transforming effect; not only on the immediate security environment, but also on the outlook for regional cooperation and integration over a much wider area. It has also changed the perceptions of key international actors, within Europe, and across the Atlantic, with the result that Greece is increasingly viewed as a 'producer' rather than a 'consumer' of security across a range of issues. To the extent that Greek–Turkish détente proves durable—and this is quite likely—it bodes well for the near-term resolution of remaining differences over the Aegean and Cyprus, and a long-term reorientation of Greek strategy to address challenges and opportunities elsewhere.

Second, the progressive enlargement of the EU and NATO has extended the zone of stability, integration, and multilateral engagement across Greece's hinterlands. It has given Greece greater strategic depth, and new partners. New crises could erupt in the Balkans or elsewhere, but the prospects for containing and managing these are much improved over a decade ago. Greece will have a critical stake in Turkey's continued convergence with Europe, even if the question of membership remains an open, long-term issue. Over the next decade, and beyond, Greece will need to consider strategies for managing and extending détente with Turkey over a wide range of possible scenarios for Turkish–EU relations.

Third, Greece will continue to be affected, positively and negatively, by developments on the transatlantic scene. September 11 and the war in Iraq have marked the rise of a new and much more assertive use of American power, and sharp frictions, both across the Atlantic and in north–south relations. A progressive shift in American engagement from Europe to the European periphery, the 'broader Middle East' and Asia, will have long-term consequences for the strategic environment. It is also encouraging European activism—and a growing capacity to act—in areas adjacent to Greece, and with instruments suited to Greece's soft-power orientation. Increasingly,

Washington views Greece—and Turkey—as part of the wider European equation. NATO, as an institution, is clearly in flux, but could become a more important actor in the Mediterranean and the Middle East; that is, in Greece's neighbourhood.

Fourth, the geopolitical environment is increasingly shaped by developments and issues at some distance from Greece's borders, mostly of a transnational and functional nature, and many with distinct north–south dimensions. Questions of equity and reform are becoming more prominent, even as concerns over terrorism and 'homeland defence' occupy the attention of policy-makers and publics in the West. Greece is not insulated from these trends, and the next decade is likely to see a notable tension in Greece, and in all western countries, between global issues and the need for multilateral responses, on the one hand, and pressures for re-nationalisation of external policy, driven by popular concerns over identity and security, on the other. Greece's notable soft-power assets and orientation will be better suited to an environment in which global views and multilateral outlooks prevail.

Notes

[1] For the purposes of this discussion, 'geopolitics' is understood simply as the interplay of geography and politics in the external environment.

[2] Some analysts are sceptical of the prospects for European involvement in 'hard' security management outside Europe.

[3] See *A Secure Europe in A Better World: European Security Strategy* (December 2003).

[4] For example, the plan by an Al-Qaeda-affiliated cell to attack tanker traffic in the Strait of Gibraltar.

[5] As noted by F. Stephen Larrabee in his companion analysis in this special issue of the journal.

References

Abramowitz, Morton, D., Burt, Richard, R. (2004) 'Turkey on the threshold: Europe's decision and U.S. interests', *Atlantic Council Policy Paper.* (Washington: Atlantic Council of the U.S., August 2004).

Aliboni, R. (2004) 'The Euro-Mediterranean partnership: regional and transatlantic challenges', in *Opinions,* SAIS Center for Transatlantic Relations, Coooperative Security Program. John Hopkins, SAIS: Washington.

Blackwill, R. D. & Sturmer, M. (eds) (1997) *Allies Divided: Transatlantic Policies for the Greater Middle East,* MIT Press, Cambridge.

Cordesman, A. H. (2005) *The Transatlantic Alliance and the Middle East: A Year of Changing Priorities and Strategic Drift,* Center for Strategic and International Studies, Washington.

Couloumbis, T. A., Kariotis T. & Bellou, F. (eds) (2003) *Greece in the 20th Century,* Frank Cass, London.

de Vasconcelos, A. (2004) 'Launching the Euro-Mediterranean security and defense dialogue', *EuroMeSCo Briefs.*

Dokos, T. & Tayfur, F (2004) 'Greece and Turkey', *EuroMeSCo Paper,* no. 28, IEEI, Lisbon.

Larrabee, F. S. (1999) 'Greek security concerns in the Balkans', in *Greece and the New Balkans: Challenges and Opportunities,* eds V. Coufoudakis, H. J. Psomiades & A. Gerolymatos, Pella, New York.

Larrabee, F. S., Lesser, I. O., et al. (2001) *Greece's New Geopolitics,* Rand, Santa Monica.

Lesser, I. O. (2004a) 'Iran, Turkey and nuclear risks', *Turkish Policy Quarterly,* Summer.

Lesser, I. O. (2004b) 'The United States and Euro-Mediterranean relations: evolving attitudes and strategies', *EuroMeSCo Briefs,* IEEI, Lisbon.

Lindstrom, G. (ed.) (2003) *Shift or Rift? Assessing US–EU Relations after Iraq,* European Union Institute for Security Studies, Paris.

Kirisci, K. (2004) *Assessing the 16–17 December 2004 European Council Decision on Turkey: Is It a Historic Decision?,* Turkish Industrialists' and Businessmen's Association, [online] Available at: www.tusiad.us

Kofos, E. (1991) *Greece in the Balkans in the 70s and 80s,* ELIAMEP, Athens.

Kuehner, T., (2004) *Robert Kaplan on the New Middle East,* Foreign Policy Research Institute, [online] Available at: www.fpri.org

Shore, Z. (2004) 'Muslim Europe and the transatlantic divide', *AICGS Working Paper,* American Institute for Contemporary German Studies, Washington, DC.

Stevenson, J. (2004) 'Counter-terrorism: containment and beyond', *Adelphi Paper,* no. 367, IISS, London.

Valinakis, Y. (1999) *The Black Sea Region: Challenges and Opportunities for Europe,* Chaillot Paper 36, WEU Institute for Security Studies, Paris.

Veremis, T. (1995) *Greece's Balkan Entanglement,* ELIAMEP, Athens.