

AN IMPROVED CLIMATE

The history of relations between Turkey and Greece during most of the 20th century might be best characterised as one of hostility or perhaps even outright enmity. Since 1974 the Aegean conflict concerning not only territorial air and sea rights but also sovereign rights over the Aegean seabed and its subsoil has been the central bone of contention between these two eastern Mediterranean countries. For both the economic, security and political implications of the issue are profound.

However in 1999 the Turkish and Greek governments of Bülent Ecevit and Kostas Simitis respectively began taking initial steps to improve bilateral relations and these efforts have continued under the subsequent governments of Tayip Erdogan in Turkey and of Kostas Karamanlis and more recently of George Papandreou in Greece.

These mutual efforts have resulted in the establishment of a variety of instruments that are expected to help ameliorate relations. They include the regular exchange of high level visits, talks on Confidence Building Measures (CBMs), working groups exploring possible fields of bilateral co-operation in areas of low politics as well as 'exploratory contacts' that seek to identify points of agreement regarding the more contentious issues of high politics.

So far, in terms of concrete outcomes, we can see a large number of CBMs and a good number of co-operation agreements covering a wide variety of issues including tourism, environmental protection, investment, policing matters and energy (notably Turkey and Greece became linked through the opening of an Azeri gas pipeline in 2007). It must be stressed that whilst most of the agreements are modest in terms of scale and goals they clearly mark the beginning of a de-escalation of tensions, which may eventually lead to further steps towards a conciliation between these two longstanding adversaries.

Significantly, one sector of society which has responded very positively to the improvement in relations between Greece and Turkey is the business community in both countries. The volume of bilateral trade has increased dramatically from approximately \$US400 million in the 1988-99 period to approximately \$US2.5 billion per year for the last five years. Economic investment has also risen rapidly, reflecting mainly the entry of Greek investors into the Turkish market, at least until the financial crisis in Greece broke out.

However despite the improved bilateral climate it is still absolutely clear that in real terms progress at the high politics level has been limited, as none of the primary issues of contention between the two have been resolved, and there are few signs that Athens and Ankara are close to reaching a solution any time soon.

In fact it is these major issues of high politics which so often set back the efforts to build mutual confidence and co-operation. Genuine trust is limited and both sides have been extremely careful not to accept agreements which may indirectly compromise their sovereign positions regarding the highly contentious Aegean issues.

At the same time, hardly any progress has been made regarding Cyprus, which remains a key litmus test for relations in general between the two countries. Greek governments have de-coupled their relations with Turkey from the Cyprus issue, reflecting Athens' acceptance of Nicosia as the primary negotiator for any long term solution on the island. By contrast, Ankara still asserts its right to dictate solutions for the island, whilst the Turkish military in particular feels the need to actively protect Turkey's, and not just Turkish-Cypriot, interests in Cyprus. Hence, suspicion in Athens of underlying post-imperial expansionist currents in Turkish foreign policy will remain so long as Ankara essentially continues to project a hard-line attitude, showing no sign that it will reconsider its military occupation of Northern Cyprus.

DIFFERENT PERSPECTIVES

It appears in general terms that the overall aim of the ongoing dialogue between Ankara and Athens since 1999 has been to build mutual trust and by doing so to eventually achieve reconciliation over differences in the Aegean. But the particular and more immediate objectives of the two protagonists have been quite different. Essentially the Erdogan government, like its predecessor in power, has been hoping to resolve the range of the Aegean issues in a way that is as satisfactory as possible to Turkey's interests. Hence, Turkish foreign policy makers have been disappointed that the ten-year-process to improve relations with Greece has not yet yielded the big results they had been hoping for. Furthermore they are also beginning to fear that the process is in serious danger of running out of steam unless it can lead to concrete agreements regarding the contentious high politics issues. Rightly

or wrongly Ankara has attached more importance to the dialogue as a means to an end (solutions in the Aegean) rather than an as an end in itself (improved relations). As it has grown more and more frustrated Ankara has increased its diplomatic pressure on Athens to substantively address the Aegean issues.

On the other hand, while exploring areas of possible convergence of ideas regarding the resolution of contentious issues, Athens has primarily considered the ongoing process of improving relations with Turkey as a means for avoiding a serious crisis developing in the Aegean. (This was particularly the case during the years 2004-2009 when the party of New Democracy was in government). Though many within Greek political and diplomatic circles have come to appreciate the value of 'exploratory talks' with their Turkish counterparts, the idea of actively working towards a final settlement of the contentious Aegean issues through a mutually acceptable agreement, as Ankara has argued for, has provoked negative reactions across the political spectrum within Greek political and intellectual elites. Opponents argue that any agreement by Athens to work towards a settlement would be a victory for Turkish (and international) pressures at the expense of Greek sovereignty. In their eyes Turkey's pressure for better bilateral relations is a thinly disguised way of facilitating its ambitions to emerge as a regional power. Ironically, recent public pronouncements by Turkish government officials stressing the economic and security benefits that both countries will enjoy by settling the Aegean issues have further fanned the suspicions of these opponents concerning Turkey's motives. A majority among the Greek elites therefore remain deeply mistrustful of Ankara's motives and its policy over Cyprus offers fuel for their concerns.

CONTROLLED TENSION

Where does this leave us? If improved relations between Turkey and Greece simply meant the implementation of modest CBMs, more trade and regular meetings between the leaders of the two countries then the bilateral relationship seems better than perhaps at any time since the 1930s. But in the context of the issues that have bedevilled bilateral relations for over thirty years, these changes have not been profound. As a matter of fact the feeling both in Ankara and Athens is that they are reversible should a crisis occur.

Efforts by both sides to build channels of positive relations have not been anchored in genuine enthusiasm within foreign policy making circles or the learned public in either country. They have hardly inspired political leaders and they have rather passively been accepted by the general public, with the limited exception of some in the business community. To be more precise the step-by-step efforts at co-operation have so far been rather mechanical with the exception of a brief initial period (2000-2002), when progress in their bilateral relations was seen as instrumental in promoting bigger respective agendas. Turkey, which after much controversy had just become a candidate member of the EU, had to show real progress in its relations with Athens in order for its engagement with Brussels to evolve smoothly. Greece was also under pressure to improve relations with its neighbour in order to boost the case for the accession of Cyprus to the EU. Moreover, Kostas Simitis' government in Greece perceived a direct benefit in facilitating Turkey's engagement with the EU because this would encourage Ankara to abide by the European rules of conduct regarding issues that concerned Greece, including Cyprus. Perhaps it was inevitable for this initial momentum to slow since it was not motivated by a more deep-seated conviction, but other factors also contributed. In Greece the New Democracy government under the leadership of Kostas Karamanlis that came to power in 2003 was very sceptical of the benefits of this approach. At the same time the war in Iraq shifted Turkey's foreign policy priorities away from the EU and towards more basic security interests within the context of its Kurdish issue. Thus the extremely cautious process of 'exploratory contacts' has not be given top priority in either capital.

Furthermore, if one cares to look beyond the rhetoric, the 'contacts' have not been built on the existence of strong good-will in Ankara or Athens to follow a new foreign policy paradigm in their engagement with each other, based exclusively on diplomacy, mutual assistance and the rejection of military might as a means of coercion. On the contrary they have been taking place also under the shadow of controlled tension in the Aegean. As a matter of fact Mr Davutoglu is far from questioning the role of military force as an instrument of pressure. As he stated in 2010 when he unveiled Turkey's foreign policy 'manifesto' diplomatic problems have to be overcome through a balanced act between hard and soft power producing 'harmony just like in an orchestra'.

This is far from saying that the spectre of war between the two countries looms large, at least in the foreseeable future; indeed war has been unlikely for at least thirty years despite the fears of Greek political leaders and the general public alike. The modus operandi of Turkey and Greece has instead been crystallised in a game of controlled tension (mainly in the Aegean) that is used as a reminder to the other side of the lines that should not be crossed. So, when Mr Davutoglu asserts that 'nobody expects a crisis between Turkey and any neighbour', in our case Greece, one should carefully read between the lines. For instance, Athens has the right according to the international law to extend its territorial waters from 6 to 12 miles. The Turks understandably strongly oppose such a change in the Aegean status quo as it would compromise their country's economic and security interests. Ankara has been making it abundantly clear that it shall take all necessary measures including military ones, if necessary, to prevent this from happening. This constitutes a strong warning that has been taken very seriously by all Greek governments. Were a jingoistic government in Athens to ignore the warning and exercise this right shouldn't we expect a crisis between Turkey and Greece? It is only very reasonable for anyone to assume that we should, though it may not take the form of a full-fledged shooting match. Yet war is the eventuality Athens has been fearing and assuming and is the main reason why every single Greek government has abstained from extending Greek territorial waters in the Aegean. Consequently, a crisis on this front between Turkey and Greece is unlikely, not because there has been a real shift in their traditional foreign policy paradigm, as Mr Davutoglu's statement would have us believe, but because Greece in this case is fearful of a hardline response by Ankara.

TURKEY'S RELATIONS WITH GREECE IN BROADER CONTEXT

The formulation and implementation of foreign policy is rarely the result of the ideas and actions of a single man even when he is a powerful leader. Most high-level foreign policy decisions result from the workings of small groups and are acted upon by bureaucracies. And policy and bureaucratic elites are guided in foreign affairs as in domestic affairs by their society's culture. Therefore, the apparent influence of key foreign policy makers has to be understood more in the sense that they are able to capture and express the zeitgeist within their nation, or their country's political elites, rather than in their personal acute contribution. Thus Turkey's current policy stance towards Greece is essentially the reflection of economic and political processes that have been gradually maturing in Turkey over the past thirty years as a result of changes at the domestic and the international level.

Ankara's active interest in improving relations with Greece through a dialogue to include both low (with a major emphasis on economic relations) and high politics issues first emerged in the late 1980s, in parallel with a new phase of modernisation that Turkey was experiencing at that time. A new generation of Turkish economic and political elites embraced the idea of Turkey's rapid integration into the modern world outside its borders. This idea was interwoven with the belief that Turkey needed to converge with the European Community (EC) (for economic but also political reasons). At the same time, they thought,

Turkey needed to grasp the opportunities offered in the new emerging international environment of the late 1980s in order to more assertively further its interests in all directions from its borders, using both hard and soft power tools. This new approach, that in the late 1980s found a fervent advocate in Turkish Prime Minister and later President Turgut Özal, has so far been proven to be sustainable despite certain disruptions in the 1990s. The socialisation of Turkish political and bureaucratic elites with their European counterparts as a result of Turkey's closer association with the European Union (EU) has reinforced this approach over the last fifteen years.

Within this broader context of Turkish foreign policy, relations with Greece fell into a category of their own due to Greece's membership of the EC. Successive Greek governments pegged support for Turkey's accession to the EC to Ankara abandoning its claims against Greek interests in the Aegean. Characteristically, in 1989 when the Commission turned down Turkey's application for membership it justified its refusal by referring among other issues to disputes with Greece and Cyprus. Ankara realised that it had to make an effort to better handle relations with Athens. However, this effort proved unsustainable during most of the 1990s. For one the dashing of hopes for Turkey's accession to the EC any time soon took much of the wind out of the sails of those in Ankara who were arguing in favour of improving relations with Greece. But it was the Kurdish issue that had perhaps the biggest impact on the minds of the foreign policy makers in Ankara, and consequently greatly determined Turkey's overall foreign policy during the 1990s. For most of that decade the Turkish state was faced with a growing Kurdish insurgency in the southeast of the country that reached alarming proportions for Ankara in the mid-1990s. The state of war between the Turkish state and the Kurdish insurgents, who were aided, one way or another by most of the neighbouring states, led to the accentuation of the state ideology that had been somewhat challenged in the 1980s, and which portrayed Turkey as being surrounded by enemies. Greece was one of the countries on Ankara's list of those thought to be aiding the Kurdish insurgents.

But in the late 1990s both the Turkish state's relationship with the European Union (EU) and its Kurdish problem took a turn for the better. Though there were more low points to come, the EU accepted Turkey's candidacy for membership in 1999, and Turkey's commitment to the process that would open the way for its eventual membership was rekindled. Consequently Ankara began to reconsider once more the effects its foreign policy in general, and towards Greece in particular, were having on Turkey's prospects for EU membership. Simultaneously the success of the Turkish state in the conflict in the southeast in the late 1990s led to the gradual easing of tension with most neighbouring countries and the subsiding of the siege mentality that prevailed until then. These developments directly spurred Ankara's interest in picking up the thread of improving relations with Athens that had been dropped in the early 1990s.

At the end of the 1990s Turkish foreign policy makers, with renewed self-confidence and zeal, availed themselves of opportunities all around Turkey's borders in order to further its economic development and project Turkey's influence by engaging more with its neighbours. Furthermore, they tried to harmonise their policies with those of the EU, to the extent that their perceptions of their interests and desire for independence of action allowed.

When the Justice and Development Party (AKP) came to power it proved that, despite its more conservative social outlook, it was able to take forward this outward-looking policy. However, under the AKP, like in the past, when the Turkish state's national narrative clashed with EU policies, as is the case with Cyprus, the belief that Turkey had to remain steadfast in its own approach prevailed in Ankara, despite the negative consequences for the smooth continuation of EU accession negotiations with Turkey.

WIDER STRATEGIC IMPLICATIONS

As long as the core issues between Turkey and Greece remain unresolved the recent improvement of their relations will remain tentative and, therefore reversals should not be ruled out. On the other hand, the foreign policy decision makers in both countries may prove able to sustain the current precarious balance in their bilateral relationship. Time will tell, but it is clear that both countries stand to benefit from keeping tension between them low and exploring potential areas of co-operation. Over the longer term good relations and deeper co-operation between them will also be a significant asset to European security. Challenges in the eastern Mediterranean may constitute major direct and indirect security concerns for the EU, including terrorist activities, instability due to violent regional conflicts in the Middle East and North Africa, illegal migration, and organised crime. Hence, co-operative and friendly relations between Greece and Turkey can make a significant contribution to European security strategy. Furthermore, Greece and Turkey have a central role to play in the creation of an eastern Mediterranean energy corridor to serve the increasing energy demands of Western Europe. The United States' security interests in the Eastern Mediterranean and the Middle East also stand to benefit from effective co-operation between Athens and Ankara, whether it is in the context of regional defence, regional development, and perhaps even American power projection in that part of the world.

The future prospects of the bilateral relationship will be influenced by many factors. Clearly the course of relations between Turkey and the EU will be one of them, because the EU has played an essential role in shaping the Turkish (but also Greek) strategy of improving bilateral relations. The evolving course of Greece's financial crisis will be another. It can be argued that the Greeks should be expected to look forward to a settlement of the Aegean issues with Turkey in order to reduce the high defence burden they bear mainly because of the Turkish 'threat'. In fact exactly the opposite is true as the crisis has been playing into the hands of Greek neo-

nationalists. How the power-contest in Turkey will finally be sorted out between the rivals, and where the emphasis in Turkey's foreign policy is going to be will also have a role to play. But in the final analysis the key parameter that will determine the future prospects of the relationship is the attitude towards the future of the societies and national leaders in both countries and, consequently, whether they are willing, and also able, to make a real paradigm shift in their foreign policy by de-emphasising traditional national security approaches which are still strong in Turkey and Greece.