

ADDRESS

BY THE PRIME MINISTER OF THE HELLENIC REPUBLIC

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Ladies and Gentlemen,

- On the eve of the twenty-first century, Greece stands ready to tackle the major challenges that she needs to face in order to fulfill the aspirations of her citizens. These challenges span the social, political, economic, and cultural aspects of Greek life.
- Humanity is becoming all the more universal. The development of communications, the international fusing of productive structures, the interdependence of policies of states have led to the spread of common values and principles. Many of the elements of this global culture, in the political, economic and cultural fields were unfamiliar to many peoples not so long ago. No state can any longer survive in isolation. Equally, no national policies can be formulated without taking into account the constraints imposed by the international environment.
- At the same time, globalization offers opportunities which, if seized on time, could help Greece take full advantage of her dynamism and of her resources, especially as regards human capital.
- We live at a time which will prove especially decisive for future developments. Information technology is revolutionising production relations and is rapidly leading to a new international mapping of comparative advantage. The resulting international environment is increasingly demanding; in that environment the ability to adapt, to specialize, and to interrelate with the global production structure will all play substantial roles.

Such developments affect both peoples' lives and the conduct of nations, through commercial expansion, economic development, and social evolution. Greece is determined to prepare herself to confront successfully the realities of the new era by nourishing new ideas and novel thinking, by mobilizing innovative means, and by adapting economic and social structures.

Policy Priorities

- These challenges of the transforming economic, social and international environment demand of policy makers the clear definition and enunciation of policy priorities
 - Our goal is to build a vigorous and strong nation. We aim at safeguarding the creative, dynamic presence of Greece in the international scene; at expanding our alliances and at playing an important role in our part of the world. Greece is and will remain a guarantor for peace, stability, friendship, and cooperation.
 - National sovereignty and the country's territorial integrity, constitute the foundations of our foreign policy.
 - It is our goal to strengthen our presence by undertaking initiatives in the international scene, in international organizations and in bilateral relations.
 - European integration is another priority. In this context, we aim at safeguarding parity among the member states of the European Union.
 - In the wider European context, we aim at protecting our national security interests, at strengthening democratic institutions, and at safeguarding human rights. We will promote policies which will allow Greece to use its position in the Southeastern flank of the European Union to assist countries of Central and Eastern Europe as well as those of the Black Sea rim to overcome their structural deficiencies and problems of transition.

- Greece's geographical position, as well as her good relations with all parties will also allow her to play a role in the development of the countries of the Mediterranean rim, acting as a bridge to the European Union.
- In the framework of decisions already taken, we attach high priority to the accession of Cyprus to the European Union, and we will continue to support all efforts for a peaceful and just solution to the Cyprus problem.

Relations between Greece and the United States

- As far as the furtherance of our constructive relationship with the United States is concerned, we will seek actions that will give our relations new and richer content. Our objective is for Greece to become a positive factor in developments and a point of reference in the geopolitical map being shaped in our region.
- Economic relations between our countries are a reflection of the good state of cooperation achieved in political issues and in other areas of mutual interest.
- Nevertheless, there is still significant room for further amelioration in both the volume and the composition of trade flows. There is also room for deepening cooperation in a wider less traditional context.
- At the same time, we are attempting to exploit the potential of the emerging markets in the Balkans, in the Black Sea region, and in the Mediterranean Basin. The outreach of the US and Greece in those parts of the world are definitely complementary, be it in cultural or economic matters.

- Greece wishes to express her keen interest in the realization of direct American investment and the encouragement of collaboration between Greek and American firms, in partnership or in other forms of cooperation.
- We are hopeful that the operation of the Greek Investment Centre, known colloquially as the “One Stop Shop”, will, by simplifying and streamlining procedures relating to foreign investment answer vital concerns of foreign investors.
- We wish to express our belief that American and Greek firms can collaborate by taking advantage of their complementary elements, as well as by extending their cooperation in areas and regions beyond their current reach.
- We have demonstrated, in practice, our determination to proceed to the necessary institutional adjustments that will allow complete harmonization with the emerging international framework of economic and financial transactions. Such adjustments will eliminate the obstacles in the strengthening of our bilateral economic relations.
- Along these lines, we have introduced a series of measures for improving the protective framework for intellectual property rights, for the full adoption of the procurement codes of the World Trade Organization, and for other issues.
- It is time that we attempt to upgrade cooperation and to strike a mutually beneficial balance in our bilateral economic relations, by means of concrete and practical measures. Our administrations could effectively monitor such a process.

- In our view, our primary target should be to meet the challenges of the future and to secure the optimal prerequisites that the business communities of our countries set, in order to embark on common entrepreneurial action on the basis of their complementary strategic advantages.

The Balkans

- Turning to the Southeastern European region, our relations with the Balkan States will continue to be focused on the re-establishment and stabilization of peace in the region, within today's established borders and constitutional realities.
- Greece intends to cooperate and contribute by diplomatic means, by making use of her capacity as a member state of the European Union, NATO, the Council of Europe, the Western European Alliance, as well as by her good relations with her neighbours, namely Albania, the Former Yugoslav Republic of Macedonia (FYROM), Bulgaria, Serbia and Montenegro (New Yugoslavia), and Romania.
- The main objectives of our diplomatic activity in the Balkans are:
 - A Conference of the Balkan States aiming at the adoption of a regional Agreement that will safeguard the respect of borders, will encourage good neighbourliness and cooperation and will promote the protection of human rights in general and of minorities in particular; in so doing the dangers of conflagration in delicate areas will be lessened.
 - The steady improvement of bilateral relations of Greece with the former Yugoslav Republic of Macedonia (FYROM) on the basis of the Interim Accord of New York, placing especial emphasis on the concrete definition and implementation of its provisions of economic and financial nature. It

must be stressed that the Accord is of seven year duration; it may be replaced with a more comprehensive agreement once the problem of the name of that state is finally resolved.

- The consideration of expanding NATO's Scheme for Initiative for Peace to include the Balkan States which have not already been incorporated and toward Russia;
 - The further improvement of our relations with Albania.
- Our main economic objectives with respect to the Balkan region are:
 - The development of an institutional framework to foster economic cooperation with the countries of the South of the Balkan peninsula to facilitate both private entrepreneurial activity and investing in infrastructure projects.
 - The pursuit of investments in the form of joint ventures, including those with a US party as a partner. Joint ventures involving Greek firms are already numerous in Bulgaria and Albania.
 - The major upgrading of infrastructure currently underway in Northern Greece (Epirus, Macedonia, Thrace) will convey substantial external benefits to bordering countries (Albania, FYROM, Bulgaria).
 - The planning of alternative supply and transport routes for raw materials from areas of the Black Sea to the Mediterranean, via the Balkans. Our area has the capacity, as yet unrealised, of acting as a nodal point in all kinds of international networks: Transport (road, rail and air), energy (oil, gas and electricity), shipping, and communications.
 - Wider economic cooperation with the regions of the Black Sea rim, both bilaterally and through regional cooperation formations.

- Our relations with Russia and the other States of Central and Eastern Europe have been developing at all levels of possible cooperation.

Relations between Greece and Turkey

- Greece is taking a active role in efforts to integrate and develop the countries of the Southern Mediterranean rim. It is the responsibility of all countries in the region to ensure that the Oslo Accord between Israel and the P.L.O. is only the starting point of a lasting process for peace and prosperity. The peace and democratization process which is solidifying in the Middle East paves the way for new prospects for Greece, Cyprus, and the Southeastern Mediterranean.
- Greece recognizes and understands Turkey's necessity for a European orientation. It is imperative that such a perspective is matched by the safeguarding of European political values, of human rights and of democratic principles.
- The norms of customary international law, the provisions of international treaties, and the unequivocal will of Greece to stand up for her sovereign rights constitute the basis of Greek-Turkish relations.
- We express our deep disquiet for the recent events connected to the islets. In the course of these events Turkey contested the territorial sovereignty of Greece with both words and deeds - going as far as to land a military force on Greek soil. This contestation constitutes a qualitative change in the nature of Turkish claims in the Aegean. Until now, Turkey was casting doubt or demanding rights pertaining to the sea or to the air. The recent crisis shows that we have entered a new phase. In this phase the subjects of discussion and dispute are the land of Greece itself, as well as the titles of sovereignty over it.

- Turkey, careful first to dispute Greek territory, is now inviting us to a dialogue without preconditions in order to improve our mutual relations. Of course, we do not reject dialogue with any country. Equally, we are not prepared to negotiate unconditionally and with no prospect of a satisfactory conclusion. Our refusal to negotiate with Turkey is based on three considerations:
 - (a) on our knowledge that, negotiations, by nature a political and not a legal means of resolution of problems, cannot ensure a final and permanent solution which can be binding for both sides.
 - (b) on our negative experience of negotiations with Turkey in the seventies. Greece then attempted to negotiate with Turkey in order to jointly formulate an agreement to refer the matter of the Aegean sea bed to the International Court of Justice. We soon realised that Turkey, on a range of matters, would first agree only to retract her agreement later. At the same time it was continuously placing more issues on the negotiating table, rendering thus an agreement increasingly distant. As could have been expected, these negotiations were fruitless and were discontinued after a few years.
 - (c) on our unwillingness and our inability to negotiate about national territory, whose possession by Greece is sanctioned by international treaties and on which she has exercised sovereignty unhindered for the last half century. Yet in asking us to negotiate on the case of the islets, Turkey is doing exactly that.
- In contrast, the International Court of Justice is the only secure means for a definitive and binding settlement. As far as the issue of the continental shelf is concerned, Greece is ready to proceed to a *compromis* that would refer the dispute to judicial settlement. In the case that Turkey chooses to have recourse to a judicial organ on the islets issue, Greece stands ready to participate.

- Bilateral relations with Turkey will be very different if the basic legal issues are set on the way of resolution through the process of the International Court. In the resulting climate of reduced tension, Greece will have no objection to discuss with Turkey other outstanding issues as well as bilateral matters of mutual interest.
- On the Cyprus issue, Greece is in no way prepared to consent to the *fait accompli*, which has been imposed by violent means. I am referring, of course, to Turkey's military occupation of forty percent of Cyprus' territory and to the forced expulsion of that region's Greek-Cypriot residents from their homes.

Cyprus

- In unbroken and unwavering solidarity with the government of Cyprus, we will continue our efforts for the development of the necessary conditions for a peaceful abolition of the *fait accompli*. We strive for the implementation of the United Nations' Security Council Resolutions for Cyprus, as well as for the development of many-sided initiatives for a fair and viable solution.
- The constant and consistent objective of our national defense policy is to prevent any external military action against Greece and Cyprus.

Policy at the National Level

- Foreign policy alone does not guarantee success in building a strong and vigorous nation. A national strategy is necessary, a strategy that supplies the preconditions that will allow the potential inherent in our economy and our society to be realised. Such a strategy can encompass a host of elements, such as stability of the macroeconomy, sustainable development

in environmental terms, an effective and efficient public administration, social cohesion, and an efficient education system.

- The discussion and hence agreement on clearly defined priorities, the coordination of activities and social and political mechanisms to create consensus are all necessary. We consider that the invigoration, the deepening, and the proper functioning of our institutions are essential preconditions for development and social and economic progress.
- The world economy has ceased to recognize frontiers. The bonds which link up the Greek economy and the international economic system are unbreakable. Greece participates in some of the most important international systems of economic integration, the European Union and the World Trade Organization.
- The economic development of the country, the well being of her citizens, the quality of their lives, the cohesion of our community as well as foreign policy issues depend on our integration in such international systems, on the way we act, and on the roles we assign to ourselves.

A country like Greece cannot operate outside the global system. The way to advance is to exploit the rules of the global economy and global society to advantage. In the economic sphere, we do not intend to entrench ourselves behind defensive and barren protectionism. In the international sphere we aim to use what power and influence we have in the direction of peace and stability.