

Greeks eager for Balkan bounty

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EURO EYE/ Julie Wolf reports on political paranoia

GREECE'S geographical position — separated from the rest of the EU by volatile Balkan countries — arouses plenty of discomfort among the country's political establishment, sometimes bordering on paranoia.

Such views were on dis-

play at a briefing earlier this month for international journalists of Greek descent, when the foreign minister, Theodoros Pangalos, raised eyebrows by accusing Germany of seeking to break up the Balkans into a series of small, quarrelsome countries so that Bonn could play referee.

He also lashed out at efforts by the US and European nations to draw closer to Turkey, and accused those framing American foreign policy of making "a criminal mistake."

But these remarks mask a more complex picture. While there is plenty of wringing of hands in public, Greece's business community is quietly — and some would say belatedly — moving to capitalise on the country's location and experience in the region. The politicians also appear fully behind such moves.

Greek companies portray themselves to their counterparts in Europe and further afield as ideal partners for business opportunities in the Balkans.

Forging such links is high on the agenda for many of the 400 Greek firms taking part in a June 23-24 conference in Piraeus organised by the Exporters Association of Northern Greece under the European Commission's Europartenariat programme. This promotes cross-border co-operation between small and medium-sized enterprises in EU regions with structural problems, and SMEs in other European countries, the former Soviet Union, Latin America and Asia.

The conference's official catalogue is candid about what Greek companies can offer those interested in doing business in the Balkans and the republics of the former Soviet Union.

"Greek businessmen understand the local mentality. Until recently, they too lived under a regime of high inflation, weak currency, and are used to dealing with arbitrary bureaucracy. They are much at home in these countries. They understand the contradictions, the problems with customs, the tax problems, the delays," it says.

"Greek businessmen, particularly in the north, are positioning themselves to capitalise [on the new

markets], establishing data links, trade centres, investment funds and mercantile and stock exchanges. There is everything to play for. The Balkans and the Black Sea could be to Greece what the New World was to Europe," the document gushes.

According to Apostolos Genitsaris, president of the Exporters Association of Northern Greece, the fall of communism brought a big expansion in trade between Greece and neighbouring countries, including Albania and Bulgaria. In recent months, however, the record has been mixed.

On the one hand, trade with the former Yugoslav Republic of Macedonia has recovered since the end of Greece's embargo of the land-locked country, which wiped out annual exchanges worth £92 million. Greek businesses are interested in investing in the republic and EU funds may be channelled into cross-border programmes.

GREEK companies are also involved in the Bourgas pipeline that will allow oil from the Caspian Sea area to be taken to Alexandroupolis without tankers having to go through the Bosphorus.

However, the economic and political problems in Albania and Bulgaria were hurting Greek companies, Mr Genitsaris said. Trade with Bulgaria has dropped and the crisis in Albania has come close to severing that country's outside economic links. In addition, there are often delays at the Bulgaria-Greece border, apparently because of bureaucracy on both sides and the fact that Greece continues to require a visa for Bulgarians.

Given these developments, Greek business may be over-optimistic about opportunities in the Balkans. Such thoughts are not shared by Mr Genitsaris, however. He even sees trade opportunities in the thousands of Albanians who flock to Greece to work, sometimes illegally.

"Albanians become familiar with Greek products," he said, envisaging the visitors and their families becoming consumers of such goods after their return home.