



**Hermes Institute of
International Affairs,
Security & Geoeconomy**

GREECE AT A GLANCE



HELLENIC FOREIGN POLICY, DEFENSE & SECURITY DIRECTORATE

«GREECE AT A GLANCE» is a weekly review of the most significant current political, economic, defense, and security, diplomacy and energy news of Greece.

This ambitious newsletter aspires to become an informative «tool» for anyone who is interested in Greece and wishes to have knowledge of the non-stop current developments and challenges the country faces. Greece has a highly geostrategic and geopolitical position on the map, being together with Cyprus the southeast frontier of the European Union and the gate between the western world, the Middle East and North Africa.

Lately, Greece has been in the center of a financial crisis fighting to «stand at its feet» and to return back to economic normality. At the same time, the war in Syria made Greece the main gate towards Europe for large flows of refugees, posing another humanitarian and security challenge for the country in an already difficult and challenging international and regional environment.

«HERMES» Institute is not a news agency and it is not one of its ambitions to become one but it is strongly believed that today's events provide the necessary material to understand the future and to analyze situations that may affect in peace, stability, and growth of Greece.

«HERMES» I.I.A.S.GE

«HERMES» I.I.A.S.GE «HERMES» Institute of International Affairs, Security & Geoeconomy («HERMES» I.I.A.S.GE) is an independent, non – governmental, non – profit organization, consisting of scholars dedicated in the research and analysis of international affairs in regional and global level. The Institute aims at providing objective, scientific, and reliable research analysis through a variety of studies contributing effectively and constructively in the public dialogue and the evolution of scientific knowledge.

Copyright © 2018

«HERMES» Institute for Foreign Affairs, Security & Geoeconomy All rights reserved

TABLE OF CONTENTS:

POLITICSp. 4
ECONOMIC.....p. 4
DEFENSE & SECURITY.....p. 6
DIPLOMACY.....p. 7
ENERGY.....p. 8
ASSESSMENT.....p. 9

POLITICS

ND will seek wider coalition if elected in government, says Mitsotakis

New Democracy will seek to form a wider cooperation with other parties if it is elected in government in the next general elections, even if it achieves full majority in parliament, party leader Kyriakos Mitsotakis told private broadcaster Skai in an interview.

However he excluded the governing coalition of SYRIZA and the Independent Greeks (ANEL) from those plans.

“SYRIZA is not part of these forces. ANEL are in the same category as SYRIZA. The dilemma is not right or left, it is progress or populism,” he said.

Asked about the anarchist group Rouvikonas, Mitsotakis said they are doing great damage to the country.

Commenting about the ongoing talks between Greece and the FYROM to resolve the decades-old name dispute, Mitsotakis said Prime Minister Alexis Tsipras told him he is discussing the name “Republic of Ilinden Macedonia.”

“It is the worst possible name. It is the erga omnes of irredentism,” he said.

“From the very first moment we set the national framework for a comprehensive package solution with a change of the constitution and a complete elimination of irredentism. Revision of the constitution is essential. I will be able to state my view when I have a specific proposal,” he added.

(www.ekathimerini.com)

ECONOMIC

Tsipras worried about Italy's impact

Addressing a general meeting of the Hellenic Federation of Enterprises (SEV), Prime Minister Alexis Tsipras associated the negotiations on the measures to ease Greece's debt with the outcome of the Italian political crisis, and domestic political stability with a smooth exit from the bailout program.

Under the burden of recent developments and the fluctuations in Greek bond prices, which indicate just how vulnerable Greece's economy is, Tsipras stated, “It would be a mistake to think that at the end of the program everyone will be queuing up to lend to us at rates similar to those of Germany.”

He added that while the Italian crisis is affecting all European markets, “the positive outcome of the Greek adventure is more necessary than ever for the entire eurozone,” before going on to ask

Greece's peers in the bloc to provide the right solution using the debt-easing agreement of last June as a basis.

(www.ekathimerini.com)

Kotzias: Financial problems in Italy could impact Greece

Greek Foreign Minister Nikos Kotzias said he was worried that financial instability in Italy could cause problems for Greece too.

“We want a stable, democratic and pro-European Italy,” Kotzias said at a news conference with his German counterpart Heiko Maas.

“We are worried that if there is instability and it has an impact on the financial situation, this financial situation could create extra problems for us,” he said.

(www.ekathimerini.com)

Greece cannot afford reversal of reforms post bailout, EU official said

Greece is on track to complete its third international bailout plan but needs to stick to reforms after the programme expires in August, the European Commission's mission chief to Greece Declan Costello said.

“Greece must ensure that reforms are on track, ... and must avoid policy reversal after the programme ends,” Costello said during a conference in Athens.

“Greece must ensure that reforms are on track, ... and must avoid policy reversal after the program ends,” Declan Costello, one of the lenders' representatives who supervise the bailout implementation, said during a conference in Athens.

Greece returned to growth last year and aims at making a full economic recovery in the coming years.

But Costello warned Greece not to get carried away by the positive signs. “It should not be interpreted that all problems have been solved. The structural underlying problems need to continue to be addressed,” he said.

“So, enjoy the growth bounce but don't misinterpret it.”

(www.reuters.com)

Greece should implement prior actions by June 14, says EU official

The Greek government will have to complete all prior actions of its third program by June 14, so that eurozone finance ministers will be able to approve on June 21 the disbursement of Greece's loan installment and make decisions on the country's debt and post-bailout supervision, according to a European official in Brussels.

Of the 88 pending prior actions, 10 have been made into law, many are in an advanced stage and 50 need to be approved.

The same official said there is no talk of bringing forward the reduction of the tax-free threshold to 2019 from 2020, saying this scenario “is completely off the table.”

(www.ekathimerini.com)

DEFENSE & SECURITY

US Congressman: F-35s could be “used against Greece” if sold to Turkey

The United States should freeze the sale of the Lockheed Martin F-35 fighter jets to Turkey because they are more likely to be used against Greece than against terrorists, Democratic US Congressman Brad Sherman told US Secretary of State Mike Pompeo, during a Foreign Affairs Hearing.

“I hope that the administration will oppose and prevent the sale of F-35s [to Turkey]. They are not a weapon to be used against terrorists. They are a weapon to be used against Greece,” he said.

A US Senate committee passed earlier a defense policy bill that includes a measure to prevent Turkey from purchasing the F-35s, citing the country’s detention of US citizen Andrew Brunson and its agreement with Russia to buy its weapons systems in December.

Sherman also called on the State Department not to block a House resolution on genocidal campaigns committed by the Ottoman Empire.

“I hope the State Department will at least be neutral should Congress consider, as we are considering, the remembrance of the millions of Armenian, Greek, Assyrian, Chaldean and Syriac victims of the Ottoman Empire at the beginning of the last century,” he added.

(www.ekathimerini.com)

Joint military exercise of Greece, Bulgaria, Romania, Serbia in Attica

The decision of the Heads of State and Government of Greece, Romania, Bulgaria and Serbia, as was exclusively written by IBNA, that was made during the 3rd Summit of the Four Balkan Countries in Bucharest on April 24 for a joint military exercise of the Special Forces, is a fact.

As the General Staff of National Defence announced today, Thursday, May 31, a regular military exercise of special-purpose units of the 4 Balkan countries kicks off today in the wider area of Attica, under the name Salamis Storm 2018, under the co-ordination of the inter-branch administration of special operations of the National Defence General Staff.

In the joint military exercise of Greece, Bulgaria, Romania and Serbia, observers from Cyprus, Egypt, Estonia, the United States, Jordan, Israel and Poland have also been invited, as stated in the official announcement by the Greek National Defence General Staff.

(www.balkan.eu.com)

DIPLOMACY

Greek FM: Deal reached with FYROM “is in the national interest”

Greek Foreign Minister Nikos Kotzias said that a settlement reached with the FYROM on the name dispute was in Greece’s national interest.

“The agreement with FYROM was reached not because that country wants to join the European Union and NATO – which is something that we support – but because [reaching a deal] is in our own national interest,” Kotzias said in Berlin during a joint press briefing with his German counterpart Heiko Mass.

He did not provide more details about the agreement.

Kotzias said that the foreign ministers of the two countries had wrapped up the main round of negotiations, adding that the final stage of talks would be led by the countries’ prime ministers after technical and legal issues have been clarified.

(www.ekathimerini.com)

ND slams Tsipras over comments on FYROM name dispute

Prime Minister Alexis Tsipras came under fire from the opposition for saying that an agreement with Skopje on a name that would include a qualifier in front of the term “Macedonia” would be a “great victory” for the Greek side.

“The prime minister who has failed miserably in all the negotiations he has carried out for Greece had the nerve today to claim that the government is trying to take back and not give a name to Skopje,” New Democracy said in announcement responding comments made by Tsipras during a visit to the northern port city.

There, the prime minister had said that his leftist-led government is striving to “take something back, not give something away, something that for the past 70 years has been surrendered by others,” to the Former Yugoslav Republic of Macedonia.

“He obviously considers an unacceptable name like ‘Republic of Ilinden Macedonia’ a victory for the country,” the conservative opposition added, referring to a name put forward during talks last week between Tsipras and his counterpart from Skopje, Zoran Zaev, which was rejected by all of the Greece’s main opposition parties.

“The only thing left for Mr Tsipras to get is the answer he deserves at elections,” New Democracy’s announcement added.

(www.ekathimerini.com)

ENERGY

Greece gets five expressions of interest in Hellenic Petroleum sale

Greece received five expressions of interest for a majority stake in its biggest oil refiner Hellenic Petroleum, the country's privatisations agency said.

Initial interest was submitted by: Alrai Group Holdings Limited, a consortium comprising Carbon Asset Management DWC-LLC and Alshaheen Group, Gupta Family Group Alliance, Glencore Energy UK and Vitol Holding B.V.

Greece and Paneuropean Oil and Industrial Holding are jointly selling a stake of at least 50.1 percent in the refiner.

(www.reuters.com)

Turkish ship to begin drilling for gas in Eastern Mediterranean

The Turkish drillship Fatih was to set sail from the Gulf of Izmit for the eastern Mediterranean to begin exploration for oil and gas.

The state-run Turkish Petroleum company said that the first stop by the Fatih – formerly known as DeepSea Metro-II – will be Antalya on the southwestern coast of Turkey, but it did not clarify where exactly it intends to start drilling.

There are concerns that if Ankara begins drilling off the coast of Cyprus, where Nicosia has already granted exploration licenses to foreign companies, then tensions in the region could flare up.

Turkey says it will prevent Cyprus from searching for gas and oil off its coast if Turkish Cypriots are not included in the process.

Tensions between the two countries reached breaking point in February after Turkish warships prevented a rig of Italian energy giant ENI from drilling in block 3 of Cyprus's exclusive economic zone (EEZ).

According to reports, Ankara intends to begin operations before presidential and parliamentary elections on June 24.

Meanwhile, the presidential candidate of the Turkish opposition Republican People's Party (CHP) Muharrem Ince visited the town of Komotini in Thrace, northeastern Greece on Thursday and spoke to leaders of the muslim community.

(www.ekathimerini.com)

ASSESSMENT

Greece seems to be out of the spot although uncertainty has returned to the European Union and the eurozone due to the political instability in Italy. And with Greece's economy representing a tiny fraction of the European GDP, Italy is no Greece. It is Europe's third largest economy – almost 10 times that of Greece.

Still domestic trouble is brewing in Greece as many questions concerning FYROM and the bailout programme remain unanswered. The consequence is a general unrest in the public opinion as Greeks are torn between the domestic information saying one thing and international media painting a very different picture concerning the country's future after August.

The people want answers now, they want someone to explain how what they are feeling as a trace of normalcy today can become a growth spurt. To convince them it is alright that they voted for Tsipras in anger but now it's time to choose someone more suitable, who can make the country richer, more normal and more functional.

The main opposition needs to convince voters that it has the people, the plan, the courage and the background to take the country forward.

It would seem that slowly Greece might enter a new type of crisis, one that has nothing to do with economics or politics but with values.

www.hermesresearch.eu

Email: info@hermesresearch.eu