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¹ Theocharis Grigoriadis defined the idea and research design, and produced the final version of this paper. Vlantis Iordanidis implemented the research design and delivered the first draft of this paper.

Summary:

In this paper, we discuss Greek-Russian relations since the collapse of the Soviet Union. Russian foreign policy in transition and post-transition periods has been defined by a strong commitment to the preservation of Russia's economic influence in the lands of the former Soviet Union. What reinforces Moscow's position in international affairs under Putin has been its solid public finance as well as its ability to foster regional integration initiatives such as BRICS and EurasEC. The approximation of Greek and Russian foreign policies has never been possible outside the EU institutional framework; the only exception has been the Karamanlis administration and its unfruitful plans for the construction of the Burgas-Alexandroupolis pipeline. This continuous stalemate in Greek-Russian relations is due to the policy calculus of both sides. Greece will never treat its relationship with Russia as more important than its political and economic ties with the United States. Russia as a realist player in world politics is inclined toward a strategic rather than constructivist approach in its bilateral relations, which de facto excludes Greece and possibly Cyprus from its imminent focus. The formation of Eurasian Economic Community and the steady improvement in Russian-Turkish relations have reduced the mutual benefits of a rapprochement between Moscow and Athens, also given the strong Western commitments of Greek political elites..

Key Words:

foreign policy, Russia, Greece, Putin, energy, security, bilateral relations

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Greek-Russian Relations I: Foreign Policy and Diplomacy

I. Introduction

As the Soviet Union's legitimate successor state, Russia assumed all its institutional privileges and obligations in world politics. These included diplomatic properties worldwide and a large portion of the Soviet diplomatic personnel. Moreover, Russia inherited the permanent seat of the Soviet Union in the UN Security Council and that way joined the group of nations responsible for international peace and global security. This permanent membership in the UN Security Council and the possession of the *nuclear triad* are two key features that confer to Russia great power status.²

Russia's post-Soviet foreign policy may be divided into the following phases. The first phase began immediately after the Soviet collapse. It reflected the liberal orientation of Russian political elites that introduced the reform of the Soviet economic system and crafted the CIS.³ The first Russian foreign minister in the transition period, Andrey Kozyrev, proposed the first major shift from the Soviet doctrine of supporting communist movements and anti-American governments in developing countries, a policy line that was framed as a facilitation of interest for the *proletarian internationalism*.⁴ Kozyrev's unconditional orientation towards the United States and Western Europe aimed at integrating Russia into the "community of developed nations".⁵ Influenced by democratic peace theory, Kozyrev underscored that a Euro-Atlantic integration could pose the conditions for faster economic recovery of Russia. As a result, in the period 1992-1993 Russian foreign policy was in full agreement with the main prerogatives of the US and European governments.

² A nuclear triad refers to a nuclear arsenal which consists of three components: a) Intercontinental Ballistic Missiles (ICBMs) and Medium Range Ballistic Missiles (MRBMs), b) strategic bomber aircraft capable of delivering nuclear bombs and c) submarine-launched ballistic missiles (SLBMs). The United States and Russia are the only two states to maintain a full nuclear triad.

³ Shakleina T.A. "Rossiya i SSHA v novom mirovom poryadke. Diskussii v politiko-akademicheskikh soobshchestvakh Rossii i SSHA (1991-2002)" M.: *Institut SSHA i Kanady RAN*, 2002, s. 319.

⁴ Erik P. Hoffmann, Robbin Frederick Laird, Frederic J. Fléron, *Soviet Foreign Policy, 1917-1991: Classic and Contemporary Issues*, Transaction Publishers, 2006, p.108; (See also: Richard F. Staar, *Foreign Policies of the Soviet Union*, Hoover Institution Press, 1991, p.10)

⁵ Timofeyev I. N. "Evolyutsiya vneshnepoliticheskoy identichnosti Rossii: konets postsovetskogo perioda?", dostupno v: A. Y. Melvil (red:) *Prostranstvo i vremya v mirovoy politike i mezhdunarodnykh otnosheniyakh: materialy 4 Konventa RAMI. V 10 t.*, Rossiyskaya Assotsiatsiya Mezhdunarodnikh Issledovaniy: MGIMO, 2007, s. 40-43; (See also: "Osnovnyye polozheniya kontseptsii vneshney politiki Rossiyskoy Federatsii" utverzhdenykh rasporyazheniyem Prezidenta Rossiyskoy Federatsii ot 23 Aprelya 1993 goda)

Nevertheless, this significant change that mirrored the new security realities in the aftermath of the Cold War was not to last long. Ideological hardliners such as communists and nationalists argued that the West remained Russia's primary enemy and they characterized the pro-Western course as anti-Russian and self-deceptive, posing a critical threat on Russia's national security. Despite its approval in the parliament, internal as well as external factors continued to ramp up the discontent with Kozyrev's doctrine. Wealth redistribution in favor of the oligarchs as well as the US decision to expand NATO eastward in 1993 rendered Kozyrev's pro-Western course obsolete.

The December 1995 parliamentary elections brought a landslide victory for the Communist Party of the Russian Federation (KPRF) and substantial gains for the nationalist Liberal Democratic Party of Russia (LDPR) to the dismay of liberal reformists. The discontent with Yeltsin's presidential administration was growing. Under the new circumstances, Yeltsin was obliged to take measures and oust Kozyrev. Evgeny Primakov became the new Russian Foreign Minister. His appointment signaled a conservative shift in Russia's relationship with the West. Primakov's foreign policy concept was inherently different from his predecessor's. Its main postulates can be summarized as follows:⁶

- *Redefining and prioritizing Russian national interests and rejecting the role of the "junior partner" in interaction with the West, while maintaining constructive relations with the Western states;*
- *Promoting the concept of multipolar world which presupposes multidirectional orientation of the foreign policy and quest for new allies in the East that would help Russia to regain its "Asian Azimuth" that had been so conspicuously omitted under Kozyrev's stewardship;*
- *Continuing Russia's economic integration into the new globalized world order;*
- *Multi-speed integration of the Commonwealth of Independent States (CIS) and the formation of the highly integrated core consisting of the most keen and willing CIS member-states;*

Primakov's doctrine defined Russian foreign policy throughout almost the entire second term of the Yeltsin Presidency, even after Primakov's replacement with Igor Ivanov in 1998.

⁶ "Kontseptsiya natsional'noy bezopasnosti Rossiyskoy Federatsii", utverzhennaya Ukazom Prezidenta Rossiyskoy Federatsii ot 17 Dekabrya 1997 g. *Diplomaticheskii vestnik*. 1998. № 2. S. 3-18.

II. Greek-Russian Relations in the 1990s: Transition and Alliance

Under Kozyrev, Greek-Russian relations were adjusted accordingly. Most bilateral agreements were finalized and concluded in 1993, during the official visit of Russian Prime Minister Viktor Chernomyrdin as well as Foreign Minister Andrey Kozyrev to Athens. However, the treaty that stood out and carried a particular weight was the Partnership and Cooperation Agreement, signed on June 30 1993, during President Yeltsin's first official visit to Greece and his encounter with President Konstantinos Karamanlis and PM Konstantinos Mitsotakis. Both sides reiterated their "friendly relationship" underpinned by common regional interests and shared orthodox beliefs and reaffirmed their determination to strengthen cooperation in all fields.⁷ The parties reasserted their commitment to the inviolability of existing and commonly recognized borders and territorial integrity in Europe/Balkans. Greece was increasingly concerned with the breakup of Yugoslavia and the FYROM problem, while Russia was witnessing the Chechen separatist movement.

The reason behind the favorable disposition of the Mitsotakis administration toward Russia has been the possible strengthening of Greek deterrence capacity against Turkey. Revisionist aims accompanied with tangible actions threatened to alter the Greek-Turkish fine balance of power in favor of Turkey. Unless Greece managed to gain primacy in diplomatic maneuvering and utilize successfully external alliances to offset Turkish military superiority, the only remaining option would be an expensive and destabilizing arm race, which would be relatively costlier for Greece. The emergence of a post-Soviet democratic Russia and its collaborative stance in global affairs under the Kozyrev Doctrine seemed compatible with Greek foreign policy. Drawing upon religious affinity, an alliance with Russia was pursued by the conservative government of New Democracy, in order to dissuade Turkey's revisionist agenda.

The PCA allowed Russia to express its concerns with respect to its future role in the UN system. Strengthening the role of the United Nations was of paramount importance for Russia, since the organization had already begun to witness its gradual recoil to the benefit of NATO. The latter, in return, seemed to be a more useful institution for the US that sought to capitalize its gains from the Cold War victory.⁸ Greece and Russia also agreed to the reinforcement of the Conference for Security and Cooperation in Europe (CSCE), which was transformed into the Organization for Security and Cooperation in Europe in December 1994.⁹

The appointment of Evgeny Primakov as the new Foreign Minister in January 1996 confirmed the policy shift towards nationalism at the domestic level in light of the initial signs of failure of the liberal

⁷ "Moskva i Afiny vozrozhdayut pravoslavnyy soyuz", *Gazeta Kommersant*, No. 122, 01.07.1993, available on: <http://www.kommersant.ru/doc/52276>, <http://www.kommersant.ru/doc/52161>

(See also: "Rossiya podpiset s Gretsiiyey dogovor o druzhbe", *Gazeta Kommersant*, No. 121, 30.06.1993, available on: <http://kommersant.ru/doc/52161?a7106708>)

⁸ Elias Aleksopoulos, "Eksoteriki Politiki Elladas kai Rosias", sto: Tsakonas. P., (ep), *Sygchroni Elliniki Eksoteriki Politiki. Mia Synoliki Proseggisi*, Tomos II, Ekdoseis Sideris, Athena, 2003, ss. 628-629

⁹ Ibid.

economic reforms.¹⁰ In order to demonstrate that Russia remains a superpower in the post-Cold War era and has its own global agenda, Primakov sought to adopt an assertive stance in Russia's Middle East policy.¹¹ The Greek-Cypriot confrontation with Turkey and the military armament against it was perceived to be a means toward that policy decision. Russia's role as patron-state took various forms; it ranged from a plan in April 1997 on "Basic Principles for a Cyprus Settlement" boldly advocating Greek-Cypriot arguments, to the most advanced form of vetoing the UN Security Council resolution on imposing the adoption of the Annan Plan on Greek-Cypriots in 2004. Prior to the referendum, the Russian Federation vetoed a US- and UK-sponsored Security Council resolution, which would have led to an upgrade of the UN operation in Cyprus by substituting the United Nations Peacekeeping Force in Cyprus (UNFICYP) with the United Nations Settlement Implementation Mission in Cyprus (UNSIMIC), should the outcome of the referendum lead to the adoption of the Anna Plan.¹² The resolution had been portrayed by its sponsors as a way to reassure the Greek-Cypriots of the UN commitment to their security, if they agreed on the implementation of the UN reunification plan. Russia vetoed the resolution arguing that it was essentially an 11th hour "attempt to influence the outcome of the referenda" and insisted that Cypriots make their decision without any interference or pressure from outside.¹³

The Cyprus issue, one of the oldest unresolved conflicts in the post WW-II period, enabled Russia to exercise conspicuously its veto power. This reality casts doubts on Russian commitment to the resolution of the Cyprus issue. This would imply discontinuation of Moscow's capacity to exercise its veto power over one of the most perpetuated conflicts under the UN Security council mandate.

¹⁰ Peter W. Rodman and Robert O. Freedman, "Primakov's Foreign Policy: Russia and the Middle East," *The Washington Institute for Near East Policy*, Policy Watch No. 184, January 30, 1996.

¹¹ Ibid.

¹² United Kingdom of Great Britain and Northern Ireland and United States of America: draft resolution, UN Security Council S/2004/313, 21 April 2004 (See also: UN Security Council Meeting Record, S/PV.4947, 21 April, 2004)

¹³ Edith M. Lederer, "Russia Blocks UN Cyprus Resolution", *Global Policy Forum*, April 21, 2004.

III. The Putin Doctrine

The main hurdle in delivering successfully the Primakov Doctrine was the mismatch between its ends and available means. The decline of the Primakov Doctrine has also been attributed to its divergence with the President's own views. In June 2000 the new Russian President Vladimir Putin approved several documents that defined Russian foreign policy:

- The Concept on National Security,
- The Military Doctrine, and
- The Foreign Policy Concept.

The new concept was modeled on the Primakov's core imperatives on CIS multi-speed and multi-level integration, multipolar world, continued integration of Russia into the world economy and repudiation of Russia's identity/role as a "junior partner" of the West.¹⁴ Some analysts went as far as to point out that the Putin Doctrine is nothing else but "creative wording" of the Primakov Doctrine and Putin himself had nothing fundamentally new to offer.¹⁵

Nevertheless, Putin's foreign policy did include some unprecedented novelties, building on the theoretical deliberations of experts that were already part of Putin's team. Some of the basic distinctive features of the new concept consist of Putin's personal involvement in foreign policy decision-making, a broader spectrum of diplomatic activities, and a course based on authoritarian realism rather than democratic constructivism. Foreign policy objectives were classified into three clusters of descending priority.¹⁶ Ensuring National Security ("Protecting the interests of individuals, the society and the State") was a top priority, followed by challenges in dealing with global ("Priorities of the Russian Federation in addressing global challenges") and regional problems ("Regional Priorities").¹⁷

The new doctrine matured gradually through numerous statements of the Russian president, his addresses to the parliament and the Foreign Ministry's policy papers. In this respect, there have been two of the most prominent speeches of the Russian President, the speech to the heads of Russian diplomatic missions in July 2004 and his speech at the Munich Security Conference (Munich Speech), which are widely considered to be reflecting the basic tenets and imperatives of the Putin Doctrine. The two subsequent Foreign Policy concepts of 2008 and 2013 were nothing more than a restatement of the initial 2000 document.

¹⁴ Aleksey Pushkov, "Ot mechty o garmonii k zhestokomu realizmu", *Nezavisimaja gazeta*, 18.07.2000

¹⁵ Ivan Makovetskiy, "Noviy rossiyskiy vzglyad na mir", *Nashe mneniye. Ekspertnoye soobshchestvo Belarusii*, 22.06.2008.

¹⁶ Ibid.

¹⁷ "The Foreign Policy Concept of the Russian Federation", Approved by the President of the Russian Federation V. Putin June 28, 2000

III. Greek-Russian Relations in the 2000s: Peaks and Troughs

The agenda of Greek-Russian relations throughout the 2000s was crystallized during exchange visits at the highest level at the beginning of the decade. Some parts of the agenda were to be carried out during Simitis' term, while others during the Karamanlis administration. The first encounter between the head of the Greek government and President Putin took place during the official three-day visit of Costas Simitis to Moscow in July 2001 on the occasion of the election of a new International Olympic Committee President. The talks were focused on three broad areas: political developments in Southeastern Europe, EU-Russian and Greek-Russian relations.

Both Simitis and Putin spoke against any alteration of the status quo and border shifts in the Balkans, while the Greek PM deemed Russia's involvement in the region imperative.¹⁸ Simitis also fully shared Putin's view about the necessity to avoid new dividing lines in Europe and underscored the need for a closer and in-depth cooperation between Russia and the EU.¹⁹ He also called for a better interaction with Russia as a prerequisite for a consolidated EU, while pledging to undertake an intermediary role in enhancing EU-Russia ties and advance the matters of common interests during the Greek Presidency of the Council of the EU in the first half of 2003.²⁰ The head of the Russian Federation responded expressing his satisfaction with the Greek position on the Common European Space, while stressing the mutual affinity and historical links between the two nations. As to the matters of bilateral concern, the talks focused on the Burgas-Alexandroupolis pipeline, with the Russian president declaring his country's readiness to get down to business with the project.²¹

In December 2001 President Putin paid his first official visit to Athens. When meeting President Stefanopoulos, the Russian President noted that Greek-Russian relations are evolving in a "progressive manner".²² The Greek President reciprocated describing Russia as "a great military and political power and a major global player".²³ Moreover, PM Simitis stressed that "Greece was ready to build bridges in all directions". Putin voiced his hope that bilateral economic ties would deepen if Russian companies will be given the opportunity to participate in the liberalization of the Greek economy, notable in the energy sphere, thus effectuating major investment schemes. He also urged the Greek business community to capitalise on the high-level of relations emerging

¹⁸ Konstantinos Zoulas, «Athena-Moscha symfonisan gia amoivaia stiriksi», *KATHIMERINI*, 18.07.2001

¹⁹ *Ibid.*

²⁰ *Ibid.*

²¹ Se kalo klima h synantisi Simiti-Putin, *Makedoniko Praktoreio Eidiseon*, 17.07.2001, available on: <http://www.hri.org/news/greek/mpegrb/2001/01-07-17.mpegrb.html>

²² President Vladimir Putin held negotiations with Greek President Konstantinos Stephanopoulos, *The Official Internet Portal of the President of Russia*, December 7, 2001

²³ "To kentro tis Athinas frourio kai periks kukloforiako chaos", *KATHIMERINI*, 07.12.2011, available on: <http://www.kathimerini.gr/106734/article/epikairothta/politikh/to-kentro-ths-a8hnas-froyrio-kai-peri3-kykloforiako-xaos>

between the two countries in order to intensify their investment activity in Russia. As for the Greek-Russian cooperation prospect in the energy sector per se, a particular reference was made to the building of new gas and oil pipelines (to and through Greece), participation of the Russian companies in the development of gas distribution networks and their expansion and the joint construction of underground gas storage facilities.²⁴

When the Kosovo crisis erupted the Kozyrev Doctrine had already been succeeded by the more realistic and assertive Primakov Doctrine. Contrary to popular belief, Russia's pro-Serbian attitude was guided neither by Orthodoxy nor by Slavophilia. Instead Russia regarded conflict resolution in Yugoslavia as a rehearsal for the imposition of an international mechanism that could alleviate regional ethnic conflicts strictly on U.S. terms.²⁵ It was not a surprise for the Russians that the conflict settlement in the Balkans was presented as a model that could be emulated in other places.

With regard to the EU-Russian relations, a joint Russian-Greek Interaction Committee was established in October 2002 which was presided over by diplomats of both Foreign Ministries. The key task of the Committee was to advance strategies of cooperation between Russia and the European Union.²⁶ According to diplomatic sources, the Russian government had attached great importance to the Greek Presidency of the EU, expecting to reap the benefits in at least three interrelated domains. First, the Greek Presidency could initiate the drafting of a new EU strategy toward Russia. Second, Athens could also provide assistance in expanding the EU-Russia PCA toward the ten new CEE member-states. And finally, Moscow hoped to receive all possible aid and support for the preparation of the EU-Russia summit which was scheduled for May 31st in St. Petersburg and would mark the 300th anniversary of the old capital of the Russian Empire.²⁷

Due to internal developments in the EU and Russia, several provisions of the PCA had become obsolete. The PCA identifies Russia as "a country with an economy in transition"²⁸, which is no longer accurate after the recognition of Russia's market economy status and its subsequent accession to the WTO.²⁹ Furthermore, the level of bilateral relations gradually expanded beyond the scope of the PCA. Moreover, the Eastern Enlargement of the European Union and the further

²⁴ Answers to Questions During a Joint Press Conference Following Talks with the Greek Prime Minister Konstantinos Karamanlis, *The Official Internet Portal of the President of Russia*, 07.12.2001,

²⁵ Anatoliy Adamishin, "Yugoslavskaia prelyudiya", *Rossiia v global'noy politike (Russia in Global Affairs)*, 31 Avgusta 2013

²⁶ "Gretsiya pomozhet Rossii ukrepit' otnosheniya s Evrosoyuzom", *InoSMI*, 22.01.2003, available on: <http://inosmi.ru/untitled/20030122/169586.html>

²⁷ *Ibid*

²⁸ PCA, Preamble and Article 1

²⁹ The Working Party on the Accession of the Russian Federation completed its mandate on 10 November 2011. The Eighth Ministerial Conference formally approved the Accession Package of the Russian Federation on 16 December 2011. On 22 August 2012, the WTO welcomed the Russian Federation as its 156th member. See: Working Party seals the deal on Russia's membership negotiations, *WTO: 2011 News Items, Accessions*, 10 November 2011 (See also: Working Party on the Accession of the Russian Federation, "Report of the Working Party on the Accession of the Russian Federation to the World Trade Organization", WT/ACC/RUS/70, WT/MIN(11)/2: 17 November 2011

outspread of the EU competences as a result of the adoption of the Amsterdam, Nice and Lisbon Treaties established a new framework for EU-Russian relations.³⁰

With the New Democracy administration assuming power in 2004, Greek-Russian relations improved dramatically. While the new conservative government fully embraced the pre-existing notion of Russia as a powerful alternative to US pressures and unilateral actions under the pretext of war on terror, its intention to advance further Greek-Russian relations was stimulated by two motives. The first aspect had to do with the shared cultural and religious worldview between the New Democracy and United Russia parties. Second, Athens wanted to preserve a higher level of relations with Moscow compared to Ankara, whose striking improvement of its relations with Russia has been a key feature of the post-Cold War period.

With the advent of Vladimir Putin to power in 2000, the Russian-Turkish relationship entered a new more consolidated and intensified phase. In his 2005 annual address to the Russian parliament President Putin stated that “*the collapse of USSR had been the biggest geopolitical catastrophe of the twentieth century*”.³¹ This remark was interpreted as an indication of Putin’s intention to restore Russian influence in the post-Soviet space and regaining Russia’s lost superpower reputation and global player role.³² In order to achieve these goals Putin embarked upon the centralization of the energy sector as a first step. Thus, by making the energy industry the core of Russia’s international influence, Putin thereby has turned the extraction and export of oil and natural gas into the ultimate tool of Russian foreign policy.³³ The Foreign Policy Concept of 2000 as well as the subsequent Foreign Policy Concepts of 2008 and 2013 was in full alignment with the notion of energy resources as a key pillar of Russia’s international stature.³⁴

The Russian-Turkish mutual suspicion, which would only get exacerbated with the eventual expansion of Russian influence towards Turkey’s northern borders, was perceived by the Karamanlis administration as a source of potential benefit for Greek foreign policy. This would not be the first conservative Greek government trying to make full use of the Caucasus conflicts to the detriment of Turkey. The Nagorno-Karabakh war (1988-1994) offered a similar case. While Turkey was fully backing Azerbaijan, Russia was not the only ally Armenia had on its side. Greece and Iran, both with long history of tension with Turkey, provided assistance. The Mitsotakis government had

³⁰ Van Elsuwege P., “Towards a Modernisation of EU-Russia Legal Relations?”, *CEURUS EU-Russia Papers*, No. 5. 2012, pg. 2

³¹ Dmitri Trenin, “Post-Imperium. A Eurasian Story”, *Carnegie Endowment for International Peace*, 2011, p. 27

³² Ibid

³³ Ilgar GURBANOV, “Energy in Russian Foreign Policy: Soft Power, Hard Power, or Smart Power?”, *Strategic Outlook*, 09.03.2013

³⁴ “Concept of the Foreign Policy of the Russian Federation”, Approved by the President of the Russian Federation Vladimir Putin, on 12 February 2013.

supported Armenia both by delivering military and economic assistance and by promoting Armenian interests in the EU and NATO. Iran provided trade opportunities and water access.³⁵

Shortly after assuming office in 2004 Karamanlis made an unprecedented opening to Russia trying to place Greece equidistantly between Washington and Moscow. At this point, it is worthwhile to ascertain the chief initiator of the new government's pro-Russian foreign policy. Petros Molyviatis, an experienced politician, veteran diplomat and former ambassador of Greece to Moscow, had for a quite long time harbored pro-Soviet and pro-Russian sentiments.³⁶ The formal kick-off to the bilateral rapprochement was given during the first official visit of Karamanlis to Russia in December 2004, which marked the first official visit of a Greek Prime Minister in his capacity as the head of the Greek government after a period of 12 years.³⁷

The Greek PM was warmly received by Vladimir Putin upon his arrival to the Kremlin. The Russian president featured Greece "as Russia's closest strategic partner in Europe". The Greek PM responded by adding that the particular formulation is the one which "clearly reflects the level of bilateral relations and it would serve as a reference parameter for the foreign policy". Karamanlis reaffirmed that Greece was working hard towards "deepening bilateral relations" and underscored the necessity "to mobilize and utilize economic opportunities that derive from interacting with Russia".³⁸

Three major intergovernmental agreements were signed during the Greek PM's visit: *Joint Declaration on further strengthening of partnership and cooperation*, *Joint Statement on fight against terrorism* and *Joint Greek-Russian Action Plan for a period 2005-2006*.³⁹ The latter formed the legal and institutional basis for regular interaction between the two countries in areas of common interest and it was particularly utilized in taking further the bilateral cooperation in energy sector and trade.

Greek-Russian relations reached a new high at the Trilateral Russian-Greek-Bulgarian Summit held in September 2006 in Athens. The meeting provided an opportunity for the Greek Prime Minister to qualify Russia as a "strategic partner" and to point out that "Greece attaches great importance to the further development of relations with Russia in all areas, as well as the strengthening of relations

³⁵ Strategic Impact, No. 4, Romanian National Defense University "Carol I", Centre for Defense and Security Strategic Studies, 2010, p. 35

³⁶D. Konstantakopoulos, "Istoricheskiy i geopoliticheskiye fundament Greko-Rossiyskogo strategicheskogo sblizheniya". dostupno v: Rossiyskoy-Grecheskiye gosudarstvennyye, tserkovnyye i kul'turnyye svyazi v mirovoy istorii, Tsentr Yevropeyskikh Issledovaniy i Obrazovaniya «IOANNIS KAPODISTRIAS, Afini; Moskva 2008, s. 239

³⁷ The last Greek PM to visit Russian Federation in his capacity as the head of the Greek Government was Konstantinos Mitsotakis, in 1992.

³⁸ Giorgos Mpourdaras "Nea periodos stis sxeseis Elladas-Rosias", KATHIMERINI, 10.12.2004

³⁹ Mezhsudarstvennyye otnosheniya Rossii i Gretsii. Spravka, RIA Novosti, 16.02.2010, available on: <http://ria.ru/spravka/20100216/209436941.html>

between the European Union and Russia".⁴⁰ On his part, the Russian president spoke of the benefits that Europe would reap from the Greek-Russian energy cooperation. During the tripartite Russian-Greek-Bulgarian talks the three leaders officially declared their intention to finally kick-off the construction of the Burgas-Alexandroupolis Oil Pipeline. Following the summit meeting, the leaders adopted a Declaration of Cooperation in the Energy Sector.⁴¹ The decision was preceded by the establishment of the Initiative Group of companies to be involved in the project and the conclusion of the trilateral Memorandum of Cooperation in January 2005 and April 2005 respectively.⁴²

Fourteen-year long negotiations culminated in the ceremonial conclusion of the tripartite inter-governmental agreements on constructing and operating the Trans-Balkan Burgas – Alexandroupolis oil pipeline on 15 March 2007 in Athens.⁴³ The agreement establishing the international project company - *Trans-Balkan Pipeline B.V* - which would be operating the pipeline was signed in Moscow on 18 December 2007 and the company was headquartered in the Netherlands.⁴⁴ The company's share capital was distributed as follows: Russia would be 51% majority shareholder, while the rest of the shares (49%) were allocated equally between Greece and Bulgaria. Construction was scheduled to commence in 2008 and it was due to be completed in four years.⁴⁵

As the first ever Russia-controlled oil pipeline in the EU, its purpose was to crowd out Turkey in delivering the Caspian (Azeri and Kazakh) crude oil to Western markets. Turkey was pushing for an oil export route for the Kazakh and Azeri oil through the territory of Georgia and up to Turkey's Mediterranean port of Ceyhan. Russia, instead, was advocating for an oil route to Novorossiysk and thereafter with tankers to western markets through the Bosphorus and the Dardanelles Straits. But concerned about the environmental impact of the oil-tanker congestion, Turkey has limited such

⁴⁰ Nachalo vstrechi s Prem'yer-ministrom Grecheskoy Respubliki Konstantinosom Karamanlisom, *Ofitsial'nyy internet-portal Prezidenta Rossii*, 4 Sentyabrya 2006 goda

⁴¹ Tripartite talks took place between President Vladimir Putin, President of Bulgaria Georgi Parvanov and Prime Minister of Greece Konstantinos Karamanlis, *The Official Internet Portal of the President of Russia*, September 4, 2006; (See also: Ministry of Development, «Burgas–Alexandroupolis» Oil Pipeline, Signing of the Agreement among the Governments of the Russian Federation, the Republic of Bulgaria and the Hellenic Republic, Athens, 15 March, 2007)

⁴² Ministry of Development, «Burgas–Alexandroupolis» Oil Pipeline, Signing of the Agreement among the Governments of the Russian Federation, the Republic of Bulgaria and the Hellenic Republic, Athens, 15 March, 2007, p. 10

⁴³ Russia, Greece and Bulgaria signed an agreement on constructing a Burgas - Alexandroupolis oil pipeline, *The Official Internet Portal of the President of Russia*, March 15, 2007

⁴⁴ Mark A. Smith, "Russian Energy Interests in the Balkans", *Defense Academy of the United Kingdom*, Balkans Series 08/07, March 2008, p. 5.

⁴⁵ Ibid

traffic, thereby leading Russia to threaten to favor Greece, Turkey's rival, by building an alternate route to Greece through the Black Sea and Bulgaria.⁴⁶

The project was politically hailed as a real boost of Greek-Russian economic and energy ties, while it also marked Greece's entrance into an elite club of energy transit hubs raising expectations for economic benefits. It was also believed to ameliorate Greece's energy security by reducing its dependence on Middle Eastern oil.⁴⁷ Despite the initially triggered euphoria, the Burgas-Alexandroupolis pipeline was not expected to yield overall substantial benefits for Greece, neither it would secure the country's energy needs. It was Russia that needed the project more than any other signatory. For that reason, the Russian government had occasionally raised its share expectations in the international project company, sometimes in an arrogant manner, requesting 95% instead of the previously agreed upon 51%.⁴⁸ Moreover, the agreement served as a prelude for Vladimir Putin's proposal for Greece to join the South Stream gas pipeline in June 2007 on the sideline of the Organization of the Black Sea Economic Cooperation (BSEC) summit in Istanbul.⁴⁹ The southwestern route of the South Stream pipeline that was planned to traverse Greece was indented to be auxiliary, in case the more significant northwestern route did not proceed. In December 2006, even before the announcement of the South Stream project, Gazprom and Serbian state-owned gas company Srbijagas agreed to conduct a feasibility study on building a gas pipeline running from Bulgaria to Serbia. In 2008 Russia and Serbia signed an agreement to route the northwestern branch of South Stream through Serbia. As a country aspiring to join the EU, Serbia could have easily complied with the EU energy policy, thereby jeopardizing the South Stream. The latter was portrayed as competition to the West-backed Nabucco pipeline, which was EU's first attempt to reduce its dependence on Russian natural gas.⁵⁰

The South Stream agreement, along with the Burgas-Alexandroupolis pipeline, was bound to increase Greece's significance in global energy scenery. Nevertheless, the outbreak of the international financial crisis in 2008 mitigated the upward trend of Greek-Russian relations under the Karamanlis administration. As a resource-based economy, Russia was deeply affected by the fall in the global prices of raw materials. Furthermore, Greece has always been obliged to define its tradeoffs when it comes to its relationship with Russia and the repercussions that this may entail in its Western standing.⁵¹ While a closer relationship with Russia would entail an active involvement in the

⁴⁶ Mehmet Ögütçü, "Transporting Eurasian Oil and Gas to Europe", in: Thomas W. Wälde (ed), *The Energy Charter Treaty: An East-west Gateway for Investment and Trade*, London, Boston, Kluwer Law International, 1996, pp. 101-102

⁴⁷ Russia could contribute to diversification of energy sources. Greece was among the states to bear the heaviest brunt of the EU embargo on purchases of Iranian crude oil. To substitute the Iranian oil Greece has turned to Russia.

⁴⁸ Ambassador Charles Ries (27.7.2006). Development Minister fully supportive of U.S. WikiLeaks. WikiLeaks Cable: 06ATHENS1913. Retrieved 2013-10-20.

⁴⁹ Aristotle Tziampiris, "Greek Foreign Policy and Russia: Political Realignment, Civilizational Aspects, and Realism", *Mediterranean Quarterly*, 21 (2), Spring 2010, p.80

⁵⁰ Dominique Finon, "Nabucco versus South stream: an economic competition behind a geopolitical confrontation", *EU Energy Policy Blog*, 01.03.2010.

⁵¹ Ibid pp. 5-6.

South Stream and a higher degree of commitment toward Russia's inclusion in Greece's investments and privatizations program military supplies from Russia, a better standing in the Euro-Atlantic community would require a relationship with Russia through the EU channel and not bilaterally.

After the Russo-Georgian war, Greece, as the OSCE presiding country (as of January 1st 2009), submitted a compromise proposal to the OSCE Permanent Council for the expansion of the OSCE Mission's mandate to Georgia-South Ossetia. In the wake of the hostilities in August 2008, 20 unarmed military officers were deployed to the Mission to Georgia by Permanent Council decision, mandated to support the Geneva discussions through a joint incident prevention mechanism.⁵² Under the pretext of treating South Ossetia as a sovereign state, Russia vetoed Greece's proposal at the Permanent Council, thus discontinuing the Mission's mandate (as of 30 June 2009).⁵³

Greece also expressed dismay and subscribed to the French President's *statement of condemnation* of Russia's unilateral move to recognize Abkhazia and South Ossetia as sovereign states.⁵⁴ Russia sought to draw upon the (precedent of) the Western recognition of Kosovo independence to recognize the two Georgian breakaway republics.⁵⁵ Greece is one of five EU member states that have not recognized Kosovo (yet) and one of many countries to have expressed deep concern over border change in Eastern Europe. The reference point for the Greek position is Cyprus and the good relationship that Athens preserves with Belgrade.

Moreover, the Greek government was disturbed by the Turkish-Russian agreement on laying the South Stream pipeline 900-kilometer sea-bed section through Turkey's Exclusive Economic Zone in the Black Sea, en route to Bulgaria, (despite Russia's initial rationale to bypass Turkey just as bypassing Ukraine).⁵⁶ By agreeing with Turkey on constructing the seabed section, Russia has chosen the lesser out of two evils. South Stream seabed section was initially planned to traverse Ukraine's Exclusive Economic Zone for most of its length, as well as a small part of Romania's Exclusive Economic Zone. Ukraine and Romania are not included in the South Stream project and both countries have been interested in blocking it. The decision to choose Turkey over Ukraine and Romania was also facilitated by the growing economic and political interaction between Russia and Turkey. Hence, any Greek expectations that religious considerations rather than secure profits would matter more for Russian foreign policy Russia lie outside the sphere of reality.

⁵² Organization for Security and Co-operation in Europe (OSCE), OSCE Mission to Georgia (Closed), Mandate expired as of 31 December 2008 after the OSCE Permanent Council failed to reach consensus on its renewal.

⁵³ International Crisis Group, "Georgia-Russia: Still Insecure and Dangerous", *Policy Briefing*, Europe Briefing No. 53, Tbilisi/Brussels, 22 June, 2009, pp. 1-2

⁵⁴ "Tin apofasi ths anagnorisis katadikase kai h Athina", *Naftemporiki*, 26.08.2008, available on: <http://www.naftemporiki.gr/mobile/story/196383>

⁵⁵ George Friedman, "Kosovar Independence and the Russian Reaction", *Stratfor Global Intelligence, Geopolitical Weekly*, , February 20, 2008

⁵⁶ "Rosotourkiki symfonia provilamtizei tin Athina", *KATHIMERINI*, 7 Augoustou 2009, available on:

<http://www.kathimerini.gr/366114/article/epikairothta/politikh/rwsotoyrkikh-symfwonia-provlhmatizei-thn-a8hna>

IV. Conclusions

The divergence between the Karamanlis and Papandreou administrations with respect to Greek-Russian relations reflects significant theoretical and ideological differences both between New Democracy and PASOK, as well as between its two leaders. The liberal institutionalist stance of PASOK, obvious in the development of Greek-Turkish relations since the Helsinki Summit in 1999, was at odds with the neo-realist position of New Democracy, which intended to seize the opportunity of Russia's growing assertiveness in order to balance Turkey and Erdogan. Nevertheless, the attempt of the Karamanlis administration to bring about the first major change in Greek foreign policy since the end of World War II in favor of Russia failed, as it was undermined both by his political adversaries within New Democracy (Bakoyannis), as well as by the strong pro-Atlantic stance of PASOK under Papandreou.

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