"The U.S. and Greece in Today's World" Ambassador Charles Ries Zappeion, Athens March 8, 2005

I am very pleased ELIAMEP offered to host my first speech here in Athens.

The role of a think-tank is to examine current issues, propose policy approaches, and build confidence between states and in regions. You can judge for yourself whether today's speech advances those goals.

But every day, and in many different ways, ELIAMEP fosters understanding, promotes cooperation, and proposes solutions to regional problems. In this respect, I understand one of your special projects is the Halki International Seminar. This annual event brings together young professionals and future leaders.

According to Plato, "The direction in which education starts a man will determine his future life." The relationships forged in the Halki seminars launch a new generation of decision-makers ready to take the reins of responsibility and build a better world. There can be no better legacy from our generation to the next.

Before launching into a review of the very many foreign policy issues that I think will occupy us for the coming few years, let me start with a few personal observations. I am often asked, "Mr. Ambassador, how do you find it here?" There is a simple answer: thavma! Wonderful! Everyone has been welcoming, and quick to explain Greece's many charms to a newcomer. Even the weather has been getting better. I have learned that in Greece there can never too much food, there never can be too much talk about politics, there never can be too much kindness. In short, today's Greece is dynamic, fascinating, and forward-looking but still civilized enough not to have lost its tradition of filoxenia. May it ever be thus!

I have met poets, artists, architects and scholars who could be successful anywhere in the world but choose to live in Greece. Greek entrepreneurs shape the global shipping industry. Greek athletic prowess was showcased in the Olympics with six gold, six silver and four bronze medals. Greek organizational and problem solving talents were displayed in the superb – and safe -- organization of the Games themselves.

For me, however, the Olympian spirit of the country was also expressed in the Euro 2004 championships. With discipline, spirit and improvisation, the courageous Greek football team under the venerable Otto Rehhegel kept winning, with class and courage. Sports are often used as metaphor in politics, but there is much that we in the foreign policy business can learn from that successful Greek team: never give up, know your objectives, and work toward the goal with your teammates.

As I will be explaining this afternoon, I believe we are at another turning point

in history. Important decisions are being made and historic changes are underway. Democracy, that ancient Greek innovation that keeps proving its superiority, is on the march yet again. But the challenges -- indeed the threats to our peace, security and prosperity -- are unlike those we have seen before. If we work together, like that Euro 2004 champion football team, we can prevail. If not, well we may remember the early years of the 21st century as a golden age. Now, isn't that a scary thought?

Let's take a quick look back, however.

History didn't begin on September 11; it only seems that way to Americans. On that day -- and more importantly on September 12 – much of the world rallied to America's side as we struggled to understand the enormity of institutionalized hate and reckless danger that we faced. I remember making a speech a month or two later about the "Spirit of September 12". What I meant was the visceral sense that the civilized world needed to stand as one against those who would strike at innocents to make a political point.

In the spirit of September 12, we launched the global war on terrorism. Working together, we closed down or sharply constricted torrents of money from and through our countries to transnational terrorist networks. The U.S. and our Allies ousted al-Qaida from its Afghanistan safe haven, and today NATO – with a significant Greek component—is helping bolster the security of the democratically-elected government of Hamid Karzai in Afghanistan.

The spirit of September 12 eluded us, however, when it came to dealing with Saddam Hussein's regime in Iraq. The transatlantic consensus fractured, and the United States and a coalition of partners took military action to enforce UN Security Council resolutions, to depose the cruel regime in Baghdad, and to bring freedom to the country.

I know that there was great skepticism in Greece about the basis for our actions in Iraq. But Greece and the United States, along with NATO partners and other countries from around the world, have now joined together to support the new sovereign democratic regime emerging in Iraq. We're training Iraqi security forces through NATO, supplying economic assistance to help people in need and helping Iraqis to build a durable, representative democratic system. I'll return to this common effort in a few minutes.

Enough recent history. As Nikita Khrushchev once said, "The main difference for the history of the world if I had been shot rather than John Kennedy, is that Aristotle Onassis probably wouldn't have married Mrs. Khrushchev!"

President Bush just completed a trip to Europe designed to draw a line through the disagreements of the past and to lay the groundwork for transatlantic cooperation on the challenges of the future. Our purpose is to revitalize America's relationship with Europe, a relationship that has been -- and remains – the bedrock of security and economic prosperity on both sides of the Atlantic. On the trip, the President spoke of his commitment to expand the scope for liberty and freedom in the world, and of his interest in working

closely together with European nations and institutions in doing so. The President also listened closely to his counterparts, as I will do in my time in Greece.

By visiting both NATO and the European Union, President Bush sought to emphasize that the United States values both, as institutions embodying our common values and the mechanisms for advancing our common interests. Much attention was paid to the President's comments welcoming a stronger and more effective European Union. What's interesting is that few noticed that he had said much the same thing last summer, at the US-EU Summit at Drummolland Castle in Ireland. Never mind. The message is what matters. What we must do now is translate our shared agenda into joint actions, on concrete programs, with measurable results.

The President came to Europe at a watershed moment. Great events are unfolding in Afghanistan, in Iraq, in the Middle East. It is also an important moment for the United States and Greece. Greece has taken on new roles and new responsibilities that have expanded Greece's reputation and its circle of friends and allies. As a member of the UN Security Council, Greece is now part of the debate on the most crucial international peace and security issues on the world's stage. Greece's new profile in the world also brings with it additional burdens that we must recognize.

In hosting the 2004 Olympic Games, Greece put on a show that was superbly organized, visually beautiful, and above all, safe for spectators and athletes. Greece won respect and put the world on notice that it had joined the club of nations on the cutting edge of complex anti-terrorism security operations.

Let me begin my review of common tasks then by saying that I believe there should be no "Closing Ceremony" for our Olympics security partnership. We need to use the relationships we forged for the Olympics in the ongoing global war on terror. In this respect, we should not differentiate between domestic and international threats: both will do us harm. Greece suffered for 25 years at the hands of "17 November" terrorists that killed Greek and foreign citizens with impunity. A lucky break and solid police work rolled up most of the organization in 2003. In 2004, members of the terrorist group ELA went on trial. Greece's efforts have made Greece a safer place. But the danger has not been completely eradicated and we cannot let up for an instant. Unfortunately, terrorists only have to be lucky once; governments must be vigilant 24 hours a day, seven days a week.

A related issue is our ongoing collaboration to keep terrorists from getting their hands on materials that could be used to make weapons of mass destruction. As members of the core group of nations in the global Proliferation Security Initiative, Greece and the United States are working together to make it harder for states and non-state actors to circumvent non-proliferation regimes. The sixty nations cooperating in the Proliferation Security Initiative understand that if we do not counter the proliferation of weapons of mass destruction, terrorists can obtain chemical, biological or nuclear weapons to wreak destruction of unimaginable scale.

As a major player in the global maritime industry, we look to Greece to take its rightful place as a country willing to eliminate the danger of unregulated transfer of WMD materials. A proactive stance on PSI objectives will make all of us safer.

Today's world is changing fast, and nowhere is that more apparent than in Greece's immediate neighborhood. Now more than ever, Greece has a chance to improve security and open up new economic relationships to its east. Ten years ago I would not have thought it possible that Athens and Ankara could be so attuned on the issue of EU accession for Turkey. But Greece did it, with long-term leadership consequences for the region as well as in the European Union.

The start of accession negotiations in October between the EU and Turkey creates a new dynamic, and may create new opportunities to resolve the Cyprus issue and Greek-Turkish disputes in the Aegean. Greece did the right thing for Greece last December when it supported Turkey's EU aspirations. Already, Greece is Turkey's fifth-largest trading partner with over a billion dollars in trade annually. Think of the possibilities for Greece as Turkey accelerates its internal reforms to meet EU standards.

The United States has consistently supported the reunification of Cyprus. In 2004 we believed UN Secretary General Annan's plan for a bi-zonal, bi-communal federation was the best opportunity for a solution. But we accepted the vote of Cypriots against the Plan. It remains our firm belief that a viable solution can only be based on the consent and participation of both communities. We now wait for Nicosia to respond to the UN Secretary General's request that the Greek-Cypriots articulate their specific concerns about the Plan. At the same time and together with the EU, we are looking for ways to ease the isolation of the Turkish-Cypriots who supported the Annan Plan last year. The Turkish-Cypriots supported the Plan because it gave them the chance to have the kind of economic prosperity Greek-Cypriots now enjoy. We must not take that chance away. It is not in anyone's interest to allow the disparity in the quality of life between Greek and Turkish Cypriots to grow unchecked.

Another aspect of Greece's new foreign policy involvement is its growing engagement in the Balkans. As the sole country in the region belonging to both NATO and the EU, Greece is the model to which its Balkan neighbors aspire. What you have is what they want -- all the privileges of membership in the European project.

But emerging Balkan democracies must also accept the responsibilities that come with full Euro-Atlantic integration. One of those responsibilities is cooperation with the International Criminal Tribunal for the Former Yugoslavia. There can be no diminution of this important criterion. Persons indicted for war crimes must be removed from their circle of influence and their guilt or innocence must be fairly established. Otherwise, trust between communities cannot be established.

To move the Balkans forward on this path, we should use every existing relationship and every old partnership to assure success. The goal is clear: political stability and improved economic prosperity for everyone. And the sooner, the better, because 2005 is a big year in the Balkans.

The comprehensive review of the "Standards for Kosovo" will shortly be underway. It will determine whether sufficient progress has been made by the Provisional Institutions of Self Government to advance democracy, rule of law, multi-ethnicity, security and the economy. These are the Standards which the EU, the UN, NATO and the U.S. agree are requirements for a stable Kosovo, and the basis on which Kosovo's future status will be assessed.

We welcome the energy and determination that the new government in Pristina has brought to the Standards process. But everyone with a stake in a stable Kosovo needs to make clear that more progress is urgently required to guarantee Kosovo's multiethnic character and ensure security for all. It was, after all, one year ago this month that large-scale violence wracked the province. The best chance for a secure Kosovo in Greece's backyard is if all of Kosovo's communities participate. We need, and Greece's future security and prosperity needs, Kosovo's Serbs to rejoin Kosovo's political institutions and for Belgrade to support this engagement.

It is essential that political progress be matched with economic development. Until the different communities in the ex-Yugoslavia believe they no longer need to compete against each other for their daily bread, there cannot be true stability. In this respect, Greece's Balkan Reconstruction Fund can have a dramatic positive impact. Greece is making the move from recipient to donor nation, working jointly with the U.S. and other European nations to help bring economic opportunity to a region long lacking in hope. We look forward to project signs saying something like "financed by the Hellenic Republic" going up throughout the region.

Another important event on Greece's doorstep will be the European Commission's opinion on the Republic of Macedonia's future. Now, I know you say FYROM and we say the Republic of Macedonia these days, but I think we both agree that it is better for Greece to have its northern neighbor on a solid track toward EU accession. In that vein, the U.S. welcomes new dynamism in the UN talks on the name issue. We fully support these talks and hope they bear fruit soon. My government has made clear it will implement any solution reached through this process.

As democratic tendencies are being strengthened to Greece's north, democracy is also taking root in Greece's southern and eastern periphery. In the last three months alone, there are new democracies standing up in Ukraine, Georgia, Lebanon, the Palestinian territories, Iraq and Afghanistan.

If you needed any further proof that democracy is, in fact, contagious, look at Lebanon. The murder of former Prime Minister Hariri sent shockwaves through Lebanon and uncorked a powerful genie -- the popular desire for

freedom. We fully support the current efforts of the Lebanese people to win an independent, democratic and sovereign Lebanon. International opinion -- in Europe, in the Arab world and in the U.S. – is united on this point.

Last year at the UN Security Council, the U.S. and France joined with other members in calling for Syria to withdraw its troops from Lebanon. Half measures are not sufficient. The international community must continue to make clear to the Syrians that implementation of Resolution 1559 means a complete and immediate withdrawal of all Syrian military and intelligence forces from all of Lebanon. It's the least we can do to support democracy in action.

The "Cedar Revolution" is a vivid illustration that the "Orange Revolution" was no accident. People everywhere, emboldened by the success of democratic opposition elsewhere, are catching on. So, democracy is on the move. And we must move with it. Now more than ever, we must prove our own commitment to the values of liberty and freedom by supporting new democracies emerging from authoritarianism and tyranny. As two of the older democracies on the planet, Greece and the United States have special responsibilities to support, defend and mentor our newest converts to freedom.

The United States is deeply grateful to Greece for its ongoing participation in the International Security Assistance Force in Afghanistan. Thirty-six nations take part in ISAF, providing security in Kabul, and stability in northern Afghanistan. NATO has plans to expand its presence into western Afghanistan in time for parliamentary and local elections. We hope Greece will be one of the Allies contributing to this endeavor. Greece also has reason to be proud of its contribution to the world's newest democracy in Iraq. There are now over 300 NATO personnel on the ground in Iraq training senior military and security-force security personnel. They will help promote a safe and early transition from an international coalition to an all-Iraqi security operation. Nearly 150,000 Iraqi police, National Guard and other forces are already on duty. More are obviously needed, and we are grateful for Greece's recent monetary contribution to the Trust Fund for the NATO Training Mission in Iraq.

Make no mistake -- we know the insurgency continues its brutal attempts to terrorize the Iraqi people. But we also know a second brutal truth -- the insurgency is losing. The January 30 elections proved that the majority of Iraqis were prepared to embrace democracy. Voters also voted against the insurgency and the violence. The success of these elections was the result of the unbelievable courage of the Iraqi people, such as the sacrifice of the Iraqi policeman who threw himself on a suicide bombe outside a polling station in order to preserve the right of his fellow citizens to vote. The international community should applaud their bravery, but we must also reward Iraq's new democrats with fresh resources and expertise.

We are lucky to live in a city with a special place in western civilization. Here the ancient Athenians first perfected the system of government we now share. Our familiarity with Athens' history may mean we take it a little for granted. But others do not. Athens is an icon in the history of democracy; and should equally be an icon for the future of democracy.

The joint goals of the Broader Middle East and North Africa initiative, spearheaded by the United States and the EU's Barcelona Process, are to promote liberty, the rights of individuals, free speech and free markets by working with civil societies in the countries affected. These initiatives were carefully designed to listen and respond to the needs enumerated by civil societies in these countries, not to tell them what to do. Democracy has to be in accord with each country's culture, but respect every individual's rights. We look to Greece, which has a special stake in the success of democracy, to help sponsor these goals, as the symbol of democracy past, present and future.

Supporting the search for peace in the Middle East is a task for all of us. U.S. assistance to the Palestinians is focused on infrastructure, democracy and governance, and humanitarian needs. The U.S. will provide a substantial package of assistance for the Palestinians. President Bush has asked Congress for 350 million dollars for new programs, and we have identified 41 million dollars available now for quick-impact projects. This new assistance comes, in large part, as the natural result of the January presidential elections in Palestine, which international observers agreed were free, fair and democratic.

But foreign assistance must be matched by domestic resolve. Therefore, Israel's proposal to withdraw settlements from Gaza and parts of the northern West Bank offers a welcome opportunity to revive progress toward a two-state solution and to resume movement along the roadmap. We are encouraging both the government of Israel and the Palestinian Authority to coordinate on the implementation of the Gaza disengagement plan.

Of course, the Palestinians must reject terrorism and dismantle terrorist infrastructure. The February 25 suicide attack outside a Tel Aviv nightclub was unacceptable. We welcomed President Abbas's statement last week at the London Conference that the Palestinian Authority has taken the decision to unify its security services. At the request of the parties, Lieutenant General William Ward will work in the region as a senior security coordinator to assist Israeli-Palestinian security efforts. His particular focus will be to coordinate the activities of states in the region and around the world that wish to contribute to training, equipping and reforming the Palestinian security forces.

There is room for other initiatives as well, to focus the parties on specific aspects of democratization or to take on economic or cultural projects that further understanding in the region. Young people need to be taught the basics of civic responsibility. We need to draw women into the electoral process. These tasks may need western expertise to get going.

Before closing, I'd like to make a couple of observations on the economic/trade side of our relationship that I hope to speak about in more detail in the coming weeks. Greece has become increasingly economically

linked to the EU. In 2003, nearly a half of Greek trade was inside the EU. This gives Greece the opportunity to influence and shape EU economic policies for everyone's benefit, drawing on its own understanding of the importance of trade, both inside and outside of the European Union.

But it also means that half of Greece's trade is outside the EU. Bilateral trade between the U.S. and Greece reached 3 billion dollars in 2003. From 2002, Greek imports of U.S. goods rose by 35 percent while Greek exports to the U.S. rose by 38 percent (by value). This growth is a promising trend. However, Greece is not even in the U.S.'s top 50 trade partners. More needs to be done to expand and deepen the trade ties between our two countries and to bring the WTO's Doha Round to a successful conclusion.

Investment is the other half of our economic relationship, and the U.S. has over 2.5 billion dollars in direct and indirect investments in Greece. But this number has grown slowly; too slowly. If Greece can continue to move forward with the reforms to its tax code and one-stop investment offices, as it has talked about, that number could well get much larger.

To sum up, then. In my view, the world is changing fast and U.S.-Greek relations are changing as well. There is no contradiction between a strong Europe and strong trans-Atlantic ties. The President's recent trip was all about this. For that matter, there is no contradiction between a strong Europe and strong bilateral ties between the U.S. and EU member states such as Greece. In fact, in many respects transatlantic relations begin in relationships between capitals, and between peoples.

The United States and Greece share interests in fighting terrorism at home and abroad, in building stability in the Balkans, in fighting the proliferation of weapons of mass destruction, in promoting peace and the spread of democracy in the Middle East, in reunifying Cyprus, and in supporting Turkey's European Union aspirations.

We cannot build a safe world just by saying so; we must make it so. I am committed to working constructively with Greece, and optimistic that together - be it at the UN, NATO or within the U.S.-EU relationship -- we can achieve great things ahead. Thank you.