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CYPRUS CENTER FOR EUROPEAN AND INTERNATIONAL AFFAIRS University of Nicosia

1993-2023 THIRTY YEARS OF POLICY FORMULATION AND ANALYSIS

## THE CYPRUS QUESTION, THE GRECO-TURKISH RELATIONS AND THE PROSPECTS OF ENERGY COOPERATION IN THE EASTERN MEDITERRANEAN\*



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This paper assesses recent developments in relation to the Cyprus question, the Greco-Turkish relations and the prospects for energy cooperation in the Eastern Mediterranean. Inevitably events in this region are also affected by international developments as well.

#### The Cyprus question at its current face

The Turkish violation of the *status quo* and of international law at the Pyla area as well as the attacks on members of the UNFICYP on August 18, 2023 are indicative of the Turkish designs for expanding and deepening the occupation. The statement of the Security Council of the UN on August 21, 2023 which condemned Turkish actions, constituted a step in the right direction. But it is not enough.

It is essential to put things into perspective. Ever since the Turkish invasion and occupation of the northern part of Cyprus in 1974 there have been various international efforts and multiple rounds of bicommunal negotiations under the auspices of the UN to resolve the Cyprus problem. Despite major concessions of the Greek Cypriot side there has been no resolution of this complex issue. The Turkish side has been consistent in insisting on a solution that would legitimize its actions in Cyprus and also render this island-state into its own protectorate.

The most recent efforts under the auspices of the UN climaxed and failed at Crans Montana in early July 2017. The Turkish side insisted on maintaining its guarantees in the new state of affairs. Furthermore, there were other

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thorny issues including governance. Greek Cypriots felt that had they agreed with the Turkish demands, there would be serious problems with the decision making process to say the least. It should be also noted that one of the Turkish demands was rotating presidency.

A few months after this failure the Turkish side came up with the demand for a two state solution. Its major objective though is confederation so that it would strategically control the entire island. After all, the Turkish Cypriot leader Ersin Tatar spoke about common representation abroad and joint exploitation of the energy resources of Cyprus (which are located in the south of this island-state). President Erdogan also repeatedly declared that there will be no negotiations unless the "TRNC" is recognised by the Greek Cypriots.

At the same time, the colonization and islamization of the occupied northern part of Cyprus continues ceaselessly. Associated with these developments is the continuation of the usurpation of Greek Cypriot properties. Turkey and the occupation regime in Cyprus have also plans for Famagusta. In addition to this, the hybrid warfare against Cyprus continues.

Since his election in February 2023 President Christodoulides has been stressing the need to resume talks on the basis of a bizonal bicommunal federation with the enhanced participation of the EU. It is questionable where such a course of action could lead, given the current (im)balance of power in the broader region.

Obviously, circumstances are difficult. Cyprus has to have a strategy including a narrative. In this regard, it is essential to compare and contrast the response of the West to the Russian invasion of Ukraine with the Turkish occupation of the northern part of Cyprus. It is also worthwhile mentioning that in February 2004 Shlomo Avineri, commenting on the Annan Plan that was given to Cyprus by the international community, stated that it amounted to "the favourite occupation of the EU and the UN".

#### **Cyprus and the Greco-Turkish Relations**

Although the Cyprus problem is usually addressed as a biethnic/bicommunal issue, it is essential to keep in mind that this is not the most important dimension. It is also an international and a European issue. And certainly it also entails a Greco-Turkish dimension.

Developments in the 1960's were influenced to a great extent by the imbalance of power between Greece and Turkey and the Cold War. Furthermore, repeatedly there were different positions between Athens and Nicosia. Greece was/is a NATO country while President Makarios pursued a non-aligned policy. The Cypriot President was also strongly opposed to any kind of a solution which would entail offering Turkey any part of Cypriot

territory as a military base or else. Makarios also declared that the Republic of Cyprus would cease to exist only in the case of Enosis- unification of the entire island with Greece. In the latter part of 1967 he declared that given circumstances pragmatism dictated pursuing a policy for an independent unitary state.

The coup of the American-led Greek Junta on July 15, 1974 against President Makarios gave a unique opportunity to Turkey to invade Cyprus a few days later, on July 20. The Junta collapsed on July 23 but Cyprus was left alone against Turkey. By August 16, Turkey had captured 37% of the territory of Cyprus and committed multiple atrocities. The Greek Junta had caused a war in Cyprus but it abstained from fighting. For its own reasons the new democratic government of Greece which replaced the Junta under Karamanlis did not fight either.

Be that as it may, Greece has particular obligations towards Cyprus:

- Greece is a guarantor power of the independence and territorial integrity of the Republic of Cyprus;
- There are ethnic ties between Greece and Cyprus; the unwritten law as well as moral obligations call Athens to support Nicosia and to also correct past mistakes to the greatest possible extent.

Moreover, Greece has to support Cyprus for its own interests. It is not only a matter of national prestige. If Turkey has its way in Cyprus the balance of power will be altered further and, in a way, that Greece will be in a worse situation. And Greek interests in the Aegean will suffer.

Despite all this the official policy of Athens is to decouple the Greco-Turkish relations from the Cyprus question. More specifically, according to Athens the only issue with Ankara is the delimitation of the exclusive economic zones between the two countries and of the continental shelf. One should understand that Athens has a rather defensive stance given that one of the major objectives of Ankara is the revision of the Treaty of Lausanne.

Furthermore, it seems that the official Greek policy may be indicative of a perception of relative weakness in the Eastern Mediterranean. Perhaps an understanding that in the past the record of its Cyprus policy was poor, to say the least, may be an additional reason for this approach. This should be revisited.

#### **Energy cooperation in the Eastern Mediterranean**

The West would prefer to see the full exploitation of energy resources in the Eastern Mediterranean for the countries of the region and if convenient for the EU as well. It would also prefer to see Turkey moving away from Russian energy.

It would be very difficult for Cyprus to exploit its energy resources without some understanding with Turkey. While a solution of the Cyprus problem is extremely difficult, if not impossible today, it would be useful to explore an evolutionary process involving:

- (a) The de facto delimitation of the EEZ between Cyprus and Turkey and the exploitation of energy resources with mutual benefits for all parties involved (including the Turkish Cypriot community);
- (b) The implementation of the Ankara Protocol;
- (c) Steps toward the implementation of the UN resolutions in relation to Famagusta;
- (d) Delimitation of the economic zone between Greece and Turkey;
- (e) More and more steps to address Greco-Turkish issues and the Cyprus question.

It is also essential to note that at the last trilateral meeting between Cyprus, Israel and Greece in Nicosia on September 4 still no definite decision was made on gas. Several options remain open.

#### The way forward for Cyprus

Cyprus must have a comprehensive strategy based on pragmatism. It is essential to understand the importance of a narrative and also move accordingly in the international market of ideas. It should also enhance its defence capabilities and also be in a position to utilize effectively a strong network of relations. A strong economy is also indispensable. Cyprus should also become a model state which would be in a position to serve multiple interests and objectives in the broader area.

In relation to addressing the Cyprus question it is essential to enrich the process of the bicommunal negotiations under the auspices of the UN. Afterall the results of this process have not been positive to say the least. Perhaps the adoption of a strategy which focuses on an evolutionary process may yield better results. Understandably, Turkey should also have an incentive to move forward with positive steps.

## NEW ENERGY COOPERATION OPPORTUNITIES IN THE EASTERN MEDITERRANEAN REGION



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The East Mediterranean region presents a plethora of challenges, yet it also harbors considerable prospects for collaboration, particularly in the realm of energy. If the new governments in Greece, Israel and Cyprus capitalize on these opportunities, they can foster increased cooperation not only amongst themselves but also with the countries of the Arab Gulf region. This paper will focus on three specific cooperation opportunities that can potentially create a unified energy region that spans between the East Mediterranean and the Arab Gulf. These are: (1) forging collective efforts to safeguard oil transit from the Gulf to Europe, (2) facilitating liquefied natural gas (LNG) production and distribution to Europe and Asia, and (3) interconnecting electricity grids between the Gulf region and the East Mediterranean.

#### 1. Safeguarding oil transit from the Arab Gulf to Europe

On a daily basis, approximately 22 million barrels of oil transit through the Straits of Hormuz. Until the Russian invasion of Ukraine in February 2022, most of this oil, approximately 75%, was directed towards Asian countries such as China, India, South Korea, and Japan, while only a small portion reached Europe. In turn, Europe heavily relied on oil coming from Russia, as around 70% of Russia's oil was transported westward. However, the conflict in Ukraine has altered these dynamics. With Russia facing restrictions in selling oil to Europe, it has redirected its focus towards the East, offering discounted rates for oil to China and India, thereby eroding the market share of the Arab Gulf States. This shift has led Russia to seek alternative routes for its oil shipments to Asia, mainly through the Arctic and the East Mediterranean.

Conversely, oil from Arab Gulf is now being redirected towards Europe to compensate for the loss of Russian supply. This oil traverses the Bab-el-Mandeb and subsequently transits the Suez Canal before reaching the East Mediterranean. Consequently, the flow of oil and LNG tankers passing through

the Red Sea and the East Mediterranean has experienced a significant surge, at times reaching triple the volume compared to the previous year.

These developments have transformed the East Mediterranean into a bustling hub for oil and LNG transit, both in the north-to-south and south-to-north directions. Such circumstances necessitate enhanced coordination among the countries of the East Mediterranean, both in terms of security and environmental concerns. Additionally, these developments have piqued the interest of the Arab Gulf countries in the stability of the East Mediterranean region. To safeguard against threats such as Iranian/Houthi actions, sabotage, and piracy targeting oil and LNG tankers heading north, security cooperation in the Red Sea becomes imperative. Notably, naval forces from the UAE, Israel, Greece, Cyprus, and Egypt have already begun displaying signs of cross-regional coordination.

Nevertheless, even with the mitigation of security issues, geographical constraints continue to present a bottleneck for the Arab Gulf States' ability to fully substitute European dependence on Russian oil. The shallow and easily congested nature of the Suez Canal restricts the capacity to entirely replace Russian supply. Consequently, Israel can act as an intermediary for Europe through its existing oil pipeline, the Europe-Asia Pipeline Company (EAPC). However, this solution is only temporary. If the Gulf States aim to ensure the security of their current and future supplies, establishing an "infrastructure land corridor" between the Gulf and Israel would serve them significantly. This corridor could encompass an LNG pipeline (which can potentially evolve into a hydrogen pipeline), electricity power lines, a high-speed railway, and a highway. Such an endeavor would require Saudi Arabia to normalize its relations with Israel to varying degrees, but it is within the realm of possibilities if Greece, Cyprus and the EU explicitly express their desire for such a corridor.

#### 2. LNG production and distribution to Europe

Over the past decade, Israel, Cyprus, and Greece have made several attempts to advance a pipeline project to Europe known as the "EastMed Pipeline". While political disputes in the region, particularly the contention with Turkey over maritime borders, are often cited as the main obstacle to this project, the economic and engineering challenges are equally significant. The construction of the EastMed Pipeline is a costly and complex endeavor that necessitates substantial government investment and state-sanctioned guarantees to attract private market involvement. Without such support, the private market is unlikely to invest in the project. Moreover, buyers in Europe would need to commit to expensive long-term contracts at fixed prices for the next 10-15 years to justify the pipeline's costs. Although the war in Ukraine led to an increase in gas prices and demand in Europe, it is still insufficient to convince the private market to invest in the pipeline, as they cannot be certain

that gas prices will remain high five years from now when the pipeline is projected to be completed. Consequently, as long as the free market determines investment decisions, the construction of physical infrastructure from the East Mediterranean to Europe remains too risky.

While the war in Ukraine has not altered these calculations for the private market, it has prompted the EU to realize that energy security cannot be solely left to market forces. The EU is now placing a significant emphasis on LNG imports as a means to circumvent the political challenges associated with natural gas pipelines. The EU is actively supporting the construction of new LNG intake facilities in Eastern Europe, and not just in West Europe where reliance on Russian gas is comparatively low. Over the past year, we have witnessed the emergence of new LNG regassification projects in Croatia, Greece, Italy, Estonia, Poland, and Germany. However, there remains a question of who will fulfill the growing LNG demand in Europe. In 2022, Europe benefited from a mild winter and COVID-19 lockdowns in China, which freed up considerable LNG supply for spot markets. However, as competition for LNG intensifies once China recovers and if Europe experiences a cold winter in the upcoming years, new LNG suppliers will be sought after.

These developments are rendering LNG production in the East Mediterranean a more viable option than before. They also offer the countries in the region greater flexibility to cater to Asian buyers in the event that Europe reduces its gas demand to meet net-zero targets after the war in Ukraine concludes. There are thus three feasible options for new LNG projects in the region: (1) The Egyptian option is the most cost-effective since Egypt already possesses two LNG facilities and is constructing a third. However, this solution is not ideal for Israel and Cyprus, as it relinquishes their control over the gas and denies them the opportunity to profit from rising LNG prices in Europe, given that the gas is sold to Egypt at a fixed price. While constructing an LNG plant in Israel is unlikely due to NIMBY (Not In My Backyard) issues and limited available shoreline, the remaining options are (2) a floating LNG ship or (3) plant in Cyprus. Both alternatives have advantages and disadvantages in terms of price, timelines, and their impact on relations with Egypt, which may perceive them as competition to its own regional dominance in LNG exports. Unresolved issues with Turkey may also hinder progress, although the direct involvement of Israel in the projects may help facilitate a more peaceful conclusion. Whichever option is pursued for LNG production in the East Mediterranean, clear cooperation among the countries in the region is crucial to justify the associated costs of such expensive projects.

## 3. Connecting Electricity Grids Between the Arab Gulf and the Eastern Mediterranean

When analyzing the geopolitics of renewable energy, analysts often narrow their focus to the competition between the United States and China concerning rare earth minerals, battery, and turbine manufacturing. However, this emphasis represents only the initial aspect of the intricate international politics and cooperation required for the success of renewable energy integration. The second critical component entails upgrading each country's electricity grid and establishing interconnections with neighboring countries to effectively integrate cleaner sources of electricity without compromising grid stability or causing its collapse during extreme weather events.

One of the main challenges associated with solar and wind energy is their intermittent nature, resulting in insufficient electricity generation on the one hand, and surplus electricity during periods of low demand on the other hand. This surplus can potentially overwhelm the grid, leading to frequent blackouts. Given the limited availability and high cost of electricity storage technology, countries such as the United States have encountered obstacles in connecting completed renewable energy projects to the grid due to its insufficient capacity. To overcome this issue, countries have begun linking their electricity grids, enabling the transfer of excess electricity to regions with greater demand. For instance, Germany and Poland, as well as Denmark, have established grid connections to effectively manage surplus electricity.

Consequently, if the Gulf region and the East Mediterranean region aim to integrate a larger share of renewable energy into their respective systems, upgrading and connecting their electricity power lines becomes imperative. This approach ensures grid stability and offers the opportunity for countries to sell electricity to one another. For instance, a power line extending from the Gulf region to Israel, from Israel to Cyprus, and from Cyprus to Greece would be mutually advantageous, enhancing energy security and fostering economic relations through expanded trade opportunities.

To advance these ambitious goals, increased cooperation is crucial. The ideal platform for such collaboration is the "East Mediterranean Gas Forum" (EMGF), which can naturally evolve into an "East Mediterranean Energy Forum" encompassing not only gas but also electricity, hydrogen, and transit security. Over time, this forum might even develop into an "East Mediterranean Economic Forum," serving as a comprehensive platform for regional cooperation and coordination.

## A PARADIGM SHIFT IN THE MAKING? WHAT CAN BE EXPECTED AFTER THE ELECTIONS IN CYPRUS, GREECE AND TURKEY



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The post-electoral setting in Greece, Cyprus, and Turkey has allowed both for the governments of the three countries to consider and act upon a more conciliatory policy course of action in their foreign policies with regard to each other as well as to widen the scope and their foreign policymaking toolbox.

Albeit the fact that at least for Athens and Nicosia, the key foreign policy objective is attending to the challenges posed by Turkish foreign policy, as the war in Ukraine sees no signs of abating anytime soon, the decision-making capacities and prerogatives of the three countries are being more clearly elucidated. In other words, the context has provided for an opportunity to widen the capacity of their foreign policy making by providing them with additional instruments in the regulation of their bilateral relations. Let me elucidate further:

Turkey finds itself very much in the realm of a foreign policy drift away from the West yet attempting to entrench itself with the West on its terms amidst a serious economic downturn that finds the country in search of institutional, predominantly Western, investors. The reelection of President Erdogan in May this year coupled with the support of and dependence on far right political forces and the most conservative parliament in the country's history as well with the forthcoming celebrations of the centenary of the Republic of Turkey in late October imply that the discourse of strategic autonomy toward the creation of the "New Turkey" envisaged by Erdogan and the governing party is bound to dominate both the content of the country's foreign policy and its visuals. The balancing act with Russia is increasingly difficult to maintain as the lack of trust with the United States and many of its NATO and western allies is mounting as, inter alia, the accession of Sweden in the Atlantic Alliance has yet to come to fruition. Nevertheless, realism also seems to prevail in Ankara as it understands that while its undisputed primus inter pares role that it has maintained since the 1950s in the Alliance's Southern flank is now disputed and might never return, it needs to share its leadership with Greece and other regional powers such as Israel (and Egypt) if it does not want to be considered to be a permanent spoiler to western interests in the region. Hence, the post-election turn toward rapprochement with Greece and the relatively lighter tone in its criticism of President Christodoulides of Cyprus and the ambivalent discourse regarding the solution it favours with regard to Cyprus.

For Greece, the address of Kyriakos Mitsotakis to the joint session of US Congress in May 2022, implies that the country's role has fundamentally been augmented both as a strategic partner of the United States and a security provider in the Southeastern flank of the Atlantic Alliance. The immediate without reservation positioning of the Greek government against the Russian invasion of Ukraine and its steadfast support of sanctions and other actions as expressed by the G7 and the European Union coupled with its foreign policy initiatives in Southeastern Europe and the Eastern Mediterranean as well as its defense agreements with the United States and France has found Athens dealt with a stronger hand than in the past. The strong showing of the New Democracy government in the May elections has "liberated" the government's hand to transcend some of the prevailing reticence, both in political and policymaking circles as well as within the public domain, to consider a new more resilient modus vivendi with Turkey that would account for the new realities in the regional and global contexts as well as the need of a greater role for the country at the core of both NATO and EU decision-making.

For Cyprus, the election of President Christodoulides in February 2023 allows for potentially a new dynamism and vision regarding the country's foreign policy and the resolution of the Cyprus problem. Cyprus' careful strategic shift toward the western security umbrella as manifested by the growing American and French presence on the island as well as its clear support of Western actions against Russia has also strengthened its bargaining power as evidenced by the recognition in a number of European Council conclusions that the Cyprus problem is an EU imperative and that any significant progress in EU-Turkey relations cannot be achieved at the expense of the Republic of Cyprus and its interests. Also, much like the Greece case, the continued pursuit of enhanced relations via bilateral, trilateral, and multilateral schemes with other regional actors and their relevance beyond the immediate region in terms of energy prerogatives and security considerations has also strengthened Nicosia's negotiating hands.

Hence, the post-election context in the three countries, in the shadow of the ongoing war in Ukraine and the growing relevance of the Eastern Mediterranean region, implies that the onus is on Athens, Nicosia, and Ankara to responsibly avoid being perceived as spoilers to addressing the exigencies of their national and international security considerations. The stakes are too high for the three countries and their leaders not to work systematically toward an attempt to enhance trust building among themselves and, if the conditions permit, towards a more resilient and sustainable modus vivendi. In other words, the conditions are such that from the different perspectives

of Greece, Cyprus, and Turkey, a paradigm shift in their relations might be possible but should it not come to fruition, they can responsibly establish frameworks and mechanisms that would shield the three countries from a serious systemic downturn.

# FROM THE 2018-2022 GREEK-TURKISH "GEOPOLITICAL ROLLER COASTER" TO DÉTENTE DIPLOMACY A PATTERN THAT STUBBORNLY LIVES ON



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Since the eruption of the Aegean dispute in 1976 four dangerous standoffs between Turkey and Greece in the Aegean Sea brought the two NATO members to the brink of war. In all these cases though, the standoffs ended with a détente and a promising diplomatic initiative to ease tensions and solve the dispute. In 1976 and 1987, a few years after Turkey's invasion of Cyprus and the de facto division of the island, the two Sismik 1 (a Turkish research ship dispatched in the Aegean, offshore Greek islands) incidents ended after US and NATO mediating interventions and the two parties returned to the negotiations table, in both cases with promising perspectives. In 1996 the two countries got very close to military conflict due to the crisis in Imia islet and Turkey's dispute of Greece's sovereignty. Three years later, following a persisting US diplomatic initiative and mutual assistance shared by the two neighboring countries after the deadly earthquakes in Marmara and Athens, Turkey and Greece achieved the Helsinki consensus that paved the way for Turkey's membership negotiations with the European Union (EU).

However, and despite the settlement mechanism agreed in Helsinki, the dispute carried on. In 2020, another standoff with very similar attributes seems to be followed by a period of détente and diplomatic efforts to solve the dispute. Apparently, the pattern lives on. This article examines the origins and the evolution of this recent crisis and tries to estimate the future trends, given the repeating nature of these spirals of tension.

#### Maritime zones in the Eastern Mediterranean, action and reaction

The origins of this most recent round of tension goes back to the fall of 2018, when Turkey announced that it would proceed with its own exploratory drillings for natural gas in the Eastern Mediterranean, in view of Exxon Mobil's upcoming drilling in block 10 of the Cypriot exclusive economic zone (EEZ). It must be noted that this announcement came as a step of further escalation in the framework of Ankara's gradually deployed strategy, aiming to interrupt

the Cypriot offshore drilling program which started in 2011. In the meantime, Greece, Cyprus, Israel and Egypt had reached a consensus on Eastern Mediterranean energy affairs which was sealed with the creation of the Eastern Mediterranean Gas Forum (EMGF) in 2019 (officially transformed to an intergovernmental organization in 2020), where all Eastern Mediterranean States participate (including Israel and the Palestinian Authority), with the exception of Turkey, Syria and Lebanon. Based on their consensus on maritime zones, Israel, Egypt, the Republic of Cyprus (RoC) and Greece formed a coalition that spans several domains of common interest, including trade, tourism and security cooperation. In the same context, Turkey's disturbed relations with Israel (after 2010) and Egypt (after 2014), in conjunction with its pre-existing disputes with the RoC and Greece, have contributed to the formation of a geopolitical juncture that favored these partnerships.

In May 2018, the Presidents of Egypt, Greece and the RoC agreed that they would proceed with the delimitation of the common part of their EEZs in full respect of international law, without though setting any specific timetables. This is a particularly thorny issue due to Turkey's strong opposition; Ankara considers such an arrangement as a hostile act that would cut off its access to Eastern Mediterranean maritime resources. To create a fait accompli that would deter the RoC, Greece and Egypt from proceeding with their own delimitation plans, Turkey signed an MoU with the internationally recognized Presidential Council of Libya in November 2019, agreeing on the delimitation of the two countries' maritime zones. The background of this MoU is related with Turkey's support to President Fayez al-Sarraj to encounter the attack of the forces under General Khalifa Haftar (who was backed by France, Egypt, the UAE and other countries), earlier in 2019. The paradox is that the delimitation agreed by Turkey and Libya defies the geographic position of Greek islands such as the Dodecanese complex and Crete, thus the condemnation of the MoU by Greece and the subsequent expulsion of the Libyan Ambassador in Athens. It must be noted that a central point in Turkey's legal argumentation (also applicable to the Greek-Turkish dispute over the Aegean) is that islands should not be entitled continental shelf or EEZ. According to Ankara's interpretation of the Law of the Sea, the principle of equitable solution dictates that it is the mainland of Greece that should be taken as base point in the delimitation of maritime zones with Turkey, not the geographically advanced Greek islands.

The Turkish-Libyan MoU can also be associated with Ankara's efforts to hinder the materialization of a deal between Israel, Cyprus, Greece and Italy, to create an offshore/onshore gas pipeline that would transfer natural gas from the Eastern Mediterranean to Europe, which has been a matter of discussion since 2015. The signing of an intergovernmental agreement on 2 January 2020 (with the exclusion of Italy, which would accede to the agreement at a later stage) for the creation of the EastMed pipeline suggests an ambitious

step towards the creation of a new energy corridor that could provide Europe with an alternative source of energy supply, although the feasibility of the project is still questioned.

#### The March/August 2020 crisis

In March 2020, a very serious Greek-Turkish crisis erupted. It started when thousands of migrants and refugees hosted in Turkey tried to get into Greece (and from there to the rest of Europe) en masse, at the border checkpoint in Kastanies, Evros. A second and more serious part of the episode erupted in July and August 2020, when Turkey dispatched Oruc Reis, a research ship suitable for seismic surveys, in waters close to the Greek island of Kastellorizo, an action considered by Greece as violation of its sovereign rights. Turkey supported Oruc Reis with military escort in order to protect it from potential Greek military reactions, so the crisis escalated quickly and a serious military incident between the two NATO allies was, for several weeks, very likely to happen. These interconnected incidents adjusted Athens' framing of the threat posed by Ankara, according to perceptions of an increasingly revisionist Turkey. In other words, the level of perceived threat was upgraded. This perception of upgraded threat was met with some moves both at the tactical as well as the strategic levels that signified a transformation of the Greek deterrence doctrine mutatis mutandis. The dispatch of French and Emirati military forces during the crisis in support of Athens, as well as the mutual defense pacts that Greece signed with France and the UAE in the months that followed, constitute the most salient indicators of this change. Furthermore, Greece opted for a significant upgrade of its military forces, including the purchase of state-of-the-art French frigates and fighters, as well as the launching of the process for ordering US F-35 fighters. The later purchase, apart from its significance in purely military terms, also bears outstanding symbolism: in December 2020, Washington imposed sanctions against Turkey, pursuant to section 231 of the Countering America's Adversaries Through Sanctions Act (CAATSA), in December 2020, due to the latter's purchase of the Russian S-400 missiles which could intercept the F-35 radar system. Among other sanctions, this development brought about the freezing of Turkey's efforts to acquire the F-35 jet and its expulsion from the consortium that builds the new generation of the fighter.

#### "We may come suddenly one night"

Another issue that stimulated the spiral of tension was the so-called "Blue Homeland" ("Mavi Vatan"), a narrative that added to the Greek perceptions of increasing Turkish revisionism. This was the code name of a Turkish military exercise that showcased the capabilities of the Turkish navy in the Black Sea, the Aegean and the Eastern Mediterranean, in 2019. It eventually became the official codename of Turkey's claims both in land and the sea, a form of Turkish "lebensraum".

The "Blue Homeland" doctrine has been perceived in Greece as the incarnation of a revisionist agenda that aspires to undo some of the Lausanne Treaty's arrangements, particularly in relation with Greece's sovereignty over Aegean islands. Statements made by President Erdoğan and other members of his government leaved very little room for alternative approaches. The alarming rhetoric that President Erdoğan and his government officers implemented vis-à-vis Greece until February 2023, with the use of symbolic quotations like "we may come suddenly one night", was perceived by analysts and policy makers as a prelude to a radical move that would bring tension in Greek-Turkish relations to unprecedented heights. To a large extend, this increasingly aggressive rhetoric can be attributed to the elections of May 2023 and President Erdoğan's need to enhance his appeal among nationalist voters. The more the election day was approaching, and the opposition seemed placed to win, the more the Turkish rhetoric on Greece, the Eastern Mediterranean and the "Blue Homeland" was going aggressive.

#### New détente, new hopes (?)

The earthquakes that killed tens of thousands of civilians in Central Turkey and Syria in February 2023 essentially ended the longest spiral of tension in Greek-Turkish relations since 1974. In a similar way as in 1999, the humanitarian factor reshuffled priorities. The earthquakes essentially offered a justifiable exit from the geopolitical rollercoaster that started in 2018 and it seemed capable of drawing the two sides either to a voluntary fall from the ride, which would entail a lost chicken game for the one and a triumph for the other, or to a mutually disastrous crash. Erdogan's win in the run-off in May, along with Kyriakos Mitsotakis' landslide victory in the Greek elections in June and July, removed the irrationalism of electoral calculations and offered a large time frame for a sustainable diplomatic momentum, a sine qua non condition for easing tensions and settling disputes. This momentum is enhanced by a broader effort made by President Erdoğan to re-establish relations with the West, Israel, Egypt, Saudi Arabia, and the UAE, mainly due to the dangerous deadlock that the Turkish economy was faced with.

However, there other indicators which suggest that the 50-years-old pattern of repeating crises and unsuccessful diplomatic initiatives will not change. Changes in regional and global politics suggest that a new deadlock is more likely than a historic breakthrough. The Justice and Development Party (AKP) and Erdoğan's two-decades-long undisputed primacy in Turkish politics has transformed dominant perceptions in the country. Despite efforts to reassure the US and the EU of President Erdoğan's intention to reestablish relations with the West, the Turkish society is increasingly going anti-Western, while Turkey's Eurasian orientation has hardly been reversed. The war in Ukraine has raised Turkey's geopolitical value to such an extent that Washington and Brussels seem eager to do what it takes to revitalize their relations with Ankara. Apparently though, the Turkish government interprets this approach

not as a "welcome back hug," but as a bargain chip which could turn against Greece and Cyprus any time. The obstacles set by Ankara in relation with the accession of Sweden to NATO is indicative of this perception.

In another vein, Turkey's policy on the Cyprus question remains increasingly revisionist, as the demand for a "two states" solution, developments in Famagusta's fenced-off old city and the recent incident in the buffer zone reveal. Contrary to Greece's upgraded deterrence capacity, the RoC lacks sufficient means to credibly project power, which leaves plenty of room for the deployment of Ankara's revisionist agenda. For the Greek-Turkish breakthrough to materialize without any positive developments in Cyprus, the Greek government would have to persuade its (also increasingly nationalist) domestic audience to forget about Greece's traditional role and guarantor obligations in the island. Although there are voices in Athens calling for such a decoupling, and despite the government's strong parliamentary majority that currently offers remarkable freedom of action, this is not the likeliest scenario, at least not a sustainable one. For now, Greece will probably try to jump over the Cyprus hurdle, but this approach cannot survive for a long time. The Aegean dispute and the Cyprus problem remain interconnected in many different ways. Even if Athens tends to forget this detail, sooner or later Turkey will send a reminder...

### AFTER THE ELECTIONS IN CYPRUS, TURKEY AND GREECE: A VIEW FROM ISRAEL



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After the elections in Cyprus, Turkey and Greece, one can witness an atmosphere of somewhat relaxation in the regional tensions in the Eastern Mediterranean. A contributing factor to this relaxation of tensions has been the aftermath of the devastating earthquakes in Turkey and in Syria that spurred what is at times termed as 'earthquake diplomacy'. This relaxation of tensions is a positive development from the perspective of Jerusalem, as Israel is a status quo actor when it comes to the Eastern Mediterranean. Such a relaxation of tensions is also beneficial to Israel as it allows it to maintain its excellent relations with Nicosia and Athens but at the same time gives a chance for its 2022 normalization of ties with Turkey to develop.

As Israel needs other countries in the region for its exports of natural gas and as there is hope to lure more energy companies to do explorations for possible new gas findings in the region, a relaxation in tensions is a highly positive development. Indeed, the hope for new natural gas findings in the region is one of the explanations for so much diplomatic momentum regarding possible export routes, as it is not clear that the current discovered quantities justify some of the discussions. There are also different creative solutions to solve issues, such as the too small to export independently Gaza Marine gas field, waiting to be adopted.

When addressing the view of the region from Israel's perspective, one cannot ignore the internal crisis now engulfing the state. The sharp polarization has resulted in an unprecedented crisis in Israel with major political ramifications. One of Prime Minister's Benjamin Netanyahu's achievements during the years he was prime minister was the blossoming of Greece-Cyprus-Israel ties. Compared to other relationships Israel has with different countries, that are now strained, Greece and Cyprus remain countries which show strong support to Israel. This is a very welcomed development in Jerusalem. This position of Nicosia and Athens does not mean they are not also concerned by the internal crisis in Israel (as are all countries that hope for the well-being of the state of Israel), but rather that this relationship has become so robust that it is one that endures also in periods of hardships. It should also not be

forgotten that the partnership between Cyprus, Greece and Israel is also based on their democratic character, and hence it is also in the interest of Nicosia and Athens that the internal crisis in Israel will be solved through a wide consensus agreement. It also should be stressed that no matter how the internal crisis in Israel will be resolved, having good relations with Cyprus and Greece will remain a priority for whichever government is in place in Israel.

The current relaxation of tensions in the Eastern Mediterranean follows an even more dramatic relaxation of tensions between many countries in the Middle East. Overall, there is a constructive atmosphere for discussions, that can also contribute to growing links between the Eastern Mediterranean and the Middle East. This can manifest itself in greater collaboration in the energy, economy, defense realms and in cooperation surrounding climate change. If Israel manages to reach normalization with Saudi Arabia, these contacts can be elevated further. The suggestion in the last Cyprus-Greece-Israel heads of state trilateral meeting to include India in some of the future discussions is another indication to where this relationship can be advanced and links to the far East.

Still, as just a few years ago, tensions in the Eastern Mediterranean heightened, the question of how long the current relaxation in tensions will last is still looming. This is also true to the Israel-Turkey current attempt of normalization in relations after the previous attempt held for less than two years. If the states continue to view the most stressing issues as those concerning security in the traditional sense and national pride, then it is doubtful one can expect major change. If however the occurrences of the devastating fires and floods in Greece, Cyprus and Turkey are a wakeup call that the major battle these days is mitigating the effects of climate change, than the prospects of cooperation in the region are much higher and indeed a regional task force to deal with extreme weather conditions should be seen as a desirable direction to explore.

#### THE 2023 ELECTIONS IN GREECE: LESSONS AND EXPECTATIONS



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The center-right New Democracy political party scored a landslide victory with 40.5 percent of the vote in the second round of national elections held on June 25<sup>th</sup>, 2023. The victory margin of 22,7 percent between New Democracy and SYRIZA, the main opposition party that run the country between 2015-2019, far outstripped political strategists' predictions. The win was the second biggest since 1974, when democracy was restored in Greece; the first post-junta free elections were discerned by a New Democracy take-over of 220 parliamentary seats out of 300 with a record 54.3 percent of the vote.

The overwhelming victory is attributed to certain reasons with most prevailing the positive outlook of the Greek economy, provision of social welfare programs, articulation of comprehensive foreign and defense policies, and expansion of Greek territory.

(1) Positive Outlook of the Greek Economy: During its first four-year term, the government of Kyriakos Mitsotakis presented a highly positive record on managing the economy. Stability and technocratic competence prevailed over uncertainty that existed the period of 2015-2019 when Greece came close to defaulting on its debts and jeopardized the stability of the eurozone. Since 2019, the Greek economy has grown rapidly, with unemployment falling to approximately 11.2 percent as of May 2023, and with public debt as a percentage of GDP falling at the fastest rate in the European Union taking into consideration that Greece Government Debt accounted for 175.7 percent of the country's Nominal GDP in September 2022, compared with the ratio of 182.9 percent in the previous quarter.

It is significant to note that Greece is currently a champion in attracting foreign investments. According to the Bank of Greece, net inflows of Foreign Direct Investment (FDI) to Greece exceeded  $\[ \in \]$ 7.2 billion in 2022, compared to  $\[ \in \]$ 5.3 billion in 2021. The increase is the highest net FDI inflow since 2002 representing a 61 percent increase compared to pre-Covid 2019. The overall growth of the Greek economy and foreign investors' confidence is outcome of a business-friendly environment that is enhanced by the One-Stop-Shop for

setting up a company, the Golden Visa residency plan for non-European nationals, and investment incentives.

(2) Social Welfare Programs: The positive performance of the Greek economy favored government programs for the protection of citizens and small-and-medium-sized (SMEs) companies from the insecurities associated with the pandemic of Covid-19 and the imported wave of high prices due to the war on Ukraine. For example, financial compensation was given to SMEs for revenues lost during the pandemic from the Greek Ministry of Development and Investments, with the support of the European Social Fund. Also, the European Commission approved a €800 million Greek scheme to support non-household electricity consumers because of high prices due to the war on Ukraine.

As Greece enforces institutional reforms, its upgrade to an investment grade is expected to allow the decrease of the cost of borrowing for Greek businesses, households, and for the Hellenic Republic. The outcome of national elections has made crystal clear that Greek voters rejected the economic program of the main opposition party which, throughout the pre-election campaign, argued in favor of imposing new taxes on the middle class. In addition, the minor opposition advocated for paradoxical economic plans like the so-called "Dimitra Plan" presented by MeRA25 that foresees the replacement of Euro by transferable digital fiscal units to purchase basic goods and services. The proposed economic programs of opposition parties were rejected by Greeks as memories of closed banks and capital controls surfaced.

(3) Comprehensive Foreign and Defense Policies: The landslide victory of New Democracy is attributed to the pursued foreign and defense policies of the last four years. The Party's pre-election campaign centered on the instate of a strong Greece regionally and internationally. Evros, that constitutes the northeastern land border with Turkey, was displayed in an official campaign video along with the construction of the fence across the frontier with a commitment that it will be completed "with or without European money", on the basis that "the extension of the fence project will shield Evros and the Greek homeland from illegal migration invasions".

An additional topic that was highlighted in the pre-election campaign of New Democracy is that Greece has enhanced its defense capabilities with the acquisition of 18 *Rafale fighter* jets from France, and the upgrade of 78 *F-16* fighter jets to Viper class. It is noteworthy that Greece sent an official Letter of Request (LoR) to the US for the acquisition of 20 fifth-generation F-35 stealth fighters and the US Senate's Foreign Relations Committee approved the sale. The contract's ratification is pending on the American government's notification to congress on the related sale. F-35s are destined

to replace F-4E Phantom IIs and further advance the operational capabilities of the Hellenic Airforce.

The motto of New Democracy "A Strong Greece Guarantees Stability" prevailed over the motto of the major opposition party that "Armaments are a Waste of Money" as cited in the results of a series of opinion polls. Opinion polls showed that 74 percent of Greeks across the political parties' spectrum opt for a strong Greece and favor the enhancement of the defense and the operational capabilities of the Greek armed forces, thus rejecting the pre-election rhetoric of the major opposition on the matter.

At the national level, the electoral gap between New Democracy and SYRIZA opposition party stands at 22,7 percent. The highest, however, electoral gap between the two parties is evidenced at the Dodecanese district where the major opposition party lost by almost 35 percent, presenting the biggest loss ever from New Democracy. Apparently, islanders voted on the Greek Prime Minister's primary promise to enhance the defensive shield of the Greek islands in the Aegean.

(4) Expansion of Greek Territory: The increase of Greece's territorial waters in the Ionian Sea from 6 to 12 nautical miles accelerated the electoral gap in favor of New Democracy. In fact, it is the first time since 1947 that Greece expanded its territory with the signing of the delimitation agreement with Italy and the partial delimitation agreement with Egypt. In particular, the agreement with Italy allowed Greece to increase maritime space with more than 13,000 square kilometers. The opposition parties merely observed public discussions on the matter.

**Lessons Learned and the Day After:** Lessons learned from the 2023 national elections in Greece are multifold. The most prevailing lesson is that the positive outlook of the economy along with the pursued foreign and security policies prompted Greeks to vote for New Democracy. The outcome of national elections also shows that, if any government delivers results for people, the populist narrative is defeated, and if real change for people is delivered, then people will reward government policies in the ballot box.

On the day after elections, it can safely be concluded that a strong government led by Kyriakos Mitsotakis will continue the path of economic and social reforms. It will also prioritize enhancement of Greek armed forces' defense capabilities, and development of foreign policies to uplift Greece's role as a pillar of regional stability and peace. The first two months of New Democracy's government were marked by an upgrade by the Japanese rating agency R&I of the Greek Government's debt to investment grade BBB- and with a stable outlook. The upgrade favors the inflow of investment funds from Asia to the Greek economy and serves as a harbinger of the expected grades from other rating agencies in the coming months.

In pursuit of its foreign policy goals, Greece has reaffirmed commitment to deepen the trilateral dialogue with Israel and Cyprus and supports its expansion to include countries like India. This has become evident in the 9<sup>th</sup> Trilateral Summit held on September 4<sup>th</sup>, 2023, in Nicosia where the leaders of Greece, Israel and Cyprus agreed to carry forward cooperation in the fields of energy, defense, emergency response, tourism, technology and innovation, health, and diasporas.

In addition, Greece has prioritized dialogue with Turkey to settle maritime differences, in particular the delimitation of maritime zones in the Aegean and in the Eastern Mediterranean Seas. The meeting of the Greek Premier with the Turkish President on the sidelines of the NATO summit in Vilnius after the devastating earthquake in Turkey, where Greek rescue teams were sent in affected areas, led to the reignition of the engines of an action-oriented dialogue between the two countries. Political dialogue, Confidence Building Measures, and the Positive Agenda are the three pillars of the Greek-Turkish rapprochement. It needs to be noted that the red lines of Greece are clearly articulated from the outset so that dialogue is given chances of success.

Overall, the re-election of New Democracy and the subsequent formation of a strong government led by Kyriakos Mitsotakis are expected to enhance Greece's economic stability and reforms to foster growth and create jobs. Not least, Greece will continue to pursue active diplomacy and coalition building to safeguard its national security and regional stability through the lens of cooperative rather than zero-sum games.

#### THE GREEK ELECTION: BEHIND THE NUMBERS



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The winners of Greece's twin election in May 21 and June 25 2023 were the New Democracy (ND) with over 40% of the vote and the three far-right and conservative parties entering parliament ammasing over 12% in total. Astonishingly, one of those parties, the Spartans, a hitherto unimportant political aggregation, rose to prominence just a month before the second ballot after one of the imprisoned leaders of the banned Golden Dawn, Ilias Kasidiaris, had apparently instructed his followers to vote for the Spartans. The losers are the usual suspects, in the sense that, as almost everywhere in Europe, the centre-right and the far-right make headways: PASOK and Syriza, the two centre-left parties, failed to make the grade, whereas the party led by Yianis Varoufakis failed to enter parliament unable to cross the threshold of 3%. Syriza, in particular, who lost to ND with a large margin over 20% in the first ballot and just below 23% in the second - saw his leader resigning and analysts predict that its downslope is rather unstoppable. At the same time, PASOK does not appear to have any electoral dynamism, although it appears better organised in the countryside and is expected to do better than Syriza in the forthcoming peripheral elections. The Greek Communist Party, KKE, is a league on its own. It did well registering just below 8% of the vote, but its sclerotic perception of politics and failure to appeal to middle and lower middle classes deprive it from becoming a challenger to the party system. Characteristically, during the debt crisis of 2010-15 when the radicalisation of the Greeks reached very high levels, KKE failed to capitalise on people's discontent, which was quickly diverted to Syriza. The abstention, it should be noted, was nearly 50%. If anything, this shows, first hand, that there is a legitimation crisis of the current Greek party system. Increasingly, the Greeks appear not to see any real politicaleconomic alternative coming from that party system and as a result of this they either refuse to go to vote or vote for the centre-right, a party that, after all, guarantees certain stability. The far-right also attracts votes as the only "anti-systemic" force, that speaks a national (cum nationalistic and racist)

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<sup>\*</sup> Vassilis K. Fouskas wishes to thank Dr. Vassilis Assimakopoulos for input in this commentary.

language while castigating the austerity policies of the centre-right. The whole affair is pretty muddled and some demistyfying is needed.

What really lies behind the election results and how did right-wing parties benefit so spectacularly? I argue that responsibility for the rise of the centre-right and extreme right falls squarely on the shoulders of the centre-left and the far-left, as they employed a pro-systemic and unconvincing discourse failing to shift the strategic culture of party politics from neo-liberal cosmopolitan values to socialist ones. Given similar experiences in Europe and elsewhere, this short comment may speak to many.

In PASOK's fourth Congress in 1996, Michalis Charalambidis, one of the party's most prominent historic leaders little known outside Greece and Italy where he studied, argued that PASOK, when in office, had failed to integrate the periphery of Greece, which was a declared aim of the famous declaration of 3<sup>rd</sup> September 1974, drafted by a group of socialists around Andreas G. Papandreou and in which Charalambidis himself partook. In an amazing act of self-criticism and prognostication, he predicted that if PASOK and the Greek political system fail to economically develop the periphery, especially northern Greece and the Aegean islands, then a total loss of national sovereignty is to be expected in the hands of a Germanic Europe. The prophet also added that Turkey is an economic up and comer and Greece may have to concede sovereign rights also to Turkey, especially in the Aegean – note that at the time the Turkish parliament had already voted as *casus belli* any attempt by Greece to extend its territorial waters from 6 to 12 nautical miles as the country has unilaterally the right to do under international law (UNCLOS III).<sup>1</sup>

Since the death of Andreas G. Papandreou in 1996, none of the parties in power did anything meangful to address Greece's economic malaise and declining demography. The new PASOK that emerged after 1996 was a typical left neo-liberal party in tune with the ordoliberal dictates of the EU. Its sole aim was to bring Greece into the Eurozone even by cooking the country's books via Goldman Sachs. Class analysis and developmental policies were thrown out of the window, not least because the EU's monetarism disallowed any form of Keynesianism. The global financial crisis that contaminated the EU and Greece via the banking system spread havoc in the country's finances,

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¹ The issue persists to the present day, together with disagreements over continental shelf and Exclusive Economic Zones (EEZ) in the Aegean and the Eastern Mediterranean. Tukey had more recently added to the list of demands the de-militarisation of the Eastern Aegean islands insisting that their militarisation on the part of Greece is in contravention of the Treaty of Lausanne. The Cyprus issue comes to the fore, especially if the delimitation of EEZ between Greece and the Republic of Cyprus in the Eastern Mediterranean is taken into consideration. The discovery of lucrative gas fields around Cyprus and Crete, as well as the trafficking of refugees and migrants, have brought the Greek-Turkish dispute to new levels of tension. Charalambidis' exemplary speech and prognostications can be viewed here: Μιχάλης Χαραλαμπίδης – 6ο Συνέδριο ΠΑΣΟΚ 1996 (1/4) – YouTube. Wrongly the "you tube" post says that this is the 6<sup>th</sup> PASOK Congress, it is the 4<sup>th</sup>.

making society 25% poorer and forcing more than 500,000 Greeks under the age of 40 to migrate abroad. When Syriza came to power in January 2015 starting negotiations about the country's debt with the creditors (the troika: EU, IMF and ECB), hopes turned into nightmare: Syriza compromised the referendum result of July 2015 taking a third bailout austerity package, even worse than the first two signed previously (2010-2014) by coalition governments composed of PASOK and ND. This was a strategic defeat for the cause of the Left in Greece and Europe. Thus, in power for more than 4 years until 2019, Syriza's programme was the harsh austerity programme of the troika. You do not really need a party to implement such a programme. A group of 10 third year Economics students from Cambridge University could have done the job, perhaps even better, if one judges Syriza's management of austerity packages from the parliamentary debates and the nonsense talk of some of its MPs and ministers. Similarly, once out of office for fours years (2019-2023) it offered no real opposition other than promoting identity politics, or focusing on events, such as the train disaster in Tempi. Arguably, this train crush was caused by decades of cuts, the slashing of staff, the privatisation of the sector that took place under Syriza's cabinet in 2017, as well as lack of professional training and administration. Thus, the rout of Syriza can only be explained by its inability to exercise substantive and strategic opposition to ND's rule and austerity platform over the last four years, convincing the average centre-left voter that no real opposition can be amassed because no alternative to the programme of neo-liberal austerity exists. At present, Greece, as most other states in the EU and beyond, suffer from a lack of an alternative economic production model orientated towards the boosting of aggregate demand. In the case of Greece and the Balkans, this is connected to the issues of declining demography and the economic development of the periphery. Socio-economically, Greece is converging with the rest of the Balkans rather than the "advanced" core of the EU. All class and national references, including solidarity-internationalist references to the oppressed peoples of the Near and Middle East, have been disabled in the discourse of the centre-left and far-left, whose main focus, apart from the conjunctural events mentioned above, was on matters concerning identity politics.

This is also the context in which the far-right presented itself as the only antiglobalisation and anti-EU party, that is an anti-systemic force capturing the imagination of the poor and the deprived. The Spartans registered their electoral support mostly among the young male population, the unemployed, the deprived and the part-time workers of the private sector, especially in the so-called "gig" economy. Of note is that in all professional categories, the centre-right comes first in the preference of the voters, whereas many voters of the ND went to the Spartans in the second round of June.<sup>2</sup> Importantly, the far-right seems to be defending the international rights of Greece in the

<sup>&</sup>lt;sup>2</sup> See Vicky Katechaki, "2023 Election: How did People Vote According the Age, Profession, Sex and Ideological Attachments" (in Greek), *Kathimerini*, 27 June 2023.

Aegean and the Eastern Mediterranean against a neo-Ottoman expansionist Turkey, inasmuch as upholding any national cause is deemed by the centre and the far-left as nationalistic. The centre-left, including the party of Varoufakis, failed to combine class and nation in any meaningful programmatic synthesis. In addition, they failed to include the dominated classed in a national-economic programmatic platform for socio-economic development and welfare, incorporating the economic development of the periphery. To a large degree, the centre-left – same as the centre-right – has turned itself into an agency of globalisation, Europeanisation, liberal values and individual rights, abandoning all elements of its historic identity. On the contrary, the extreme right seems to be embracing the entire discourse of the Left, albeit at a rhetorical, yet electorally profitable, level.

## UNDERSTANDING ERDOGAN'S POST-ELECTION DIPLOMATIC MANEUVERS



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Shortly after the meeting between the Russian and Turkish presidents in Sochi ended, the Russian news agency Ria Novosti published an interesting analysis. In his article, Peter Akopov wrote that: "Despite pressure from his Western allies, the Turkish president remains steadfast in his commitment to promote Turkey's interests, whether in Syria, Transcaucasia, Cyprus or in his dealings with Greece".

The Russian columnist emphasized that Turkey, regardless of its NATO membership, its vested interests in Transcaucasia, and its ongoing disputes with Russia over Syria and Ukraine, continues to pursue a strategy that reflects the country's national priorities. Erdogan is not just a pawn of external powers, but a fiercely independent leader motivated by Turkey's domestic agenda. The article advised readers to view Erdogan's outreach to the West through a pragmatic lens and see it as a strategic move in his geopolitical chess game. In this vein, a fundamental rapprochement with the U.S. or Turkey's accession to the EU remain an unlikely scenario in Erdogan's playbook. As the article argued, the Turkish president is unwilling to compromise on core domestic and foreign policy issues, especially when his Western allies demand important concessions. While the West may hope for a shift in Turkish-Russian relations, Erdogan seems focused on fostering growth within this partnership rather than weakening it.

The Russian columnist's portrayal of the Turkish president as a leader capable of making independent decisions within his region comes as no surprise. On the global stage, Russia seeks regional partners that are both willing to withstand Western pressure and be open towards the potential benefits of cooperation. Nevertheless, the above argument raises at the same time a salient question: How accurately does the Russian analysis capture the essence of the Turkish foreign policy especially after the recent parliamentary and presidential elections?

Recep Tayyip Erdogan won the two-stage parliamentary and presidential elections in May 2023. In both contests, his candidacy and his party suffered significant setbacks. The ruling Justice and Development Party (AKP) saw its support drop to levels reminiscent of its founding some two decades ago (around 35%). Moreover, Erdogan failed to secure victory in the first round of the presidential election. After this, state resources were heavily deployed in the second round to ensure his stay in the White Palace in Ankara for another term. Also, a critical factor in Erdogan's ultimate victory was the alliance forged between the AKP and smaller conservative and nationalist factions, which sealed the triumph of Turkey's dominant political figure.

Why has Erdogan's political position been shaken despite his recent victories? How does he hold on to power even as his party and presidency seem to be fading? Part of the answer lies in the state apparatus which is now at Erdogan's disposal. In the aftermath of the 2016 coup attempt, no institution remains untouched by his influence. At the same time, the union of conservative and nationalist elements cemented in 2014-2016 – a period marked by the release of those involved in the Ergenekon, Sledgehammer, and Espionage cases, as well as military operations in Turkey's Kurdish regions – not only stands strong but it also looks optimistically to the future. Shared economic interests, backed by state support and trade partnerships with nations such as Russia, Iran, Qatar, Saudi Arabia, and the United Arab Emirates, strengthen this alliance.

Although Erdogan remains in power, challenges loom, as evidenced by his diminished popularity in May. The aftermath of February's catastrophic earthquakes coupled with Turkey's ailing economy, highlights the vulnerability of Erdogan's government. Many Turkish and international analysts have also highlighted the multifaceted implications of Erdogan's authoritarian style of governance.

A more nuanced understanding of the Russian analyst's perspective emerges by juxtaposing Erdogan's challenges with his strengths. Let's agree with the Russian view that Ankara is committed to preserving regional autonomy. It becomes clear that in the wake of the elections and the face of domestic socio-economic decline, Erdogan is pivoting westward, primarily in pursuit of economic benefits in exchange for policy alignments palatable to the West (e.g., on migration). At the same time, Turkey is maintaining dialogue with nations such as Russia and Iran and with groups such as the former jihadists in Syria while advancing its regional claims (e.g., opposing a Kurdish administration in Kirkuk, advocating a two-state solution in Cyprus, and pushing for a "fair share" in the Aegean).

Whether or not Erdogan's diplomatic dance will ease tensions in Western-Turkish relations, one fact remains clear: Erdogan's strategies don't seem to herald a wave of democratization inside Turkey or in the relations with the

neighboring regions. Moreover, Turkey's interpretation of fundamental principles such as constitutional order, human rights, and modern values will undoubtedly continue to be exclusively its own.

Notes:

https://ria.ru/20230905/erdogan-1894186190.html

https://www.gerceknews.com/diplomacy/usa-turkey-rapprochement-unlikely-writes-ria-novosti-columnist-221460h

#### A NEW MIDDLE EAST FOR THE EAST MED



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In early September 2023 Israel's Foreign Minister Eli Cohen completed a trip to Bahrain. The trip came as Israeli Prime Minister Benjamin Netanyahu completed a trip to Cyprus. During that visit Netanyahu had met with Cypriot President Nikos Christodoulides and Greek Prime Minister Kyriakos Mitsotakis. The trips are symbolic of the emerging linkage between a new diplomatic era in the Middle East and the Eastern Mediterranean. This underpins how the Middle East and East Med is now one bloc of countries and their relations extend to Europe and Asia.

Much has changed in the Eastern Mediterranean in the last years. A more confrontational policy by Turkey has given way to attempts at some reconciliation. This matters because the various countries had all been on a collision course over the last decade. However, it appears that today cooler heads have prevailed. For Cyprus and Greece this matters because they have close ties with Israel, as well as Egypt, the Gulf and other states. For Israel this also matters because of energy cooperation and the potential linkage of energy and trade deals to the Gulf.

Israel has made it clear also to Cyprus and Greece that any warming of ties with Ankara does not come at the expense of the emerging trilateral Greece-Cyprus-Israel relationship. For instance, in early August Israel's Minister of Defense Yoav Gallant told his Greek counterpart, Minister of National Defense Nikos Dendias: "Today we convey a clear message to our partners and enemies alike: Israel and Greece stand together, and join hands in ensuring security and stability for our region." Gallant also underlined how important the strategic ties are between Greece, Cyprus and Israel and how this plugs into regional stability.

It's important to look at these ties now as part of a series of regional partnerships. For instance there are the countries of the Negev Forum and also important spotlight put on regional ties by groups like the Atlantic Council and its N7 Initiative. There are the partnerships brought together by regional defense drills, such as Bright Star in Egypt which combined two dozen

countries, including Cyprus and Greece. There are also defense ties through NATO and other emerging cooperative efforts.

In a changing world order these regional ties are more important. This is because the US, a key partner of Greece, Cyprus and Turkey, is focused on the conflict in Ukraine and also on the rise of China. With focus elsewhere, smaller countries must work together more on regional partnerships. This also dovetails with the shift the region has seen in terms of countries in the Middle East seeking to partner with BRICS or the Shanghai Cooperation Organization. The G20 also recently admitted the African Union as a member during the recent gathering in New Delhi.

Recent elections in Greece, Cyprus and Turkey may bring stabilization in the Eastern Mediterranean. This is because it appears the current Turkish government, although it is run by the same ruling party as in the past, has sought to reduce tensions with its neighbors. In addition, Israel's current government is part of the same trajectory that has emerged over the last decade and a half of Israeli politics. There is a lot to work with between these countries now in terms of how the Middle East and Eastern Mediterranean will relate to eachother. Defense procurement by Greece, including deals with Israel's Elbit Systems, Rafael and IAI, showcase how important defense ties between Athens and Jerusalem have now become. Similarly Cyprus is seeking to modernize its forces.

There are many unresolved issues. For instance the divisions in Syria and Libya remain and it is not clear how either conflict can be fully reconciled. Disputes over energy claims in the Eastern Mediterranean also remain. However, the conflict in Ukraine has shifted attention to food security and other more immediate needs. It is plausible that these shifts in the region will result in the reduction of tensions and also possible emergence of new partnerships. For Israel, Greece and Cyprus; as well as Turkey's ties to these three countries, there are many possible areas for increasing cooperation. However, the past has shown that there are some challenges that won't be surmounted, such as the division of Cyprus. Regional groups and diplomatic initiatives, such as Syria's returning to the Arab League, won't change some of the multi-decade tensions and conflicts that have existed.

## GREEK-TURKISH DISPUTES AND ENERGY COOPERATION - A WINDOW OF OPPORTUNITY?



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Elections earlier this year resulted in a new President assuming office in Cyprus while the incumbent political leaders were confirmed in Turkey and Greece. After aggressive actions and rhetoric by Turkey in recent years, and political contacts at the top level dismissed by President Erdogan in March 2022, fresh impetus was given to Greek-Turkish relations in the bilateral meeting of the re-elected leaders at the NATO Summit in Vilnius on 12 July 2023; a second meeting is envisaged at the margins of the UN 18 September; a third occasion for them to meet will be the High-Level Cooperation Council in December 2023. Current contacts seem to focus on clarifying at an early stage whether a common submission of bilateral disputes to the International Court of Justice (ICJ) in The Hague is feasible or not.

This momentum is certainly linked to their fresh political mandates, but also to specific motivations of the two leaders. Erdogan is pressed by the dire economic situation while trying to avoid a recourse to the IMF; there is the saga around Sweden's accession to NATO and the delivery of F16 by the US; celebrations of the 100<sup>th</sup> anniversary of the Republic might be linked to ambitions for Turkey's international role; Erdogan is possibly thinking about his legacy at the end of the current mandate. Prime Minister Mitsotakis, in turn, knows that peaceful relations with its Eastern neighbour is an existential interest of Greece. However, we need to be aware that the process may be derailed at any moment; see, for example, the recent incident involving Turkish Cypriots and the UN mission in Cyprus (UNFICYP); the condemnation by the UNSC was dismissed by Turkey.

Against the background of longstanding disputes and lack of trust between the two countries, there should be no illusions about an easy or rapid breakthrough. But because the risks are high, no chance for a possible reversal of the conflictual trend should be missed. No country can compromise on existential threats; a lasting settlement will not be possible as long as vital interests are seen as mutually exclusive (zero sum game); instead, efforts must be made to transform existing disputes into a positive sum game (winwin). For that purpose, the countries need to acknowledge that common

interests exist and develop a positive narrative, which is arguably more difficult to achieve than defining red lines.

While frictions and instability in recent years intensified following the discovery of significant natural gas reserves in Eastern Mediterranean, countries in the region stand to benefit from cooperation as energy security has become a major priority, and in the context of energy transition. Currently, a powerful incentive can be to exploit hydrocarbon resources before they become economically obsolete because of the zero-carbon strategy by 2050 agreed in the EU. In the long term, there is an obvious common interest in massively developing renewable sources of energy. However, large-scale investment in offshore wind parcs requires a clear delineation of maritime zones; as long as these are contested the potential for electricity production cannot be exploited legally under international law (UNCLOS); if nevertheless one or more countries were to try to exploit this potential, friction and conflict would likely occur which would destroy any expected benefits. Once the delineation takes place (with common accord or through international mediation or adjudication) and the respective rights are defined, businesses cooperation can flourish and synergies (technical, financial, operational) materialise.

With the involvement of other countries, the region can become an important energy hub and energy market to both effectively cover local needs and contribute to energy security in the EU. The development potential for the whole region should not be underestimated, benefitting large parts of the populations around the Mediterranean; positive spill-over effects can be expected as better employment opportunities tend to reduce the scope for social unrest, migration or radicalisation. Other obvious areas of cooperation include reducing sea pollution, preserve biodiversity and the mitigation of climate change which is affecting the Mediterranean and the riparian countries more severely than other parts of the planet. Joint leadership of these efforts by Turkey, Greece and Cyprus, as well as Egypt and Israel, would signal to the peoples of the region that a new era has dawned and encourage other (sub-)regions to also launch cooperation schemes.

The EU should actively encourage such efforts which would not only contribute to enhanced energy security but indeed to stability and sustainable development in an unstable and conflict-prone neighbourhood. Faced with the relative retreat of the US from the region and increased interest by other international actors, notably Russia and China, the EU should endeavour to turn a destructive conflict at its borders into a constructive relationship by infusing trust among the conflict parties. Creating trust is of paramount importance; while the bilateral track is the core element it would be greatly facilitated by a multilateral framework accompanied by the EU and supported with its programmes. The roadmap agreed between the two Foreign Ministers in Ankara on 5 September provides exchanges at three levels: the political

dialogue, implementation of confidence building measures and discussions on a positive agenda of cooperation in various fields.

Turkey feels excluded from the East Mediterranean Gas Forum (EMGF) whereas its members consider that Turkish participation is not possible as long as the country does not abide by international law. The ideal would be for Turkey to become party of UNCLOS (UN Convention on the Law of the Sea); at a minimum, the *de facto* implementation of its provisions should be agreed (the US seem to follow that pattern). Accepting UNCLOS as the base for Turkey's EMGF participation would additionally help create trust which is a precondition for any settlement of disputes; the trust argument is often used by Turkey referring to both inter-communal relations in Cyprus and visà-vis the EU with respect to Turkey's accession.

Under these conditions, the EMGF should enlarge to include Turkey and possibly other countries. Furthermore, the scope of EMGF may widen to cover renewable forms of energy; or a similar mechanism may be set up for wind energy or for anti-pollution activities; these steps could be part of an evolving regional architecture of cooperative security. The positive agenda for EU-Turkey relations envisaged by the EU (including the modernisation of the Customs Union and cooperation in energy or migration matters) as well as the planned Multilateral Conference on the Eastern Mediterranean would complement these efforts.

For the moment the focus seems to be on bilateral Greek-Turkish differences to be brought to the ICJ; the Cyprus question (an international issue dealt with under the auspices of the UN) is not part of the emerging picture. This is understandable for this early phase of renewed Greek-Turkish contacts in order not to overburden a still fragile process; dealing with different aspects consecutively may help advance progressively; but for a lasting and sustainable settlement of the bilateral differences, the Cyprus issue cannot be ignored. In addition to the two countries (and the UK) sharing the rights and obligations of guarantor powers of the Republic of Cyprus, both have specific responsibility for the invasion of 1974. Here again the EU can play an important role ensuring that any settlement conforms with EU law, not least for protecting all Cypriot citizens.

In conclusion, there is currently a window of opportunity for Greek-Turkish disputes to be brought onto a less conflictual path and then patiently work towards an eventual settlement. Ongoing contacts and discussions are encouraged by the EU and the US. The EU should become more active in accompanying and supporting this process, starting with the energy sector. In doing so, and while acknowledging that multiple and diverse interests exist, the EU cannot and should not compromise on its fundamental values and principles enshrined in the EU law, in particular the respect for

international law, good neighbourly relations and solidarity among the member states, especially when their security is at stake.

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