

Economic and Cultural Diplomacy at the grassroots level

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Abstract:

Can the demonstration of ethical and civic responsibility strengthen a nation's brand and contribute to a culture of responsibility and understanding from which all can benefit? Is ethical and civic responsibility interrelated with a "rich" and competitive nation brand?

In this article, we will attempt to map the visible and invisible crisis of Greece giving emphasis to consumption, and self-interest driven behaviour. By drawing concepts and mechanisms from the fields of international relations, political science, communication and culture, we will focus on the crucial role cooperation can play throughout the co-evolution game that shapes the international system in an era of global crisis where soft power matters. Repositioning Greece in the new international system is a collective process that starts at the level of the individual and focuses on planning and engagement as core concepts of public diplomacy, both economic and cultural. In this context, we analyse the impact of individual's responsibility in Greece by testing a model in which nation brand is a dependent variable and discuss further implications concerning Greece's social capital co-creation.

Keywords: Public Diplomacy, Cooperation, Nation Brand, Responsibility, Soft Power.

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Greek Geopolitical Imperatives in the Western Balkans

The aim of my paper is to show Greek geopolitic imperatives and the role of Western Balkans in Greek foreign policy. In order to point out the significance of this region for Greece, I appeal to geopolitic concept of Halford Mackinder. Taking into account recent political environment the Greek foreign policy has to concentrate on this region in order to overcome the consequences of the last economic crisis. I also argue that Greece can achieve important economic benefits if the country expands the level of foreign trade with the Western Balkans states. To prove my statement I use a theory of gravity models of trade. Furthermore, I imply that after the world economic crisis, Greece has an opportunity to become the regional leader in the Western Balkans. To prove this statement I compare the late 1930s, during which the Great Depression had lasted for several years, to the last economic crisis, which occurred in 2008. Finally, the regional cooperation may have helped Greece to overcome consequences of the economic crisis in 1930s and may help to do so again today.

Introduction

The beginning of the XXI century has shown us a fallacy of idealistic concepts, which was the case when the Iron Curtain fell in 1990's. After the 9/11, the Arab Spring and the last economic crisis the foreign policy of many states has resembled *Realpolitik*, rather than the liberal one. The end of history was postponed by national interests of countries that have started to think in terms of balance of power (Fukuyama, 1992). However, at the same time soft power seems as the dominant means in the contemporary international relations.

Such features of the current world order underscore the value of geopolitics that still lies in the core of world politics. That is why states have to examine their geopolitical imperatives in order to shape a course of their foreign policies. Undoubtedly, Greece is not an exception from this perspective and has to reevaluate its firm association with Sea power. However, such association can not justify the huge amount of efforts that Greece has been making in order to promote its national interests in the Balkans. Therefore there is a scientific problem which is the contradiction between the understanding of Greek geopolitical imperatives and the present foreign policy agenda of the state.

My article consists of Introduction, in which I pose the scientific problem, Methodology of analysis, that describes the means that were used in my paper, Result of analysis, that proves my main hypothesis and Conclusion.

Methodology of analysis

In order to solve the stated scientific problem I used an interdisciplinary approach that consists of various theories, which belong to political and economic sciences. Such approach allows us to get a synergy effect that essentially contributes to the analysis of the paper's object. The methodology consists of the three following theories.

The first part of the methodology used in this paper is devoted to geopolitics as a basis of a foreign policy of a state. Generally geopolitics explains a confrontation between states of Sea that is thalassocracy and states of Land namely tellurocracy. According to this notion Halford Mackinder in his geopolitical concept distinguished the three main areas: Pivot Area, Inner or Marginal Crescent and Lands of Outer or Insular Crescent (Mackinder, 1904). A location of a state within one of these areas determines the geopolitical imperatives and therefore a state's main foreign policy priorities.

The second means of the methodology derives from the theory of international relations namely political realism. Ancient predecessors of this theory argued that a war begins because of national interests of a state, not because of fairness or sovereign's wishes (Montgomery, 1942). The original theory of political realism was for the first time created by Hans J. Morgenthau who formulated a number of basic principles of the paradigm of international relations (Morgenthau, 1954). He stated that power is the immediate aim of any countries and that power consists of nine factors: geography, natural resources, national morale, industrial capacity, military preparedness, population, national character, quality of diplomacy and the quality of government in general (Morgenthau, 1959).

The third part of the methodology is devoted to the theory of gravity models of trade. In accordance with the theory of gravity models, a value of bilateral trade depends on a distance between two countries and a size of their economies (Tinbergen, 1962). Moreover, tariffs, exchange-rate, ethnic ties and linguistic identity also hinder international trade flows. Apart from these obstacles the most important barrier remains national borders, such barriers could be overcome by creating customs unions (Anderson, van Wincoop, 2003).

These three parts of the methodology which were aforementioned above oblige us to make the following assumption: geopolitics determines a behaviour of a state which shapes rational aims of its foreign policy, so that is why geographical neighbors try to eliminate any obstacles that hinder expansion of bilateral trade that could help states to gain more power.

Result of analysis

According to the methodology there are three main hypothesis which I tried to prove in my report. First of all, I argue that Greece has its own geopolitic imperatives not only in the sea areas but in the Balkans as well, especially in the Western part of the region. Secondly, I stated that the Greek national interest in the Western Balkans includes an economic aim that is an increase of Greek exports, which could help Greece to battle and overcome the consequences of the crisis. The last but not the least, I show that after a period of economic crisis Greece has the best opportunity to promote its own interest in the Balkans.

Greek geopolitics: between Sea and Land

Mackinder argued that Ancient Greece belonged to Insular Crescent. It means that the position of Greece defined its geopolitic imperatives among which the control of the sea was the dominant. Mackinder's notion regarding Ancient Greece is appropriate for the modern Greece as it was stated in the STRATFOR monograph. The group of experts argued that succeeding in maintaining control of the Aegean sea remains Greece's most important imperative.

I oppose such point of view and think that during the Ancient time and nowadays Greece geopolitic position belongs to Marginal Crescent in accordance with Mackinder's theory. Taking into account the mountainous landscape of Western and Northern parts of the state and the lack of fertile land Ancient Greece saw its salvation in the sea. Andre Bonnard wrote that Ancient Athens needed to gain the control of the Aegean sea because the Greek territory could not produce enough resources for citizens of the state (Bonnard, 1954).

Therefore, Greece along with Thalassic imperatives has Telluric ones: the Balkans seems as Greece's natural hinterland. However in order to fulfil this imperative a number of prerequisites must take place, to be exact, a capability to create transport roots between Greece and other countries of the region, an opportunity to play more significant political role in the Balkans, a stability of Greek internal political situation and finally a strong and peaceful Greek-Turkish relations have to exist. There have been a few periods in history of modern Greece when all these factors existed simultaneously. Hence Greece in the past has been looking for a control of the sea rather than expansion in the Balkans.

Greek economic interests in the Western Balkans

As Morgenthau stated a trade policy is a notable part of any countries' foreign policy as a whole and this statement becomes more evident during a period of global economic crisis. In last years Greece has been trying to gain more political influence in the Western Balkans, for example, by proposing the agenda for Greece's upcoming Presidency in the EU in the first half of 2014. "Thessaloniki II" consists of three main aims among which, there is a development of close cooperation ties among the countries of the Western Balkans on a regional level.

But why are the Western Balkans so valuable for Greece? First of all during the last two centuries the Balkans were one of the most important areas for the great powers. Joseph S. Roucek

wrote that the Balkans were for both Hohenzollern and Nazi Germany 'vast, undeveloped, and promising territories, with millions of potential buyers of German goods, an empire that might bring lasting prosperity to the German Herrenvolk' (Roucek, 1946).

Nowadays, the countries of the Western Balkans have still managed to increase their economies despite of the last economic crisis. For example, the growth of GDP in 2011 was 3% in Albania, 1,71% in Bosnia and Herzegovina, 3,04% in Macedonia, FYR, 3,2% in Montenegro and 2% in Serbia. At the same time the growth of GDP per capita in Albania was 2,63%, 1,93% in Bosnia and Herzegovina, 2,87% in Macedonia, FYR, 3,07% in Montenegro and 2,43% in Serbia. The life expectancy in these states has also increased, whereas mortality rate under-5 has fallen.

Meanwhile Greek economy has dramatically shrunk since 2009, exposing weaknesses of Greece's public administration and economic policy. The austerity measures which had been imposed by the troika are aimed to decrease the debt but not to find new sources of the economic growth. Nevertheless in accordance with the McKinsey Report 2012 Greece has to change its model of economy, for example by expanding an amount of exports of goods. The most perspective sectors of Greek industry are pharmaceutical sector, food processing and specialized food categories. The Balkans is marked in the report as a one of the top priority regions for such trade expansion.

In accordance with the notion of the theory of gravity models of trade the Western Balkans may be categorised as the most perspective consumers of Greek goods. Taking into account the distance or even the economic distance between the targets cities of the region and we can distinguish two groups of Greece's trade partners. The first group consists of Albania and Macedonia, FYR with which Greece has the land borders. The other group consists of Bosnia and Herzegovina, Montenegro and Serbia where Greek goods can be brought through the first group of states by highways or railways.

Certainly the fulfilment of the geopolitic imperative which describes the Balkans as Greece's natural hinterland leads to possible economic benefits for Greece. However according to The Global Enabling Trade Report 2012, produced by WEF, the most problematic factor for Greek trade remains high cost or delays caused by domestic and international transportation. In order to increase exports of its goods in the Western Balkans Greece has to create new multimodal transport roots between the countries of the region. Such programme can not be completed without an aid from the EU or other investors (Skayannis, Skyrgiannis, 2002).

Impact of crisis: new opportunities for Greece

The last global crisis seriously affected Greek economy by posing the country in the social catastrophe. However in spite of that Greece has a good opportunity to increase its influence in the Western Balkans and gain economic benefits. Traditionally, there has always been a number of prerequisites for the promotion of Greek national interest in the region, they are: changes in the great power's priorities, strong peaceful relations between Greece and Turkey, a necessity of close economic cooperation among the neighboring countries of the region.

During a period of an economic crisis the great powers have to concentrate their forces on domestic problems. In the period of the Great Depression the great powers like the USA or UK faced their own economic and social challenges, which compelled them to ease an intensity of their foreign policy and involvement in the Balkans. Similar approach of the contemporary great powers to the region can be seen after the last global economic crisis 2008. It means that regional powers like Greece and Turkey have a chance to gain more power in the region.

The Great Depression made the economies of the Balkan states weak and unstable and urged the countries of the region to observe an idea of the close economic cooperation, which

included a convention on the customs union and general economic collaboration, status of the intra-balkan chamber of agriculture, collaboration of the Balkan countries in the agricultural and agronomic investigations, in the development of the agricultural credit (Lubotskaya, 2006).

Nowadays, tourism along with the traditional goods and industry have been affected by the crisis, which naturally makes it a good enough reason to increase economic cooperation in the region. Hence the Greek proposal of making the EU regional strategy towards the Western Balkans shows us yet another effort to form a sub-regional level of cooperation in the Balkans.

The bottom line is, that the promotion of the Greek national interest in the Balkans has always depended on the Greek-Turkish relations. During the 1930's both signed agreements that solved controversial territorial questions, this provided an opportunity for the region to gain closest economic and political relationship. Furthermore, at the beginning of March 2013 Greece and Turkey signed more than 20 various agreements that is why the leaders of both countries described the bilateral relationship as strategic partnership.

Conclusion

The geopolitic position of modern Greece allows the country to use both Thalassic and Telluric advantages and determines the two main imperatives: control on the Aegean sea and expansion of Greek influence in the Balkans. The Western part of the region remains a good object for the promotion of Greek exports. Moreover, the last economic crisis has provided the opportunity for Greece to fulfil its foreign policy by forming such prerequisites. Nevertheless, the expansion of Greek trade in the region will depend on a capacity of transport routes between Greece and the Western Balkans. Finally, the countries of the Western Balkans show a strong desire to become members of the EU what will positively contribute to the amount of trade between them and Greece.

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