



Speech delivered by the Ulysses
Kyriakopoulos, President of the Federation of the
Greek Industries (FIG), at the TÜSİAD High
Advisory Council

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Dear President of the High Advisory Council; Muharrem Kayhan,
Dear President of TUSIAD Tuncay Özilhan, Dear Ambassadors,
Dear Colleagues, Ladies and Gentlemen,

Last Sunday, we read in the Greek press an announcement of the three leading Turkish business organizations (TOBB, TURSAB, TUSIAD) urging the Greek government to help build a new relationship between Greece and Turkey. The main theme, the slogan, of the campaign was: "Neighbors today, Partners tomorrow".

We, the Federation of Greek Industries, could have signed this announcement ourselves, as we share the views of our Turkish colleagues. The dialogue we started many years ago, led to the rapprochement of our two business communities. Greek-Turkish relations and the dialogue took a new turn after the E.U decision in Helsinki on Turkey's candidacy that we all hope will lead to eventual E.U. membership for Turkey. TUSIAD has been supportive towards finding a solution on the Cyprus issue. These efforts allowed us to view under a new light not only Greek-Turkish relations but also the future of our region as a whole. That is why our organization -the Federation of Greek Industries -has been a stout supporter of Turkey's European accession.

As the announcement in the Greek Press of your organizations has pointed out, Turkey's candidacy is an important step in your country's drive for modernization. Modernization that has started a long time ago and is now gathering new impetus: The prospect of EU participation is bound to encourage radical changes in the Turkish economy and society, changes that are indispensable in today's competitive world of globalization. In other words, I share the view of many in this room, Turkey's European orientation should not be seen as an end in itself, but as a powerful catalyst of change that can greatly facilitate the country's economy and society prosper and take full advantage of the opportunities that exist in the global market.

The prospect of European integration creates now an urgent need to steer the Turkish economy towards stability. We know, drawing from our own experience in Greece, that the challenge facing Turkey is a formidable one and adjustment is bound to be a long, difficult and painful process. However, despite the difficulties, I believe that the Turkish economy with national consensus and strong and capable leadership will implement those decisions that will move finally Turkey towards that direction.

Greece's entry in the EEC, 21 years ago, had important consequences that were not confined to economics. It is argued convincingly that the decision to enter the European Community was for Greece the most important decision in its modern history, with far-reaching consequences in all aspects of economic, political and social life.

Of course every country has its own particularities, historical features and economic characteristics. It is however possible to learn from other countries' experiences and draw meaningful conclusions. In that sense I believe it may be useful to share with you some of our own experiences, during Greece's effort to integrate its economy in the EU.

Interaction and communication in the broadest sense of the word, involving large number of people and institutions, had a growing positive influence on the process of real convergence of Greece with the rest of the EU society. It is expected to have even stronger influence in the years ahead for Greece. Equally important is the willingness of the Union to contribute to the convergence of the Greek economy by supplying resources to that end. In the framework of the harmonization process changes are introduced in our institutions and in our social and economic practices. The most important change which coincided with our participation in the EU, had to do with the relationship between the state and the market, the creation of a new business culture based on monetary stability on competition, on social cohesion based on social dialogue. The economy, in order to survive in the open very competitive global market, had to adjust, leaving behind protectionist practices and extensive state intervention.

The lesson drawn from this brief sketching, is that a country's participation in the EU greatly facilitates the transition to a modern economy and an open society. And we expect Turkey to follow a similar path.

Relations between the two countries are today going through a particular phase, which favours confidence building measures, cooperation and good neighbourly relations. Greece seeks a neighbour to share a friendly, peaceful and trustful climate, capable of shifting the centre of interest from security and defence, which dictates constant spending on armaments and weapons systems, to a plan that will serve our mutual interest on economic development and trade. Also Turkey needs her neighbour Greece, today more than ever before, considering that Greece is the closest member-state of the European Union to Turkey, not only geographically.

Both our countries need to attract substantially more foreign direct investment. As long as we do not convey together to the rest of the world the feeling of long term stability and security in the region we will not manage to improve the attractiveness of our countries as places to invest and create jobs.

The Greek political world supports today the social and political reforms, which Turkey is gradually undertaking in order to draw closer to the European spirit, and eventually, join Europe. Such prospects, however requires both countries to respect the UN guidelines, International Law and naturally the secession of any claims which aim to revise the legal status of the Aegean. It must once and for all become ingrained in our and every body else's consciousness, that the Aegean is not a sea that divides, but a sea, which unites the two peoples. We must consider the neighbourly coexistence in this particularly geographically sensitive area of our planet as fortunate, rather than unfortunate.

Even if someone rejects the theory that history repeats itself, one cannot ignore a rare historical coincidence. It was Greece that, 50 years ago, upon the conclusion of the Second World War, was already helping Turkey to join promptly the dialogue that was beginning in the European Continent with regards to European Integration. And while conditions then may have been different, as were the geopolitical correlations that caused Turkey to stay out of the European environment, today things have changed.

Outside the political realm, progressively positive have been the developments between Greece and Turkey in the fields of finance, trade, tourism, ecological awareness, cultural affairs as well as the program for the safety of citizens which begun in 1999 and continues to date with positive results. One only has to think what it means to sign 10 bilateral agreements in such a short period of time.

A similar climate exists in the fields of agriculture and energy. In the former this collaboration has been expressed with the signing of two agreements of cooperation in the fields of veterinary medicine and horticultural protection. In the later, collaboration was recently confirmed with the two memorandum agreements of understanding signed in Ankara between the Greek and Turkish Electric Power Companies (AEH and TEIAS) for the joining of the electricity networks, and between AEHA and BOTAŞ for the transfer of natural gas from the Caspian to Europe.

Both events are important in the history of the relations of the two countries and surpass the strictly bilateral level. One should also note the cooperation on a multilateral level can be very important. The transfer of energy to Europe through Greece has been appreciated to such a degree, that there is already a provision by the EU for further funding of the project to transfer natural gas to Europe.

Given the positive, by all means, climate, economic and trade relations between the two countries have broadened and increased. Thus, during the period between January- September 2002, trade increased by 12% from \$539 million to \$604 million slightly under the 13% goal, that State Minister Kürşat Tüzmen, set this morning for exports. In the same period the trade deficit of my country in respect to the exchanges with Turkey was stabilized to approximately \$160 million.

It should be noted here, that in order to facilitate the trade and business relations between Greece and Turkey, discussions are still underway to finalize, -I hope soon- an agreement to avoid double taxation. If this is so, we can safely assume that our two economies in the future will extend greatly the areas of bilateral cooperation. Up to now, we have confined our economic relations to the basic reasoning being the mutual cost benefits, due to the short distances between the main economic centers in the two countries. The same reasoning lies behind all proposals that have been put forward at one time or another, e.g. closer cooperation in tourism, or sea and land transportation. I certainly believe that we can do much more than that in the future.

For all these reasons the Greek business community and the Greek government firmly support Turkey's entry into the E.U.

It was the wish of Greece, to have a specific date for those discussions to begin between Turkey and the EU for accession and that the Cyprus agreement would have been finalized by today. Greece will assume the presidency of the EU after Denmark and I am sure we will continue along those lines to support Turkey's reforms that will lead into full EU membership and we will continue our efforts to reach a viable agreement on Cyprus.

Finally, It would be an omission not to mention how much the interaction of individuals from different social strata has also contributed to the improvement in the climate between Greece and Turkey outside the official bilateral context. Significant contributor to this development has been the positive impression created to the general public by the spontaneous assistance that both countries provided to each other following the catastrophic earthquakes in the two countries in the recent past. It is obvious that civil society confidence or fears are determining the way politicians act in both countries.

I would like here, ladies and gentlemen, in addition to expressing my gratitude to TÜSİAD, my colleagues at UNICE, for the opportunity they gave me to address you today, to wish that my presence here in Ankara will also contribute, in the capacity that it can, towards this direction; of building confidence and understanding by sharing common goals and visions and striving towards mutual accomplishments for the generations of the 21st Century.