

# Karamanlis maps his country's future role

## Greece seeks to bridge Europe and the Arab world

Greek Prime Minister Constantine Karamanlis paid his first visit to Saudi Arabia at the end of February to concretize a wide range of joint cooperation agreements with the Saudis as part of Greek government policy to make that country "the bridge" between Europe and the Arab world. As pointed out by the Greek Premier in his interview with the Saudi newspaper *Jidda 'Ukaz*, "Greece's dual relations with the Arab countries on one hand and the European Common Market on the other will open the road to a meeting between the Arab community and the European community."

Karamanlis is working closely with the French government to bring Greece into the European Community and thereby assume an important role in a three-way cooperation for Third World industrialization involving Arab investment, the advanced technology of industrialized Europe and Greek territory and manpower. Greek participation in this arrangement is viewed as critical by French and West German partners of the newly formed European Monetary System (EMS), not only because of Greece's excellent geographical position in facilitating expanded trade between Europeans and Arabs, but most importantly in countering London-Washington plans to maintain regional crises in the Mideast-Mediterranean area.

In view of the great opportunities for the development of Greece under a fully operational EMS, the Greek government is pursuing two major interconnected policies. Accession into the EEC is projected to be finalized by the beginning of 1980, providing openings to the Arab nations of the Mideast and North Africa.

Following a comprehensive European tour at the end of 1978, during which Karamanlis received the full backing of Chancellor Schmidt and President Giscard d'Estaing for Greece's full membership in the European Community, the Greek Premier visited Saudi Arabia and Syria last month in his effort to materialize those policies.

### The agreements in Riyadh

Arriving in Riyadh on Feb. 26, Karamanlis called for "a comprehensive Mideast settlement" based on the complete "withdrawal of Israeli Forces from all Arab occupied territories," and also for the establishment of

"an independent Palestinian state." During his three-day stay in the Saudi capital, the Greek Prime Minister, accompanied by Foreign Minister Rallis and Trade Minister Panayiotopoulos, held talks with Crown Prince Fahd and members of the Saudi cabinet covering a wide range of proposals for political and economic cooperation, such as:

- \* establishment of regular political contacts between the two countries.

- \* establishment of a ferry service, linking the ports of Volos, Greece and Jeddah, Saudi Arabia via Alexandria, Egypt—to facilitate expanded trade activities between Saudi Arabia, Syria, and Europe

- \* construction of Saudi commercial ships in Greek shipyards

- \* establishment of a joint aluminum plant, estimated at \$1.7 billion to be built in Saudi Arabia with the input of Greek aluminum and Saudi capital and energy.

- \* signing of a long-term agreement for the Greek purchase of crude oil from the Saudis

- \* expanded Greek exports such as cement, building materials, food-stuff, textiles, etc.

Following the talks, Prince Fahd announced that the Saudis will supply Greece with two million tons of crude oil to help meet Greece's annual demand over what the country has already purchased from the Soviets, Iraq, and Libya.

The Greek press has reported that besides commercial and technical ties between the two countries, which at present include 40 technical companies operating in Saudi Arabia, stronger political ties will result from the Greek-Saudi talks. Karamanlis was also received by King Khalid, and Prince Fahd accepted an invitation to visit Greece in the near future.

Following his visit to Riyadh, Karamanlis visited Syria, where he held talks with Syrian President Assad. Greece and Syria had already concluded an agreement in 1977, which opened a truck-ferry service between the Greek eastern port of Volos and the Syrian port Tartous which now operates daily. This route is due to be supplemented by additional lines, probably linking the Greek ports of Salonica, Piraeus, Patras, Volos and one of the ports in the island of Crete with Syrian, Libyan and Egyptian ports.

### **Greek, Arab cooperation**

The recent Karamanlis trip is the first major outcome of an approximately two-year effort by the Arabs, Greeks and the European architects of the EMS to establish a triangular arrangement of economic and cultural cooperation.

In 1977, the Greek government founded the Chamber of Development and Cooperation with the Arab countries (CDC), headed by the Greek Ambassador-at-large to the Arab world, Ioannis Georgakis. As pointed out by its director, the aims of the CDC are to promote Arab investment projects in Europe and joint Arab-European projects in the Arab countries. Since the foundation of the CDC, as described by one of its spokesmen, "more and more North European firms are asking us if they can have the chance to participate with their technology in joint projects." Businessmen from Italy, West Germany and France have reportedly approached the CDC for membership. CDC Director General Walter Buchholtz, has been quoted saying that more than 70 West German firms are "looking seriously for opportunities for cooperation."

In the summer of 1978, a major Greek-Arab Symposium was held in Athens, during which 100 Arab investors and economists representing 11 Arab states were presented with a list of 70 projects in such areas as petrochemicals, steel, paper-industry, telecommunications, shipping and energy. One of the Greek offers to the Arabs is participation in a \$415 million petrochemical complex planned by the Greek state agency for industrial development. At the conclusion of the symposium, Greek Minister of Coordination Mitsotakis announced the successful completion of negotiations for the establishment of the first Greek-Arab bank to make credit available for development projects and finance Greek-Arab trade.

Over the past five years, Greek exports to the Arab countries increased twelve-fold from \$50 million to more than \$500 million and include machines, transport equipment, manufactured goods, foodstuffs, construction materials, and textiles. In addition, massive construction projects, mostly in the Gulf area, are carried out by Greek contractors.

The growing interest expressed by the Arabs for investing in Greece will be further discussed in the second major meeting organized by the CDC for June 25-28 in Athens, which although called the Greek-Arab Symposium for Development and Cooperation, will be attended by European delegates as well.

It has also been decided that two cultural Mediterranean centers for "Hellenic-Islamic and Arab studies" are to be set up in the island of Rhodes and Athens as meeting facilities for Arab and European cultural exchange.

—Erini Levedi

### **Karamanlis talks about the common Hellenic and Arab heritage**

*In preparation for his extraordinary February trade meetings in Saudi Arabia, Greek Prime Minister Karamanlis made the following remarks to the Saudi newspaper Jidda 'Vkaz in Athens:*

Your country and ours have been sources of civilization, in that you can say that contemporary thought found its roots in the Arabian peninsula and the Greek peninsula. Cooperation between us could provide human civilization with continued and constantly renewing radiation of intellect, especially since both our political experiments are based on human care that gives new significance to democratic practices which, in our view, are no longer mere patterns and forms of political action but also must be linked to the very objectives of seeking a better life for man wherever he may be.

This shows that the principal aim of this visit is to create fields of political action within the area in which we exist because the currents and dangers around us in this area if ignored are bound to change the characteristics of life, for whose consolidation you have struggled for 14 centuries

Consequently, you are right in saying that the importance of the visit is connected with the present situation and conditions in the Mideast because, out of our sense of the danger, we are searching for an ally with whom we can cooperate to repel these dangers. We can find no better ally than the political leadership of your country, on the grounds of ancient thought and political action that gives us, together, the ability to cooperate in leading the area in preserving the cultural heritage not only inside the two countries but also throughout the world.