1. (C) SUMMARY: New PM Papandreou took on the Foreign Ministry
job in order to inject "new dynamism" into Greece's regional challenges, he told Ambassador Speakhard and Brookings Institution President (and former Deputy Secretary) Strobe Talbott on October 12. He pointed to his October 9 snap trip to Istanbul as a positive signal of this new dynamism and his openness toward Turkey. Papandreou reinforced with the Turkish PM and FM in Istanbul his willingness to resolve most Aegean issues at the International Court of Justice in The Hague, and told them that Greece and Turkey should tackle other tough issues such as the Ecumenical Patriarch and Cyprus quickly, as Greece's economic challenges are likely soon to tie his hands politically. On Cyprus, he urged the Turks to let the politicians work and to keep military influence at a distance. On Macedonia, Papandreou was open to making a push to resolve the name issue, but recited the existing position of a geographic qualifier and erga omnes for international use. With Talbott in town to explore greater collaboration between Brookings and the Greek think-tank community, he also met with former FM (and now candidate to lead the political opposition) Dora Bakoyannis, and MFA officials including the Political Director and new Secretary General, Yiannis-Alexis Zeppos. Bakoyannis stated that despite Papandreou's past criticisms of Greek foreign policy, she saw little daylight between their policies at the end of the day. At the MFA, officials gave the impression Greece was working behind the scenes with the European Commission to avoid public derailments or "vetos" of Macedonia's EU accession path, while maintaining Greek redlines. Mr. Talbott invited Papandreou to Brookings at a date convenient to the Prime Minister. END SUMMARY.

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Turkey: Papandreou focused on Patriarch, Aegean, and Cyprus

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2. (C) Papandreou told the Ambassador and Mr. Talbott that he was determined to pick up where he had left off as Foreign Minister in 2004 and work to achieve a lasting solution to the problems that undermine Greek-Turkish relations. His October 9 snap trip to Istanbul, ostensibly to attend a Ministerial of the Southeast European Cooperation Process (SEEC), was intended to send a positive message to Turkey. He said he told PM Erdogan in their meeting that Greece and Turkey had made progress on the "softer" issues, such as culture, sports, and business, but should now tackle the tough ones - the Ecumenical Patriarch, Aegean, and Cyprus. He believed that if they could resolve these disputes Greece and Turkey could be "the center of strength and hope for the region," and that resolving their problems could be an important role model for the broader Middle East region. He told Erdogan
that they needed to move quickly as he thought he had only a year to eighteen months to accomplish something given the deteriorating economic situation in Greece, which is likely to tie his hands politically as things get more difficult.

3. (C) PATRIARCH: Papandreou said he told PM Erdogan that the Greek Orthodox community in Istanbul is dying, and that it is not in Turkey's interest to see this happen. Making the connection with the long-sought reopening of the Church's Halki Seminary, Papandreou told Erdogan that if Turkey does nothing, the Ecumenical Patriarch will eventually move somewhere else, which Greece does not want to see and neither should Turkey.

4. (C) AEGEAN: "If you want our islands, we will never solve this," Papandreou told Erdogan on the Aegean, but said that if Turkey's concern was access to international sea, airspace, and continental shelf and economic resources, these issues could be resolved. Papandreou thought they should bring these issues to a third neutral party like The Hague to decide a fair outcome, where they could negotiate on essentially everything, except for sovereignty. He rejected the concept of the "gray zones" and felt that this had been introduced in recent times as a political ploy and was not grounded in any legal basis. However, even here he left a window by saying that while Greece would vehemently reject any counterclaims to Greek sovereign territory, one could not stop a country from bringing any issue it wanted to The Hague.

5. (C) COMMENT: This is a significant move in the Greek position, if it holds. In the past, while open to having the ICJ review the economic zones issue, the Greeks were reluctant to add the whole bundle of Aegean issues for fear of an attempt by the Turks to get them to forgo international legal rights they believe they already have under Law of the Sea and other treaties in a Turkish bazaar-style trade for benefits on the economic zone issue. Although he staked out the politically necessary position of no compromise on the gray zone issue and Greek sovereignty - his tone and overall position on moving to The Hague was one that could offer the opportunity for a real breakthrough. He sees this as unfinished business from when he was Foreign Minister and is ready to be bold if the Turks join him to resolve the Aegean disputes. END COMMENT.

6. (C) CYPRUS: Papandreou agreed that a window of opportunity
existed for an agreement on Cyprus, and that negotiations should be left to the Cypriot communities. He expressed his belief that the key in Turkey is to make sure the politicians are in charge and that Cyprus is not delegated to the military which has tunnel vision. He said he told PM Erdogan that Turkey should not be heavy-handed with the Turkish Cypriots, and that the Turkish military had been too dominant in Turkish Cypriot politics. Talat needed to be able to show some successes as he was facing elections. Ambassador Speckhard urged Papandreou to deliver a strong message to the Greek Cypriot leadership that they should not miss this window of opportunity when he visited next week, and Papandreou promised to do so.

7. (C) EU: Turning to the EU, Papandreou conveyed that he had told Erdogan a breakthrough in one of their tough issues would strengthen his hand with the European countries that were skeptical toward Turkey's EU accession. He believed in accession, not a privileged partnership. Looking at human rights, civil society, and media freedom issues in Turkey in response to a question from a Brookings Institution official traveling with Mr. Talbott, he acknowledged that Turkish shortcomings did not bolster their accession case among some already skeptical EU states. He understood (though disagreed with) the Turkish perception that they had to "give up" things as part of the EU accession process, and he had told Erdogan and Davutoglu that a breakthrough on some of the tough issues would strengthen the pro-Turkish EU accession voices like his. He noted the EU has lost its leverage with Turkey because of those speaking out against accession. It was important to regain that leverage to encourage the needed reforms and he would be working with European partners to do so. In their meeting earlier in the day, former FM Bakoyannis told the Ambassador and Talbott that a Cyprus breakthrough would remove "85%" of the rationale of those against Turkish EU accession.

Macedonia Name: The Ball is in Skopje's Court
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8. (C) Papandreou believed that the former Karamanlis government had lost momentum in dealing with the Balkans, as well, and expressed that he wanted to be more active in solving problems in the region. He believes the Western Balkans need a roadmap for EU accession, and at the Istanbul SEECP conference he had proposed 2014 (100 years after start of WWI) as the target date. (Comment:
this was a cleverly managed positive signal to Skopje, by lumping them in with other Balkan countries.) Papandreou stated he was open to making a push to resolve the name issue, but recited the existing position of a geographic qualifier in Macedonia’s name and erga omnes for international use. While ready to work on the issue, he thought care should be given not to "sour the water" by creating a situation that brought a lot of public attention to the issue and an expectation that could not be met on either side that would subsequently undermine relations.

9. (C) Former FM Bakoyannis, now in a hotly contested fight for leadership of her New Democracy party, had much to say on the name issue. Proud of her 2007 effort to move Greek policy toward an acceptance of a geographic modifier, she labeled current Macedonia PM Gruevski a "1960's-style Balkans leader," and predicted any Greek government would have a hard time convincing the Greek public to accept even a geographically modified name. While the new government will have flexibility on other foreign policy issues, which are much more complex in nature, "even a 65-year old grandmother who did not finish high school knows who Alexander the Great was." She demurred on the possibility of a Greek veto to Macedonia EU accession talks without a resolution of the name issue, noting that "Skopje has only to gain" by joining the EU and NATO, and that in any case, EU accession was such a long way off that the issue was a red herring at present.

10. (C) In a subsequent meeting at the MFA with the new Secretary General Yiannis-Alexis Zeppos and Political Director Tryphon Paraskevopoulos, the Greeks pointed with pride to their 2003 efforts as the EU Presidency nation to further orient the entire Western Balkans toward the EU, and decried those (Sweden and the UK, in particular) who were against Greek efforts then, but who would accuse them now of seeking to derail progress. Paraskevopoulos also urged the Ambassador and Talbott not to lose sight of the strategic importance of Serbia in the region. "We favor the European perspective of FYROM," he said, "but not at the expense of Greece." Referring to the European Commission "progress reports" due out October 14 for candidate and accession countries, Zeppos and Paraskevopoulos indicated they hoped the Commission would issue the Macedonia report in a smart manner, which would avoid public confrontation. "If the Commission wants a Greek no, it will get a no," stated Paraskevopoulos, "but we will be positive if they give some possibilities by encouraging the other side."

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Talbott Invite to Papandreou
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11. (C) In Athens to foster Brookings' contacts with the Greek think-tank community and to explore future possibilities for collaboration, Mr. Talbott invited Papandreou to Brookings for a speech and small-group discussions at a future date of Papandreou's convenience. He also offered to try to facilitate contact with the new Administration's e-governance team, responsible for the groundbreaking use of communications technology both during the campaign and following the President's inauguration. Papandreou is clearly enamored by the Obama administration's tech-savviness (many pundits here have noted the similarities in the two campaigns), and has launched an effort -- revolutionary by the standards of Greek governance -- to modernize and digitize the Greek government's interaction with citizens. He spoke passionately with the Ambassador and Mr. Talbott of the need to tap into his society's talents and the desire of citizens to serve and solve complex problems, through the innovative use of technology, and had invited two members of his e-governance team to the meeting.

Speckhard