

No respite: Greece's relationship with Europe after Brexit

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The vote for Brexit in the referendum of 23 June has obvious immediate effects for Greece. Increased uncertainty will hamper Greece's economic recovery. When the UK formally exits the EU, the consequences for Greek workers and students there as well as for Greek tourism will be negative. But it is important to also assess the place of Greece in a recalibrated EU in the long term, as well as the strategic repercussions of Brexit for Greek foreign policy.

With regards to what kind of Europe will emerge after Brexit, two responses seem theoretically possible. The first holds that there will be a drive for deeper political integration. This will necessarily concern only a core of EU countries, as there will be draconian implementation of criteria for acceptance to federal-like schemes. The second sees Europe decentralizing decision-making and delegating to member-states the monitoring of implementation of commonly agreed policies. This scenario is far likelier because it agrees with the prevailing popular mood against supranational projects.



One positive aspect for Greece of a drive towards deep intergovernmental cooperation (or, as is known academically, 'transgovernmentalism') as the main method of EU policymaking is that the creation of enhanced cooperation structures – from which Greece would almost certainly be excluded – will be avoided. European leaders seem determined to forestall any further decomposition of the EU, and in today's context this means heading the call for fewer powers to supranational actors and accommodating popular concerns about national sovereignty.

In this sense, fears that Brexit will open the way for a Greek exit from the euro are exaggerated. While this prospect can never be completely put to rest until Greece successfully completes its bailout program, Brexit inhibits rather than enables those clamoring for Grexit. European leaders seem willing to accept the scaling down of unification ambitions precisely because they recognize that this is the best way to keep an increasingly diverse union of states together.

On the other hand, for more than 20 years, Greek policy of belonging to the 'hard core of Europe' reflected the hope that the EU would construct compensation mechanisms for smaller and poorer member-states as they integrated into a liberalized and competitive market. For Greece an ever-integrating Europe was a way to escape severe national political and economic deficits while the EU provided a support net in a competitive globalized world. This Europe now seems to be off the cards for the foreseeable future.

The stronger emphasis on national needs may sound attractive to an increasingly Eurosceptic Greek public, but for a country dependent on the EU for servicing its debt and managing its borders this implies sticking to even harder terms and accepting even more problematic tradeoffs. European integration after Brexit will take the form not of centralization but of intrusively monitored harmonization of national policies. Compensation mechanisms, such as debt relief or refugee relocation, will hinge exclusively on the will of member-states – chiefly Germany.

As the role of the Commission (traditionally the balancer between big and small member-states) weakens and intra-European relations become re-politicized, Greece's peripheralization will become entrenched. A more intergovernmental EU will accentuate the hybridization of the Greek polity, not in terms of belonging to a federalizing Europe (as Greek elites once hoped) but in terms of ceding control of broad areas of national policymaking to a Europe interested only in externalizing to Greece the consequences of imperfect integration – 'avoiding contagion' in the economy, 'curbing flows' in migration.

The absence of any supranational pretenses outside the old first pillar of market regulation will exacerbate Greece's

relationship of asymmetric dependence on the EU. Greece has to pay for the privilege of membership with the acceptance of policies devoid of any long-term perspective for its needs. For example, while there are voices calling on the EU to make border control a priority, it is difficult to see how this would mean anything else for Greece than the entrenchment of its role as a locus of extraterritorial management of human flows on behalf of the rest of the EU.

The prospective departure of the UK also upsets the strategic framework of Greek foreign policy. Brexit will inevitably decrease the scope, ambition and effectiveness of EU foreign policy. To the extent that Greece had pursued its foreign policy goals primarily through the EU over the last 20 years, Brexit is a severely problematic development for Greek foreign policy.

A positive aspect might be that the UK's departure will silence a voice in the EU that on aggregate favoured Turkish positions in the Aegean and Cyprus. Without the UK, European inhibitions towards an ever-authoritarian Turkey will further increase. The EU may thus become a more receptive forum for the voicing of Greek concerns about Turkish aggression in the Aegean and intransigence in Cyprus.

But Brexit affects Greek foreign policy in more fundamental ways. It becomes clear that further enlargement, something that the UK was always supportive of, is impossible in the foreseeable future. Yet Greece had relied on the enlargement framework to normalize its relations with Turkey and the Western Balkan. The refugee crisis further complicates this conundrum. With enlargement effectively dead, the EU will not view relations with Turkey and the Western Balkans as an institutionalized process under the stewardship of the Commission but through the lens of the politics of refugee flow control. This is a reversal of certainties for Greece and leaves it bereft of a strategic vision of how to deal with its neighbours.

In sum, Brexit will have far-reaching consequences for Greece's relationship with the EU. While it weakens the prospect of Eurozone or Schengen Grexit because the EU will not want to reinforce the image of disintegration, it accentuates the transformation of the EU into something quite remote from Greek interests, needs and aspirations. While Greece will continue to be engaged in European integration, this will be done on increasingly unfavorable terms, without the compensation mechanisms that were once seen as inherent in the promise of a supranational EU.

In a renationalized and repoliticized Europe, each member-state makes of the common European framework as much as its relative position of power allows. For Greece this means a perpetuation of the current relationship of asymmetrical dependence. Ironically, this seems like the best available option given the alternative of wholesale exclusion from the EU.

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