

'In at the deep end' from Der Spiegel (16 February 1976)

Caption: On 16 February 1976, commenting on the opening of negotiations for Greek accession to the European Communities, the German weekly magazine Der Spiegel analyses Greek economic structures.

Source: Der Spiegel. Das Deutsche Nachrichten-Magazin. Hrsg. Augstein, Rudolf ; R Herausgeber Engel, Johannes K.; Böhme, Erich. 16.02.1976, Nr. 8; 30. Jg. Hamburg: Spiegel Verlag Rudolf Augstein GmbH. "Ins Wasser", p. 113-114.

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In at the deep end

The Council of Ministers went against the recommendation of the EC Commission to put Greece on the waiting list and decided to begin the accession negotiations before the end of this year.

The outbreak of rage knew no bounds and was not restricted to any political party. ‘Shame on the mandarins!’ was the indignant cry of the right-wing daily *Vradyni*, while the liberal newspaper *To Vima* spoke of ‘unprecedented blackmail’, and the left-wing *Eleftherotypia* wrote of ‘betrayal!’

On the Thursday before last, the EC Commission of the Community of the Nine had decided that it would implement the request by Athens to have Greece admitted as the tenth member of the EC only after a ‘preparatory’ phase of unspecified length.

Prime Minister Konstantinos Karamanlis then summoned the Ambassadors of the nine EC countries and conveyed to them with some irritation the message that his country would rather abandon accession altogether than be accepted ‘in a manner that failed to respect the dignity of the nation’.

Karamanlis was successful: contrary to the decision by the Commission, the Council of Ministers of the EC decided last Monday that Greece need not go through any preliminary phase but would, instead, be granted a transitional period for adjustment to the EC, like the one that Great Britain had been given at the time of its accession. The comment by *Le Monde* in France was: ‘The Commission gets its ears boxed.’

In Athens, anger was transformed into a mood of victory. The newspaper *Vradyni*, which supports Karamanlis, was triumphant: ‘The policies of Konstantinos Karamanlis have assured him the credit for a great feat for the nation.’

For the Prime Minister who had secured the association of Greece with the EC almost 14 years previously, it had actually been less about better conditions for the sale of tobacco, peaches and tomatoes and much more about safeguarding the new democracy in Greece against the intrigues of army officers at home and the sabre-rattling of the adjacent Turks.

Karamanlis had believed that the Europeans would be willing without hesitation to bear the expense of ensuring a democratic Greece, and to accept his country into their Community on the same sort of conditions as, for example, those granted to Ireland.

Greece is just as badly prepared now for entry into the EC as it was badly prepared for the Act of Association in 1961. When Karamanlis signed the agreement in 1961, he indicated to his industrialists: ‘I’ve thrown you into the deep end. Now you will have to swim.’

The prescribed cure turned out to do the country good. Within 12 years, Greece’s gross domestic product increased by 126 %, while that of the Community of the Nine, on the other hand, increased by only 62 %. Exports grew more quickly than those of the EC. In 1975, Greek industrial exports already accounted for two thirds of the total exports of the country, whereas, in 1962, the figure had been a mere 15 %. The trade deficit in trading with the Community was reduced from 68 % to 50 % of the total deficit.

In spite of this, there is still a yawning gap between the incomes, living standards and developmental status of the Greeks and those of the Europeans inside the EC.

The country of nine million inhabitants living on an area of 132 000 square kilometres, which is almost as large as Denmark, Belgium and Ireland put together, has a per capita gross national product of 2 235 dollars and is admittedly, therefore, not limping too far behind Ireland (2 370) but is certainly very far behind the country at the top of the EC league, the Federal Republic of Germany (5 890).

A Greek factory worker still does not earn even one third of the hourly wage that his German counterpart receives. The wage gap has forced more than one million Greeks to emigrate in the past ten years, predominantly to countries of the EC. In spite of large amounts of money being remitted to the homeland, comparisons continue to show a picture that is just as depressing as before: in Greece, 39 people in 1 000 drive a car (280 in the Federal Republic), 187 have a telephone (287 in the Federal Republic), and 58 possess a television set (272 in the Federal Republic).

Greece continues to be largely agricultural. Whereas, now, only every 15th person in the Federal Republic of Germany is employed in agriculture, in Greece the figure is one in three of the population.

The differences in the situation of industry are even more glaring, since, in percentage terms, only approximately half as many workers are employed in industry in Greece as in the Federal Republic. If Greece wanted to reach the present level of the EC with its total productivity by 1985, it would have to achieve an annual growth rate of 9 %.

According to expert estimates, Athens would require approximately 1 500 million dollars of EC loans in the next five years for structural reform and for measures to adjust its agriculture and industry. In 1976 alone, the accession of Greece would entail a net cost of 300 million units of account to the EC budget.

There are also further reservations in the EC Commission, which are shared by the Germans: the internal development of the Community could be disrupted by a new partner and the process of integration delayed — as happened when Great Britain, Denmark and Ireland joined.

What is more, if the EC were to yield to the pressure from the Greeks for accession, it would then be very difficult to reject the requests for membership from Spain, Portugal and Turkey.

Contrary to expectation, the Members of the Commission from France and Italy, countries that were regarded as competitors of Greece because they produce similar agricultural products, had put their weight behind opposing the waiting period and therefore supported the reinforcement of the Mediterranean wing. The EC representative from Paris came out against treating Greece as a 'second class country', and the man from Rome did not want to see the EC as a 'club of rich countries'. The most hostile stance vis-à-vis the Greeks was taken by the British, once an ally and protective power for the Aegean state.

The Greek Prime Minister Karamanlis was also wagering on disunity in the Commission when he challenged the EC countries to rectify 'the mistake' made by the Commission

In the Council of Ministers, France, Italy and the Netherlands then insisted that Greece could not be expected to accept the imposition of a waiting period. Great Britain, Belgium and Denmark took up an opposing position. The decisive move then fell to the Germans: the head of the Foreign Ministry in Bonn, Hans-Dietrich Genscher, put his weight behind France.

The outcome was a compromise that was approved unanimously: the Permanent Representatives in Brussels were to be instructed to prepare for the commencement of negotiations, which are to begin in approximately six months' time. A decision on the final date will be taken by the EC Heads of Government at their meeting on 1 April in Luxembourg.

The state broadcasting authorities in Greece acclaimed the Prime Minister as the victor. Critics suspected him of intending to call fresh elections before the summer was out and then to have himself elected by a secure parliamentary majority to the office of new State President — before the negotiations with the EC on accession could bring new disappointments.