

Κύριε Πρόεδρε της Αναγνωστικής Εταιρείας, [Κύριε Περιφερειάρχη, Κύριε Δήμαρχε,] Εκλεκτοί Καλεσμένοι, Κυρίες και Κύριοι

On 21 May 1864 (in the Julian calendar), the last Lord High Commissioner of the British Protectorate of the Ionian Islands, Henry Storks, gave a valedictory address in the throne room of the Palace. The Royal Arms were removed from the front of the building. The Union Flag was lowered and the flag of the Kingdom of Greece raised in its place.

150 years on, after the cession of the Ionian Islands from the British Protectorate and their unification with the Kingdom of Greece, it's a great pleasure for me to be talking to you this evening about British-Greek relations. And the pleasure is all the greater, since this is my first visit to the Αναγνωστική Εταιρεία Κέρκυρας, the Corfu Reading Society. I know that this is one of the oldest Greek institutions, predating the unification of the islands by 28 years. Many people, Corfiots – Greeks and English – have spoken to me over the years about this great Society, and the work it does to maintain interest in the study of the culture of the Ionian Islands and to promote the Islands' traditions and unique history. I'd very much like to thank the President of the Society, Γιάννης Πιέρης, and the Administrative Council for their invitation and warm welcome.

I want to concentrate this evening on the current state of relations between Britain and Greece. But it's important, I think, to set those relations in some sort of historical context. History not only helps us understand the ground

we stand on, it also helps us place our current situation in some sort of perspective, to get things in proportion. So I shall talk a little about the British role in these islands and the British legacy here, before I pass on to the main topic of the evening.

In one way or another, Britain has been engaged directly in Greek affairs for over two centuries. We have shared many great and important moments together. I think, above all, of the extent to which our common security interests have bound us one to the other, and, particularly, of our shared resistance to fascists and Nazis in the 1940s. But I think also, of course, about the important alliance between Britain and Venizelos' provisional Government during the Great War.

Despite these bonds of solidarity, if I were to throw together some additional words to help us characterize British-Hellenic engagement over these 200 years I would say things like: accidental, haphazard, ambiguous, unclear of purpose, coming and going. There is, in my view, no very smooth or consistent narrative to British-Greek relations.

Lots of us, myself included, like to talk about Byron, and the cardinal role he played in promoting and financing the struggle for independence. Of course, the greatness of his poetry and the manner of his death turned him into a heroic figure within the cult of the European Romantic Movement – and within Greece itself. But, in fact – as Professor Roddy Beaton has recently showed us in his

great book *Byron's War*, Byron represented a distinct form of liberal idealism, underpinned by a very British pragmatism about money and motives. A few years after Byron's death, the Great Powers rejected liberal republicanism as a model for Greece and settled an autocratic, monarchical system of Government on the country. King Otto, as we know, was not a great success, and his failure would keep Britain wearily and awkwardly entangled in Greek affairs for the thirty or so years of his rein.

Something of this combination of assertion and accident can be seen in the history of British engagement with the Ionian Islands.

Our interest in the islands was, of course, first sparked in the Napoleonic Wars. The French seizure of the islands in the aftermath of the collapse of the Venetian Republic drew its first response from the British in 1809, when we captured the islands of Zakynthos, Kephallonia, Kythera and Ithaki. The remaining islands came our way through the post-Napoleonic settlement at Vienna, and came, thanks to Russia, in the form of a Protectorate rather than with fully transferred sovereignty.

On the islands themselves, the British Lord High Commissioners appear to have veered between benevolent authoritarianism and half-hearted attempts at constitutional liberalism. During the Greek war for independence, Maitland kept the Islands neutral. It is characteristic of the mixed British motives of those times that Maitland's subordinate, the Resident on Cephalonia, later to become the great General, Sir Charles Napier,

conqueror of Sind, should have played host to Byron and encouraged him in his support for Greek freedom.

British strategic aims here seem never to have had the clarity of purpose that was the case with our possession of Malta and Gibraltar. And the construction of the Suez Canal, from 1859 onwards, certainly changed the game for our naval strategists; the admiralty started to consider alternative bases closer to Egypt, such as Crete or Cyprus. Gladstone's presence in the islands from 1858, as

Extraordinary Lord High Commissioner – a great title if ever there was one – was a sign that we were struggling to make any sense of the Protectorate.

The passing of the Islands from British control and their unification with Greece in 1864 happened after sustained pressure by the islanders for many years, but without rebellion or anarchy or any other forms of civil or military strife. The negotiations for the transfer of sovereignty to Greece seem to have taken place in a warm atmosphere, and are specially notable for the arrival in a front-line negotiating role of a man who was to become significant in Greek politics: in my view the greatest of Greece's late 19th-century statesmen, Harilaos Trikoupis.

For Palmerston, the British Prime Minister nearing the end of his life and long political career, and his Foreign Secretary, Lord John Russell, the decision to cede the islands to Greece was what we now call, in management consultants' jargon, a win-win situation: the British Empire extricated itself from entanglement in a messy

and increasingly unjustifiable enterprise and strengthened the ground beneath the feet of King George, the Great Powers' new choice for the throne of Greece. In this way, the cession of the Islands to Greece was also Palmerston's parting shot at the now deposed King Otto.

He must have relished the moment.

The Islands were granted to the new King as a sort of dowry – risky in that it would fan the flames of Greek irredentism in Ottoman lands; but, at any rate, it was hoped that George would practise the sort of liberal, moderate constitutionalism that was the general aim and not always accurate self-perception of British overseas policy.

And so ended just over fifty years of British rule.

Although I've been travelling in Greece for thirty years, I am a relative stranger to these islands, having visited Corfu for the first time only eight years or so ago. I'm still getting used to their idiosyncrasies, after many years of travelling in the Cyclades, or the NE Aegean islands, the mainland or on Crete and Evia. Most of you here tonight already understand better than I do the legacy of British rule here.

Nevertheless, as an interested outsider, it seems to me that that legacy is important, and that it can be principally traced:

- In the form of imperial buildings (the Palace of St Michael and St George; Mon Repos; the garrison Church)
- In some of the institutions – such as the University;
- In the Protestant cemeteries on Zakynthos and Corfu; and
- perhaps, in the prevalence of English, which has certainly supplanted Italian as the Islands' second language.

And, of course, as is famously the case the legacy is visible in the form of cricket: played on the unique Liston ground and on the Greek Cricket Federation's more modern pitch, a few miles from here.

All of these bequests are substantial enough. But perhaps the greatest legacy of British rule here is the great love of the British people for these islands. Not just of course the important artists and writers: such as Edward Lear, whose work here was celebrated in the 2012 exhibition at the Palace, or the Durrell brothers, whose books continue to inspire affection for the islands and their peoples. But ordinary Brits, who visit here in huge numbers as summer tourists or who may have settled here permanently, buying houses and settling into the fabric of community life. The feelings, as I understand it, are mutual. Perhaps only Rhodes really competes for the deep affection of British people, and there the ties are more recent, looser.

Well, it's nice to have left a legacy in the form of mutual affection. But does what we might call the 'special relationship' between the Islands and Britain have any greater resonance today? What impact on Athens and London, and on our wider bilateral relations, does this historical legacy have?

I think that the plain fact is that, the further one gets away from these islands, the more questioning Greeks tend to be of Britain's relationship with Greece.

In Athens Greeks often ask me about how Britain views Greece – usually the question is framed from a nervous, pessimistic or defensive posture. And I'm often told how Greeks view Britain – not always, it seems, from the most flattering of perspectives. Older people may look back to the Second World War and its aftermath, wondering where now are the Paddy Leigh Fermors, the Lawrence Durrells, the Monty Woodhouses.

People sometimes whisper to me that the Anglo-Hellenic relationship has cooled, with other regional players such as Turkey becoming more important to the UK. Couldn't Greece and the UK be closer? Why don't we care more about the crisis in Greece? Why aren't we palliating the impact of Eurozone policy, of Germany, on Greece? Why are we always reporting so negatively on events in Greece?

Some of these are difficult, even painful questions. And occasionally I answer them by inviting my questioner to examine the proposition from the other side: how important to Greece is the UK now? Greek newspapers

are full of economic and political analysis of events in Germany and France and Italy; even Spain and Portugal. The European Commission, the ECB and IMF, of course, loom large. With the huge diaspora and that space that Greeks reserve for their most realistic view of the world, Greece still retains an intense interest in the USA. And, to throw the torch in the other direction, many appear to think that Russia must now become increasingly important to Greece. Despite the ubiquitous availability of the BBC and other media in English, the UK often seems to be little known and less understood – except as a country that gave birth to our current international *lingua franca*.

Where does this leave relations between Britain and Greece?

In hazarding an answer to this question, I should start by making one point unequivocally: That Greece and the UK do still matter to each other. It's important to state this clearly. We matter to each other diplomatically and strategically; in terms of our mutual commerce; and, of course, through the great exchange of people (principally, but not only, students and tourists) between us.

Our diplomatic and military relationships are framed by our strategic alliances, unchanged for many years, despite occasional flirtations elsewhere by Greek politicians: We are partners in the European Union and in NATO.

Our bilateral relations are friendly and close; we co-operate on many day-to-day matters, much in the same way as we do with 26 other Member States of the Union. We work very closely with the Greek Government on matters such as international shipping regulation and on illegal migration. On various existential matters, such as counterterrorism, our relations are even deeper than that. On defence, we maintain close co-operation between our militaries, particularly between our two navies. The Greek facilities at Suda Bay on Crete continue to make a key contribution to British strategic capability in the Eastern Mediterranean. I have seen the warmth that exists between our two navies. And I know that the Greeks are proud, as are we, that the British First Sea Lord, Admiral Zambellas, is himself of Greek descent. The last time I saw them together, Admiral Apostolakis and Admiral Zambellas were leaving the Battleship Averoff to inspect the Trireme Olympias, after a dinner which revealed much about the mutually complementary traditions of the two navies and the ties that bind them.

So a shared history and the potent symbolism that comes of that remain important in our relationship. Despite the downsizing of many missions and Residences in Europe, we retain a sizeable if leaner diplomatic presence in Greece, through our Embassy in Athens and our four vice-consulates on the islands, including the excellent vice-consulates on Corfu and Zakynthos.

The British Ambassador in Athens still lives on Vasilissis Sophias Avenue in the great house that Elena Schilizzi created for her husband, the then Prime Minister Eleftherios Venizelos, and which we bought after

Venizelos' death in Paris in 1936. Later this year, we shall use the Residence to celebrate the 150th anniversary of the birth of that great statesman, Cretan and Anglophile.

As for trade, Britain and Greece share much in common. The maritime sector is particularly important for us both. Greek ship-owners control 16% of the world's shipping capacity; 40% of the EU's. The sector is worth between 13 and 19bn euro annually to the Greek and European economies: about 7% of Greek GDP. Internationally, London is the single greatest provider of services to the Greek industry – in finance, insurance, brokerage and law. 50% of tankers globally are chartered in London. The longstanding relationships between Greek shipping families and London constitute one of the UK's great, unsung strengths. At the start of June, London and the UK Government will be making our interest felt at the biennial Posidonia exhibition just outside Athens.

We are Greece's 7th biggest export market for traded goods. Worth about 0.7bn euro in 2013. To us you export generic pharmaceuticals, vegetable and fruit, non-ferrous metals, electrical machinery and appliances, dairy products. Our own exports to Greece shrank massively during the crisis, but recovered by 8% last year, and were worth about 0.9bn euro. To you we export patented pharmaceuticals, petroleum products, clothing, cars and trucks, beverages – Scottish whisky among them.

The City's capital markets and legal framework are proving of prime importance to the recapitalization of

Greek banks – and the moves towards Greek recovery. Our investors are very interested:

- in high-end tourism: British investors have investments planned on a number of islands and mainland locations; and
- in the role that Greece might play as a regional energy producer (of hydrocarbons and of renewables) and a regional energy distributor. Earlier this year, BP bought the rights to purchase crude oil from the Prinos field in the Northern Aegean for the next five to six years. BP is one of the principal shareholders in the Trans-Adriatic Pipeline which will carry gas from the Azeri fields into southern Europe, including Greece. Last week, the British Energy Minister was present at the signing of the concessions for three new hydrocarbon fields in Western Greece; the site at Katakolo includes a British company, Trajan Oil.

Of course, investors require a stable regulatory framework and a stable taxation system. The Greek Government has been making great efforts to simplify the one and to bring the other up to international standards. But the task remains a big one.

Finally, we shouldn't underestimate the importance to the UK and Greece of education or of tourism. Last year, 12000 Greeks were studying in the UK, paying tuition fees, contributing to their local economies. And UK Universities are educating increasing numbers of Greeks here in Greece, through franchise arrangements, distance learning and other innovative partnerships. These links

would strengthen and diversify if the regulatory system in Greece were liberalized.

Here in Greece our cultural and educational activities are massively boosted by the long-standing presence of two of our greatest institutions: the British Council, now operating in Thessaloniki and in Athens, and the British School at Athens, which continues its important archaeology here in the Ionian Islands, at Ithaki.

But the greatest exchange between us, at least in sheer numbers, is that of mass tourism to Greece. Last year, just under 2m Brits escaped the misery of the British summer to live the myth in Greece. Some 385000 Brits landed at Corfu airport. Mass tourism brings some challenges, but it spreads prosperity and understanding between peoples. The services my Embassy and its vice-consulates offer to British tourists in difficulty are among the most important things we do. In the next few weeks, I shall be launching in Athens our annual campaign of information and exhortation, which will run across the summer season in the youth resorts, including here at Kavos.

To me at least, all of this suggests a relationship which is wide and deep; mature and functioning well across all of the essentials. Perhaps the strength of our bilateral relations rises and falls with the political cycles in our two countries, and the simple fact is that Eurozone membership dictates substantially the orientation and concentration of Greek policy. But our relationship is now generally free of most of the dramas and misunderstandings of the past. We talk to each other as

equals within our system of trading, political and military alliances.

Perhaps this will surprise you, but I think that the economic adjustment programme, for all the sacrifices it has required of the Greek people, could mean a closer alignment between Greek and British interests in the future.

- We might see in Greece an increase in economic liberalism and effective structural reforms – bringing about greater entrepreneurship and wealth creation; welcoming of foreign capital; a drive towards exports; support for free trade.
- We might see liberalization of the university sector – improving the Greek market for Greek and foreign students and for foreign universities.
- We might see the real development of Greece as a regional energy distributor – through new pipelines; LNG facilities; off-shore installations.
- Greater confidence regionally might encourage Greek efforts to stabilize its neighbourhood, particularly in the Western Balkans, increasing investment for regional connectivity.
- And energy might be the key to a Cyprus settlement, which in turn would have the potential to transform historically fractured relationships in the wider region – not least between Greece and Turkey.

None of these things is inevitable. But the need for a Greece which has irrevocably committed itself to Eurozone membership to live within the terms of that

membership, could motivate at least some of them. Any of them would, I think, have the effect of bringing the UK and Greece closer together. And of making it more likely that Greece and the UK still matter to each other in the future.

Let me finish by returning to my starting point and sounding two notes.

First, I hope you will indulge me in an expression of pride in the wisdom of British policy in the early 1860s. The unification of these islands with Greece after so many centuries of foreign rule was, in some ways, a risky policy, but it was the right thing to do and it was done at the right time and in the right way. On these islands the Greeks received their freedom, without recourse to armies, militias or deeply rooted civil unrest.

And freedom it most certainly was. Freedom after many, many centuries of rule by foreigners: Russians, French and Venetians before us. I don't often get the opportunity to quote Solomos, but I shall pay tribute to him, the great Zakynthian, and congratulate the Ionian Islands and Greece on this magnificent 150th anniversary, by quoting his most famous lines:

Απ' τα κόκαλα βγαλμένα
Των Ελλήνων τα ιερά,
Και σαν πρώτα ανδρειωμένα,
Χαίρε, ω χαίρε, Ελευθεριά!

Hail, Liberty, Hail!

Thank you.