

SEESOX Diaspora
Working Paper
Series
No. 13



*Greek Entrepreneurs from the Former Soviet Union:
Inverting and challenging spatially constructed
economic hierarchies in Greece*

by Antonis Kamaras

July 2021

**Greek Entrepreneurs from the Former Soviet Union: inverting and challenging
spatially constructed economic hierarchies in Greece**

Antonis Kamaras, SEESOX Diaspora project associate

e-mail: antoniskamaras@gmail.com

SEESOX Diaspora Working Paper Series. Paper No. 13

All views expressed in this paper are those of the authors and do not necessarily reflect the views of SEESOX

Greek Entrepreneurs from the former Soviet Union: inverting and challenging spatially constructed economic hierarchies in Greece

Antonis Kamaras

Abstract

This paper examines the spatial implications of entrepreneurial activities undertaken in Greece by Greek businessmen from the Former Soviet Union (FSU). It demonstrates how, by interfacing between major economic trends taking place in the FSU and the Greek economy, these businessmen overshadowed their local peers in Greece's second largest city, Thessaloniki. They also took the place, in particular economic sectors in Northern Greece, of historically dominant business interests originating from the capital, Athens. The paper argues that these developments were partly the unintended consequence of the Greek government's decision, in the early 1990s, to channel ethnic Greek migration from the FSU to one of Greece's most underdeveloped northern regions, Thrace. In due course, many of these Greek FSU migrants left Thrace and gravitated to Thessaloniki, Northern Greece's largest city where they were joined by others who emigrated in following years. This concentration of Greeks from the FSU both spawned and attracted Greek FSU entrepreneurship in Thessaloniki, and its surrounding region, involving tourist and capital flows from the FSU. The paper concludes with a set of policy recommendations aimed at systematising the ability of the Greek FSU community to intermediate between the FSU economic space and the Greek economy in Thessaloniki, through the educational system at the secondary and higher education levels.

Keywords: diaspora and entrepreneurship, Greeks from the Former Soviet Union, Thessaloniki, spatial hierarchies.

Introduction

In this working paper I explore how Greek entrepreneurs from the Former Soviet Union (FSU) have inverted and challenged spatial hierarchies in Greece as they have been respectively structured *within* Thessaloniki, Greece's second largest city, and *between* Thessaloniki and Greece's largest urban conurbation, specifically the Athens and Piraeus metropolitan complex. In the first section, I examine how Greeks from the FSU came to be largely concentrated in Northern Greece and Thessaloniki in particular.

The second section, reviews the ways through which this concentration has shaped the business strategies of the two leading FSU Greek entrepreneurs in Greece, the late Boris Mouzenidis and Ivan Savvidis. Particular emphasis is placed in how these two entrepreneurs transfigured, respectively, rising Russian Federation outbound tourism and tobacco consumption, into influential business strategies in Greece. I contrast these two cases with Filaretos Kaltsidis, who became the leading cement manufacturer in the Russian Federation but has opted out of engaging with Greece as an investor. Although the trajectories of these three entrepreneurs are distinct from each other they all share the same ancestry, namely Georgia's Tsalka cluster of Greek villages.

In the third section I argue that the business strategies of the former two Greek FSU entrepreneurs must be situated both in the context of Greece's economic crisis, which resulted in increasing reliance on tourism and Foreign Direct Investment (FDI), as well as on the inability of Thessaloniki's business class, predating the crisis, to challenge the scale and reach of its Athens and Piraeus counterpart. So, the nation-wide economic crisis created opportunities for Boris Mouzenidis and Ivan Savvidis, while the pre-crisis weaknesses of the Thessaloniki business class meant that they faced little competition in grasping these opportunities.

The concluding section synthesises the implications of the preceding analysis and sets forward policy proposals aimed at enhancing the future impact of FSU Greek entrepreneurship on the Greek economy.

Greeks from the FSU in Northern Greece

Subsequent to the collapse of the Soviet Union, there was a massive outflow of members of the Greek diaspora from the successor countries, and mostly from the Republic of Georgia. Political strife and a political economy which privileged majority populations in the successor states of the Soviet Union made Greece attractive to ethnic Greeks from the FSU.

The Greek government, through the National Foundation for the Resettlement of Repatriated Greeks, channeled these migratory inflows to the underdeveloped Thrace region in Northeast Greece. The rationale of this policy was that the reduced material circumstances of FSU Greeks would render Thrace an acceptable destination while at the same time these inflows from the FSU would boost the region's long term prospects. The policy also extended

to inducing the return of the local population who had migrated due to the limited economic prospects in Thrace in the post WW II era (Voutira, 2004). Importantly, this policy was inspired by the agricultural settlement of Asia Minor refugees in Northern Greece in the 1920s, a settlement seen as successful both in terms of boosting the long terms prospects of the region and in consolidating the ethnic Greek element.

Limited job opportunities in Thrace meant that Thessaloniki attracted a critical mass of FSU Greeks, more than 30% of the total (Grigorakis & Kataiftsis, 2019). The presence of distant relatives of FSU Greeks, from previous migration waves to Thessaloniki, may have also been a pull factor. Pontic Greeks flocking to Greece in the tumultuous 1920s, when the Ottoman Empire collapsed and communist rule was consolidated in Russia, were mostly settled in the rural North and many of them subsequently gravitated to Thessaloniki during Greece's post WW II urbanisation era (Voutira, 2006). Limited social capital in Greece, the inability of the Greek state to implement effective integration policies, discrimination, and often the lack of transferability of skills, education and expertise acquired in the Soviet Union, meant that FSU Greeks in Thessaloniki were occupied in menial jobs, often well below their social and educational standing in the Soviet Union, such as construction, housekeeping and service jobs in the city's hospitality and retail sector. Their low socioeconomic standing in Greece was also spatially reflected, with the majority of FSU Greeks residing in the city's working class western districts or in old apartment buildings within the old city's perimeter, distant from the privileged sea promenade.

FSU Greeks' common Caucasus origin meant that their job-seeking and first business steps in Thessaloniki, for the more entrepreneurially inclined, involved family and village networks and demonstrated kinship and place-bound solidarity and networking. Importantly for our purposes, FSU Greeks, despite their low socioeconomic status shared common origins with the dominant, post 1922, exchangee element. They were thus affiliated and/or patronised by Pontic Greek associations, the political parties with which these associations were linked, and even with sports teams such as PAOK FC which originated from Asia Minor and were seen as strongly attached to the Pontic Greek element¹.

The transition of the Russian Federation, and more generally the FSU space, to market economics, together with the rising oil prices in the 1990s and 2000s, supported long-term income growth in countries with which FSU Greeks in Greece were still intimately connected, or in countries to which FSU Greeks had chosen to stay most prominently in the Russian Federation. With a tradition of entrepreneurship dating back to the grey market economy of the Brezhnev and post Brezhnev period, as well as their educational and career advancement in the post WW II period, FSU Greeks were increasingly well-positioned to pursue business opportunities in the Russian Federation. Additionally, the marginal socioeconomic position that Greeks from the FSU occupied in Greece and the Republic of Cyprus meant that they were

¹The issue of FSU Greeks of Pontic Greek origin and identity is complex as are relations between FSU Greeks in Greece and Pontic Greeks who came to Greece as refugees, from Asia Minor in 1922 (see Pratsinakis, 2021). The author was exposed to patronage politics involving FSU Greeks residing in Thessaloniki, Pontic Greek Association and political parties while serving as an advisor to the Mayor of Thessaloniki from 2011 to 2014.

incentivised to search for business opportunities in the FSU space and, more generally, created a transnational circuit whereby goods, money and information would move to and fro, from Greece and Cyprus to the FSU space (Popov, 2010).

Three major Greek FSU entrepreneurs

The late Boris Mouzenidis, whose tourism business dominated inflows from the FSU to Greece, demonstrated the benefits of being embedded in Northern Greece while also, having access to FSU Greek and non-Greek human resources. His tourism business grew at a fast pace due to the long-term growth of outbound tourism from the Russian Federation. According to World Tourism Organisation Rankings, Russians tourists spent \$36.2 billion in 2019 on international travel, making the Russian Federation the 6th most important outbound tourism country worldwide (UNWTO, 2020). In the same year, 583,000 Russians visited Greece while receipts from Russia increased by 27.2% to €433 million (Tornosnews.gr, 2020). The volume of international travel originating from the Russian Federation is a function of rising incomes in the post-Soviet era as well as the freedom to travel abroad. In the first nine months of 2017 Greece became the 10th most visited destination for Russian tourists. The main sources of attraction were Greece's beaches, Greece's rich cultural heritage, including Greek Orthodox pilgrimage sites, and the country's political stability (ITE Travel & Tourism, 2017).

Boris Mouzenidis arrived in Thessaloniki in 1992 from Georgia and three years later launched his tourism business. He became a leading figure in Greece's tourism industry by channeling Russian tourists to hotels in the nearby Khalkidhiki seaside region as well as to the inland city of Kastoria which, due to its tradition as a fur manufacturing center, became a magnet for the Russian suitcase trade. His business also benefited from Northern Greece's rich Byzantine Orthodox heritage. Boris Mouzenidis marketed to Russian Federation tourists some of Northern Greece's most prized assets: Khalkidiki's 'sun and sand' appeal, the Kastoria fur cluster (one of the most enduring business clusters in Greece) and Northern Greece's primacy as a repository of Byzantine splendor, starting with the monasteries of Mount Athos. The original intent of Greek policy makers was for enterprising FSU Greeks like Boris Mouzenidis to revitalise and strengthen the economically marginalised Thrace, which is the eastern end of mainland Greece. Instead, it is indicative of a larger trend, involving FSU Greeks, that he built his success on activities and in locales already developed, in economic terms, in Central and Western Macedonia.

The late Boris Mouzenidis was able to provide Russian tourists a hassle-free, competitively priced experience - an operational characteristic that became the main building block of his vertical integration business model. Effectively, a client relationship would commence with the visa facilitation process in the Russian Federation, continue with the boarding of his charter airplane of his Ellinair Fleet and then move on to the affiliated hotel in Khalkidhiki, the affiliated furriers in Kastoria, and so on, and being completed by the return charter flight back home. Throughout this process, and critically in Greece, the tourist/client

would be serviced by Russophone staff, from travel office managers to air stewardesses, to taxi and van drivers in Greece, to hotel receptionists and tourist guides. In Greece, this Russophone staff would be comprised either of FSU Greeks resident in Greece or by young tourist guides brought over, for the duration of the tourist season, from the Russian Federation. It is important to highlight that together with privileged access to the appropriate human resources, a critical factor for a labour-intensive service sector such as tourism – and Russian language command being critical due to the limited use of English by Russian tourists and the rare command of the Russian language by indigenous, non-FSU Greeks - the Mouzenidis operation included advanced business operations as in the case of his owning and running a charter air fleet (Grigorakis & Kataiftsis, 2019; Tzimas, 2021)

By contrast to Boris Mouzenidis, Ivan Savvidis amassed his fortune in the Russian Federation by ending up as the owner of Donskoy Tabak, the country's leading, domestically-owned cigarette manufacturer and the firm where he started his career prior to the collapse of the Soviet Union. As with the late Boris Mouzenidis, Ivan Savvidis' business rise was linked to structural trends in the economy of the Russian Federation. The Russian Federation, in the post-Soviet period, became the third largest tobacco consuming nation worldwide, after China and Indonesia, with the cigarette market dominated by foreign multinationals. Aggressive marketing has led to a rise in smoking by females, while rising incomes, sustained by high oil prices, blunted the effects of the rise in cigarette taxes, keeping the Russian Federation in the top ranks, consumption-wise (Zheng et al, 2017).

A politically-connected businessman – he was elected deputy to the Duma with Vladimir Putin's United Russia party – his base of operations was in Rostov-on-Don, in Southern Russia where many Caucasus Greeks migrated prior to the collapse of the Soviet Union. Thus Savvidis was typical of those FSU Greeks who, by being resident in the successor Russian Federation, was not compelled to migrate to Greece. Greeks in smaller republics, such as Georgia and Armenia, were often compelled to repatriate due to preferential political and financial policies benefiting the ethnic majorities of these countries (Popov, 2010). Yet once Ivan Savvidis decided to commit as a businessman to Greece, Northern Greece, and Thessaloniki in particular, proved to be a compelling destination. Thessaloniki, as home of his FSU co-ethnics, who had mostly left Georgia and other such smaller FSU successor states, and home of post-1922 Pontic Greeks, offered him the opportunity, through his investments in highly visible assets, to assume a prominence well beyond that of the generic business investor.

Through this spatial preference in his investments, he linked up his activism in Greek diaspora politics in the FSU with his status as the most important businessman in Northern Greece which, as mentioned above, is the heartland of post-1922 migration waves of Pontic Greeks, including of the FSU Greeks in the 1990s². This status was underlined by his ability to

² The professed solidarity between these two groups, FSU Greeks and Pontic Greeks, of the 1922 population exchange between Greece and Turkey, has given the space to Ivan Savvidis to claim a leadership position over both of them and to relate such position to his status as a leading economic actor in Northern Greece. His philanthropic funding of Pontic Studies at the University of Thessaloniki and his funding of Pontic Greek associations has reinforced this claim.

fund PAOK FC, which commanded the loyalty of thousands of the descendants of the earlier, non-FSU migration waves, to unprecedented wins in the Greek football championship as well as his philanthropic funding of Pontic Greek associations and of Pontic Greek studies at Aristotle University of Thessaloniki. In turn, this status allowed him to project an image of a businessman embedded and inextricably connected to Northern Greece. He instrumentalised this status to project himself as a caring steward of a critical business asset in Northern Greece, the Souroti sparkling water company. He acquired the company in 2016 by out-bidding another interested company with a decades-long presence in Northern Greece, Coca-Cola HBC, which is headquartered in Athens (Manifadas, 2016).

Thus, the diversity as well as size of Ivan Savvidis' business commitments in Greece have enjoyed a synergistic relationship with his spatial preference³. Ivan Savvidis maintains dominance as Northern Greece's single most significant and visible investor and businessman having acquired the concession for Thessaloniki's port, OLTH, and a leading hotel, the Macedonia Palace, the above mentioned Souroti, a top integrated tourist resort in Khalkidhiki, Porto Karras, a cigarette manufacturer in Thrace, SEKAP (now sold off), and Thessaloniki's leading soccer team, PAOK FC. He has cemented his stature in the region through his membership in the FSU Greek community and his sponsorship of causes which refer to and service this community's identity and visibility⁴. While Ivan Savvidis funded his investments in Greece through the wealth generated by his cigarette manufacturing interests, his sale of Donskoy Tabak to Japan Tobacco for \$1.6 billion in 2018 has further increased his capacity as an investor in Greek assets – indicatively, his acquisition of Porto Karras took place after the Donskoy Tabak sale (Japan Tobacco Inc, 2018).

Finally, and as with the case of Boris Mouzenidis, we note that this matching between privileged access to Russian Federation governance structure and thus control of cash-generating demand flows, cigarette consumption in his case, move hand in hand with an ability to interact with multinational corporations from highly developed markets. We note in that regard his ability to sell his key business asset to one of the world's leading cigarette manufacturers as well as the choice of Western-trained key business associates (banks.com, 2018).

Our third case, Filaretos Kaltsidis, is also emblematic of a different business and personal trajectory among FSU Greek entrepreneurs and wealth holders. A graduate of the Metallurgical Institute in Moscow, which as a capital city had attracted a critical mass of ethnic Greeks, his meteoric rise in business led him to the control of Eurocement, the Russian Federation's leading cement manufacturer. Again, as with Boris Mouzenidis and Ivan Savvidis, Filaretos Kaltsidis' business trajectory is inextricably connected with the evolution of

³ There has also been extensive speculation that Ivan Savvidis has advanced the Russian Federation's geopolitical aims in Northern Greece and the wider Balkan region, (see Clapp, A. 2018). From the point of view of this paper, this debate would be analytically relevant to the extent that it can establish that it has a bearing on the ability of Ivan Savvidis to convert his wealth, gained in the Russian Federation, into investments in the Greek economy.

⁴ There have been numerous profiles of Ivan Savvidis and of his economic activities in Greece in the Greek press, see indicatively Sarantakos, G. (2018, March 5). The Greek Business of Ivan Savvidis, *TA NEA*.

the Russian Federation as a market economy. Both multinationals and local cement manufacturers are present in the Russian cement market, the 9th largest in the world in 2020, with demand for cement being maintained at significant levels both due to residential construction and infrastructure spending by the Russian state (Stewardson, 2020).

Filaretos Kaltsidis has connected to Greece, like many other affluent or ultra-wealthy members of the worldwide Greek diaspora, recreationally and socially but not in a business capacity. Illuminatingly, he has purchased an expensive mansion in the Peloponnese, the heartland of Southern Greece, where Greeks from the FSU have never migrated en masse. While reportedly on friendly terms with an ex-prime minister and the leader of the Greek Orthodox Church in Greece, he has refrained from deploying his wealth as an investor in Greece's economy, let alone that of Northern Greece (Mononews, 2018).

As we can see from the Filaretos Kaltsidis case, there is nothing inevitable in Greek FSU entrepreneurs and wealth-holders gravitating to Greece, let alone to Northern Greece. Still, as the Boris Mouzenidis and Ivan Savvidis cases demonstrate, this geographical pull has been an unintended consequence of the Greek government's effort to channel Greek FSU migration to Northern Greece. Therefore, it is not surprising that the region's leading city, Thessaloniki, has emerged as a spatial entity where capital and services which originate in the FSU are managed from and/or directed to⁵. This development is also a product of the integration of the FSU successor states in global markets which means that people, commodities and money can move to and fro, at will, and capital gains realised in the Russian Federation and other FSU successor states can be invested elsewhere.

Greek FSU entrepreneurs in Greece: inverting and challenging spatial hierarchies

The structural features of the Russian economy which enabled the rise to prominence of the late Boris Mouzenidis and Ivan Savvidis were mediated by structural features of Greece's regional and national economic set-up.

Since Greece's market reforms of the mid to late 1990s, Thessaloniki has decidedly failed to keep up with the scale of economic activity taking place in the Athens and Piraeus area. The reforms involved the modernisation of capital markets, improvement of telecoms, financial sector liberalisation, and resulted in the growth of banks, major utilities, construction companies executing major infrastructure works and repatriated ship owning firms from London – all of the large businesses involved in these endeavours are headquartered in the Athens and Piraeus metropolitan complex (Kamaras, 2004). Thessaloniki's governance structure, impeded by Greece's highly centralised state, and by governance weaknesses in major centrally-managed entities, such as state owned firms and universities located in the

⁵ It may also have been the case that Thessaloniki's size, approximately one million strong, combined with its proximity to Thrace, made it more attractive for entrepreneurial FSU migrants than Athens, which together with Piraeus is five times larger. Big enough to offer opportunities, small enough to render important networks and communities, Thessaloniki could become the informal 'capital' of FSU Greeks in way Athens clearly could not. In that respect, Ivan Savvidis' Thessaloniki-bound and defined prominence is highly illuminating.

city, failed to assist home-grown corporate agglomeration and modernisation (Yannakou & Kamaras, 2017). Thus, the city's and the surrounding region's business class was ill-prepared to manage the collapse in domestic demand caused by the country's economic crisis.

At the national level, Greece's major economic crisis which lasted for almost a decade, from 2009 to 2018, meant that, first, tourism became even more important for the Greek economy. This was due to its capacity to compensate from the dramatic fall in domestic consumption with imported consumption from abroad. Second, a trove of assets was put on the block by the state, insurance and pension funds and financially distressed private owners. Such an extensive transfer of assets, other than providing liquidity injections to the state and to private owners, was enveloped in a policy debate stressing the need to attract investment capital to Greece's internationally tradeable sectors, such as tourism, transportation, logistics and the food and beverages sector⁶. These were precisely the sectors where Boris Mouzenidis and Ivan Savvidis made their presence felt.

The national economic crisis, and the way it was compounded by regional weaknesses in Northern Greece, has meant that Boris Mouzenidis and Ivan Savvidis were given the space to emerge as two of Thessaloniki's, and Northern Greece's, leading businessmen as well as business figures of national consequence. Boris Mouzenidis succeeded in making the Russian Federation, and the FSU in general, a pillar of Greece's tourist attraction flows at a time when tourism had become a lifeline for Greece's economy. Thus, his facilitation of tourist inflows from the FSU markets was appreciated by Greek authorities seeking to maximise tourist inflows from all over the world. Ivan Savvidis picked up assets through straight sales or long-term concessions when Greek authorities were financially desperate to make progress in the state's privatisation and concessions programme. Revealingly, Thessaloniki's traditional business class, under-capitalised to begin with and then under duress by the crisis, did not emerge as a contender for the acquisition of these assets which were the crown jewels of the city and of the surrounding region.

By doing so, Boris Mouzenidis and Ivan Savvidis have inverted one spatial hierarchy and have challenged another. In Thessaloniki, they have epitomised the FSU Greeks' integration and rise, through the accumulation and deployment of assets of FSU origin, in the city's economic life. The two businessmen undoubtedly eclipsed the city's traditional, non-FSU related business elite and have thus belied majority perceptions of the FSU Greeks as an under-privileged socioeconomic group existing at the margins of local society.

These businessmen have also challenged the primacy of the Athens and Piraeus in this intra-national spatial hierarchy. The late Boris Mouzenidis did so by channeling important tourist flows throughout Greece while being headquartered in Thessaloniki. Ivan Savvidis did so by prevailing in the acquisition auction over Greece's a leading, Athens-based, beverages company, Coca-Cola HBC, for the control of Suroti, the sparkling water company. In sports,

⁶ Various policy documents underline the need for the crisis-hit Greek economy to attract investment to those sectors that are internationally tradeable, such as tourism and transport, and more generally for the need of the Greek economy to increase its exports of goods and services, see, Greece Ten Years Ahead, (2011, September), *McKinsey* and Growth Plan for the Greek Economy. (2020, November). *Pissarides Commission*.

Savvidis acquired PAOK FC, which won the Super League in 2019 for the first time since 1985, and then the Greek Cup - thus besting the traditionally dominant Olympiacos, owned by a Piraeus-based shipowner, Evangelos Marinakis. The previous owner of Olympiakos, Sokratis Kokkalis, was a well-connected supplier of IT equipment and services to the Greek state. Thus, in the recent history of PAOK FC, only an outsider with capital gains realised in the Russian Federation managed to overcome the economic advantages conferred to Athens & Piraeus soccer teams through ownership by businessmen engaged in archetypical, for that metropolitan area, activities, namely shipowning and state contracting. Finally, Ivan Savvidis' acquisition of a landmark hotel in Khalkidhiki, Porto Karras, which was originally funded and built by a Chiote shipowner, Ioannis Karras, back in the 1970s, was emblematic as well. It underlined how capital surpluses accumulated in the FSU now challenge the traditional dominance of capital concentration in Athens and Piraeus.

Conclusion and policy recommendations

The decision of the Greek government to channel Greek FSU migratory flows to Northern Greece helped elevate Thessaloniki's position vis-à-vis Attica (Athens and Piraeus) in selected market activities where Attica based businessmen and companies were historically dominant. By contrast, Thrace, which was the Greek policy makers priority destination for FSU Greek migratory flows did not enjoy the same benefits. Thrace only managed to retain economically inactive old-age FSU Greeks, captive to the subsidised housing offered there by the Greek state. The type of cross-border, hyper-capitalism exercised by the late Boris Mouzenidis and Ivan Savvidis brings this contrast, between the diverging roles of FSU Greeks in Thrace and those in Macedonia and Thessaloniki, into sharp relief indeed.

While the trajectories of Boris Mouzenidis, Ivan Savvidis and Filaretos Kaltsidis are exceptional they are not accidents. Rather, they maximised and leveraged their networks and advantages in the FSU Greek community strategically. They shared in a tradition of ethnic entrepreneurship predating the collapse of the Soviet Union – in terms of their socialisation, education, Russian language, etc. – in the FSU economic space and, in the case of the first two entrepreneurs, their increasing mastery of the economic opportunities offered by Greece. Boris Mouzenidis forged new tourist inflows into Northern Greece using his knowledge and connections from the FSU. Ivan Savvidis took his chances in Southern Russia, a traditional domestic migration destination from the adjacent Caucasus for Greeks both during Soviet and Tsarist times and became a typical Russian oligarch. Filaretos Kaltsidis studied, like so many other ambitious Greeks of the Soviet Union, in a higher education establishment in Moscow and then moved on to act as a consolidator of the cement industry in the transition from a centrally planned to a market economy. Moreover, all of these businessmen expanded their activities to other successor states to the Soviet Union, facilitated by reconstituted networks and a common Russian language. In the case of Boris Mouzenidis and Ivan Savvidis, their businesses benefited from managers and partners also of Greek FSU origin related either by

kinship, common geographical origin, or simple membership in the Greek FSU community - a process which has no doubt further strengthened the skills and know-how of the Greek FSU community in its role as an interface between the FSU economic space and that of Greece.

Obviously there have been other FSU Greek entrepreneurs, whether present in Greece or in the FSU or both, as members of the FSU Greek transnational circuit who have had smaller scale business successes: investing in hotel businesses in Greece with capital sourced in the FSU, exporting Greek goods to the Russian Federation – embargo limitations notwithstanding - and so on.

These characteristics of the FSU Greeks are of course dynamic. Second generation FSU Greeks, particularly those borne in mixed marriage families (i.e., marriages between Greeks from the FSU and indigenous Greeks) may or may not learn the Russian language. Increasing assimilation may well come at the cost of weakening links with the FSU space. Re-migration, due to the crisis of a substantial and yet under-researched, cohort of FSU Greeks from Greece to Germany and other western European countries may have robbed the community in Greece of some of its most dynamic members and yet may have created other ethnic networks linking Greece with Germany and possibly the FSU space. FSU Greeks living in the FSU successor countries may increasingly become distant from their Greek heritage, decades after the initial migration wave to Greece crested and their localities of origin in the Caucasus having been abandoned. Such transiency was powerfully encapsulated by the much lamented (in Greece) death of Boris Mouzenidis himself, who lost his life due to COVID 19 complications in March 2021, while on a visit to Moscow to attend the annual international tourist fair.

Thus, it is incumbent that the role of the FSU Greeks as economic facilitators between Greece and the FSU is integrated into evidence-based policy making, such that can underpin the continuous evolution and prominence of that role. It was after all the unintended consequences of badly-designed policy – the unsuitable channeling of urban, often highly educated FSU Greeks in semi-rural areas in Thrace - that ended up benefiting Greece’s second largest city, Thessaloniki. We can only imagine what well-designed policies aimed at institutionalising FSU Greek ethnic business networks and targeted skills acquisitions can achieve in strengthening the role of FSU Greeks as the economic interface between Greece and the FSU.

In that vein, the Greek government could design place-informed policies on the basis of the already demonstrated abilities of Greeks from the FSU to interface between the Greek economy and the economies of the FSU states. Unlike the channeling of Greeks from the FSU to rural areas of Thrace during the early 1990s, which failed in its intended consequence and succeeded in its unintended consequence of elevating Thessaloniki, evidence-based policies can actually align intent with outcome. Two such policies could be the following:

1. The creation of joint degrees, both at the undergraduate and the graduate level, at the Thessaloniki-based University of Macedonia, open to fluent speakers of Russian, in business and the economies and politics of the FSU states. The purpose of such a degree would be to create a highly trained managerial cohort, both of second-generation Greeks from the FSU as well as non-FSU Greeks, who would strengthen the FSU-oriented business strategies of

companies located in Northern Greece as well as in the rest of the country whether these companies are controlled by Greeks from the FSU or not. Such degrees would essentially synthesise existing expertise at the University of Macedonia, incorporating its business-related offerings (e.g., accounting, marketing) and its well-regarded department of Balkan, Slavic and Oriental Studies, needing only to add instructors in the politics and economics of the FSU space.

2. Introduction of Russian language instruction in Greece's secondary education in Greece's public school system where there is sufficient demand for it and particularly in the city of Thessaloniki. The purpose of this policy would be to ensure that second and third generation Greeks from the FSU, including those of mixed parentage, have the opportunity to learn not only the spoken but also written Russian language and thus constantly replenish Northern Greece's labour market with a sufficient number of Russian speakers. The Ministry of Education would need to hire Russian language speakers for this policy to take into effect.

Implementation of the above-mentioned policy measures could be facilitated by complementary (to state expenditure) philanthropic and Corporate Social Responsibility (CSR) support by Greek entrepreneurs from the FSU and/or leading companies and business associations from Northern Greece. The late Boris Mouzenidis funded Russian language instruction, open to all interested adults, in partnership with the Municipality of Thessaloniki (Municipality of Thessaloniki, 2018). Ivan Savvidis has funded, as it is mentioned above, a chair of Pontic Greek Studies at the Aristotle University of Thessaloniki⁷. I argue that such philanthropy and CSR action should be expanded, in terms of the entities that undertake it and include companies from Northern Greece not owned by FSU Greeks. This way philanthropy and CSR can catalyse an ambitious public and private partnership, which goes beyond particular individuals, aimed at institutionalising the interface role, between the FSU economic space and Northern Greece, of the Greeks from the FSU.

Obviously, other policy measures can also be examined and implemented in Greece as well as in the FSU countries. Greek language instruction supported by the Greek state in the FSU space will always be critical to the ability of those Greeks from the FSU who have not actually migrated to Greece to interact with their homeland. Institutionalising networking between economic actors in Greece and prominent members of the Greek FSU community, in such influential cities as Moscow, St Petersburg, Kiev, is also of obvious utility, and there Greece's embassies, commercial attaches and the Greek diaspora research community all have critical roles to play. The crux of the matter is for all important stakeholders, state and non-state, economic and academic, to align around evidence-based actions that seek to build on the natural advantage of the community of Greeks of the FSU to interface between Greece and the FSU economic space. This should encompass the needs of the Greek economy, and of the economy of Northern Greece in particular, the obvious importance of the enormous FSU economic space and, last but not least, the need to secure the affluence and equal participation of FSU Greeks in Greece's social, economic and public life and to renew

⁷ See, <https://www.hist.auth.gr/el/ponticstudies>

the Hellenic identity of one of the most important and historic Greek diaspora communities – all these factors demand nothing less.

References

Bank of Greece: Final Data on 2019 record 18,1 million travel receipts. (2020, April 4). *Tornosnews.gr*, Retrieved from: <https://www.tornosnews.gr/en/greek-news/economy/39724-bank-of-greece-final-data-on-2019-record-e18-1-million-travel-receipts.html>

Clapp, A. (2018, Jan. 5). From Russia with Love - The New Greek Oligarchy. *The American Interest*. Retrieved from: <https://www.the-american-interest.com/2018/01/05/new-greek-oligarchy>

Filaretos Kaltsidis: Who is the 5th Greek in the Forbes List – How did he lose 1 billion dollars in a few minutes!!! (2018, March 8). *Mononews*. Retrieved from: <https://www.mononews.gr/business/pios-ine-o-5os-ellinas-tis-listas-tou-forbes-pos-echase-3-dis-dolaria-se-liga-lepta>

Greece Ten Years Ahead (2011, September). *McKinsey*. Retrieved from: <https://www.mckinsey.com/featured-insights/europe/greece-10-years-ahead#>.

Grigorakis, A. and Kataiftsis, D. (2019). *From open markets to Russian product stores to “big business”*: Economics and ethics in Pontic Greek communities of Thessaloniki after the Soviet experience. SEESOX Diaspora Working Paper Series. No. 5.

Growth Plan for the Greek Economy (2020, November). *Pissarides Commission*. Retrieved from: <https://government.gov.gr/schedio-anaptixis-gia-tin-elliniki-ikonomia/>

Kamaras, A. (2004, July). *Market Reforms and Urban Disparity: The Cases of Athens and Thessaloniki*. Hellenic Observatory, London School of Economics and Political Science.

Manifadas, D. (2016, October 26) War of Coca Cola – Ivan Savvidi for the acquisition of the shares of Souroti, *Kathimerini*. Retrieved from: <https://www.kathimerini.gr/economy/business/880821/polemos-coca-cola-ivan-savvidi-gia-tin-exagora-ton-metochon-soyrotis/>

Popov, A. (2010). Making sense of Home and Homeland: Former-Soviet Greeks' Motivations and Strategies for a Transnational Migrant Circuit. *Journal of Ethnic and Migration Studies*, 36 (1), 67-85.

Pratsinakis, M. (2021). Ethnic Return Migration, exclusion and the role of ethnic options: 'Soviet Greek' migrants in their ethnic homeland and the Pontic identity. *Nations and Nationalism*, 27, 497-512.

Press Release-JT Group Acquires Russia's Donskoy Tabak- Company Strengthens its number one position in Russia (2018, March, 16). *Japan Tobacco Inc.* Retrieved from: https://www.jt.com/media/news/2018/pdf/20180316_E01.pdf

Russian Outbound Tourism: where next? (2016). *ITE Travel & Tourism*. Retrieved from: https://arbinternational.es/ARCHIVO/documentos/ferias/145/1484651023_russia-outbound-tourism-report_oct_2016.pdf

Sarantakos, G. (2018, Mach 15). The Greek Business of Ivan Savvidis, *TA NEA*. Retrieved from: <https://www.tanea.gr/2018/03/15/politics/oi-ellinikes-mpiznes-toy-iban-sabbidi/>

Stewardson, L. (2020, Jan. 10). *The bear bounces back*. World Cement. Retrieved from: <https://www.worldcement.com/special-reports/10012019/the-bear-bounces-back/>

Teaching of the Russian language for tourism. (2018, Jan. 2). *Municipality of Thessaloniki*. Retrieved from:

<https://thessaloniki.gr/%CE%B5%CE%BA%CE%BC%CE%AC%CE%B8%CE%B7%CF%83%CE%B7-%CF%81%CF%89%CF%83%CE%B9%CE%BA%CE%AE%CF%82-%CE%B3%CE%BB%CF%8E%CF%83%CF%83%CE%B1%CF%82-%CE%B3%CE%B9%CE%B1-%CF%84%CE%BF%CE%BD-%CF%84%CE%BF%CF%85%CF%81-2/>

The 'right hand' of Savvidis is the new General Director of Investments at OLTH banks.com.gr. (2018, Sept. 12). *banks.com.gr*. Retrieved from: <https://banks.com.gr/deksi-cheri-tou-savvidi-neos-genikos-diefthyntis-ependyseon-ston-olth>

Tzimas, S. (2021, April 3). The poor boy who became the "tsar" of tourism. *Kathimerini*. Retrieved from: <https://www.kathimerini.gr/opinion/561317638/to-ftochopaido-poy-egine-tсарos-toy-toyris moy/>

Voutira, E. (2004). Ethnic Greeks from the Former Soviet Union as "Privileged Return Migrants". *Space Population Societies*. 3, 533-544.

Voutira, E. (2006). Post Soviet Diaspora Politics: The Case of the Soviet Greeks. *Journal of Modern Greek Studies*. 24 (2), 379-414.

World Tourism Barometer and Statistical Annex (2020, Sept.) *World Tourism Organization*. Retrieved from: <https://www.eunwto.org/doi/abs/10.18111/wtobarometereng.2020.18.1.5>

Yannakou, A. and Kamaras, A. (2017). Interactions between strategic spatial planning and the local state in weak institutional settings, *disP – The Planning Review*, 53 (3), 71-83.

Zheng, R., Marquez, V.P., Kuznetsova, P., Hu, X., Wang, Y. (2018). *Cigarette Affordability in the Russian Federation - 2012-2017*. World Bank. Retrieved from: <https://openknowledge.worldbank.org/handle/10986/30620>

The Greek Diaspora Project at SEESOX

Mission statement

The Greek Diaspora Project (GDP) was set up at SEESOX with the overall aim to serve as a nexus between academic research and policy, and to help identify ideas to maximise the developmental impact of the Greek diaspora on contemporary Greek politics, economy and society. The project studies the relationship between Greece and its diaspora within the context of the current economic crisis and beyond.

Project objectives

- Become the preeminent forum for debate between the wider diaspora scholarship and scholarship dedicated to the Greek diaspora;
- Relate Greece and its diaspora to other similar countries and conduct in-depth comparative studies;
- Be a port of call for anyone interested in contemporary aspects of the Greek diaspora, in terms of its library and archival resources, activities, institutional affiliations, policy relevant research;
- Analyse the new trends characterizing the current Greek diaspora in conjunction to the historical context, socio-economic change, varieties of cultural affinities;
- Assess the developmental impact of the diaspora on the Greek economy and identify policies that can maximize its contribution;
- Inform Greek public debate and Greek policy makers on the Greek diaspora, its evolution and the policy implications of actual and potential interactions between the diaspora and Greece;
- Secure funding and research opportunities for a young generation of scholars dedicated to the study of the Greek diaspora.

About SEESOX

South East European Studies at Oxford (SEESOX) is part of the European Studies Centre (ESC) at St Antony's College, Oxford. It focuses on the interdisciplinary study of the Balkans, Greece, Turkey and Cyprus. Drawing on the academic excellence of the University and an international network of associates, it conducts academic and policy relevant research on the current multifaceted transformations of the region. It follows closely regional phenomena and analyses the historical and intellectual influences which have shaped perceptions and actions in the region. In Oxford's best tradition, the SEESOX team is committed to understanding the present through the *longue durée* and reflecting on the future through high quality scholarship.



SEESOX | St Antony's College | University of Oxford | OX2 6JF | United Kingdom

Telephone: +44 1865 274537 | Email: Julie.adams@sant.ox.ac.uk

Join our mailing list: seesox@maillist.ox.ac.uk

seesoxdiaspora.org #seesoxdiaspora