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## U.S. - GREECE RELATIONS: AN AGONIZING REAPPRAISAL

### INTRODUCTION

Greek Prime Minister Andreas Papandreou has provoked considerable teeth gnashing in Washington and the other Western alliance capitals since assuming power in 1981. The lapse in Greek security measures that apparently allowed TWA Flight 847 to be skyjacked and the subsequent, instantaneous Greek cave-in to the hijackers are only the most recent sources of tension in Greek-American relations.

Papandreou's reelection victory last month ensures that Greece will continue playing a discordant role as the black sheep of the North Atlantic Treaty Organization (NATO). He undoubtedly will persist in undercutting Western unity by ingratiating himself with the Soviet Union and so-called "progressive" Third World forces such as Libya, Syria, and the Palestine Liberation Organization (PLO).

Papandreou's apologists have argued that his bark is worse than his bite. They maintain that the maverick Greek leader continues to cooperate quietly with Washington despite his strident anti-American rhetoric. While it is true that Papandreou has yet to follow through on threats to shut U.S. bases in Greece and withdraw from NATO, these long-professed strategic goals cannot be dismissed as mere empty rhetoric. They lie at the heart of his eclectic ideology formed considerably of sharply anti-American, anti-Western, pro-Soviet, and anti-free enterprise Third World slogans.

Papandreou himself vows that the "bite" will come after 1988, when the 1983 base agreement signed with the U.S. allows the Greeks to terminate base leases on five months' notice. Until Papandreou

clarifies his purposely vague recent statements on the issue of the bases, it would be unwise to downplay his bite.

Nor should his bark be ignored. As a populist seeking to exploit Greek xenophobia and historical resentment of dependence on Great Powers, Papandreou has deepened Greek isolation from its Western allies, contributed to a climate of anti-Americanism, strengthened the far left faction of his own party, and helped legitimize the demands of the Greek Communist Party. Although America baiting may enhance Papandreou's political popularity in the short run, in the long run it undermines the national interests of both Greece and the U.S., while weakening the Western alliance.

Washington tolerantly has ignored Papandreou's stream of insults for far too long. He has denounced American "imperialism" while turning a blind eye to Soviet aggression and repression in Afghanistan and elsewhere. He has railed against capitalism while borrowing heavily from the West to finance his failing socialist experiments. He has echoed the Soviet line, charging that the Korean airliner shot down by the Soviets in September 1983 was on a spy mission, even though he has admitted that he has no evidence to substantiate his charges.

Papandreou must be told by the Reagan Administration that future anti-Western statements and actions no longer will be cost free, but will generate serious consequences in bilateral Greek-American relations. He should be warned privately that, if he chooses to close U.S. bases in Greece, their functions will be transferred to Turkey and the Administration will recommend that U.S. aid to Greece, approximately \$1.5 billion since 1980, be reduced significantly. Washington cannot afford the luxury of maintaining high levels of foreign aid to a government bent on reducing its contributions to the common defense. Nor can Washington continue to legitimize a regime that has become a leading anti-American cheerleader. If Papandreou insists on behaving like a radical Third Worlder, then Washington must recognize that it has no choice but to treat Greece like a radical Third World country. The time will have come for an agonizing reappraisal of U.S.-Greece relations.

#### GREECE'S ROLE IN NATO

Greece has been an essential link in the chain of NATO defenses. Along with Turkey, it co-anchors NATO's southern flank. Because of its strategic geographic location astride vital sea routes in the eastern Mediterranean, Greece was invaded in both World Wars and probably would be invaded again in the event of large-scale East-West conflict in Europe. And today, along their northern borders, 25 Greek

and Turkish divisions are arrayed against 33 Warsaw Pact divisions which outnumber them three to one in armored and mechanized forces.<sup>1</sup>

Greece's contribution to NATO is primarily one of containing and constraining Soviet naval and air power in the eastern Mediterranean. Greece provides a home port to the U.S. Sixth Fleet at Suda Bay on the island of Crete. Herakleion air base on Crete and Helenikon air base near Athens are used by the U.S. Air Force to support reconnaissance and electronic eavesdropping flights that monitor Soviet military activities throughout the region. The U.S. communications base at Nea Makri is part of the U.S. Navy's global communication network. In addition to these four major bases, two Voice of America relay stations in Greece enable American radio programs to reach the Soviet Union and the Middle East.

Greece has depended heavily on U.S. backing since the 1947 Truman Doctrine signalled America's willingness to replace Great Britain as the guarantor of Greece's independence. American economic and security assistance enabled the Greek government to defeat a 1946-1949 communist insurgency supported by the Soviet Union and its satellites. Since 1947 Washington has pumped close to \$5 billion into Greece to rebuild its war-torn economy and bolster its defenses. It is no exaggeration to say that Greece, to a great extent, owes its independence, freedom, and economic gains to the U.S.

Athens temporarily withdrew from the NATO military command from 1974 to 1980 in protest over NATO's perceived favoritism to Turkey in the Cyprus dispute. (Greece remained in the NATO political organization.) Tensions between Greece and Turkey were exacerbated further by disputes over the demarcation of the continental shelf in the Aegean Sea, the legality of Greek fortifications on the island of Lemnos, and air traffic control arrangements for the Aegean region. Although these disputes drove the wedge deeper between Athens and Ankara, the Greeks reversed course in 1980 and rejoined NATO's military structure. The reintegration of Greece into NATO's military command, however, has not proceeded much under Papandreou.

One of his first actions after being elected in October 1981 was to break off the talks on Aegean problems that had been under way with Turkey for six years.<sup>2</sup> In December of that year, Papandreou, wearing his hat as Greek Defense Minister, harangued a summit of NATO defense ministers on the alleged Turkish threat to Greece. He demanded NATO security guarantees of Greece's frontier with Turkey. When the other

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1. Thanos Veremis, "Greek Security: Issues and Politics," Adelphi Paper #179 (London: International Institute of Strategic Studies, 1982), p. 4.

2. Kenneth Mackenzie, "Greece and Turkey: Disarray on NATO's Southern Flank," Institute for Study of Conflict, Number 154, p. 5.



NATO defense ministers understandably balked, Papandreou blocked the issuance of the customary summit communique, the first time this had happened at a high-level gathering of the NATO allies.

Greece subsequently boycotted NATO exercises in the Aegean Sea. The stated reason: NATO would not include the defense of the Greek island of Lemnos in the exercises. NATO did so because of Turkey's complaints that Greece had fortified the island in violation of the 1923 Treaty of Lausanne. Athens has charged that American and Turkish aircraft in a military exercise were violating Greek airspace. During a 1983 NATO exercise in the Aegean, the Greeks permitted a squadron of the Soviet Black Sea Fleet, including the commanding Admiral's flagship, to visit the port of Piraeus.<sup>3</sup>

Greece has vetoed the opening of a new NATO command and control for the Aegean region because it was displeased with division of responsibilities between Greece and Turkey. As a result, NATO is forced to direct its operations in the Aegean from Naples, Italy, hundreds of miles to the west. Athens also sought in 1984 to obstruct Turkish military modernization by vetoing NATO approval of Turkey's plans for developing its armed forces. This was the first time one NATO ally formally attempted to stop another from improving its military capabilities.

The Greeks have earned the sobriquet "the Asterisks" at NATO meetings because of their incessant requests for the insertion of dissenting footnotes in NATO communiqués by which they disassociate themselves from criticism of Soviet action in Afghanistan and Poland, the Soviet military buildup, and Soviet human rights violations. Papandreou opposed NATO's deployment of U.S. Pershing and cruise missiles and yet has said nothing about the relentless Soviet nuclear arms buildup targeted on Western Europe. He also has distressed his NATO allies by enthusiastically endorsing the concept of a Balkan nuclear free zone, a plan strongly supported by Moscow in the hope that it will be a prelude to unilateral Western disarmament.

Papandreou was the first (and only) Western leader to travel to Warsaw to embrace Poland's martial law leaders. He hailed General Wojciech Jaruzelski as a "patriot" and denounced the Solidarity movement as a "negative and dangerous force. In Papandreou's view, "the Polish issue was manufactured to cover up the failure (of arms control negotiations) in Geneva."<sup>4</sup>

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3. John Loulis, "Greece Under Papandreou: NATO's Ambivalent Partner," Institute for European Defense and Strategic Studies, 1985, p. 24.

4. Panayote Dimitras, "Greece: A New Danger," Foreign Policy, Spring 1985, p. 143.

The Papandreu government's record in dealing with the 1983 Soviet destruction of a Korean airliner is a particularly galling but typical case study of Greece's pro-Soviet behavior. Athens refused to condemn Moscow for the murder of the 269 civilians aboard the airliner and instead expressed only "great sorrow." Greece not only prevented discussion of the atrocity during the 1983 European Economic Community (EEC) council of ministers meeting, but vetoed the EEC's condemnation of this Soviet action. By 1984, Papandreu had reached the conclusion that the airliner had been on a spy mission, despite the fact that he had no evidence to support this conclusion, as he himself later admitted.<sup>5</sup>

Because Greece is now merely a nominal ally willing to sacrifice the interests of the Western alliance to ingratiate itself with Moscow, the functioning of NATO organizations has been impaired. The presence of Greece has meant that discussions at the regular meetings of the NATO intelligence committee have become less candid.<sup>6</sup> Greece no longer can be trusted to keep NATO secrets from the Soviets. U.S. government sources report that Greeks taken to the Soviet Union for indoctrination during the civil war have been returning to Greece since the early 1970s. Some of these returnees hold sensitive military and security positions.

Perhaps the most unsettling aspect of Papandreu's foreign policy is his longstanding intention to transform Greece into a neutralist state. His party's 1981 manifesto declared: "Our basic strategic goal is the dissolution of the two Cold War blocs--NATO and the Warsaw pact. It is within this strategy that we include our withdrawal from the Atlantic alliance."<sup>7</sup> The emergence of a neutral Greece could upset the strategic balance in the eastern Mediterranean by reducing NATO's capacity to contain the Soviet Navy and protect Europe's southern lines of communication. Turkey would become more isolated and more susceptible to Soviet pressure. Without the threat of a Greek flank attack, Turkey would be more vulnerable to a military thrust at the Black Sea straits from Bulgaria.

#### GREEK-AMERICAN RELATIONS UNDER PAPANDREOU

Papandreu came to power in 1981 at the head of the Panhellenic Socialist Movement (PASOK), a radical socialist party that embraced

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5. The New York Times, February 11, 1985, p. A7.

6. The New York Times, July 10, 1984, p. A6.

7. PASOK Governmental Manifesto, Athens, 1981, quoted in Loulis, op. cit., p. 14.

Marxism but rejected Leninism.<sup>8</sup> Although Papandreou was educated in America (Harvard Ph.D.), is married to an American, and served in the U.S. Navy during World War II as a naturalized American citizen, he wears his anti-Americanism almost as a badge of honor.<sup>9</sup> In part this is due to the dynamics of Greek politics. He has amassed political capital by telling Greeks that their problems are not of their own making but of foreigners', particularly Americans and Turks. Anti-American gestures yield cheap political popularity that enables Papandreou to tap into Greece's pride wounded by the modest role Athens currently plays in the world compared to its heroic glories of a very distant past.

By publicly lambasting Washington, Papandreou placates leftwing PASOK ideologues, curries favor with Moscow, and coopts the pro-Soviet Greek Communist Party (KKE). Appeasing the KKE is important because control over many Greek trade unions, particularly in the industrial sector, gives the KKE power to obstruct PASOK's economic program. The KKE also wields considerable influence in the Greek media.<sup>10</sup>

Papandreou therefore frequently lauds the Soviet Union and heaps abuse on the U.S. Among his favorite descriptions of the U.S. is "the expansionist Mecca of imperialism."<sup>11</sup> In a 1984 speech to a PASOK congress he asserted: "The Soviet Union's fight for detente is genuine. The USSR cannot be called an imperialist power like the United States. It is a force against imperialism and capitalism."<sup>12</sup> According to the State Department's 1984 report on voting behavior at the United Nations, Greece voted with the United States only 27.6 percent of the time during the 39th General Assembly. This is the lowest percentage of any NATO member.

Despite the billions of dollars of American aid that has bolstered the Greek economy, the Greek Prime Minister shrilly

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8. See Van Coufoudakis, "Ideology and Pragmatism in Greek Foreign Policy," Current History, December 1982, p. 426.

9. See: Nicholas Gage, "The Paradoxical Papandreou," New York Times Magazine, March 21, 1982.

10. Paul Anastasi, a former correspondent for The New York Times, charges that one of Greece's largest newspapers, Ethnos, has consistently served as a platform for the dissemination of KGB disinformation.

11. The New York Times, July 10, 1984, p. A6.

12. The Washington Post, May 11, 1984, p. A18.



proclaims that "capitalism rises up before us as a destructive power, not only of this planet but potentially of humanity itself."<sup>13</sup>

In addition to his rhetorical attacks, Papandreu has clashed with Washington on important policy issues. Foremost among these has been the question of renewing U.S. base rights in Greece. He negotiated the 1983 base agreement, which he trumpeted as a "Greek triumph" and which won unprecedented American concessions including a commitment to dismantle the bases after the expiration of the pact in 1988. Because Athens delayed publishing the terms of the agreement, it was several months before the Greek public learned that many of its government's claims were exaggerated. The Greek text stipulated that the agreement was to be "terminated" in five years while the English text stressed that it was merely "terminable" after five years.<sup>14</sup> Another persistent sore point in Greek-American relations has been the unwillingness of the Greek government to prevent striking Greek workers from blocking the entrances to U.S. bases.<sup>15</sup>

#### GREEK-AMERICAN TENSIONS OVER INTERNATIONAL TERRORISM

Among the most serious frictions between Athens and Washington has been Greece's lax attitude toward international terrorism. U.S. unhappiness over Greece's handling of the skyjacking of TWA flight 847 is only the most recent episode. Shortly after the taking office in 1981, Papandreu broke ranks with the West and granted recognition to the PLO, the umbrella group for many Palestinian terrorist factions.

Papandreu has undercut Western efforts to isolate Qadhafi's Libya, one of the prime state sponsors of international terrorism. Following a recent visit to Libya, Papandreu extravagantly praised the bloody and repressive Qadhafi regime as a "direct democracy" pursuing "the most revolutionary course of our time."<sup>16</sup> In the meantime, PASOK has concluded an agreement with the Baathist Party that rules Syria, another pro-Soviet source of state-sponsored terrorism. This agreement was aimed at engendering close cooperation

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13. The New York Times, March 19, 1984, p. A8.

14. Loulis, op. cit., p. 22.

15. Greek strikers have assaulted Americans in 1982, 1983 and 1984 while the local police did little to stop them. In 1984 the Greek government ordered police to end the blockade of the U.S. bases and helped resolve the strikes only after Washington pressured Athens. The Wall Street Journal, May 28, 1985, p. 27.

16. John Loulis, "Papandreu's Foreign Policy," Foreign Affairs, Winter 1984-85, p. 379.

between the two parties in struggling against "world imperialism and Zionism," code words for the U.S. and Israel.<sup>17</sup> Reflecting the sentiments that led to this pact, Greece denied overflight rights to planes resupplying the Multinational Peacekeeping Force in Lebanon in 1983 but granted overflight rights to Czech aircraft transporting supplies to Syria.<sup>18</sup>

Greece under Papandreou has viewed incidents of anti-American terrorism with relative indifference. After U.S. Navy Captain George Tsantes was assassinated in Greece in November 1983, the quasi-official PASOK daily newspaper, Eleftheri Gnomi, reportedly charged that the ultraleftist organization that claimed responsibility for his murder had been ordered to do so by the CIA.<sup>19</sup> Washington has been critical of the half-hearted Greek investigation of this terrorist attack as well as of the April 1984 assassination attempt on Army Sergeant Robert Judd. In June 1984 Washington was outraged when Athens released a Jordanian terrorist accused of attempting to bomb an airliner.<sup>20</sup> The Greek government not only ignored evidence relating to the bomb plot, but expelled the CIA man who provided the evidence.<sup>21</sup>

The U.S. is not the only Western nation to complain about Greek foot dragging on anti-terrorist measures. France has charged that Greece has allowed an Armenian terrorist organization, the Armenian Secret Army for the Liberation of Armenia (ASALA), to conduct political operations in Athens.<sup>22</sup>

In February 1985, following the bombing of a nightclub in suburban Athens frequented by American servicemen stationed in Greece, U.S. Secretary of Defense Caspar Weinberger rightly criticized Papandreou. He averred that the Prime Minister's diatribes helped create a climate conducive to anti-American political violence and that his noncooperative behavior permeated the Greek bureaucracies charged with investigating and guarding against terrorism.<sup>23</sup>

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17. John Loulis, "Greece Under Papandreou: NATO's Ambivalent Partner," op. cit., p. 28.

18. The Wall Street Journal, October 18, 1983, p. 36.

19. Dimitras, op. cit., p. 149.

20. The Wall Street Journal, June 28, 1984, p. 6.

21. The New York Times, November 4, 1984, p. 2.

22. The New York Times, July 10, 1984, p. A6.

23. The New York Times, February 11, 1985, p. A7.



Last month's skyjacking of TWA flight 847 is but a recent example of Greek laxity in dealing with terrorism. Two Lebanese Shiite militants commandeered the plane after smuggling guns through the notoriously leaky security at Athens airport. To no avail had Washington complained about the lack of security there in the past.<sup>24</sup> As recently as April 1985 terrorists had staged a bazooka attack on a plane inside the airport and escaped with little difficulty.

#### THE MEANING OF THE GREEK ELECTIONS

The conduct and results of the Greek elections on June 2 this year could mean that Greek-American relations will stabilize in the immediate future. Although Papandreou probably will continue bashing the U.S. as a scapegoat for Greek problems, PASOK's electoral advantage was reduced to half of its 1981 lead of twelve percentage points. Still, PASOK retains a working majority in the 300-seat parliament.<sup>25</sup> The KKE lost ground, falling from 13 seats (10.9 percent of the vote in 1981) to 12 seats (9.9 percent of the vote) in 1985. The Eurocommunists won 1 seat compared to none in 1981.

Because the KKE lost ground and did not emerge in the swing position of Greek politics as some had feared, Papandreou has gained room to maneuver without undue anxiety about the far left. The KKE had made it clear that the price of its parliamentary support would be the closing of U.S. bases and withdrawal from NATO. The communist loss relieves pressure on Papandreou to honor his own rhetoric and burn his bridges with the U.S.

Papandreou adopted a conciliatory tone toward the U.S. after winning reelection, but warned that problems dividing the two countries "cannot be wished away."<sup>26</sup> He said that he had no plans to withdraw from NATO or the EEC but ambiguously stated that the U.S. bases would be removed "in accordance with the timetable of the agreement." Since there is no agreed timetable, Papandreou's "cat and mouse game" regarding the bases is likely to continue until the expiration of the present agreement in 1988.

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24. The Washington Post, June 19, 1985, p. A26.

25. PASOK won 161 seats (45.8 percent of the vote), down from 172 seats (48 percent of the vote) in 1981. The centrist New Democracy Party won 126 seats (40.8 percent), up from 115 seats (35.8 percent of the vote) in 1981.

26. The Wall Street Journal, June 6, 1985, p. 33.

Papandreou's immediate post-election priority is to shore up the faltering Greek economy. Greece's current economic policies are not sustainable. The government has incurred a huge foreign debt to finance the new social programs that have won it popular support. Since Papandreou has come to office, the foreign debt has jumped over 40 percent to \$13 billion, and Athens is borrowing money just to pay the interest on these foreign loans.<sup>27</sup>

In effect, Western largesse insulates the Greek people from Papandreou's economic mismanagement. Wage indexation fuels an 18 percent inflation rate and raises production costs, making Greek products less competitive on world markets. The current account deficit is running at about \$2 billion per year and the unemployment rate is 9 percent and rising.<sup>28</sup> Papandreou sooner or later must streamline the inefficiently swollen public sector and curtail government spending. Yet he knows that an austerity plan could trigger a hostile political backlash. If past behavior is any guide, Papandreou can be expected to engineer a clash with the U.S. or Turkey to distract attention from his inability to resolve Greece's economic problems.

#### U.S. POLICY TOWARD GREECE

The Reagan Administration pursued a low-key policy of accommodation during most of Papandreou's first term of office. It turned a blind eye toward Papandreou's inflammatory rhetoric and bent over backwards to negotiate a base renewal agreement that he could claim as a personal triumph. The U.S. received nothing in return for its political generosity. Indeed, Papandreou's sniping at the U.S. continued. A particularly blistering attack on American policies at the May 1984 PASOK Conference finally triggered a hardening of U.S. policy. The Pentagon threatened to call Papandreou's bluff and tilt toward Turkey, although the State Department smoothed things over and recommended against moving precipitously.

This is a good beginning, but Washington now must go farther:

1) The U.S. quietly should make it clear to Papandreou that, if he terminates U.S. base rights, he will forfeit the bulk of the \$500 million in foreign aid that Washington now disburses annually to Athens. Since many of the functions formerly performed by the Greek bases would be transferred to Turkey, much of this foreign aid similarly would be transferred.

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27. Marcia Beres, "Having It Both Ways," Forbes, November 5, 1984, p. 58.

28. The Economist, June 8, 1985, p. 47.

2) The Defense Department should prepare detailed contingency plans in the event of removal of the U.S. bases that provide for the substitution of bases in other NATO countries such as Turkey and Italy with as little degradation of military effectiveness as possible.

3) Papandreu's bankrupt economic policies are heightening Greek dependence on Western loans. Washington should inform Athens that the free ride is over. Athens must live up to its NATO defense obligations and end its vilification of the capitalist system if it expects to be rescued financially by that system.

4) Papandreu's Greece has compiled a sorry record in dealing with international terrorism. If the Greeks desire the economic bonanza of American tourism, they will have to assume responsibility for safeguarding American tourists from airline skyjackers. If the security arrangements at Athens Airport are not remedied immediately, the Reagan Administration should ban U.S. air travel to and from Greece and call on other countries to do the same.

5) Washington should work to assist Greece and Turkey to overcome their mutual distrust and resolve their bilateral problems, particularly the Cyprus dispute, which the Greeks presume to be the litmus test of Turkish intentions.

6) Papandreu has been able to thumb his nose at the U.S. because he takes American aid levels for granted. The 7 to 10, Greece to Turkey aid ratio that the U.S. Congress uses as a rule of thumb in aid deliberations should be discarded. Aid should be allocated according to the strategic importance, economic needs, and cooperative spirit of the two states.

## CONCLUSION

The purpose of an alliance is to reduce the uncertainty that each of the allies faces in an often uncertain world. Yet Prime Minister Andreas Papandreu has taken great delight in confounding his allies and publicly attacking their policies, social systems, and political intentions. He extracts short-term domestic political benefits from baiting the United States, but does so at the long-term expense of Greece, the U.S., and the Western alliance as a whole.

Good relations are a two-way street. If Papandreu reduces Greece's military commitment to NATO by evicting the U.S. from its bases, he should expect to suffer the consequences--a sharp reduction in U.S. foreign aid commitments to Greece and a deliberate movement of the U.S. to closer ties with Turkey. If his government is unwilling or unable to safeguard Americans in Greece against terrorism, he should



expect fewer American tourists to visit Greece and less income from tourism.

Without Western military and economic aid, the Greek armed forces and economy will decay. Papandreou's high-pitched, anti-Western demagoguery jeopardizes this assistance from the West. Papandreou should be made aware that Greece cannot keep one foot in NATO and one foot in the "nonaligned" camp. Greece must opt for one or the other.

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