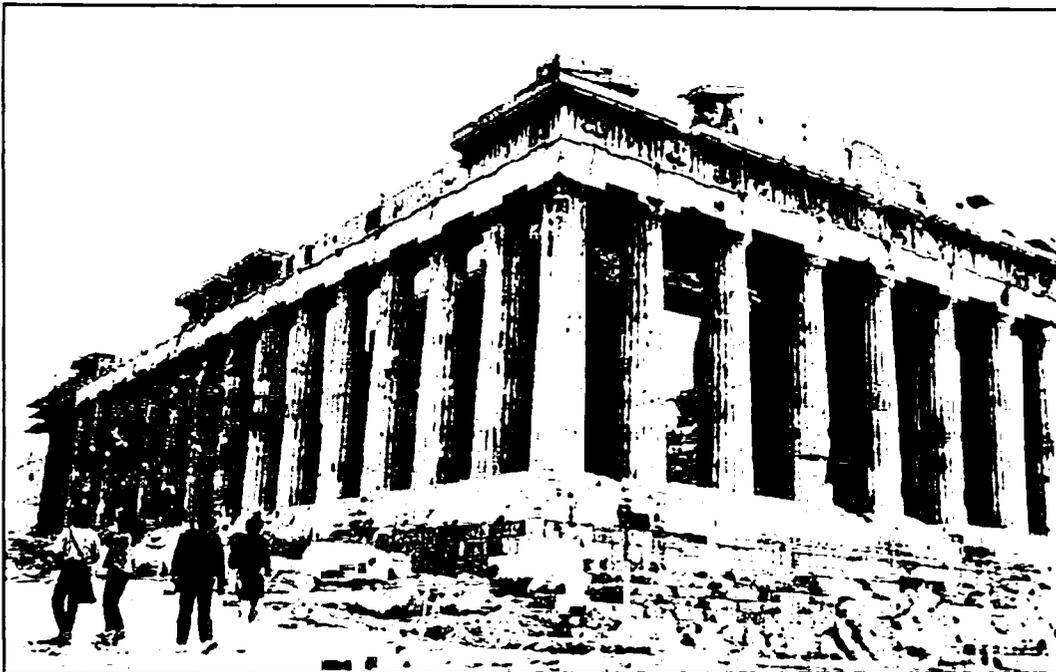


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# ODC Greece 43 Years of Strength Through Cooperation

By

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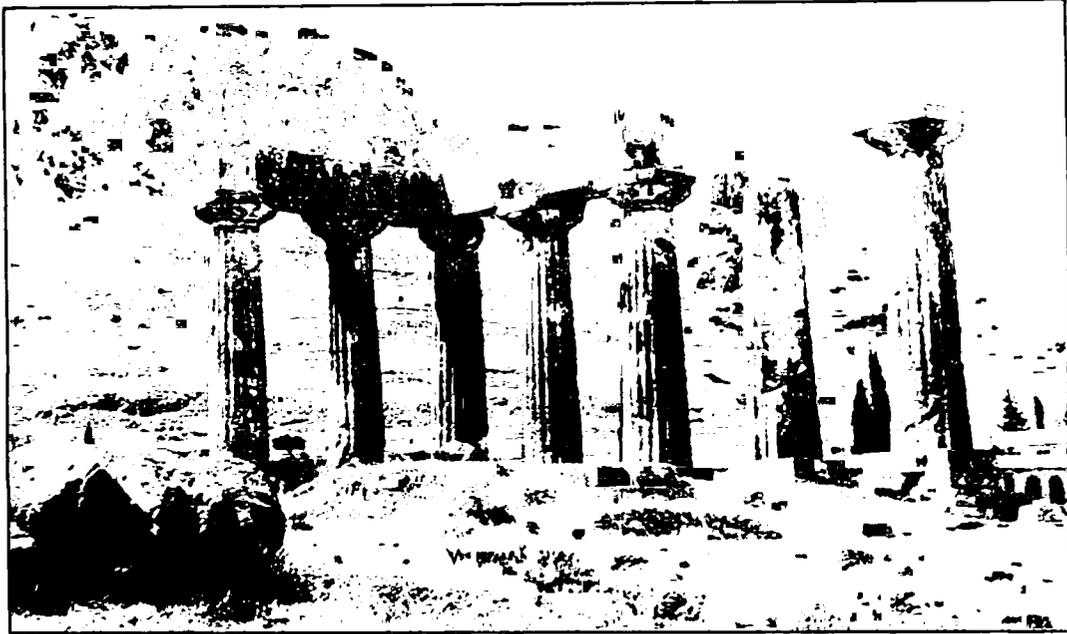
The Parthenon Temple on the Acropolis of Athens

## INTRODUCTION

Greece is the birthplace of democracy, of western philosophy, and of renowned scientific, engineering, and artistic triumphs. This Greek heritage is readily evident in our society. Our sense of aesthetics and our language are two visible examples of this influence.

Do you remember the tales of the Trojan horse and Homer's compelling works, *The Illiad* and *The Odyssey*? The images created nearly 3,000 years ago of Greek gods like Zeus and Poseidon are both fanciful lyrics and awe-inspiring wonders of marble, admired by all.

The English language abounds with Greek influences. In fact, we English speakers daily use a large quantity of Greek. For example, the terms astronaut, telephone, physical therapy, cartography, auto mechanic, cardiologist, and even oxygen are derived directly from Greek.



Ruins near the ancient city of Corinth, Peloponnissos, Greece

Our Greek heritage is rich. Everyday we see, touch, and re-experience Greek gifts to mankind. The privileged few of us at the Office of Defense Cooperation, Greece, not only see the influence, but live it as well. From our experiences, we unabashedly proclaim it "a great day to be an American in Greece."



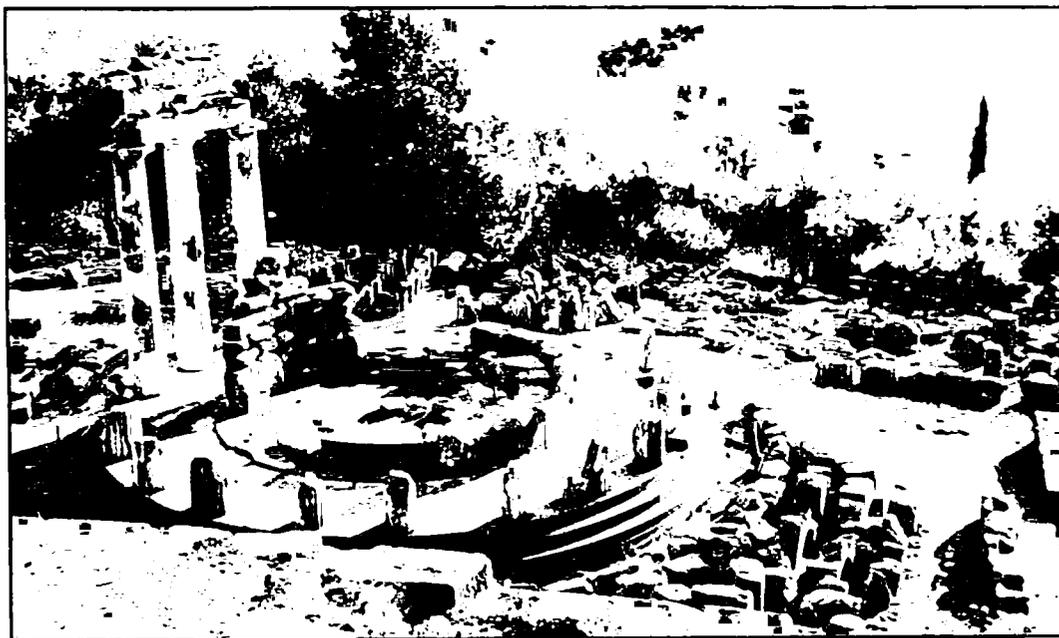
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## OVERVIEW OF GREECE

Geography, Economy, and People. Greece is part of Europe. Located at the southern tip of the Balkan peninsula, Greece is somewhat larger than Louisiana. Greece borders Albania, Yugoslavia, and Bulgaria to the north and Turkey to the east. Greece consists of mainland Greece (Attica, Peloponnese, Central Greece, Thessaly, Epirus, Macedonia, and Thrace), and the islands. Reaching down into the Mediterranean, Greece breaks into thousands of islands, which make up nearly a fourth of the total land area. The mainland and island shores combined add up to almost 9,400 miles—the longest coastline of any European country. Greece has long served as a bridge between Europe and Asia.

The major sectors of Greece's economy include: (1) manufacturing (construction materials, textiles, food products, and chemicals); (2) agriculture (fruit, olive oil, grapes, tobacco, tomatoes, and sheep and goats for wool, cheese, and meat); (3) shipping; and (4) tourism, which is the most important branch of the service sector.

Greece has a population of approximately 10 million people. Nearly four million people live in Athens, the capital and largest city, followed in population size by Thessaloniki and Patras. Ethnic Greeks also live in neighboring Balkan countries and there are other large concentrations of Greeks abroad.



The Tholos, a Doric temple at Delphi

Modern Political History. Between 1821 and 1830, Greece waged a war of independence against Ottoman rule. In 1924, post-war Greece proclaimed itself a republic but the monarchy was restored in 1935. German forces occupied Greece in 1941, following a tremendous rebuff of Italian attempts at conquest. Civil war between government forces and communist sympathizers followed the 1945 expulsion of the Axis powers. The civil war ended in 1949.

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A military *junta* seized control of the country in 1967. The *junta* was forced to return power to civilians following a failed coup in Cyprus in 1974. The monarchy was rejected in favor of a republican form of government and a new constitution was adopted in 1975.

Today, Greece is a multi-party parliamentary democracy. The prime minister is elected by popular vote every four years. Parliament elects the president of the republic every five years. In 1989, following eight years of rule, the Panhellenic Socialist Movement (PASOK) government led by Andreas Papandreaou was succeeded by a series of weak coalition governments. In April 1990, however, the New Democracy Party of Prime Minister Constantine Mitsotakis won a mandate to govern on a platform that includes promise of improved U.S.-Greek relations. The platform also calls for a constructive Greek role in NATO and the European Economic Community (EEC).

Military and Economic Alliances. The Turkish intervention in Cyprus in 1974 caused strains in U.S.-Greek relations. This precipitated a Greek withdrawal from the military wing of NATO. However, Greece was fully reintegrated into the Alliance in 1980. Unresolved disputes with Turkey over command and control arrangements in the Aegean Sea and fortification of the island of Lemnos contributed to Greece's decision to withdraw from NATO exercises in the Aegean beginning in 1984. Attempts to improve relations are frustrated by the continued presence of Turkish troops in Northern Cyprus.

In 1989, Greece did participate in a NATO exercise in the Western Mediterranean. She joined in the initial planning for "Display Determination 90" in the Aegean but finally withdrew due to perceived Turkish inflexibility on issues dividing the two countries. The New Democracy government's policy on exercise participation is not yet clear.

In 1981, Greece became a full member of the European Economic Community (EEC). Similar to other EEC countries, she skillfully balances national and collective interests as the EEC approaches target year 1992 and a unified European market.

Threat, Military Structure, and Missions. Northern Greece has been Hellenized since its incorporation into the nation in 1913. However, regional political and ethnic instabilities and Bulgaria's long-sought coastal access to the Aegean warrant continual vigilance by Greece. Any aggression in northeastern Greece will be difficult to defend against, regardless of origin. In this region, there is only a thin strip of land several hundred kilometers long between Bulgaria and the Aegean sea. Progressing south from the mainland and then east, any aggressor could continue onward to strategically vital Istanbul and the Bosphorus.

The prime minister supervises Greece's armed forces through the minister of national defense. The president of the republic meanwhile retains the title of commander-in-chief. The minister of national defense manages the three services through the chief of the Hellenic National Defense General Staff (HNDGS). The service chiefs also perform the functions of service secretaries.

The Greek armed forces have two primary missions within NATO. The first is to defend the country against the possibility of an attack from the north. Secondly, Greek forces assist in maintaining control over the Eastern Mediterranean in time of conflict.

Greece leads NATO in the percentage of the national labor force allocated to NATO defense. In 1989, Greece maintained regular armed forces at an estimated strength of 220,000 officers and enlisted personnel. Over three-quarters of the force serves in the army. Conscripts account for a large part of the total.

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Greece also leads NATO in the percentage of gross domestic product (GDP) devoted to defense requirements, ranking above even the U.S. In fact, in all key indicators of "burden-sharing" Greece consistently ranks at the top.

Greece uses various financial and operational resources to meet its defense needs. Sources include national funds, U.S. security assistance, and assistance from other NATO members. Greece is also developing a defense industry to strengthen its self-sufficiency. The U.S. Office of Defense Cooperation-Greece is uniquely organized to help Greece in both these endeavors.



American Embassy building, Athens.

## HISTORY OF SECURITY ASSISTANCE AND COOPERATION

The Greek armed forces were built up progressively after World War II with U.S. aid. The American military mission in Greece began with the 1947 Truman Doctrine and in response to the Greek Civil War (1946-1949). This prototype for subsequent U.S. security assistance units provided military equipment and training to Greek nationalist forces fighting a strong communist insurgency. U.S. assistance during this period, for example, amounted to \$818 million, of which \$473 million represented economic assistance and \$345 million was provided in military aid. This aid remains an eloquent testimony to American resolve in supporting a free and democratic Greece.

Since 1947, Greece has received direct military grants from the U.S., exclusive of other credits, totaling almost U.S. \$3 billion. Aircraft, armor, artillery, and small arms used by the Greek armed forces were furnished almost exclusively by the U.S. Today, destroyers transferred from the U.S. Navy under the mutual assistance pact in the early 1950s are still the backbone of the Greek Navy.

Maintenance of a stable military balance in the Aegean region is an important factor in the provision of U.S. aid. The 1961 Foreign Assistance Act (the basis for economic and military assistance by the U.S.) contains specific guidance for the region. It stipulates that the U.S.

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assistance to Greece and Turkey "shall be designed to ensure that the present balance of military strength among the countries of this region . . . be preserved."

Congress has sought to maintain the balance through the implicit adoption of a seven-to-ten funding ratio in the provision of military assistance to Greece and Turkey. Congressional appropriations for military assistance for the two countries since 1980 have annually reflected this funding ratio. For 1989, the U.S. allocated Greece \$350 million in military assistance, of which \$320 million is repayable as loans. A similar funding level was provided for FY 1990. This compares to \$410 million in forgiven loans of the total aid package of \$500 million to Turkey. Unlike Turkey, Greece does not receive Economic Support Fund assistance.

As a NATO-designated "lesser developed defense industry" (LDDI) country, Greece, like Turkey, receives aid in varying amounts from other allies. West Germany began providing aid to Greece beginning in 1964. This aid, according to West German sources, provides defense materiel free of charge but does not include training and advisory aid. Although there have been no fixed rules for the amounts given, Turkey (also a recipient) and Greece have received German aid on a five-to-three ratio. The Netherlands also provides military assistance to Greece in a lesser amount.

U.S. military facilities in Greece first operated under the terms of a 1953 defense cooperation agreement. This agreement provided for the establishment of U.S. military and related technical installation on Greek soil. The major military installations used by the U.S. include Souda Bay Air Base and Iraklion Air Station in Crete, and Hellenikon Air Base and Nea Makri Naval Communications Station near Athens. A number of communications sites are also used throughout the country. Functions at these stations have been useful to Greece, NATO, and the U.S. In February 1990, U.S. Secretary of Defense Cheney announced the closure of both Hellenikon and Nea Makri, leaving only two bases and five defense communications sites for continued use.

The U.S. bases in Greece provide, among other things, direct operational support for the U.S. Sixth Fleet in the Eastern Mediterranean, important communications links, and reconnaissance information. The bases have also provided easier surveillance of activities in the Eastern Mediterranean. The bases also support U.S. Air Force Europe and Military Airlift Command (MAC) flights, as well as ammunition and supply storage sites. The installations operate in cooperation with local Greek military commanders.

Homeporting of the U.S. Sixth Fleet began in 1973. A controversial issue in the U.S. as well as in Greece, homeporting was scheduled to proceed in two phases. The first phase, implemented in 1973 and 1974, provided for the stationing of a U.S. destroyer escort squadron at Elefsis, near Athens. About 6,500 navy personnel and some 3,500 dependents entered Greece during this phase. The second phase, not completed, called for anchorage in nearby Megara for an aircraft carrier and its support ships. The use of the Elefsis base by the American navy was terminated in 1975 by a bilateral agreement.

By 1983, the question of U.S. bases had become a significant political question in Greece. Under the terms of the Defense Economic Cooperation Agreement (DECA) signed that year, the U.S. was permitted by Greece to "maintain and operate military and supporting facilities" within Greece and to engage in activities at those facilities "for defense purposes" in accordance with the agreement. According to the Greeks, the intent of the 1983 agreement was to "restructure" defense and economic cooperation between the two countries, based on bilateral and multilateral agreements.

Extensive bilateral talks were held beginning in 1987 to discuss a new base agreement. The talks were suspended in May 1989, prior to the Greek national elections. Inconclusive election

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results led to new rounds of elections in November 1989 and April 1990. The Greek Parliament extended the existing DECA until November 1990 to ease bilateral discussions. Following the conclusive national elections in April 1990, the base rights negotiations were quickly concluded. The Mutual Defense Cooperation Agreement (MDCA) was pending approval by each respective government in July 1990.

## OFFICE OF DEFENSE COOPERATION, GREECE

The Joint United States Military Aid Group, Greece (JUSMAGG), changed its name to the Office of Defense Cooperation (ODC) in March 1988. This name change reflected the maturing of the U.S.-Greek security assistance relationship which has developed over 43 years.

The ODC is a relatively small organization with 20 Americans and 26 Greek national employees. (This compares to nearly 600 U.S. military personnel who were assigned in the 1950s.) The present American contingent includes 12 military officers, two NCOs, and six Department of the Army civilian secretaries. In addition to foreign service nationals (FSN), the Hellenic military provides six assistance-in-kind (AIK) employees. The ODC is organized along functional lines, and has a three-fold mission:

- provide help to the Hellenic military in meeting its NATO Force goals by acquiring needed U.S. military equipment, services, and training;
- expand and preserve an environment conducive to cooperation in armaments and defense industry; and
- serve as the in-country representative for the Secretary of Defense and the United States European Command (USEUCOM).

Command Section. A U.S. Air Force or, alternatively, a U.S. Army brigadier general heads the command section. The chief has one Department of the Army civilian secretary, a dedicated Greek national driver, a U.S. Army service and support officer (dual hatted as executive assistant), and a U.S. Air Force JAG officer on his personal staff.

Security Assistance Division. The largest functional area in ODC is security assistance. Security Assistance Division (SAD) duties are not unlike most SAOs: foreign military financing (FMF)/lease of equipment, case management, financial management, force development, technology transfer, transfer/sale of FMF and MAP articles, training for members of the host nation armed forces, MAP management, and the disposition of equipment.

ODC's scope is a little broader than most SAOs because Greece is one of the largest recipients of U.S. worldwide security assistance. The myriad of details related to the coordination and oversight of hundreds of letters of offer and acceptance keeps the division fully employed. The division manages the C-12 security assistance support operation with a single, shared C-12 aircraft. The division currently has assigned a four man-year engineering and technical services support (ETSS) F-16 instructor pilot program in Greece. The variety of our tasks, and our good and improving work relationships with the Hellenic military, keeps morale high in this truly joint duty assignment.

Typically, Greece uses her FMS repayable credits primarily for direct commercial purchase contracts and for spares and support equipment. By "banking" two or more years of U.S. credit guarantees (not foreign loans), Greece is able to commit to large purchases, i.e., the nearly \$1 billion purchase of F-16s in 1987, without worrying about future year appropriations.

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A very reliable customer, Greece manages her accounts and her payment schedules well, never having defaulted on a progress payment. As mentioned, however, Greece's FMF program is not "free money." FMF spending has resulted in FMF debt servicing to the U.S. of approximately \$2.6 billion, and by 1993, interest payments on outstanding debts will exceed expected U.S. credits for the year. The realities here are that Greece must balance an aggressive defense modernization program—consistent with NATO objectives—against a sluggish economy and mounting debt in other sectors.

If the economy can support it, the Greek defense ministry has plans for expending nearly \$1.2 billion in security assistance funding by 1992. Future purchases may include simulators (of all varieties); modern air-to-air, ground-to-ground, and anti-sea surface weapons; armored personnel carriers; multiple-launch rocket systems; helicopters (for various missions); fighter and fighter bomber force modernization; utility transport aircraft; maritime patrol aircraft; corvettes; secure communications; and self-protection equipment.

The Southern Region Amendment (SRA) to the National Defense Authorization Act for Fiscal Year 1987 designated several countries of the southern Mediterranean region for special grant defense assistance. To date however, Greece has received only M48-A5 tanks, two patrol gunboats, and M-14 rifles as the major items under the program. Initial items offered to Greece were inappropriate to her present force mix and would have greatly complicated an already exhausted logistics chain. Greece continues to look to the SRA, however, as an avenue for needed force improvements.

International Military Education and Training (IMET) programs are relatively small, with \$600,000 allocated to Greece for FY 1990. An aging inventory and complicated logistics chain forces Greece to train technicians on increasingly older equipment. These two factors limit the amount of professional training accomplished under IMET, and ODC personnel work closely with their Greek counterparts to match immediate technical needs with future professional growth.

The security assistance division is authorized six officers, including a Navy captain, two Air Force, two Army, and one other Navy. Additionally, it has two Department of the Army civilian secretaries, four foreign service nationals (FSNs), and six AIK personnel. The training department handles the IMET program and is ably manned by two FSNs.

Defense Cooperation in Armaments/Bilateral Affairs Division. The ODC's second functional area is defense cooperation. The Defense Cooperation in Armaments/Bilateral Affairs Division has specific responsibilities in two key but totally different missions. The Defense Cooperation in Armaments (DCA) mission is an extension of the security assistance program. The bilateral affairs mission includes U.S. unilateral interests as well as government-to-government concerns.

The DCA program is a natural outgrowth of security assistance. Our DCA program, like others throughout the world, is designed to attain adequate Greek conventional capabilities through cooperation with U.S. industry. The DCA concept promotes a better use of limited resources, enhances combined combat capabilities, and supports rationalization, standardization and interoperability within NATO.

The signing of the 1986 Defense Industrial Cooperation Agreement (DICA) between the U.S. and Greece established a new area of cooperation. The DICA identified several projects that could be explored for joint cooperation and established the ODC as the administrator of the agreement. As with most new programs, many growing pains have been encountered. Initially, elements of the Government of Greece (GOG) believed that sales/contracting opportunities would come to them without open competition. There was also a reluctance to pursue business opportunities at a time when base rights negotiations were in progress. Many of these problems have been largely

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overcome. This success is the result of an active visitation program to Greek defense industries and a burgeoning relationship between ODC/DCA and the Greek defense industries directorate.

The Greek defense industries directorate has responsibility for managing the state-owned defense industries. These industries cover a wide range of defense products to include: small arms and munitions produced at the Hellenic Arms Industry and the Greek Powder and Cartridge Company; F-16 coproduction, J-79 engine maintenance and aircraft/helicopter maintenance accomplished by the Hellenic Aerospace Industry (HAI); military bases, cross country vehicles, armored personnel carriers, and trucks manufactured by the Hellenic Vehicle Industry; tank upgrade/rebuild accomplished at the 304th tank plant; ship repair, overhaul and manufacturing at the Elefsis Shipyards SA and the Hellenic Shipyards Company; and a wide range of electronic and telecommunications components produced at the Hellenic High Technology SA, ALPHA SA, ANCO SA, ELFON Ltd., and General Supply Company, Ltd.

One remarkable example involves the commercial contract for F-16s. As part of the overall commercial sale of 40 F-16 C/D aircraft, General Dynamics and General Electric agreed with the Greek government to a limited coproduction of the F-16 aircraft and the F110-GE-100 engine. The aircraft coproduction at the HAI includes the manufacturing and/or buildup of the aft fuselage and large mouth inlet. The Greek government intends to develop a capability for overhauling the GE engine within the next two or three years.

Successes under the DICA are limited, but important progress has been made in laying the groundwork for a viable proactive program in the future. Senior officials within the government have acknowledged the mutual importance of the program. They also offer their continued support by reviewing programs for Greek participation. One near-term program is selection of a U.S. firm to participate in building a composite rocket propellant plant. Consideration is also being given to establishing a DICA office in the United States to better pursue contracts with U.S. industry.

The DCA/Bilateral Affair Division is authorized two officers (one army lieutenant colonel, and one marine corps major), one secretary, and a foreign service national to manage these diverse functions.

Services and Support. The services and support officer oversees two U.S. Army NCOs, a Department of the Army civilian secretary, one FSN liaison specialist, two fiscal/budget specialists, one security specialist, five drivers, and four maintenance personnel. The Services and Support Officer performs all budget, administrative, and housekeeping functions.

Legal Advisor. The third and fourth elements of ODC's functional responsibilities are similar in scope. The chief is the in-country representative for the Secretary of Defense and for CINCEUR, and is also the military advisor to the U.S. ambassador. This primarily involves serving as the DOD focal point for coordination of general issues involving noncombatant DOD elements in Greece. Quick and responsive interface between these elements, the U.S. ambassador, and the Hellenic military establishment is a primary aim.

As the CINCEUR representative, the chief is the single point of contact for advising the ambassador on such things as USCINCEUR area responsibilities; negotiations and implementation of bilateral agreements; matters before the joint commission, MDCA and non-MDCA military community issues; and coordinating USCINCEUR contingency and operations plans. Assistance with these responsibilities is split between the legal advisor and the bilateral affairs division. As mentioned, the legal advisor is a USAF JAG, supported by a Department of the Army civilian secretary.

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Other Significant Activities. The ODC, until recently, operated in a turbulent political and social climate. The national election in April 1990 brought the New Democracy Party to power. This new government is taking positive and decisive measures in bilateral relations, NATO participation, regional responsibilities, the national economy, and outstanding procurement issues. The Prime Minister, Mr. Constantine Mitsotakis, has already visited with and developed meaningful dialogue with the U.S. President, senior Cabinet members, national advisors, and Congressional and community leaders. Meanwhile, the President of the Republic, Mr. Constantine Karamanlis, and other Greek and U.S. leaders, are redoubling their attention to and concern for this special bilateral relationship between security partners.

On a darker note, we must deal with the complications imposed by the need to ensure personal security in a high threat, terrorist environment. This entails the obvious variations in arrival and departure times and locations, as well as travel routes. Additionally, we use other passive and active security measures to avoid becoming "soft targets" for terrorists. Cooperation from the Greek government is important to our success.

## CONCLUSION

David Holden, in his notable work, *Greece Without Columns*, concluded that, "Greece's perpetual . . . contradictions [do not] permit hard and fast conclusions . . . . The task of separating the strands of its double-born identity in which past and present, ideal and reality, East and West, are mingled in an everlasting flux," is not an intuitive one.

Perhaps this diversity is why the men and women of the ODC find Greece a remarkable host country. Greece has a splendid history. Greece has an open and exuberant people. Greece also has a unique position as an ally and as the "gateway" to the Eastern Mediterranean that we respect and strengthen through our cooperation.

Greece's security initiatives and cooperative efforts in DCA, as well as other dynamic factors within Europe, insure an enduring relationship between our two defense establishments. We recognize that progress is occasionally labored. However, Greece does progress. Quite remarkably, she both follows the path of Western nations and maintains a delicacy of understanding with her Eastern heritage. ODC figures prominently in this equation and is dedicated to assisting Greece with her security requirements and maintenance of national self-identity.

## ABOUT THE AUTHOR

Lieutenant Colonel John P. Jackson is a USAF F-15 pilot. He completed the Armed Forces Staff College and DISAM Overseas course prior to his arrival in Athens in 1988.

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Bust of Pericles, an ancient Athenian general and statesman