



INTERNATIONAL SECURITY AFFAIRS

~~CONFIDENTIAL~~

ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D.C. 20301

*Golden Greece 323 3/1973*  
*Box 178-0001*  
*(5)*  
*#5*

12 JUL 1973

In reply refer to:  
I-8751/73

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Overseas Homeporting of U.S. Navy Units (U)  
INFORMATION MEMORANDUM

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: MAY 24 2018

(U) Background

In accordance with your request, the following information concerning the Navy's overseas homeporting program -- the Athens Initiative in particular -- is forwarded for your consideration.

The Navy is currently facing increasingly serious problems of retention and meeting world-wide deployment commitments with its severely reduced force, budget, and personnel levels. After extensive study, the Navy has concluded that homeporting of selected units at strategically located overseas ports offered the most advantageous balance for meeting its objectives of:

- a. Increasing personnel enlistments and retention by reducing the long family separations associated with rotational deployments; and, at the same time,
- b. More efficiently employing its reduced forces to meet its world-wide commitments.

Currently the Navy has 48 ships homeported at 11 overseas locations (including Guam). The homeporting of a carrier task group in Athens, Greece is an important element of the overseas homeporting program as it will substitute for one currently being rotationally deployed to the Mediterranean.

From a morale and retention standpoint the Navy experience has shown that men readily volunteer for duty with overseas homeported units. Additionally, retention statistics indicate that overseas homeported units enjoy a higher first-term reenlistment rate than other fleet units. However, the benefits of overseas homeporting apply not only to the personnel directly involved, but extend in some measure throughout the entire fleet as it reduces the frequency of deployments for CONUS based units. It is still somewhat premature to accurately assess the success of the overall overseas homeporting program.

~~Classified by Director, PPENSCA~~  
~~SUBJECT TO GENERAL DECLASSIFICATION SCHEDULE OF~~  
~~EXECUTIVE ORDER 11652. AUTOMATICALLY DOWNGRADED~~  
~~AT TWO YEAR INTERVALS. DECLASSIFIED ON 12/31/79~~

... Has Seen

12 JUL 1973

SEC DEF CONTR No. X-

3 0 8 3

~~CONFIDENTIAL~~

18-M-0970

07/14 A

~~CONFIDENTIAL~~

2

(P) Current Status of the Athens Homeporting Program

a. Phase I of the Athens homeporting program, which included the homeporting of Commander Task Force Sixty (CTF-60), Commander Destroyer Squadron Twelve (COMDESRON 12), a six ship destroyer squadron and the establishment of a U.S. Navy Fleet Support Office in Athens, Greece, was implemented during the summer and fall of 1972. Phase I includes approximately 2,000 Navy personnel and 550 sponsored dependent families (1,250 individuals) who are now located in Athens.

b. Phase II -- the final phase -- includes the homeporting of an aircraft carrier, a carrier air wing and the dependent support ship USS SANCTUARY (AH-17) in Athens. The former Secretary of Defense Laird conditionally approved the implementation proposal for this phase on 31 December 1972. On 26 June 1973, DepSecDef Clements approved the Navy's proposed solution to their airfield requirements in Greece and restated Mr. Laird's previous cautions and implementation guidelines or conditions relative to costs and the establishment of support facilities. The target date for the implementation of the carrier and air wing portion of this phase is May 1974. The target date for the deployment of SANCTUARY is in the January 1974 time frame.

The implementation of Phase II will add approximately 5,100 Navy personnel and 1,000 dependent families (2,550 individuals) into the Athens area. There is sufficient and adequate housing available on the local economy to meet the anticipated needs. However, additional commissary, exchange, school and airfield support facilities will be required.

The lease package for the additional dependent support facilities required for Phase II still must be approved by the appropriate House Armed Services subcommittee. The Senate has already approved this lease request.

Pursuant to DepSecDef's 26 June decision, action is now being taken for the Navy to reprogram approximately \$2 million of MILCON funds to construct the required airfield support facilities. The Navy intends to seek recoupment to the maximum amount possible under NATO's prefinancing provisions for these construction expenses. The reprogramming action will require Congressional approval.

The following steps remain to be accomplished before the Navy can proceed to develop the facilities for Phase II:

- House approval of the Phase II lease package.
- Congressional approval of the MILCON reprogramming.
- Solicitation of bids for lease/lease construction of facilities.
- State Department approval for the implementation of Phase II.

~~CONFIDENTIAL~~

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: MAY 24 2018

~~CONFIDENTIAL~~

3

- Execution of leases and commencement of airfield construction.
- The dependent support facilities for Phase II must be established prior to the introduction of Phase II dependents into the Athens area.

c. Costs. The Navy currently estimates the overall incremental costs of the Athens homeporting program to be \$13.7 million one-time, and \$12.3 million annual recurring. The costs of this initiative previously provided to Congress were \$14.4 million one-time, and \$13.4 million annual recurring.

We have been aware and have cooperated fully with the GAO in the conduct of their investigation of the Athens homeporting program which commenced about six months ago. Although DOD and Navy have unofficial copies of the "discussion paper" GAO used to brief Congressman Rosenthal on their preliminary findings, we have not seen the final report since it has not as yet been completed. It appears that any discrepancies between the Navy estimates and the GAO figures result from interpretative differences regarding what costs are or are not attributable to the homeporting program.

The Navy currently estimates the International Balance of Payments deficit attributable to the full implementation of the Athens homeporting program to be \$12.2 million annually (1973 dollars).

~~(S)~~ Options Available

- I. Continue Phase II as planned.
- II. Halt the program at its present level of deployment (Phase I).
- III. Roll back the entire program.

~~(S)~~ Factors for Consideration

a. Strategic Factors. These include the U.S. naval commitment to NATO, the Sixth Fleet presence on NATO's Southern flank and in the Eastern Mediterranean, U.S. security interests in Greece, and the security of cross-Mediterranean oil routes which now supply Western Europe with one-third of its POL needs.

b. Greek Political Factors. These include the Greek regime and their recent internal political problems, opposition of some NATO partners to that regime, and the questionable reliability of some elements of the Greek Armed Forces.

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: MAY 24 2018

Office of the Secretary of Defense  
Chief, RDD, ESD, WHS

Date: 24 May 2018 Authority: EO 13526 + 5 U.S.C. 8552

Declassify: X Deny in Full: \_\_\_\_\_

Declassify in Part: \_\_\_\_\_

Reason: \_\_\_\_\_

MDR: 18 -M-0970

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

4

c. U.S. Political Factors. These include pressures to reduce U.S. military forces stationed overseas, pressures to reduce the number of U.S. overseas bases, and opposition to any U.S. support or dealings with the current Greek regime.

d. Navy Operational and Personnel Factors. These include the Navy's serious problem of meeting its world-wide commitments with reduced force, personnel and budgetary levels, personnel morale and reenlistment factors in the era of the all-volunteer force.

(c) Evaluation of Options

Option I - Continue Phase II as planned -- is strategically most advantageous. It also indicates to Greece that there has been no change in our policy nor in our acceptance of Greece as a full NATO partner. In view of some domestic and Congressional opposition, this option may be difficult to pursue. This option benefits the Navy from an operational and personnel standpoint.

Option II - Halt the program at its present level of deployment (Phase I) -- with the Navy's present and projected carrier force levels, this option could impact adversely on our NATO commitment unless an alternate carrier site could be developed. Admiral Zumwalt has stated that if the Navy is unable to homeport a carrier in the Mediterranean he will be forced to recommend a reduction in the number of carrier task groups in the Mediterranean (from two to one). It may also signal to the Greek government a change in U.S. policy, where none has been approved by the White House. It could prove attractive to some of our NATO partners who are opposed to any support of the current Greek regime. It certainly would be welcomed by opposition elements within the U.S. It will not alleviate Navy problems.

Option III - Roll back the entire program -- is least advantageous, strategically. Like Option II, it could adversely affect NATO commitments and our Mediterranean role. It could be interpreted by the Greeks as a signal of a major change in U.S. policy. As with Option II, it could also prove attractive to some of our NATO partners. It would be most welcomed by opposition elements in Congress. However, this option would aggravate the Navy's current problems.

*Robert C. Hill*  
Robert C. Hill

No coordination required

✓ Prepared by:  
CDR Joseph T. Talbert Jr., 72247

DECLASSIFIED IN FULL  
Authority: EO 13526  
Chief, Records & Declass Div, WHS  
Date: MAY 24 2018

~~CONFIDENTIAL~~