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INTERNATIONAL SECURITY POLICY

OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

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

6 JUL 1981

Date: 20 SEP 2018 Authority: EO 13526 + 5 U.S.C. § 552

Declassify: Deny in Full: _____

Declassify in Part: _____

Reason: _____

MDR: 18-M-1089

MEMORANDUM FOR THE ACTING DIRECTOR, EUROPEAN & NATO AFFAIRS (OASD/ISP)

SUBJECT: US-Greek DECA Negotiations

1 Negotiations with the Greeks on a new Defense and Economic Cooperation Agreement (DECA) began on 22 January and, except for a two-week break in April, continued nonstop until they were broken off on 18 June. Details have been reported extensively. However, following is a brief summary from my vantage point as the senior DoD member of the US Delegation. In the last paragraphs I draw your attention to the relationship of these negotiations with those in progress or forthcoming with other countries in the region.

2 The negotiations collapsed primarily for the reasons we predicted in our midpoint memorandum to SecDef (attached): The Greek Government simply was not willing to accept an agreement which it could not herald as a major diplomatic victory in the forthcoming national election campaign. From the beginning of the negotiations until their end, the Greeks were more preoccupied with how the agreement might be used against or attacked by the socialist opposition rather than the objective of stabilizing bilateral security relations on a mutually beneficial foundation. The US Delegation was particularly sensitive to Greek political concerns, as was guidance from Washington decisionmakers. We pressed our concessionary flexibility to the outermost limits. Nevertheless, the price remained too high and Greek demands proved impossible to satisfy for practical, policy, legal and precedential reasons.

3 When the negotiations were suspended, most of the fundamental issues which bedeviled us from the outset remained unresolved, with the Greeks continuing to insist on: linkage in the amount of US security assistance for Greece and Turkey; free sophisticated military equipment valued upwards from \$400 million and guaranteed deliveries of \$2.5 billion in FMS cash and credit purchases; ostensible limitation of US military activities in Greece to those related to NATO; annual Greek approval of these activities, with the option to suspend or terminate them on a selective basis; and dilution of full US command and control of the US Forces in Greece.

4 While standing firm on their unrealistic positions, the Greeks employed bold pressure tactics by refusing to consider any major changes to their proposed texts, moving from one "final" deadline to another, constantly raising the specter of a socialist victory in the coming elections. To have succumbed to these tactics would have been to ignore two facts: (a) conclusion of a new DECA on Greek terms would hardly determine the outcome of the elections, although Greek relations with the US and NATO will probably be issues and (b) an agreement before the elections would not provide significant protection

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against anti-US base policies in the event of a socialist victory. With or without a new DECA, a new Greek government dominated or influenced by the socialists would put us in a new ball game.

The Greeks have given us no reason to believe that they intend to put any pressure on the US military presence between now and elections, which will probably occur in early October. Indeed the government has publicly stated its intent to resume negotiations once the elections are over. In this case, presuming the present government returns to power, the unresolved issues will not simply disappear. We will still face a tough and probably protracted bargaining process typical of the two-year exercise leading to the defunct 1977 US-Greek Defense Cooperation Agreement. In the interim, we can expect existing US military activities in Greece to continue unimpeded under the terms of our 1953 bilateral agreement which remains in effect.

My guess is that, while we might have some preliminary discussions in November or December, the Greeks probably will not be ready to begin serious negotiations until after the beginning of the year. However, it is not too early for us to start looking ahead, taking into account our on-going negotiations with Spain, those we are about to begin with Portugal and, as always, the agreement we concluded with Turkey in March 1960.

In this latter regard, I believe that right now, in the midst of our negotiations with Spain, we should take a close look at the interrelationship of the agreements we have or are in the process of negotiating with all the countries in the region (and elsewhere). Our specific interests in each country may often vary, but many of the fundamental principles and issues involved are similar. Quite obviously, each of these countries is keeping a close eye in our negotiations with the others. For example, Erkip from the Turkish Embassy, in fishing for information about our negotiations with the Greeks, said the Spaniards have been inquiring about the meaning of various provisions in the 1960 Turkish DECA and Spanish Ambassador Llado told me recently that Spanish representatives had received a detailed briefing from the Greeks. Draft texts provided to us by the Spaniards last month were certainly influenced by these contacts. They reflect most of the same fundamental issues which were not resolved in negotiations with the Greeks, including unilateral military equipment demands. Now the Greeks will be watching our negotiations with Spain. In short, we should be alert to maintain consistency in our negotiating positions with these different countries when the issues are similar.

As a final point, I believe it is useful to recall that in negotiations leading to the 1960 Turkish DECA, the Turks initially were as demanding as now are the Greeks and Spaniards on almost all the same issues. After lengthy and tedious negotiations, a mutually satisfactory agreement was reached when the Turks finally scaled down their conceptual and material demands to within limits we could accept. To achieve this outcome the US side employed the tactics of patience, resolutely standing on reasonable positions while repeatedly reiterating rationale for those positions. Avoiding delays in presenting necessities, refusing to accept any deadlines.

DONALD E. MAJORS

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Attachment
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