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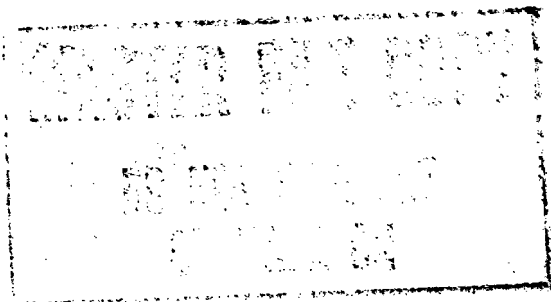
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The Military Balance Between Greece and Turkey: How It Stands—Where It Is Headed— What It Means

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Interagency Intelligence Memorandum

*This Memorandum represents the views
of the Director of Central Intelligence
with the advice and assistance of the
US Intelligence Community.*



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NI IIM 88-10006
June 1988

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The Military Balance Between Greece and Turkey: How It Stands—Where It Is Headed— What It Means

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*Information available as of 24 May 1988 was used
in the preparation of this Memorandum.*

*The following intelligence organizations participated
in the preparation of this Memorandum:*

The Central Intelligence Agency
The Defense Intelligence Agency
The National Security Agency
The Bureau of Intelligence and Research, Department of State

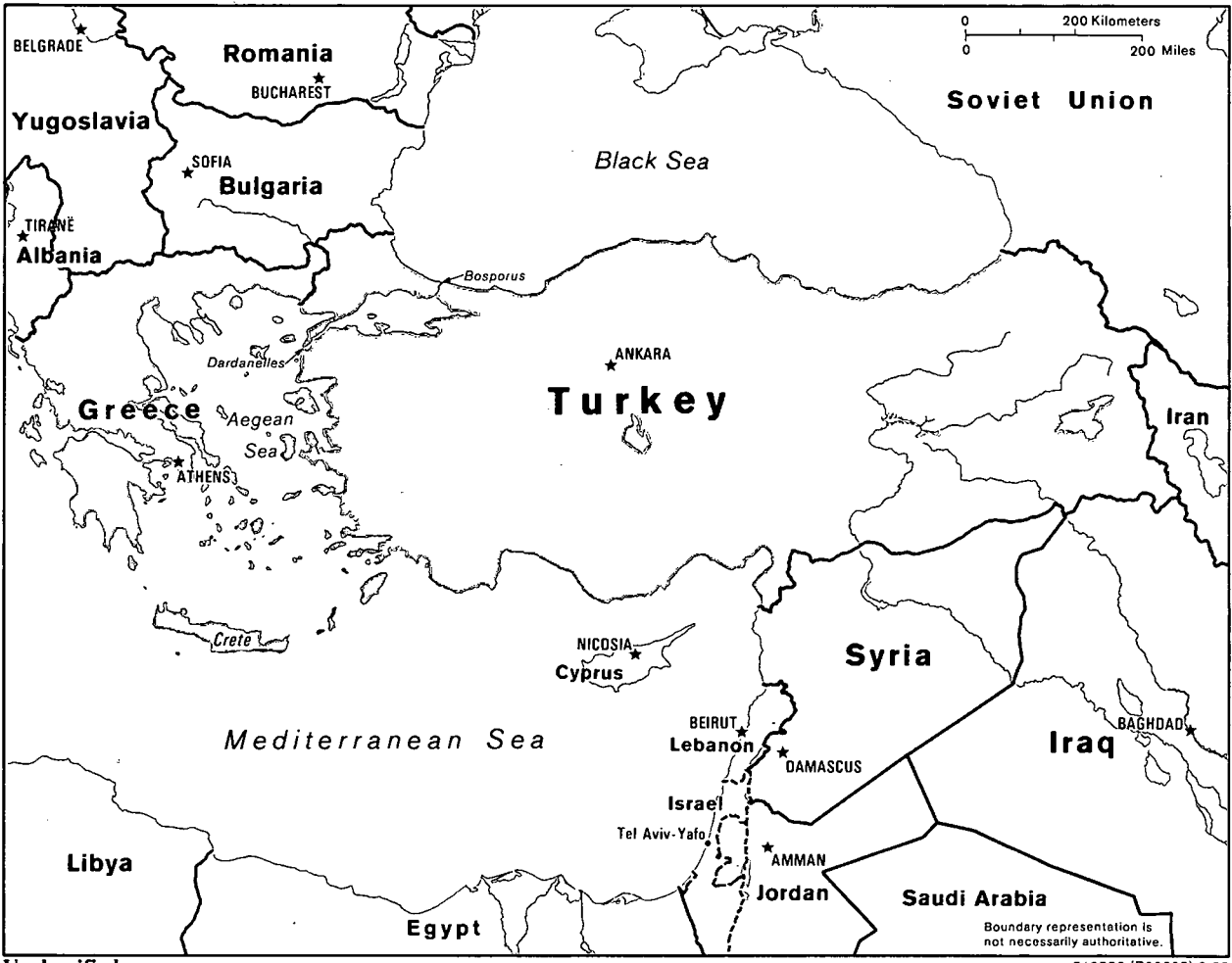
also participating:

The Deputy Chief of Staff for Intelligence,
Department of the Army
The Director of Naval Intelligence,
Department of the Navy
The Assistant Chief of Staff, Intelligence;
Department of the Air Force

*This Memorandum was approved for publication by the
Chairman of the National Intelligence Council.*

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June 1988



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Key Judgments

The Greco-Turkish military balance in the Aegean will remain relatively even through 1992, but it is beginning to tilt in Turkey's favor. Greece, with its much smaller population and industrial potential, cannot expect to maintain parity with Turkey indefinitely, despite its national commitment and continued foreign military aid. Turkey's current military superiority on the island of Cyprus will continue indefinitely. After the early 1990s, force modernization will provide Turkey with significantly improved capabilities against the Warsaw Pact or against Greece.

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Greece's perception of the military balance is that its forces can repulse a Turkish attack today



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Turkey's perception of the balance is that it can defend itself against any Greek attack, now or later.

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As a consequence of the current balance of forces, an Aegean war today would be generally inconclusive, although casualties on both sides, even in a war of short duration, could be extremely heavy in both personnel and equipment.



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Although the existence of military parity through the early 1990s reduces the likelihood of war, the potential for conflict will remain until the various Greco-Turkish disputes over territorial sea, airspace, and continental shelf rights in the Aegean and over the divided status of Cyprus are resolved.



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These disputes have degraded the solidarity of NATO's southeast flank—hence, of NATO's ability to defend the region. Today, because of its fears of renewed Turkish expansionism, Athens is more concerned with defending itself against Turkey than against Bulgaria and other potential Warsaw Pact adversaries. Although Turkey is more oriented toward defense against the Warsaw Pact, Ankara is deeply concerned about the Greek Government's obsession with the Turkish threat and Greek defense doctrine identifying Turkey as the primary threat. Moreover, Ankara believes that the Greek Government—not just the current one but any Greek government—means to establish the Aegean as a Greek territorial sea in which,

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outside its own narrow band of territorial waters, Turkey would have no more rights than any distant country with no shoreline along the sea.



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The ramifications for US and NATO security of a Greco-Turkish war would be profound. NATO defenses in the eastern Mediterranean would be seriously weakened. Even if both nations remained in NATO, relations would be poisoned for years to come. Regardless of US attitudes and actions, the US Government would be harshly criticized by at least one if not both antagonists. A period of strained relations would follow, with the possibility of a temporary or even permanent closure of US facilities in one or both nations.



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The Aegean Dispute

The friction between Greece and Turkey has historical roots dating back centuries. The degree of tension has varied—ranging from periods verging on open hostility to periods of relative calm. The 1974 Greek-instigated coup on Cyprus and the subsequent Turkish invasion marked an obvious low point, although the two sides nearly came to blows on two other occasions in the 1970s over mineral exploration rights in the Aegean.

Throughout the early 1980s, tensions were confined primarily to diplomatic skirmishes, but in March 1987 the two sides nearly came to blows again over mineral exploration rights in the Aegean, where Greece and Turkey maintain contrary positions on delimitation of the continental shelf and on resource exploitation rights.

Citing international custom and conventions that permit countries to claim mineral and resource exploration rights on their continental shelves, Greece holds that each of its 2,383 Aegean islands has a continental shelf that extends beyond its 6-mile territorial waters, which Greece reserves the right to extend to 12 nautical miles. Turkey, concerned about its direct access to international waters, maintains that, because of the Aegean's unique geographical status, international custom and conventions do not apply. Moreover, Turkey holds that its continental shelf extends into the Aegean westward of many Greek islands.

Major incidents occurred in 1974 and 1976 when Turkish ships conducted undersea research in a portion of the Aegean claimed by Greece. These incidents led to the adoption in 1976 of the Berne Declaration, whereby Greece and Turkey resolved to refrain from provocative acts in the Aegean and to begin discussions aimed at resolving their differences over the delimitation of the continental shelf. After the election of Prime Minister Papandreou in 1981, however, the Greek Government declared the Berne Declaration null and void though Athens continues to observe its provisions.

A crisis erupted in March 1987. The Greek-chartered North Aegean Petroleum Company, in order to prevent expiration of contractual rights to drill for oil in the Aegean, prepared a research voyage to investigate the possibility of oil deposits near the island of Thasos in a disputed area of the Aegean. In response, Ankara prepared a research ship of its own for a voyage into the Aegean. Greece let it be known that, if the Turkish research vessel tried to engage in operations in waters considered to be part of Greece's continental shelf, it would be stopped, by force if necessary. As Ankara continued its preparations, Greece initiated limited mobilization procedures in anticipation of an outbreak of conflict, and Turkey put some forces on alert. For a few days, it appeared that the Aegean dispute might actually lead to conflict.

The crisis was defused when Turkish Prime Minister Ozal decided to limit the research conducted by Turkey's ship to uncontested waters, provided Greek research expeditions did the same. Since then, Ozal has engaged in a series of private communications with Prime Minister Papandreou, and the two leaders have met twice this year to initiate a dialogue aimed at concluding a series of confidence-building measures designed to reduce regional tensions. Believing that international legal precedents favor its position, Greece wants to settle the dispute through the International Court of Justice at The Hague. Turkey, which believes legal precedents weaken its case, insists on bilateral negotiations with Greece. Besides overlapping continental shelf and territorial seas claims, additional Greco-Turkish disputes in the Aegean include the limits of national airspace, air traffic control responsibilities involving the international Aegean Flight Information Region, NATO command and control responsibilities in the Aegean, and the Greek militarization of eastern Aegean islands.

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Discussion

The Current Military Balance

The military balance in the eastern Mediterranean is determined by the military forces that Greece and Turkey can effectively bring to bear against each other along their mutual Thracian border, in the Aegean Sea, and in the vicinity of Cyprus. Although Turkey has a much larger military capability than Greece overall, many of its ground forces are focused against internal and external threats in regions far from a potential Greco-Turkish area of conflict; thus their participation cannot be counted on in such a war, unless it is prolonged.¹ [redacted]

Most Turkish people do not feel particularly threatened by Greece. Sharing a 370-mile border with the Soviet Union and recalling the history of attempts by Russia to extend its influence and territory in the area, the Turkish people generally view the Soviet Union and its Warsaw Pact partner Bulgaria as the greatest threat to Turkish security. In Greece, by contrast, the perceived Turkish threat transcends all others. Since the Cyprus crisis in 1974, the Greeks have focused most of their military combat power against Turkey in Thrace and the Aegean. [redacted]

Greek political leaders do not perceive the Warsaw Pact to be an immediate threat to the country's security, though some Greek military planners are less sanguine. The Papandreou government continues the

¹ This Interagency Intelligence Memorandum examines the balance of ground, naval, and air forces between Greece and Turkey in the Aegean and the internal and external influences that have affected that balance since the Cyprus crisis of 1974. The Memorandum looks at the impact of the balance on NATO and the possibility of renewed armed conflict because of a real or perceived shift in the balance in the future. [redacted]

efforts of previous Greek governments to establish amicable relations both with its Communist neighbors to the north and with the Soviet Union. In so doing, the Greeks have sought to reduce the threat from the north and isolate Turkey further. Since March 1987, Athens has expanded efforts to improve its relations with Sofia. A friendship and cooperation agreement with Bulgaria, and related consultations during and since the March crisis, reflect Athens' success in improving relations with Bulgaria. This has the added benefit of complicating Turkey's military planning. Bulgaria, a traditional enemy of Greece and Turkey, is currently at odds with Turkey over Ankara's accusations that Sofia is mistreating the approximately 1 million ethnic Turks who live in Bulgaria. Turkey has also sought to improve relations with the Soviet Union, but this effort has not altered its basic perception of the threat. [redacted]

The concentration of Greek combat power almost exclusively against the relatively limited areas of operations to which an Aegean war would be confined and the high level of Greek modernization since 1974 have permitted Greece to establish a rough equality of combat power between itself and Turkey in the Aegean. On Cyprus, despite improvements in the equipment, posture, and training standards of the predominantly Greek-led Greek Cypriot National Guard, the balance remains overwhelmingly in favor of Turkey. [redacted]

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Figure 1
Territorial Sea and Continental Shelf Dispute in the Aegean



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Figure 2
Airspace Dispute Over the Aegean



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The Cyprus Crisis

The Greco-Turkish dispute over the status of Cyprus, which began in the 1950s, reached a peak in July 1974 when Turkey's military intervention foiled an attempt by the Greek military junta to gain control of the Cypriot Government and lay the foundation for the eventual union (enosis) of Cyprus with Greece. [redacted]

Faced with this disaster, the Greek military junta resigned and turned the reigns of government over to former Prime Minister Constantine Karamanlis. His hastily formed interim civilian government attempted to negotiate the withdrawal of Turkish forces from northern Cyprus, but the talks broke down due to Greece's refusal to accept Turkish proposals that six autonomous Turkish Cypriot cantons be established on the island. [redacted]

Greece refused to accept responsibility for the junta-engineered debacle. Instead, the Greeks blamed the United States for what they viewed as US support of the Greek military junta during its years in power and acquiescence in the Turkish intervention in Cyprus. The United States was even

accused of collusion with the junta in its attempted assassination of then Cypriot President Makarios. Greek frustration was heightened by the plight of some 160,000 Greek Cypriots who fled from their homes in northern Cyprus to the southern, Greek Cypriot sector of the island. Karamanlis, though personally pro-American and pro-NATO, felt compelled to demonstrate his country's displeasure with NATO—and especially the United States—by withdrawing Greece from the military wing of the Alliance. The consequences of this decision are still apparent despite the ostensible reintegration of Greece into NATO's military wing in 1980. [redacted]

If US attitudes before and during the Cyprus crisis displeased Athens, the US arms embargo infuriated Ankara. Turkey retaliated by abrogating the 1969 Defense Economic and Cooperation Agreement and by suspending operations at all US-occupied military facilities in Turkey not clearly connected with the NATO mission. These restrictions endured until the US embargo was lifted in 1978. [redacted]

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Impact of the Cyprus Crisis

After the 1974 Cyprus crisis, several factors combined to allow Greece to reduce the military imbalance that had existed in favor of Turkey until then. From 1975 to 1978, a US arms embargo against Turkey, imposed because of Ankara's use of US-supplied weapons in the invasion of Cyprus, virtually halted the modernization of Turkey's armed forces and severely curtailed its ability to maintain its military equipment, which is largely of US origin. Greece, under no such restrictions during this period, continued to receive US military assistance and procure US tanks, aircraft, and other equipment. [redacted]

From the mid-1970s to the early 1980s, Greece's economy grew faster than Turkey's. Greece was able to supplement the equipment it procured with US assistance with additional purchases of tanks,

armored personnel carriers, fighter aircraft, missile-equipped patrol boats, submarines, and frigates from France, West Germany, and the Netherlands. This influx of modern equipment enabled Greece to enhance the defensive capabilities of its ground forces in Thrace and the Aegean islands and to establish a qualitative edge over Turkey in modern aircraft and ships. [redacted]

By the time Prime Minister Papandreou and his Panhellenic Socialist Movement (PASOK) were elected in October 1981, Greece was already well on its way to establishing a strong defense in the Aegean. Greece had fortified its Aegean islands, improved its defenses in Thrace, and developed the potential to challenge, if not defeat, the Turkish Air Force and Navy in the Aegean. [redacted]

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Moreover, since the lifting of the US arms embargo in 1978, US military aid (including Foreign Military Sales [FMS] credits to Greece and Turkey) has been based on the Congressionally observed 7:10 ratio, meaning that Greece is allocated 70 percent as much as Turkey. Since Turkey needed major assistance after the embargo, the military aid provided to both countries was substantial—in Greece's case, more than it could immediately absorb, permitting Athens to accumulate a large reserve of unused FMS credits over the years. This reserve has helped Greece to fund major items such as its recent purchase of 40 F-16 fighter aircraft and its upcoming acquisition of armament packages for the four new frigates that the Hellenic Navy plans to purchase from West Germany in the near future. [redacted]

While Greece was rapidly improving its military capabilities in the late 1970s, Turkey was suffering under the weight of the US arms embargo, a poorly functioning economy, and political violence approaching the scope and intensity of civil war. Only after Turkish military intervention restored order in 1980 did the armed forces begin a long-postponed modernization. US and West German aid, coupled with the free-market orientation of the new Turkish Government, facilitated the expansion and modernization of Turkey's domestic defense industries. The M48A5 tank program, the coproduction of F-16s, and naval modernization are examples of successful programs that have significantly enhanced Turkey's capability to defend itself against the Warsaw Pact—or against Greece. Already, the qualitative advantage that Greece developed during the late 1970s and early 1980s is evaporating. And, although the modernization of Turkish ground forces has lagged that of the Air Force and Navy, the armored units of the 1st Army in Thrace and the XI Corps on Cyprus are now equipped with upgraded M48A5 tanks with 105-mm guns. [redacted]

The major advantage that Greece derived from its modernization and redeployment of forces to face Turkey² was the ability to defend its border in Thrace

² In December 1984 the Greek Government ratified the new Defense Dogma that identified Turkey as Greece's primary security threat. [redacted]



Figure 3. Ongoing tank modernization is a high priority for both the Greek and Turkish Armies and, by the early 1990s, both armies will be primarily equipped with M48A5 105-mm gun (or equivalent model) tanks. [redacted]

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Figure 4. The A-7H fighter-bomber has been in service with the Hellenic Air Force since the late 1970s. Greece hopes to replace attrition losses by acquiring an additional 14 to 20 A-7s from the United States. [redacted]

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and its major Aegean islands against a Turkish attack. The Hellenic Air Force currently enjoys a qualitative edge over the Turkish Air Force. Better equipment and a superior level of training give Greece the potential to make Turkey pay a high price in casualties in the event of war. A significant benefit of modernization included the deep-strike capability of the Hellenic Air Force A-7H fighter-bomber squadrons. Given the poor state of Turkish Air Force preparedness in the early 1980s, the limited early warning and tracking capabilities of Turkish radar, and the ineffectiveness of the antiquated anti-aircraft

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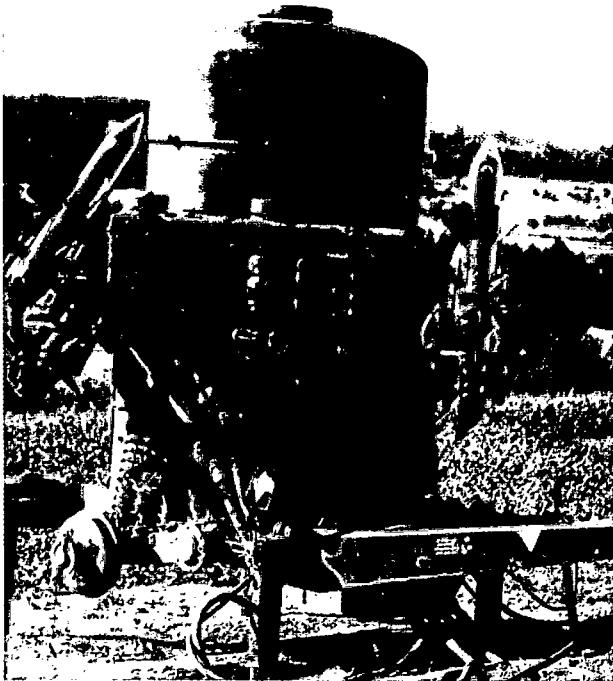
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Figure 5. Turkey's recent acquisition of 72 British-built Rapier SAM systems has greatly increased the Turkish Air Force's capability to defend bases against low-level attack. [redacted]

systems protecting Turkish bases, Greek fighter-bombers constituted a serious threat to Turkish installations until just a few years ago. [redacted]

Since the early 1980s, however, Greece's ability to perform deep-strike missions against Turkish mainland targets has been eroded by Turkey's acquisition and deployment of Rapier surface-to-air missile (SAM) systems at numerous Turkish installations. The Turkish Air Force's acquisition of a large number of well-maintained aircraft from the United States, Canada, and West Germany has increased its capabilities relative to those of the Hellenic Air Force. Similarly, with US and West German assistance, the Turkish Navy has acquired new submarines, missile-equipped patrol boats, and frigates. [redacted]

Currently, the defenses that Greece established and continues to improve in Thrace and the Aegean islands preclude Turkey from easily seizing and retaining any significant portion of Greek territory. By

the same token, Greece is not capable of seizing and retaining Turkish territory. [redacted]

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Comparison of Greek and Turkish Ground Forces in Thrace

Greek forces in Thrace are outnumbered by Turkish forces almost 2 to 1. Turkey also has a slightly greater number of tanks and more artillery than Greece (see table 1). These Turkish advantages in personnel and equipment, however, are offset by the terrain in Greek Thrace, which is favorable to defensive operations, and by Greece's possession of more modern self-propelled artillery capable of firing extended-range improved conventional munitions. To generate the preponderance of offensive power necessary to assure success in offensive operations in Greek Thrace, Turkish forces would need additional modernization, reinforcement, and an upgrading of their logistic capability to support operations beyond interior lines of communication. [redacted]

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Comparison of Greek and Turkish Forces in the Aegean

The major Greek islands of Rhodes, Kos, Samos, Khios, Lesbos, and Limnos have been heavily garrisoned and equipped. Each major island command has composite tank, artillery, and air defense battalions and an average mobilized strength of 7,000 troops. The islands are intended to be mutually supporting and to reinforce each other or organize task forces to reinforce or retake smaller islands threatened or overcome by attack. We believe that, if under attack, resupply and reinforcement would be difficult, however, because of limited helo/sealift capability. Each major island has one or more airfields capable of supporting Hellenic Air Force fighters and resupply operations. In the event that airfields were destroyed or captured, reinforcements could be sent to the islands by sea. [redacted]

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The Turkish 4th ("Aegean") Army is deployed on a north-south axis along the Turkish Aegean coast. It is primarily a training establishment with limited combat units that would have to be substantially reinforced in heavy equipment and personnel before

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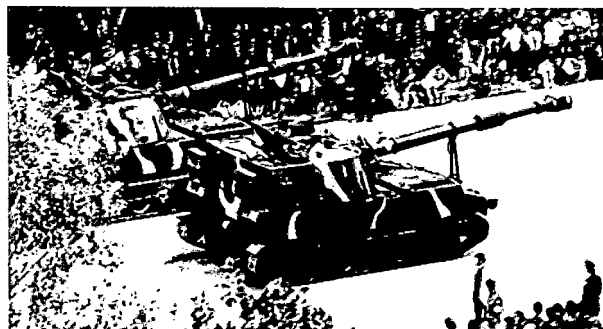
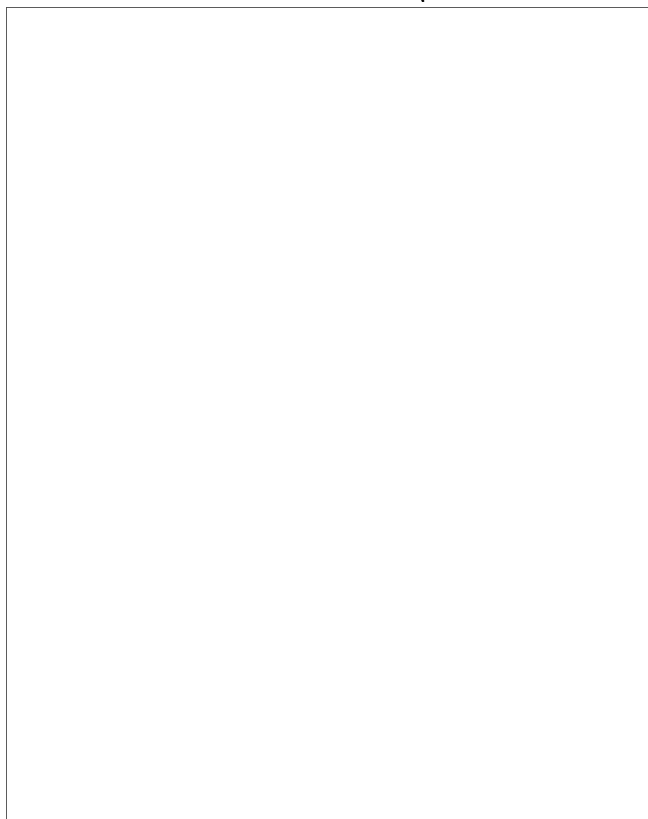


Figure 6. Greece's 123 155-mm M109A1/2 self-propelled artillery pieces are deployed with Hellenic armored and mechanized units in Thrace and with the major Aegean island commands.

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Air Forces

The development of the Hellenic Air Force since the mid-1970s has been crucial in enabling Greece to establish a rough equality of combat power with Turkey in the Aegean. The acquisition of US (F-4, A-7H) and French (Mirage F-1C) aircraft and the development of an effective maintenance capability have provided the Hellenic Air Force with a consistently high in-commission rate for its aircraft that offsets the numerical superiority of the Turkish Air Force, which has a traditionally low in-commission rate. Moreover, Hellenic Air Force pilots have been generally regarded as superior to those of the Turkish Air Force, although this qualitative edge has been affected by lack of participation in NATO exercises.

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undertaking operations against a major Aegean island. Although much preparation would be necessary for the conduct of such operations, the existing support forces would be sufficient.

Most of the Turkish Navy's amphibious assets are located at Izmir, as are the headquarters of the 4th Army and the Turkish Amphibious Command; a Turkish marine regiment is stationed at nearby Foca. Four airfields are located in the Izmir area; they are defended by modern Rapier SAMs.

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Most of the forward deployment bases of the Hellenic Air Force are located on Aegean islands. The Hellenic Air Force has demonstrated the capability to respond rapidly to alerts and to deploy its squadrons to forward areas for combat within hours. We assess its interceptor squadrons as better prepared for air-to-air combat than their Turkish counterparts. The Hellenic Air Force's ability to defend mainland and especially Aegean airfields from air attack is limited by the small number of radar-guided Skyguard and Hawk anti-aircraft systems available. Most key Air Force facilities in the island commands would be very vulnerable to low-level air attack by Turkish Air Force attack squadrons.

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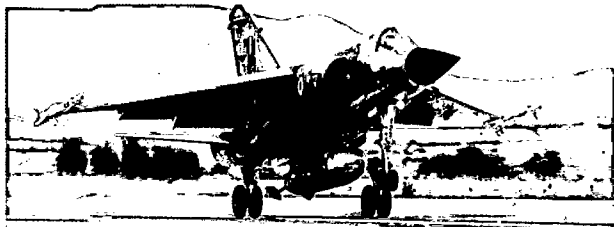


Figure 7. The Mirage F-1C (top) and the F-4E Phantom (bottom) are the Hellenic Air Force's primary interceptors and are expected to remain in service through the early 1990s.



Figure 8. The Turkish Air Force supplemented its all-weather capabilities with the transfer of 40 F-4E Phantom fighters by the United States under the Southern Region Amendment in 1987. Beginning this year, the United States will begin transferring approximately 70 F-4C/Ds to Greece.

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necessary to support aircraft transferred from elsewhere in the country. Despite the recent influx of more modern aircraft into its inventory, the Turkish Air Force still has only a limited all-weather capability due to equipment shortages and continuing deficiencies in maintenance. Although the training and overall flying skills of Turkish pilots appear to be improving, this gain is at least partially offset by recently identified serious pilot retention problems.

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Until the mid-1980s, the comparative inefficiency of the Turkish Air Force and its limited capability to defend against the threat of low-level attack by Hellenic Air Force fighter-bombers gave the Hellenic Air Force the potential to cause severe damage to Turkish Air Force bases and even to destroy Turkish aircraft on the ground, reducing the number of Turkish aircraft available for combat over Thrace and the Aegean.

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In recent years, however, the Turkish Air Force has markedly improved its capabilities by acquiring a significant number of aircraft from the United States, West Germany, and Canada and by procuring 72 Rapier SAM systems from the United Kingdom for airfield defense. The pending transfer of four NIKE-Hercules SAM batteries from West Germany, some of which may be placed on Turkey's Aegean coast, will further improve air defense capabilities. In addition, the Turkish Air Force has created an infrastructure of forward deployment bases in western Anatolia that have the personnel, fuel, and ammunition stores

The Hellenic Air Force will retain advantages over the Turkish Air Force because of its better pilot retention rate and the higher skill level of its pilots.

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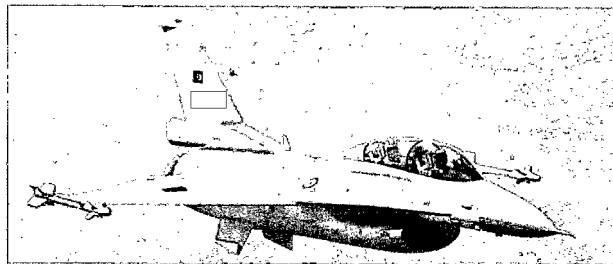


Figure 9. The Tusas aircraft factory at Murted, Turkey, is currently coproducing F-16s in a joint venture with General Dynamics. Turkey will acquire 43 F-16C/Ds built in the United States and coproduce approximately 117 F-16s by 1994.

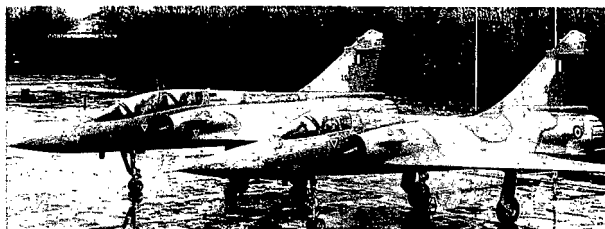


Figure 10. The first of 40 French-built Mirage 2000 aircraft to be delivered to Greece between 1988 and 1991. In late 1988, Greece will also begin accepting delivery of 40 F-16C/Ds purchased via FMS credits from the United States.

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These advantages will be offset by improved Turkish airfield defenses (Rapier), a numerical advantage in fighters, an abundance of primary and secondary airfields in western Anatolia, and an F-16 program that will deliver 160 fighters against 80 to 100 Greek F-16s and Mirage 2000s. Though either air force is capable of establishing local superiority over an area of the Aegean for a short time, neither air force would be able to establish overall superiority in an Aegean war. This relative balance of airpower will preclude either air force from dominating the other through the early 1990s.

Naval Forces

Most of the surface combatants of the Hellenic and Turkish Navies are World War II-vintage US destroyers and destroyer escorts. Though modernized to varying degrees, they remain vulnerable to virtually all forms of modern air, surface, and subsurface attack and would be of only marginal utility in an Aegean conflict. On balance, we believe that the Turkish Navy, because of its modernization program, now enjoys a slight advantage over the Hellenic Navy, and that this advantage would be evident, though not decisive, in an Aegean conflict.

Since the arms embargo against Turkey was lifted in 1978, the Turkish Navy has undergone a rapid modernization program that now gives it a slight qualitative edge over the Hellenic Navy. Turkey has acquired modern submarines, new missile-equipped fast-attack craft, and two MEKO-class frigates. It is building two other MEKOs and plans to acquire additional frigates and submarines. In addition, the

Turkish Navy has purchased new missile-armed ASW (antisubmarine warfare) helicopters, the RIM-7M Sea Sparrow missile, and Close-in Weapon Systems (CIWS) for the MEKOs. Some of the Type 209 submarines are being modified to carry Harpoons.

Meanwhile, the Hellenic Navy has made no significant acquisitions since delivery of its second Dutch-produced Kortenaer frigate in 1982. While it now appears that Greece has decided to sign a contract with West Germany to acquire four new MEKO-class frigates, these units will not come into service until the mid-1990s.

In an Aegean conflict, the Hellenic Navy probably would enjoy a slight initial advantage due principally to its proximity to likely areas of conflict in the Aegean and its familiarity with operating in the region. By contrast, the Turkish Navy, which is deployed principally in the Black Sea and Sea of Marmara, initially would be farther away from the area of hostilities. The maldistribution of Turkish naval forces could exist at the beginning of hostilities, but could be rapidly altered. After the onset of hostilities, it is not certain that either navy could control much of the Aegean beyond its coastline, though either could deny areas of the Aegean to the other. While the Hellenic Navy would have good access to mainland support facilities and staging areas, it is likely that facilities on the eastern Aegean islands would not be available to the Hellenic Navy if the Turkish Air Force were able to establish periodically a degree of air superiority over the islands. Presently the only significant Turkish naval base in the area capable of supporting larger surface combat

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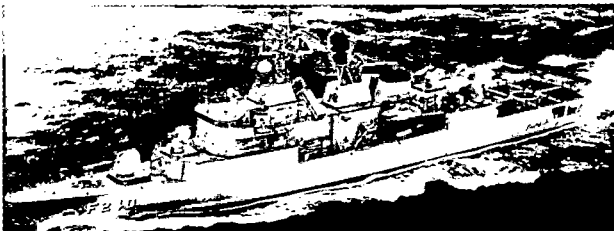


Figure 11. Turkey has taken delivery of two of four West German-built MEKO 200-class frigates. The third and fourth MEKOs (built in Turkey) are expected to be commissioned in 1988 and 1989, respectively. Greece also recently selected the MEKO to replace its aging destroyers, but is not expected to take delivery of the first of four ordered until the 1991-92 time frame.

The Turkish Navy is constructing a major naval base at Marmaris (Aksaz-Karaagac), 30 miles northeast of the Greek island of Rhodes. When completed in the 1989-90 time frame, this facility will be capable of homeporting half the Turkish fleet, significantly enhancing Turkey's ability to project seapower in the southern Aegean and the eastern Mediterranean.

[Redacted]

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Comparison of Military Readiness

Readiness is more than a simple measure of alert condition and the ability to engage an enemy on short notice. In addition, it includes the ability to mobilize trained reserves, the availability of modern materiel and an adequate logistic system, and, most important, recent and effective training.

[Redacted]

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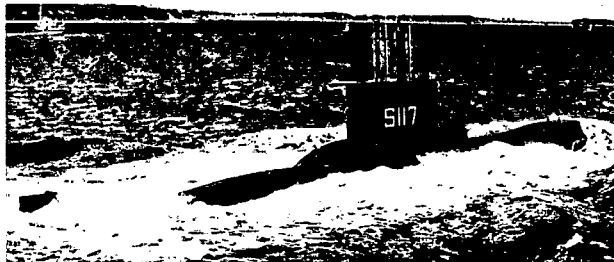


Figure 12. The West German-designed Type 209 coastal submarine is the primary undersea combatant in both the Greek and Turkish Navies. Three of Turkey's six 209s were constructed at the Turkish navy yard at Golcuk, and Turkey has contracted for the production of two larger 209/1400 models also to be constructed at Golcuk.

[Redacted]

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Figure 13. Greece's two Dutch-built Kortenaer-class frigates are the most modern major surface combatants in the Hellenic Navy.

Both Greece and Turkey consistently report high readiness levels for their combat forces in Thrace to NATO. However, much is not known about the overall readiness of Greek and Turkish forces, and both countries are sensitive to releasing information regarding their logistic capabilities and limitations. While large stocks of ammunition and fuel have been positioned by both sides in Thrace, the ability of the Greeks and Turks to transport and distribute these and other crucial classes of supply under combat conditions has not been determined.

[Redacted] we believe that, in both countries, serious deficiencies exist that would hinder the movement of materiel necessary to sustain defensive and especially offensive operations.

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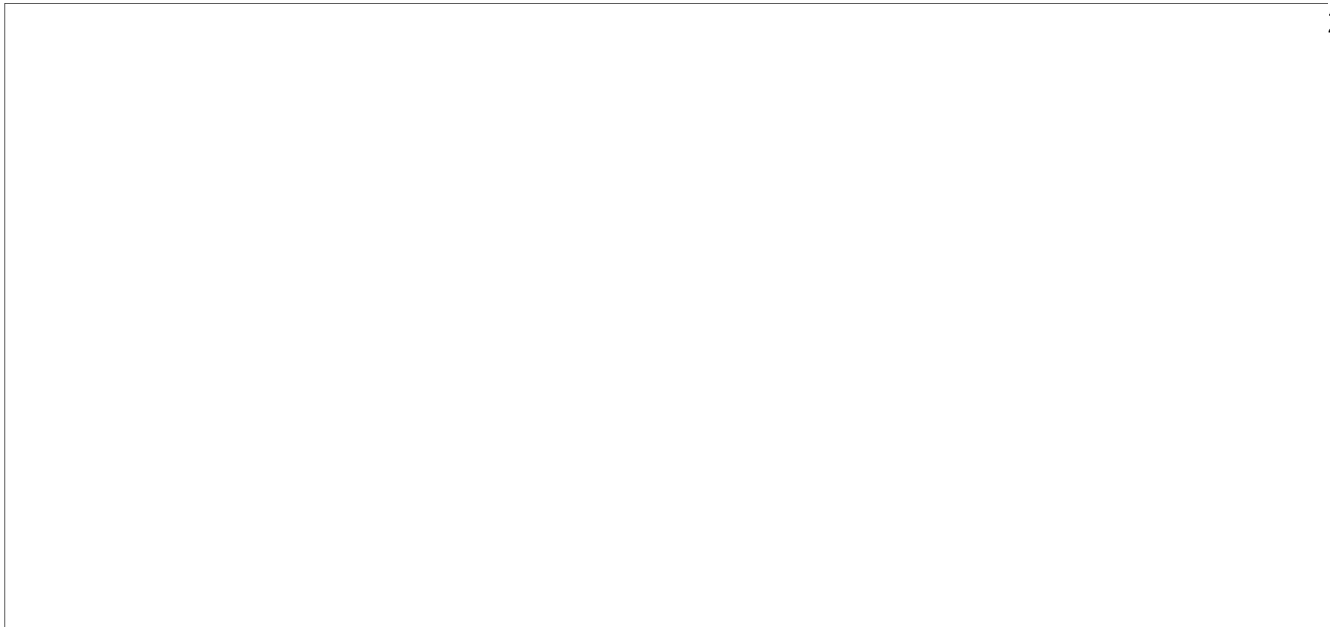
units and submarines in the Aegean is Izmir. The constricted entrance to Izmir would provide Hellenic Air Force fighters and Hellenic Navy missile-equipped fast-attack craft and submarines with considerable interdiction opportunities.

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The proficiency and training level of Greek and Turkish forces will also have an impact on combat operations. Both sides have adequate manpower pools of previously trained and recently discharged conscripts to call upon as replacements for casualties. In the more technical fields, their level of proficiency is not believed adequate for effectively replacing their active-duty counterparts, who in many instances are also undertrained. [redacted]

While it is difficult to measure overall readiness and, even more so, to compare countries in this area, we believe that, in a war of short duration, neither side would have a decisive advantage resulting from superior readiness. [redacted]

The Potential for Change in the Military Balance

Ground Forces

The pace of the Greek modernization program that began in the mid-1970s slowed greatly by the early 1980s. For example, Greece's tank modernization program has turned out to be less ambitious than Turkey's. By 1990, Turkey will complete modernization of 2,120 of its M48 tanks to the A5 standard of

improved power plants and replacement of the original 90-mm guns with 105-mm guns. By comparison, many Greek M48 tanks were only upgraded to the A3 standard of improved power plants, while the less effective 90-mm guns were retained. In addition, the Hellenic Army has experienced substantial maintenance problems with its approximately 200 French AMX-30 tanks and may be compelled to retire or otherwise dispose of them by the early 1990s. If so, the scheduled delivery of 300 M48A5 tanks from the United States over the next three years would result in the net addition to the Hellenic Army of only two battalions of diesel-engined 105-mm-gun tanks, instead of the six battalions originally planned. Unless the Hellenic Army accelerates the upgrading of its older-model M48s, Turkey will continue to enjoy both a qualitative and a numerical edge in armor available for use against Greece. These advantages would be significant if Turkey had to defend against a Greek attack in Thrace, but would not be sufficient to provide Turkey with the ability to conduct a successful offensive operation there. [redacted]

On the other hand, Greece is slightly ahead of Turkey in artillery modernization. However, the small advantage it has gained via its acquisition of modern

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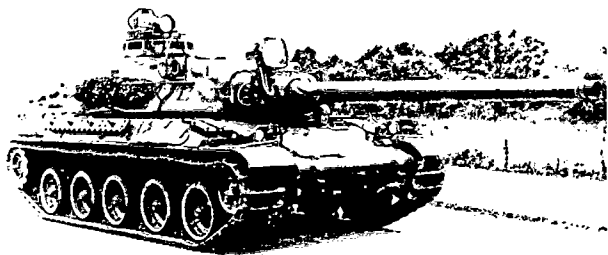
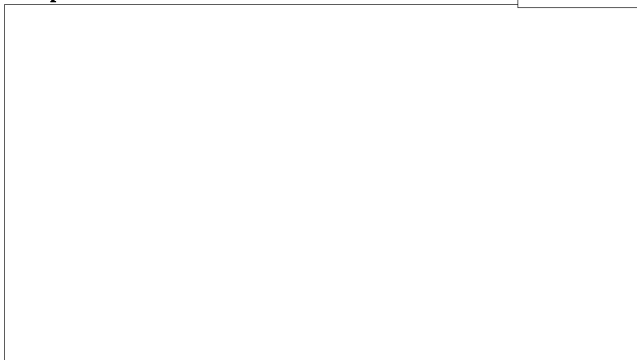


Figure 15. The Hellenic Army has reportedly experienced numerous maintenance-related problems with its French-made AMX-30 tanks, which may lead to a decision to retire the system in the early 1990s as additional M48A5s are acquired. [redacted]

155-mm self-propelled howitzers will be short-lived in light of present Turkish plans to upgrade its artillery on a major scale. After the upgrade programs in both countries are completed in the mid-1990s, Turkey will have a larger inventory of artillery capable of firing improved conventional munitions in Thrace. [redacted]



Both the Greek and Turkish Armies plan to obtain large numbers of armored personnel carriers (APCs) or infantry fighting vehicles (IFVs). Greece plans to manufacture approximately 300 Austrian-designed Leonidas II IFVs over the next several years. Turkey has recently awarded a contract to FMC Corporation for the production/coproduction of 1,700 US IFVs over the next decade. Today, the overall quality of Greece's fleet of largely diesel-engined M113A1/2 APCs is higher than that of Turkey's fleet of largely gasoline-engined M113s. Over the next several years, however, Turkey plans to upgrade many of its M113s with diesel engines and, in the early to middle 1990s, will probably surpass Greece in the number of modern APCs and IFVs fielded in Thrace. [redacted]

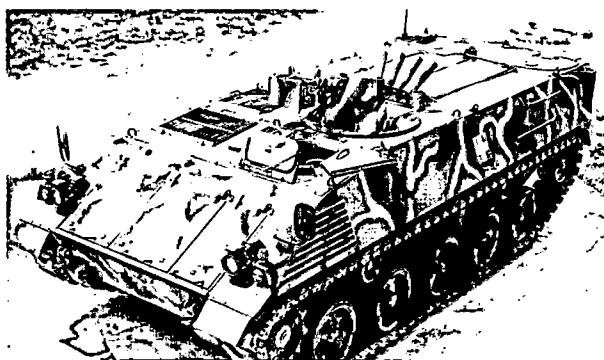
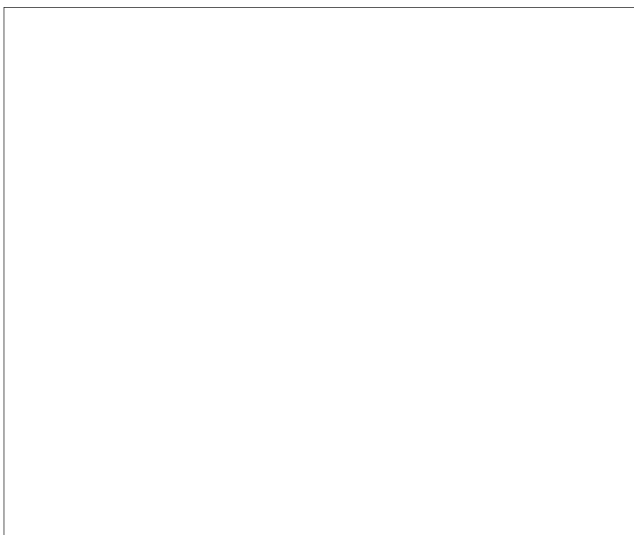


Figure 17. The Hellenic Vehicles Industry Plant (ELBO) will begin production of 316 improved versions of this Leonidas I APC, designated Leonidas II IFV, to supplement US, French, and Leonidas I APCs currently in service with the Hellenic Army. [redacted]



Figure 18. The Turkish Government recently selected the FMC IFV for a joint-venture project for the production of 1,700 vehicles over a 10-year period. [redacted]

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Air Forces

The most dramatic modernization program currently under way in Turkey is the joint US-Turkish project for the acquisition of 160 F-16 fighters for the Turkish Air Force by 1994. This program, which includes coproduction, will provide the Turkish aerospace industry with an experience base and manufacturing capability for complex aircraft better than that of the Hellenic aerospace industry. This capability would be difficult for Turkey to maintain unless the partnership with the US manufacturer were to continue beyond 1994. To increase its deep-strike capability, the Turkish Air Force would also like to acquire 40 Tornado aircraft, but funds for such a project are not likely to be available through the early 1990s. [redacted]

The Hellenic Air Force will receive 40 US-manufactured F-16s by 1990, and Athens is expected to exercise its option to buy 20 more. At the same time, the Hellenic Air Force has begun taking delivery of 40 Mirage 2000 aircraft ordered from France. These new aircraft, coupled with planned acquisitions of older aircraft (F-4, A-7) over the next few years from the United States, will ensure that the Hellenic Air Force will be able to maintain a rough parity with the Turkish Air Force through the early 1990s. However, as Turkish F-16 production continues beyond 1992, the Turkish Air Force will eventually deploy a total of 160 F-16s against the Greek Air Force's 40 to 60 F-16s and 40 Mirage 2000s. Moreover, Turkey would be able—with US assistance—to replace losses and produce additional F-16 aircraft more easily and cheaply than Greece. [redacted]

Naval Forces

The Turkish Navy has made impressive gains. Projected acquisition of modern missile-equipped fast-attack craft, submarines, and frigates ensures that the Turkish Navy will retain its recently established edge over the Hellenic Navy in overall capabilities. By

contrast, since 1982, no new surface or submarine combatants have been added to the Hellenic fleet. This is a particularly crucial problem for the Hellenic Navy since leadtimes in acquiring major surface combatants are so lengthy. The ability of the Hellenic Navy to keep pace with the growing potential of the fast-improving Turkish Navy is increasingly questionable. [redacted]

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The Bottom Line

We believe that the current sum of all Greek-Turkish military capabilities is rough parity. Today, Greek and Turkish forces in the Aegean lack a decisive edge that might encourage offensive action by one against the other. Turkish forces are stronger overall, but have significant obligations elsewhere that preclude their total commitment against Greece in the Aegean. In the Aegean itself, Turkish naval forces today are only marginally better than those of Greece and are dependent upon reinforcement from the Sea of Marmara. The Hellenic Air Force is superior, but is constrained by the distance to potential front areas (particularly Cyprus) and the resulting short loiter time. Greece has well-prepared ground forces on the islands, which adds to the advantage that always goes to the defense, but suffers from proximity to the Turkish mainland and the difficulty of their resupply and reinforcement. [redacted]

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We believe that the rough military balance that exists today between Greece and Turkey will not change dramatically during the period of this assessment, but it is steadily shifting toward Turkey. We believe that the reasons for this are primarily the balance of foreign military assistance to each country and the relative size of their two economies. We also believe that the inevitable change in the balance to Turkey's advantage will not result in conflict on the basis of this imbalance alone. [redacted]

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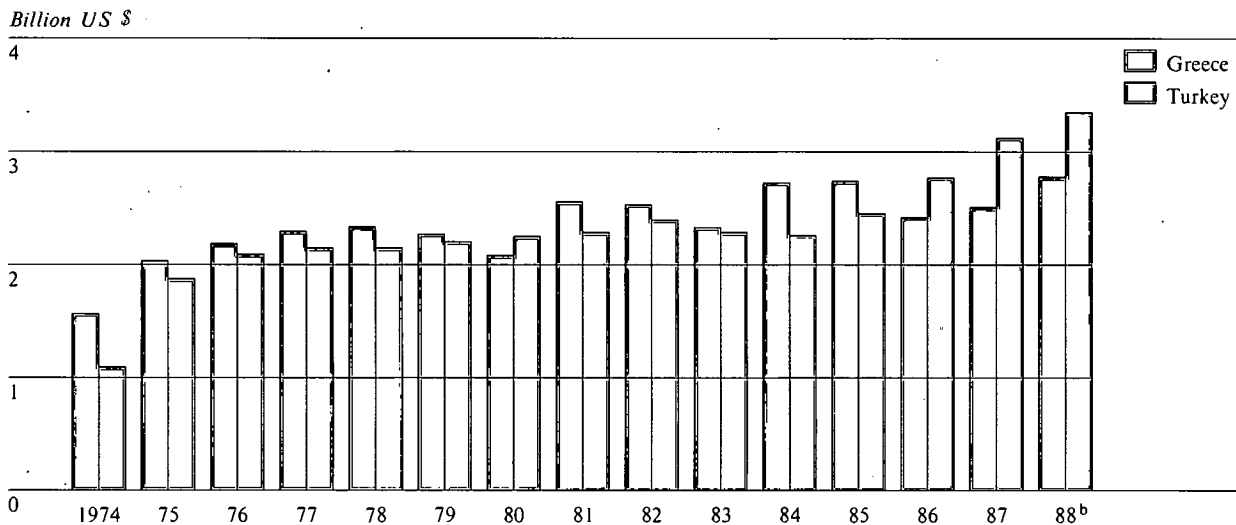
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Figure 19
Greece and Turkey: Total Military Expenditures, 1974-88^a



^a Constant 1986 dollars.

^b Budgeted.

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Defense Spending

So long as the fear of a Turkish threat remains high, Greek governments will continue to devote a large percentage of their annual budgets to defense, with the full support of the Greek population. From 1974 (after the Cyprus crisis) to 1986, Greece devoted an average of approximately 6.6 percent of its GDP to defense annually, making it the only NATO country besides the United States to spend such a large portion of its GDP on defense. In 1986 Greece spent an estimated \$2.417 billion³ on defense, which constituted 7.44 percent³ of its GDP. Defense spending is projected to increase by a nominal 15 percent to \$2.78 billion this year.⁴ These large increases in defense spending obviously reflect Greek concern about maintaining a military balance in the Aegean.

³ Actual 1986 NATO data. (u)

⁴ NATO estimates of November 1987. (u)

Even this high level of expenditures, however, may fail to reverse the trend: 82.3⁴ percent of Greece's military budget is devoted to operations and maintenance, including pay and allowances, leaving less than 18 percent available for the purchase of new equipment.

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Considering the high cost of military equipment, whether domestically produced or procured abroad, the likely reduction in the amount of US FMS credits extended annually, along with the necessity of repaying FMS loans previously extended, it is apparent that Greece will find it increasingly difficult to match its extensive modernization requirements against the available resources over the next several years. The Greek economy, although improved since the institution of austerity measures in 1985, continues to suffer from numerous difficulties that will take years of belt tightening and restructuring to correct. In anticipation of the 1989 national election, however, the

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Papandreou government has already begun to relax these austerity measures to increase their appeal to the voters, though this may undo the limited accomplishments of the past three years. [redacted]

Increasingly high modernization costs have prompted Athens to request that a large portion of future US assistance be given in the form of nonreimbursable grant aid. In addition, Greece wants a substantial increase in credits for FY 1989, namely, \$600 million in FMS financing, compared with \$343 million in both FY 1987 and FY 1988. Greek purchases would include 200 M113 APCs, 50 M48A5 tanks (or the equivalent), 75 assault bridges, 50 attack helicopters, two Barbel-class diesel submarines, and additional maritime patrol aircraft. The Greek Government probably realizes that its request is unlikely to be granted, given the many other claims on available US funds. [redacted]

The FMS credits accumulated by Athens over the last decade have largely been committed to the F-16 program or reserved for the weapons suits of the Hellenic Navy's frigate program. Because Greece is already spending such a large portion of its GDP on defense, the difference between the amount of military aid requested and the much smaller amount likely to be granted in future years probably cannot be made up from domestic sources. Instead, Greece will have to reevaluate and reprioritize its modernization requirements. [redacted]

Greek priorities through the early 1990s include naval modernization; the acquisition of additional tanks, APCs, and IFVs; the upgrading of artillery; the upgrading of its command, control, communications, and intelligence (C³I) capabilities; and the acquisition of new helicopters for the Army and Navy. Greece will continue its research, development, and production of improved conventional munitions, light anti-tank weapons, mortars, remotely piloted vehicles, and other projects such as more Artemis-30 air defense systems where Greek arms industries may be able to satisfy domestic needs economically and compete in the international arms market. Without additional US and other NATO assistance, however, Greece may have to delay or reduce the scope of many of

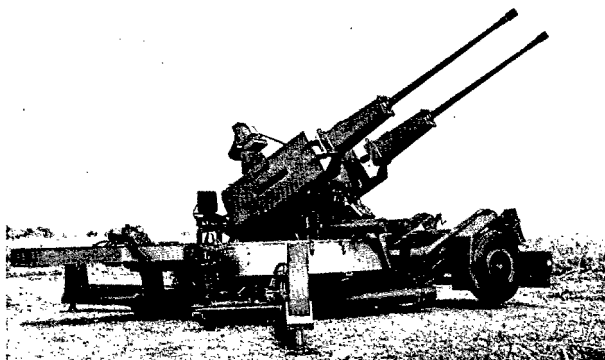


Figure 20. The Greek Artemis 30 (twin 30-mm) radar-guided air defense gun is in production and scheduled to enter service with the Hellenic Army in 1988. Greece plans to produce 184 Artemis fire units by 1990. [redacted]

these programs; we anticipate that artillery modernization and helicopter acquisitions are likely to bear the brunt of funding shortfalls. [redacted]

Turkey is much less affluent on a per capita basis than Greece, although its 1986 GDP of approximately US \$54 billion was about 68 percent higher than Greece's 1986 GDP of approximately \$32.1 billion. Since 1980 Turkey has spent about 4.8 percent⁵ of its GDP annually on defense, a lower proportion than Greece. In 1986, Turkish defense expenditures (including \$70.71 million in NATO infrastructure funds) were \$2.769 billion.⁵ As in Greece, a large percentage of the Turkish defense budget (the 1984-87 average was 76 percent⁶) is devoted to operations and maintenance, including pay and allowances. Turkey is also highly dependent on foreign military assistance for most of its modernization needs. To support its modernization program, Turkey would like to receive more than \$1 billion per year in US security assistance; thus, Ankara has been disappointed in US security assistance in FY 1987 and FY 1988 (see table 2). [redacted]

Turkey has nevertheless managed to establish a number of major domestic military production (or coproduction) programs. By working with the US and West

⁵ Actual 1986 NATO data. (U)

⁶ NATO estimates of November 1987. (U)

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Table 2
US Military Assistance
to Greece and Turkey, 1985-88

Million US \$

	1985	1986	1987	1988
Greece				
FMS credits	500	430	343	313
Military Assistance Program	0	0	0	30
Total	500	430	343	343
Turkey				
FMS credits	485	409	178 ^a	334 ^b
Military Assistance Program	215	206	312	156
Total	700	615	490	490

^a One half of FMS credits extended to Turkey were at concessional interest rates lower than the treasury rate normally extended for FMS-financed military assistance.

^b Of the estimated \$334 million in estimated FY 88 FMS credits

extended to Turkey, \$178 million will be at concessional interest rates, and \$156,000 in previously accumulated FMS obligations will be "forgiven" and subtracted from Turkey's overall FMS debt obligation to the United States.

[Redacted]

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German Governments and major private arms manufacturers in America and West Germany, Turkey has established tank upgrade facilities, modern plants for the production of tank ammunition and antiaircraft artillery, a factory for F-16 coproduction, and a strong naval modernization program. Turkey has also benefited from concessional rates of interest for part of its FMS debt, free equipment transfers via the Military Assistance Program, an annual allocation of \$150 million in US Economic Support Funding, and additional equipment transfers (notably 40 F-4E Phantoms) provided under special programs such as the Southern Region Amendment in 1987. Turkey's recent award of a contract to the FMC Corporation for the establishment of an IFV production facility in Turkey and planned coproduction of MLRSs are other examples of the country's robust modernization effort. [Redacted]

status as a "dependable undertaking." ⁷ High-priority programs (such as the establishment of a domestic capability to produce IFVs) may be scaled down but will probably survive, because of the Turkish Government's commitment to the development of such projects and the willingness of other NATO governments, as well as private US and other Western weapons manufacturers, to agree to generous offset concessions and favorable financing arrangements.

[Redacted]

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Turkey's large requirements for major equipment items, coupled with an abundance of cheap labor, put it in a better position than Greece to obtain concessions from Western weapons manufacturers in return for allowing them to participate in the establishment of domestic production facilities. This advantage and the continuing high levels of military, technical, and

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The Turkish military historically has been accorded a high budget priority. Nevertheless, owing to funding shortfalls, Turkey may also fail to achieve its modernization goals through the early 1990s. Lower-than-anticipated levels of FMS assistance may slow the production of F-16 fighters and impede artillery and helicopter modernization through the early 1990s. Tank modernization will not be affected due to its

⁷ A "dependable undertaking" as applied to a specific multiyear security assistance program (for example, the Turkish M48A5 upgrade program) is a calculated judgment that assumes that, regardless of annual increases or decreases in security assistance, a minimum level of security assistance will be provided annually over a period of years. In Turkey's case, key projects such as the tank upgrade are referred to as dependable undertakings, which denotes that long-term financing will be available to complete the project.

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financial assistance from West Germany as well as the United States place Turkey in a better position than Greece to accomplish its future modernization goals.

Impact of the Military Balance on Greek and Turkish Behavior

The existence of rough parity between the two military establishments throughout the late 1970s and

early 1980s has undoubtedly played an important role in restraining the Greeks and the Turks from employing military operations to resolve their outstanding differences. Yet parity is not the only factor affecting whether they resort to armed conflict. Other factors that could also contribute to fomenting or restraining aggression in the Aegean include domestic stability, leadership styles, national objectives, and perceptions of each other. However, so long as neither has a decided advantage in Thrace and in the Aegean, it

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would be far too costly for either to enter into a major or prolonged armed conflict. On occasion since 1974, both the Greek and Turkish Governments have raised the level of tension in the Aegean. Papandreou's past unwillingness to pursue discussions on Aegean disputes and the improvements of Greek defenses in the Aegean and Thrace, which culminated in the 1984 ratification of the New Defense Dogma identifying Turkey rather than the Soviet Union as Greece's primary threat, have tended to reinforce Turkish perceptions of an intransigent Greece. Ankara's frequent penetrations of Greek-claimed airspace and the creation of the 4th "Aegean Army" have tended to confirm Greek perceptions of an aggressive Turkey. Yet both parties have sought to avoid military conflict and prevent minor incidents from mushrooming beyond their control. Since nearly coming to blows in

March 1987, the two Prime Ministers have taken tentative steps to reduce tensions through dialogue and confidence-building measures.

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Overall, we doubt that the shift in the military balance in Ankara's favor will significantly increase the possibility of Turkish aggression over the next five years. Prime Minister Ozal's increasing influence over all aspects of Turkish Government affairs, his good working relationship with President Evren, and his recent electoral victory place him in a good position to encourage a reduction in tensions with Greece. Turkey's primary goal in the Aegean is to maintain its free access to the sea and to share Aegean resources. As a result, Ozal does not need to initiate hostilities unless Greece takes the unlikely step of declaring a 12-mile territorial sea or explores for oil in disputed

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Figure 23. The first substantial step toward rapprochement between Greece and Turkey occurred during the January 1988 World Economic Forum at Davos, Switzerland, when Papandreou and Ozal issued a joint communique pledging to avoid confrontation and to work together toward easing mutual tensions in the Aegean.

waters. Having made Turkey's entry into the EC a primary foreign policy objective and having numerous other issues outside the Aegean with which to concern himself—including Turkey's other hostile neighbors—Ozal almost certainly appreciates the benefit of improved relations with Athens.

As Greece's core objective in the Aegean is to maintain the status quo, Athens is unlikely to initiate hostilities so long as Ankara does not challenge the status quo. Prime Minister Papandreou has no need to engage in military adventures to distract public attention from the domestic scene. He is firmly in control of his party, the government, and the military.

If a new Greek government results from the election that must take place by June 1989, we would not expect it to change traditional Greek objectives in the Aegean. A conservative government would adopt a more flexible tactical approach toward Greco-Turkish relations, but the substance of conservative positions on the Aegean and Cyprus differs little from that of Papandreou. The conservatives are more pro-Western than Papandreou and may reverse his policy of non-participation in NATO exercises—although not in the Aegean—and may place less emphasis on relations with Greece's Balkan neighbors. They may also be less prone to harsh rhetoric and more likely to formalize a dialogue with Turkey on Aegean problems.

Nonetheless, the conservatives would be no more prone than Papandreou to compromise on the basic issues that divide Greece and Turkey in the Aegean.

Regardless of Greek or Turkish perceptions of their respective military capabilities, there are circumstances under which neither country would back down from a conflict between them. For example, Ankara has publicly stated it would not tolerate an extension of the territorial waters of Greek islands from 6 miles to 12 miles. Under such circumstances, Turkey would seriously consider armed conflict even if it perceived Greece to have a military advantage in certain areas. Similarly, in the event that Turkey attempted to extend the territory under its control on Cyprus, Greece might feel compelled to go to war with Turkey. Even the Greek perception that the military balance significantly favored Turkey and that, consequently, sovereign territory would be at risk would not necessarily dissuade Athens from supporting Cyprus under such circumstances.

External Factors That Might Inhibit Hostilities

In a crisis, the military balance will not be the only factor—or even necessarily the most important factor—affecting the decision of either Greece or Turkey to undertake military operations against the other.

On the other hand, both Greek and Turkish expectations that the United States and NATO would intervene diplomatically to

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prevent or control a conflict may encourage a potentially dangerous disregard for the implications of their own actions. [redacted]

The behavior of the Warsaw Pact in a future Aegean crisis could help dissuade either Greece or Turkey from undertaking planned military action. In an Aegean crisis, both Athens and Ankara would watch Moscow closely. Both would pay particular attention to any Soviet statements alluding to a threat to the security of the Soviet Union or Bulgaria or to the unhindered safe passage of Soviet Bloc merchantmen through the Turkish Straits. [redacted]

Actually, during the March 1987 crisis, the Soviet Union adopted a neutral and nonthreatening stance and encouraged Greece and Turkey to resolve their differences in a peaceful manner. More worrisome to Turkey was the sudden visit of Greek Foreign Minister Papoulias to Sofia for consultations during the height of the crisis. The specter of Greece and Bulgaria—traditional enemies of each other as well as of Turkey—consulting during the crisis undoubtedly raised suspicions in Ankara. [redacted]

Although it is highly unlikely that the Greek-Bulgarian rapprochement will result in military cooperation against Turkey, the Turks are extremely suspicious of the recently improved relations between Athens and Sofia. For their part, Moscow and Sofia are probably happy to exploit Greece's fear of Turkey and its concern about whether and how much the United States and NATO would support Greece in a Greco-Turkish conflict. The Soviet Union would presumably try to take advantage of a Greco-Turkish war to promote its own goals. In NATO's southeast flank, these goals include the removal of US and NATO facilities from Greece and Turkey and the eventual decoupling of one or both states from the Alliance. [redacted]

Impact on NATO Preparedness on the Southeast Flank

We believe that the current military capabilities of both Greece and Turkey have not been determined solely by actions taken in response to the perceived

threat from the other. Turkey clearly considers the Soviet Union and the Warsaw Pact as its primary threat and recognizes its threats in the east and south as well. Greece also has not dismissed the threat from its northern neighbors, even though it does consider Turkey to be its principal potential adversary. [redacted]

Although both Greece and Turkey have sought to respond directly to their perceived requirements to meet the threat from outside the Aegean, the resulting military modernization and improved capabilities efforts of each nation, as a result of the Aegean and Cypriot questions, have also benefited them both directly and indirectly. For example, as one country succeeds in acquiring either funds or materiel (regardless of the underlying purpose), the other has routinely been considered for an offsetting program—the 7:10 US aid ratio. [redacted]

Whether these improved capabilities have benefited NATO preparedness depends on how each country has used or plans to use them. Neither has always seen fit to employ or deploy the improved capability to the sole advantage of NATO's interests. For example, much of Greece's best equipped and trained ground forces are better deployed to meet a Turkish threat than they are to defeat a Warsaw Pact attack. And, although perhaps less guilty than Greece, Turkey also has maldeployed its forces including having some of its best forces in Cyprus. [redacted]

We believe that NATO capabilities have benefited from the collective improved preparedness of Greek and Turkish forces, but that much of this improvement would be of little immediate value to NATO, given the present disposition of these forces and lack of cooperation. [redacted]

The Warsaw Pact Threat

In Thrace, even without the active participation of Romania or the 15 Soviet motorized rifle divisions (MRDs) in the Kiev Military District, the Warsaw Pact is capable of mounting a 21 to 23 division attack against Greece and Turkey. The primary Pact objective would be the seizure of the Turkish Straits and possibly Greek Thrace. The majority of Bulgaria's forces—11 to 12 MRDs (or the equivalent), with an estimated mobilized armor strength of 1,130 tanks—would form a "Balkan front" directed primarily

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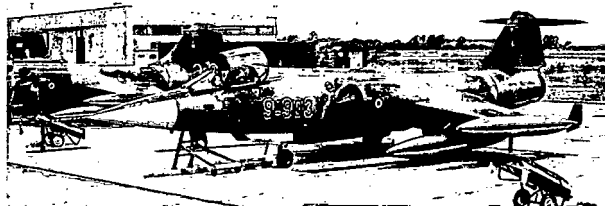
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against Greece. The Pact forces deployed against Turkish Thrace would essentially form an "Odessa front" composed of the 10 Soviet MRDs of the Odessa Military District and one guards airborne division. We estimate that the "Odessa front" would have an armor strength of 2,100 tanks. [redacted]

The full cooperation of Greco-Turkish forces in Greek and Turkish Thrace would be essential for NATO's southeast flank to have a chance of containing or even impeding such a Pact attack. Because of the Greek and Turkish tank modernization programs, Greece and Turkey can together field more than 2,000 modernized tanks in Thrace to meet a Pact attack. Currently, the Hellenic Air Force and the Turkish Air Force could commit 500 to 600 combat aircraft against an estimated regional Pact air strength of 700 aircraft. With the completion of the Hellenic Air Force and Turkish Air Force modernization programs over the next three to five years, the qualitative edge will be in Greece and Turkey's favor. Today, despite their numerous deficiencies in modern artillery, air defense, ammunition reserves, and nuclear-biological-chemical (NBC) protection, Greece and Turkey are better equipped to resist a conventional Pact attack—if they fight together—than they have ever been in the past. However, the ability of NATO's southeast flank to resist a Pact attack effectively has been seriously eroded by the distrust between Athens and Ankara and the lack of joint military planning and exercising since 1974. Greece's refusal to participate in all Alliance exercises has not helped. [redacted]

Today, it is not inconceivable that, in the event of a Pact attack against Turkey but not against Greece, Greece would opt out of the conflict, choosing not to commit its forces against Bulgarian or Soviet forces. Similarly, it is not inconceivable, though perhaps less likely, that Ankara would opt out in the event that Greece were attacked. Today, the only action that would guarantee joint Greco-Turkish cooperation against the Pact would be a Pact attack against Greece and Turkey simultaneously. There is little doubt that Moscow is aware of these possibilities. In this sense, Greco-Turkish animosities have seriously increased the southeast flank's vulnerability to a Pact attack. [redacted]



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Figure 24. Venerable F-104 (top) and F-5 (bottom) aircraft will continue to be operated by both Greece and Turkey through the early 1990s until gradually replaced by the influx of new fighters like the F-16. [redacted]

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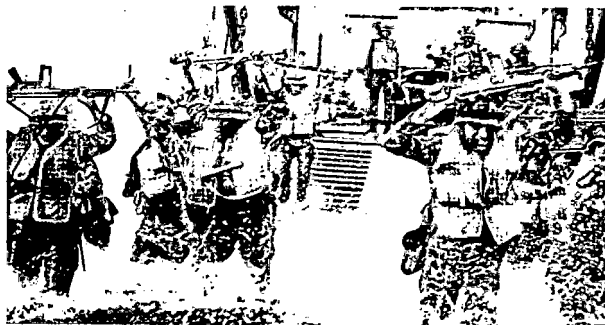


Figure 25. Training and increased proficiency in amphibious operations have been increasingly emphasized by Greece and Turkey since 1974. [redacted]

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Outlook

The military balance between Greece and Turkey in the Aegean will gradually change through the early 1990s, as the rough parity that exists today gives way to Turkish advantage. Because Turkey's modernization programs and plans for the expansion of its indigenous military-industrial complex are more extensive than those of Greece, we estimate that the military balance will shift in Turkey's favor during the mid-1990s. Despite the expansion of its own military industries and the annual commitment of a large portion of its budget to defense, Greece will find it increasingly difficult to maintain military parity

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The Roles of International Organizations

In the Aegean

Major international organizations have generally attempted to steer clear of the Greco-Turkish disputes in the Aegean. The International Court at The Hague in 1979 held that it lacked jurisdiction to rule on the continental shelf dispute without the consent of both parties. UN involvement has been limited to Resolution 395, adopted in 1976, which urged the two parties to refrain from provocative actions and recommended the bilateral negotiations that were later set up under the terms of the 1976 Berne Declaration.

NATO has similarly tried to avoid becoming enmeshed in the Aegean disputes, for fear of further weakening the thin links that hold its southeast flank together. Instead, the NATO countries have adopted the position that Greece and Turkey should work together to reconcile their differences in the Aegean. The Alliance refused to address Prime Minister Papandreou's 1981 request for protection against attack "from all sides." NATO has put little pressure on Greece to comply with the terms of the 1980 agreement governing the reintegration of its armed forces into NATO's military wing. Both Greece and Turkey have fruitlessly sought NATO support for their strong, though opposing, stances on the Greek militarization of Limnos. NATO has neither

condemned Greece's militarization of the Aegean islands, as Turkey has demanded, nor agreed to include the Greek forces stationed on Limnos in the Alliance's military structure, as Greece has demanded over strong Turkish objections. Because the Alliance does not count Greek forces on Limnos as assigned to NATO, Greece since 1984 has refused to participate in any NATO exercise.

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During the flareup in March 1987, NATO Secretary General Lord Carrington offered Greece and Turkey his assistance to help resolve their differences if they were amenable. Neither party showed much enthusiasm for the offer. It is likely that the Alliance will continue the low-profile approach it has taken in its relations with Greece and Turkey and will be careful not to imply support for either side.

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On Cyprus

The United Nations has been the primary international body dealing with the Cyprus problem since 1964. In addition to the continued maintenance of a UN peacekeeping contingent on the island, Secretary General de Cuellar has made numerous unsuccessful attempts to get the Greek and

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with Turkey in the Aegean. Even a continuation of the current 7:10 US aid ratio will not permit Greece to keep up with Turkey.

Before the end of the century, Turkey will significantly improve its current limited capability to invade and retain one or more major Aegean islands, as well as part of Greek Thrace, but it is unlikely that Turkey could defeat Greece overwhelmingly in an Aegean war.

On Cyprus, Turkey will continue to maintain an insurmountable military advantage over Greek and Greek Cypriot forces. Despite Nicosia's increasing

commitment to the training and modernization of its forces, Nicosia will not be able to repel a determined Turkish attack even in the unlikely event that the current level of Greek forces and equipment on the island were substantially increased.

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Regardless of the military balance, the Greeks have always considered the Turks to be more powerful. For a number of reasons, Greece may adopt a more flexible tactical approach toward Turkey in the future, but Greece's traditional intransigence regarding its differences with Turkey is likely to remain because Greeks across the political spectrum believe their fundamental sovereign rights are at stake. Were

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The Roles of International Organizations (continued)

Turkish Cypriots to the negotiating table over the past several years. His latest draft agreement (March 1986) governing the initiation of intercommunal talks aimed at resolving the status of the divided island was rejected by the Greek Cypriot government of then President Spiros Kyprianou, which held that its provisions favored the Turkish Cypriots.

The Turkish Cypriot government of President Rauf Denktash's self-proclaimed "Turkish Republic of Northern Cyprus" (TRNC) has indicated that the March 1986 UN framework is the only one by which it is prepared to negotiate and that, unless the Greek Cypriot government accepts the framework, the "TRNC" will abandon any effort to come to an agreement with the Greek Cypriots. Instead the "TRNC" will attempt to gain recognition from the international community as an independent state. At present only Turkey recognizes the "TRNC," but, in spite of this, Turkey will continue to control "TRNC" attempts to gain recognition from other countries to protect its own relations with the United States and the European Community (EC). The Governments of Cyprus and Greece have threatened to sever diplomatic relations with any state that recognizes the government of the "TRNC."

During the past two years, Soviet diplomatic activity on Cyprus has been of considerable concern. Moscow's goal is to neutralize the island and remove the foreign military presence, including the British Sovereign Bases, to deny NATO use of facilities there in a general East-West conflict. Moscow's proposal for an international conference paralleled then President Kyprianou's policy initiative to "internationalize" the Cyprus problem, though Nicosia showed virtually no interest in the remainder of Moscow's proposals, including removal of the "foreign military presence," meaning British bases. Ankara and the "TRNC" completely rejected the Soviet proposals. Though Moscow for now appears to have abandoned this idea, the election in Cyprus of a president not affiliated with any political party, but supported by the Cypriot Communist Party (AKEL), may provide new openings for Soviet participation in the reunification process. Neither the United States nor the rest of the NATO allies wishes to see the Soviet Union gain a voice in determining the future of this strategically placed island.

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Ankara to gain a clear-cut military edge over Athens in the Aegean, we would expect Greece to be even more apprehensive than it is today about possible Turkish designs on Greek territory.

Prime Minister Ozal's increasing influence over all aspects of Turkish Government affairs, his good working relationship with President Evren, and his recent election victory place him in an ideal position to take the lead in establishing better Greco-Turkish relations. Ozal fully understands the benefits to Ankara of reducing tensions with Athens—prospects for regularizing Turkey's association with the EC are considerably improved, as is the outlook for Turkey's application for full EC membership. Moreover, reduced

tension in the Aegean gives Ozal the opportunity to focus fully on other pressing domestic and foreign policy problems: the economy, expanding Kurdish insurrection in southeastern Turkey, rising Islamic fundamentalism, the Cyprus dilemma, strained relations with Bulgaria and Syria, the Iran-Iraq war, and the Soviet threat.

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Conflict Through Miscalculation

Despite the improving communications between Athens and Ankara during the past year, there is still a possibility that a conflict in Cyprus or in the Aegean will be touched off not by design but through miscalculation or overreaction to an unanticipated incident. In the event of an accidental confrontation, the

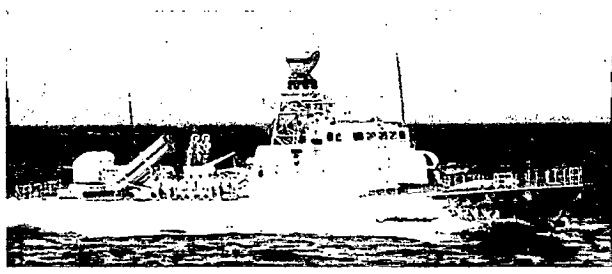
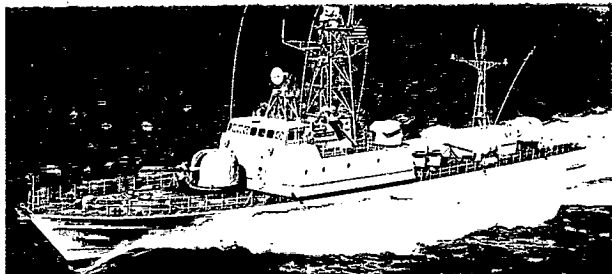


Figure 26. The heavily armed Greek La Combattant-class (top) and Turkish Dogan-class (bottom) missile-equipped fast-attack craft are ideally suited for operations in the island-studded Aegean.

political leadership in both countries will be under domestic pressure not to be the first to back down. This will reduce their maneuvering room and increase the potential for a conflict that neither side actually desires.

Attitude Toward NATO and the United States

Although Greece and Turkey have improved the capabilities of their forces, Greco-Turkish differences in the Aegean and over Cyprus will continue to degrade NATO's solidarity and preparedness to defend against the Warsaw Pact threat on the southeast flank. Although the so-called "spirit of Davos" provides a glimmer of hope for better Greco-Turkish relations in the near future, no solution to fundamental differences appears to be in sight.

Since initiating the Davos process, Papandreou has emphasized the need to exclude external influences from Greco-Turkish relations. Nevertheless, both sides will continue to press NATO and the United States to support their respective positions with regard

to the Aegean and Cyprus. Absent a NATO tilt toward Athens, Greece will continue to refuse to participate in NATO exercises and to deny the use of Greek facilities to NATO forces participating in future Aegean exercises with Turkey.

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Greece considers the maintenance of the 7:10 ratio of US aid to be essential to its efforts to remain militarily competitive with Turkey in the Aegean. Athens would view a change in the ratio in favor of Turkey as a significant shift in US policy that would threaten Greek security and further erode the already weakened foundations of Greek-US relations. That would reduce the chances of reaching an agreement for the continued use of US military facilities in Greece on terms favorable to the United States. Athens could also retaliate by reducing the number of US facilities or by adding restrictions regarding their operational use.

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On the other hand, Ankara views the 7:10 ratio as unfair to Turkey and indicative of a US tilt toward Athens. Ankara, while taking note of the increased level of Greek preparedness in the Aegean that can be directly attributed to US aid, is more concerned about the setback of its own modernization programs caused by what it views as the diversion of US aid to Greece that might otherwise be going to Turkey. Ankara believes that, unlike Greece, it has been a loyal and steadfast supporter of NATO and therefore deserves more consideration in security assistance than Greece. Like the Greeks, the Turks are in a position to signal their disapproval of US policies by tightening restrictions on US use of military facilities in Turkey. The recent Turkish ratification of the Defense Economic and Cooperation Agreement, however, suggests that such reprisals are unlikely, at least in the short run.

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