

Testimony of Nick Larigakis, President, American Hellenic Institute (AHI)
Fiscal Year 2020 Appropriations Bill
Submitted to the U.S. House of Representatives
Appropriations Subcommittee on State, Foreign Operations, and Related Programs
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Chairwoman Lowey, Ranking Member Rogers, and Members of the Subcommittee, I am pleased to submit testimony to the Subcommittee on behalf of the nationwide membership of the American Hellenic Institute on the administration's proposed FY2020 foreign aid budget.

In keeping with the best interests of the United States AHI opposes: (1) any military assistance the administration will request for Turkey until Turkey withdraws all of its troops and illegal Turkish settlers in Cyprus and Turkey ceases and desists its acts of provocation and aggression in the Aegean; (2) any proposed reduction in the aid levels for the UN Peacekeeping Force in Cyprus.

Also, in keeping with the best interests of the United States, AHI applauds the FY2019 enacted level of funding of \$1 million for NATO ally Greece's **International Military Education and Training (IMET) program** and supports a recommended appropriation of \$1.2 million for FY2020.

U. S. Interests in Southeast Europe and the Eastern Mediterranean. The U.S. has important interests in southeast Europe and the eastern Mediterranean. With Greece's centuries enduring presence, its close cultural, political and economic ties to the Mediterranean countries, including Israel; Western Europe, the Balkans, Eastern Europe and the Middle East, Greece is strategically situated in a vital region for U.S. interests and an ideal strategic partner for the U.S. To the north of Greece are the Balkans, Eastern Europe and Russia, to the East is the Middle East, and to the South are North Africa and the Suez Canal. Significant commerce and energy sources pass through the region. In promoting a multilateral approach to diplomacy and foreign policy, the U.S. must continue to strengthen and build upon its relations with Greece, which is as an immensely valuable link—"a pillar of stability" as U.S. government officials have noted—in the region. However, the projection of U.S. interests there depends heavily on the region's stability. Therefore, the U.S. has a stake in focusing on the problems in the region that are detrimental to U.S. interests and to call out those who cause instability in the region.

Greece is important for the projection of U.S. strategic interests in the region by its geographic location and by being home to the most important U.S. military facility in the Mediterranean Sea, **NSA Souda Bay**, located on Crete. Military installations located at Souda Bay include the NATO Maritime Interdiction Operational Training Centre (NMIOTC) and the NATO Missile Firing Installation (NAMFI).

- Held annually off of the coast of Souda Bay, Crete, the trilateral naval exercise "Noble Dina" between the U.S., Greece, and Israel, is a prime example of Greece's strategic importance to U.S. interests in the region.

To illustrate Souda Bay's importance, please consider the following figures that demonstrate the volume of operations conducted there in recent years:

- 2016: At least 2,356 U.S. and 305 NATO (total 2,661) planes utilized the 115th Combat Wing. Also, at least 139 U.S. and 139 NATO (total 278) ship port visits at NSA Souda Bay. Also, 16 U.S. and NATO units utilized NAMFI (NATO Missile Firing Installation).
- 2017: At least 2,102 U.S. and 530 NATO (total 2,632) planes utilized the 115th Combat Wing. Also, at least 115 U.S. and 133 NATO (total 148) ship port visits at NSA Souda Bay. Also, 14 U.S. and NATO units utilized NAMFI (NATO Missile Firing Installation).
- 2018 (Jan-Feb-Mar): At least 126 U.S. and 50 NATO (total 176) planes utilized the 115th Combat Wing. Also, at least 30 U.S. and 29 NATO (total 59) ship port visits at NSA Souda Bay.

Moreover, during U.S. operations in Iraq and Afghanistan, tens of thousands of aircraft used over-flight access. During one, two-year period nearly 30,000 allied flights traversed Hellenic airspace. It has been noted by U.S. government officials how Souda Bay allows United States Navy vessels—especially aircraft carriers—the ability to dock, make needed repairs and maintenance, and resupply, all within a couple of weeks and without having to return to Naval Station Norfolk.

Further, President Donald Trump has been vocal about NATO alliance members paying their fair share. Greece is a top contributor to the defense efforts of NATO, estimated to spend 2.27% of its GDP on defense expenditures in 2018 in accordance with NATO standards despite battling two crises, economic and migratory. The United States, United Kingdom,

Estonia, and Lithuania are the only other NATO allies that are estimated to meet the two percent minimum standard in 2018. By percentage of GDP, Greece is second only to the United States.¹ Greece is also an active participant in peacekeeping and peace-building operations conducted by international organizations, including the UN, NATO, the EU, and OSCE.

Finally, United States defense cooperation with Greece has expanded in recent years. The United States Air Force temporarily operates MQ-9 Reaper Drones from Greece's Larisa Air Force Base. Another example is the increased U.S. aircraft (helicopters) and soldier involvement (mainly tactical training) at Stefanovikeio Hellenic Army airbase.

America Values Alliance with Greece. AHI presents the following testimonials as examples of the high value the United States places in its alliance with Greece:

Secretary of State Mike Pompeo noted the "historic progress" in U.S.-Greece relations at the inaugural U.S.-Greece Strategic Dialogue held December 13, 2018: *"Greece has been a critical ally of the United States. Now, more than ever, we are pleased to see that Greece emerges again as a leading force of regional stability in the Eastern Mediterranean. This area is an important strategic border. The U.S. is working to strengthen our relations with stable democracies and democratic allies there. Allies like Greece, Cyprus, and Israel."*²

Then-Secretary of Defense James Mattis stated, *"Today, Greece and the United States share a commitment to ensuring a safe and prosperous world for future generations of Greeks and Americans, and we live this commitment to our growing defense relationship. With increased joint exercises and training, expanded basing cooperation and enhanced defense-industrial partnerships. So thank you for your continued hosting of U.S. forces at Souda Bay, one of the most popular locations for U.S. sailors anywhere in the world. The U.S. recognizes Greece's vital role in maintaining regional security in a difficult neighborhood. Appreciate your perspective on challenges facing NATO's southern flank, and on your leadership in promoting Balkan stability. I commend Greece's strong investments in defense capabilities by not only meeting, but exceeding the NATO's pledge -- exceeding the NATO's -- NATO's Wales pledge of two percent of defense spending. You illustrate your nation's commitment to collective defense."*³

U.S. Ambassador to Greece Geoffrey Pyatt has stated: *"The United States sees Greece as a pillar of stability in this region. That was the message that Vice President Pence underlined when he met with Prime Minister Tsipras last month... We see Greece as an important partner, not just because of the way that we work together – for instance our military forces in Souda Bay – but also the way in which Greece is deepening its partnership with American friends in the region, countries like Israel, Cyprus, the trilateral between Greece, Cyprus and Egypt, the very important role that Greece plays in the Western Balkans."*⁴

A U.S. embassy spokesman also reaffirmed the existence of strong cooperation between the U.S and Greece, and Greece's importance to U.S. security interests: *"Greece is an important pillar of stability and democratic values in a region that faces numerous security challenges. The United States is appreciative of the close cooperation and mutual support we have with our Hellenic allies. We participate regularly in joint military exercises, our students work together on combined military education and, moreover, we train together."* Americans nickname Souda Bay as the "Best in the Med."⁵

International Military Education & Training (IMET) – Greece. AHI recommends funding Greece's **IMET program for FY2020 at \$1.2 million.** The IMET program at the U.S. Embassy in Athens, Greece, advances the professional military education of the Greek Armed Forces. It enhances interoperability with U.S. and NATO forces such as Greece's. Through the training of Greek military officers and noncommissioned officers in a multitude of professional military education and technical courses in the United States, IMET provides strong United States-Greece mil-to-mil relations. IMET affords Greek military students to experience American culture, and IMET encourages the development of relationships with their peers (classmates) in the U.S. military. As a result, Greek military personnel return to Greece with a greater appreciation of American culture, and equally important, are better prepared to counter shared threats to national security. Moreover, these Greek military students often advance to senior level positions within the Greek Armed Forces.

For 11 fiscal years (FY2006-FY2017), the decline of Greece's IMET funding levels resulted in the drastic decrease in the number of Greek military students participating in the program. During this time, it is estimated that 400 to 500 Hellenic Officers, of which 20 to 30 are General Officers, have not been able to participate in IMET. Greece is a frontline state in the fight against terrorism. The FY2020 IMET programmatic request of \$1.2 million builds upon FY2018 and FY2019's \$1 million appropriation. It will be an effective and wise investment toward a key component of U.S. security assistance and will make-up for the "opportunity lost" to educate and train our NATO ally's military officers. It will help the United States because it contributes toward the strengthening of United States security interests in an increasingly important

¹ 2018 estimate. https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2018_07/20180709_180710-pr2018-91-en.pdf

² <https://www.thenationalherald.com/223513/katrougalos-and-pompeo-recognise-historic-progress-in-greek-american-relations/>

³ U.S. Department of Defense transcript, Oct. 9, 2018, <https://dod.defense.gov/News/Transcripts/Transcript-View/Article/1658336/remarks-by-secretary-mattis-at-an-honor-cordon-welcoming-greek-minister-of-defe/>

⁴ <http://www.ekathimerini.com/223743/article/ekathimerini/community/us-sees-greece-as-pillar-of-stability-in-the-region>

⁵ Ibid.

part of the world, the eastern Mediterranean, which lies at the doorstep of the Middle East, by helping to train and educate and promote the professionalization of the Greek Armed Forces.

Regional Instability. A key to peace and stability in the region is for good neighborly relations among NATO members and respect for the rule of law. However, Turkey's continuing occupation of Cyprus, its intransigence in solving the Cyprus problem, and its refusal to recognize the Republic of Cyprus (a prerequisite to Turkey's E.U. accession process), which is a member of the European Union; are detrimental to U.S. interests. To illustrate Turkey's intransigence, Turkey insists on maintaining troop levels on Cyprus and on remaining a guarantor power as part of a solution to the Cyprus issue, which led to the collapse of settlement talks in 2017. In February 2019, Turkish troops violated the status quo near the Cypriot village of Strovila, requiring the United Nations Peacekeeping Force to record the violation. Furthermore, Turkey's bellicose threats against Cyprus, and at times in the past, against Israel, which is working in collaboration with Cyprus and a U.S. energy company to develop hydrocarbon reserves found within their exclusive economic zones (EEZs), also threaten U.S. interests. To demonstrate, Turkey's threats reached new heights of danger in 2018 Turkish warships harassed the surveying vessel of Italian oil company Eni and threatened on February 23, 2018 to sink it in the exclusive economic zone of Cyprus. According to press reports, Eni's ship was forced to make maneuvers to avoid a collision after the Italian captain's request to the Turkish vessel to change course went unanswered.⁶ On February 28, 2019, U.S.-based multinational energy firm ExxonMobil announced the largest find thus far in Cypriot waters (Block 10) of an estimated 5 to 8-trillion cubic feet of gas. The United States has stated repeatedly it supports Cyprus' sovereign right to explore energy in its exclusive economic zone. What will Turkey do given its demonstrated history of provocation in Cyprus' EEZ? In recent months, Turkey issued several NAVTEXes (navigational telex) to conduct operations and exercises in segments of the Greek continental shelf or in Cyprus's exclusive economic zone that elevate tensions with Greece and Cyprus.

Because of threats in the eastern Mediterranean and Middle East, AHI contends the U.S. must lift its arms prohibition on Cyprus⁷, which would allow Cyprus to consider the U.S. as a marketplace for defense procurement. It is in the best interest of the United States for the Republic of Cyprus to maintain its Western orientation, especially by turning to the United States to procure its defense materials. AHI applauds the action of the Congressional Caucus on Hellenic Issues, led by U.S. Reps. Gus Bilirakis and Carolyn Maloney, which wrote to Secretary of State Mike Pompeo, urging the State Department to lift the arms prohibition.

Additionally, instability in the region continues to be exacerbated daily with Turkey's ongoing violations of Greece's territorial water and national airspace in the Aegean, which are in violation of international law and unnecessarily risks lives. In December 2018, fifteen-armed Turkish fighter jets conducted 107 violations in the Aegean, as well as two overflights over the islets of Anthropofagos and Makronisi in the eastern Aegean. According to the Hellenic National Defense General Staff, they also engaged in four mock dogfights with Greek jets. Furthermore, these violations have continued into 2019. In January, two Turkish F-16 fighter jets violated the Greek airspace with one of them harassing a Greek military "Super Puma" helicopter—almost leading to an accident by causing severe turbulence. These reoccurring acts are egregious and cost the Greek government approximately \$400 million a year and come at a time when it can ill afford to spend any funds unnecessarily to deal with provocative actions by a NATO ally. They have also led U.S. Ambassador to Greece Geoffrey Pyatt to convey concern over the possibility of an "accident" happening over the Aegean.

Turkey. We oppose any aid for Turkey and any other assistance programs from the United States. This includes most favored nation trade benefits including textile quotas and the transfer of any nuclear related assistance which we oppose as not in the best interests of the U.S. AHI welcomes the Trump administration's signaling this week that the United States intends to terminate Turkey's designation as a beneficiary developing country under the Generalized System of Preferences (GSP) program because it no longer complies with the statutory eligibility criteria. According to the U.S. Trade Representative's statement, "Turkey's termination from GSP follows a finding that it is sufficiently economically developed and should no longer benefit from preferential market access to the United States market." AHI has long argued for this type of action by the U.S. government, especially in testimony presented to this Subcommittee, also because of the following reasons: (1) the immediate withdrawal of all Turkish troops from Cyprus; (2) the prompt return to Turkey of the over 180,000

⁶ <http://www.ekathimerini.com/226092/article/ekathimerini/news/turkish-ships-threaten-to-sink-eni-drill-vessel>

⁷ Eastern Med Statute [22 USC sec 2373(e)(1)] and [57 Federal Register No. 244, December 16, 1992].

illegal Turkish settlers in Cyprus; (3) the Turkish government's safeguarding the Ecumenical Patriarchate, its status, personnel and property, reopening the Halki Patriarchal School of Theology, and returning church properties illegally seized; and (4) the cessation of violations against Greece's territorial integrity in the Aegean and of its airspace. Of course, Turkey's ongoing human rights, freedom of speech, and religious freedom violations are problematic.

Moreover, Turkey continues to demonstrate it is not a true and dependable U.S. and NATO ally. As a reminder, just a year ago, President Erdogan threatened United States military forces with an "Ottoman slap" if they continued to partner with Syrian Kurds. Turkey's military campaign against the Kurds in Syria placed U.S. troops in Manbij at risk of peril at the hands of a NATO partner.⁸ Further, the issue remains of Turkey's \$2.5 billion purchase of four divisions of S-400 surface-to-air missiles from Russia. It raised concern among NATO partners and potentially subjects Turkey to U.S. sanctions based upon the recently-enacted Countering America's Adversaries Through Sanctions Act (CAATSA), according to a U.S. administration official.⁹ Finally, President Erdogan has hosted a summit on Syria in Ankara with Russian President Vladimir Putin and Iranian President Hassan Rouhani, which raised eyebrows and called into further question Turkey's foreign policy direction.

Additionally, AHI congratulates Congress for passing provisions in several different legislative vehicles, including the National Defense Authorization Act of 2019 (NDAA) and the most recent FY2019 government funding bill, that hold Turkey accountable for actions unbecoming of a NATO ally. These provisions included the suspension of the delivery or transfer of F-35 aircraft to Turkey until reports detailing the impact of Turkey's purchase of the S-400 missile system from Russia on U.S. weapon systems such as the F-35s were provided to Congress. AHI calls for similar appropriations language for FY2020 should the matter remain unresolved.

Finally, in the interest of regional stability and conflict resolution, the U.S. should promote Turkey's emergence as a fully democratic state. This will require fundamental changes in Turkey's governmental institutions, a significant improvement in its human rights and freedom of speech/press records, the settlement of the Cyprus issue on the terms referred to above, and publicly acknowledging the existing boundary in the Aegean Sea between Greece and Turkey established by treaties. U.S. policy has not had this effect and needs to be reviewed critically by Congress.

Cyprus. The illegal occupation of the Republic of Cyprus by Turkish troops remains. The Turkish-occupied area, which amounts to 37.3% of the territory of Cyprus, is one of the most heavily militarized areas in the world with the presence of 40,000 Turkish occupation troops. As long as the Republic of Cyprus remains under Turkish military occupation, a strong UN peacekeeping force must be maintained on the island as we witnessed last month in Strovilia.

Congress can assist the Republic of Cyprus by reaffirming the United States' position that assistance appropriated for Cyprus should support measures aimed at solidifying the reunification of Cyprus and the unified government in Cyprus. It would provide a settlement, should it be achieved, with a chance to succeed. Therefore, AHI recommends the following language from Title III of the Consolidated Appropriations Act of 2012 be included in the FY2020 State, Foreign Operations, and Related Programs Appropriations bill:

Assistance provided to Cyprus under this Act should foremost ensure that the United Nations Peacekeeping Force in Cyprus (UNFICYP) can fully implement its mandate, while remaining available to also contribute to the creation of a conducive environment for the settlement talks under the auspices of the UN Secretary-General's Good Offices. Furthermore, in the event of reunification, further assistance should be

⁸ <http://www.washingtonexaminer.com/turkish-diplomat-defends-ottoman-slap-threat-to-us-amid-signs-of-deal/article/2649330>

⁹ <https://ahvalnews.com/nato-turkey/s-400-purchase-might-expose-turkey-us-sanctions-us-official>

used to contribute towards the cost of reunification, including towards monitoring provisions, facilitation for settlement of the property issue, supporting and underpinning the new federal structures of a reunified island and assisting with the construction of a strong unified Cypriot economy able to cope with the new challenges, and strengthening the contacts between the two communities as conducive to reunification, in a way agreed to between the United States and Cyprus.

The last UN-led attempt to achieve a just and viable solution to the near 45-year-old division of the Republic of Cyprus, ended without reaching an agreement because of Turkish intransigence. Instead of helping to provide stability by promoting a just settlement supported by both Greek Cypriot and Turkish Cypriot communities, Turkey continued to insist on antiquated and obstructive stances. For example, Turkey's insistence to maintain the Treaty of Guarantee, which would allow for future unilateral Turkish military interventions, is completely unacceptable and contradicts the governing principals of a European Union member state.

Finally, Congress can help by calling on Ankara to support reunification efforts in a constructive manner which would include the removal of troops, settlers, and rights of guarantees. The Cypriots themselves should have ownership of the process and the Cypriot people should arrive at a solution that is for the Cypriot people; a bizonal, bicomunal federation, as well as a solution that embodies the full respect of the principles and laws of the European Union, of which Cyprus is, and will remain, a member. However, this does not absolve Turkey of its responsibility as the occupying power to play a constructive role in resolving the Cyprus issue.

AHI is also concerned with the security of energy prospects off the coast of Cyprus. AHI contends the U.S. must continue to support the sovereign rights of the Republic of Cyprus to explore and develop the resources within its exclusive economic zone (EEZ) free of any third-party interference and to underscore the importance of avoiding any threats or other actions or statements that escalate tension. As mentioned, Turkey's threats in Cyprus' EEZ are an endangerment to U.S. companies, such as ExxonMobil and Noble Energy, Italian (NATO ally) company Eni, and others, who have been, or will be, working to explore for hydrocarbons in the eastern Mediterranean.

North Macedonia. With the Prespes Agreement, Greece demonstrated the ability to lead in the Balkans because it understood it has role of stability to play in the region. Post-Agreement, the United States must ensure North Macedonia adheres to all elements of the agreement and does not deviate from it. Moreover, because of the extreme nationalist and irredentist policies of the previous government in Skopje against Greece and its citizens, AHI historically has opposed United States foreign assistance to Skopje, via the Economic Support Fund (ESF), and called for its proper oversight. These nationalist policies were often carried-out by the Skopje government through infrastructure and development projects, and ESF is a fund that includes support for economic development projects, such as infrastructure. Although the Zaev-led government has demonstrated goodwill, it is still a fragile government that requires close monitoring.

Thank you for the opportunity to present them in our written testimony to the Subcommittee.