

Testimony of Nick Larigakis, President, American Hellenic Institute (AHI)
Fiscal Year 2015 Appropriations Bill
Submitted to the House Appropriations Subcommittee on State, Foreign Operations, and
Related Programs – April 4, 2014

Chairwoman Granger, Ranking Member Lowey 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 FY2015 foreign aid budget proposal.

In keeping with the best interests of the United States we oppose: (1) any military assistance the administration will request for Turkey until Turkey withdraws all of its troops and illegal Turkish settlers in Cyprus; (2) aid the administration will request for the Former Yugoslav Republic of Macedonia (FYROM); and (3) any reduction that might be introduced in the aid levels for the UN Peacekeeping Force in Cyprus. United States foreign assistance will be helpful if appropriated toward the implementation of some of the Confidence Building Measures (CBMs) proposed by the Republic of Cyprus, for example, the Famagusta CBM package, which are vital to sustain and uphold the positive momentum created by the resumption of the peace negotiations on the island aimed at its reunification.

U. S. Interests in Southeast Europe and the Eastern Mediterranean. The U.S. has important interests in southeast Europe and the eastern Mediterranean. Greece is strategically situated in a vital region for U.S. interests. 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. However, the projection of U.S. interests there depends heavily on the region's stability. Therefore, the U.S. has a stake in fostering good relations between two NATO allies, Greece and Turkey, and in achieving a just and viable settlement to the Cyprus problem.

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

- Most recently, the two-week trilateral naval exercise "Noble Dina 2014" between the U.S., Greece, and Israel, held in March 2014 off of the coast of Crete, is a prime example of Greece's strategic importance to U.S. interests in the region.

In 2012, 118 Ships of the U.S. Navy and 102 NATO vessels visited Souda Bay. Also in 2012, 953 U.S. Air Force aircraft and 148 NATO aircraft landed on Crete. To illustrate Souda Bay's importance, during U.S. operations in Iraq and Afghanistan, tens of thousands of aircraft have used over-flight access including one two-year period where nearly 30,000 allied flights traversed Hellenic airspace. In the NATO buildup for Libya, Souda Bay spokesperson Paul Farley said of the 400 U.S. Marines deployed there that

they were “part of contingency planning to provide the president [Barack Obama] flexibility on full range of option regarding Libya” along with the amphibious assault ships USS Kearsarge and USS Ponce.¹

When then Secretary of State Hillary Clinton visited Athens, July 17, 2011, she said, “...I am pleased to be here during these challenging times to demonstrate unequivocally the strong support that the United States has for Greece. We know that we are your friend and we are your ally and we are proud to be both...As a NATO ally, we appreciate Greece’s partnership on a shared agenda that spans the globe...Our diplomatic and military efforts are gaining momentum, and we are grateful for Greece’s engagement and support, especially your willingness to host coalition military assets at Souda Bay and other sites close to Libya.” She also expressed appreciation for Greece’s support in speaking against an attack on the U.S. embassy in Syria and for Greece’s support on “democratic transitions” occurring throughout North Africa and Middle East.²

In addition, Greece is a top contributor to the defense efforts of NATO, spending an estimated 2.3% of its GDP on defense in accordance with NATO standards despite its dire economic condition. The United States, United Kingdom and Estonia are the only other NATO allies that meet this standard. Greece is also an active participant in peacekeeping and peace-building operations conducted by international organizations, including the UN, NATO, the EU, and OSCE. It should also be noted that Thessaloniki was NATO’s main sea and airport of debarkation during crises in the former Yugoslavia. Moreover, on March 25, 2011, President Obama re-affirmed Greece’s contributions as a NATO ally, including in support of NATO’s operations in Libya:

“And as we celebrate the independence of the Greek people, the United States and Greece are standing with our NATO allies to support the Libyan people as they stand up for their own freedom.”

Moreover, Greece has been deeply involved in Afghanistan by offering personnel for security and training purposes. Greece has also participated through donations of equipment, millions of euros, and transportation services. Hellenic forces have participated or are actively involved in peacekeeping operations in Bosnia, Kosovo, and Afghanistan.

A key to peace and stability in Greece’s own region is for Greece and Turkey to have good relations with each other, promote democratic ideals and principles, and maintain growing economies. However, Turkey’s continuing occupation of Cyprus, its intransigence in solving the Cyprus problem, 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; its bellicose threats against Cyprus and Israel, which, in collaboration with a U.S. energy company, are developing hydrocarbon reserves found within their exclusive economic zones (EEZs) threaten and prevent stability, and by extension, are detrimental to U.S. interests. Of course, Turkey’s ongoing human rights, freedom of speech, and religious freedom violations are problematic.

Furthermore, this instability continues to be exacerbated on a consistent basis by virtue of Turkey’s continuing violations of Greece’s territorial water and national airspace integrity in the Aegean. These actions cost the Greek government approximately \$400

¹ “U.S. troops arrive in Greece in Libya buildup,” *USA Today* as reported by the *Associated Press*, March 3, 2011.

² http://blogs.state.gov/index.php/site/entry/travel_diary_greek_foreign_minister_lambrinidi

million a year and come at a time when it can ill afford to be spending any amounts of money unnecessarily to deal with provocative actions by a fellow NATO ally.

Finally, throughout the past decade, Greece had added stability by helping the U.S. to bring economic development to this volatile region. Greece invested more \$22 billion in the countries of the region, which created more than 200,000 new jobs and contributed more than \$750 million in development aid.

In promoting a multilateral approach to diplomacy and foreign policy, the U.S. should look to Greece as an immensely valuable link in this region. With its 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 an ideal strategic partner for the U.S. in this region.

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. We contend such benefits should be conditioned on Turkey meeting the following conditions: (1) the immediate withdrawal of all Turkish troops from Cyprus; (2) the prompt return to Turkey of the over 180,000 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) stopping the violations against Greece's territorial integrity in the Aegean.

Cyprus. We strongly oppose any requests that would reduce the UN peacekeeping budget. The illegal occupation of the northern part of the Republic of Cyprus by Turkish troops is a reality. 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 more than 43,000 Turkish occupation troops. As long as the northern part of Cyprus remains under Turkish military occupation, a strong UN peacekeeping force should be maintained on the island.

In February, reunification talks resumed based upon a Joint Communiqué agreed to by Republic of Cyprus President Nicos Anastasiades and Turkish Cypriot leader Dervis Eroglu. A February 11, 2014 White House statement following the announcement stated:

“We encourage the sides to work expeditiously to resolve the outstanding core issues and achieve a settlement that reunifies Cyprus as a bi-zonal, bi-communal federation at the earliest possible time... The United States welcomes President Anastasiades' proposal for a package of bold and innovative confidence-building measures and other constructive proposals, which have the potential, when agreed and implemented by the parties, to dramatically enhance cooperation between the Greek Cypriot and Turkish Cypriot communities and restore faith in settlement efforts.”

Congress can assist Cyprus by agreeing to give funding toward the implementation of some of the Confidence Building Measures (CBMs) proposed by the Republic of Cyprus (as referenced in above White House Statement), which are vital to sustain and uphold the positive momentum created by the resumption of the peace negotiations on the island. An excellent example worth United States investment is the Famagusta package (handing over

of the fenced-off city of Famagusta to the UN to facilitate the technical work for the restoration of the city/use of the Famagusta port for Turkish Cypriot trade/measures that would facilitate Turkey's accession negotiations), which creates a win-win situation for all stakeholders and should be seen as a "game changer" that will build mutual trust, attract investments, and create jobs, which are essential elements of a successful outcome of the new process.

Congress can also assist in this effort by calling on Ankara not to manipulate the ongoing direct talks, but instead, actively and constructively support the talks not only through rhetoric but through concrete steps. The Cypriots themselves should have ownership of the process and the Cypriot people should arrive at a solution that is for the Cypriot people, having full regard to the parameters of a solution as set out in the Joint Statement of Feb 11, 2014, for a bizonal, bicomunal federation, as well as 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.

In addition, the Congress should echo the statement of then Foreign Affairs Committee Ranking Member Ileana Ros-Lehtinen who called for the immediate removal of Turkey's troops from Cyprus following a December 7, 2010 meeting with Turkish Ambassador Namik Tan.

"As I told the Ambassador, I am deeply concerned about Turkey's position on the conflict in Cyprus, which has divided that country for almost four decades. Turkey must fully support a Cypriot solution to reunification of the island and immediately withdraw its troops from northern Cyprus."

This is a position Congresswoman Ros-Lehtinen reiterated as the then chairman of the House Foreign Affairs Committee at an AHI event in February 2012 where she stated Turkey must "immediately and permanently withdraw its occupation force from Cyprus." Withdraw of Turkish troops from Cyprus would go a long way to solving the Cyprus problem because it would be a confidence-building measure that would create a more favorable environment.

Finally, AHI is also concerned, with the security of the energy prospects off the coast of Cyprus. We contend the United States should continue to support the exercise of 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.

Former Yugoslav Republic of Macedonia (FYROM). We strongly oppose any proposed ESF FY2015 aid to FYROM as long as it is not tied-in to FYROM's commitment to negotiate in good faith with Greece to find a solution to the continuing unresolved issue between Greece and FYROM over the name of the latter. Instead, we strongly support language included in Section 935 of H.R.2583 of the Foreign Relations Authorization Act, which passed the House Committee on Foreign Relations in the 112th Congress in July 2011. It stated:

Section 935. Former Yugoslav Republic of Macedonia. This section expresses the sense of Congress that the provision of United States assistance to the Former Yugoslav Republic of Macedonia upon that

government's willingness to engage in meaningful discussions with the government of Greece to resolve the ongoing dispute over what shall be its official name. This section also prohibits the use of U.S. funding for any activities which support any incendiary rallies, rhetoric, or propaganda by either the FYROM government or private entities, including educational materials that promote inaccuracies regarding the history and geography of Greece and FYROM.

It is FYROM that is the intransigent party and not Greece. Greece is a major investor in FYROM and helps to sustain its precarious economy and reduce its large unemployment. If unresolved, this issue will contribute to potential instability within the Balkans.

FYROM's provocations against Greece are an affront to Greece and its citizens. Since August 2006, Prime Minister Nikola Gruevski has followed a long-term policy of extreme nationalism and provocation against Greece—*most often through infrastructure*—in conflict with European values. We have serious concerns that ESF funds (which are provided for a variety of economic purposes, like infrastructure and development projects) to FYROM will be utilized to build infrastructure aimed to continue to provoke Greece. Gruevski's actions are a breach of the U.N.-brokered Interim Accord and erode efforts to build trust and good neighborly relations. Unfortunately, the irresponsible decision by the Bush administration in November 2004 to recognize FYROM as the "Republic of Macedonia" has contributed greatly to FYROM's intransigent and provocative stand. It was a disrespectful act toward a staunch NATO ally in the Balkans, Greece.

Congress can assist by persuading FYROM to negotiate in good faith with Greece to resolve the name issue and to cease irredentist propaganda against Greece. Only in this way will FYROM's aspirations to fully integrate into the transatlantic community be realized.

Main Issues to Greek Americans. A detailed discussion of the issues facing the U.S. in its relations with Greece, Cyprus and Turkey is in the annual AHI Policy Statements available at www.aheworld.org. These issues include: Cyprus, the Aegean Sea boundary, religious freedom for the Ecumenical Patriarchate, Turkey's new threat to peace, FYROM name-recognition, the Greek minority in Albania, and recognition of the Greek Pontian genocide.

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

Thank you for the opportunity to present our written testimony to the subcommittee's attention.