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President Barack Obama
The White House
1600 Pennsylvania Avenue, N.W.
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Dear Mr. President:

On behalf of the nationwide membership of the American Hellenic Institute (AHI) and in the best interests of the United States, I write to bring to your attention, and to ask you to take into consideration, a series of policy issues pertaining to United States – Greece relations as you prepare to meet with the prime minister of the Hellenic Republic, Antonis Samaras, on August 8, 2013.

Southeastern Europe and the eastern Mediterranean combine to form an important geopolitical region for the United States due to the significant energy, commercial and communications resources that transit the region. The recent Trans Adriatic Pipeline (TAP) agreement and the discovery of hydrocarbon reserves in the eastern Mediterranean reinforce this position. Therefore, the United States should have a “**special relationship**” with Greece, recognizing its strategic location in southeastern Europe where the U.S. has important political, economic and military interests. The strong bilateral relationship between Greece and the United States was established at the very founding of both countries, and throughout the 20th century, Greece was one of a few countries that allied with the U.S. in every major international conflict. A NATO member since 1952, Greece is an immensely valuable, proven, and reliable strategic ally for the U.S. in the region especially because of key naval and air bases at Souda Bay, Crete. Greece is a pivotal ally for the advancement of U.S. interests that include greater stability in southeastern Europe, the eastern Mediterranean and the Middle East and adherence to the rule of law. Recent examples include Greece’s support for sanctions on Iran, rapprochement with Turkey, the NATO mission in Libya, and the significant strengthening of bilateral relations with Israel.

Greece Contributes Significantly to NATO, U.S. Missions

Greece is of vital importance 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. To illustrate Souda Bay's importance, during U.S. operations in Iraq and Afghanistan, tens of thousands of aircraft used over-flight access, including one two-year period where nearly 30,000 allied flights traversed Hellenic airspace

- In 2012, 118 Ships of the U.S. Navy and 102 NATO vessels visited Souda Bay, and 953 U.S. Air Force aircraft and 148 NATO aircraft landed on Crete.

In Afghanistan, Greece's involvement included offering personnel for security and training purposes. Greece also contributed with donations of equipment, millions of Euros, and transportation services. Hellenic forces have participated, or are actively involved in, peacekeeping operations in Bosnia, Kosovo, and aforementioned Afghanistan. It should also be noted that Thessaloniki was NATO's main sea and airport of debarkation during crises in the former Yugoslavia.

In addition, Greece's contributions to NATO operations in Libya were lauded by you as well as prominent members of your cabinet. 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."*

Finally, Greece is a top contributor to the defense efforts of NATO, spending an estimated **2.2% of its GDP on defense** in accordance with NATO standards despite its dire economic condition.

- Greece is one of three NATO allies to meet this standard, which is exceptional given its current economic crisis.

Greece is also an active participant in peacekeeping and peace-building operations conducted by international organizations, including the UN, NATO, the EU, and OSCE.

Greece's Role as Economic Stabilizing Factor

Despite its current fiscal crisis, Greece is a stabilizing force for the region. Throughout the past decade, Greece has assisted the U.S. to bring political stability and economic development to this volatile region, having invested over \$22 billion in the countries of the region, thereby creating over 200,000 new jobs and contributing over \$750 million in development aid. Even with neighboring former Yugoslav Republic of Macedonia (FYROM), a country that has not demonstrated good neighborly relations with Greece, Greece was the biggest source of foreign investment in FYROM at 12.3 million Euros in 2012. Finally, the announcement that the Trans-Adriatic Pipeline (TAP) project has been selected to transport natural gas from the Caspian region to European markets is a decision welcomed by the United States and is in the best interests of the United States. The pipeline will start its route in Greece.

Potential U.S. Government programs that could assist Greece

AHI asserts that a Greece which is stable and prosperous is essential to the interests of the United States. AHI strongly contends that there are U.S. government programs or means which the U.S. government can make available to Greece that can potentially help in this regard. Although AHI understands a number of these programs would have to be initiated or embraced by the Greek government, the organization provides them for potential consideration in your discussion with Prime Minister Samaras on August 8. A few examples include:

- **U.S.-Greece Tax Treaty.** The current tax treaty between the U.S. and Greece was ratified in 1954 and has not been modified or amended since that time. We advocate analyzing the treaty to ascertain whether the treaty can be modernized to foster increased trade and investment between the U.S. and Greece.
- **Bilateral Investment Treaty (BIT).** The U.S. and Greece do not have a BIT. A BIT would provide the mechanics of economic cooperation between the U.S. and Greece. A properly drafted BIT may encourage more direct investment from the U.S. in Greece.
- **Bi-national Industrial Research and Development Agreement.** The agreement would establish a foundation to provide match-making services and funding for commercial ventures between the U.S. and Greek high-tech or energy companies. This agreement is similar to a successful one between the U.S. and Israel that began in 1977.
- **Export-Import Bank Financing.** Companies in Greece are not considered for Export-Import Bank financing because Greece is a member of the European Union. Under present circumstances, provisions should be considered that would allow Greek companies to participate. This would benefit U.S. exporters and commercial ventures in Greece.

Keys to Peace and Stability

A key to peace and stability in Greece's own neighborhood is for Greece and Turkey to have good relations with each other, promote democratic ideals and principles, and maintain growing economies. We support and encourage the rapprochement between Greece and Turkey that has occurred since 1999. However, peace and stability is threatened, literally on a daily 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 \$500 million a year and come at a time when it can ill-afford to be spending any money unnecessarily to deal with provocative actions by a fellow NATO ally.**

In addition, Turkey's continuing occupation of Cyprus, its intransigence in solving the Cyprus problem, its refusal to recognize the Republic of Cyprus (a member of the European Union whose recognition a prerequisite to Turkey's E.U. accession process), 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), and its ongoing human rights and religious freedom violations threatens and prevents stability, and by extension, impedes U.S. interests in the region.

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-long enduring presence, its close cultural, political and economic ties to the Mediterranean countries, Western Europe, the Balkans, Eastern Europe and the Middle East, Greece is an ideal strategic partner for the U.S. in this region. **Therefore, we encourage you to engage in a “special relationship” with Greece and explore this notion during your meeting with Prime Minister Samaras on August 8.**

AHI’s perspective is embodied within the fundamental principles of democracy, is founded on the rule of law, and is based on what is in the best interests of the United States. We appreciate the opportunity to bring our perspective to your attention. Thank you for your consideration.

Sincerely,



Nick Larigakis
President

cc: Secretary of State John Kerry
Secretary of Defense Chuck Hagel
Under Secretary of State for Political Affairs Wendy R. Sherman
Chief of Staff to the President Denis McDonough
National Security Advisor Tom Donilon
Acting Assistant Secretary of State for Europe and Eurasia Marie Yovanovitch
Ambassador-at-Large for International Religious Freedom Suzan Johnson Cook
Deputy Assistant Secretary for Europe and Eurasian Affairs (Greece, Turkey, Cyprus and the Caucasus) Eric S. Rubin
Director of Southern European Affairs Maryruth Coleman
U.S. Ambassador to Greece Daniel B. Smith
Department of State Greece Desk Officer Davida Baxter
The Congress