



# **INTEGRATING GREECE INTO THE EUROPEAN SECURITY ARCHITECTURE: GREEK SECURITY POLICY IN THE 21<sup>st</sup> CENTURY\***

## **EXECUTIVE SUMMARY**

The study aims to provide a comprehensive overview of Greek security policy in terms of description of the regional security environment, threat assessment, defence planning, defence industry, current and future procurement decisions, participation to the European security architecture, soft security threats and challenges and policy options.

The analysis of trends, threat assessment, predictions and recommendations were on a medium- to long-term basis, covering the next ten years (keeping, of course, in mind that ten years in the extremely fluid current international system is a rather long-time and many predictions and policy prescriptions may become quickly outdated and obsolete).

The study is based on the following assumptions:

- a) Being located in the southeastern part of the EU, in a region still ridden with conflict, instability and risks for European security, Greece wishes to become an indispensable component of the European security system, in both the military and soft-security dimensions;
- b) There will be no significant increase of Greek defence expenditures. If anything, Greek governments will attempt to further reduce military spending. At the same time, Greece's demographic problem will not improve significantly, resulting in a smaller and ageing population, and thus having a negative impact on the Armed Forces. Migration has served as a "demographic booster", at least in the economic field, but can do little to alleviate manpower problems in the military sector;
- c) There will be only marginal improvements in the technological capabilities and financial situation of the Greek defence industry. Therefore, Greece

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- will continue to cover the vast bulk of its defence procurement needs through imports from its European partners and the United States, with Russia and Israel as possible suppliers;
- d) The regional and international environment will remain fluid and unstable. There will be continuing concern about international terrorism, transnational organized crime, illegal migration and failed/failing states. For reasons of geography and economic affluence, Greece will be strongly affected by those trends;
  - e) The European and transatlantic dimension of Greek foreign policy is of increasing importance. The process of Greece's deeper integration into the European political, economic and security architectures will continue at a steady pace, with the country aiming at being at the core of any future project for deeper European integration (opinion polls over the past several years show a steady and strong support for this strategic choice). At the same time, it will be essential for Athens to maintain good working relations with the United States, the preeminent strategic actor in the Eastern Mediterranean. The country's orientation will continue to be Euro-Atlantic, with a perhaps rather slow, but continuous shift towards the European pillar;
  - f) It is not expected that there will be spectacular changes in Greek-Turkish relations, although the possibility of a breakdown in Ankara's membership negotiations with the EU, and the subsequent [negative] consequences for bilateral relations with Greece, cannot be excluded. The full resolution of Greek-Turkish problems through negotiations is not considered as a highly probable development in the short- or medium-term. A return to a high-tension relationship is slightly more probable, but still quite unlikely;
  - g) Greece's armed forces will, for the foreseeable future, have one primary and one secondary mission: the primary will be to deter external threats and challenges to Greece's territorial integrity and vital interests; the secondary will be to participate to the European Rapid Reaction Force and other EU and NATO's multinational forces and in international stabilization and peace-support operations, under the UN, EU or NATO auspices. Another mission, connected to the secondary one, will be to provide assistance, when necessary, to Greek security services in their effort to deal with asymmetric "threats".

## **KEY CONCLUSIONS**

At the dawn of the 21<sup>st</sup> century relations with Turkey will continue to dominate the Greek foreign and security policy agenda. Athens has no wish to border a 'lone wolf' Turkey. It is in Greece's interest that Turkey remains firmly anchored in the Western harbor and engaged in a political, economic and social modernization process. Whatever the short-term course of the rapprochement process, relations with Turkey will continue to remain a top priority concern for Greek foreign and

security policy well into the 21<sup>st</sup> century. Greece's defence policy and major procurement decisions will continue to be heavily influenced to a considerable extent by the evolution of its relations with Turkey. It should be mentioned, however, that Greece's self-confidence has been steadily increasing as a result of its membership to the EU and the country is slowly moving away from the "Turkish obsession" of previous decades and has been implementing a multi-dimensional foreign policy.

Greece would go at great lengths to avoid a new arms race with Turkey and has periodically submitted various ideas for arms reduction and confidence-building measures. However, as the other side is usually not responsive to such initiatives and as there is a Turkish *casus belli* statement still hanging in the air, and if this is the cost of maintaining a sufficient deterrent capability and peace and stability in the Aegean in this critical transition period for Turkey, then Greece has no choice but to invest in technological superiority and the full exploitation of its human resources, as well as the strengthening of strategic alliances.

In dealing with new threats to security and the war on terrorism, non-military elements are becoming more important of late. There is also a strong feeling that these different security agencies (MOD, General Staff, Intelligence Services, Ministry of Interior, Police, Border Guards, Customs, Judiciary) do not communicate between themselves – a fatal flaw in today's new security environment. There is a great need to generate ideas, stimulate thinking and debate on all aspects of security reform, to break down boundaries between different elements of the security establishment and to expand the frontiers of what is considered 'security'. There is an equal need to increase the strength of the 'security community' – the body of military and especially of civilian personnel competent in the new security issues and capable [a] of filling posts in national and international institutions; and [b] educating the population to understand the new needs of security so as to ensure their support through the democratic process.

#### **KEY RECOMMENDATIONS**

In the defence sector, Greece is faced with a number of constraints: it cannot outspend its strategic opponent, at least not without very serious repercussions for its own national economy, which would inevitably lead to a general national decline, it cannot produce weapon systems of greater sophistication than its rival, nor it can buy such systems because both sides have the same suppliers, who in almost every case are not willing to heavily favour one of the sides. However, last decade's increased competition in armaments exports, due to the worldwide defence expenditure reduction, provides more "attractive" opportunities for advanced technology exports, co-productions and even confidential know how transfer, to candidate customers. Therefore, the key to dealing with challenges to Greek security is the exploitation of such

opportunities, transforming every new procurement programme into a “strategic investment” for domestic technology development.

For the Army the priority systems should include the following:

- Ground reconnaissance systems and UAVs
- Transport and special operations helicopters
- Attack helicopters
- Infantry Fighting Vehicles
- Fast transport boats
- Special Forces and Marines equipment
- Simulation means for realistic training
- Spare parts and ammunition (combat and training) for the existing equipment and weapons
- Links with Air Force and Navy for combined-joint operations.

During previous years, the priority was the acquisition of new equipment. Today, the priority should be the Army's re-structuring, integration of the existing systems and finding cost-effective solutions through a more linear and flexible Army with joint capabilities, in order to maximize the required effectiveness for the national and international missions and obligations.

There has been a tendency in the last years, not only in the Greek Air Force but also in many other Air Forces around the world, to put emphasis on a double role for fighter aircraft. This is by no means a mistake; on the contrary, it has operational and economic advantages. However, this is not a rule that should be applied extensively in all cases. The advantages-flexibility that the multi-role fighters and their operational applications display, have to be evaluated objectively, taking into account the overall capabilities, requirements, threats, priorities, as well as the doctrine of every operational user, separately.

Perhaps the most important factor, determining the priority and the balance between fighters' air-to-air and air-to-ground capabilities, is the type of “deterrence” that better supports the Hellenic Defence Doctrine, in conjunction with the existing threats and challenges. Taking into account all the involved parameters, it is believed that “deterrence by denial” is of higher importance compared with “deterrence by punishment”, which should be treated as an option of last resort. Deep-strike capabilities are not a top priority for Greece in the context of its deterrence by denial strategy and on the basis of the current capabilities. Stealth features should be considered as a very useful but not absolutely necessary required capability for the 4<sup>th</sup> generation fighter aircraft. Instead, the acquisition of counter-stealth capabilities should be seriously considered by the HAF to deal with the perceived threat.

The HAF figures of today (approximately 215 3<sup>rd</sup> generation fighters by 2010,

plus possibly 30 4<sup>th</sup> generation fighters), the figures of the corresponding threat for that year and foremost the operational needs for HAF's successfully carrying out its mission, namely deterrence and superiority if so required, lead us to re-examine the above rule for double role aircraft.

Acquiring an aircraft whose main role will be air-superiority in regions of interest will release a substantial number of 3<sup>rd</sup> generation fighters not only for air-to-ground targeting missions, but also for other special missions. This combination, we believe, will provide maximum flexibility and will bring the best results, compared to other choices. This option, of course, does not mean that the 4<sup>th</sup> generation fighters which will be obtained should not be able to effectively perform air-to-ground missions. However, their best performance and emphasis should be placed on air-superiority missions, while at the same time being able to run air-to-ground or swing role missions, when it is so required (carrying mixed armament).

The Navy should maintain technological superiority. The acquisition of force multipliers, in the form of C<sup>4</sup>I systems, advanced weapons and electronic warfare systems should be a priority. The acquisition of over-the-horizon maritime-borne strike capability will provide a significant operational capability and a strategic advantage against potential aggressors. Sustainability in the conduct of maritime operations in the Aegean cannot be neglected.

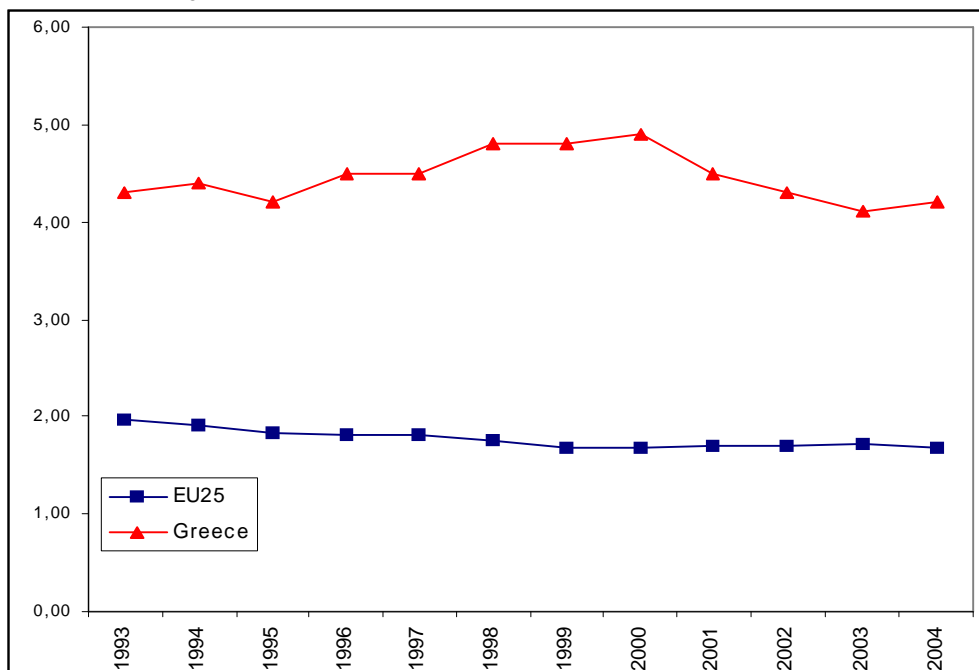
It seems that the multi-role Frigate will continue to be the main unit of the Hellenic Navy. A modern multi-role frigate has operational capabilities in line with operational requirements, personnel limitations and logistical support capabilities. Increased air defence capabilities in the field of area defence, which are absent from current operational capabilities, should be given high priority. With the decommissioning of Adams class DDGs, the Hellenic Navy does not possess an area defence AAW capability. Current plans and programmes do not consider a replacement for the Adams class DDGs; corrective action is necessary.

The major "malaise" is the lack of a timely planning and execution of procurement and modernization programmes. There are many and varied reasons for this problem. Firstly, there are postponed staff processes. The staff process, in most cases, starts late with regard to the ship's age. This is a result of the Greek bureaucracy not thinking ahead of events unless compelled to do so. When the process starts it must follow certain stages. These stages are rarely completed on time. The reasons for this range from the lack of a clear picture of what is needed, which causes changing specifications and operational characteristics and ultimately delays the final decision, to the proper and timely selection of who will conduct the work.

Regarding defence procurement, as it was explained in detail in the main

study, Greece has a record of piecemeal acquisition of weapon systems. This is perhaps the least efficient method of defence procurement in terms of political, economic and technological benefits. More emphasis should be put on strategic planning and an assessment of current and future needs. For example, in the case of the 4<sup>th</sup> generation fighter plane, Greece should decide on the needs of its Air Force for the next 15-20 years (probably in the range of 90+ aircraft, but this is only an informed guess on our side) and then devise an acquisition strategy. Even without placing an order for the total number, Greece would be able to participate to the selected aircraft production, upgrades and follow-on support programs, and offsets and other military, political and economic benefits could be substantial.

**Figure 3: Military expenditure as share of GDP in EU25 and Greece 1993-2004**



Systematic efforts to develop a defense industry in Greece began in the mid-1970s (although several industries existed long before that date). The objectives were to satisfy national military needs, to increase the participation of domestic manufacturers, and, at the same time, to reduce dependency on foreign military suppliers. From a technological point of view, the effort was successful. Greek defense industries produce a wide variety of equipment for the needs of the Hellenic Armed Forces, although success in exporting defense equipment to other countries has been very limited.

There have been significant economic problems caused by a number of factors: the small domestic market, which seriously affects the viability of production lines; adoption of inefficient management methods, including delayed response

to technological developments and the changing needs of armed forces; the rather inefficient use of offsets, agreements, and memoranda of understanding [MoUs] with countries such as France, Italy and UK); and military assistance programs (mostly from the United States and Germany) that have hurt the industry to a certain degree. As a result, some of the state-owned industries have been privatized (the process is already under way) in order to survive and eventually become competitive.

A number of fundamental problems need to be resolved and some major decisions need to be taken as soon as possible on issues such as the role of defence industry in covering part of the country's defence needs and in contributing to the development of the high technology sector of the economy (and here another very pertinent question is who supervises and coordinates R & D in Greece and to what degree various actors cooperate in order to produce synergies instead of acting independently and without a minimum of coordination and cooperation), the need for a long-term strategy to achieve those goals and the creation of the necessary strategic planning and decision-making mechanism.

There is an obvious need for strategic choices in order to ensure survivability of Greece's defence industry for economic and national security reasons. A viable and developed defence industry might also result in technological spin-offs for the civilian sector. Such knowledge and technology diffusion could be potentially important for a country with very limited funding for R & D, which has, however, highly qualified scientific potential, both in-country, but also abroad. Improved prospects in the R & D sector might attract some of them back to Greece, boosting scientific and technological research. Furthermore, in view of Greece's first steps in space (with the launch of a telecommunications satellite [*Hellas Sat*] and proclaimed increasing interest and future needs (including participation in the Helios programme), another pressing question is whether Greece envisages for itself a role –again, probably a minor one, but a role nevertheless—in the international aerospace industry.

If one accepts that the only viable option for the survival of the defence industry of a medium country, with a small domestic market, and rather limited technological edge, is to participate in multinational programmes, this makes imperative to make timely decisions in terms of international partnerships.

The two main options are, of course, joining in American- or European-led consortia. Although one could decide on a case-by-case basis, the American policy is to not share critical technologies with their clients and partners (for obvious and well-understood reasons that have to do with their national security and the maintenance of their technological edge). European countries have adopted a different approach and are, in general, willing to provide their partners, especially other members of the EU, with advanced "smart" weapons

without “export version” restrictions and also increased access to high technology, software codes, etc. Although in most cases, a country like Greece would join multinational programmes as a junior partner, it is possible, on the basis of its participation to a specific programme, to have a more substantial role, especially if it joins at the early stages. This might allow Greece to better support its weapon systems (increased availability), to participate in the weapon system’s future upgrades and follow-on support programmes and reduce its dependency (which is a critical factor, especially in periods of tension).

The involvement of the Greek MoD in joint European programmes has already began (BOC-HELIOS, IRIS-T, UCAV, etc) and since the projects agreed to be examined by EDA are of immediate interest for the Greek Armed Forces, it is our view that a serious amount of the capital which Greece invests on defence equipment, is more advantageous to be directed towards a joint European development with participation – to a realistic degree – of the Greek industries.

To support its security objectives, Greece should increase military research and development (R&D) spending and start gradually shifting to a high technology force. Athens needs to devise a strategy for enticing scientific talent of Greek origin residing and working abroad to migrate back to its home country and also seize the opportunity provided by the rapid diffusion of scientific knowledge in the age of globalization to generate teams of scientists committed to developing new technologies.

As Greece’s strategic choice is to become as deeply integrated into the European security architecture as possible, it should structure part of its armed forces in such a way as to increase interoperability and participation to EU and NATO multinational forces. The intrastate operations in the developing world that the EU’s battle groups and NATO’s NRF are intended to undertake cover the full spectrum of conflict from peace support to high intensity combat, demanding a range of military skills and experience beyond the capabilities of conscripts who can only be used for national defence. The ability of Greek armed forces to participate in an effective way in this kind of operations is likely to be hindered by an unwillingness to divert funds allocated for domestic use in order to adequately resource and prepare them for the more exacting types of military operations. Greece, therefore, should consider the possibility, without detracting from the nation’s ability to prevail in major theatre warfare, of modifying its force structure to create all-volunteer professional rapid reaction forces for peacekeeping operations as standing units of Greek armed forces capable of intervention in conflicts in which Greece has no interest other than humanitarian considerations on behalf of the UN/EU/NATO in a wide variety of environments. National peacekeeping forces personnel will be prepared both technically and psychologically for the kind of high intensity combat that might be necessary during an expeditionary operation and trained to handle humanitarian tasks,

stabilization functions and combat operations concurrently.

As senior Greek government officials acknowledge, there is considerable concern about the nexus between transnational organized crime, in the Balkans, the Middle East and adjacent regions –especially trafficking of narcotic substances and women- and international terrorism. Because of its geographic location, Greece is a transit point for such illegal activities, in the context of organized crime/terrorist networks.

Like most countries in the world today, Greece still needs to improve its domestic response, particularly in terms of training, equipment, and information-sharing on issues such as money-laundering, cyber-terrorism and cyber-crime, and prevention and consequence management of NBC terrorist attacks. The considerable resources - trained personnel, organisation, equipment, planning and experience - that were used for the security of the 2004 Athens Olympic Games should be fully exploited now that the Games are over. Indeed, the systems developed for the Games and the expertise earned will constitute an important post-Olympic legacy, leaving Greece with a high quality infrastructure in terms of equipment and trained personnel.

The Greek security sector will be faced with a number of important challenges: developing and maintaining a 'critical mass' of highly trained and motivated officers; increasing professionalism throughout its ranks; resolving problems of inter-agency cooperation and the slow pace of security sector reform, due to the rather low level of awareness about the new security threats among the general public, and the traditional weaknesses of the Greek public administration system; and, last but not least, developing a security culture. The latter should be achieved by increasing the number of civilian experts, as suggested below, but also through improving the professional education system and, importantly, making the mental leap in order to adapt to a new security environment where Greece is a full member of the developed and 'privileged' West and, therefore, a possible target of non-state actors.

Finally, in view of the difficulties of coordination between ministries and agencies, the lack of a coordinating mechanism on national security issues (especially if a wider definition of the term 'national security' is adopted) becomes even more pronounced. The creation of a **National Security Council** would be strongly recommended.