GRS 1100 UNCLASSIFIED FM ATHENS 231400 NOV 81 TO IMMEDIATE FCO TEL NO 383 OF 23/11/81 RPTD PRIORITY INFO UKREP BRUSSELS WASHINGTON ANKARA NICOSIA UKDEL NATO PARIS. AND SAVING TO OTHER EC POSTS UKMIS NEW YORK MOSCOW SOFIA MADRID LISBON BUCHAREST BELGRADE. MY TEL 381. PAPANDREOU'S POLICY STATEMENT OF 22 NOVEMBER: DEFENCE AND FOREIGN POLICY ISSUES OTHER THAN THE EUROPEAN COMMUNITY. DEFENCE. 1. PAPANDREOÙ PROMISED ABSOLUTE PRIORITY FOR DEFENCE EXPENDITURE, MODERNISATION OF EQUIPEMENT, AND THE PROGRESSIVE DIVERSIFICATION OF SOURCES OF SUPPLY, TO AVOID DEPENDENCE ON ANY SINGLE FOREIGN SOURCE. SPECIAL ATTENTION WLEFM BE GIVEN TO THE DEVELOPMENT OF GREECE'S DEFENCE INDUSTRIES. THE GOVERNMENT PROPOSED TO CREATE A STATE AGENCY FOR DEFENCE EXPORTS. FOREIGN POLICY. 2. GENERAL GREEK FOREIGN POLICY WAS ONE OF PEACE. REALISM AND SOLIDARITY WITH PEOPLES STRUGGLING FOR NATIONAL INDEPENDENCE OR FOR AUTONOMOUS ECONOMIC DEVELOPMENT. POLICY WOULD BE RELATED TO THE FACT THAT GREECE BELONGED SIMULTANEOUSLY TO EUROPE, THE BALKANS AND THE MEDITERRANEAN AND THECYOVERNMENT AIMED TO DEVELOP FRIENDLY RELATIONS WITH THE PEOPLES OF ALL THREE AREAS. IN THE CONTEXT OF THE MEDITERRANEAN, PAPANDREOU MADE PARTICULAR REFERENCE TO THE ARAB NATION AS A "DYNAMIC FACTOR IN CURRENT WORLD DEVELOPMENTS". 13.

3. TURKEY AND THE AEGEAN.

GREECE MUST MAKE CLEAR TO HER NEIGHBOURS AND TO
THE ATLANTIC ALLIANCE THAT HER LAND, AIR AND SEA
FRONTIERS, AND THE LIMITS OF THE GREEK AEGEAN CONTINENTAL
SHELF, WERE NOT NEGOTIABLE. 'THEY ARE ASSURED BY
INTERNATIONAL TREATIES AND CONVENTIONS AND BY INTERNATIONAL
PRACTICE''.

4. PAPANDREOU HAD ALREADY CLEARLY TOLD ANKARA OF HIS DESIRE THAT THE TWO PEOPLES SHOULD LIVE IN PEACE AND FRIENDSHIP. AT SOME POINT TURKEY AND GREECE MUST THINK SERIOUSLY ABOUT ENDING EXPENSIVE ARMAMENTS PROGRAMMES AND USING THE RESOURCES FOR HEALTH, EDUCATION AND IMPROVEMENT OF LIVING STANDARDS. BUT GREECE WOULD NOT SURRENDER ONE INCH OF TERRITORY. "THE DIALOGUE WITH TURKEY CAN BE FRUITFUL ONLY INSOFAR AS IT DOES NOT CONCERN CONCESSIONS OF NATIONAL SOVEREIGN RIGHTS OR OVER THE RESPONSIBILITIES WHICH HAVE BEEN ASSIGNED TO GREECE UNDER INTERNATIONAL AGREEMENTS.

CYPRUS

5. CYPRUS WAS PRIMARLILY AN ISSUE OF FOREIGN

OCCUPATION, AND A VITAL NATIONAL ISSUE FOR GREECE.

"GREECE REMAINS A GUARANTOR POWER AND HAS A LEGAL RIGHT AND

DUTY TO GIVE ACTIVE SUPPORT TO THE STRUGGLE OF THE

CYPRIOT PEOPLE FOR THE DEPARTURE OF ALL FOREIGN TROOPS,

FOR THE SAFEGUARDING OF FREE ESTABLISHMENT AND MOVEMENT

ON THE ISLAND, AND FOR THE DEVELOPMENT OF A CONSTITUTION

WHICH, WHILE ASSURING THE UNITY AND INDEPENDENCE OF

THE CYPRIOT REPUBLIC, WILL PROVIDE EQUAL RIGHTS AND EQUAL

OBLIGATIONS TO ALL ITS CITIZENS, GREEK CYPRIOT AND

TURKISH CYPRIOT". THE GREEK GOVERNMENT WOULD UNDERTAKE

A CRUSADE TO MOBILISE WORLD OPINION ON BEHALF OF A JUST

SOLUTION TO THE CYPRUS PROBLEM. IT WOULD ALSO OPEN

THE "CYPRUS FILE" SO THAT THE GREEK AND CYPRIOT PEOPLES

WOULD KNOW WHO WAS RESPONSIBLE FOR THE CYPRIOT TRAGEDY.

/NATO

NATO

6. GREECE'S STRATEGIC POSITION WAS TO FAVOUR THE DISSOLUTION OF NATO AND THE WARSAW PACT. THE GREEKS DID NOT FORGET THAT THE NATO ALLIANCE SUPPORTED THE TYEAR MILITARY DICTATORSHIP AND HAD DONE NOTHING TO STOP THE TURKISH INVASION OF CYPRUS. 'IT MAKES NO SENSE TO BELONG TO THE MILITARY WING OF AN ALLIANCE WHICH DOES NOT GUARANTEE GREECE'S EASTERN FRONTIERS, AND WHICH SIMULTANEOUSLY, BY PROVIDING MILITARY AID TO TURKEY, TENDS TO UPSET THE BALANCE OF FORCES INTHE AEGEAN''.

7. THE ROGER AGREEMENT AS HITHERTO INTERPRETED PUT
IN DOUBT THE LIMITS OF GREECE'S OPERATIONAL CONTROL IN THE
AEGEAN. THIS WAS UNACCEPTABLE. 'IN OTHER WORDS, THE
MILITARY STRUCTURE OF NATO DOES NOT SECURE OUR FRONTIERS
WHILE THE ROGERS' AGREEMENT HARMS OUR NATIONAL INTERESTS'.
PARLIAMENTS VOTE OF CONFIDENCE WOULD CONSTITUTE A MANDATE
TO THE GOVERNMENT TO DO WHAT WAS NECESSARY TO SECURE
GREECE'S FRONTIERS AND TO PROTECT THE NATIONAL INTEREST,
AND 'WITHIN THIS FRAMEWORK IS INCLUDED THE PROCEDURE FOR
WITHDRAWING FROM THE ROGERS ' AGREEMENT''.

THE US BASES

^{8.} PAPADREOU SAID THAT IN THE NEGOTIATIONS TO BE UNDERTAKEN IN THE FIRST MONTHS OF 1982, GREECE WOULD PUT CLEARLY A TIMETABLE FOR THEIR WITHDRAWAL''. UNTIL THEN THEY WOULD FUNCTION ON THE FOLLOWING BASIS:

⁽¹⁾ GREEK CONTROL AND SUPERVISION OF THEIR ACTIVITIES.
(11) POSSIBILITY OF ANNUAL REVIEW AND DENUNCIATION OF THE RELEVANT AGREEMENTS UNDER WHICH THEY FUNCTION.

⁽¹¹¹⁾ SUSPENSION OF THE ACTIVITIES OF THE BASES WHEN GREEK NATIONAL SECURITY INTERESTS WERE AT STAKE OR WHEN THEIR ACTIVITIES MIGHT HARM RELATIONS WITH FRIENDLY COUNTRIES IN THE REGION.

9. THE MEDITERRANEAN, ARAB COUNTRIES AND THE THIRD WORLD.

THE MEDITERRANEAN SHOULD BELONG TO THE PEOPLE OF MEDITERRANEAN COUNTRIES 'WITHOUT THE PRESENCE OF THE FLEETS OF THE SUPERPOWERS AND WITHOUT THE MILITARY EXERCISES WHICH POSE A DANGER TO PEACE IN SO SENSITIVE A REGION'. REFERRING TO ARAB COUNTRIES, PAPANDREOU SAID THAT HIS GOVERNMENT WOULD EXPAND RELATIONS IN ALL FIELDS AND THAT IT SUPPORTED FIRMLY 'THE STRUGGLE OF THE PALISTINIANS FOR SELF-DETERMINATION AND TO OBTAIN THEIR OWN HOMELAND AND FOR ALL THE REFUGEES TO RETURN TO THEIR HOMES'. HE ALSO SPOKE OF DEVELOPING STRONGER LINKS WITH THE THIRD WORLD AND THE NON-ALIGNED.

BALKANS

10. THE GOVERNMENT STOOD FOR COOPERATION BETWEEN THE BALKAN COUNTRIES, AND FAVOURED THE CREATION OF A ZONE OF PEACE SO THAT THE BALKANS MAY BECOME DENUCLEARISED AND DISENGAGED FROM POLITICO-MILITARY ALLIANCES. AS A FIRST STEP GREECE WOULD PROPOSE THE CREATION OF A BALKAN NUCLEAR-FREE ZONE. AFTER THE NECESSARY CONSULTATIONS, GREECE WOULD BE THE FIRST TO IMPLEMENT - AND SOON - THIS PRINCIPLE BY REMOVING NUCLEAR WARHEADS FROM HER TERRITORY.

FCO PSE PASS SAVING OTHER EC POSTS UKMIS NEW YORK MOSCOW SOFIA MADRID LISBON BUCHAREST AND BELGRADE

SUTHERLAND

[REPEATED AS REQUESTED]

FCO/WHITEHALL SED