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Political-Military Trends in Italy, Greece, and Spain

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Contents

Introduction

These studies of the current geo-political climates in Greece, Italy, and Spain provide an important backdrop to a number of questions relevant to the study of U.S. Navy-host nation cooperation on AT-FP policies. That cooperation takes place within a context shaped by the host nations' security concerns and national politics and the developing security issues of the region. In addition, the overall atmosphere of US-European and US-host nation relations shape the extent to which the U.S. Navy can work with the host nation to craft an effective AT-FP policy for Navy shore establishments. If we are to provide realistic and useful conclusions and recommendation for the Navy's way ahead on this issue, then they must be grounded on a realistic and useful reading of the current state of political and military cooperation, as well as an accurate assessment of differing security interests and areas of possible friction in the future.

The first conclusion we can draw from these papers is that there is a broad agreement among the host nations on the main security challenges facing them in the near future, and that there is enough overlap with U.S. interests to support continued cooperation on AT-FP issues. All three nations face immigration problems from North Africa and other regions to the south and east of Europe. They also have concerns about the security of maritime traffic (crime, proliferation, immigration, drugs) in the Mediterranean. While threats from traditional military sources have diminished since the end of the Cold War, these new threats pose particular problems related to anti-terrorism and the protection of forces and civilians from unconventional means of attack. U.S. attention has also moved south and east from Central Europe, and these challenges are theirs as well for forces and bases in the Mediterranean. This convergence of interests provides a shared threat framework for continued cooperation, not just Navy to Navy, but cooperation cutting across agencies, services, and levels of government.

The second conclusion we can draw from these papers is that coordinated security programs that leverage existing and planned efforts by the host nations (and regional and local authorities) through the EU or NATO will be more favorably received than efforts calling for more AT-FP powers for U.S. forces or strictly bilateral programs between the Navy and the host nation maritime forces. These three host nations, and many other nations in Europe, are looking for solutions to security problems that bolster independent European and national positions rather than a dominant U.S. position.

Third, all of the host nations continue to support the presence of U.S. forces and civilians in their countries. They also support U.S. use of the facilities for presence and power projection missions throughout the Mediterranean and into other areas (such as the Persian Gulf and the Horn of Africa). Through changes of government, and changes in public support for specific U.S. policies, there has been a strong level of consistent support and cooperation between the U.S. Navy and the host nations. Political, military, and economic rationales on both sides remain paramount and underline AT-FP coordination today and can do so into the future.

Lastly, the future of AT-FP cooperation between the Navy and the host nations will occur in a climate partly shaped by the Navy's own actions at shore installations and the actions of its personnel in the host nation. The Navy's capacity to engage diplomatically with local, regional, and national authorities simultaneously (especially within a Europe that provides local and regional governments more autonomy) will be a key to maintaining cooperation. In addition, the Navy will need to be sensitive to the economic, political, and environmental concerns of the host governments, and it will recognize that highly publicized incidents involving Navy personnel may have serious impacts on cooperation.

These papers are important for understanding the larger political foundations of U.S.-host nation relations that underpin the continued presence of U.S. Navy forces in Greece, Italy, and Spain. They serve to remind that cooperative AT-FP policies can be established over the long-term based on the principles outlined below.

Political-Military Trends: Italy

Overview of National and Domestic Security Issues

After a period of unprecedented political stability, Italy has entered a period of uncertainty and insecurity on many fronts. The Italian economy, after a decade of buoyancy, is stagnant and poised for recession (growth in 2005 is expected to be flat, and possibly negative). Unemployment, as in Spain and Greece, is around ten percent, and much higher in the south. The ruling center-right government of Silvio Berlusconi is under severe strain, beset by scandals and a precipitous drop in public support. Italy will have new elections not later than May 2006, and perhaps earlier. If the center-left opposition can maintain its cohesion - a big "if" - they will very likely win.

Italian society faces multiple strains, many with foreign policy consequences. The stagnant economy and the progressive erosion of pensions, job security, and social welfare programs have re-energized politics on the left and the right. In the view of several observers, the rise of large coalitions on the left and the right has diminished the weight of the center in Italian politics. Successful coalitions are now more likely to display sharper, ideological approaches to domestic and foreign policy questions.

Migration is a key issue in the national debate. Once a country of out-migration, Italy has become a leading destination for migrants from the Balkans and Eastern Europe, Northern and sub-Saharan Africa, the Middle East, and Asia.[1] The extent of this highly visible migration has strained the cohesion of a traditionally tolerant society. Italy has an economic interest in migration as a source of labor. But in the public mind, migration is closely associated with crime and cultural "clashes." In security terms, migration is at the top of the agenda, both as an interdiction prob-

1. Italy is estimated to have almost three million legal immigrants, and perhaps another 500,000 or more illegal immigrants. Albania has been a leading source of illegal migration. More recently, large numbers of Egyptians have arrived by sea via Libya.

lem, and as a facet of terrorism risks. For parties such as the Legha Nord and the MSI, immigration has been a central issue, used to promote policies with a xenophobic, nationalist and (for the Legha Nord) separatist flavor. As elsewhere, tougher border controls and more active interdiction at sea have made the circulation of migrants more difficult, with the result that more migrants are remaining in Italy. In policy terms, this means that *integration* is now at least as important an issue as immigration policy. This can have important implications for terrorism and transnational crime, as immigrant networks become less mobile and more deeply established.

Italian authorities have been focused on the problem of extremist Muslim networks for over a decade. During the period of widespread political violence in Algeria in the 1990s, Italy became a center for organization, funding and arms trafficking in support of the Armed Islamic Group (AIG) and the Salafist Group for Preaching and Combat (GSPC), among others. Elements of these networks and a variety of Al-Qaeda-linked or inspired cells operate in Italy, and have been implicated in plots aimed at U.S. targets. That said, Italian and American observers describe the current terrorism risk from this quarter as surprisingly modest given the size and diversity of the Muslim community in Italy, and the prominence of the American presence, from tourism and business to military forces. Islamist networks are thought to be more active in northern than southern Italy, a fact with implications for the relative exposure of American military facilities.

Extreme leftist and anarchist groups, the legacy of the Red Brigades, and the widespread terrorism of left and right in the 1970s and 1980s, pose a more proximate if less lethal risk. There is still a strong reservoir of support for these movements, mainly in the north of Italy, but also elsewhere, including Sardinia. Organized crime, a perennial challenge in Italy, is another factor in the domestic security equation. After a decade of tough anti-Mafia policy, commentators now point to a resurgence of organized crime activity in Sicily, Naples and elsewhere, possibly linked to declining political cohesion and a weakened economy.

In sum, Italy in 2005 is a place of growing social and economic insecurity, poised for political change, or extended political uncertainty. Few observers believe that the country is headed for anything like the "years of lead" - and violence - of the 1980s, and many of the negative trends on the Italian domestic scene can be found across Western Europe. But the next few years are almost certain to be characterized by mounting anxiety and less confident policymaking across the board.

Foreign and Security Policy Priorities

In regional terms, Italy's foreign policy priorities continue to be the Balkans/Adriatic and the Mediterranean – all leading fields for Italian diplomacy, development policy and security engagement. These strategic priorities are unlikely to change, and may be reinforced over the next few years by looming developments in Kosovo, and flux in societies around the southern Mediterranean.

Italian foreign policy has traditionally sought to balance European and Atlantic interests. This has been characteristic of both center-left and center-right governments of the past decades.[2] Within this balanced approach, however, there has been a marked rise in the relative importance of Europe as a factor in Italian foreign and security policy. Few, if any Italian external policy decisions are now taken in a purely national context. The core preference is for multinational, multilateral approaches, even in areas of strong national interest such as the Balkans and the Mediterranean. Indeed, Italian policymakers see these areas as leading vehicles for Italian activism in Brussels, and in relations with Washington. For the last decade, there has been a strong Italian interest in promoting transatlantic attention to the "south" - North Africa and the Middle East - as a strategic counterweight to perceived German and American attention to Central and Eastern Europe. Now that the political consolidation of the east is

2. This balanced approach has been noted by many analysts. See, for example, Paolo Guerrieri and Stefano Silvestri, "New Alliances, International Governance and Italy's Foreign Policy Choices," The International Spectator, January-March 2004.

largely completed, and attention to the "broader Middle East" is central to strategic debates on both sides of the Atlantic, Italy is concerned that developments in the Gulf and Eurasia do not derail EU and NATO attention to challenges in Italy's near abroad - North Africa and the Mediterranean.

Beyond the challenge of monitoring and controlling migration, Italy is focused on a series of functional priorities in the south. Two priorities worth special note are energy security and proliferation. On the energy front, the key issue is gas. Like Spain and Greece, Italy is a major importer of natural gas, primarily from North Africa via pipelines in the central Mediterranean. The volume and diversity of gas trade around the Mediterranean is increasing rapidly with the construction of new lines bringing gas to European markets from the east as well as the south. Italy is a major player in this equation, both as a consumer, an investor and a provider of security for energy trade. Looking ahead, Italy is likely to be at the forefront of European allies seeking to give gas, and the Mediterranean, an equal billing with oil and the Persian Gulf in discussions of new NATO missions.

Italian strategists have long been sensitive to proliferation risks, and the exposure of Italian territory to missile and WMD attack. The "Euro-missile" debate of the early 1980s heightened attention to nuclear and missile issues across the political spectrum. This attention was reinforced by a very inaccurate Libyan Scud attack against an American LORAN station on the island of Lampedusa in 1986, and subsequent threats by Colonel Qaddafi to strike Italian (and Greek) territory if their bases were used to support American operations against Libya. Italy remains the only NATO country to have been a target of ballistic missile attack, however ineffective. Libya's recent divestiture of its nuclear and other WMD assets has removed a leading proliferation problem in Italy's neighborhood. But Italy remains attuned to risks from this quarter, and a supporter of NATO and European efforts with a counter-proliferation thrust, including multinational satellite surveillance and enhanced air defense programs.

Italy is an active participant in the Proliferation Security Initiative (PSI), and was the scene of a notable operation involving the seizure of Libyan nuclear equipment in Taranto in 2003. American officials

familiar with PSI-related activity in Italy suggest that informal, non-institutionalized cooperation has worked very well in this setting, and could be a model for enhanced cooperation with Italian authorities in other areas, including AT/FP.

On the other hand, Italian perceptions of missile and WMD risks are also closely bound up with bilateral defense cooperation, and the country's exposure to the retaliatory consequences of American actions in the broader Middle East. The spread of missiles of trans-Mediterranean range (e.g., in Iran) increases this sense of exposure, and is a factor to watch for the future. This sensitivity to Italy as a target "by association" is an element in the debate about American military presence and activity in Italy at both the national and local levels. It has parallels in the Italian debate about the country's exposure to international terrorism, in which American military forces and operations are seen as a risk factor.

Outlook for Bilateral Relations

Italian-American relations have experienced points of stress over the last decades - the Euro-Missile debate, the Achille Lauro affair, perceptions of marginalization in the Bosnia crisis, and differences over Iran and other questions. Yet the overall level of cooperation has been excellent, and it is no exaggeration to say that Italy has been an important and predictable strategic partner. In the broader sense of economic and cultural relations, the relationship is deep and positive. The strategic relationship is highly diversified, with defense cooperation more than matched by cooperation in other areas.

The extended period of center-right government under Berlusconi has greatly facilitated the management of bilateral relations, especially in the security sphere. The Italian prime minister's support for operations in Afghanistan and Iraq, and his close personal relationship with President Bush, have contributed to a very positive relationship at the official level.[3] Cooperation on counter-terrorism, including intelligence sharing, is generally judged as excellent.[4]

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3. This remains the case, despite some recent tensions, notably over the death of an Italian intelligence officer and the wounding of a just-released Italian journalist at a U.S.-manned checkpoint in Iraq.

4. At least one senior Italian observer disagreed, noting that intelligence sharing left something to be desired.

Looking ahead, the bilateral relationship will be affected by a number of trends and prospective developments, both positive and negative. First, Italy's interest in strong transatlantic relations is long-standing, and will likely persist despite changes in government, including the advent of a center-left coalition. The interest in balancing the country's engagement in Europe may even be strengthened by growing uncertainty about the European project in the wake of "no" votes on the European constitution in France and the Netherlands. Discussions with key figures in the foreign policy establishment, including some on the left, suggest that the commitment to good relations with Washington is firmly rooted, despite widespread discomfort with aspects of American foreign policy. The exceptions to this outlook are to be found on the margins of Italian politics, on the extreme right and left, where stridently anti-American voices certainly exist. On the right, the obstacles to bilateral cooperation are heightened nationalism and sovereignty concerns. On the left, the challenges flow from opposition to American power and policies, and distaste for globalization and "hard power" - both closely associated with the U.S. in public perception.

Second, despite a durable interest in Atlantic ties, the European context matters. If transatlantic relations deteriorate, and European interests come to be seen as opposed to those of the U.S., it will be difficult to prevent a parallel deterioration in relations with Italy. If transatlantic relations improve, it will be far easier to work with Italy on a bilateral basis across a range of issues, including defense cooperation. The ability to isolate the bilateral relationship from the vagaries of Europe-wide and transatlantic relations is limited, and has been declining for the past decade (an observation that holds across Southern Europe). This is a long-term trend with a range of possible near-term tests, including Iran, and continued Italian military participation in Iraq - something a center-left government is unlikely to support absent a UN mandate.

Third, public opinion counts, and public perceptions of the U.S. have deteriorated sharply in recent years.[5] This phenomenon is not limited to Italy, and affects the quality of relations with a range of allies in Europe and elsewhere. Strong public opposition to the war in Iraq has not prevented the Berlusconi government from sending Italian

forces to Iraq or allowing the use of Italian bases for the support of coalition operations. But it has imposed limits on what Italy can do, and has compelled policymakers to take decisions on Iraq-related cooperation out of public view wherever possible. Public opposition to bilateral security cooperation with the U.S. is not a new factor on the Italian scene, and it can be managed, as the Berlusconi government has shown. But the trend is not positive, and unless reversed, could deepen and interact with wider European perceptions to reduce the scope and predictability of bilateral cooperation across a range of foreign and security policy issues.

Fourth, bilateral relations will be influenced by changes in the Italian military, and within the defense and foreign policy establishment. In the view of leading observers, familiarity and habits of cooperation at the military-to-military level have been an important component of the bilateral relationship, reinforced by joint exercises, training, officer exchanges and procurement patterns. It is rare to encounter senior defense officials (and Italy's defense ministry is staffed largely by military officers, rather than civilians, even at the upper levels) who have not spent significant time in the U.S. and are not familiar with American defense institutions and practices. That said, Italian officers are increasingly European in outlook and experience, and Europe is a growing factor in procurement and training. Again, this is a Europe-wide trend, and hardly limited to Italy.

Italy's small but influential cadre of civilian foreign and defense policy analysts reflects the prevailing, balanced outlook vis-a-vis Europe and the U.S. There is strong interest in reinvigorating the transatlantic relationship, but also strong concern about American

5. According to a much-cited Pew poll, the percentage of Italians holding "favorable views" of the U.S. has declined steadily, from 76% in 1999, to 70% in 2002, to 34% in 2003. When asked about their preferences on European versus U.S. diplomatic and security ties, respondents in April 2002 favored a "more independent Europe" (63%) versus keeping "close" ties with the U.S. (30%). "America's Image Further Erodes, Europeans Want Weaker Ties", Pew Research Center for the People and the Press.

intentions, and the ability of populist politics in Italy to derail the bilateral relationship.

Fifth, the American military presence in Italy is sustainable, but subject to new pressures. More precisely, it is the potential use of the bases, rather than the presence itself, that is controversial - and could become more controversial. There is a consensus among seasoned observers that the U.S. can augment and reconfigure its presence at Italian facilities without much difficulty. Indeed, this has already been accomplished with the movement of the Navy's European headquarters to Naples, and the increase of forces elsewhere as part of the overall restructuring of American air and ground presence in Europe. Italy is the only NATO member with an existing American military presence where this presence has been increased.

The reconfiguration of American presence for more effective power projection on Europe's periphery will place new pressures on the bilateral relationship. The use of American forces and assets based in Italy for operations under UN or NATO mandate would pose few problems for Italian policymakers, or for public acceptance. Bilateral uses outside a sanctioned, multilateral context, are another matter. While predictability of access under these conditions has never been assured (and there have been instances of refusal in the past), predictable access for purposes of power projection is almost certainly becoming more problematic. Populist politics, stronger European and transatlantic "tests" for cooperation, a more unpredictable and diverse range of contingencies - and increasing exposure to unconventional retaliation – all contribute to this trend.[6] Constitutional requirements and heightened sensitivity to public opinion in a period of political uncertainty will make it difficult for any Italian government to take decisions about power-projection contingencies quietly; it would trigger an explicit and unpredictable debate.

NATO Influences

Italy retains a particularly strong stake in the viability of the Atlantic Alliance, and NATO is a strongly preferred vehicle for strategy, operations

6. This is acknowledged in the reluctance of American defense policymakers to move special operations forces from their current bases to Italy, out of concern that their use might be constrained by the host government.

and cooperation. Where there is a choice, cooperation in a NATO frame is almost always a less controversial path for cooperation with Italian forces and institutions. This observation extends to enhanced AT/FP cooperation, where Italian observers believe that the scope for new initiatives will be increased to the extent that NATO takes a more active role in counter-terrorism and maritime security across the board. Even if specific AT/FP measures are outside a formal NATO frame, as they inevitably will be in many cases at USN facilities in Italy, a stronger NATO commitment to counter-terrorism and force protection missions will improve the climate for bilateral cooperation. More broadly, Italy has some specific NATO-related interests and concerns that can influence bilateral cooperation, including AT/FP.

Italian policymakers are concerned about the durability of America's commitment to NATO as the principle instrument for security management in areas of keen interest to Rome. The decline of NATO as the leading Euro-Atlantic security institution would pose stark dilemmas for Italy, compelling choices between European and Atlantic security policies and partners, and putting new pressure on the bilateral relationship with Washington. A future with "less NATO" is a future in which bilateral cooperation across a range of issues will be more difficult and less predictable, even if much of the content of security cooperation remains outside a formal Alliance frame.

Italy has been a strong champion of NATO's Mediterranean Dialogue, and the strengthening of Alliance strategy and capabilities in the south. This is a longstanding Italian interest, dating from the period of Cold War concern about marginalization in NATO's Southern Region. Today, the argument for attention to security problems on Europe's southern periphery is a mainstream one on both sides of the Atlantic. There is broad interest in following-up on the June 2004 NATO summit commitment to reinforce the NATO Mediterranean Dialogue, and to move toward more practical defense cooperation with the dialogue partners in North Africa and the Middle East. This can include counter-terrorism cooperation, force protection exercises, and civil emergency response - all areas of potential synergy with bilateral AT/FP interests.

As a contribution to preserving the primacy of NATO, and reconciling this with a larger defense role for Europe, Italian strategists are inclined to support greater "Europeanization" of NATO's military command structure - a European commander in the Southern Region, or even a European SACEUR, perhaps with an American Secretary General.[7] Italy is also likely to be responsive to American interest in revising the NATO strategic concept to allow for routine involvement in "out-of-area" operations ala Afghanistan. If NATO moves decisively in this direction in the coming years, it will inevitably expose Alliance forces to more diverse force protection risks. In this setting, new AT/FP thinking and capabilities will become a NATO-wide concern, opening new possibilities for cooperation in this area. It might also allow certain AT/FP activities that are now strictly bilateral to be undertaken in a multinational context, easing sovereignty concerns in Italy.

The future of NATO nuclear forces may also affect bilateral dynamics and the outlook for AT/FP. The next few years may see a new debate and new decisions about nuclear weapons retained in Europe for NATO purposes. Discussion of the strategic utility of these weapons in the context of an evolving strategic environment is beyond the scope of this analysis. But it is possible to foresee some alternative effects of a renewed debate about these weapons - a debate that will center on Italy (the UK and Turkey are in many ways cases apart). In the more positive scenario, removing or reducing nuclear weapons based in Europe could reduce a standing source of public unease and facilitate access and cooperation across the board. The reduction of nuclear storage and security problems might also simplify AT/FP planning and cooperation. More realistically, a new debate about these weapons (which might simply be a new debate, with no change in posture) could inflame public opinion in host countries, call attention to controversial power projection issues, and make force protection and emergency response a more visible problem - all with negative implications for enhanced cooperation with Italian authorities. In the worst case, it might trigger a general reassessment of Italian base policy.

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7. Guerrieri and Silvestri, p. 117.

EU and International Influences

As elsewhere in Europe, the defeat of French and Dutch referenda on the proposed European constitution has raised questions in Italy about the future of the EU, including its foreign and security policy aspirations. The near-term, net effect of this uncertainty is likely to be increased skepticism in Italian policy circles about the effectiveness of European initiatives in areas where integration is envisioned but not yet present, or central to planning. Defense policy is one of these areas. Italian policymakers across the mainstream political spectrum may now think twice before assuming that there will soon be a European approach to traditionally national questions of strategy and force structure. There may well be new interest in consolidating and extending security and defense cooperation with the U.S. as a hedge against declining European enthusiasm for concerted defense policy. On the question of cooperation and access in non-NATO contingencies, Italian governments may now be less inclined to weight their approach in terms of European consensus. This new atmosphere could affect the outlook for host-nation cooperation on AT/FP alongside other issues.

On the other hand, an EU in disarray could well make member states more difficult partners for security cooperation across the board. An Italy disillusioned with the EU may well be a more nationalistic and inward-looking actor, more sensitive to sovereignty concerns and more inclined to populist politics. None of this would be good news for the bilateral relationship in general, and base access and security in particular. In the most likely case, slower European integration is unlikely to have a noticeable effect on the outlook for bilateral cooperation at USN facilities in Italy (the overall evolution of transatlantic relations is another matter).

The future of the EU's Schengen agreement (for the elimination of most border controls among the signatories) will be of particular interest to Italy, and could have some AT/FP implications. Schengen has had the effect of pushing responsibility for border surveillance and interdiction southward and eastward, to the edges of Europe. With its long coastline and strong migration pressures from across the Mediterranean and the Adriatic, Italy has been compelled to invest

heavily in border control as a European as well as a national priority. Some of these surveillance and interdiction assets have AT and FP application. Changes in Schengen could have a range of effects on migration patterns, and on Italy's incentives to invest more heavily in border control. But here too, migration has acquired such weight in Italian politics that it would be difficult to imagine a reversal in priorities.[8]

NATO is unquestionably the priority vehicle for new Italian initiatives in areas relevant to AT/FP. But the general Italian preference for security and defense cooperation in a multinational frame means that Italy will be an active participant in maritime and port security initiatives in other institutional settings, including the International Maritime Organization (IMO), the International Chamber of Commerce, and EU networks concerned with transportation and environmental security. It is also possible to envision the emergence of new port security arrangements as part of regional, sub-regional and bilateral cooperation in the Mediterranean and the Adriatic in the coming years. The Euro-Mediterranean Partnership, about to be re-launched as "Barcelona II" in late 2005, will likely emphasize new areas for practical cooperation on a north-south basis. Counter-terrorism and maritime security should be at the top of the agenda. The U.S. will probably remain outside many of these new initiatives, but could benefit from the increased policy attention to security challenges with AT/FP dimensions. Italy can be expected to be a strong supporter of these efforts across the board.

Police and judicial cooperation – so called "Third Pillar" coordination within the EU – is a priority for all member states, including Italy, and is likely to proceed apace despite uncertainties about EU futures at the political level. Italian policy on extradition and rendition of individuals is increasingly seen through the lens of European practice. More active surveillance and preventive action in support of AT/FP could produce more cases of bilateral cooperation - or friction - in the detention and deportation of suspicious individuals (a prom-

8. But not impossible. The Zapatero government in Spain recently opted for a large scale immigrant amnesty program, strongly criticized by some of Spain's Schengen partners.

inent case regarding an Egyptian national deported at U.S. request is now being scrutinized by Italian magistrates, and could raise new public acceptance problems). This will put a premium on developing more direct EU-US dialogue and agreement on counter-terrorism cooperation. Here too, multilateral frameworks will greatly facilitate bilateral cooperation.

Regional Dynamics

The USN presence at Naples/Gaeta, Sigonella and La Maddalena underscores the importance of regional and local dynamics - social, political and economic - in assessing the outlook for bilateral relations and enhanced AT/FP cooperation. More uncertain politics and impending elections at the national level give additional weight to regional factors.

In Campania (Naples/Gaeta) the social and political climate is broadly supportive of the American presence, and local authorities are inclined to be cooperative when asked to accommodate AT/FP-related measures.[9] This supportive environment is the result of several factors, including the relatively high level of formal unemployment in southern Italy (as much as 17 percent in the Naples area). The USN is the largest employer in the region of Campania. Labor unions in Campania, strongly opposed to the war in Iraq, voiced no serious objection to providing logistical support to American and coalition operations in Iraq. Campania has a pragmatic, center-left government, broadly tolerant of the USN presence. The Naples city authorities are also supportive.[10] The proximity of large urban areas gives AT/FP activity in the Naples area direct relevance to local counter-terrorism and emergency response interests. American and Italian experts repeatedly stressed the importance of designing - and promoting – enhanced AT/FP measures as contributions to local and regional security, broadly defined.

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9. All facilities used by the USN in Italy are technically Italian bases, and Italian law gives the Ministry of Defense wide powers to alter these facilities without recourse to normal permitting requirements. In practice, however, the central government tends to be sensitive to local political concerns on base construction and infrastructure issues.

10. A non-USN example, but with relevance to this discussion: the Naples city government agreed to the redesign of one of the city's major parks in order to accommodate increased set-back for the U.S. Consulate.

Sigonella, in Sicily, enjoys a similarly supportive local environment. Sicilian politics are overwhelmingly center-right in orientation, and tend to favor a strong bilateral relationship. Defense Minister Martino is a Sicilian, and a strong supporter of the USN presence for economic and political reasons. The prominence of illegal migration as a policy challenge and a humanitarian issue in Sicily and the nearby islands, means that maritime surveillance and interdiction is likely to remain a priority for local authorities. Organized crime and corruption in Sicily and elsewhere in southern Italy is a "permanently operating factor" shaping the behavior of local government and security forces, but with no clear implications for bilateral relations at the local level.

La Maddalena, in Sardinia, is a more troubling case. Here, several factors come together to complicate public acceptance and cloud the outlook for the USN presence. Sardinia's regional president, an ex-internet entrepreneur turned politician, is a center-left figure with pronounced anti-American views. He favors the closure of military bases on the island (including facilities used by Italy). Despite the economic underdevelopment of Sardinia, the USN presence is not popular, and is seen by some as an impediment to tourism, rather than a source of employment. The atmosphere is further complicated by the independent and sometimes xenophobic outlook of many Sardinians, with widespread resentment toward Rome and Italy in general.

The biggest source of friction, however, is the use of the base to support nuclear submarine operations. The nuclear dimension engages a wide range of opponents, from sovereignty conscious Sardinian nationalists to environmental activists, and even property developers. Emergency response issues are, not surprisingly, an especially prominent aspect of base security at La Maddalena. However, as one prominent observer noted, even the Greens are beginning to realize that military facilities in Sardinia have the benefit of putting large areas out of the reach of developers. Overall, the combination of distinctive local dynamics and close association of La Maddalena with nuclear issues makes the USN presence here more highly exposed to political risk in the coming years. La Maddalena is the most troubled,

and perhaps the least sustainable element of the USN presence in Italy.

Policy Implications

This analysis suggests a number of policy implications concerning the overall outlook for bilateral cooperation and new AT/FP initiatives.

- *The American military presence in Italy has expanded, but the outlook for bilateral cooperation is less certain than in the past.* Political uncertainty and the possible advent of a center-left coalition need not spell fundamental change in the climate for bilateral cooperation. But the environment is set to become more challenging, and could be severely tested by frictions over non-NATO use of bases for power projection. A center-left government may well end Italian participation in Iraq, absent UN or NATO mandates. If a center-right government remains in power, its position is likely to be precarious, resulting in decreased willingness to take political risks over the bases and their use.

- *NATO uses and activities should be emphasized.* When possible, it will be useful to cast new activities, including AT/FP measures in a NATO context. Even informal links to NATO counter-terrorism and FP programs will help. At the same time, it will be useful to promote more active attention to these issues within NATO.

- *Italy will be more inclined to undertake new policies and new forms of cooperation when these support Rome's strategic priorities in the Mediterranean and the Balkans.* Practical cooperation with NATO's Mediterranean Dialogue partners in North Africa and the Middle East can include intelligence sharing, exercises and training with AT/FP relevance. Italian authorities should be receptive to the argument that sustained American engagement in Mediterranean security requires more attention to AT/FP at facilities in Italy.

- *Enhanced US-EU cooperation on counter-terrorism will also provide a good context for future bilateral relations.* Political-level uncertain-

ties about the future of Europe probably will not derail the continued integration of European internal security activities. The scope for purely bilateral interactions on intelligence sharing, police and judicial cooperation, maritime and port security, etc. will likely continue to shrink over the next decade, with implications for AT/FP cooperation in Italy. The quality of transatlantic counter-terrorism cooperation (as well as cooperation within other international organizations such as the IMO) will inevitably affect habits of cooperation at the bilateral and even local level.

- *Underscore contributions to local security – quietly.* New AT/FP initiatives are best designed and framed as contributions to local and regional security, crisis response and emergency management "outside the fence." Base-centered measures alone can reinforce the perception of Italian "exposure" to risks from the USN presence. That said, broad public debates about AT/FP measures are probably best avoided, but will be unavoidable if USN facilities become explicit targets for terrorism.

- *Key interactions will continue to be with the MoD.* The most effective points of contact for the USN on AT/FP policy will be within the Italian MoD. The prevalence of senior military officers in policymaking roles helps to insulate the MoD from changing political winds. Contacts at NATO (civilian and military staffs) can also be useful.

- *Non-NATO scenarios and renewed nuclear debate are wild cards.* Against a background of continued stress in transatlantic relations and negative trends in Italian public opinion, the environment for host nation cooperation may be clouded by new requests to use Italian facilities for power projection in the Middle East or elsewhere. A new public debate about operations without a UN mandate or NATO context could threaten consensus on the American military presence. At a minimum, it could impair the quality of cooperation on AT/FP and other issues. At worst, it could make continued use of some facilities untenable. A new debate about the future of NATO nuclear weapons in Europe would likely focus on Italy, and could pro-

duce similar problems for USN presence, especially at La Maddalena.

Political-Military Trends: Greece

Overview of National Issues

The government of PM Kostas Karamanlis has retained and extended the moderate foreign policy developed by his socialist predecessors. The highly ideological and confrontational politics that prevailed through the 1980s are now a thing of the past, internally and externally. The country's relations with European and Atlantic partners have been "normalized," and Greek policy is now in the EU mainstream on most issues. PASOK, the leading opposition party, has also become increasingly moderate and centrist over the last decade. More radical approaches to public policy have been driven to the margins of Greek politics. Even in the event of a change of government - unlikely for the next few years - the basic lines of foreign policy should prove durable. Many observers do expect a cabinet reshuffle, perhaps as early as the summer or fall of 2005, with the Defense Minister among those likely to be replaced.

The key challenges facing the New Democracy government are on the economic front, where slow growth, rapid increases in the cost of living after adoption of the Euro, and looming crises over pensions and social programs dominate the domestic discourse. Greece has been a leading beneficiary of EU cohesion (economic development) funds, but these are being phased out. Budget deficits have been much larger than expected - or reported to the European Commission. And the Athens Olympics - a great success by many measures - have left the country with an economic hangover. After decades of steadily increasing prosperity and confidence, Greece faces new social and economic stresses, with political and security implications.

Over the last decade, immigration has emerged as a leading issue on the public policy agenda. Greece has absorbed over one million immigrants, mostly undocumented, in a country of just 10 million people, with high concentrations of migrants in Athens and Thessal-

oniki. Large numbers have come from Albania (including many ethnic Greeks), but in recent years there has been an influx of migrants from elsewhere in the Balkans, from the Middle East, and from Asia. Pakistanis are a particularly visible presence, together with Kurds. Despite relatively high levels of unemployment, it is widely acknowledged that migration contributes much needed labor to the Greek economy. As elsewhere in Europe, the public debate on immigration focuses on cultural and security issues, rather than economics. Greece has become a more fast-paced, multicultural country, with many of the problems common to prosperous societies, exacerbated by the country's exposure to transnational challenges emanating from the Balkans and the Levant.

Large-scale migration has brought new elements into the domestic security equation. Greece now has a substantial Middle Eastern and Muslim population (mainly South Asian), although there is little indication that immigrant networks have become radicalized in Greece.[11] The Athens Olympics brought extraordinary new attention to internal security, and greatly increased the scope and quality of Greek cooperation with international intelligence and counter-terrorism establishments. Funding for security has diminished since the Olympics, but much of the infrastructure and response capacity remains in place. The net result is that Greece is now better placed to address terrorism and transnational security risks than a decade ago.

For the moment, the more pressing terrorist threat to Greek and foreign targets flows from Greek leftist and anarchist cells. These groups, born from leftist opposition to the military dictatorship of the late 1960s, remain imbedded in Greek society. The most notorious of these groups, "November 17th," engaged in a two-decade campaign of assassinations and bombings aimed at Greek and foreign targets, and was responsible for the murder of several American diplomats. In the period before the Athens Olympics, key November 17 figures were caught and prosecuted in what was widely seen as an abrupt turn-around in government policy. Over the last year, it has become clear that November 17, or networks operating in imitation of

11. After much debate, there is still no agreement on the construction of a formal Mosque in Athens.

November 17, remain operational. The commitment and ability of the current government to address this continued threat in a post-Olympics setting is unclear.[12]

Foreign and Security Policy Priorities

The leading element of change in Greek external policy has been a substantial relaxation of tension with Turkey. This detente operates mainly in the political and economic arena, supported by a significant change in public attitudes on both sides. The current detente appears to be strategic, and should prove durable. That said, the improvement in relations since the late 1990s has been closely tied to Turkey's EU candidacy, and a Greek strategy of "anchoring" Turkey to European institutions. If the EU itself is in disarray, and Turkey's candidacy stalls or proves hollow, the assumptions underlying the current Aegean detente may be called into question. For the moment, however, the Karamanlis government is committed to continuing the policy of engagement and detente launched by its predecessor (Karamanlis and Turkish PM Erdogan reportedly enjoy an excellent personal relationship).

Europe has been the essential backdrop for Greek foreign policymaking over the last decade, and this basic orientation is unlikely to change in the next few years, even with turmoil in the EU and an end to financial assistance from Brussels. Greece's recent assumption of a rotating seat on the UN Security Council will also give Athens a heightened interest in global issues, and looming international decisions (e.g., regarding Iran and perhaps Syria).

Greece's European orientation will be balanced by a series of narrower issues that are capable of exciting nationalist opinion - the Aegean, Cyprus and relations with Macedonia (FYROM). On all of these fronts, Greek concerns are much reduced from the 1990s.

12. Recent incidents claimed, or assumed to be the work of November 17-like groups include the killing of a guard at the residence of the British ambassador, and several bombings at government buildings. Greek observers suggest that these new tactics and pronouncements point to domestic rather than international motives.

Athens supported the failed referendum on a Cyprus settlement (the Annan Plan), approved by Turkish Cypriots but rejected by voters on the Greek side of the island, and with Cyprus' EU accession, many Greeks now prefer an arms length approach to Cypriot issues. The "name" issue with FYROM is now more a rhetorical than a real strategic concern. Air and sea space disputes with Turkey in the Aegean are still taken very seriously, but the mood on both sides is now less aggressive and assertive than in the past.

In foreign policy terms, Greece sees itself as a "strategic partner" for Europe and the U.S. in Southeast Europe, and potentially in the Middle East. Greece (with Turkey) has taken an active multilateral approach to security and reconstruction in the Balkans, where Greece is a leading investor and diplomatic interlocutor. Greek public opinion has generally been supportive of Belgrade, and was overwhelmingly opposed to the western intervention in Kosovo. Despite this, the PASOK government of the period was able to support NATO operations and played a key role in brokering Milosevic's departure from power. Athens continues to give priority to the Balkans, and is anxious to engage partners in Europe and Washington in the management of unresolved Balkan problems. Kosovo is the near-term test, with Greek officials reluctantly conceding the likely emergence of an independent, or near-independent Kosovo. Overall, Greek economic and security interests will be closely bound up with stability in the southern Balkans.

Greece has traditionally enjoyed good relations with Arab states of the Levant, although relations with Israel have deepened substantially in the last few years.[13] Greece has been exposed to Palestinian terrorism in the past and continues to perceive a close connection between Middle Eastern developments and its own security. Under conditions of progress in the Middle East peace process, Athens could play an active role in American or, preferably, European-led security and reconstruction efforts. Greece continues to play an active

13. Greece signed a defense cooperation agreement of uncertain scope with Syria in the mid 1990s, in a period of high tension with Turkey. Not surprisingly, Greek analysts now see this as an embarrassing anachronism.

role as a host of track-two diplomacy between Israel and the Palestinians.

In security terms, a number of strategic concerns are likely to drive Greek planning over the next few years. First, despite continued political detente with Ankara, Turkey - the "threat that cannot be dismissed" -- will continue to dominate Greek security thinking. Persistent, well-publicized encounters between the air and naval forces of the two countries keep the Turkish threat at the top of the agenda, and Aegean contingencies continue to guide procurement and doctrine. Defense spending as a percentage of GNP is now somewhat reduced from past years, a function of a more relaxed situation in the Aegean and growing budgetary pressures, but remains much higher than the NATO average. A more nationalistic mood in Turkey, coupled with declining Greek confidence in the reassurance offered by European integration, could lead to greater Greek anxiety about Turkey as a strategic threat.

Second, as in Italy and Spain, immigration and border control concerns are now near the top of the security agenda. Greece is exposed to cross-border movements from the Balkans, Eurasia and the Middle East. Illegal immigration, trafficking in persons and drugs, and potential spillovers of political violence and terrorism cut across internal and external security concerns. The Schengen agreement has shifted much of the burden of border control for Europe as a whole to the continent's southern periphery. Greece, with its land borders in the Balkans and extensive coast and archipelago, is particularly exposed, and border surveillance and interdiction have emerged as priorities for Athens. International terrorism is certainly on the Greek security agenda, but is rarely mentioned as a prominent concern by Greek officials and strategists. As noted earlier, Athens invested heavily in security for the Olympics, and has developed a significant special forces capability (which Greek defense officials are interested in using to give the country a higher profile in European and NATO programs). But on the whole, counter-terrorism is more often seen through the lens of transatlantic relations than as a priority for Greece *per se*.

Third, Greek diplomatic and economic engagement in the Balkans is matched by a significant level of security concern. Greek strategists refer to the "greater Albanian threat" - an amalgam of diffuse worries about Macedonia, Kosovo and Albania. For most analysts, this is less about territorial claims and threats to borders, and more about the risk of instability, refugee flows and other spillovers affecting Greek interests. Recent Greek policy has emphasized a multilateral approach to Balkan stability. Greece is a leading participant in European and regional initiatives across the region, including arrangements in the Black Sea (where the security component is now getting more attention).

Fourth, Greek defense officials and analysts are increasingly focused on WMD and missile proliferation as a direct and indirect risk. To the extent that Iran and others in the Middle East develop ballistic missiles of trans-Mediterranean range, Greece (with Turkey) will be among the first to be exposed. Greece is unlikely to be targeted directly, but Greece could be exposed as a result of U.S., NATO or even European action in the future. The end of Libya's WMD programs has removed a proximate source of risk. Greek analysts are, however, concerned about the possible effects of a nuclear-ready Iran on the defense posture of neighboring countries, above all Turkey. Greece could thus be exposed to the cascading effects of proliferation far from its own borders.

Maritime security in general is a cross-cutting Greek concern, bearing on border control, freedom of navigation (including access to the Suez Canal), and counter-proliferation efforts. Greece is a core member of the Proliferation Security Initiative (PSI), and with its critical location in the eastern Mediterranean and large merchant fleet, is likely to play an important part in the future evolution of this U.S.-led effort. Greek officials and planners will be sensitive to port and maritime security challenges generally, as a matter of enduring national interest. Here, as in other areas, there will be a strong preference for multilateral over bilateral (or costly unilateral) approaches.

Finally, Greece is sensitive to questions of environmental security in the Aegean and the eastern Mediterranean. This concern is set to

grow in the future as Greece's critical tourism sector faces a more competitive environment (it has also been identified as an area of common interest and cooperation with Turkey). Greece has not had a particularly active environmental movement by European standards, but this is changing, with implications for regional cooperation and public acceptance of the USN presence at Souda Bay.

Outlook for Bilateral Relations

U.S.-Greek relations continue to carry much historical baggage, from the period of the Greek Civil War, through American support for the Colonels, and the political frictions of the Papandreou years. Greeks remain sovereignty conscious and highly sensitive to any suggestion of foreign interference in Greek affairs. An instinctive anti-Americanism persists among much of Greek society. These views are overt on the left, where American power and policies are viewed with suspicion, and on the right, where Washington is - still – perceived to support Turkey against Greek interests. This climate of suspicion persists despite the deep ties between Greeks and the large Greek-American community, and widespread familiarity with the U.S. across Greek society. Exceptions to this pattern of instinctive anti-Americanism can be found among Greece's small, centrist, and mostly foreign educated policy community (the current Prime Minister shares this background), the upper reaches of the business community, and among professional diplomats and military officers. These are all important constituencies in the bilateral relationship. Their pragmatic views account in large measure for the frequent contrast between public attitudes and official policy toward the U.S.

Successive Greek governments have managed to be quietly supportive of American (and NATO) policies at critical junctures. In 1990, Greece was able to contribute bases and forces to coalition operations in the Gulf, despite some public resistance, largely because there was a European consensus to do so. In Bosnia and in Kosovo, the government overcame widespread public opposition, and played a quietly supportive political and logistic role (especially via operations from Thessaloniki). Even in the context of the Iraq war, overwhelmingly

opposed in Greek public opinion, both the Simitis and Karamanlis governments have been quietly cooperative, making Souda available for transits to the Middle East, and even replacing some U.S. assets in the Balkans and the Mediterranean.[14]

A distinctive aspect of the bilateral relationship has been the close, and generally negative association between the U.S. and NATO in Greek public opinion - both seen as being on the "wrong" side in Greece's Cold War internal politics. NATO remains part of the traditional demonology on the Greek left (which includes two active communist parties).[15] As a result, for opponents of security cooperation, there is little to choose between bilateral and NATO frameworks. In Spain and Italy, the NATO imprimatur pays dividends in terms of public and elite acceptance. In Greece, this holds true only in a much more limited sense (government and military officials appreciate the political "cover" afforded by NATO, and for preference, the EU). When the "bases" were highly controversial in Greece, opponents were equally critical of the U.S. and NATO presence.

Overall, the American military presence has become less controversial, and less of a flashpoint in Greek politics. The closure of Hellenikon air base has played a large part in this improvement. As with Torrejon AB on the outskirts of Madrid, the highly visible American military presence at an airport in the suburbs of Athens became a natural rallying point for anti-American sentiment and activity. Souda Bay is far from the political center of gravity in Greece, and much more acceptable and sustainable (local attitudes toward the USN presence at Souda Bay are discussed below).

Looking ahead, the problem is not so much the sustainability of the American presence at Souda in a steady state, but the ability to use the base in a relatively unrestricted manner in times of crisis. This is a

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14. During Operation Enduring Freedom, Greece deployed a frigate to the Red Sea and the India Ocean, the only Greek naval asset deployed outside the Mediterranean.

15. The Greek Communist Party of the Exterior is an unreconstructed party with Stalinst leanings. The Communist Party of the Interior is "eurocommunist" in orientation.

challenge common across the USNs facilities in southern Europe. The presence itself is reasonably uncontroversial, but the question of use can be highly controversial. In the worst case, disagreements over use could trigger a wider debate about continued presence, and the overall security relationship. In general, the potentially controversial element concerns the non-NATO use of facilities for power projection in regional crises. To be sure, power projection is in the eye of the beholder. Greece would certainly approve the use of Souda to support humanitarian intervention in Sudan or elsewhere. Athens has allowed use of the base to support operations in Afghanistan (where Greek forces have participated) and Iraq. The use of Souda for strikes against Syria or Iran would be another matter, especially absent a UN mandate. Operations at Souda are probably less likely to trigger this kind of debate than possible operations from Sigonella or Aviano, but a debate of this kind is not inconceivable (would a cruise missile strike against a target in the Levant launched from a ship recently replenished at Souda be seen as a "power projection use"?).

Despite the persistence of anti-American sentiments in public opinion (as elsewhere in Europe, these views have become more pronounced in the wake of Iraq), and occasional foreign policy disagreements, the bilateral military relationship tends to be seen as positive by interlocutors on both sides. Looking ahead, several elements of change are at work. First, the Greek military is becoming more European in outlook as procurement and training relationships are diversified. This is especially true in the naval arena, where available American ships often do not fit Greek requirements.[16] There is still a substantial bilateral defense-industrial relationship, however, and inter-operability with American systems remains a priority for Greece. Many Greek officers have spent time in the U.S. and, in general, the quality of cooperation at the officer-to-officer level is considered to be very good (despite growing "Europeanization," the Greek military remains English language oriented). But the trend is

16. The Greek navy has sought to buy two Arleigh Burke class ships, rather than the Spruance class ships the U.S. has offered (Turkey has bought Spruance). Greece may participate in the French-Italian "Horizon" frigate program.

toward a greater balance in military engagement between European and American partners.

Second, while Greek officers at the staff level are often interested in pursuing closer cooperation with American forces in various areas, including counter-terrorism, this enthusiasm is not necessarily mirrored at the political level in the MoD. Here, the problem is not so much lack of interest as a prevailing attitude of caution regarding new initiatives. This problem is especially acute in the procurement area in the wake of on-going investigations into corruption on the part of former MoD officials. But it also affects politically sensitive decision-making in other areas. The current conservative government is well disposed toward cooperation, but is less energetic on foreign and defense policy than its socialist predecessor. Defense Minister Spiliotopoulos clearly values the bilateral relationship, but his ability to launch major new initiatives is limited. The Foreign Ministry, a key player in bilateral defense matters until a decade ago, is no longer as central - although this could change in the context of major decisions about the use of Souda in regional crises.

Third, the very modest ability of Greek forces to deploy at any distance from the eastern Mediterranean places limits on what Greece can do in a bilateral context (or in NATO and EU operations). Improving the country's power projection capacity is a priority for Athens, but is constrained by existing force structure and economic stringency. For example, Greece does not have an air refueling capability for its F-16s. Looking ahead, the development of greater force projection capability may not be entirely desirable from the American perspective, as it would have obvious relevance to the balance with Turkey, where the U.S. has an enduring interest in confidence building and security at lower levels of armament.

Fourth, the Greek government has its own set of requests to the U.S. outside the procurement area, and these are a factor in the outlook for bilateral cooperation. In particular, Greece has been disappointed at the lack of American (and German) participation at the NATO CAOC in Larissa, and the peacekeeping training center in Thessaloniki. In general, there is a concern about declining Ameri-

can interest and presence in the Balkans, against a backdrop of competing priorities elsewhere.

In sum, the security relationship is set to remain positive and cooperative, absent a major foreign policy crisis, bilateral or transatlantic. There will continue to be a tension between strong anti-American sentiment at the public level, and a general willingness to help across a range of issues at the official level. Ambivalence will be matched by persistent Greek sensitivity to signs of American disinterest in their region. Greeks will continue to emphasize their strategic location, and their value as a strategic partner to Washington – always with an eye on the Greek-U.S.-Turkish triangle.

NATO Influences

Greek attitudes toward NATO have improved as part of the overall realignment of Greek foreign policy over the past decade. After years of self-exclusion from NATO exercises, Greek forces are now much more active in Alliance activities in Brussels and in the region. Athens has been a strong supporter of NATO enlargement in southeast Europe, and sees a special vocation in Balkan and Black sea cooperation. Like Spain and Italy, Greece has a keen interest in the continued development of NATO's Mediterranean Dialogue, and practical defense cooperation with NATO partners in the Middle East. Greece would, naturally, support Cypriot membership in NATO.

Greece supports deeper European integration on security and defense matters, but not at the expense of NATO. The Greek interest is in having multiple sources of reassurance vis-a-vis the country's leading security challenges - Turkey, and Balkan instability. It is less a matter of counter-balancing American power or building an independent European capacity for action.

By virtue of its location and maritime orientation, Athens will be supportive of NATO initiatives aimed at meeting proliferation, terrorism and other non-traditional risks in Southeast Europe, the Mediterranean and the broader Middle East. Greece will be particularly interested in the implementation of NATO's recent decision to establish a Maritime Interdiction Training Center. This could involve coopera-

tion with PFP and Mediterranean Dialogue members - and might well be located at Souda Bay. In contrast with trends elsewhere, the NATO content in Greek strategic thinking and defense engagement - including cooperation with the U.S. – will probably increase over the next few years, as long as the Alliance itself remains viable and effective.

EU and International Influences

Europe has been a key factor in the transformation of Greece - politically, economically, and in foreign and defense policy terms. This trend is likely to continue, although with less enthusiasm, and at a slower pace; a product of disarray in the EU, and the end of EU economic assistance to Greece. With the exception of anti-EU voices on the far left and right, Europe will remain central to the calculus of the mainstream parties and prominent Greek institutions. It has become the central reference point for policymaking across the board. As a result, Greece has much to lose from a political and economic crisis in the EU, spurred by "no" votes on the proposed European constitution in France and the Netherlands (the Greek parliament easily approved the constitution months earlier).

Greece has staked a great deal on support for Turkey's EU membership. Formal accession talks with Ankara are set to open in October 2005. But turmoil in the EU and the prospect of a change of government in Germany are widely seen as obstacles to any sort of rapid progress on Turkish membership. This will suit many Greeks, but could prove risky if it encourages a more nationalistic outlook in Turkey, and leads to renewed tension in the Aegean or over Cyprus. This would clearly reinforce the persistent role of the Turkey factor in Greek security policy over the coming years - a factor that affects the bilateral relationship in many dimensions.

Greece will continue to support efforts to create a more capable and coherent European security and defense policy (ESDP).[17] Greece does not wish to see this develop in competition to NATO however, and would not like to see a reduction of American engagement in European security, or a disproportionate role for leading European countries in setting foreign and security policies. Greece will also be

17. Greece is a participant in Eurocorps, along with Spain and Italy.

among those EU states eager to encourage a stronger political and security "basket" within the Euro-Mediterranean Partnership, a ten-year old initiative that is now being reassessed prior to its re-launch in November 2005. Maritime security in the Mediterranean, as well as energy security, may be on the list of issues for the future.

EU institutions and programs loom particularly large in the internal security and border control arena, where Schengen requirements and deeper "third pillar" (police, interior, judiciary) cooperation are prominent. The successful crack-down on the November 17 group is credited by many observers to the sharp increase in Greek cooperation with European intelligence and police services after the murder of BG Saunders, the British defense attache in Athens. The Olympics further deepened this cooperation.

As a major ship-owning country with diverse maritime interests, Greece will continue to be a prominent actor in the IMO, including implementation of its new ship and port security codes. Greece is likely to be particularly attentive, and receptive to initiatives within UN agencies over the next few years as a result of its rotating seat on the UN Security Council.

Regional and Local Dynamics

Apart from the use of port facilities in Thessaloniki to support peace-keeping operations in the Balkans, the closure of the Hellenikon air base over a decade ago has left Souda Bay on Crete as the only substantial American presence in Greece. Souda offers an excellent, well-protected harbor and air facilities. It is an important Greek naval base (second only to Salamis), and supports NATO as well as non-NATO operations.

Souda's distance from Athens has contributed to its largely non-controversial character in the bilateral relationship in recent years.

Politically, Crete is traditionally a PASOK stronghold, but not overwhelmingly so. The growing moderation of PASOK, makes this less of a factor in attitudes toward the base than in the past. Political opposition to the USN presence is now as likely, perhaps more likely, to

come from the sovereignty-conscious right wing of the ruling New Democracy party. In Athens, the presence at Souda is often seen as a useful "lever" in the bilateral relationship, with Greek strategists sometimes inclined to exaggerate the strategic utility of Souda. The base is clearly a useful asset to support operations around the Mediterranean, in the Persian Gulf or Africa, but probably not irreplaceable in the view of American analysts.

As with facilities in Spain and Italy, the base makes an important contribution to employment and commerce in the Chania area. With the recent down-turn in the Greek economy, this may be a factor of increasing significance to public acceptance. That said, Crete is among the most prosperous regions in Greece, with a diversified economy based on agriculture, tourism and light industry. The base is an important, but not a dominant source of local revenue.

In the view of Greek interlocutors, the leading public acceptance issue on the local scene is the periodic misbehavior of individual American military personnel (drunken or violent incidents, accidents, etc.). On the whole, however, the public in Chania and elsewhere on Crete are tolerant of the USN presence, although local authorities reportedly can be difficult on construction and improvement issues. Port security and cooperation on AT/FP matters at Souda is described as "very good" by American officials. There does not appear to be a strong local perception of security exposure as a result of the U.S. or NATO presence. But the proximity of the town of Chania (Souda is essentially a suburban extension of the town) means that more visible AT/FP measures can benefit from being designed and portrayed as contributions to regional protection and emergency response. Crete is a large and populous island, but its relative remoteness and strong local culture provide some AT/FP advantages. Non-Greek immigrants are certainly a presence on Crete, but not a very prominent one. Anti-American protests, still common in Greece, are far more likely to be held in Athens or Thessaloniki. The detente with Libya has reduced the risk of air, missile and "asymmetrical" attacks from that quarter.

Looking ahead, the environment may become a more prominent aspect of public acceptance as Greek interest in this issue grows. The importance of tourism to Crete and to Greece means that environmental incidents pose the risk of a strong public reaction on the island and elsewhere.

Policy Implications

In Greece, as elsewhere around southern Europe, the key factor in the environment for cooperation in the coming years will be the overall quality of transatlantic relations. The bilateral security relationship, in particular, is becoming less distinctive, and more dependent on European consensus for overt cooperation with the U.S. in times of crisis. This analysis suggests a number of policy implications for bilateral relations and the outlook for new AT/FP initiatives.

- *A quiet approach pays dividends.* Standing public acceptance problems at the national level point to the utility of a low-key approach in any new initiatives at Souda. Policymakers in Athens are inclined to be helpful regarding the use of the base to support operations in the Gulf and elsewhere. But a wider debate about perceived power-projection uses would be problematic for any Greek government.

- *Greece has a stake in keeping the USN at Souda.* Despite a problem of "structural" anti-Americanism in Greece, Greek policymakers see the continued USN presence as tangible evidence of American engagement in regional security, and a measure of Greece's strategic importance to Washington. A positive environment for AT/FP, including new physical and surveillance measures are very much in the Greek interest. If the USN were to move its operations elsewhere, because of security or access concerns, this would be seen as a loss of leverage for Athens in the bilateral relationship.

- *Military-to-military relations face new challenges.* Engagement at the staff level has been an key element in day-to-day cooperation, but will become more challenging as Greek forces become increasingly European in their outlook, a product of changing procurement and training patterns. The Hellenic Navy is already the most European in orientation of the Greek services.

- *A NATO "hat" does not necessarily help - but a European (or US-EU) hat does.* In contrast to other Southern Region countries, the distinction between NATO and non-NATO uses is not pronounced in the public debate - both are viewed with ambiva-

lence. A European or UN imprimatur, on the other hand, can be very helpful at the public and policymaking levels.

- *When possible and practical, connect to Greek regional security interests and initiatives.* Bilateral relations, including AT/FP cooperation, can be enhanced by emphasizing their relevance to Greek interests and initiatives. Prominent examples are in the Balkans and the Black Sea, but Greece is also keen to promote crisis management and security in the Mediterranean. NATO's Mediterranean Dialogue is one good vehicle. Accelerated establishment of a NATO maritime security training center in Greece, perhaps at Souda Bay, is another.

- *Local concerns predominate.* The key drivers of negative opinion on Crete will be incidents involving individual American personnel and, environmental risks. Sovereignty-related issues will continue to be controversial for local authorities. This reality underscores the importance of good relations at the local level, which can contribute to a positive climate for cooperation in Athens.

Political-Military Trends: Spain

Overview of Key National Trends

Jose-Maria Aznar's defeat in the national elections of March 2004, and the advent of a socialist-led government, marks a turning point in Spanish internal and external policy. The close-run election was tipped in Jose Luis Rodriguez Zapatero's favor by the Aznar government's perceived mishandling of the terrorist bombings in Madrid just prior to the elections. The March 11 bombings, in which 191 people died, were a transforming development in the minds of many Spaniards. After an extended period of "liberal" (i.e., free market) economic and social policy, and a balanced approach to European and transatlantic relations, Spain has changed course. A renewed emphasis on social cohesion, and greater distance from American policies are now the order of the day.

Beyond the recent change of government, a number of underlying trends are visible on the Spanish scene. The last two decades have seen an enormous increase in prosperity and confidence across the country, particularly in Madrid, the dynamic Basque country and Catalonia. The post-Franco transformation of the country has been consolidated and extended, with a strong emphasis on European integration. Like Greece, Portugal and southern Italy, Spain has been a leading recipient of EU cohesion (economic assistance) funds, although these transfers are set to end. Slower economic growth and relatively high levels of unemployment - problems common to other European economies - have made themselves felt on the political scene. Spain remains a relatively buoyant economy within Europe, but anxiety is increasing as the country faces the challenge of an ageing population and large-scale pension commitments. As elsewhere in southern Europe, the adoption of the Euro has had a marked upward influence on the cost of living.

Immigration has emerged as a leading issue for Spain - again, part of a larger European trend. Once a net exporter of labor, and more recently a conduit for North African migrants headed to northern Europe, Spain has now become a significant destination for migration in its own right. This experience of multiculturalism is new for modern Spain. The debate on migration is less about economics - migrants clearly fill an important shortfall in the labor market - and more about cultural frictions and security. Anxiety about North Africa and conflict with the Muslim world are deeply rooted in the Spanish strategic culture, the product of centuries of conflict between Spain and the Ottoman Empire, and the legacy of the Muslim occupation and "reconquest." The most visible migration is from Morocco and Algeria. But migrants from sub-Saharan Africa and Eastern Europe are also part of the current scene.

Spanish authorities have focused on the problem of Muslim extremism in Spain since the Algerian crisis of the early 1990s. The immigration issue acquired a much stronger security dimension after the September 11th attacks, when active Al- Qaeda cells were discovered in Spain. It has come to the very forefront of public and policy attention since the multiple, highly lethal bombings in Madrid on March 11, 2004. Over the past year, some 200 suspects have been arrested in connection with the Madrid bombings and other plots. Spain has emerged as a leading center for jihadist networks in Europe, and is the focus of some of the most intensive counter-terrorism activity in Europe.

Over the past few years, radical Islamist networks have overtaken the traditional problem of Basque terrorism as the leading internal security concern. But Spain continues to face ETA terrorism in the form of assassinations and bombings, amid a new debate about whether to open talks with violent separatists. Basque terrorism in Spain has traditionally focused on Spanish and Basque, rather than international targets. There is no indication that this will change. The leading threat to American personnel and facilities in Spain emanates from Muslim extremists, and to a minor extent, from Spain's active anarchist and anti-globalization movements. In the wake of the "March 11" attacks, Spain and the U.S. share a common focus on counter-terrorism, a convergence of interest evident at the level of day-to-day

intelligence and security cooperation, but much less evident at the level of foreign policy.

Another internal trend with external implications has been the growth of regional autonomy as the Franco legacy recedes. Spain's has always been country of regions. But regional identity has flourished in the last few years, a product of EU policy, and to some extent, political convenience. The Basque country and Catalonia are the leading cases, supported by a vibrant business sector in both regions. Spain's regions - and cities - are keen to project their own identity, and in some cases have developed external policies of their own (the "diplomacy of cities" is a particular interest in Barcelona). This trend, could affect Andalucia more heavily in the future, with implications for relations with the U.S., and above all, actors across the Mediterranean. Washington, and the USN, may find more - and more important - interlocutors at the regional level in the coming years.

Foreign and Security Policy Priorities

Since the 1980s, European integration has been the central focus of Spanish external policy. It is a strategy that has paid great dividends in terms of economic development, and as a vehicle for increasing diplomatic activism. Spain easily ratified the proposed European constitution. The French and Dutch "no" votes, and the ensuing disarray in Europe are viewed with considerable concern in Spain, where much has been staked on ever-closer European integration. A movement toward the re-nationalization of European policy would work against Spanish interests in many areas, including foreign and security policy.

Over the last decade, NATO has also emerged as an area for Spanish engagement. Both socialist and conservative governments have displayed a strong interest in EU and NATO initiatives, and have given priority to the development of Spain's capacity to contribute to multinational peacekeeping and humanitarian operations. Spain has been an active participant in multinational operations in the Balkans, Afghanistan and, until recently, Iraq.

Trends in the bilateral relationship with the U.S. are discussed below. But it is worth stressing that the abrupt withdrawal of Spanish forces from Iraq in the spring of 2004 was the product of overwhelming public opposition to Spain's participation, and the absence of a solid European context for the forward leaning policy of the Aznar government. By contrast, Spain was able to participate extensively in support of coalition operations in the Gulf War of 1990 largely because there was a European consensus to do so (this was also true for Greece). In addition, many Spaniards linked the March 11 terrorist attacks with the country's participation in Iraq, and saw increased exposure from an unpopular policy. The withdrawal of Spanish troops from Iraq continues to be a subject of debate in Spain, with some in policy circles and the military open in their criticism of the Zapatero government's "unreliable" and "embarrassing" behavior. That said, the move was undeniably in accord with public sentiment and the preferences of many policymakers.

Spain has a longstanding strategic stake in developments in North Africa and the Mediterranean. The potential defense of the Spanish enclaves of Ceuta and Melilla on the Moroccan coast has been a fixed item on the Spanish security agenda, and is likely to remain a planning priority. The enclaves are a leading nationalist issue in Morocco, and the Moroccan government finds it useful to raise the level of political - and on occasion military - tension over the two territories. The two countries came close to a clash over the enclaves in 2003. American diplomatic intervention reportedly played a role in defusing a crisis neither side wished to see escalate to the use of force. The 2003 "Parsley islets" incident made clear that Spain is willing to respond militarily to pressure on the enclaves. It is less clear that Spain, especially under a Socialist government, would be committed to the full-scale defense of Ceuta and Melilla in the face of a determined Moroccan challenge.[18]

Since the Algerian crisis, Spanish policy has emphasized European initiatives aimed at economic development and political stability in the Maghreb. With its European partners, Spain has adopted a more con-

18. Spanish analysts suggest that the effective defense of the enclaves might require seizing a larger perimeter to put the towns out of Moroccan artillery range - or strikes against Moroccan targets elsewhere. In the event, much might depend on the extent of European and American support for Spanish action.

ditional approach to relations across the Mediterranean in recent years, with a greater willingness to press regimes in the region on political reform, human rights and security policy. Spain's attitude to American and European policies in the broader Middle East will continue to be driven in large measure by the fear of spillovers affecting Spanish interests in North Africa, as well as security within Spain. The March 11 experience has strongly reinforced this concern.

Beyond spillovers of terrorism and political violence from the south, Spain will be focused on a series of functional issues in the Mediterranean. Maritime security in all its dimensions will be a prominent concern. Threats of this kind were dramatically underscored by the discovery of a plot by an Al Qaeda affiliated cell to attack naval vessels in the Strait of Gibraltar in 2002. The standing risk to shipping at this key choke point affects Spanish military, commercial and environmental interests, as well as U.S. and NATO operations at Rota. Spanish officials under any government will have a strong practical interest in addressing this threat at sea, and in port.

Maritime surveillance and interdiction, including search and rescue, will be another priority. As in Italy and Greece, this will be driven by the problem of Mediterranean "boat people," economic migrants and refugees from North Africa and beyond seeking to enter Spain (including the Canary Islands) by sea. Spanish public opinion has been strongly affected by the mounting death toll among migrants, and the activities of migrant traffickers. Madrid regards this as a pressing humanitarian and security issue. As elsewhere in southern Europe, the Schengen framework places a greatly increased burden on border control along Europe's periphery.

Energy security, and especially the security of natural gas supply, is another key area of concern. Spain is highly dependent on imports of North African gas, via the trans-Maghreb pipeline (Algeria-Morocco-Spain) and LNG shipments.[19] Unlike oil, gas remains a regional commodity with a fixed transport infrastructure, and limited ability to compensate for sudden supply interruptions. Looking ahead, for Spain (and for much of southern Europe) energy security will mean

19. The Spanish dependence on Algeria gas hovers around 90 percent.

gas security, and Madrid will be keen to promote initiatives related to gas production and pipeline security in the Mediterranean.

Spanish analysts have been attuned to WMD and missile proliferation risks since the 1990 Gulf War, with reports (probably incorrect) that Iraq may have transferred missile and nuclear-related hardware to recipients in Algeria, and possibly Mauritania. Until very recently, Libya has also been a standing source of proliferation concern in Spain's neighborhood. Spain is a participant in the Proliferation Security Initiative (PSI), and Spanish forces played a leading role in the most prominent recent case of proliferation-related interdiction at sea. The Zapatero government is unlikely to alter Spain's interest in nonproliferation, although it may pursue new initiatives with less energy, and favor European and NATO-led efforts.

Finally, Spain has a wide range of international economic and political interests, with Italy, the widest and most active of any NATO Southern Region country. These are especially deep in Latin America, where Spanish interests and policies do not diverge widely from those of the U.S. (Cuba is the leading exception, but even here, successive Spanish governments have applied growing pressure on the Castro regime over human rights and political reform). Spain's large-scale involvement in Latin America gives the bilateral relationship important points of interaction beyond European and Middle Eastern affairs.

In terms of foreign and defense policymaking, Spanish observers note the relatively weak position of the Foreign Ministry in the Zapatero government. The current Foreign Minister, Miguel Angel Moratinos is an accomplished career diplomat with special expertise on North Africa and the Middle East.[20] Although experienced in relations with the U.S. (e.g., over Algeria and Israeli-Palestinian issues), he has been a particularly active critic of American policy in Iraq - a stance that may owe something to his search for political weight in the Zapatero government. He is unlikely to be the ideal interlocutor for the U.S. on issues of security cooperation or base access. By contrast,

20. Before becoming Foreign Minister, he had been the EU's representative for the Middle East peace process.

Defense Minister Bono is better disposed toward bilateral cooperation, and politically influential in the current cabinet.

Outlook for Bilateral Relations

The U.S.-Spanish relationship, like the relationship with Greece, labors under the weight of historical baggage. Spaniards remember the "War of 1898", as they call the Spanish-American War, and America's rise to global power is linked in Spanish intellectual history with Spain's own decline on the international scene. The more proximate and serious source of Spanish anti-Americanism has been the memory of Washington's Cold War support for the Franco regime. This aspect of the bilateral relationship was recessed during the years of recovery from Francoist isolation. The distance of several decades and the unquestioned consolidation of democracy in Spain have led Spaniards to revisit and reassess this legacy, and there is now an increasingly active debate about the Franco years, including the American dimension.

As in Greece, but unlike Italy, there is a degree of structural anti-Americanism in Spain, which exists alongside a high degree of familiarity with American society and culture. Spanish public attitudes toward the U.S. have deteriorated sharply in the wake of the Iraq war, probably more sharply than anywhere else in NATO's south, with the exception of Turkey.[21] The catalyst for this deterioration has been broad gauge concern about the nature of American power and strategy, rather than issues of a specific bilateral nature. The use of Rota does not appear to be central to public concerns. Indeed, base issues have assumed a much lower profile since the closure of Torrejon AB over a decade ago. Like Hellenikon in Athens, Torrejon, on the outskirts of Madrid, had been a flash point for anti-American protests.

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21. Pew polls note that favorable public views of the U.S. in Spain have declined from 50% in 1999 to 14% in 2003. When asked in April 2002 if they would prefer US-European diplomatic and security ties to "remain close", 24% of Spanish respondents agreed, 63% favored a "more independent" Europe, and 16% "did not know." America's Image Further Erodes, Europeans Want Weaker Ties, Pew Research Center for the People and the Press, March 18, 2003.

In policy terms, Spanish governments of the past two decades have found it possible to develop a wide-ranging and cooperative relationship with Washington. During the Aznar years, the bilateral relationship was reinforced by a philosophical and personal affinity with the Bush Administration. There was also a cadre of defense and foreign policy experts, close to the government or inside it, with special interest in cooperation with the U.S. Even in this period, however, strong government interest in expanded foreign and security policy cooperation did not produce very much in the way of new operational ties. The Aznar government, and the Foreign Ministry in particular, were eager to develop a diversified bilateral relationship, with more political dialogue and deeper economic links, with less emphasis on the military dimension.

On the defense side, Spanish policymakers have been particularly interested in technology transfer - an interest that persists with the new Zapatero government. Despite the chill in relations produced by Spain's withdrawal from Iraq, Spanish observers stress the continued interest in positive bilateral relations in defense circles, including within the MoD where many mid-level officials from the Aznar government remain in place. Within the services, former officials suggest that the Spanish Navy will be among the most interested in expanded bilateral cooperation, especially in submarine warfare. By contrast, the Spanish air force tends to be more European in orientation, and the land forces have less scope to explore new international programs.

A key determinant of what is possible in the bilateral relationship has been, and will continue to be European consensus on specific issues, and the character of transatlantic relations. Spanish governments may take foreign policy decisions at variance with the European mainstream, but it is unlikely to be the norm for governments of the center-left or center-right. The bilateral relationship will be highly dependent on the broader state of transatlantic relations. Where there is a European or NATO consensus to be supportive, as in the Gulf in 1990, in Kosovo, or in Afghanistan (where Spain continues to deploy forces), Spain will find it easy to participate. UN mandates are also a critical factor in the Spanish debate, and this dimension is likely to be reinforced under the Zapatero government.

Looking ahead to the next few years, uncertainty about the future of Europe, and a basic interest in having a seat at the table with the U.S., are likely to drive a moderately cooperative relationship with Washington. New bilateral initiatives are unlikely to be pursued with great energy, but there will also be little interest in provoking new debates over Rota, security cooperation or other matters. Access to Rota is widely seen as sustainable for the foreseeable future, but Spanish policymakers and public opinion will be sensitive to perceived sovereignty issues, and overt power projection uses. Non-NATO uses of Rota for power projection purposes were a concern even under the Aznar government. Madrid was opposed to the pre-positioning of equipment for USN special operations forces at Rota, against a background of transatlantic debate over preventive strategies in the Middle East. Concerns and limitations of this kind are likely to persist, and perhaps deepen. The prevailing mood in the bilateral relationship is underscored by the continued, but middle-level and largely technical contacts between defense officials in Madrid and Washington.

NATO Influences

Spain's increasing integration and activism in NATO over the past decade (Spain became a member in 1985) has been an important aspect of the country's external policy, and a badge of Madrid's wider post-Franco revival. Under the Gonzalez and Aznar governments, Spain was supportive of NATO enlargement and reform, and favored a more active out-of-area role for the Alliance. The Zapatero government is seen as less well disposed toward NATO as a vehicle for Spanish and European policy, and more eager to pursue EU security and defense policy initiatives on the French model. Turmoil in the EU makes this a less promising approach, and the likely result is continued Spanish interest in NATO in a less energetic mode - not unlike the approach to bilateral relations with Washington. In short, Spanish governments will want to hedge against negative trends in European integration.

Spain will continue to have a strong interest in NATO's Mediterranean Dialogue with North African and Middle Eastern partners. As this initiative is refashioned in the coming years, Madrid will be at the

forefront of efforts to give the dialogue more practical, defense-related content. Maritime security, counter-terrorism and nonproliferation will be leading areas for cooperation. Spain will look to convince its non-Mediterranean NATO partners, including the U.S., of the importance of devoting significant resources to this and other Alliance activities in the south. Any new force protection and counter-terrorism efforts in a NATO framework will likely enjoy support from Spain, not least because Madrid's participation in multinational operations beyond its territory, in the Balkans and Afghanistan, and possibly elsewhere in the future, gives the country an independent interest in this area.

EU and International Influences

As noted, Spain has staked a great deal on European integration since becoming an EU member in 1986. Under conditions of progress in the European "project", Spain would be a leading proponent of both the CFSP and ESDP. Spain's center-left tends to see these efforts not only as vehicles for greater European coherence and capability, but as potential counterweights to American power. This interest is likely to persist and perhaps deepen if transatlantic relations remain strained. Whether the EU will be in a position, politically and materially, to move in this direction over the coming years is an open question. In a narrower sense, Spain will continue to support the development of greater European surveillance and intervention capabilities in the Mediterranean, on the pattern of EUROMARFOR and the Helios satellite programs.

As in NATO, Spain will continue to have a special interest and engagement in the Mediterranean. The decade old Euro-Mediterranean Partnership - the Barcelona Process - is set to be re-launched in Barcelona in November 2005 amid widespread dissatisfaction with the progress to date. The political and security dimension of the Barcelona Process, where Spain has a leading stake, has been particularly disappointing. Spanish officials and analysts are at the forefront of the EU debate over how to refashion Barcelona to make it more "dynamic" - code for more conditional and encouraging of reform in the southern Mediterranean. New EU approaches may now look to a larger Mediterranean area, including the Gulf and Eurasia, on the

pattern of Washington's Broader Middle East Initiative. Or the EU may opt for a new emphasis on sub-regional cooperation in the western Mediterranean and other areas. Spain will be reluctant to see the EU's focus on the Mediterranean and North Africa diluted. An alternative would be stronger emphasis on bilateral cooperation between Spain and key North African states, including Algeria and Morocco. It would be natural for this cooperation to have a stronger counter-terrorism and maritime security dimension in the future.

Spain's exposure to security and environmental risks at Gibraltar, the western Mediterranean, and the Atlantic approaches, will give Madrid a continued interest in the IMO and European organizations active in this area. Spain should welcome the full implementation of the IMO's new International Ship and Port Facility Security Code, and this could have particular relevance to operations at and around Rota, and the overall climate for bilateral AT/FP cooperation.

Regional and Local Dynamics

Conditions in Andalucia have some bearing on the climate for cooperation at Rota. The socialist party leader in Andalucia is a close political ally of Defense Minister Bono. Both are regarded as highly-skilled politicians, attuned to local constituents, and able to articulate both regional and national-level interests. These political dynamics, coupled with the influential position of the defense minister in the current Zapatero cabinet, suggest that high level contacts in the ministry - really the Defense Minister himself - will be the key point of contact for pursuing new policy-level USN initiatives at Rota, including AT/FP measures.

Andalucia remains a relatively underdeveloped region within the Spain, a reality that gives the USN presence at Rota continued economic importance. The general slow-down in the Spanish economy can be expected to reinforce this aspect of local interest. It may also make labor relations on the base more controversial. Labor issues, including the question of reductions in the work force, have been a leading source of friction with local unions and authorities in the past. Along with issues of sovereignty and perceived "offensive" oper-

ations at the base, labor issues will be a key driver of anti-American opinion on the regional scene.

The March 11 bombings have heightened attention to surveillance and security across Spain, including Andalucia. The region is home to large numbers of Moroccan agricultural workers. Granada is a center of Muslim cultural revival, including a community of Spanish converts to Islam. This presence does not necessarily imply a greatly heightened terrorist threat, but it does raise the possibility of violent networks operating on the margins of these communities in the future. New attention to AT/FP measures by Spanish authorities has been driven, in large measure, by the problem of migrants arriving by sea at the port. There is a substantial and useful overlap between local Spanish border control activities and American port security interests, and this is set to continue.

The progressive increase in the policy autonomy of Spain's regions, including Andalucia, could make local politicians and authorities even more important interlocutors for bilateral cooperation across a range of issues. But highly visible questions of cooperation and use will inevitably involve national debate. In many cases, and under current conditions, it will be useful to keep AT/FP issues at Rota from rising to the level of national visibility.

As elsewhere in southern Europe, AT/FP measures that rise to the level of public attention will benefit from relevance to regional security and emergency response. Former senior officials stress that the heightened attention to counter-terrorism throughout Spain has made public opinion more sensitive to the balance between exposure and security, especially in relation to American military presence and bilateral cooperation. Environmental security will be an important part of this equation, particularly in light of the greatly increased attention to environmental risks in the Spanish public debate over the last few years.

Policy Implications

The prospects for bilateral cooperation with Spain will be driven in large measure by the character of U.S.-European relations, as reflected in Spanish public opinion. The prominence of "Europe" in the Spanish calculus gives this question, important across southern Europe, particular significance in the case of Spain. Spanish governments of the left or right can be quietly cooperative across a range of transatlantic scenarios, but the absence of a positive climate in transatlantic relations will place limits on the quality and pace of cooperation.

This analysis suggests a number of more specific implications for bilateral cooperation, USN interests, and new AT/FP initiatives.

- *Focus on the Defense Ministry.* The US and the USN will have its best reception and policy leverage in the Defense Ministry, where the current minister is influential and well disposed toward bilateral cooperation. In the prevailing political constellation, the Foreign Ministry is a more difficult and less influential interlocutor.

- *Anticipate less energetic engagement on defense matters.* Uncertainties in Europe, ambivalence toward NATO and Washington, and a new government looking to keep its options open, all point to Spanish interest in defense dialogue - but at a lower level and pace. Regional security planning and technology issues are likely to take precedence over new operational initiatives.

- *Counter-terrorism and maritime security may be exceptions to this pattern.* The post "March 11" climate and the intersection with standing Spanish maritime security and border control concerns should allow more rapid progress on counter-terrorism and response to non-traditional threats. Specific AT/FP measures will still face sovereignty and public acceptance hurdles.

- *A quiet, low-key approach to AT/FP issues will pay dividends under current conditions.* Where initiatives rise to the political level, it

will be important to underscore the relevance of new proposals to wider regional security and response.

- *Links to NATO are helpful, but European connections are most useful.* A European (or UN) imprimatur will greatly facilitate Spanish cooperation in prospective maritime and port security efforts, as well as wider cooperation on proliferation and terrorism risks.

- *Emphasize contributions to Spain's regional and functional security interests.* The prospects for Spanish cooperation in new U.S.-led initiatives, including wider AT/FFP measures, will be improved to the extent that these can be linked to Spain's key strategic priorities - stability and crisis management in the Mediterranean, energy and maritime security, and border control. It can be argued that sustainable American engagement in and around the Mediterranean requires due attention to evolving AT/FP needs.

Trends and Policy Implications

Spain, Italy and Greece will remain important partners for USN presence and power projection around and beyond the Mediterranean. In each case, the bilateral relationship is relatively stable, but subject to new challenges. Some of these challenges are the result of distinctive national trends, others flow from European and transatlantic developments. Local and institutional dynamics are also part of the overall outlook for foreign and security policy cooperation, and more specific AT/FP initiatives.

Transatlantic Relations - A Key Context

In each case, the leading factor in the current climate for bilateral cooperation across the board is the character of transatlantic relations. Viewed historically, this is nothing new. The nature of bilateral cooperation with individual southern European countries has always been shaped by perceptions at the European and transatlantic levels. Periods of strain in transatlantic relations, and particularly within NATO, have inevitably affected the quality of security cooperation. That said, the friction in transatlantic relations since the Iraq war has had a marked effect on attitudes in Spain, Italy and Greece. The key element in this regard has been the deterioration in public attitudes toward the U.S., a reality that limits the ability of even well disposed governments to launch new bilateral initiatives. There is now an observable desire among policy elites across southern Europe (and Europe as a whole) to repair and reinvigorate relations with Washington. This may eventually be reflected in public opinion, but for the next few years Madrid, Rome and Athens are likely to prefer a low-key approach to bilateral relations.

Continued Europeanization

In all three countries, but especially in Spain and Greece, foreign and security policy has been "Europeanized" over the last decade (in Italy this trend began much earlier). Bilateral relations with these countries have become less distinctive, and in most cases less troubled. American policy toward southern Europe is now largely a subset of policy toward Europe as a whole. In short, the entire context for relations, from broad gauge foreign policy cooperation to very specific counter-terrorism related initiatives, is now imbedded in a larger European context. Greece and Spain, in particular, now look to Brussels and the attitudes of key European partners before framing their policies toward U.S.-led activities. This is not necessarily a negative development from the American perspective. When there is a European consensus to cooperate, as in the 1990 Gulf War, individual Southern European countries will be able to do much more to support American power projection outside Europe. Where this consensus is lacking, the outlook will be clouded.

Despite the current disarray within the European Union, the European factor is probably a permanently operating one in the calculus of Spain, Italy and Greece. But if Europe proves less capable of concerted action in the area of common security and defense policy over the coming years, southern European policymakers will surely think twice before weakening the Atlantic dimension of their external policy. Less likely, but not to be dismissed, is the possibility that reversals in Europe and strains in Spanish, Italian and Greek societies will lead to a "re-nationalization" of foreign and security policies. In some cases this might facilitate closer security cooperation with the U.S. But overall, a more inward-looking and nationalistic mood in Southern Europe is more likely to yield a more difficult and sovereignty conscious series of bilateral relationships.

Within military services and defense establishments, a parallel process of Europeanization is under way, driven by the increasing weight of Europe in procurement, training and strategy. Ties and habits of cooperation with the U.S. remain important across the three countries, but the trend is clearly less bilateral. Taken together, the political and practical importance of Europe, most clearly for Spain, but

also for Greece and Italy, underscores the importance of a European dimension in proposing new areas for security cooperation across the board.

New National Stresses

The sustainability of the USN presence in Spain, Italy and Greece is inevitably affected by developments in society and politics. In each case, host countries face new public policy challenges, and the overall mood is increasingly concerned and pessimistic. After decades of relatively high economic growth and increasing prosperity, all three countries have experienced an economic downturn. This has been most pronounced in Italy, and least pronounced in Spain. Greece has been heavily affected by the economic cost of the Athens Olympics and hidden deficits. This could be expected to reinforce the perceived economic importance of the USN presence in host countries. But in each case, local and regional dynamics are likely to be more important drivers of public and political attitudes. Politically, too the outlook is less certain than in the past, with the advent of new leaderships and, in Italy, the prospect of near-term political change. Uncertainty in Europe will further erode confidence across Southern Europe. In sum, after years of prosperity and political stability, host countries face a more difficult and stressful future, with distractions on many fronts.

Evolving Security Environment and Priorities

After decades of strategic marginalization, the Mediterranean and the "broader Middle East" are now at the center of transatlantic security concerns. Spain, Italy and Greece will have a strong and continuing interest in keeping European partners, and Washington, engaged in Mediterranean affairs. In the Greek and Italian cases, this interest extends to priority engagement in the Balkans. The security agenda spans a mix of concerns, from WMD exposure, to spillovers of terrorism and political violence, to personal and human security issues. Migration and border control are priorities in each case, with much of the overall European interdiction and border control burden passing to states in the south and east. Spain will continue to plan for the

defense of its enclaves in Morocco, and Greece will continue to orient much of its planning toward Turkish contingencies.

But for the most part, security agendas will be driven by a set of functional concerns - interdiction, maritime security, nonproliferation and counter-terrorism - broadly convergent with American priorities. To the extent that American policymakers and the USN can link activities explicitly to these priorities, especially with a Mediterranean security dimension, the outlook for cooperation at many levels will be improved. NATO's evolving Mediterranean initiative is an excellent vehicle for cooperation of this kind, including enhanced AT/FP measures. Southern European policymakers should be responsive to the argument that a sustained American presence in support of shared strategic interests in the Mediterranean requires predictable and secure arrangements ashore.

The NATO dimension also matters. In no case will a NATO imprimatur hurt the argument for new initiatives. In the Italian case, it will clearly help. Spain is supportive, but the NATO dimension is not transforming there (this could change if European defense alternatives wane). For Greece, the NATO link is seen as closely bound up with American interests and strategy, and offers little additional legitimacy or leverage (except with the small, Atlanticist strategic establishment). In general, though, NATO and other multinational frames will increase the prospects for acceptance.

Spain, Italy and Greece - in that order - are sensitive to transnational and domestic terrorism risks, including those with relevance to the security of American assets and personnel. In each case, the capacity for intelligence gathering, surveillance and counter-terrorism has increased significantly in recent years, spurred by September 11th - and the March 11th attacks in Madrid. The growth of radical Islamist networks in Europe, in parallel with the prolonged violence in Algeria, has been another spur to activism in southern Europe. Leftist, anarchist and anti-globalization networks pose some risk to the American presence in each case, and this risk could grow against a background of heightened economic, social and political tension in Europe. But the leading source of risk for highly lethal terrorism will

continue to be Muslim extremist movements. This is a risk Southern European governments will be keen to contain.

Attitudes Toward Presence - and Power Projection Uses

A consistent theme across the three cases is the tolerance for USN presence in a steady state, accompanied by concern over the effects of new, non-NATO power projection uses. Spanish, Italian and Greek leaderships see a degree of strategic reassurance in the continued USN presence. For Greece, the presence at Souda is also tangible evidence of the country's geopolitical importance - a leading concern in the context of Greek-US-Turkish relations. But these interests are balanced against political concerns about support for American military operations outside a NATO context. UN mandates are clearly another important factor in host country attitudes.

Under current conditions, major new requests for power projection uses of Spanish, Italian or Greek facilities, without a UN mandate or NATO purpose, risk opening wider and highly corrosive debates about the American presence. Routine uses, quiet logistical support for operations in the Gulf or elsewhere, and humanitarian interventions are unlikely to pose a problem — but many conceivable contingencies (Syria? Iran?) would. Inevitably, this sensitivity will also affect the willingness of host countries to permit the pre-positioning of forces and equipment for ready use in extra-European contingencies. All of this underscores the value of a portfolio approach to facilities and access around the Mediterranean basin, to hedge against controversial scenarios, and to reduce the likelihood that any individual southern European ally will feel itself "singularized" (a phrase common in Italian strategic discussions).

Absent new crises in transatlantic or bilateral relations, there will be little interest in revising existing agreements regarding American use of host country facilities. Madrid, Rome and Athens are each, for somewhat different reasons, in a relatively passive mode regarding the American military presence - disinclined to press for new closures or constraints, but also unenthusiastic about expanded or new uses. Existing agreements will almost certainly be honored. New, formal agreements (e.g., revisions to SOFA's) are unlikely to be of interest to

southern European governments for fear of opening unpredictable public debates. For the same reason, formal treaty revisions should be viewed with caution by the U.S. Quiet, informal agreements on routine operational issues (e.g., AT/FP) may be preferred, but may only be possible where power projection uses are not on the table as well. Windows for expanded presence and new initiatives may have existed until recently in Berlucsoni's Italy, and to a lesser extent Aznar's Spain. These windows have almost certainly closed for the foreseeable future.

AT/FP Engagement

The prevailing sensitivity to terrorism risks, and the heightened attention to surveillance, border control and interdiction as a result of migration pressures, has created a generally favorable environment for cooperation on AT/FP at and around USN facilities in the region. That said, port and local security measures often touch on sovereignty concerns, and can be controversial in each of the countries surveyed. Several policy implications flow from this.

- First, the relationship with local civilian and military authorities will continue to be a particularly important factor in the successful management of AT/FP cooperation. Once AT/FP-related requests rise to the level of national attention, the prospects for quiet resolution diminish and the potential for wider and contentious debates about the USN presence increase.
- Second, in all three countries, cities and regions are becoming more important, and more autonomous actors. This development is especially pronounced in Spain and Italy. Across a range of issues, including labor, the environment, and even foreign policy, the interaction between the USN and local and regional authorities is set to become an even more important aspect of host country engagement in the future.
- Third, public acceptance will reflect a delicate balance between habits of cooperation, economic interest, and perceptions of exposure. Understandably, local publics and officials will not want to feel that the USN presence increases their exposure to security risks, broadly defined. During the Cold War, these per-

ceptions were driven by nuclear risks. Today they are more likely to be driven by terrorism, possibly with WMD, as well as environmental risks. Personal security - crime and accidents associated with individual American personnel - are also part of the equation. New AT/FP measures will be more favorably received when they are designed and described as contributions to security "beyond the fence," including the economic and physical security of ports, and civil emergency response. In general, local and national opinion in host countries is unlikely to welcome the presence of visibly armed American personnel outside the base perimeter. Some experts and local officials may accept the need for this, but most will be uncomfortable with the implied sovereignty compromises. Here, as in other areas, there will be a need to balance AT/FP needs with longer-term, strategic interests in public acceptance and access.

- Finally, where new AT/FP initiatives require national level approval, the best policy leverage will generally be found in ministries of defense, often with the minister in person. In Spain, Italy and Greece this leverage is the product of formal responsibility (often by-passing local permitting requirements) and well-disposed officers at the staff level. In Spain and Italy, at the least for the moment, American engagement benefits from influential ministers with good local connections. Political changes could alter this equation, but under prevailing conditions, defense officials will be better and more influential interlocutors than their opposite numbers in foreign ministries. At a wider level, host country defense establishments offer a degree of continuity in their desire to preserve quietly cooperative bilateral relations with Washington and the USN, despite flux in the political and public acceptance climates.

- Looking ahead, the USN should anticipate greater interaction with interior ministries across a range of AT/FP related issues, including local surveillance, policing and judicial cooperation. Interior ministries will also be key actors in efforts at overall counter-terrorism coordination at the European level. Policies on surveillance, extradition and rendition in individual southern European countries will increasingly reflect guidelines set

at the European level. It may be worth developing new points of contact in Spanish, Italian and Greek interior ministries, perhaps in cooperation with American agencies already engaged in routine cooperation with these offices.


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