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CENTRAL INTELLIGENCE AGENCY

  
11 September 1965

MEMORANDUM TO THE DIRECTOR

SUBJECT: PROSPECTS FOR GREECE

1. The political scene in Greece has deteriorated considerably since NIE 29.1-64 (28 October 1964). The conservative forces which became entrenched during the Karamanlis regime have never become reconciled to the pronounced leftward shift shown by the Center Union victory in the election of February 1964. These elements, especially the top ranking army officers and the palace, have been jittery over the relaxation of strict restraints on the far left since the departure of Karamanlis. As Papandreou moved rightist officers out of key positions in the army and security forces, these elements began to see their fears realized. Papandreou, on the other hand, was determined to have the ultimate say in Greek political life. The resulting crisis has severely shaken political stability, raised the spectre of polarizations at the extremes of right and left, and perhaps has threatened Greece's postwar political structure.

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2. While Papandreou's popularity with the voters has apparently remained extremely high, he has alienated many of the other major figures in the Center Union by his one-man rule without reference to party councils and by his efforts to groom his son Andreas as his successor.\*

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[redacted] [redacted] [redacted] at least in part to counter insinuations that he was an American stooge (he had been an American citizen for some years), he adopted an extremely critical attitude toward the United States and surrounded himself with a group of leftist opportunists, some of whom probably are susceptible to Soviet influence. Hence, in June when Andreas came under heavy fire from elements in the Center Union for alleged implication in organizing a leftist, but apparently non-Communist, organization (ASPIDA) within the Greek Army, the senior Papandreou was threatened with a major party revolt. It was to protect Andreas and to stem this tide of criticism that Papandreou sought to gain more control over the military establishment which was investigating the ASPIDA affair. This led to a confrontation with 25-year-old King Constantine who considered the military his own special province.

\* In the 1964 elections the Center Union won 53% of the vote; it has 171 seats of the 300 seats in parliament. The National Radical Union has 99 seats, the Communist front EDA has 22 seats, and the Progressives 8.

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3. Since July, when the King in effect dismissed Papandreou from the Prime Ministry, the latter has sought to demonstrate the impossibility of forming any government not headed by him, hoping thereby to compel the King to agree to early elections. He has managed to retain the allegiance of all but about 35 members of his party's representatives in parliament. These adherents, plus the 22 members of EDA have been able to prevent any of the king's choices for prime minister from winning a vote of confidence. In this situation, Papandreou has refused to compromise. Instead, the Papandreous have insisted on immediate elections. In conjunction with Communist elements, Andreas has organized demonstrations against the monarchy. While these demonstrations have on occasion led to rioting and disorder, the senior Papandreou has not attempted to foment rebellion or to come to power through any extra-legal means.

4. For his part, the King remains determined to prevent Papandreou from returning to power. He has used the lure of the Prime Ministry to induce a succession of Center Union leaders to desert Papandreou, but none has been able to bring along enough Center Union members to form a viable government. With each successive failure, the King's position has weakened. Yet he apparently continues to consider instability for an

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indefinite period preferable to the return of Papandreu. He is still trying to promote a workable government under defector from the Center Union, such as Stephanopoulos. For this to be successful, it would require the defection of seven or eight more Center Union deputies and the support of the eight Progressives. We regard the chances of success as no better than even. If this effort fails, Constantine is considering turning to some non-party figure. If this in turn fails, the King may, as a last resort, attempt to establish a military dictatorship.

5. The Communists have benefited from this political impasse. EDA has, with some success, taken advantage of the relaxation of security restrictions to increase its activity. However, following leftist gains in the July 1964 municipal elections, Papandreu began to take a firmer line against EDA. Nevertheless, EDA supported Papandreu in his struggle against the conservative elements. At least initially, EDA supported demonstrations against the King, though only the hard-core pro-Chinese wing favored violence. More recently, however, some EDA leaders appear to be having second thoughts about the wisdom of identifying their fortunes with Papandreu. They are concerned that their followers were moving into Papandreu's camp and they also wished to escape blame for disorders. Indeed, these leaders have even begun to voice sharp public criticism of Papandreu.

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Political Outlook

6. No lasting solution of the present Greek political crisis seems likely with the present parliament. Even should some government manage to gain a vote of confidence, it would probably be unstable, depending on a razor-thin majority made up of disparate groups ranging from rightist National Radical Union members to the former members of the left wing of the Center Union. We believe that such a coalition would not maintain its unity very long; it would be under strong pressure both within and outside parliament from pro-Papandreou elements. It seems likely that within six months any coalition government which excluded Papandreou would fall. But by that time, tempers may have cooled to the point where the King and the political parties would be prepared to hold elections.

7. If Papandreou should lose control over a sizable number of his presently loyal deputies, which is possible but not probable, the Center Union Party might be completely shattered. Over the short run this would enhance the prospects for survival of any coalition the King might succeed in putting together. At the same time, it could lead eventually to a return to the sharp polarization between right and extreme left which characterized the scene during the early years of the Karamanlis

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regime. If no new moderate leftist party or grouping appeared, a large number of Greeks would have no alternative but to support the Communists, who would thus become a major influence on the Greek scene.

8. If the King is unable to establish a workable government and remains determined to avoid elections within the next six to nine months, he will probably see no alternative but to attempt to install some form of dictatorial regime based on the military. In Greece's present political climate, we believe such a course would be fraught with great danger. There appears to be no military or civilian figure with sufficient prestige and ability to establish an effective government of this kind. Thus we believe that such a move would lead to considerable demonstrations and violence of a kind which in time might turn into a civil war. This would severely strain the resources and loyalty of the military, which might itself split. In extreme circumstances, the King would prefer to rely on the National Radical Union. We believe that this party has not yet seriously faced such a possibility and, if forced to do so, would probably break up.

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9. If elections were held within the next six to nine months, Papandreu would stand a good chance of winning a majority in parliament. Once in power with a commanding mandate and freed from the restraint of the former Center Union defectors, Papandreu would be likely to move to limit the role and influence of the crown in Greek political life. He would also probably take steps to bring the military establishment under parliamentary rather than palace control. If their position were severely weakened, the palace and the military might feel unable to resist such moves, though Papandreu could move prematurely and precipitate a last-ditch effort by the King to establish a military regime.

10. Papandreu himself is unlikely to cooperate willingly with the Communists in domestic matters. We also doubt that he would make any significant changes in Greece's pro-Western foreign policy. He seems convinced that a close tie with the US is desirable on general grounds; he would also be hesitant to antagonize the US unduly lest it side with Turkey in regional disputes, particularly Cyprus. However, Andreas probably would urge a more leftist and anti-American line on his father. More importantly, Andreas probably would become involved in new troubles, and the senior Papandreu has demonstrated a willingness to

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subordinate other considerations to protecting his son. An additional danger might arise if Papandreu failed to receive a parliamentary majority. In such a case, we believe he would seek defectors from other parties, but failing this, he might not refuse to accept EDA votes as a condition for his political survival. It is difficult to predict the effect of these possibilities, but we do not believe that they would lead a Papandreu government to make substantial alterations in Greece's foreign policy.

FOR THE BOARD OF NATIONAL ESTIMATES:

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Acting Chairman

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