
CRS Report for Congress

Received through the CRS Web

Greece and Turkey: Aegean Issues — Background and Recent Developments

August 21, 1997

(name redacted)
Specialist in Middle Eastern Affairs
Foreign Affairs and National Defense Division

Greece and Turkey: Aegean Issues — Background and Recent Developments

Summary

For many years, NATO allies Greece and Turkey have been adversaries in bilateral disputes which have produced crises and even brought them to the brink of war. One series of disputes involves Aegean Sea borders. The two disagree over the border in the air, continental shelf, and territorial sea, over the status of islands in the Sea, and over the ownership of Aegean islets.

In the aftermath of a January 1996 crisis over the sovereignty of the Imia/Kardak islet, various dispute resolution initiatives were undertaken. NATO proposed military-related confidence-building measures, some of which are being implemented. The President of the European Union Council of Ministers proposed a committee of wise men, which was accepted in the form of Greek and Turkish committees of experts who are exchanging views via the President. In March 1996, Turkey suggested ways to address Aegean issues. A year later, Greece made a decisive overture that accelerated bilateral diplomacy. Finally, in July 1997, the United States instigated a joint Greek-Turkish declaration of principles that is said to equal a non-aggression pact. The principles have yet to be applied to specific Aegean disputes.

Whether or not Greece and Turkey want to change the nature of their relations and resolve the Aegean disputes is uncertain. Strong motivations to resolve exist. Greece wants to meet the criteria for joining the European Monetary Union and must control defense spending to do so. It can only cut defense spending if the “Turkish threat” recedes. Greece also wants to cultivate a more positive image in European circles and its relations with Turkey are an impediment. Turkish secularists want to be part of Europe and to stop Greek use of the veto in the European Union as a weapon in bilateral disputes. The influential Turkish military may favor a rapprochement with Athens. In both countries, however, there may be domestic political constraints on policy change. In Greece, the legacy of former Prime Minister Andreas Papandreou, who asserted that Turkey is the greatest threat to Greece, affects the current government’s maneuverability. In Turkey, nationalist former Prime Minister Bulent Ecevit is now Deputy Prime Minister and the government’s primary foreign policy spokesman, and there is no new thinking in Ankara to match that of Athens.

The United States wants stability in the Eastern Mediterranean and, after the Imia/Kardak crisis, sought to become more active in dispute resolution. U.S. neutrality in the crisis, however, was perceived in Greece as favoritism toward Turkey and prevented the United States from engaging immediately. The U.S. desire to be a force for positive change persevered and reached fruition with the Madrid declaration in July 1997. The United States is determined to stay on course and work with the parties to apply the Madrid principles to specific disputes.

The prospects for Aegean resolutions are better now than they have been in years, but domestic political developments in both Greece and Turkey could affect the outlook detrimentally.

Contents

Introduction	1
The Aegean Issues	1
Air	1
Continental Shelf	2
Territorial Sea	3
Islands	3
Islets	4
Dispute Resolution Initiatives	4
NATO	4
European Union	5
Bilateral Diplomacy	6
The Madrid Declaration — U.S. Diplomacy	7
Motivations for Change	8
Greece	8
Turkey	10
Constraints on Change	10
Greece	11
Turkey	12
U.S. Policy	13
Prospects	15

Greece and Turkey: Aegean Issues — Background and Recent Developments

Introduction

The United States and NATO look to Greece and Turkey to anchor stability in the Eastern Mediterranean, a region bordering the unsettled Balkans and Middle East. Often, however, the two allies are antagonists in bilateral disputes which have a troubling incendiary potential. Since a January 1996 crisis over an islet in the Aegean Sea took the neighbors to the brink of war,¹ efforts have been made to improve Greek-Turkish relations. Other divisive issues, notably those concerning Cyprus,² the Ecumenical (Greek Orthodox) Patriarchate and Greek Orthodox community in Turkey, Muslim (mainly Turkish) citizens of Greek Thrace, the Kurds, and the competition for regional allies, sometimes complicate the search for a reasonable accommodation. Aside from Cyprus, however, these other issues are not crisis-prone nor the subject of current diplomacy.

The Aegean Issues

The longest border between Greece and Turkey is in the Aegean Sea and has been disputed in the air, in the sea, in the continental shelf, and on islands, islets, and rocks.

Air

Since 1931, Greece has claimed airspace extending to 10 miles over the Aegean. A country's airspace rights usually coincide with its territorial sea rights. Greece claims a six-mile sea limit. Therefore, other countries, including the United States, recognize Greek airspace as only six miles. Turkish military aircraft challenge Greece's airspace claim by flying to within six miles of Greek islands. Greece immediately accuses Turkey of airspace violations and scrambles its planes to intercept the Turks. Continuous mock, and potentially dangerous "dogfights" ensue, sometimes resulting in plane crashes.

Air traffic control issues parallel the airspace dispute. In 1952, the International Civil Aviation Organization (ICAO) assigned Greece air traffic control for the

¹ See CRS Report 96-140, *Greece and Turkey: the Rocky Islet Crisis*, Updated March 7, 1996, by (name redacted).

² The subject of a separate CRS product: Issue Brief 89140, *Cyprus: Status of U.N. Negotiations*, by (name redacted), updated regularly.

Aegean Flight Information Region (FIR), i.e., international and Greek domestic airspace over the Aegean up to Turkish national airspace. After the Cyprus crisis of 1974, Turkey required all planes approaching its airspace to report after reaching the Aegean median line in order to enable military radar to distinguish innocent flights from aggressors. Greece said that this impinged on its FIR authority and abrogated responsibility for air safety over the Aegean. International airlines reacted by ceasing direct flights between Greece and Turkey. Closure of the Aegean detrimentally affected commercial air flights over the Sea to other areas. The situation was resolved in 1980, when the pre-1974 status quo was restored and international flights resumed over the Aegean. In general, Turkey claims that FIR is a technical issue that Greece interprets and exploits as a matter of sovereignty to restrict Turkish aircraft and exercises over the Aegean.

Continental Shelf

The dispute over the definition of the continental shelf involves maritime resources as well as sovereignty. Turkey claims that the continental shelf under the Aegean is an extension of its Anatolian or Asia Minor land mass and that the continental shelf border is a median line between the two mainland coasts. Greece claims that islands have continental shelves and that the continental shelf border is a median line between the Turkish coast and eastern Greek islands, which fringe the Turkish mainland. In support of its position, Greece cites a 1958 United Nations Convention on the Continental Shelf and the more recent U.N. Convention on the Law of the Sea, which recognize that islands generate continental shelves. Greece is a signatory of both Conventions, but Turkey is not and rejects Greece's claim as fundamentally inequitable.

The continental shelf dispute has provoked two crises. In November 1973, Turkey granted oil exploration rights in what it called international waters in the Aegean, adjacent to several Greek islands. In February 1974, Greece protested that the area was part of its continental shelf. That May, the Turkish government sent a research vessel into the area, with an escort of 32 warships. At a May 1975 summit of the Greek and Turkish Prime Ministers, Turkey appeared to agree to submit the dispute to the International Court of Justice (ICJ). Governmental instability in Ankara, however, rendered the apparent accord obsolete and Turkey sent in another research vessel accompanied by a warship. Greece appealed to the U.N. Security Council to address Turkey's violations of its sovereignty and unilaterally petitioned the ICJ for a determination of continental shelf rights. The U.N. Security Council passed an ambiguously worded Resolution 395 (1976), calling for both direct negotiations and judicial recourse. The ICJ rejected Greece's request for interim measures, what U.S. courts would call a temporary injunction, because of Greece's failure to show irreparable harm. It also declined jurisdiction, which depends on the consent of both parties to a dispute.

The second crisis occurred in 1987, when Greece granted oil exploration rights in the continental shelf near its island of Thasos and Turkey granted similar rights in waters near the Greek island of Samothrace. A Turkish ship went to work, with a far smaller naval escort than in the 1970s. Greek Prime Minister Andreas Papandreu threatened to take all necessary measures to protect Greece's sovereignty. The crisis

abated after intense NATO and U.S. mediation, with each country assuring the other that exploration would only occur in its own, undisputed territorial waters.

Greece proposes that both countries jointly petition the ICJ for a determination of continental shelf limits. The demarcation of the continental shelf is the only Aegean dispute for which Greece is willing to petition the Court jointly with Turkey for a resolution and accept an arbitral compromise. On all other Aegean issues, Greece maintains that Turkey must initiate a petition for legal recourse because it is disputing established Greek sovereign rights.

Territorial Sea

In 1936, Greece claimed a territorial sea of six nautical miles. It reserved the right to claim a 12-nautical-mile limit — a right later codified in the U.N. Convention on the Law of the Sea which the Greek parliament ratified in May 1995. As noted above, Turkey is not a signatory of the Convention. In response to the Greek parliament's action, on June 8, 1995, the Turkish parliament gave its government authority to take all necessary measures, including military ones, if Greece exercised the right to 12 miles and increased its territorial waters. Greece has never affirmatively exercised the right to 12 miles. If Greece claims 12 miles, then it would claim over two-thirds of the Aegean Sea. On June 12, 1974, in the context of the continental shelf dispute (above), Turkey had formally declared for the first time that an extension of Greek territorial waters to 12 nautical miles would constitute a *casus belli* (cause of war). Turkish officials reiterated this position many times, contending that a Greek territorial sea of 12 nautical miles would “strangle” Turkey and transform the Aegean into a “Greek lake.” Turkey believes that Greek control of the Aegean could threaten its access to international waters. Over two-thirds of Turkey's commercial traffic transits the Sea. Greece says that it would ensure other countries' rights of innocent passage.

Islands

There are about 2,400 islands in the Aegean; almost all are Greek and about 100 are inhabited. The 1923 Treaty of Lausanne mandated the demilitarization of several islands then given to Greece in the eastern Aegean. Italy ceded the Dodecanese Islands to Greece by the Treaty of Paris in 1947, which required their demilitarization as well. Greece began militarizing eastern Aegean islands in 1960, and accelerated the program after the Cyprus crisis of 1974. Greece's militarization of Lemnos and Samothrace, at the entrance to the Straits of the Dardanelles, is of great concern to Turkey. Greece militarized the Dodecanese for “self-defense” after 1974. Turkey contends that Greece's actions violate the Lausanne and Paris Treaties. Greece argues that the relevant provisions of Lausanne were superseded in 1936, with the Montreux Convention of 1936, which authorized Turkey to militarize and control military traffic through the Straits. Greece also claims that its actions are defensive. After the fact, in 1975, Turkey established its Fourth Army based in Izmir on the Aegean coast. The Fourth Army has an amphibious landing force capable, in theory, of seizing Greek islands. Greece says that the Fourth Army must be redeployed before it reduces its military presence around Turkey. The respective Greek and Turkish positions, however, may be more political irritation than military threat.

When Turks complain about the militarized Greek islands, some Greeks raise the fate of two previously predominantly Greek-inhabited islands, Imvros (Gokceada) and Tenedos (Bozcaada), in the northern Aegean near the entrance to the Straits that the Treaty of Lausanne granted to Turkey. The Treaty required Turkey to guarantee non-Muslim persons and property. According to Greece, Turkey's discriminatory and confiscatory policies instead forced most Greeks to leave.

Islets

Sovereignty over Aegean islets and rocks was not in dispute until December 1995, when a Turkish merchant captain refused to have his vessel rescued by a Greece ship near an uninhabited islet (Imia to Greece, Kardak to Turkey) that he said was Turkish.³ Both countries' media exploited the situation, prompting government and military involvement. The parties returned to status quo ante after U.S. intercession. Subsequently, a Turkish naval officer appeared to question Greek sovereignty of the island of Gavdos, near Crete, at a NATO planning session. Although the Turkish Foreign Ministry said that Gavdos was a technical not a political question, Turkish officials began to refer to "grey areas," i.e., islets and rocks, not specifically mentioned in treaties, whose sovereignty may be unresolved. They later said that there were 130 such islets and rocks. Greece demanded that Turkey deny it had claims to Gavdos.

Dispute Resolution Initiatives

Since the Imia/Kardak crisis, several initiatives have been undertaken to resolve the Aegean disputes.

NATO

Soon after the crisis, NATO Secretary General Javier Solana proposed confidence-building measures (CBMs) based on a May 1988 Memorandum of Understanding between Karolos Papoulias and Mesut Yilmaz, the Greek and Turkish Foreign Ministers, respectively. In the Memorandum, Turkey and Greece agreed that to

- 1) respect the sovereignty and territorial integrity of each other and their rights to use the high seas and international airspace of the Aegean;
- 2) avoid interfering with shipping and air traffic while conducting military activities in the high seas and international airspace; and
- 3) avoid conducting military exercises in the high seas and international airspace during the peak tourism period of July 1- September 1 and main national and religious holidays.

³ See, CRS Report 96-140, *Greece and Turkey: the Rocky Islet Crisis*, cited above.

In September 1988, Papoulias and Yilmaz signed Guidelines for the Prevention of Accidents and Incidents on the High Seas and International Airspace, which called, inter alia, for the parties to act in conformity with international regulations.

Solana renewed his CBM effort in February 1997. His proposals, strongly supported by the United States, called for

- 1) a moratorium on military exercises between June 15-September 15;
- 2) combat training missions only by unarmed planes;
- 3) planes to use identification, friend or foe devices (IFF) (instead of submitting flight plans) to preclude intercepts, reduce the need to scramble interceptors, and decrease the number of mock dog fights;
- 4) direct communication between Greek and Turkish air defense operations offices; and
- 5) establishment of a center at NATO Command Headquarters in Naples to monitor Aegean airspace operations.⁴

Turkey agreed to the proposals, with modifications. Greece agreed to the moratorium on military exercises for the proposed period, while Turkey agreed to July 1-August 15 and said it would use IFF during that time. As it has done for decades, Greece rejected use of IFF because it carved out a special exception to the Athens FIR, which it said applies to all countries. Turkey called for an exchange of information concerning flights in the Aegean, which Greece also considered an infringement of its FIR responsibilities. Greece refused to disarm its combat aircraft in its national airspace, but said that training flights would not be armed. Greece reportedly agreed to hotlines between Athens and NATO and Turkey and NATO. Beginning in February 1997, the two sides began a test program of sending pictures of Aegean activity to NATO headquarters in Naples.

European Union

During its 1997 turn as President of the European Union Council of Ministers, the Netherlands proposed a committee of “wise men” to deal with Greek-Turkish Aegean issues. Greece did not want either a direct dialogue with Turkey that might be perceived as a willingness to negotiate what it views as its non-negotiable sovereignty issues or the involvement of third parties. It counterproposed the creation of separate Greek and Turkish committees of non-governmental experts who would report to the Dutch Presidency, which then would evaluate the reports for common ground. Turkey accepted the Dutch proposal and the Greek counterproposal. After 32 deputies of the ruling Pan-Hellenic Socialist Movement (PASOK) voiced opposition to a Greek-Turkish dialogue in any form, the Greek government explained that the committees’ conclusions would be technical and procedural, not political or binding. The experts handed in reports to the Dutch to

⁴ Defense Department briefing, May 15, 1997. Reuters.

give to the other party for comment. The Dutch wanted the experts to meet; Turkey agreed, but Greece refused. The Dutch Presidency handed an incomplete mission over to Luxembourg at the end of its tenure. After exchanges of comments via the Presidency, Greek officials accepted that a meeting could take place in the fall.

Bilateral Diplomacy

On March 24, 1996, Turkish Prime Minister Mesut Yilmaz offered to enter into negotiations with Greece without preconditions with a view to settling all Aegean issues as a whole on the basis of respect for international law and agreements establishing the status quo in the Aegean. The proposal included talks on a political framework agreement, agreement on military-related confidence-building measures, avoidance of unilateral steps and actions that could increase tension, and a comprehensive process of peaceful settlement, including third party arbitration.⁵

Yilmaz made his offer too soon after the Imia/Kardak crisis for Greek sensitivities. The Greeks were not yet ready to advance and initially said that they found the proposal lacking a commitment. Foreign Minister Theodoros Pangalos later welcomed Yilmaz's suggestions as "a great improvement," but proposed a step by step solution instead. He said, "We should create a joint committee to discuss the agreement in legal terms. Next, we can revive the committees on good neighborliness to promote cooperation in mutually beneficial areas: trade, tourism and anti-drug smuggling. Once we reach that level, it might facilitate a mutual slackening of the two countries' military presence in the Aegean."⁶ On April 26, 1996, the Greek and Turkish Foreign Ministers agreed to have their Ministries' experts meet in Switzerland. For domestic consumption, Pangalos underscored that "there is no organized dialogue or negotiations." Pangalos later expressed concern that his Turkish counterpart at the time, Emre Gonensay, had spoken of "grey areas," disputing Greece's ownership of other islets or rocks.⁷ Greece canceled a June 1996 Pangalos-Gonensay meeting because of what it termed Turkey's "provocations," i.e., incidents wherein Turkey appeared to question Greece's sea and airspace rights, as well as governmental instability in Ankara. Greece called on Turkey to implement the Papoulias-Yilmaz measures.

On March 6, 1997, Foreign Minister Pangalos, prodded by U.S. officials to make a positive gesture toward Ankara, said in Washington that "Turkey certainly belongs to Europe." He amplified the point to a Turkish journalist on March 21, "Turkey's ultimate objective must be to integrate with Europe. Greece definitely wants it to do so."⁸ Prime Minister Costas Simitis and Foreign Minister Pangalos set conditions for improved relations and for Greece to lift its veto on about U.S.\$475 million in European Union aid to Turkey that had been promised as part of a March

⁵ Turkish Embassy press release, March 24, 1996.

⁶ Greece: Nation "Shocked" by Turkey's Aegean Claims. *The European*. April 4-10, 1996, p. 1.

⁷ Greek foreign minister anxious about Turkish invasion. Reuters, May 8, 1996.

⁸ Pangalos on Turkish-Greek Ties, *Yeni Yuzyil*, March 21, 1997, translated by FBIS online, March 21, 1997.

1995 EU-Turkish customs union accord. The Greek officials demanded that Turkey renounce violence, i.e., retract its threat of war if Athens extends its territorial waters to 12 nautical miles, even though Greece did not intend to exercise its right immediately; accept borders delineated by international treaties, although matters pertaining to interpretation and implementation of this framework could be discussed; and recognize the ICJ as a judicial mechanism with jurisdiction for settling of bilateral disputes. To assuage domestic critics, government officials insisted that Greece would not engage in overall negotiations leading to a redelineation of borders.⁹

In April 1997, the Greek and Turkish deputy foreign ministers and foreign ministers had more cordial contacts than previously, which prepared for the EU experts committees (above) and the Madrid declaration (below). Then Turkish Foreign Minister Tansu Ciller may have been especially encouraging, saying that Ankara does not want a change in the Aegean status quo. One Greek analyst interpreted this as Turkey abandoning a demand that the Aegean regime be reviewed, saying it can live with the current situation, and that war was not among the measures to resolve Greek-Turkish differences. In response, Pangalos acknowledged a new “spirit of understanding.”¹⁰

Finally, in a May 19 interview with Greek television, Turkish President Suleyman Demirel said he could agree to a non-aggression pact with Greece.¹¹ On June 5, Pangalos said that Greece likewise was ready to sign a non-aggression pact with Turkey.

The Madrid Declaration — U.S. Diplomacy

On July 8, 1997, at the NATO summit in Madrid, U.S. Secretary of State Madeleine Albright invited Greek Foreign Minister Pangalos and his new Turkish counterpart Ismail Cem to agree on six principles to govern bilateral relations. Prime Minister Simitis and President Demirel then endorsed the principles, which Simitis said amount to a non-aggression pact. Assistant Secretary of State for European Affairs John Kornblum and his team worked to achieve the accord. The principles provide for

- 1) mutual commitment to peace, security and the continuing development of good-neighborly relations;
- 2) respect for each other’s sovereignty;
- 3) respect for the principles of international law and international agreements;

⁹ Greece threatens to veto Turkey customs union aid, Reuters, March 21, 1996; Embassy of Greece Press Releases, April 4 and 24, 1997.

¹⁰ Nikos Marakis, Pangalos-Ciller Istanbul Meeting, *To Vima Tis Kiriakias*, May 4, 1997, p. 3, 4, translated by FBIS, May 5, 1997.

¹¹ Athens TV Interviews Turkish President. English text: FBIS online, May 27, 1997.

- 4) respect for each other's legitimate vital interests and concerns in the Aegean;
- 5) a commitment to refrain from unilateral acts on the basis of mutual respect and a willingness to avoid conflicts arising from misunderstanding;
- 6) a commitment to settle disputes by peaceful means based on mutual consent and without use of force or threat of force.

The final two provisions may have the greatest potential to deter conflict because they address matters that have been most provocative. Greece is committed to refrain from unilateral acts — which may include the exercise of its right to a 12-nautical mile territorial sea, while Turkey promises not to use force, eliminating the *casus belli*. The principles do not address or resolve specific Aegean disputes and the hard task will be in their application.

Motivations for Change

Both countries have become motivated to improve bilateral relations by external influences that could benefit their internal development. The European Union appears to be the primary force for change.

Greece

In contrast to recent governments in Athens, the Simitis government has a distinctly Eurocentric outlook and wants to meet the European Union criteria for joining the European Monetary Union (EMU) and to increase its competitiveness with European countries which meet the criteria before Greece. Those criteria include a budget deficit of not more than 3% of Gross Domestic Product (GDP) and a government debt of not more than 60% of GDP. For 1997, Greece's budget deficit is expected to be 6.2% of GDP and its government debt is forecast at 108% of GDP.¹² Among EU member states, Greece spends the highest proportion of its GDP on defense,¹³ and this expenditure manifestly contributes to deficits and debt. To get them under control, Greece must cut military spending. No Greek government, however, can make such cuts without also diminishing the "Turkish threat" which propels the expenditures. In the wake of the Imia/Kardak crisis, in June 1996, even the Simitis government, otherwise fiscally conservative, announced a new multi-billion dollar arms program. Nonetheless, largely because of their European orientation, Prime Minister Simitis and Foreign Minister Pangalos are likely to persist in their outreach to Turkey, knowing that a costly arms race could block convergence with Europe and that the only alternative to it is peace in the neighborhood.

¹² A little EMU enlightenment, *The Economist*, February 22, 1997, p. 88.

¹³ In 1995, Greece spent 5.5% of its GDP on defense, while Turkey spent 4.0%. U.S. Arms Control and Disarmament Agency, *World Military Expenditures and Arms Transfers*, online edition, <http://www.acda.gov/wmeat96/w96tb11.pdf>.

Greece has used its veto power within the EU as a weapon to retaliate against Turkey for bilateral disputes. Each veto has distanced Greece from its European partners. For eight years, Greece had blocked the EU's customs union accord with Turkey, relenting in 1995 only when the EU agreed to begin membership talks with Cyprus, which is led by an independent Greek Cypriot government. After the January 1996 islet crisis, the new Simitis government vetoed both a new EU assistance program for Mediterranean countries (MEDA) because Turkey was included and aid to Turkey that was promised as part of the customs union accord. France, Spain, and Italy conceived of MEDA as a major EU foreign policy initiative. They and other EU members were angered by Greece's veto of MEDA, which denied innocent third countries aid intended to advance European economic and security goals by contributing to the development and stabilization of those countries.¹⁴ After complaints from its European partners, Greece lifted its veto of MEDA in May 1996. It has, however, continued to veto the customs union funds. Pangalos has said that the veto will continue until "Turkish aggressiveness" ends.

As Greece seeks to be less of an outsider within an enlarging EU, it may be rethinking its policy tools and approaches toward Turkey. It may be considering options other than using its EU veto for dealing with Turkey. This likely would require a change in Greek perceptions of Turkish aggressiveness. Alternate Foreign Minister George Papandreou has elaborated the need for a policy change, arguing that Greece must present a more positive image of itself to Europe so that it would no longer be considered obstructionist. Papandreou called on Greece to shape future Greek-Turkish relations constructively and not rely on vetoes. He urged Turkey and Greece to seek pragmatic criteria for rapprochement.¹⁵

Finally, Samuel Huntington's "clash of civilizations" thesis has had an exaggerated impact in both Greece and Turkey, although it is not a U.S. policy statement.¹⁶ Huntington forecast that culture will produce a redivision of the world and new conflicts. He drew a cultural fault line across Europe between Western Christianity on the one hand and Orthodox Christianity and Islam on the other.¹⁷ This theoretical division places Greece outside of and in potential opposition to Western Europe and has outraged Greek academics and politicians. In March 1997, when Europe's Christian Democratic party leaders appeared to follow Huntington by declaring the Turkey could not be part of Europe because it is Muslim, some Greeks feared that they would be beyond the pale as well. Thus, Pangalos was defending Greece's position in Europe when he said that Turkey must be part of Europe. If Huntington had somehow linked the Aegean neighbors, Greece would use the bond

¹⁴ In addition to Turkey, MEDA aids Algeria, Cyprus, Egypt, Israel, Jordan, Malta, Morocco, the Palestinian Authority, Syria, and Tunisia.

¹⁵ George Papandreou commentary in *To Vima Tis Kiriakis*, June 1, 1997, p. 14, translated by FBIS on June 1.

¹⁶ Samuel P. Huntington, *The clash of civilizations?* *Foreign Affairs*, v. 72, summer 1993, pp. 22-49; also *The Clash of Civilizations and the Remaking of World Order*, New York, Simon & Schuster, 1996. Huntington is Professor of Government and Director of the John Olin Institute for Strategic Studies at Harvard University.

¹⁷ *Foreign Affairs*, pp. 29-30.

to draw European borders widely, encompassing Turkey and ensuring that Greece remained inside. In order to be in a position to pull Turkey into Europe thus defined, Greece must improve its bilateral relations with Turkey.¹⁸

Turkey

The Turkish secular elites have just experienced what they consider to have been a close call with Islamism — a year, from July 1996 through June 1997, in which the Islamist Refah Party headed the national government.¹⁹ The secularists seek to reinforce Turkey's modern, European identity through ties with and especially membership in the European Union. Some in Turkey also are very preoccupied with the Huntington thesis, noted above, and would like to disprove it by showing that Turkey is, in fact, European. Turkey's tortured relations with Greece have been one of the main barriers to improved Turkish relations with Europe. Europe, therefore, provides an incentive for some Turks to seek to resolve bilateral disputes with Greece.

Unlikely as it may seem, the influential Turkish military may be a force for better relations with Greece. The Turkish General Staff generally takes a moderate position on Aegean issues and Greek-Turkish relations (perhaps excepting Cyprus) and wants to improve them. In 1980, after years in which Turkish civilian governments had blocked the move, a military junta in Ankara delinked the issue of Greece's reintegration with NATO from Turkish complaints about the FIR. More recently, Chief of the General Staff Ismail Hakki Karadayi made the first official response to Pangalos at a reception at the Greek Embassy in Ankara on March 25. General Karadayi called on politicians and soldiers to show "common sense" to resolve problems in the way in which Mustafa Kemal Ataturk and Eleftherios Venizelos, the respective and respected Turkish and Greek leaders, did when they signed the 1930 Treaty of Friendship, Non-Aggression, and Arbitration. Karadayi said that he was "forcing this door (to Greece) open."²⁰

Constraints on Change

In Greece and Turkey, domestic politics constrain overall efforts to improve bilateral relations and specific initiatives to resolve Aegean disputes.

¹⁸ It should be noted that although Greek officials say Turkey is part of Europe, they have not advocated Turkey's EU membership per se.

¹⁹ See CRS Report 97-462F, *Turkey's Unfolding Political Crisis*, by (name redacted), April 11, 1997.

²⁰ TRT Television Network report, March 25, 1997, translated by FBIS online, March 16, 1997.

Greece

The legacy of Andreas Papandreou, founder of PASOK and twice Prime Minister,²¹ may impede the Simitis government's maneuverability in its policy toward Turkey. The charismatic Papandreou had asserted that Turkey, Greece's NATO ally, was the greatest threat to Greece. Papandreou's dogma is still influential in Greece and in PASOK, now led by Costas Simitis. PASOK has a majority of 162 out of 300 seats in the Greek parliament and must stay cohesive in order to carry out its program. When 32 PASOK deputies questioned Greece's acceptance of the committee of experts, they signalled the potential political risks of policy innovation. Some 22 PASOK deputies later charged that, with the Madrid declaration, Greece was "gradually slipping into choices that result in recognition of Turkish claims, legalization of Ankara's expansionist status, and an expiation of its policies."²² Some smaller opposition parties were more alarmist. Democratic Social Movement leader Dimitrios Tsovalas, who considers himself an heir to the Papandreist mantle, accused the government of opening the road to ceding national rights, calling the agreement "harmful for Greece, for our territorial integrity, and for our national interests."²³

Within the government, Defense Minister Tsokhatzopoulos and Education Minister Yerasimos Arsenis are known for their hardline views toward Turkey. Tsokhatzopoulos was a close Papandreou associate and the security requirements of his Defense portfolio may reinforce his anti-Turkism. Simitis defeated both Tsokhatzopoulos and Arsenis in the internal PASOK contest to succeed Papandreou as Prime Minister in January 1996 and Tsokhatzopoulos in a June 1996 vote for party leader. Although they have publicly supported the policy steps toward Turkey that Simitis and Pangalos have taken so far, Tsokhatzopoulos and Arsenis may be waiting for Simitis to stumble in order to take internal party and general domestic political advantage of a failure.

Prime Minister Simitis and Foreign Minister Pangalos cannot get out too far ahead of their party rivals, parliamentarians, and rank and file. Thus, after party dissent was voiced, Pangalos offered a restrictive definition of the committees of experts' mandate. He and others still resort to anti-Turkish rhetoric. Playing to dissidents and rivals rhetorically, however, may constrain Simitis' and Pangalos' effort to lead and to shape public opinion in support of their policy toward Turkey. And it is heard in Turkey, where it breeds skepticism about Greece's sincerity and acts as a disincentive for improving ties.

Simitis and Pangalos may be able to overcome domestic political constraints. The 32 dissenters decreased rapidly to 22 and may not be a solid bloc, threatening foreign policy innovation. Tsokhatzopoulos and Arsenis may be perceived in the party as losers and lack following to pose a real challenge. Tsokhatzopoulos is as

²¹ 1981-88, 1993-96.

²² Greek PASOK Deputies Criticize Madrid Communique, Athens News Agency, July 11, 1997, carried by FBIS online, July 14, 1997.

²³ Greece: Opposition Party Leader Scores Greek-Turkish Accords, Athens ET-1 Television, 16 July 1997, translation carried by FBIS online, July 18, 1997.

much a PASOK loyalist as he was a Papandreou loyalist and may defer to his party leader's will. Moreover, New Democracy, the main opposition party, has reacted reservedly to the Turkish outreach and, therefore, may be inclined to support it. The support of the internationalist Coalition of the Left for the policy is a given. Finally, important elements in the Greek press have made common cause with Simitis and their influence should not be underestimated.

Nevertheless, the Papandreou legacy of antipathy toward Turkey produces other Greek actions which harm attempts to improve bilateral ties and resolve Aegean disputes. Greece seeks, and has signed, military agreements with Turkey's neighbors which have problematic relations with Turkey, notably Syria and Armenia, adding to Turkey's perception of "encirclement." Greece's conduct on the Kurdish issue particularly sours relations. Turks view the 13-year Kurdish Workers Party (PKK) insurgency as a threat to their territorial integrity. In April 1997, 110 out of 300 Members of the Parliament of Greece proposed to invite PKK leader Abdullah Ocalan to Athens. The government quickly said that it did not intend to invite him. Greek MPs have visited PKK camps and Turkey accuses Greece of arming the PKK, which Athens denies. Turkey has a record of human rights abuses toward Kurds. But Greece sometimes appears highly selective in its human rights advocacy, focusing on the Kurds and not other issues such as the treatment of Turks and other Muslims in Europe. Moreover, Greek championship of Kurdish human rights in the EU helps deny Ankara dearly sought closer ties with Europe and feeds anti-Greek sentiment in Turkey.

Finally, there is a strong Cyprus lobby in Athens opposed to any initiatives that would produce a Greek-Turkish reconciliation before a Cyprus settlement, which traditionally has been a Greek precondition for a rapprochement. The U.N. has resumed the Cyprus negotiations, but the outlook for a solution is uncertain or gloomy. Cyprus thus could stymie Aegean peacemaking.

Turkey

Ankara now has its third government since an inconclusive national election in December 1995, and an early election may be held in 1998. This governmental instability may affect relations with Greece as politicians exploit foreign policy for domestic consumption and leave their weak coalition little room for compromise. The Islamist-led government that was in office through June 1997 was directed toward the East and selected Muslim countries. It paid almost no attention to Greece because its rank and file had little, if any, interest. The current seemingly mismatched coalition of right and left is led by Mesut Yilmaz, who made the overture to Greece in March 1996 after the Imia/Kardak crisis. However, Deputy Prime Minister Bulent Ecevit has emerged as the government's main foreign policy spokesman, and his party controls the Foreign Ministry and the State Ministry in charge of Cyprus policy. Ecevit was Prime Minister in 1974, when Turkey intervened in/invaded Cyprus and remains proud of what he accomplished then. Ecevit's nationalism on Cyprus could interfere with the Aegean opening. Yilmaz depends on Ecevit's party to stay in power and has little ability or perhaps wish to constrain him. Shortly after taking power this time, Ecevit initiated a move toward partial "integration" of (Turkish) northern Cyprus with Turkey as a response to the EU's announcement of membership talks with the (Greek) Cypriot government.

As noted, a resolution of the Cyprus issue has been a traditional Greek precondition for improved ties with Turkey. Athens and the Greek media in particular reacted strongly to Ecevit's return to power and his Cyprus policy. Ecevit may contribute to a disruption of the renewed U.N. effort to obtain a Cyprus settlement²⁴ and, thereby, set back Turkish-Greek relations on other fronts. Greek officials may not be able to persist in their outreach to Turkey if Ecevit's impact is not mitigated.

Ecevit may have another, more indirect, impact on Greek-Turkish relations. With him in the government, better ties with Europe may not be as strong an incentive for improving relations with Greece. Although Prime Minister Yilmaz has said that speeding up efforts toward full membership in the EU is a priority foreign policy aim of the government,²⁵ many Turks perceive Europe as repeatedly rejecting Turkey and some want to reject Europe in response. Ecevit and others call for the customs union accord to be reviewed because Europe has failed to live up to its (aid) commitments and because the customs union has aggravated Turkey's trade imbalance with Europe and harmed Turkish businesses. Turks know that Greece's veto is the impediment to aid. On the other hand, those still lured to Europe perceive Greece's policy of "veto" of Turkey's relations with Europe as an obstacle to their Western identity, potentially reinforcing support for Islamists. They may not be disposed to look benevolently on improving ties to Greece.

Finally, Turkey looms larger in Greek thinking than vice versa. The particular Aegean initiatives have not produced a reaction in Turkey comparable to that in Greece. Despite Turkey's agreeing to the Madrid declaration, there appears to be no thinking in Ankara on the details of Aegean issues or bilateral Turkish-Greek relations comparable to that of Pangalos in Athens. Political leaders are preoccupied domestically with Islamism and government turnovers, and the foreign policy establishment revises views slowly. Although General Karadayi made positive comments in March, the military is engrossed in fighting what it refers to as the two main threats to Turkish national security — Islamism and (Kurdish) separatism. It is not clear if it will have a sustained and involved interest in engaging itself actively on behalf of an Aegean resolution. Two parties are required to create a new paradigm to govern bilateral relations and Turkey does not appear to be fully engaged.

U.S. Policy

The United States wants to preserve stability in the Eastern Mediterranean, a region bordered by conflict zones. It also wants to prevent NATO from being embroiled in local controversies. In order to achieve these goals, the United States

²⁴ For the first time in over 3 years, the U.N. convened direct talks between (Greek) Cypriot President Glafcos Clerides and Turkish Cypriot leader Rauf Denktash on July 9 in New York and in Switzerland on August 9. Heightened activity is expected after the February 1998 Cypriot presidential election. See, CRS Issue Brief 89140, cited above.

²⁵ Yilmaz Presents Government Program, TRT Television Network, July 7, 1987, translation carried by FBIS, July 8, 1997.

has tried to remain neutral in and worked to resolve disputes between its two NATO allies, Greece and Turkey. Yet neutrality has not always been appreciated. Greeks maintain that an equidistant U.S. stance benefits Turkey and ignores what they believe is the right (Greek) position on Aegean issues. Greece's view of the regional power balance, with Turkey as the more powerful player, necessitates that it seek/demand third party or international intervention to level the scales or to weigh them in Greece's favor. U.S. neutrality fails to fulfill that need. On the other hand, Turkey, as the larger power, assumes it can obtain a more favorable outcome from negotiations solely between the two governments and usually calls for dialogue. Turks believe that they are the more important regional ally of the United States, adjacent to the Middle East and the Caucasus. They do not criticize U.S. neutrality, and generally appreciate and expect U.S. services in mediating controversies with Greece and in moderating their effect on Turkey's relations with Europe because the United States supports Turkey's entry into the European Union.

Neutrality evidently interfered with U.S.-Greek relations after the Imia/Kardak crisis, when then Assistant Secretary of State for European Affairs Richard Holbrooke had planned to travel to Greece and Turkey to help them achieve a more permanent end to tensions in the Aegean. He did not make the trip. Holbrooke had brokered a resolution to the crisis that appeared to restore the prior balance in the Aegean. But many in Greece perceived it differently. They saw the crisis as one of Turkey questioning long-established territorial rights and the status quo in the Aegean. Holbrooke had failed to address the crisis in these terms and instead concentrated on eliminating the immediate threat of war. Greeks did not view his achievement on Imia/Kardak favorably. The newly established government in Athens that had accepted the U.S. resolution was weakened temporarily. It did not have sufficient political capital to expend at the time on a meeting with Holbrooke and diplomatically found his trip schedule inconvenient. Ankara stood ready to welcome Holbrooke and regretted that the visit was canceled.

Although no U.S. initiative on Aegean issues was undertaken in 1996, the brinkmanship of Imia/Kardak was not forgotten. The islet crisis had focused U.S. attention on the tinderbox of Greek-Turkish relations. During Prime Minister Simitis' April 9, 1996, visit to White House, President Clinton said

I hope the United States can be helpful in resolving some of the problems in the Aegean.... We believe that all these issues should be resolved without the use of force, without the threat of force, with everyone agreeing to abide by international agreements and to respect the territorial integrity of other countries.... We favor the resolution (of the Imia situation) by referring the matter to the ICJ or some other international arbitration panel.²⁶

In this statement, the President seemed to accept Greece's perspective on the Aegean in deference to his visitor and to reclaim Greece's recognition of the United States as a bona fide intermediary.

²⁶ Transcript, Reuters, April 9, 1996.

The Administration has worked to resolve Greek-Turkish differences through NATO and by itself, with Defense Department and the State Department officials meeting often with Greek and Turkish counterparts in the region and in Washington. The Defense Department supports the NATO Secretary General's confidence-building measures. The State Department champions these measures and more. U.S. Ambassador to Greece Thomas Niles declared that the United States believes that the 1988 Papoulias-Yilmaz agreement must be fully implemented and that it is desirable to proceed beyond it.²⁷ Finally, the State Department assiduously sought and obtained Greek and Turkish agreement to the Madrid declaration.

The State Department views Madrid as an important first step. It is encouraging the parties to apply the Madrid principles in the resolution of their various disputes and to acknowledge the need for trade-offs. The first trade-off may involve Turkey taking the Imia/Kardak controversy to the World Court in exchange for Greece lifting its veto on European Union customs union aid. But more work needs to be done. As is said with regard to other international disputes in which Washington attempts to obtain a settlement, the United States cannot want a resolution more than the parties themselves.

As Aegean issues are addressed, the United States may have to recuse itself from the airspace controversy, an irritant in Greek-U.S. relations. Greek journalists persistently bait State Department briefers to restate U.S. policy, which conforms to international practice. Each restatement prompts annoyed official reactions from Athens. This matter will continue to fester because the territorial sea-airspace incongruity is unlikely to be resolved. This U.S.-Greek policy dispute is otherwise not a regular subject of official exchanges and highlights the negative impact the media can have on U.S.-Greek and Greek-Turkish relations. Greek and Turkish media are foreign policy actors producing unexpected consequences.

Congress has not weighed in on recent developments. Since the 1970s, foreign aid legislation has applied a "balance of forces" policy to Greece and Turkey. It tilts toward Greece, which many Members view as facing a demographically and militarily superior adversary in Turkey.²⁸ Congressional resolutions proposed, but not passed, after the Imia/Kardak crisis mirrored Athens' position.

Prospects

History prompts circumspection about the prospects for a resolution of Aegean disputes and for a Greek-Turkish reconciliation. Other efforts have not been successful. The 1987 crisis over the continental shelf produced the evocative "Spirit of Davos," Switzerland, where Turkish and Greek Prime Ministers met and began a

²⁷ U.S. Ambassador Interviewed on Greek-Turkish Issues, *I Kathimerini*, November 27, 1996, translated by FBIS online, December 1, 1996.

²⁸ See CRS Issue Brief 86065, *Greece and Turkey: Current Foreign Aid Issues*, by (name redacted), updated regularly.

short-lived rapprochement in 1988 that foundered on the shoals of domestic politics.

Nonetheless, the overall prospects for improved Greek-Turkish relations and for a resolution of some bilateral Aegean issues may be better today than they have been in a decade and may justify some cautious optimism. The major contributing factor to such an assessment is the strong domestic position and motivation of the Athens government, which has made sweeping, unprecedented policy statements on Greek-Turkish issues. For example, Pangalos said that Greece accepts that “Turkey has vital interests in Aegean.”²⁹ The Simitis government also may be willing to lift the Cyprus precondition to better relations with Turkey. Foreign Minister Pangalos distinguished Cyprus as an international issue from the Aegean as a national issue, and Prime Minister Simitis asserted outright that Greek-Turkish relations and the Cyprus question are not connected.³⁰

Further, as noted above (p. 7), Greek officials had laid out three conditions for improved bilateral relations. Turkey met two of them with the Madrid declaration. The only remaining condition concerns Court jurisdiction over the islet dispute. Pangalos has eased the way for compliance by saying that all Turkey has to do is say that it is willing to go to the World Court. For their part, the Turks had wanted direct negotiations to precede recourse to the Court. Prime Minister Yilmaz implied that requirement may be met by a meeting of committees of experts when he observed that the committees can lead Turkey to the Court.³¹ If Turkey agrees to go to the Court, thereby recognizing Greece’s need for an international forum, Greece would have no justification for not lifting its veto on European Union customs union aid to Turkey. In a possibly upbeat scenario, lifting of the veto would do much to assuage hard feelings toward Greece in Turkey.

The outlook for the resolution of the different Aegean issues varies.

- ! The islet dispute may be open to resolution because its onset was largely unintended. Greece and Turkey blundered into the Imia/Kardak crisis, which some consider a media creation that got out of hand. Turkey subsequently could not find a face-saving way to back down from the notion of “grey areas” and may have made it worse. The two sides acceptance of the status quo in Madrid underscores that their lack of interest in perpetuating the unsettling byproducts of the islet controversy. The separate issue of militarized islands, however, is unlikely to be resolved because Turkey will not move or change its 4th Army — at least until given long-term evidence of Greece’s friendship.

- ! Of the older Aegean disputes, the continental shelf may be ripe for settlement. Greece maintains that it is a legal question to be resolved by the International

²⁹ Pangalos interview, *Ta Nea*, July 21, 1997, pp. 10-11, translation carried by FBIS online, July 23, 1997.

³⁰ Interview: A Tremendous Step, What Greece’s Simitis wants from Turkey, *Newsweek*, August 11, 1997, p. 38.

³¹ Interview: We have Done a Lot — New to the Job, Yilmaz has his own demands, *Newsweek*, August 11, 1997, p. 39.

Court of Justice. Turkey contends that it is also an economic, political, and strategic dispute, requiring a political settlement. Yet, Turkey has not categorically rejected an appeal to the Court — again after bilateral negotiations. In the past decade, expectations of oil or other mineral discoveries in the continental shelf appear to have lowered, perhaps diminishing the value of the dispute. As a result, the issue may be more soluble, with both parties taking it to the Court after some preliminary talks that would not be called a dialogue, a word connoting unacceptable compromise and, therefore, anathema to some Greeks.

- ! With regard to the territorial sea, Madrid appeared to signal that it may be allowed to be less of an issue. The *modus vivendi* involves Greece retaining the right to 12-nautical-miles of sea, but continuing not to exercise the right. As long as it does not exercise the right (unilateral move), Turkey will control its rhetoric and stop threatening war.
- ! The airspace controversy is likely to linger as long as Greece claims air space rights disconnected from territorial sea rights and interprets FIR in a sovereign manner.

The prospects for a solution for all or any of the Aegean issues depend on the governments in Athens and Ankara. The Simitis government is a stable, one-party administration that probably will serve out its full four years. It is strongly motivated and may persist in its outreach to Ankara for some time, weathering ups and downs unless Turkish actions shut it out. Greece's motivations mostly are externally driven, and it needs to work on creating a solid domestic consensus for a foreign policy shift toward Turkey. The Yilmaz coalition government was founded in part on a promise to hold early elections. It has multiple political components and must reach compromises among them. It may prove tempting for some politicians to exploit foreign policy issues for domestic advantage or, as in the case of Ecevit, for principles unleavened by pragmatism. Moreover, whether the government and its anticipated successors will work with the foreign policy establishment on a consistent, creative, and responsive approach to a different Greece is yet to be seen. This context renders a positive outcome from present opportunities unpredictable.

EveryCRSReport.com

The Congressional Research Service (CRS) is a federal legislative branch agency, housed inside the Library of Congress, charged with providing the United States Congress non-partisan advice on issues that may come before Congress.

EveryCRSReport.com republishes CRS reports that are available to all Congressional staff. The reports are not classified, and Members of Congress routinely make individual reports available to the public.

Prior to our republication, we redacted names, phone numbers and email addresses of analysts who produced the reports. We also added this page to the report. We have not intentionally made any other changes to any report published on EveryCRSReport.com.

CRS reports, as a work of the United States government, are not subject to copyright protection in the United States. Any CRS report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS report may include copyrighted images or material from a third party, you may need to obtain permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

Information in a CRS report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to members of Congress in connection with CRS' institutional role.

EveryCRSReport.com is not a government website and is not affiliated with CRS. We do not claim copyright on any CRS report we have republished.