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(Third Part)

The Eastern Mediterranean

REPORT

submitted on behalf of the Defence Committee
by Mr. Cucó, Rapporteur
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1. Adopted unanimously by the committee.
2. Members of the committee: Mr. Baumeil (Chairman); Mr. De Decker, Mrs. Baarveld-Schlaman (Vice-Chairmen); Mr. Alloncle, Mrs. Beer, MM. Bianchi, Briane (Alternate: Galley), Brito, Cox, Dees, Dumont, Fernandes Marques, Mrs. Fernandez Ramiro (Alternate: Cucó), MM. Hardy, Horn, Jacquot, Kastanidis, Kellkenans, La Russa, Mrs. Lentz-Cornette, MM. Lopez Valdivielso, Marten, Lord Newall (Alternate: Sir Russell Johnston), MM. Parisi, Pavlidis (Alternate: Liapis), Périaux, Petruccioli, Scholten, Reis Leite, Sir Dudley Smith, Mr. Sole Tura (Alternate: de Puig), Mrs. Soutendijk van Appeldoorn (Alternate: Sir Keith Speed) MM. Vasquez, Vrettos, Zister, N...

N.B. The names of those taking part in the vote are printed in italics.
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Preface

In preparing the present report, your Rapporteur was extremely fortunate to receive much kind help and assistance from all the authorities consulted and would like to take this opportunity publicly to thank all concerned for their co-operation.

The Rapporteur met or received evidence from the following:

1st-2nd March 1995 – Ankara
Mr. Baki Tug, Chairman of the National Defence Committee of the Turkish Grand National Assembly, and members of the committee
Major General Oktar Ataman, Head of Strategy and Force Planning Department, Ministry of Defence
H.E. Mr. Yalim Eralp, Ambassador, Director-General Defence and Security, Ministry for Foreign Affairs, and members of his staff
Professor Sükri Görel, Professor of International Relations, University of Ankara

28th March 1995 – Athens
Mr. Karolos Papoulias, Minister for Foreign Affairs
Mr. Gerasimos Arsenis, Minister of Defence
Mr. Nikolaos Kouris, Deputy Minister of Defence
Lieutenant-General Nikolaos Stamboulis, Deputy Chief HNDGS
Mr. Theodorakis, Secretary-General, Community Affairs, Ministry for Foreign Affairs
Mrs. Vasso Papandreu, Chairman of the Greek Parliamentary Delegation to the WEU Assembly, and members of the delegation
Mr. P. Krissinos, Deputy Speaker of the Hellenic Chamber of Deputies
Mr. E. Veryvakis, Chairman of the Defence and Foreign Affairs Committee of the Hellenic Chamber of Deputies, and members of the committee
Draft Recommendation

on the Eastern Mediterranean

The Assembly,

(i) Welcoming the accession of Greece to WEU as a full member and the concomitant entry into force of Turkey’s associate membership of WEU on 6th March 1995;

(ii) Concerned, however, that the many unsolved disputes between Greece and Turkey constitute a permanent threat to peace and stability in the Eastern Mediterranean and stand in the way of an effective European security and defence policy in the region;

(iii) Stressing that the only realistic means of achieving a global settlement of all disputes between Greece and Turkey would be to stop revanchist ideas once and for all in respect of past history and to follow the example of France and Germany in acknowledging that there is no longer any question of looking back, but of preparing for the future;

(iv) Noting that a breakthrough in negotiations between the Greek and Turkish communities of Cyprus could be the key to a much-needed improvement in relations between Greece and Turkey;

(v) Approving the course set by the United Nations, whose initiatives to solve the Cyprus question provide first for the introduction of confidence-building measures and subsequently for a global agreement on the basis of ideas leading to the creation of a two-zone federal state, founded on equality between the Greek and Turkish communities;

(vi) Stressing that confidence-building measures can only be implemented in parallel with a progressive withdrawal of Turkish armed forces from northern Cyprus and their replacement by United Nations peacekeeping forces with a view to a future demilitarisation of the whole island;

(vii) Noting that negotiations should be accompanied by a full census of the population of the island of Cyprus by the European Population Committee (CDPO), as proposed by the Parliamentary Assembly of the Council of Europe, in order to solve the problem of settlers;

(viii) Welcoming the decision of the Permanent Council of WEU to engage in a dialogue with Cyprus that will evolve with the development of links between Cyprus and the European Union, but regretting that Turkey has dissociated itself from that decision;

(ix) Stressing that a continued massive presence of Turkish armed forces is one of the important issues standing in the way of a solution of the Cyprus question;

(x) Noting with concern that the FYROM is still not a member of the OSCE, an organisation to which the WEU Council attaches great importance in its Lisbon declaration, particularly on account of its potential as a primary instrument for early warning, conflict-prevention and crisis-management, as well as in promoting the rule of law, democracy and respect for human rights;

(xi) Noting that the FYROM has already amended its constitution in order to satisfy European Union conditions for its recognition as a state and that Greece acknowledges that the FYROM does not constitute a military threat;

(xii) Concerned that the continuation of Greece’s trade embargo against the FYROM is jeopardising the much-needed development of the FYROM’s economy which could easily result in further destabilisation of the situation in that country and, subsequently, in the region;

(xiii) Welcoming existing good relations between Greece and Bulgaria and the recent improvement in relations between Greece and Albania;

(xiv) Convinced that Turkey has long ago made the basic choice to be a secular state respecting human rights and the rules of democracy, but, at the same time, noting that it still has problems carrying these principles into effect;

(xv) Condemning all forms of terrorism, even if used as a means of attaining political objectives;

(xvi) Stressing that a clear distinction should be drawn between the intolerable terrorism practised by the PKK on the one hand and the legitimate aspiration of the Kurdish people freely to express its cultural identity within the Turkish state on the other;
 Welcoming the withdrawal of all Turkish troops from Iraqi territory in accordance with Turkey’s engagements towards the European Union’s troika on 23rd March 1995, but concerned by statements by the Turkish President, Suleyman Demirel, who, if need be, does not rule out the possibility of further military operations on Iraqi territory;

Stressing the importance of respecting the territorial integrity of all states in the region;

Noting that a satisfactory global solution can be found to the claims of Kurdish nationalists in the region only if all the states concerned accept a more pluralist and more decentralised system of government allowing their citizens free enjoyment of a cultural identity that is rightfully theirs;

Noting that the continued existence of a so-called “security zone” in northern Iraq has resulted in legal uncertainty and political chaos which is seriously threatening stability and security in the region;

Aware that an early reintegration of Iraq as a normally functioning state in the region, providing full implementation of United Nations Security Council Resolution 688, together with an evolution of state institutions towards a more democratic system, would greatly contribute to stability in the border area between Turkey and Iraq;

Stressing that the Kurdish question, if not solved properly by granting the Kurds some rights of cultural self-expression and a form of political and administrative autonomy that does not impinge upon the territorial integrity of the Turkish state, will continue to threaten security and stability in Turkey, limiting the government’s possibilities of conducting a balanced security and defence policy and being integrated into Europe’s intergovernmental and supranational structures;

Noting the importance of all European allies having a co-ordinated policy in the present conflict in Bosnia-Herzegovina;

Concerned by the violation of the CFE Treaty represented by Russia’s announcement of the creation and build-up of the 58th Russian Army in the northern Caucasus and the threat it thus brings to bear on stability in the region,

RECOMMENDS THAT THE COUNCIL

1. Place the promotion of a settlement of existing disputes between Greece and Turkey high on its agenda, knowing that the continuation of these disputes will prevent the establishment of an effective European security and defence policy in the Balkans and the eastern Mediterranean;

2. Remind both Greece and Turkey that, according to the Petersberg declaration, their mutual relations should be based on the fundamental principles of settlement of their differences by peaceful means and refraining from resorting to the threat or use of force;

3. Remind Greece of the importance the WEU Council attaches to the place of the OSCE in the European security architecture and urge this WEU member state to stop vetoing the FYROM’s accession to the OSCE;

4. Use the dialogue now started with Cyprus to promote, as a matter of urgency, a solution of the Cyprus question following the course set by the United Nations;

5. In the dialogue with Russia, state clearly that no decision which might lead to a violation of the CFE Treaty can be tolerated and that possible modifications to this treaty can be discussed only at the 1996 CFE Treaty review conference;

6. Remind Turkey that a progressive withdrawal of the Turkish military occupation forces from the northern part of Cyprus – which is to start negotiations on accession to the European Union six months after the 1996 intergovernmental conference, logically to be followed by accession to WEU – will be inevitable in view of the obligations under Part III of the Petersberg declaration to refrain from resorting to the threat or use of force in relations between member states and associate member states; the above withdrawal being followed by a reduction in forces and equipment throughout Cyprus leading to a demilitarised island.
Explanatory Memorandum
(submitted by Mr. Cucó, Rapporteur)

Introduction

1. With Greece having acceded to full membership of WEU on 6th March 1995, and Turkey having become an associate member on the same date, WEU has taken on a new dimension which will force it to pay increasing attention to problems in the Eastern Mediterranean. First and foremost, it will be faced with differences between Greece and Turkey on a wide range of subjects. But it will also have to deal with many other issues.

2. One of these is Greece’s foreign and security policy which has not always obtained the full understanding of its European partners.

3. The case of Turkey may be even more complicated. Turkey is a member of NATO and has concluded an agreement with the European Union on the establishment of a customs union, but full membership does not seem to be imminent. In the Council of Europe, in particular, Turkey is strongly criticised for its human rights record and shortcomings in its constitution regarding democratic rights. The European Union has also asked Turkey to make progress in this field.

4. Being a security and defence organisation, WEU, while sharing the views of the Council of Europe and the European Union as regards human rights and democracy in Turkey, has the obligation to consider Turkey’s role in the region from a slightly different angle. In this report, the chapters on Turkey will therefore focus on the security and defence aspects of Turkey’s policy in a wider sense. The present report also again stresses that Turkey occupies a strategic geographical position which makes it a vital ally for Europe in its security and defence policy.

5. Cyprus, finally, is still a divided island which has been a subject of discord between Turkey and Greece throughout the more than thirty years of its existence as an independent state. Obviously, the status of this island is still a key issue in relations between both states. If Cyprus becomes a full member of the European Union, it will have to choose between becoming an observer or a full member of WEU.

6. The objective of the present report is to provide an account of the position of Cyprus, Greece and Turkey in the region and their possible rôle in Europe’s defence and security policy, leaving other issues to be discussed by the various bodies concerned.

PART ONE: TURKEY

I. Political parties and the rise of Islamic fundamentalism

7. At the moment, Turkey’s political life is passing through a period of turbulence in which the relative strength of the main political parties is undergoing important changes.

8. The True Path Party, which won 27% of votes in the 1991 general elections, further diminished to 22.5% in the 1994 municipal elections. The Social Democratic Populist Party, hit by corruption scandals and by its failure to have its economic and human rights policy adopted by the government, has been losing supporters. It had already decreased from 20% of the votes in 1991 to 13.2% in 1994. In January 1995, an effort to merge with the Republican People’s Party failed, but a new effort succeeded. In March of this year, the two merged parties agreed on a renewed coalition with Prime Minister Tansu Ciller’s True Path Party, with Mr. Hikmet Cetin having become Deputy Prime Minister and for the time being, it seems that the existing coalition government has a good chance to complete its full term in autumn 1996.

9. Support is growing for the extreme right National Action Party under the leadership of Alparslan Turkes, with an ultra-nationalist programme including an outspoken policy against Kurdish nationalists. It is also respectful of the values of Islam and appeals to many non-fundamentalist Muslims. It has only 16 seats in parliament, but obtained 8.4% of votes in the municipal elections of 1994 and might become the major right-of-centre party in the next general elections. Bulent Ecevit’s Democratic Left Party is another party with growing support.

10. The Motherland Party, now under the leadership of Mesut Yılmaz, which obtained almost 40% of the votes in the general elections of 1987, fell to 24% in the general elections of 1991 and 21.2% in the municipal elections of 1994.

11. In fact, the Islamic Refah Party, headed by Necmeddin Erbakan, is the only big party whose support has been steadily growing in recent years, up from 17% in 1991 to 19% in 1994.

12. In an opinion poll taken at the beginning of 1995 published by the newspaper Milliyet, the
Islamic Refah Party obtained 22.4%, followed by the Democratic Left Party.

13. Voter support for the Islamic Refah Party has been steadily growing since the 1987 general elections and, in fact, it is the fastest growing political party in Turkey. After municipal elections in 1994, it has taken control of many local governments, including those of Istanbul and Ankara. As is the case in other Islamic countries around the Mediterranean, the Islamic fundamentalist party in Turkey offers subsidised bread, health clinics, hostels for students and other services where government institutions are deficient. One of its main attractions has also been its anti-corruption platform. The Refah Party has the objective of establishing an Islamic republic, which will resist closer links between Turkey and the European Union, wants to pull Turkey out of NATO and forge closer ties with other Muslim states.

14. The growing importance of the Islamic Refah Party as a political factor is partly caused by the country’s economic situation and the inability of both national and local government to cope with the problems of a rapidly-growing urban proletariat with little prospect of employment and often appalling living conditions. The Refah Party is also trying to win Kurdish votes, distancing itself from Turkish nationalism by implying that an Islamic republic would satisfy the demands for Kurdish identity through “Islamic brotherhood”.

15. One should guard against the simplification frequently suggested in the mass media which presents Islamic fundamentalism as a well-lubricated, violent and merciless organisation orchestrated by Iran with the help of other radical regimes. Most, if not all experts, agree that there is no pan-Islamic fundamentalism and there is little evidence of strategic co-ordination. Throughout history and still today, the Islamic world has distinguished itself through internal strife and lack of unity.

16. Certainly, as any political party, the Refah Party’s objective is control of power, but it has chosen to participate in the democratic process. Turkey’s greatest assets in building a modern and prosperous nation have always been its secular society and democratic institutions, started under Kemal Ataturk’s leadership. Through their participation in the democratic process, Turkish Islamic fundamentalists are obtaining responsibilities and opportunities to show whether their ideology has practical value. They will be held accountable by voters and, at the same time, they are becoming used to pluralistic politics.

17. On the other hand, any Turkish Government has an urgent duty to fight against corruption, dislocation, unemployment and inequity, factors creating an ideological vacuum which is a fertile breeding ground for Islamic fundamentalism. It will have to fight against uncontrolled migration from rural areas to urban centres and against a population growth which cannot be absorbed by the economy.

18. Recently, there have been serious clashes involving the Alawites, who account for 10 to 15 million of Turkey’s population of over 60 million, a Shiite community practising a less strict form of Islam and in favour of the secular state. They are disliked by the fundamentalist minority among the mainly Sunni population. Sunni Muslims killed 37 Alawites during a riot in the city of Sivas in 1993, and between 20 and 30 were killed in incidents in Istanbul on 13th March 1995 and the following days which are believed to have started with attacks by a fundamentalist Sunni group. Such clashes are certainly connected with religious fanaticism but they cannot reasonably be seen as part of a political scheme to destabilise the Turkish state, as some observers have tried to make believe.

(a) Human rights

19. Although far from being the main subject of this report, it has to be mentioned that the human rights situation in Turkey remains an issue of concern to its closest western allies. Reference is made in particular to recent reports of the Parliamentary Assembly of the Council of Europe, such as those of the Legal Affairs and Human Rights Committee on the consequences of the dissolution of the Party for Democracy (DEP) in Turkey, by Mr. Jurgens (Document 7112) and the report on the visit to Ankara of the ad hoc committee on Resolution 1041 submitted by Mr. Martinez, President of the Assembly (Document 7159, Addendum 1).

20. Recently, three reports were published confirming a situation which leaves room for considerable improvement.


22. In February 1995, the United Nations special investigator into torture, Nigel Rodley, reported that torture appeared to be widespread in Turkey with electric shocks, sexual assault, food deprivation and death threats among the most common forms. Still, the Turkish Government denies widespread torture, stating that it pursues a legitimate fight against terrorism.

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1. According to the 1990 census, the urban population increased by 43.1% in the period 1985-90 and the annual average population growth rate is 2.2%.
23. Amnesty International stated in a report released on 8th February 1995 that torture, “disappearances” and extra-judicial killings in Turkey are increasing sharply. It has blamed the security forces for perpetrating such crimes “with impunity throughout the country”. It also stated that PKK guerrillas carry out summary executions and kill civilians despite their promise in December 1994 to observe the Geneva Conventions.

24. Other European institutions, in particular the Council of Europe and the European Union, have repeatedly insisted during recent months that Turkey should respect its commitments to make significant progress in constitutional and legislative reforms.

25. There is little use in adding much more to those earlier requests than to say that, according to prevailing opinion and experience in Western Europe, full respect of democratic and human rights by the state and its institutions is one of the best guarantees against internal destabilisation and insecurity in a country.

26. On 2nd May last, Turkey’s Minister for Foreign Affairs stated in the Grand National Assembly of Turkey:

“Turkey is resolved to move forward in democracy and human rights in accordance with the expectations of the Turkish people. Indeed, the process of democratisation started is being pursued irrevocably in the Grand National Assembly of Turkey.”

This is a very welcome declaration and it is only to be hoped that the results of this process will soon be apparent.

(b) The Kurdish problem

27. Since 1984, the Kurdistan Workers’ Party (PKK) has been fighting violent guerrilla warfare combined with terrorist operations, concentrated mainly in the south-eastern part of Turkey. Its objective is to establish a separate Kurdish state. Over the years, Turkey’s fight against the PKK has developed into a massive operation in which an estimated 315 000 soldiers, special forces and state sponsored village guards are involved at a yearly cost of $8.2 billion or one-fifth of the Turkish state budget. An estimated 15 000 people have been killed in guerrilla operations and counter-offensives. In the past three years, both sides in the conflict have stepped up operations into all out war.

28. In October 1992, the PKK for the first time made an almost battalion-sized massive attack against Turkish border posts which resulted in the death of 257 PKK supporters and 60 security force members.

29. Turkey’s Government forces responded with a large scale cross-border offensive against PKK camps in Iraq, co-operating with Iraqi-based Kurdish guerrillas of the Kurdish Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK). Although these operations were not completely successful, on 20th March 1993, the PKK leader, Abdullah Ocalan, called for a temporary ceasefire and negotiations. Fighting activities were reduced, but were resumed full scale after thirty-eight soldiers were killed in a deadly ambush staged by the PKK on 24th May 1993. In its following campaign, the PKK expanded its activities to cover the whole eastern part of Turkey from the north, near the Armenian border, to the south, near the border with Iraq. In spring 1994, the Turkish Government forces intensified their counter-insurgency programme with new operations employing a total of 240 000 troops from the 2nd and 3rd armies and from western units. Operations included air raids and hot pursuit of terrorists across the border.

30. Another tactic still in use is to remove the population from mountain villages and hamlets and destroy their dwellings, which denies the PKK information, food and shelter. The objective, as announced by Prime Minister Tansu Ciller, is to move this mountain population to collective villages for which the European Resettlement Fund has offered Turkey $227 million.

31. On 20th March 1995, Turkey embarked upon its largest military operation against the PKK on Iraqi territory when 35 000 Turkish troops, backed by heavy equipment and fighter-bomber aircraft launched an attack across the northern Iraqi border against PKK bases. According to the Turkish Government, the objective was to eliminate PKK terrorist bases across the Turkish border. Prime Minister, Tansu Ciller, said: “We are determined that, in this final operation, the job will definitely be done.” It is said that, at the same time, the Turkish Government wanted to give a warning to the Kurdish factions in Northern Iraq to do their job and control the PKK on their territory in exchange for Turkish support. Turkey also wishes the Iraqi Kurds to start negotiations with the Iraqi Government.

32. The operation came under criticism from Turkey’s European allies and later also from the United States. The French Foreign Minister, Alain Juppé, speaking on behalf of the European Union, said that the European Union was “worried by the massive character of the intervention” and concerned about the “damage done to the civilian population”. Germany, which since 1964 has provided Turkey, at no cost, with military equipment


4. A little later, an additional 25 000 troops were sent to the Tunceli province in eastern Turkey in order to fight other groups of PKK rebels.
worth a total value of $4.2 million, has stopped any further deliveries and suspended financial aid for the construction of two MEKO frigates for Turkey.

33. On 6th April 1995, the European Parliament adopted a resolution with 411 votes in favour, none against and six abstentions, which said that it: "strongly condemns Turkey's military intervention in northern Iraq and the resulting violations of international law and human rights." The resolution further stated: "The state of human rights in Turkey is too grave to allow for the formation of the proposed customs union at present."

34. The Parliamentary Assembly of the Council of Europe on 26th April 1995, adopted a Recommendation condemning Turkey's military intervention which it regarded as "contrary to international law" and expressed "its anxiety for the safety of the civilian population". The Assembly considered that Turkey "should immediately withdraw its forces and commit itself to seeking a peaceful solution to the Kurdish problem".

35. Without pushing too hard, the United States Government made it understood that it wanted an exit date. It left no doubt that it viewed the PKK rebels as terrorists and understood why Turkey would want to act against them, but it was "extremely concerned" lest this operation would harm Ankara's further integration with Europe.

36. The United States Deputy Secretary of State, Strobe Talbott, provided his view of the situation when he addressed an audience in Ankara on 11th April 1995. According to Mr. Talbott, this massive Turkish operation would not be the end of PKK's separatist fight. A long-term solution to the rebel threat along Turkey's south-east border lay with a new order in Baghdad. In the meantime, only Iraqi Kurds could control the border and prevent the PKK from infiltrating terrorists into Turkey. Kurdish factions in northern Iraq should stop their internal violence.

37. The United States was opposed to the establishment of an independent state for ethnic Kurds, but autonomy or another system of self-government might eventually be negotiated in states where Kurdish communities live. He added: "All citizens of a state, whatever their nationality, religion or language should feel themselves to be full citizens. If a state can meet that standard, then it is much less likely to have a problem with successionist terrorists." 

38. Turkey's Deputy Prime Minister, Hikmet Cetin, set a completely different tone when he addressed a London audience on 8th April 1995. Mr. Cetin rejected claims that the Turkish operation in northern Iraq violated international law, saying that there was a legal vacuum in that part, caused by the creation of a Kurdish "safe haven" north of the 36th parallel. The solution was for the Iraqi Government to comply with all United Nations resolutions and so regain its legal authority over the whole of its territory. Mr. Cetin further refused to accept that in Turkey there existed a conflict between the government and the Turkish minority in the south-east. He ruled out any change in government policy, such as permitting education in the Kurdish language.

39. On 4th May 1995, Turkey's Defence Minister, Mehmet Golan, announced that all Turkish troops had withdrawn from Iraqi territory, six weeks after the beginning of the operation in which the army claims to have killed at least 555 PKK fighters, destroyed their bases and training camps in the area and seized sophisticated weapons. It was reported that on 3rd and 4th May, a high-ranking Iraqi-Kurdish delegation met Turkish officials in Ankara to discuss control of the Iraqi side of the border after a full Turkish withdrawal.

40. Later, on 9th May 1995, the European Union issued the following declaration:

"The European Union, which regards the stability and territorial integrity of the states of the region as a matter of importance, has noted with satisfaction the announcement of the total withdrawal of Turkish troops from northern Iraq, in accordance with the undertakings given by Turkey to the troika on 23rd March. It hopes that Ankara will deal similarly with the other concerns voiced by the European Union in recent months concerning democracy and human rights, thus creating more favourable conditions for the bringing about of the desired rapprochement between the European Union and Turkey, with a view in particular to the implementation of the agreement on Customs Union."

41. The European Union's reference to the territorial integrity of the states in the region may have been meant to remind Turkey of the standing policy that borders in the region should not be changed. On 2nd May last, President Suleyman Demirel declared that Turkey would like to correct its frontier with Iraq in order to ensure its impermeability. At the moment, it is not known whether this was an indication of a change in Turkey's foreign policy or a declaration made

with considerations of internal political strife in mind.

42. It is observed that even if Turkey succeeded in eliminating the PKK in northern Iraq, its war on Turkey's own territory will not end soon. The campaign against the separatist Kurds in south-eastern Turkey is often accompanied by discrimination and violence against the civilian population. Complete villages are being destroyed and their inhabitants resettled. Human rights organisations and also the Council of Europe have reported murder, torture and other human rights violations. Such behaviour is driving people into the hands of separatist movements and even the PKK, which has a steady supply of guerrilla recruits. Nobody can deny that the PKK is responsible for objectionable violent terrorist attacks, summary executions, hostage-taking and destruction of civilian property.

43. The Turkish Government has the right and the obligation to protect its population against terrorism, but it should also accept that the problem of Kurdish nationalism cannot be solved by military operations. Turkey might have prevented the Kurdish nationalist problem from growing out of proportion into a state security problem if it had granted the Kurds greater rights of cultural self-expression including the indiscriminate use of the Kurdish language. Succeeding Turkish governments, however, have stressed the ethnic Turkish character of the state, which left no room for any institutional expression of other ethnic identities.

44. It has been pointed out that in many western European states ethnic minorities have obtained cultural rights of self-expression without this resulting in the dissolution of the state. The Spanish constitution granted nationalities and regions of the state a wide measure of autonomy within a decentralised Spain, but still solidly united as a state, and as a consequence the popularity of radical Basque nationalism resorting to violence has diminished considerably.

45. The establishment of a separate Kurdish state in south-eastern Turkey is very hard to imagine, also because of strong resistance from Iran, Iraq and Syria, each with important Kurdish minorities on their territory. Moreover, it is known that many of Turkey's 15 million Kurds are living in parts of Turkey other than the south-eastern region. It seems inevitable, however, for some form of local and regional autonomy, including cultural rights, to be granted to Kurds living in the south-east of the country in order to meet the requirements of a democratic state in which the rights of religious minorities, as stipulated in the Treaty of Lausanne, and of ethnic minorities are recognised.

II. Defence spending and the Turkish armed forces

46. Turkey feels that, taking into consideration the many changes which took place in the Black Sea area and at its eastern and southern frontiers after the end of the cold war, its traditional rôle of flank country has been transformed into one of a front nation.

47. In the early 1990s, Turkey decided to start a major modernisation and restructuring of its armed forces. Defence expenditures were increased and the national defence industrial base was enlarged.

48. The Turkish army is now implementing a reorganisation in which the division command level is being replaced, with a few exceptions, by more flexible brigades. Manpower has been reduced to a peacetime strength of 500,000, but the operations against the PKK have caused an increase of the length of conscript service by five months. Figures regarding defence spending in Turkey are given in Appendix I of the present report.

49. Turkey is closely observing negotiations between Russia and Ukraine on the division of the Black Sea fleet and the use of bases and shipyards in Ukraine. A satisfactory solution for both parties is considered to be an important factor for stabilisation in the region. Relations between the Turkish and Russian naval forces have improved and both countries have signed an agreement on the prevention of incidents on and over the high seas with both Russia and Ukraine. Turkey has noted Russia's declaration that it considers the Black Sea and the Caucasus as first priority strategic areas.

50. The cascading of CFE surplus equipment from other NATO countries has considerably increased the equipment numbers of the Turkish armed forces. Turkey received M-60 tanks, Leopard-I tanks, M-110 203 mm self-propelled guns, UR-416 armoured personnel carriers, AH-1 Cobra attack helicopters and UH-60 Black Hawk utility helicopters. Orders were placed for Russian Mi-17 and French SA-365 Cougar helicopters. The navy commissioned eight United States Knox-class destroyers. In the airforce, all the F-104 Starfighters have now been retired from service. Deliveries of new F-16s continued and more F-4s were received from Germany.

51. The restructuring and modernisation of Turkey's armed forces is explained in more detail in the following paragraphs.

(a) Army

52. The army's objective is to create forces with high mobility, fire power, shock reaction and endurance. They should be capable of long-range target detection, identification and recognition.
The restructured forces should be flexible, easy to control and multi-purpose, capable of effective and rapid mobilisation. It is envisaged to employ professional personnel for critical missions.

53. While no changes were made in the number of armies and corps, the infantry-heavy organisation of regiments and divisions has been abandoned and new self-sufficient armoured and mechanised battalions and brigades have been created.

54. The Turkish army is being re-equipped with the help of funds from various national sources, United States credits, United States southern region aid, German military assistance programmes and through CFE Treaty transfers from other NATO member states.

55. Important modernisation projects being implemented are:

- the purchase and co-production of the Sikorsky Black Hawk and the Eurocopter Cougar, both utility helicopters, and procurement of the Cobra and Super Cobra for protection/escort missions and anti-tank defence;
- updating of existing M-48 tanks and overhaul and delivery of 822 M-60 tanks from the United States and Leopard tanks provided by Germany;
- domestic manufacture of armoured combat vehicles and improved armoured personnel carriers;
- procurement of tank trailers, needed for inter-region flexibility of armoured and mechanised units;
- modernisation of existing 155 mm self-propelled howitzers and conversion of 105 mm howitzers to 155 mm self-propelled howitzers;
- procurement of multiple launch rocket systems, capable of launching both rockets and tactical missiles.

56. Other equipment programmes are being planned or implemented in army aviation, target acquisition, identification and recognition, C'I and air defence.

(b) Air force

57. At present, the 1st and 2nd Tactical Air Force Command constitute the primary strike power of the Turkish air force. They comprise a total of nineteen NATO-assigned combat squadrons, made up of six F-4, seven F-16, three F-104 and three F-5 squadrons, armed with Sidewinder and Sparrow air-to-air missiles, and Maverick, Rockeye, Durandal, CBU, LGB and conventional bomb ammunition. Additionally, two of the present F-16 squadrons have Lantirn capability.

58. Moreover, there is a training command, consisting of six squadrons with different types of aircraft, an air logistics command and four air transportation squadrons, equipped with C-130 and C-160 medium transport aircraft and CN-135 light transport aircraft and UH-1H helicopters for special tasks.

59. A modernisation programme envisages a number of important update and procurement activities. F-104 and F-5 aircraft which have completed their economic life will be phased out when the number of F-16 aircraft — procurement of which began in 1986 under joint Turkish-United States production — reaches the desired level. Furthermore, efforts to equip F-16 aircraft in service with state-of-the-art electronic warfare equipment have reached the final phase. A total of 240 F-16s have now been ordered. Modernisation efforts to upgrade F-4 and F-5 aircraft still in use are underway.

60. The acquisition of A-10 aircraft scheduled to enter into service for effective support for the land forces has also reached its final phase. The acquisition of CN-135 light transport aircraft has begun under joint Turkish-Spanish production. In addition, air force participation in the joint European future large aircraft (FLA) project will replace C-130/C-160 aircraft which will complete their economic life in the year 2000.

(c) Navy

61. Turkey expects the future extended exploitation of oil and gas reserves in the Caspian region and the development of the Black Sea economic co-operation area which seeks to integrate the economic and commercial interests of the Black Sea region with those in the Mediterranean basin to have far-reaching consequences.

62. The protection and security of the sea lanes of communication in the Black Sea will continue to be one of the Turkish navy's essential tasks. The addition of new international oil terminals in Turkish seaports located in the eastern Mediterranean in the future will further increase the importance of protecting the sea lanes of communication in the region and widen the tasks carried out by the Turkish navy in co-operation with other allied naval forces.

63. With the preceding considerations in mind, the Turkish navy is now undertaking an important modernisation programme with the following main procurement projects:

- construction of a fifth, sixth, seventh and eighth Meko 200 class frigate, to enter into service between 1995 and 1998;
- construction of four 1 400 ton submarines, to be equipped with harpoon guided missiles and Tigerfish torpedoes, bringing the total number of submarines to ten. The 10th submarine is to be commissioned in 1998;

- construction of five more Dogan class fast patrol boats, equipped with guided missiles, bringing the total number to thirteen, of which the last is to be commissioned in 1999;

- construction of a second auxiliary oil replenishment ship, to be commissioned in 1995.

64. For the longer term, the procurement of additional frigates, new anti-submarine warfare helicopters, six mine-hunter ships and the replacement of maritime patrol aircraft is being planned.

III. Relations with other countries in the region

(a) The Transcaucasian region

(i) Georgia

65. Turkey maintains relations of co-operation and good neighbourliness with Georgia, respecting the principles of territorial integrity, protection of human rights and the solution of conflicts by peaceful means also in the recent inter-ethnic conflicts which have plagued this newly-independent state.

66. In the Abkhazian conflict, Turkey supports the efforts of the United Nations Secretary-General’s special representative to find a peaceful solution and to settle the political status of Abkhazia. It also supports the efforts of the OSCE mission to find a political solution for South Ossetia.

67. Since Georgia’s independence, Turkey has provided humanitarian aid totalling around $18 million. In February 1993, the Turkish Exim bank opened a credit line of $50 million and it stands ready to open a credit line for a similar amount. In order to help Georgia overcome its shortage of energy supply, Turkey has provided electric energy to a total value of $80 million.

68. Moreover, Turkey is setting up long-term co-operation programmes which should be the basis of further economic links between the two neighbours and other states in the region. Mention should be made of co-operation in the fields of energy, transport, telecommunications, trade and the opening of new border crossings.

(ii) Azerbaijan

69. On 9th November 1991, Azerbaijan was the first newly-independent republic on the territory of the former Soviet Union to receive Turkish recognition. With the signing of a protocol on 13th January 1992, Baku was the first of the new capitals to receive a Turkish embassy. As early as November 1991, a Turkish-Azerbaijan business council was established in order to develop commercial relations between the two countries.

70. There can be no doubt that of all the countries in that region, Turkey has the closest relations with Azerbaijan. This is partly due to the existence of an important Azeri community within Turkey which acts as an efficient lobby. At the same time, however, the Turkish business community has a strong preference for trading with Azerbaijan which has a vigorous small business culture, is geographically close to Turkey and speaks a Turkish language very similar to Anatolian Turkish.

71. In Azerbaijan, digital telephone systems and communications via the Türkşat satellite were established with Turkish assistance. The Turkish Eximbank in 1992 granted an export credit of $100 million and a project credit of $150 million, while a $100 million credit was granted to the autonomous republic of Nakhitchevan.

72. It should be mentioned that Turkey is concerned over the internal political situation in Azerbaijan.

73. In October 1994, there was a series of violent incidents which had all the appearance of a coup attempt in which the Interior Ministry’s OMON special purpose militia, led by Ravshan Javadov, played an important rôle. President Geidar Aliyev imposed a state of emergency and a curfew in Baku and later dismissed Prime Minister Surat Guseinov because of his involvement in the alleged coup attempt.

74. After these incidents in October 1994, President Geidar Aliyev claimed, on 5th October, that Russia was deliberately destabilising Azerbaijan by covert means in order to force the country to permit the deployment of Russian troops on the Iranian border and to gain a larger stake in the Caspian oil deal.

75. In March 1995, there was a new outburst of street fighting caused by the Interior Ministry’s militia under Ravshan Javadov because of a dispute with the government over plans for the militia’s disbandment. The militia called for President Aliyev’s government to be replaced by a coalition government. Interior Minister Ramil Usubov stated that the militia, which allegedly has been smuggling strategic materials out of the country, had “joined up with criminal gangs”. Meanwhile, the situation has calmed down again, but when President Aliyev on the occasion of his visit to the

10. The conflict with Armenia over Nagorno-Karabakh is dealt with in chapter III of this report.
European Union on 18th April 1995 pressed for closer political ties, the President of the European Commission reiterated that the European Union would not make agreements with any Transcaucasian state as long as the region remained unstable 11.

(iii) Armenia

76. The conflict between Azeris and Armenians, and similarly between Armenians and Turks, have ancient and well-known historical roots. The present dispute between Azerbaijan and Armenia over Nagorno-Karabakh has clearly affected Turkey’s relations with Armenia. They deteriorated in particular when in spring 1993 during the fighting over Kelbajar, Armenian forces opened a second land corridor between Armenia and Nagorno-Karabakh. Turkey closed the air corridor to Armenia. It also stopped the free passage of trains and aircraft for humanitarian aid when Armenia occupied Kelbajar in April 1994.

77. Turkey recently stated that it is ready to take steps aimed at building confidence in its relations with Armenia, but only on condition that Armenia is willing to do the same. Officials of both countries have met to discuss the issue. Turkey has declared that it will establish diplomatic relations with Armenia only after the withdrawal of Armenian forces from occupied Azeri territory. It says that Armenia should also lift its objection against Turkish participation in a planned multinational peace-keeping force for Nagorno-Karabakh.

78. Turkey started preparing to ease its embargo on Armenia by reopening an air corridor allowing delivery of United States humanitarian aid. This development is said to be connected with the Turkish bid, strongly supported by the United States, for an oil pipeline which should link the oil fields of Azerbaijan with Turkey’s Mediterranean port of Ceyham, crossing Armenian territory 12.

(iv) The conflict in Nagorno-Karabakh

79. Nagorno-Karabakh, a region inhabited by Armenians, was attached to Azerbaijan following a decision taken by the Caucasian desk of the communist party in 1921. Later, in 1923, Nagorno-Karabakh obtained the status of autonomous region of the Socialist Soviet Republic of Azerbaijan. For many years, there has been a policy of Azerification. As a consequence, the share of Armenians in its population diminished from 95% in 1921 to 75% in the early 1980s.

80. Stimulated by the perestroïka movement in the Soviet Union, a resolution was adopted by the Council of Nagorno-Karabakh in February 1988 asking to be attached to Armenia. There were several anti-Armenian pogroms in Azerbaijan in 1988 and 1990 and many Azeris left Armenia to go to Azerbaijan. Altogether, an estimated 200 000 persons were forced into exile.

81. The Azerbayan Supreme Soviet suspended Nagorno-Karabakh’s autonomy in November 1991, but in December 1991, the republic of Nagorno-Karabakh declared its independence following a referendum with 99% of the votes in favour. In 1992 fighting intensified into a full scale war and the Azeri troops were soon forced into retreat and defence. Violence and hostilities since 1988 are said to have resulted in the deaths of an estimated 25 000 soldiers and civilians and the displacement of one million others 13. It is thought that at present ethnic Armenian forces occupy 10 000 square kilometres of Azerbaijani territory, including a strip of Azeri land dividing the enclave from Armenia on top of the 4 400 square kilometres of Nagorno-Karabakh’s territory. Although Armenia has denied involvement in the conflict, both Turkey and Iran, but also increasingly Russia, have held Armenia responsible.

82. On 27th July 1994, the Defence Ministers of Armenia and Azerbaijan and the military leader of Nagorno-Karabakh signed an agreement giving legal status to, and indefinitely extending, a cease-fire agreement reached in Moscow on 9th-11th May 1994.

83. A meeting of the OSCE Minsk group in Moscow on 9th-11th February 1995, did not manage to smooth over the differences between the parties concerned over the political statute of Armenians in Nagorno-Karabakh. The emphasis of Armenia on granting a political statute to Armenians in Nagorno-Karabakh, and its direct participation in the negotiations seems to be a major obstacle to reaching a comprehensive agreement.

84. At the OSCE summit meeting in Budapest on 6th December 1994, it was decided to send a 3 000 strong OSCE multinational peace-keeping force to Nagorno-Karabakh. No agreement has been reached yet over the composition of the force, but it seems to be agreed that no one state could contribute more than 30% of the troops. Russia had earlier insisted that it should provide most of the troops. The deployment of the peace-keeping force will only take place if the cease-fire will have been changed into a permanent truce and after United Nations Security Council approval.

85. In fact, Turkey has its doubts about Russia’s role in the conflict, being aware of Russia’s

14. The OSCE Minsk group consisting of a number of OSCE member states, including Russia and Turkey and the “interested” parties in Nagorno-Karabakh, started its peace initiative in 1992.
strategic interests in the region, combined with its desire to deploy troops in Azerbaijan. Russia has made no secret of its intention to protect the southern frontiers of the former Soviet Union’s territory against rising Islamism and to have an important stake in the exploitation of Azerbaijan’s oil and its transport to the world markets.

86. Russia had made mediation efforts in the conflict as early as September 1991, but these were considerably stepped up at the expense of the mediation activities of the Minsk group after President Aliyev came to power in a military coup in June 1993.

87. At the beginning of March 1995, however, there were violent clashes between Armenia and Azeri forces in the north of Azerbaijan—the first important violation of the ceasefire in force since May 1994. In May 1995, however, on the occasion of the one-year existence of the ceasefire agreement, both parties exchanged prisoners of war.

(v) Conclusions

88. The Transcaucasian region, where Europe and Asia meet, has always been considered of great strategic importance by its direct neighbours Russia, Turkey and Iran.

89. For Russia and later for the Soviet Union, it was a buffer zone against the Muslim world in the south, a concept which seems to be continued by the new post-communist Russia. It considers Transcaucasia as situated within its zone of influence. Russia’s objective is to have the CIS recognised as a regional organisation in the framework of chapter VIII of the United Nations Charter, which could be given a mandate to intervene in the CIS by the Security Council, the intervention being financed by the United Nations.

90. Although Azerbaijan has declared repeatedly that it does not want any foreign troops on its soil, Russia, with President Aliyev’s agreement, is still using the huge early warning station in Gubeli in north Azerbaijan which it certainly would not like to give up, given the six years of construction and $2 or $3 billion investment needed to reconstruct it elsewhere on Russian territory. At the same time, on 11th June 1994, Azerbaijan agreed with the Russian Defence Minister to participate in a unified air defence system for Trans-Caucasia.

91. Because of their involvement in armed conflicts, both Georgia and Armenia have had no choice other than to give in to Russian pressure to be allowed to deploy Russian troops on their territory. As a consequence, Russia has now deployed divisions on Georgian and Armenian territory. With the announcement in Moscow of the creation of the 58th army of northern Caucasus, there will be even more Russian troops in the region. Azerbaijan has not yet ceded to Russian pressure, but it remains to be seen how long it will be able to resist.

92. Turkey, which has narrow cultural and economic relations with Azerbaijan, wishes before anything else to prevent a resurgence of Russian influence in Transcaucasia and in particular in Azerbaijan. Both Turkey and Armenia are trying to normalise their mutual relations, but Turkey has made it clear that this would be possible only if Armenians were to withdraw from occupied Azeri territory because Turkish public opinion would not allow any weakening of support for Azerbaijan. On the other hand, the Armenian minority in Turkey will insist on Turkey recognising the 1915 genocide as a condition for reconciliation.

93. Iran knows that it has to act cautiously in order not to create unrest among the 20 million Azeris living in Northern Iran. While it is moderately in favour of the Armenians, it is providing humanitarian aid to the Azeri refugees of the Nagorno-Karabakh conflict.

(b) The Central Asian republics

94. After the collapse of the Soviet Union in 1991, Turkey had hoped that the Central Asian Turkic republics and the Transcaucasian republic of Azerbaijan, with which it shares cultural, linguistic and religious ties, would form a sub-regional bloc under Turkish leadership. Turkey has now realised that expectations on both sides were raised too high, acknowledging that it is financially and technically unable to meet many of the republic’s needs. The state of the Turkish economy does not allow for extensive aid programmes and the internal situation in the country, with high inflation, growing Islamic fundamentalism and the fight against Kurdish separatists, demands prior attention.

95. Two “Turkish summits” have now been held, the first in Ankara in October 1992 and the second in Istanbul on 18th-19th October 1994. A third summit is planned to be held in Bishkek in August 1995.

(c) The south-eastern neighbours

(i) Iran

Rivalries in Central Asia and the Caucasus

96. Turkey and Iran are both close to the new independent republics of the Caucasus and Central Asia, on account of the existence of cultural, historic and religious ties.

15. These republics are: Kazakhstan, Kirgizstan, Turkmenistan and Uzbekistan.
97. Rivalry undeniably exists between Turkey and Iran, particularly in Central Asia which for long has been the place of encounters and conflict between the Turkish and Persian worlds. Russia’s hegemony has therefore been contested in what was formerly its own exclusive sphere of influence over which Turkey and Iran are now competing.

98. There is an awareness among the Turkish-speaking peoples of Central Asia that they belong to the same cultural community. In the area, there is, however, also a Farsi-speaking culture which enjoys cultural prestige but is politically in the minority.

99. Different trends are evident from one former Soviet Republic to another. Generally speaking however Turkey wishes to see the republics become market economies and adopt a pro-western political line. The message disseminated by Ankara advocates a moderate Islamic view in order to counter the risk of a slide into radical Islam. Iran, for its part, intends to promulgate the message of Islam and export an ideology that is independent of the West.

100. From the early 1990s, Turkey has adopted an approach that aims to increase commercial and cultural exchanges with central Asia. Indeed Turkish products dominate virtually all of the area’s markets.

101. Moreover Turkey is presenting the creation of the Black Sea economic co-operation area as the means of creating an area of regional political stability facilitating its anchorage to the West through economic and commercial integration.

102. From the early nineties onwards, Iran, for its part, has strengthened the regional dimension of its economic diplomacy guided by the “pragmatic wing” of the régime. The Iranian strategy therefore gives priority to winning back markets, particularly in Central Asia and the Caucasus. The break-up of the Soviet Union gave new impetus to the Organisation for Economic Co-operation (OEC) which the Muslim republics of the former Soviet Union joined at Tehran’s suggestion. In this way, Iran is in point of fact trying to create a huge common Islamic market in the region.

103. Although Turkey is associated with the OEC, it wants at the same time to play its own hand. It made this clear by organising the first summit meeting of Turkish speaking countries in Istanbul in October 1992.

104. These considerations show the stake represented by the region in the policy of influence of two important countries harbouring the same regional ambitions and pursuing competing courses of action.

105. Although many in the West are concerned over Iranian influence in Central Asia, including in particular the export of militant Islamism, it should be noted that Iran has acted cautiously and has concentrated on trade agreements and quite successfully. It has signed a co-operation agreement with Turkmenistan to lay a pipeline for the transport of Turkmen gas through Iran to Europe. It is also discussing an oil pipeline project with Kazakhstan. Weekly flights between Central Asian capitals and Tehran have been established, new border crossings opened, roads repaired and new roads, railways and bridges are being prepared. The main objective of Iran’s policy in this region is to prevent Turkey, and through it the West, from gaining a foothold in the Central Asian republics strong enough to pose a security threat.

106. Notwithstanding the efforts made by both states, competition between Iran and Turkey for influence in Central Asia and the Transcaucuses has been limited because both states lack the resources to invest in the region in order to win influence. Iran has not emphasised its ideological or religious interests in Azerbaijan and Turkmenistan. It has concentrated mainly on cultural and economic links and transit agreements.

Azerbaijan

107. The most obvious of their rivalries sets Turkey and Iran on opposing sides as regards Azerbaijan, which has a certain continuity in its links both with Turkey and Iran and with central Asia. A large part of Turkey’s attention is in fact monopolised by Azerbaijan in relation to which Turkey is able to claim ties of blood and a community of language. Iran for its part emphasises shared religion and the fact that 18% of Iran’s population is Azeri.

108. Although 70% of the Azeri population are Shiites, thus providing a certain link with Iran, suspicion of religious fundamentalism is real and the Iranian model is generally rejected. This fact does not prevent Iran from making repeated attempts to impose its presence in cultural, political, economic, social and religious matters.

109. Indeed, it is the development model of the Turkish non-secular state that has been adopted by the Azerbaijan Government and the majority of the Azeri population. This statement, however, must be qualified insofar as the Islamic activism coming from Turkey is far more clear-sighted than that promoted by Iran.

16. See Chapter VII of the present report.
17. The agreements concluded, however, were modest and cautious.

18. The Azeris are Turkish-speaking.
110. As regards the conflict over Nagorno-Karabakh, it should be noted that Iran is strongly in favour of a peaceful solution because of concern lest it spill over into its own territory and create interest in its own large Azerbaijani community.

111. Recently the signing in Bakou, of an agreement between Turkey and Azerbaijan has strengthened Ankara’s participation, to Iran’s disadvantage in an oil consortium dominated by American and British companies for exploiting the rich deposits of the Caspian sea.

112. The substantial progress Turkey has made in the Caucasus relies heavily on firm American diplomatic support, one of the most prominent concerns of which is to stem the spread of Islam. It is a matter of avoiding destabilisation at local levels that might draw in the whole of Central Asia and creating a centre of stability through the emergence of a regional power, Turkey, as a counterweight to Iran’s ascendancy.

The Kurdish problem

113. The Kurdish question contributes to bringing Iran and Turkey closer together. The flow of Kurdish refugees to the Iranian frontier in December 1991 obliged Turks and Iranians to co-operate to find a solution to this thorny problem.

114. Although Turkish military intervention against PKK camps is intended to crush the source of what Turkey considers to be dangerous destabilisation, Iran’s publicly-stated objective is rather to eliminate the risk of contamination.

115. The two countries are generally in step regarding the Kurdish question. The Islamic Republic seems to have assumed a permanent right of pursuit of Kurdish guerrillas into Iraqi territory.

116. Like Turkey, Iraq rejects the idea of an autonomous Kurdistan that might one day become an independent entity and, according to Iran, threaten the internal situation in the country.

117. The country’s artillery and airforce consequently inflict numerous raids at regular intervals against the areas which, according to the authorities in Tehran, are harbouring Kurdish rebels, an allegation which the Iraqi Kurds have always denied. It seems that, like Turkey, Iran remains determined to arouse fear among its opponents.

118. While a matter of shared concern, the Kurdish question also constitutes a factor of tension and hostility between Turkey and Iran. Turkish policy and initiatives towards the Middle East remained relatively low-key in 1993 and 1994, except in relation to questions having a more or less direct influence on the Kurdish problem. Turkey, Iran and Syria have been meeting regularly since their summit meeting of 14th November 1992 in order to review the position of those referred to by Turkey as the PKK terrorists. The Turkish authorities strongly suspect Syria and Iran of using them to weaken Turkey. At the same time, the repeated tripartite summit meetings confirm that the views of the three countries converge on this point, fearing that the process of administrative autonomy in Iraqi Kurdistan might lead to a contagious dismemberment.

119. Lastly, Iran’s reaction to the Turkish military intervention in March 1995 has been muted and cautious. Tehran has in fact asked for the “withdrawal” of Turkish forces from Iraq. Iranian radio also announced that the presence of Turkish troops in Iraq was likely to complicate further the situation in the region. This position is supported by the Minister for Foreign Affairs of Iran, Ali Akbar Velayati. The Iranian President for his part has merely stated the importance Iran attaches to Iraq’s territorial integrity.

Interior developments and the restructuring and modernisation of Iran’s armed forces

120. Under President Rafsanjani, the Iranian Government is concentrating its efforts on revitalising the shattered economy by introducing measures of liberalisation and openings to western markets. Consolidation of the Islamic republic at home is the government’s priority. The aggressive and radical foreign policy, combined with strenuous efforts to export the revolution by intrigue and force, have been toned down considerably. The failure of the government’s policy to improve the country’s economic situation and the population’s living standards has increased the influence of radical Islamists and the conservative religious faction, but President Rafsanjani is still firmly in power and has only had to make limited concessions to the conservatives.

121. The United States continues its efforts to isolate Iran because of its alleged support of terrorist groups, opposition to Middle East peace talks and search for a nuclear capability. On the other hand, it should be noted that American oil companies, buying an estimated 800 000 barrels a day of Iranian crude oil (roughly a quarter of Iran’s total output), are the largest purchasers of Iranian oil and American companies are the sixth largest trading partner for Iran.

122. Feeling uncomfortable with many of its neighbours and having learned the lessons of the Iraq-Iran war and of the coalition victory over Iraq, Iran is now implementing a programme to modernise and professionalise its armed forces. Forced by economic and financial problems, the programme envisages the creation of smaller and more professional armed forces. A re-equipment programme is under way with Russia, China and

20. See chapter VI (b).
North Korea as the main suppliers. Priorities are the upgrading of armoured warfare capabilities, the building of a modern airforce, enhanced ability to deny access to the Gulf to hostile shipping and the expansion of its surface-to-surface missile arsenal.

123. It is said that the Iranian Government considers effective armed forces a vital instrument to protect the country while the social and economic reconstruction of the country is taking place.

124. In particular, the United States has strongly criticised the procurement of three "kilo" class diesel-electric submarines from Russia. It should be noted, however, that these submarines will be of only limited value, their crews being trained only for limited sub-surface deployments, while they are vulnerable to modern anti-submarine warfare forces. They may, however, play an important rôle in a strategy of denial and naval guerrilla warfare in the Gulf. Iran has stationed troops equipped with surface-to-surface and surface-to-air missiles on islands located near the Strait of Hormuz which could, in combination with other military activities, threaten the free flow of oil from the Gulf to the western world.

125. Following its experience in the Iran-Iraq war, where its troops suffered from chemical attacks, Iran has now developed a full offensive and defensive warfare capability with various delivery systems, including artillery shells, aircraft spray tanks and missile warheads. Biological weapons production is under way.

126. There has been no proof of an imminent Iranian military nuclear capability, but there can be little doubt that the country has an interest in researching the possibility of such a capability. Recent experience has shown that Iraq and North Korea have also been able to hide their military programmes from IAEA inspections.

127. Russia, China and Pakistan have signed peaceful nuclear co-operation agreements with Iran. The resulting programmes, however, may help it to produce plutonium, a key component for nuclear warheads. Nuclear technology has also been acquired from some European companies and from former Soviet republics such as Ukraine, Kazakhstan, Turkmenistan and Azerbaijan. On the other hand, Iran has yet to build a nuclear reactor that can be used to develop the main components for nuclear weapons and it is still lacking essential missile technology.

128. Russia has signed a contract to help Iran with the completion of a nuclear reactor at Bushehr on the Gulf coast and it intends to build at least two more nuclear reactors in Iran in the near future. Recent efforts by the United States to put pressure on Russia to stop selling nuclear technology to Iran have failed. While the United States has accused Iran of being engaged in a "crash programme" to acquire nuclear weapons, Russia argues that the United States is protecting its own trade and nuclear industry and is trying to prevent competitors to do business on Iran's capacious market.

129. At the recent United States-Russian summit meeting in Moscow on 10th May 1995, President Yeltsin has declared that Russia would separate the "military aspects of its nuclear contract with Iran from the 'peaceful ones'". As a consequence, Russia will abandon plans to sell Iran a gas centrifuge, but it remains committed to the sale of at least two light-water nuclear reactors.

130. The United States is also trying to persuade China to renounce from negotiations on a contract to provide Iran with two 300 megawatt nuclear reactors. China has rejected the United States' arguments, declaring that it acts in accordance with international practice and that there is no law forbidding such co-operation.

131. On 30th April 1995, the United States President, Bill Clinton, announced a total ban on all United States trade and investment links with Iran, accusing Iran of heavily sponsoring terrorism and having embarked upon a crash programme to develop nuclear weapons. In 1994, United States exports to Iran amounted to a total of $326 million, and its oil companies purchased Iranian oil for a total of $4 billion. Secretary of State Warren Christopher called on other nations to "end all of their concessionary credits, which allow Iran to divert scarce resources to military programmes and to sponsoring terrorism."

132. Governments of European Union member states have not reacted favourably to the United States call for a trade embargo. They have committed themselves to a "critical dialogue" while maintaining trade relations, taking the view that isolation will not help to make Iran change its behaviour. In general, Turkey agrees with the European Union member states' view and it is not planning to follow the United States example. At the very moment the United States decided on its trade embargo, Turkey announced its agreement with Iran according to which Iran will supply 2 billion cubic metres of natural gas per year from 1998, 8 billion from 2001 and 10 billion from 2002. The agreement was concluded for 23 years and includes the construction of a gas pipeline.

133. It is noted here that the restructuring of Iran's armed forces and the implementation of the re-equipment programme will take some time and

the country does not constitute an immediate military threat to its neighbours. Moreover, the whole programme is mainly directed at creating a deterrent against a possible new Iraqi aggression while it is also making an effort to balance the massive arms procurement programmes of many Gulf states after the war against Iraq.

Conclusion

134. There can be no doubt that with its geographical location, natural resources and large population, Iran is an important power in the region and an important neighbour of Turkey.

135. In spite of differences in political systems, relations between the two countries strengthened after the end of the cold war. Turkey is the most important channel for Iranian imports from the West. After a fall in bilateral trading in 1986-87, trade recovered from the early 1990s.

136. Turkey’s policy is to maintain good relations with Iran on the basis of non-interference in internal affairs and mutual respect. It believes that this will serve the bilateral interests of the two countries and contribute to peace and stability in this volatile region. The Turkish Government wishes to engage in bilateral and regional co-operation with Iran which could be a positive contribution to improving the climate in the region. With this understanding, Turkey wishes to enhance its co-operation with Iran within the Economic Co-operation Organisation which it considers as a purely economic institution.

137. As with Syria, Turkey has established with Iran a mechanism to maintain a continuous dialogue on border security issues and on the question of terrorism. This mechanism has been institutionalised through a joint committee between the Ministries of the Interior of the two countries and a high security commission. It has resulted in an improvement in co-operation between the two countries on border security issues.

138. The frequent tripartite meetings held over the last two years between Iran, Syria and Turkey also include an economic dimension concerning the development of trade between the two countries in the framework of an attempt to normalise their relations.

139. Since the strengthening of President Rafsanjani’s powers, Iranian propaganda has become rather more muted than in the past. Turkey nevertheless continues to regard Iran as a rival regional power, capable, when in its own interest, of intensifying its policy of intervention in the internal affairs of Turkey.

24. Turkey is associated with the Economic Co-operation Organisation, which was reactivated by Iran in 1991-1992. Pakistan being the other participant and the Central Asian republics having been invited to participate.

(ii) Iraq

Persistence of the Kurdish problem and the Turkish intervention of March 1995

140. In the 1970s and far into the 1980s, Turkey and Iraq have practised some form of tacit, and even sometimes overt, military co-operation in their struggle against Kurdish nationalism. In October 1984, both countries concluded a “hot pursuit” agreement which allowed each side to “pursue subversive groups in the territory of the other up to five kilometres”.

141. After having been excluded from the Turkish Syrian economic agreement in 1987, which also included a guarantee on the Euphrates water flow to Syria, Iraq changed its co-operative attitude and from 1988 the PKK operated at will from Northern Iraqi territory. In the aftermath of the Gulf war, more than 400 000 Kurds who were living in Iraq fled into Turkey. Since 1992, Turkey has made frequent incursions into Iraqi territory in order to destroy the PKK facilities in northern Iraq.

142. Ever since April 1991, the United States, France and the United Kingdom, operating from Turkish territory, have imposed an air exclusion zone on the forces of Bagdad, thus denying the Iraqi army overflight of the Kurdish zone situated north of the 36th parallel. Finally united, the Iraqi opposition ratified the existence of a “federate” Kurdish state at the Salaheddin congress in October 1992. Neighbouring states, Turkey, Iran and Syria, warned the Kurds at that time against any desire for independence, but the existence of a Kurdish enclave where the Iraqi Government could not exert its authority obliged the protecting forces to allow for the setting up of a political process leading to the creation of a central administration for this region.

143. After a May 1992 general election for the legislative council of the Kurdistan autonomous region in Iraq, the Kurdistan Democratic Party (KDP) of Masud Barzani and the Patriotic Union of Kurdistan (PUK) of Jalal Talabani, setting aside rivalries, formed a coalition government. In the spring of 1994, this coalition fell apart when the KDP was accused of pocketing customs duties levied on truck transports from Iraq to Turkey and the PUK in revenge fleeing with the Central Bank’s deposits. Since then, the two factions have been openly fighting each other with an interruption between August and December and a formal cease-fire agreement in November 1994 which also resulted in a new coalition cabinet. In December 1994, hostilities started again and Irbil, the capital of Iraq’s Kurdish enclave was occupied by the PUK. In mid-February 1995, the KDP started an unsuccessful offensive to expel the rival PUK from Irbil. Negotiation offers from President Saddam Hussein were rejected by both sides.

19
144. It should be recalled that since the end of 1992, the Turkish army, with the collaboration of the Kurdish Peshmergas of Iraq, has undertaken military operations on Iraqi territory in order to flush out the PKK militants from their Iraqi bases. These offensives did not prevent the milita nts of that party from returning to occupy the mountains along the border between Turkey and Iraq.

145. From then on, close co-operation has been established between Turkey and the Iraqi Kurds, especially with the Kurdish democratic party (KDP) to prevent PKK attacks against Turkey from Iranian territory.

146. In March 1994, the Iraqi authorities devised a plan for forcing a passage between Nossoul and the Turkish border so as at one and the same time to isolate Kurdish resistance and to break the international embargo. Contingents from the Republican Guard were massed at the edge of the “security zone”, ready for action with the probable connivance of the Iranian and Turkish armies. The rise in tension increased Turkey’s embarrassment which, although a country on which the plan hinges, nevertheless intends to manage the Kurdish problem according to its own strategic interests.

147. Several times since February 1994, the Turkish Government has stated that Turkey would not tolerate the instability caused by the fighting between the KDP and PUK, fearing that the PKK might take advantage of it to reorganise in the mountain area on the Turkish-Iranian border.

148. The Turkish authorities stated that this option did not threaten Iraq’s territorial integrity. Turkey feared that generalised warfare between the different Kurdish factions in Iraq might lead to a massive new exodus of Iraqi Kurds into its territory.

149. It also suspected the PUK of allowing the PKK, which has several camps in Iraqi Kurdistan, a degree of liberty. The Turkish authorities have long been concerned over the possibility of PKK fighters infiltrating Turkey and use this as a justification for the need to “neutralise them before they try to cross the border”.

150. On 20th March, the Turkish authorities decided on a massive intervention by their army into Iraqi territory and launched a huge military operation in pursuit of the PKK insurgent forces. The area of intervention of the 35,000 men and the Turkish airforce was located inside the exclusion zone defined in 1991.

151. Immediately after the beginning of the Turkish military intervention, the entire range of political parties, from the nationalist far right (NHP) to the opposite extreme (Democratic Party of the Left, DSP), stated that it is in favour of maintaining Turkish troops in northern Iraq. The Turkish Prime Minister, Mrs. Ciller, for her part maintained her initial message stating that the aim is to “bring this operation to an end (...) once the region is rid of the terrorists and the camps have been destroyed”.

152. The legal and political instability that the allies maintain in Iraq has always disturbed Turkey which has often stated its preference for the territorial integrity of Iraq to be maintained as a bulwark against the development of a Kurdish administration that might lead to the emergence of an independent Kurdistan.

153. The Turkish authorities consequently want a reconciliation between the Iraqi Kurds and the Baghdad government. Turkey considers that it is necessary to pacify conflict between Iraqi Kurds so that Turkey can establish new forms of co-operation with them. According to the former Turkish Minister for Foreign Affairs, Mr. Karayaçin, discussions are in progress between Baghdad and the Iraqi Kurds. Battling with the problem of instability in the North of Iraq, Turkey is turning to the Iraqi Kurds with a view to reviving the agreement signed with them in 1992 after the joint offensive against the PKK. Moreover, a senior Turkish official of the Ministry for Foreign Affairs stated in early April that his government intended to give responsibility for Turkish/Iraqi border security to the group led by Massoud Barzani, Head of the KDP, after the withdrawal of his own troops. Renewed contacts between Turkey and the Iraqi Kurds is not to Baghdad’s liking and the latter has severely criticised Turkey for entering into discussion with “traitorous and illegal Kurdish gangs”.

154. The Iraqi reaction in the face of the Turkish military operation boiled down to condemnation by Baghdad of the invasion of the Iraqi zone by its neighbour’s army. Iraq regarded the operation as “a violation of its sovereignty” and “an attack on its territorial integrity”. The Baghdad authorities therefore demanded the withdrawal of the Turkish army, in parallel with the cessation of American interference. For Baghdad, Turkey belongs, moreover, to the pro-western circle. Iraq maintains that is feels hemmed in “by an unequal confrontation to the North and East with two non-Arab powers, Turkey and Iran”.

155. At the end of April 1995, Turkey withdrew 20,000 troops from Iraqi territory, declaring that the army had succeeded in its mission to wipe out PKK camps, arms depots and supply routes. On 4th May, it was announced that the remaining troops across the far eastern part of the border were withdrawn. Turkey recognised, however, that it would not be an easy task to keep control of the mountainous border area. This subject was discussed with a high-ranking Iraqi-Kurdish delegation visiting Ankara on 3rd and 4th May 1995.

156. Although Turkey has always maintained that the territorial integrity of Iraq was not in doubt, President Süleyman Demirel surprised many when, on 2nd May 1995, he declared that Turkey would like to correct its frontier line with Iraq in order to ensure its impermeability. He added that the new frontier should follow the foot of the mountains on Iraqi territory and include the province of Mosul, which Turkey had given up in 1926, but which according to the President, "still belongs to Turkey".

157. Iraq immediately reacted by saying that it had no intention whatsoever to discuss frontier changes with Turkey and that it would oppose any possible unilateral Turkish decision on this subject "with all legitimate means".

158. The Arab League strongly deplored President Demirel's declaration which "might worsen tension in the region" and it reaffirmed its attachment to the territorial integrity of Iraq.

Economic relations and the United Nations trade embargo

159. Economic relations between Turkey and Iraq thrived during the 1980s when Turkey became the principal conduit for Iraqi oil exports while receiving 60% of its oil supplies from Iraq. The Iran-Iraq war was also a tremendous stimulus for the growth of trade between the two countries. Iraq was Turkey's principal trade partner in the region until the outbreak of the Gulf war.

160. The United Nations embargo against Iraq following the Iraqi invasion of Kuwait therefore had serious consequences for the Turkish economy. The Iraq-Turkey pipeline from Kirkuk to Ceyhan was shut down and has since remained closed. At the moment, Iraqi-Turkish negotiations are being held on the possible repair and eventual re-opening of the pipeline.

161. Turkey has fully observed the United Nations trade embargo against Iraq since it came into force in August 1990 following Iraq's invasion of Kuwait. According to government statements, because of lost trade with Iraq, Turkey has missed business opportunities amounting to $20 billion. The economic aid promised by the West "is reaching it only in dribs and drabs". Turkey, like Russia, France and China, has stated that it would like to see a graduated response to Iraq's graduated compliance with United Nations resolutions which are aimed at ridding Iraq of its weapons of mass destruction and of its ability to build such weapons.

162. It recently became known that, although near to full compliance with the United Nations resolutions on nuclear and chemical weapons, Iraq has acquired enough growth or diagnostic media to cultivate up to 3.3 tons of bacteria which could be used for biological weapons. Moreover, the United States has been able to demonstrate that Iraq has rebuilt factories capable of producing chemical weapons or missiles.


164. The United Kingdom and the United States argue that a broader judgment should be made of Iraq's overall record of compliance with United Nations resolutions, including Resolution 688 which demanded an end to the repression of the Iraqi civilian population and even of Iraq's likely behaviour if sanctions are lifted.

165. On 12th April 1995, the commission whose task is to verify Iraqi compliance with United Nations resolutions presented a report to the Security Council in which among other things it said:

"The only conclusion that can be drawn is that there is a high risk that they [items and materials required to produce in Iraq biological warfare agents] had been purchased and in part used for proscribed purposes - the production of agents for biological weapons."

166. Two days later, the United Nations Security Council voted unanimously to offer Iraq easier terms under which to sell oil to meet its urgent need for medicine, food and other relief goods. Part of the revenue of the oil sale was to be earmarked for the establishment of a compensation fund for victims of the invasion of Kuwait and for paying the costs of United Nations monitors watching Iraq's compliance with United Nations Security Council resolutions. Another part of the revenue was to be used for cleaning and maintenance of the oil pipeline from Iraq to Turkey's Mediterranean coast port Yumurtalik.

167. Iraq promptly rejected the oil sale proposal, reportedly because president Saddam Hussein

feared that limited oil sales would undermine his campaign for the full removal of sanctions. On 12th May 1995, the United Nations Security Council again confirmed the maintenance of the embargo.

168. A continuation of the sanctions will most probably not help to improve stability in the region. Although President Saddam Hussein’s régime may still hold power for some time with the backing of its security services, loyalists in the Ba’ath party and its Tihriti power base, the economic crisis will certainly undermine its authority. At present, however, there seems to be no viable alternative régime. A collapse of Saddam Hussein’s régime could therefore easily lead to a dissolution of Iraq into its Sunni, Shia and Kurd component parts. This would cause both Turkey

and Iran, in turn, to intervene. Neither of these countries could tolerate the existence of an independent Kurdish entity. Turkey would no doubt seek to control the Kurds in northern Iraq. Iran would try to dominate the Shia south where a power struggle might develop between the Iraqi National Congress seeking a broad-based coalition involving secular and Sunni groups and the Supreme Assembly of the Islamic Revolution in Iraq (SAIRI) which is ultimately committed to creating an Islamic republic in southern Iraq. The remaining Sunni part of Iraq with the still considerable national armed forces in its hands, would no doubt try to reassert control over both northern and southern parts of the country.

169. In conclusion, it should be noted that in the case of continued sanctions against Iraq, prospects for stability are grim. Turkey’s position in favour of lifting the sanctions at least partly is understandable.

(iii) Syria

170. Although there are no longer any major disputes between Turkey and Syria, a number of disagreements and tensions still exist preventing true normalisation of the relations between the two countries from being achieved. These consist specifically of the territorial dispute over the Sandjak of Alexandretta, the water issue, dealt with in Chapter VI of the present report and support for the PKK.

The territorial dispute

171. The most trivial question and that of least concern relates to the Sandjak of Alexandretta. Syria has not forgotten the loss of this territory, today largely Arab-speaking, over which it still maintains a claim.

172. Part of the Ottoman province of Syria under French mandate, the territory was ceded to Turkey in 1939 in the framework of the policy granting guarantees against Germany. Syria has never recognised this annexation. However, although the Sandjak of Alexandretta still appears on military maps as part of national territory, it no longer seems to represent a serious source of disagreement and is ultimately only one factor contributing to hostility in Turkish/Syrian relations.

The Kurdish question

173. Since the start of the conflict with the PKK, the Turkish authorities have subscribed to the theory that the source of the problem in question is external. In their view, it should be possible to crush the Kurdish rebellion rapidly if the latter were cut off from its bases in the Lebanese Bekaa valley, Syria and Iraq.

174. It is true that for many years Syrian leaders have provided real support to the PKK which had originally formed close links with the PLO and the first PKK fighters were trained in Lebanon. After the expulsion of the Palestinians from Lebanon in 1982, ‘the inheritance passed to Syria’ in particular because with the territorial dispute with Turkey.

175. After the signing in 1987 of a protocol of agreement on security matters between Turkey and Syria, the Syrian authorities exhibited a degree of caution before renewing their support to the PKK. Five years later, hoping to reach an agreement more easily and isolated by the dislocation of the Soviet Empire, Turkey renewed its diplomatic initiatives, stating again that “the licence given by Syria to the PKK terrorists was not acceptable”.

176. According to one point of view widely held in Turkey, Syria is specifically motivated by territorial claims on certain parts of South-East Turkey and in particular the Hatay region.

177. Turkey sought a negotiated solution with Damascus. The two countries decided to strengthen their good-neighbourly relations according to principles of mutual respect and non-intervention in domestic affairs. This took the form of an agreement, signed in April 1992, comprising permanent exchange of information in various fields, with a view to the fight against terrorism, including mutual security, particularly as regards a military settlement of the Kurdish question. This policy also tends towards the closer rapprochement that Turkey wants to pursue with the Muslim world.

178. It was furthermore decided, following the visit by Turkish Government authorities to


36. Suleyman Demirel.
Damascus in April 1992, that the Bekaa camps would be outlawed. Nevertheless, although the Mahsum Karkmaz military Academy has definitely been closed, other camps have been opened elsewhere.

179. Furthermore, despite the signing in April 1994 of a protocol according to which it agrees to halt its aid to the PKK, Syria appears to have begun once again to support this organisation in more discreet manner. Of all the countries suspected of supporting the PKK, Syria is the one which has provided the most frequent and regular support to terrorist groups operating in Turkey, while keeping the risks of a serious deterioration in relations between the two states under control.

Conclusions

180. In summary, apart from the conflict over water exacerbated by Syria’s support for the PKK, Turkey, owing to its economic and military weight, its water resources, its status as an ally of the United States, its interest in the future of Iraq and in the development of its relations with Israel, is perceived by Syria as a major player in relation to which it will need to reorganise its strategy. However this may be, as matters now stand, recent normalisation of Turkish-Syrian relations is still superficial, indeed has little credibility.

181. Probably Syria will maintain this indirect pressure on Turkey until the balance of forces shifts in its favour, enabling it to exact a number of claims, including those in connection with water, and even territory. It should therefore be emphasised that a great deal more will be required to defuse the deep-seated suspicion arising from seventy years of open hostility between Turkey and Syria.

182. The Kurdish question is likely to remain a major factor in the conflict that still persists in spite of exchanges of visits by ministers. It is highly unlikely that President Hafez El Assad will let go of such a trump card. The PKK is too valuable an asset for Syria to dispose of it lightly, even more so given that many Syrian Kurds are fighting in the ranks of the PKK. The Syrian President has found an outlet for the Syrian Kurds and at the same time has a means of pressuring its Turkish neighbour which is more powerful and has better backing than Syria.

(d) The Balkans

183. The present conflict in former Yugoslavia has clearly brought to the fore Turkey’s interest in the Balkans. The extension of the Ottoman empire over a large part of the Balkans for many centuries has left traces of a long common history in many aspects of Balkan life, culture, population and religion.

184. Turkey estimates that in the entire Balkans, there are almost two million persons of Turkish origin, not all of them Muslims, and that, of its total population, about nine million are Muslims.

185. It is extremely difficult to make a reliable estimate, given the fact that many demographic data are not up to date, while mass migrations caused by ethnic cleansing have contributed to much confusion. The following figures nevertheless provide an approximate picture of the distribution of Muslims and ethnic Turks in different Balkan states.

**Albania**

- population: 3 182 417 (census 1989)
- 3.3 million
  - (government estimate 1991)
- Muslims: During communist rule, there was a ban on worship. According to 1945 data, 72.6% of the population was Muslim.

**Bosnia-Herzegovina**

- population: 4 364 572 (1991 census)
- Muslims: 43.7% (1991 census) = 1 907 318
  - (this includes a small number of ethnic Albanian and Turkish Muslims). Most of these Muslims are Bosniaks, a Serbo-Croat-speaking people who adopted Islam during the Ottoman occupation.

**Bulgaria**

- population: 8 989 165 (1990 data)
- Turks: 8.5% (1981 data) = 764 079
  - if applied to 1990 population
- Muslims: 13% (1981 estimate) = 1 168 591
  - if applied to 1990 population

**FYROM**

- population: 1 936 877 (census 1994)
- Turks: 77 500
- Muslims: 582 200

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37. Of the 1 500-2 000 PKK activists that were forced to leave their bases on the Turkish/Iraqi border in November 1992, one third were Syrian.

39. Source: See footnote 38.
40. Source: see footnote 38.
41. Source: Government of FYROM.
Romania

Turks: 55 000 (official government data)

Federal Republic of Yugoslavia

population: 10 406 742 (1991 census)

Muslims: +/- 20% (1991 census) = 2 081 348
Of these Muslims, 17% were ethnic Albanians and 3% Slav Muslims.

(i) The conflict in former Yugoslavia

186. When the crisis in former Yugoslavia was still at an early stage in 1991, Turkey insisted on the maintenance of the Federal Republic of Yugoslavia within its then existing borders. After it had become clear that a continuation of the former status quo was no longer possible, Turkey recognised the four new independent republics without making any distinction.

187. In the present conflict, Turkey has always strongly criticised the Serbs, arguing that their violent and aggressive methods for incorporating territory by force and creating new artificial fault lines between different ethnic communities in Bosnia-Herzegovina could easily lead to further destabilisation and new conflicts. Turkey takes the view that the multi-ethnic and multi-religious society which has always been a characteristic of the Balkan society, should be preserved. It is a strong supporter of the federation between Croats and Muslims in Bosnia-Herzegovina and a confederation between Croatia and Bosnia-Herzegovina. The contact group's peace plan is considered the best possible basis for peace in Bosnia-Herzegovina and, in that framework, Turkey has played an active role as a go-between for the Islamic conference, of which it is a member, and the contact group. Turkey has repeated time and again that the Serbs should not be rewarded with territory taken by force.

188. When, in September 1992, it was decided to send a United Nations humanitarian protection force (UNPROFOR) to Bosnia-Herzegovina, Turkey immediately offered to send troops, but due to hesitations on the part of United Nations Security Council members, their deployment was authorised only two years later, in summer 1994. Altogether, the Turkish contribution to UNPROFOR is about 1 500 troops. At present, a Turkish battalion of 500 troops is deployed in Zenica. One of the battalion's most important activities of great symbolic value was the restoration of the local Christian church. In the framework of operation Deny Flight, Turkey placed eighteen aircraft at the disposal of NATO.

189. The arms embargo against Bosnia-Herzegovina, which is part of the arms embargo against all republics of former Yugoslavia, imposed by the United Nations Security Council's Resolution 713 of 25th September 1991, has been the subject of a protracted dispute between the allies.

190. Turkey has been in favour of earlier proposals to lift the arms embargo against Bosnia-Herzegovina and at the same time use the possibility of air strikes against Serbian positions. In June 1993, a draft resolution to lift the embargo, which was presented to the Security Council by non-aligned and Muslim countries, was defeated. New United States initiatives to that end in summer 1994 were opposed by European Union member states and Russia. Although it was admitted that the embargo included an element of injustice for the Bosnians, whose equipment is inferior to the Serb’s equipment in quality and numbers, it was argued that lifting the embargo would cause more problems than advantages for the Bosnians. Lifting the embargo, it was argued, would cause the withdrawal of three quarters, if not all, of the UNPROFOR troops, reunite all the Serbs in the different republics of former Yugoslavia, ruin the cohesion of the five states participating in the contact group and further destabilise the situation in that region.

191. After proposing, in September 1994, postponing the possible raising of the embargo, the Bosnian President Izetbegovic, has since adopted a “stop-go” attitude. On 11th November, the United States announced that its naval ships in the Adriatic would no longer monitor the embargo against Bosnia. The resumption of hostilities since the beginning of May 1995 caused the United Nations Secretary-General, Boutros Boutros-Ghali, to urge a “fundamental review” of the UNPROFOR mission.

192. It should be noted that recent events have reinforced the existing popular support for raising the arms embargo against Bosnia-Herzegovina, but it seems that at present, the Turkish government, in general, is in line with the opinion of the contact group and there are no major differences with the European Union over policy towards the conflict in former Yugoslavia.

(ii) Bulgaria

193. Following a period of fairly stable relations during the communist era, Turkey’s relations with Bulgaria sharply deteriorated with effect from 1984 due to a forced assimilation campaign aimed at the roughly over one million strong Turkish community, which was then carried out by the communist government under Todor Jivkov. Ethnic Turks were forced to give up their Turkish-Islamic identity for a new Bulgarian one. Some resisted and lost their lives, others were detained. Around 300 000 Turks were forced to flee to Turkey.

42. Source: see footnote 38.
194. Later on, in the climate of glasnost and perestroika that began to prevail in Eastern Europe, this much criticised campaign became an important factor in accelerating the downfall of the communist government in November 1989.

195. The new Bulgarian Government under the leadership of President Jelyu Jelev, admitted that the policy of assimilation was a grave political mistake and declared its will to restore the rights of the Turkish minority and to correct the wrongdoings of the past.

196. As Bulgaria moved towards democracy, Turkish-Bulgarian relations improved rapidly. This positive development was marked by mutual high-level visits. Since the establishment of a democratic government in this country, Turkey and Bulgaria have signed a number of basic agreements and documents, such as the treaty of friendship, good-neighbourly relations, co-operation and security of May 1992, the Sofia and Edirne documents on security and confidence-building measures of December 1991 and November 1992 and a number of economic and technical agreements. The Edirne document deals in particular with the following issues: 1. confidence and security-building in the areas adjacent to the common border; 2. increased sharing of military information; 3. promotion of military contacts.

197. In the framework of Turkish-Bulgarian military co-operation agreements, the Turkish and Bulgarian navies have conducted joint mine exercises and search and rescue exercises. Moreover, the two countries have made positive progress in new negotiations on their sea border, which had been in stalemate for many years.

198. The socialist government under Prime Minister Jan Videnov, which acceded to power following the general elections on 18th December 1994, has so far signalled no changes of policy towards Turkey.

199. After the downfall of the communists, the Turkish minority gained their democratic rights. Some of its day-to-day problems were solved. The Movement for Rights and Freedoms (MRF), a predominantly Turkish political party, at present occupies 15 seats in the Bulgarian Parliament.

200. Turkey stipulates, however, that the rights of minorities in Bulgaria have not been secured by specific legal means, since the Bulgarian constitution makes no reference to minority rights. It has also noted that despite remarkable improvement, there is still discrimination against minorities in daily life. Ethnic Bulgarians generally receive the supervisory jobs, while the minorities are among the first to be laid off, and provocative references to Turks and Turkey in the media are still common.

201. The MFR has strongly criticised the appointment of the Education Minister in the new government as he is known to have been among the theoreticians of the assimilation policy during the communist era. This nomination and a number of subsequent events have disturbed the Turkish minority.

202. Notwithstanding the abovementioned criticism, Turkey is satisfied with the present level of its relations with Bulgaria and sincerely wishes to further improve them in every field, based on the principles of friendship and good neighbourliness. It views the Turkish minorities in the Balkans as a bridge of friendship between the countries.

203. At the same time, Turkey feels that, for the time being, the situation of the Turkish minority in Bulgaria should be monitored closely.

(e) Russia

204. In May 1992, Russia and Turkey concluded a treaty on bilateral relations which at that time was said to herald the beginning of a new era in relations between the two states. They had reached agreement on the conflict in Nagorno-Karabakh, condemning the seizure of the Lachin corridor by Karabakh Armenian forces, stressing that the conflict could only be resolved by peaceful means. It was also said that Russia acknowledged Turkey's legitimate interest in the Transcausus and Central Asia in view of its political, economic, cultural and political ties with both regions.

205. This extraordinary honeymoon atmosphere did not last very long, and indeed it seems that there are too many incompatible interests in both states in the region for their relations to remain completely undisturbed. On the other hand, each one has too much internal trouble even to think of a major bilateral confrontation and it seems, therefore, that in the foreseeable future, they will always try to keep their rivalries under control.

206. The main issues subject to rivalries are conflicts in the Transcausus, in particular Nagorno-Karabakh, and the transport and exploitation of oil in the region. Both Turkey and Russia participated in mediation efforts to find a solution for the conflict in Nagorno-Karabakh, but on the other hand, Turkey has openly accused Russia of supplying military aid to Armenia, while Russia has said that Turkey was providing military aid to Azerbaijan, warning it "to keep out of our Azerbaijan" 43.

207. Turkey has not appreciated the ousting in June 1993 of Azerbaijan's pro-Turkish President, Abulfaz Elchibey, aware of the widely believed involvement of Russia in his succession by Geidar Aliyev.

43. The Independent, 1st July 1993.
208. As mentioned in chapter VI of the present report, oil in the region is a continuous bone of contention. Both Russia and Turkey are striving for the largest possible participation in the exploitation of Azerbaijan's oil fields. For the transport of oil and natural gas from the Caspian region to the world market, both countries have competing proposals for pipelines across their own territory. Turkey is using its Bosporus key to the Black Sea to limit the shipping of oil from Russia's port of Novorossiisk to the Mediterranean under Russian protest and a solution is not yet in sight. It is observed that for its natural gas needs, Turkey, at present, relies mainly on Russia.

209. On the other hand, it should be noted that in March 1994, Turkey and Russia agreed to expand their co-operation on combating terrorism, drug-trafficking and organised crime. Later, on 20th April 1995, a bilateral agreement was signed on military-technological and military-industrial co-operation. Turkey has ordered Russian military equipment such as helicopters and armoured personnel carriers needed in its fight against the PKK, and also in its striving to find alternative equipment sources since it discovered that allied purveyors, such as Germany or Norway, may cut off deliveries in protest against the violence of operations.

210. When, as a result of military co-operation agreements which both Georgia and Armenia had no choice but to sign, Russian troops were again deployed on the territory of those independent republics, Turkey observed that Russia's armed forces were back at its border as if nothing had changed since the end of the cold war.

211. Russia's announcement on 26th April 1995 of the creation of the new 58th army to be deployed in north Caucasus by June 1995 in violation of the CFE (conventional forces in Europe) Treaty's flank limitations was not welcomed by Turkey.

212. Following earlier declarations by Russian Government officials on the need to revise the CFE flank limitations, the Turkish Ministry for Foreign Affairs declared on 19th April last that the non-implementation of CFE Treaty obligations would have a negative influence on the sensitive balance resulting from mutual sacrifices. According to Turkey, it would also do harm to stability in Europe as envisaged by the treaty and have negative consequences for the climate of confidence and security which was the ultimate objective of all the signatory states. Turkey finally noted that the CFE review conference in 1996 could be an occasion to adapt the treaty to new circumstances which have developed since the signing of the treaty in 1990, but only provided such adaptations do not affect its basic structure and provisions.

213. In conclusion, it can be observed that Turkey will remain concerned over a possible resurgence of Russian imperialist policy in the Transcaucasus and Central Asian regions. Russia will certainly remain suspicious over Turkey's efforts to build close relations with the now independent former Soviet republics in that region. Both countries seem to be aware, however, that they have more to gain in co-operation than in trying to exacerbate discrepancies, even more so as long as their internal situation is subject to instability.

IV. Turkey and the European Union

214. Despite having undergone a troubled period since the Turkish military intervention in Kurdistan in March 1995, relations between Turkey and the European Union have nevertheless gained substance, particularly in the following areas.

215. Turkish nationals probably make up the largest foreign community in Europe, with 4 million people and a significant percentage of the population in several countries. This flow of immigrants results in agreements being signed at various times with different countries. Although in general it has slowed down since the years of the oil crises and the increase in unemployment, the number of Turkish nationals nevertheless continues to grow, in particular because they are joined by family members. Experts anticipate a lasting presence and progressive assimilation.

216. As for trade, the European Union has captured an increasing share, now the largest, of trade with Turkey. The Gulf crisis and the break-up of the USSR have accentuated this underlying trend. Trade between the European Union and Turkey more than quadrupled between 1983 and 1993, to reach $20.2 billion.

217. Of all foreign investment in Turkey, 60% comes from member countries of the European Union, ahead of the United States or Japan.

218. The exceptional situation of Turkey, located at the cross-roads of three major economic units – the European Union, Central Asia and the former Soviet Caucasus and the Middle East – strengthens the sphere of influence of the Turkish state and increases opportunities for trade. This new factor nevertheless obliges Ankara to sort out its strategic priorities in the area of external economic relations. As one expert has said: “It appears that Turkey continues to make the customs union the main goal of its external eco-

44. Since 1991 with Germany, 1965 with France.
46. $4.6 billion.
47. 15% and 5% respectively.
nomic policy, using regional stakes as a bargain-
ing counter vis à vis the interests of its European partners.

(a) The customs union

(i) Bases of economic integration

219. The negotiations between Turkey and the European Community for establishing a customs union have not just been to determine economic criteria in conformity with the principles set out in the Treaty of Rome, the treaty on the single market or for the economic and monetary union. Turkey’s European rôle also has a political dimension through the country’s now long-standing rôle as an intermediary.

220. In 1963, the EEC and Turkey in fact signed an association agreement (the Ankara Agreement), which by and large originated from the wish of members of the EEC to keep Turkey in the sphere of influence of Western Europe. This agreement was completed in 1970 by the signing in Brussels of an additional protocol opening the prospect of full accession. From the outset the intention was to achieve the customs union within 32 years. After a long period of stagnation due to procrastination by the Twelve and bilateral tension with Greece over the Cyprus question, an official application for accession to the EC was lodged in 1987 by Turgut Ozal, then head of government, but the EC did not consider it timely at that moment. Although it had contributed to raising the stakes for Turkey’s participation in a united Europe, the fall of the USSR has in no way lessened the geopolitical interest of this collaboration.

221. The June 1992 Council of Europe summit meeting in Lisbon and the decision announced in 1993 by the Council of the EC-Turkey Association to reactivate the Ankara Agreement confirm the re-evaluation of Turkey’s strategic rôle in the framework of the new European structure.

(ii) Recent developments

222. On 6th February 1995, the Ministers for Foreign Affairs of the fifteen European Union countries concluded an agreement of principle, smoothing the way towards a customs union with Turkey and accession negotiations with Cyprus. It was thought that this might lead to strengthening relations between Europe and Turkey, which the European Union regards as having a major geostrategic rôle and unblocking the Cyprus dispute which had been bogged down for twenty years.

223. In order to induce Greece to give up its long-standing veto against a customs union with Turkey, the fifteen agreed to link the Turkish customs union issue with negotiations on the accession of the Republic of Cyprus to the European Union. Having supported this in principle, the Greek Government nevertheless rejected the "package". As "certain Greek demands were felt to be reasonable while others were not", a revised draft compromise was examined on 28th February 1995, which provides, on the basis of work done by the permanent representatives and bilateral talks between the Greek Government and the French presidency of the Council, for:

- the opening of negotiations with Cyprus over its accession, to start six months after the end of the intergovernmental conference on the revision of the Maastricht Treaty;
- a structured dialogue with Cyprus prior to the opening of negotiations;
- financial assistance to Turkey and the establishment of a customs union between the European Union and Turkey by 1st January 1996.

224. As regards textiles, Greece is requesting financial compensation worth 400 million ecus to enable it to cope with the repercussions of the future opening up the community market to Turkish textiles. Several member states have rejected Greece’s demand, arguing that the position of their own textile industries is precarious. The solution might lie in a declaration of the European Commission containing a commitment to examine, if necessary, the situation that will result from the opening of the market to Turkish textiles.

225. Finally, on 6th March 1995, the Europeans signed an agreement on a customs union with Ankara, widely acclaimed in Turkey, except in hard-line anti-western Islamic circles, and for which the Prime Minister, Mrs. Ciller, received the credit.

226. Before it can be put into practice, this agreement must, however, be ratified in autumn 1995 by the European Parliament, which has made its support conditional upon substantial progress on human rights and democratisation in Turkey.

(iii) Practical arrangements

227. The following must be achieved in practice between now and the end of 1995:

- free movement of goods within the entire area covered by Turkey and the enlarged European Union, which implies the removal of customs duties and other quantitative restrictions;

49. On 12th September.
50. On 23rd November.
- harmonisation of customs tariffs with the common external tariff and preferential or defensive policies towards third countries;

- strengthening of co-operation in various fields (energy, protection of the environment, the fight against drugs, banking sectors, etc.);

- convergence of legislation on trade and in areas such as competition, intellectual and industrial property, public tenders, technical regulations, anti-dumping rules and trade marks.

228. Turkey is preparing for this undertaking; in fact each year it has amended its customs duties with the European Union 52.

(iv) Wider stakes

229. The stakes are in fact far wider, if the then European Commissioner, Mrs. Scrivener, speaking in September 1993, is to be believed when she said that the customs union was not a means of delaying the goal of Turkey's eventual accession to the Community; on the contrary it gave Turkey a greater share now in the future of the Community than was possible by association. The customs union therefore seems to be a decisive step in confirming Turkey's place alongside the European Union and facilitating subsequent developments.

230. Is it possible to regard the process entered into with the customs union as a step towards accession? According to the theory of economic integration, customs union is in fact the second stage of integration, following on from the initial one of establishing a free trade area. This prospective accession nevertheless raises a number of questions: is the Turkish economy in a position to handle the constraints of a customs union bringing together a majority of countries whose level of industrialisation is very high?

231. What difficulties will arise from the next stage, the common market, which necessitates free movement of people and capital? In all probability it will be the pace of development of the Turkish economy, which, by narrowing the gap between Turkey and the members of the European Union and thus weakening the pressure of emigration and at the same time attracting foreign investment, will determine the feasibility of achieving a common market. What, in short, will be Turkey's place in new European developments that envisage simultaneous deepening and enlargement?

232. The political stakes attaching to economic integration seem in some ways of greater significance now than during the cold war. The European Union is banking on Turkey's contribution to stabilising the disturbed regional equilibrium: in the Middle East, where Turkey over the years has maintained traditional ties of proximity with the Arab countries, developments are of interest to the economies of European Union members; in Central Asia and in the Caucasus, where the Turkish state often provides a point of reference, or has even a pivotal rôle in monitoring the course of the economic restructuring process in the newly independent republics; and finally in the Balkans where Turkey could provide a useful complement to the prevailing views in the European Union.

233. In short, economic and financial negotiations between Turkey and the European Union have a marked geopolitical dimension. "Both the Turkish and European sides are faced with a new environment and fundamental challenges for the future, which cannot in any sense be dealt with adequately simply by retaining the old strategic options." Turkey's rôle would then appear to be that of a pole of stability amidst an environment of uncertainty and a political reference point capable of counteracting fundamentalist extremism.

234. Furthermore, by opening up prospects for the accession of Cyprus, the European Union has made a serious and positive effort in providing an impetus that could be decisive for a subsequent political settlement of the Cypriot question under United Nations sponsorship.

V. Turkey and WEU

235. Although Turkey has made it clear that its objective is to become a full member of WEU, it is conscious of the fact that, as a consequence of decisions taken at the Maastricht summit meeting of December 1991, it can only be an associate member for the time being. In implementation of the document on associate membership of WEU of 20th November 1992, and the declaration following on from the document on associate membership which was issued after the WEU Council's ministerial meeting at Kirchberg, Luxembourg, on 9th May 1994, Turkey is participating fully in WEU activities.

236. Turkey has transmitted a full list of Turkish forces answerable to WEU (FAWEU) to the WEU Planning Cell with the understanding that the actual deployment and employment of these forces will be subject to authorisation by the

52. In 1994 it had achieved close to 80% of the target fixed by the European Union.

53. Georges Delcoigne, CERIS (Centre for Studies in International and Strategic Relations), Free University of Brussels.
237. At present, there are in particular two issues where Turkey is trying to improve its position within the WEU framework: one is linked with the implementation of the CJTF concept, the other with the rights of the Turkish associate members of the WEU Assembly.

(a) Turkey, CJTF and WEU

238. Turkey fully supports the combined joint task force (CJTF) concept as proposed at the NATO summit meeting in Brussels in January 1994.

239. It has observed, however, that employment of CJTFs in the framework of WEU could cause problems. According to Article 3 of the document on associate membership of WEU of 20th November 1992, Turkey — as an associate member — can participate fully in activities mentioned in that article. This includes participation in the implementation of decisions taken by WEU member states and participation, on the same basis as full members, in WEU military operations to which they commit forces. Such participation is subject to the provision that a majority of the member states, or half of the member states including the presidency, may decide otherwise.

240. Application of the abovementioned provision of Article 3 could lead to the exclusion of Turkey from a military operation by WEU in which it makes use of CJTFs, including NATO assets, of which Turkey participates as a full member of NATO.

241. In order to prevent the occurrence of such anomalous situations, Turkey refers to Article 4 of the document on associate membership, which is as follows:

"The Republic of Iceland, the Kingdom of Norway and the Republic of Turkey will have the same rights and responsibilities as the full members for functions transferred to WEU from other fora and institutions to which they already belong."

242. Although Turkey recognises that this article refers to functions and not to operations, it is proposing that in the case of operations in which NATO's CJTFs are being used by WEU, associate members would have the same rights and responsibilities as the full members of WEU in application of the spirit of Article 4 of the document on associate membership.

(b) The status of associate members of the WEU Assembly

243. When Turkey signed the document on associate membership, a satisfactory status was to be created for the representatives of associate member countries of WEU in the Assembly. The internal discussion started with a report on the enlargement of WEU by Mr. Ward, United Kingdom, on behalf of the Political Committee. After the adoption by the Assembly, in June 1993, of Recommendation 536 and Order 85, the Assembly's Committee on Rules of Procedure and Privileges was asked to prepare proposals on the status of representatives of associate members.

244. Without referring to the different proposals since made, it is noted here that the basic idea has always been that, in accordance with the decisions taken by the WEU Council, the Assembly could not grant associate members a status completely equal to the status of full members. Turkey, however, has insisted that its representatives in the Assembly should have full voting rights. Conscious of the prevailing opinion in the Assembly, Turkey has argued that if its representatives cannot be granted full voting rights, they should be granted the right to vote on all issues except those mentioned in Rule 36(a) of the Assembly's Rules of Procedure. Turkey takes the view that this second-best solution would come closest to Turkey's position in the WEU Council, where it cannot block the consensus.

245. On this matter, reference is made here to a report prepared by Lord Finsberg on behalf of the Committee on Rules of Procedure and Privileges for the June 1995 session of the Assembly.

VI. Turkey's rôle in water and energy supply

(a) Water supply in the region

246. With its mountainous regions and high plains in the east of the country where both the Euphrates and the Tigris have their origins, Turkey occupies a strategic position in the water supply of the region, in particular of Syria and Iraq.

247. Over 98% of the Euphrates flow and 45% of the flow of the Tigris originate in Turkey and together both rivers account for one third of Turkey's surface water supply.

248. In order to stimulate the agricultural and industrial development of the underdeveloped eastern part of the country, Turkey is now implementing the south-east Anatolia Project (GAP). With a total investment estimated at between $32 billion and $40 billion, it consists of thirteen main projects: six in the Tigris and seven in the Euphrates. A total number of twenty-one dams and nineteen hydroelectric power generating stations should provide irrigation and electricity for a vast region. The largest barrage, named after Kemal Atatürk, was put into service in 1992. It is expected that the Euphrates, with the GAP completed and in full service, will provide 30% less water in Syria and 25% less in Iraq.
249. In 1987, a protocol was signed between Turkey and Syria, according to which Turkey guarantees that the waterflow of the Euphrates at the border between the two countries will not be less than an average of 500 cubic metres per second.

250. The GAP will inevitably compete with continuing Syrian and Iraqi plans to increase their irrigated agricultural areas. On the other hand, Syrian irrigation schemes using the Asî (Orontes) river have virtually halted the flow of the river into Turkey's Hatay province, an area which is claimed by Syria. 90% of the average annual discharge of the Asî is used by Syria.

251. It should be noted here that the first terrorist activities of the PKK coincided with the start of building the Atatürk dam. It is generally assumed in Turkey that Syria provides active support to the PKK in order to exert pressure on Turkey in the issue of water supply.

252. Border security and Kurdish nationalism preoccupy the states in the region to a greater extent than concern over the consequences of Turkey's GAP and it can be noted that the states in the Tigris-Euphrates basin have directed their energies into decrying the unreasonable actions of their neighbours rather than into solving the problem of domestic water distribution.

253. Turkey's water projects are largely motivated by a quest for cheaper, domestically-produced energy. The Euphrates and the Tigris account for 40% of Turkey's hydroelectric energy potential and they are expected to supply 25% of electricity in Turkey if the GAP project is fully implemented.

254. The GAP's objective is to develop the relatively impoverished region of south-east Anatolia for agriculture and agro-industrial production and to raise the standard of living of the Kurdish population in the area. While the project was conceived as the economic answer to Kurdish demands for self-determination, Syria and Iraq have to some extent perceived it as a means of international political leverage.

255. Syria and Iraq are also concerned about deterioration in water quality since some irrigation water will flow back into the rivers containing higher levels of pesticides, fertilisers and chlorides.

256. On the other hand, it should be noted that the implementation of the GAP faces a number of constraints. It is financed almost entirely from Turkish sources which has contributed to the country's high inflation rate. Accompanying projects to improve infrastructure and education do not keep pace with the building of dams. Landownership is still distributed very unequally and there is a lack of training and credit facilities for farmers which prevents many from taking advantage of the new opportunities.

257. Syria sees the expansion of irrigation and domestic food production within the Euphrates region as an economic priority. It seems, however, that a realistic assessment of Syria's likely water requirements from the Euphrates does not exceed the water supply of a yearly average of 500 cubic metres per second, agreed upon with Turkey in 1987. In April 1990, a Syrian-Iraqi agreement was concluded according to which Syria would receive 42% and Iraq 58% of annual Euphrates water flows entering Syria at its border with Turkey.

258. Iraq fears that GAP and hydraulic projects in Syria will reduce Euphrates flows by two-thirds to 11 cubic kilometres per year and even as low as 7 cubic kilometres per year, which could irrigate only 36.8% of Iraqi lands watered in 1990.

259. In its relations with Syria, Turkey has been reluctant to make concessions on water issues, feeling that water is a useful tool in negotiations on Syria's support for opponents of Turkish government policy, in particular the PKK, and on Syrian irredentist claims to the province of Hatay, part of the former French mandate of Syria which was ceded to Turkey in 1939.

260. According to the 1923 Treaty of Lausanne, Turkey is obliged to consult Iraq before undertaking any hydraulic works and the Ankara Treaty of Friendship and Good Neighbourliness, signed by Turkey and Iraq in 1946, stipulated that Iraq was to be consulted before Turkey carried out any development projects on the Tigris or Euphrates.

261. When Turkey unilaterally took its decision to go ahead with the GAP, both Syria and Iraq considered this to be an aggressive and insensitive action. Later, in 1982, Turkey and Iraq established a Joint Technical Committee, which Syria joined in 1983, and which has since met at regular intervals for general project discussions and data exchange. Problems of competing claims from the different parties have, however, not been solved and the existing bilateral agreements are limited in scope.

262. While Syria and Iraq are calling for a unilateral agreement, Turkey continues to argue that its 1987 agreement with Syria is adequate for downstream requirements and that Syria and Iraq should use their water supplies more efficiently. Turkey considers the Tigris and Euphrates as sovereign resources which it may exploit as it sees fit. An agreement to share the water from the Euphrates would, in Turkey's opinion, impose Iraqi and Syrian sovereignty on a Turkish asset. In July 1992, when the Atatürk dam was put into service, the Prime Minister, Süleyman Demirel, said that "Turkey and Iraq have no more rights over Turkish water than Turkey over their oil." On the other hand, Turkey is in favour of bilateral joint ven-
tures in water and energy development and co-operation in practical matters such as data management and water-saving studies.

263. Finally, the very ambitious Ozal pipeline for peace project starting with the Ceyhan and Seyhen rivers for irrigating the Adana region will never be carried into effect. Indeed this project involved building two canal systems, one through Syria and the other towards Iraq and the Gulf.

264. At present it is very unlikely that issues connected with the waters of the Tigris and the Euphrates will escalate into a conflict, but Turkey will certainly continue to use water as a negotiating tool as long as the security of its borders and the Kurdish question have not been solved in a satisfactory manner.

(b) Energy sources in the Caspian region

265. The Eurasian region may be expected to become an important source for the energy needs, in particular oil and gas, of Europe and other western countries. The collapse of the Soviet Union and the establishment of independent states in that region has created a new situation which as yet is rather unsettled, if not unstable. Many power struggles are still taking place within and, as is the case in Armenia and Azerbaijan, even between states. At the same time, foreign, mostly western, oil companies are trying to get a stable foothold in the region while, in particular, Russia, Turkey and Iran are involved in a competition for influence.

266. Most of the known oil and gas reserves of the former Soviet Union are located in Russia. Of the recent estimates of 162 billion barrels of proven, probable and possible oil reserves on the territory of the former Soviet Union, Russia has 137 billion, Kazakhstan 15 billion, Azerbaijan 4 billion, Turkmenistan 3.2 billion and the remaining CIS countries 2.8 billion.

267. It is thought, however, that the region around the Caspian Sea, including the Caucasus and the Central Asian republics, where many reserves have not yet been identified nor tested, could develop into an oil and natural gas producing region which could rival some of the nations around the Persian Gulf. Experts estimate, for example, that Kazakhstan may possess the world’s third largest concentration of oil after the Persian Gulf and Siberia. Western oil companies, providing capital and modern technology are now moving towards arrangements which will permit the joint development of these reserves. The question of how to get the oil and gas from the Caspian region to the world market still awaits a satisfactory solution. Russia, Turkey and Iran are each particularly interested in having pipelines run through their territory.

268. At present, the European Union has to meet nearly half of its energy requirements with imports. According to projections made by the International Energy Agency (IEA), it is most probable that, in the future, the European Union will become even more dependent on imports. Obviously, it is important to make sure that the sources for energy imports will be sufficiently diversified since many external production regions are prone to political instability.

269. It is estimated for instance, that the European Union’s present natural gas demand of 220 billion metres\(^2\) per year could increase to 300 or even 450 billion metres\(^2\) in the year 2010, with indigenous natural gas production, at present around 135 bcm per year, most probably diminishing to 120 bcm by the year 2010. Presently, more than 20% of Europe’s continental gas needs are imported from the former Soviet Union’s territory via pipelines across Ukraine and the Czech and Slovak republics, but there have been temporary reductions in supply caused by disputes in these countries over payment and transit tariffs.

270. In the first place, because of its geographical position, Turkey is most probably destined to play an important rôle in the energy trade between suppliers in the Caspian region and their Western European customers and this position will have a profound influence on Turkey’s relations with the European Union.

271. Different solutions have been proposed for transporting oil from the Caspian region to the West. Russia obviously prefers pipelines to go to its Black Sea port of Novorossiyisk from where tankers could transport the oil through the Black Sea and the Mediterranean to international oil markets. Turkey is not in favour of this solution because of the limited safety regulations for oil tankers sailing through the Bosphorus.

272. Turkmenistan, which is an important exporter of natural gas, is looking for an alternative to the present gas pipeline through Russian territory, not the least because of its frequent disputes with Russia over transport charges.

273. In Azerbaijan, the output of the current producing oil fields is in natural decline, but with the inflow of western technology and capital, there are good prospects for the exploitation of new fields. A barrier to further development of the oil fields in both Azerbaijan and Kazakhstan is the absence of a good pipeline system to transport the oil out of the area.

274. At present, there are three important exploitation deals in the region, the viability of which is wholly or largely dependent on pipeline routes out of the region: a $20 billion Chevron project at the Tengiz oil fields in Kazakhstan; a $7.4 billion project of ten foreign oil companies and the Azerbaijan Government, ratified by the
Azeri Parliament on 15th November 1994, to exploit reserves off Baku and a combined British Gas-Agip deal to develop the Kazakhaganah gas field in Kazakhstan.

275. The Russian Energy Minister, Yuri Shafranik, has stated publicly that Russia must have a major stake in all energy exploitation projects in that region. Russia's pressure has already resulted in its participation in the Azeri oil deal and in the Kazakhaganah gas deal. Moreover, Russian pressure has been able to block any pipeline deal so far.

276. The composition of the international consortium for the exploitation of the Azeri oil field near Baku is a clear example of the many different interests involved and pressures exerted. It started as a deal between the Azeri state oil company Socar and Anglo-Saxon oil companies, the Norwegian Statoil company and a 1.75% share of Turkey's TPAO. Then Russia, after having put pressure on Azerbaijan, obtained a 10% stake for its Lukoil company. When Iran managed to obtain a 5% stake offered by Azerbaijan, Turkey felt obliged to raise its own share. In March 1995, it was satisfied when Azerbaijan gave it 5% extra, bringing Turkish participation to a total of 6.75%. Meanwhile, the United States opposed the 5% offer to Iran.

277. The different pipeline schemes from Eurasian exploitation fields to western markets now under consideration - each requiring multi-billion dollar financing - are the following:

- Upgrading the existing pipeline which carries Russian and some Chevron oil to Novorossiysk, Russia's main oil exporting port on the Black Sea. This line could carry oil from both Azerbaijan and Kazakhstan.

Turkey is severely opposed to this idea since it would strongly increase tanker traffic through the Bosphorus which, according to Turkey, has already reached its maximum capacity. Both for environmental and safety reasons, Turkey has introduced new regulations on the passage through the Bosphorus which became operational in July 1994, stipulating that tankers with harmful chemical loads, nuclear-powered vessels or ships with nuclear-related material need to request permission to pass through from the Turkish Ministry of the Environment.

- Transporting Eurasian oil and gas through pipelines to Novorossiysk, then by tanker to Samsun or another port on Turkey's Black Sea coast and from there via pipeline to Iskenderun on the Mediterranean.

Russia has proposed a variant to transship oil from Novorossiysk to the Bulgarian Black Sea port of Burgas and from there by pipeline to the Greek Aegean port of Alexandroupolis.

- A line from Baku via Georgia to its Black Sea port of Batumi, then by ship to Burgas and again to Alexandroupolis. The flaw here is that under present circumstances the Georgian Government is not able to guarantee the security of the pipeline on its territory.

- A project for a pipeline from Azerbaijan through Iran and Nakhichevan to the port of Ceyhan on the southern coast of Turkey. This pipeline would be large enough later to accommodate exports from Kazakhstan.

One problem of this proposal is that it would run through a region in Turkey where Kurdish terrorism is still active. It is also noted that American participants in the pipeline project would not be able to ship oil through Iran or to its own stakes in Iranian pipelines. Hence the concerted efforts to put an end to the war over Nagorno-Karabakh and to bring about the withdrawal of Armenian troops from occupied Azeri territory. This could open the way for the pipeline to go through Armenian territory.

- Turkmenistan, Turkey, Russia, Iran and Kazakhstan have set up an operating company, the Turkmenistan transcontinental pipeline company which is trying to raise finance for a $6 billion and 2500 kilometre pipeline through Iranian and Turkish territory to carry natural gas from Turkmenistan to Europe54.

- Beginning January 1995, Russia and Kazakhstan announced a plan with Oman participating, to build a new pipeline from the Caspian sea to Russia's Black Sea coast. This clear Russian success also indicated that Kazakhstan realised that without significant Russian participation it would not easily manage to exploit its large oil and gas reserves55.

278. The former Soviet Union had constructed an impressive network of oil and natural gas pipelines, but at present an important part of this network is in need of repair, rehabilitation or even replacement. Accidents along these pipelines are frequent, there is no corrosion protection, and energy waste at compressors is a serious problem. Inevitably, the construction of new oil and gas

pipelines from the Eurasian fields to the western markets seems to be a priority issue.

279. For the time-being, the use of the Russian network may be the only viable way as long as the conflict between Azerbaijan and Armenia and the conflict in former Yugoslavia have not been solved. On the other hand, for environmental and safety reasons, Turkey, as mentioned above, is strongly opposed to increased tanker traffic through the already congested Bosporus.

280. Russia has proposed a multinational coordinating committee to decide on the exploitation of oil and gas reserves in the Caspian Sea. At the initiative of Russia, representatives of all the countries surrounding the Caspian Sea met on 12th October 1994 in an effort to try to hammer out their differences over claims to the region’s natural resources.

281. Russia has stressed the unacceptability of unilateral action by any one government bordering the sea and it is strongly supported in this view by Iran. In a complete volte-face, Russia has also expressed its concern for ecological damage to the Caspian Sea as compared to the communist era, when the Soviet Union exploited the Caspian fields near Baku without any regard for ecological consequences.

VII. A Turkish initiative:
The Black Sea economic co-operation zone

(a) Historical perspective

282. The move towards the regional integration of countries surrounding the Black Sea was initiated by Turkey in 1990. The project began to materialise after the Soviet Union, Bulgaria and Romania expressed their interest in economic co-operation in the Black Sea region in the wake of economic transformation. The countries interested started negotiations on technical matters, such as potential fields of co-operation, tariff reduction and freedom of movement. They held four meetings between December 1990 and July 1991 and eventually compiled a document outlining the most important contours of the planned multilateral agreement. The disintegration of the Soviet Union increased the number of participating states to nine and, on 25th June 1992, Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Moldova, Romania, Russia, Turkey and Ukraine (a total of 11 countries) signed the declaration of Black Sea economic co-operation (BSEC) committing themselves to new multilateral co-operation based on the principles of market economy.

283. This extensive and ambitious programme of economic co-operation covered trade, indus-

284. Economic co-operation is being promoted gradually given the wide range of economic problems of the member countries which are in transition to market economies. Any state which recognises the provisions of the declaration can become a member of BSEC or can be partially involved in certain projects. The assumption behind this initiative is that the private sector must be the driving force for co-operation among the member states. The role of governments is to provide the necessary legal, economic, commercial and fiscal framework to promote the free trade of goods and services in the region by removing any kind of barrier to trade; to facilitate the free movement of (business) people; to provide an appropriate environment for the free flow of capital by taking precautions to prevent double taxation. The governments must also take an active role in the implementation of joint projects for the development of infrastructure in the region and the protection of the environment (especially the preservation of the Black Sea).

285. Meanwhile, an institutional and financial framework has been created, including a BSEC permanent international secretariat, a BSEC co-ordination centre for the exchange of statistical data and economic information and a Black Sea trade and development bank. In December 1992, the business communities of the participating states established a BSEC Council which has been granted observer status in the BSEC. The objective of the Council is to develop proposals, programmes and projects in all the different fields of co-operation. In February 1993, the parliamentary assembly of the BSEC was established which may stimulate national parliaments to pass legislation needed for the implementation of BSEC legislation.

(b) Potential gains from economic co-operation

(i) Economic advantages

286. The BSEC zone consists of countries complementing each other. Except for Greece and Turkey, the other members had close trade rela-

tions with each other in the past. However, this does not mean that they were natural trading partners: under communist rule, these countries had protected industries and all trade was conducted through state orders. Most of these industries are not competitive by international standards and a lot of the trade in the region is diverted trade. Co-operation as envisaged in the declaration would establish new trade patterns and overcome this trade diversion.

287. The present volume of trade in the region can be increased considerably. Let us focus on the case of Turkey, which in the past had very little trade with the former Soviet Union (FSU) and other former communist countries. Of all its trade with FSU republics, the largest trade volume is with Russia and that only accounts for 3% of Turkey’s total exports in 1992 and 4.5% of its imports. Turkey’s trade with these republics accounts for only circa 7% of its total trade in 1992. At present, the restrictive trade régime of the FSU could be one reason for such a low trade level. The current economic situation in these countries also places constraints on trade in convertible currency. It will take some time for trade in the region to be revitalised since a solution to the region’s financial problems is an inescapable prerequisite to economic co-operation. There is as yet no legal infrastructure to facilitate the transfer of money and capital in the region. This is the reason why the BSEC members gave priority to the establishment of a Black Sea trade and development bank (BSTDB).

288. The BSTDB is designed to finance both intra-regional and external trade and to facilitate the transfer of capital into the region. The share of capital of each country was set at 16.5% for Greece, Russia and Turkey, 13.5% for Bulgaria, Romania and Ukraine, and 2% for Albania, Armenia, Azerbaijan, Georgia and Moldova. Countries are allowed to increase their capital share as they complete their economic transition. The paid-in capital of the bank being initially low, it was decided that it would finance trade rather than investments. In this manner, the bank could play a significant rôle in strengthening trade in the region which is blocked because of a convertible currency shortage. The bank can invest in short and long-term projects in the region and can also function as a guarantor. This is a key factor considering that the region is seen as a high-risk area by investors.

289. So far, BSEC countries have been exchanging information in various fields of co-operation. With the support of Turkey’s State Institute of Statistics in Ankara, participating states have created the BSEC co-ordination centre for the exchange of statistical data and economic information. This initial information on BSEC members is required in order to achieve harmonisation of foreign trade and to prepare the conditions for the adoption of free trade agreements. Co-operation in infrastructure building has begun with a plan to create a “ring” corridor along the Black Sea coast, as well as a radial network and a programme for the modernisation and construction of new sea ports and the development of port structures. In telecommunications, there are two programmes of fibre-optic submarine cable systems, one connecting Bulgaria, Moldova, Romania and Turkey, and the other connecting Russia, Turkey, Ukraine and Italy due to be completed in 1995.

290. After seven years of Uruguay rounds, regional integration might seem to lose its importance as a provider of free trade. However, the establishment of a free trade area in the BSEC still seems to be a distant prospect. First, the membership of Greece in the European Union and the fact that Turkey might enter the European Union customs union in 1995 limit their trade régimes with third countries. One possibility would be to adopt European Union standards in trade, given the fact that most BSEC members wish eventually to join the European Union. On the other hand, apart from Greece, which has been a member since 1981, none of these countries will become a member of the European Union in the near future. Unilateral liberalisation of trade and multilateral co-operation are thus the only options for now. Some economists argue that unilateral trade liberalisation may dominate any free trade area; however, regional integration may contribute to the welfare of the region through co-operation in fields such as education, infrastructure, research and development, and environment. The BSEC could provide a favourable ground to undertake such projects in the region, a far more important rôle for now than the provision of free trade.

(ii) Political advantages and problems

291. Although the BSEC has an economic orientation, there is also a strong political aspect: the safeguarding of peace and stability in the region. The political aims can be summarised as follows: (i) to take advantage of the new international juncture created by European détente; (ii) to strengthen political understanding and co-operation after building the necessary economic infrastructure; and (iii) to facilitate the active participation of member countries in the European integration process through regional co-operation. The political aspects of co-operation are also stated by the members in the Bosphorus statement issued at the close of the Istanbul meeting in 1992. They noted that their partnership was inspired by the values of democracy, rule of law and respect for human rights. They also realistically acknowledged the existence of serious conflicts and the danger of future new tensions and they emphasised the need for the peaceful settlement of all disputes in accordance with the principles set out in the
OSCE documents to which they all subscribed. Through intensive co-operation and the development of good-neighbourly relations, it is hoped that it will promote peace and friendship. The Bulgarian, Georgian, Romanian, Russian and Turkish sides are also considering close co-operation at diplomatic level. However, it is doubtful whether conflicting parties such as Armenia and Azerbaijan will agree to this. The prerequisite for close co-operation at a political level is the settlement of existing conflicts between member states.

292. The BSEC covers an area larger than the territory of the EU and has a total population of 324 million. About half of this number lives in Russia (Turkey has 56.6 million and Ukraine 52.5 million inhabitants). The BSEC is characterised by national and religious diversity. There are several types of conflict in the region:

- controversies over sovereignty inside the FSU;
- territorial disputes between member states of the BSEC;
- nationality conflicts within individual countries as a result of ethnic intermingling of titular nations and minorities.

293. There are enmities between some states which have their origins in the past such as the conflict between Azerbaijan and Armenia over Nagorno-Karabakh. Armenia has traditionally strained relations with Turkey. There is a Turkish-Greek conflict over the use of the Aegean Sea and over Cyprus and the relationship between Bulgaria and Greece is strained. All these disputes and conflicts, not to mention others, could impede co-operation. Also, perception of the initiative varies with each member. Some feel that Turkey might be using the BSEC to expand economically in the region, others claim that Russia has a historical interest in the Black Sea area and could use the initiative to secure its presence there and to keep its hegemony over former Soviet states. Turkey’s and Russia’s interests might clash in the area. Obstacles are numerous and extremely difficult to overcome. It might take a very long time for members to begin to grasp the advantages of this important initiative.

**PART TWO: GREECE**

**I. Greece and the Balkans**

294. With the armed conflict in former Yugoslavia continuing despite cease-fire agreements and peace proposals, Greece considers the present unstable situation as threatening to its own security. Security experts have suggested different nightmare scenarios, each of which would affect Greece.

295. One possibility is the outbreak of ethnic violence in Kosovo, which could spill over to the Albanian-populated Tetovo region in FYROM. Serbian intervention in Kosovo could extend to the FYROM’s territory. Even if there would not be a spill-over of armed operations into the FYROM, armed intervention in Kosovo would trigger massive migration of ethnic Albanians in a southern direction, causing ethnic Greeks in Albania to flee to Greece.

296. An armed conflict between Albania and Serbia, as a consequence of oppression of Albanians in Kosovo, would not only result in massive refugee migration but could also lead to a redefinition of borders and start a very undesirable process of further instability in the region.

297. The possible involvement of Turkish troops in operations to protect or support the Muslim population in Bosnia or other regions in the Balkans could lead Greece to reconsider its policy of non-involvement in the Balkan conflict, in particular, if its border areas would be threatened or violated.

298. Although escalations of the existing conflict in the Balkans cannot be ruled out, it seems that some of the abovementioned scenarios, in particular the intervention of Turkish troops in order to protect Muslim populations in the region, are far-fetched.

299. On the other hand, it should be recognised that the economic malaise, social tension and political fragility in the ex-communist states neighbouring Greece could easily lead to mass migration southward. The desperate economic situation has already caused such migration movements at an earlier stage with up to 400 000 Albanians trying to integrate into the Greek society and economy, resulting in serious social and economic problems for Greece itself.

300. Except for its relations with the FYROM, Greece’s policy in the Balkans is at present less outspoken than in the early stages of the war in former Yugoslavia and, in general, Greece appears to have chosen a position which is more or less in line with the attitude taken by the other member states of WEU.

(a) **Albania**

301. The main causes of tension between Greece and Albania, in particular since 1991 when the latter began to open up its frontiers, have been the large numbers of illegal immigrant workers moving from Albania to Greece and respect for the human rights of the Greek and orthodox minority living in Albania.

302. Since 1991, there have been up to some 400 000 illegal Albanian immigrants in Greece whose earnings represent a substantial contribu-
tion to the economy of Albania. At regular intervals, Greece has organised the expulsion of large numbers of them back to Albania. One round of expulsions took place in the summer of 1993 and another one in August and September 1994, after the Greek Minister of Public Order announced a package of new measures to stem the tide of illegal immigrants from Albania. In justifying this policy, Greece invoked the protection of its frontiers and those of the European Union, and the fight against criminality and illegal work. At the same time, it called upon Albania to discuss the conditions of a bilateral agreement in order to control and normalise the movement of Albanian citizens into Greece.

303. The Greek minority living in the southeastern part of Albania, also called "North Epirus", is estimated by Albania to be 59,000, but Greece claims 300,000. Independent estimates assert a figure of 100,000 to 120,000. Greece has argued repeatedly that this Greek minority does not enjoy an equal status and that, with regard to it, Albania does not fully respect minority and human rights, including rights to education and to practise one's own religion in accordance with the articles of the CSCE Paris Charter. The Greek minority organisation "Omonia" has alleged that Greeks are being "terrorised". This is denied by the Albanian President, Sali Berisha, who stated that Albanians and Greeks in his country are living in "full harmony".

304. Border incidents have been reported including the exchange of small arms fire and Greece has reinforced its border guards with elite troops and electronic surveillance equipment.

305. Notwithstanding these problems, the Greek Minister for Foreign Affairs, Karolos Papoulias, paid a visit to Tirana on 15th November 1993 to establish a co-operation programme between Greece and Albania in such fields as economy, trade, culture, transport and others. Greece is the second-ranking foreign investor in Albania, after Italy.

306. The worst incident took place on 10th April 1994 when two Albanian soldiers were killed on Albanian territory near the Greek-Albanian border. A meeting between the Albanian and Greek Ministers for Foreign Affairs in Zurich on 3rd May ended without agreement and on 20th May, six ethnic Greeks, members of Omonia, were arrested in Albania and charged with having links with secret Greek irredentist groups, fomenting separation and illegal possession of weapons. Five of them were convicted and imprisoned for terms of between six and eight years.

307. Meanwhile, Greece expelled 70,000 illegal Albanian immigrants during August and September.

308. In December, President Berisha pardoned one of the convicts who was released immediately and ordered that the prison sentences of the others be reduced by between one and two years. Finally, on 6th February 1995, Albania's appeals court freed the remaining four Greeks and this further reduced tension between the two countries.

309. On 13th March 1995, the Greek Foreign Minister, Karolos Papoulias, met with the political authorities in Tirana in order to re-establish good relations with Albania. Discussions concentrated on a better control of the flow of illegal Albanian immigrants to Greece, a clear delineation of the mountainous Greek-Albanian border and improved conditions for the Greek minority living in Albania.

310. Greece and Albania have now taken the first steps towards negotiations on a statute for Albanian migrant workers in Greece. As proof of its positive attitude, Albania recently allowed the Greek Orthodox Archbishop of Albania to travel to Greece for medical treatment. Finally, preparations have started for an official visit by the Greek President, Costis Stefanopoulos.

(b) FYROM (Former Yugoslav Republic of Macedonia)

311. Another more serious dispute is that between Greece and the Former Yugoslav Republic of Macedonia (FYROM). Greece has accused the FYROM of continuing to lay claim to part of Greece's territory and using names and symbols, such as the name "Macedonia" and the star of Vergina, which the Greeks maintain are part of their national heritage. Consequently, in February 1994, Greece imposed a trade embargo at the port of Salonika on goods bound for the FYROM, with the exception of food, pharmaceutical products and humanitarian aid.

312. The European Commission then brought an action before the European Court, alleging that Greece's actions were contrary to the Treaty of Rome. Greece argued that the treaty entitled member states to take unilateral measures in certain circumstances, even though they affected the functioning of the common market.

313. The European Court has now given a preliminary opinion according to which the trade embargo imposed by Greece did not breach the Treaty of Rome. The advocate-general argued that the safeguard clause in the treaty allowed a member state to take unilateral action in the event of war or serious international tension constituting a threat of war.

314. It was also argued that the powers of the court in such cases were extremely limited and

that it was only able to decide whether, in light of
all the circumstances, Greece could have had
some basis for considering, from its own subjective
point of view, that the strained relations between
itself and the FYROM could degenerate into
armed conflict.

315. A final court ruling is not expected before
July 1995. Greece has meanwhile recalled that
international bodies have taken earlier decisions
regarding the name, flag and state symbols of the
FYROM, in particular:

1. The decisions of the Council of Minis-
ters of the Community in Brussels on
16th December 1991 imposing three con-
tions for recognition of the
FYROM:
(a) that it should make no territorial
claims on a neighbouring country,
member of the Community;
(b) that it should pursue no hostile propa-
ganda activity against a neigh-
bouring country, member of the
Community;
(c) that it should not use a denomina-
tion implying territorial claims.

2. The decision of the European Council in
Lisbon, 26th-27th June 1992, stipulat-
ing that recognition of the FYROM
would be under a name that did not
include the term Macedonia.

3. Security Council Resolution 817 of 7th
April 1993 authorising the accession of
that republic to the United Nations with
the provisional name of FYROM, with-
out flag or emblem.

316. Greece argues that these decisions have not
since been revoked or amended and that the Euro-
pean Union member states have established diplo-
matic relations with that country under the name
of FYROM.

317. Since Greece imposed its unilateral trade
embargo on the FYROM in 1994, the industrial
output of the country has dropped 9%. The eco-
omic situation in the FYROM had already deterio-
rated sharply through the United Nations sanc-
tions on Serbia-Montenegro which was its main
trading partner.

318. Trade routes through Albania offer only par-
tial relief due the inadequacy of the Albanian road
network, the shallow ports and their limited steve-
doring and storage capacity especially for oil and
its derivatives. Routing the flow of trade through
Bulgaria is so far the most viable available alterna-
tive although characterised by several drawbacks
such as long supply lines, limited availability of
trucks, higher transportation costs (50%) and long
waiting lines at the border crossings in Gjusovo
(two to fifteen hours), Zlatarevo (three days), and
the Ruse-Giurgiu bridge on the Danube, between
Romania and Bulgaria (one week).

319. The FYROM's gross domestic product in
1994 was less than half that of 1990. Registered
unemployment is approximately 30%, with an-
other 5% of the workforce being on forced leave.

320. The government estimates that the Greek
embargo has cost the country $600 million, which
is approximately half of its yearly export earnings
and equal to the country’s foreign debt. On the
other hand, it is said that Greece itself has lost
more than $100 million in lost exports and port
dues at Thessaloniki.

321. Additional negative effects derive from the
sanctions imposed against Serbia-Montenegro. The
FYROM government estimates that such
loses amount to $1.8 billion for the period May
1992 to May 1993 and $1.3 billion from June
1993 to June 1994. The disastrous economic
effects of the United Nations sanctions against
Serbia-Montenegro and the Greek embargo go
hand in hand with ruinous social consequences.
The government of FYROM argued that a number of
factories had to be closed completely or partially
and that many more are working at a loss. The
unemployment rate is 38.3%, with 185 000 unem-
ployed and 60 000 on extended vacation. A total of
129 000 employed have not received any sala-
ry for months.

322. The United Nations-sponsored talks
between representatives of the Greek and FYROM
Governments but they were frozen in June 1994
because of elections in both countries. Prospects
for a compromise have improved with the eclipse
of the Internal Macedonia Revolutionary Move-
ment (VMRO), which boycotted the October
1994 parliamentary elections, but no progress has
since been made, nor was there any headway at a
meeting in Geneva on 7th November 1994
between the Secretary-General of the United
Nations, Boutros Boutros-Ghali, Cyrus Vance and
President Kiro Gligorov. The FYROM's Prime
Minister, Branko Crvenkovski, recently said that
his country was willing to compromise on the
flag, but that the government was adamant on
using the Republic of Macedonia as its name.

323. In a positive development, on the other
hand, it should be noted that the FYROM has met
the targets of the IMF stabilisation plan, its annual
inflation rate having fallen from 250% in 1993 to
58% in 1994 and the budget deficit being cut from
10% to 3.5% of the gross domestic product. An

58. It is known that the United Nations is ignoring large-
scale sanction violations by FYROM in order to mitigate the
effects of the combined Greek embargo and United Nations
sanctions against Serbia-Montenegro.
IMF standby loan of $50 million should become available in 1995.

324. The FYROM’s privatisation programme, having been delayed for almost three years, was started recently in response to pressure from the World Bank and the IMF. The government has now undertaken to dispose of more than 900 state-controlled and "socially owned" enterprises, including tobacco, food processing, hotel and tourism companies and textile manufacturers.

325. The FYROM regrets not having been included in the European Stability Pact, which was concluded in Paris on 20th March 1994. As a consequence of a Greek veto, the FYROM has also been prevented from becoming a member of the OSCE and is concerned that such marginalisation from international institutions and agreements could lead to destabilisation. Several European states have repeatedly expressed their concern at the FYROM’s exclusion from the OSCE and urged the Greek Government to lift its veto, but these efforts have so far been to no avail. Greece will maintain this veto as long as the FYROM remains intransigent on the use of its present flag and national emblem.

326. A solution to the bilateral dispute between Greece and the FYROM would enable the European Union to develop its relations with the latter, for example by concluding a trade and co-operation agreement and, through that, also enhance FYROM’s security. Meanwhile, some United Nations soldiers are deployed at the FYROM’s border with Serbia-Montenegro in order to protect any spill-over of armed operations in other parts of former Yugoslavia into the territory of the FYROM.

327. President Clinton’s national security advisor, Anthony Lake, has said that there was "an option" to enlarge the 550-member United States army observation team in the FYROM to a total of 2,000 troops, which could be seen as a symbol of the United States’ commitment to contain warfare in the region. He made it clear, however, that the United States would not actually use these troops to contain the conflict, but would continue to rely on sanctions and diplomacy. The United States has not yet established full diplomatic relations with the FYROM, although many observers take the view that a decision to do so would contribute significantly to political stability. So far, Serbia-Montenegro has refused to recognise the FYROM because it considers Macedonia to be part of what remains of former Yugoslavia.

(c) Bulgaria

328. After the fall of the Colonels’ régime in 1974, the development of a special relationship with Bulgaria became one of the priorities of the new Greek Government’s foreign policy.

329. Having a long shared history of Ottoman rule, a period when Greece and Bulgaria were frequently at odds over territorial claims, the two countries shared a common concern over a possible Turkish threat which they also connected with the presence of an increasingly vocal Muslim Turkish minority within their borders. Both countries also considered the existence of a "Republic of Macedonia", created by Tito as one of the constituent republics of the Federal Republic of Yugoslavia, a destabilising factor in the region since, in their view, the name "Macedonia" implied territorial claims against Greece and Bulgaria.

330. In 1989, after the collapse of the communist régime in Bulgaria, the Communist Party (rebaptised Socialist Party), which remained in power, maintained friendly relations with Greece until the victory of the anti-communist opposition in the October 1991 elections. The President who was then elected, Jelyu Jelev, and his Prime Minister, Filip Dimitrov, re-established the rights of the Turkish minority organised within the Movement for Rights and Freedom (MRF). Mr. Jelev advocates inter-ethnic peace as a stabilising factor for the new democracy. The new democratic government, also relying on the predominantly ethnic Turkish Movement for Rights and Freedoms, attached great importance to improving relations with Turkey. It was thought that such policy would reduce the massive Turkish armed threat on Bulgaria’s southern border and result in economic assistance from Turkey for Bulgaria’s battered economy. Several agreements were signed and good-neighbourly relations between Bulgaria and Turkey have been established.

331. It should be noted, however, that when the Turkish President, Turgut Ozal, visited Sofia in February 1993, President Jeliou Jelev had recalled that Bulgaria would oppose the passage of Turkish soldiers sent to Bosnia. He also insisted on the Black Sea economic co-operation area not being transformed into a political forum.

332. The easing of tension on its southern border with Turkey enabled Bulgaria to pay more attention to developments on its western border. It stressed that the Balkans would be destabilised if Macedonia was not recognised as independent and, in January 1992, Bulgaria was one of the first to recognise Macedonia as an independent state under that name, stating that Bulgaria had no ter-

59. This group is placed between the Socialist party and the anti-communist opposition grouped in the Union of Democratic Forces (UDF).

60. In December 1991, a military co-operation agreement was signed between Bulgaria and Turkey, followed by a treaty of friendship, good-neighbourly relations, co-operation and security in May 1992 and by another military co-operation agreement in November 1992.
ritorial claims on it. In February, it added that full diplomatic relations would be established only if the republic declared officially that there was no Macedonian minority in Bulgaria and that it had no territorial claims on Bulgaria.

333. Meanwhile, Bulgaria and Greece conclud- ed agreements on military co-operation in November 1991 and January 1992, envisaging exchanges between the two armies, reduction of the parameters of their military activities and provisions for confidence-building measures of a more stringent nature than those required by the Vienna document. Bulgaria also stated at the time that relations with Greece would improve since both countries had no alternative.

334. The considerably-improved relations between Bulgaria and Turkey may have slightly embarrassed Greece and contributed to its feeling of isolation in the Balkans. On the other hand, it is aware that it shares interests with Bulgaria as regards stability in the region. The coming to power of a new government under Prime Minis-
ter, Jan Videnov, who did not have to rely on the support of the Movement for Rights and Free-
doms, was welcomed by Greece.

335. Both Greece and Bulgaria have declared that they wish to improve the already very good relations between the two states, but no new ini-
tiatives have been taken in the past two years. It should be noted, however, that at present Greece is the first-ranking foreign investor in Bulgaria, with Germany in second position.

II. Greece's perception of Turkey as a security threat

336. Since its independence in 1830, Greece has always felt uncomfortable with its new neighbour and former occupying power, the Ottoman empire, later transformed into Turkey. Several armed conflicts opposed the two states, the most savage of which was the Greek-Turkish war of 1920-1922, which ended with the Treaty of Lausanne in 1923, including an agreement for the compulsory exchange of 600 000 muslim Turks and 1.5 mil-
lion orthodox Greeks.

337. The second world war, followed by a com-
munist rebellion and civil war which ended only in 1949 and the threat posed by the Soviet Union and the Warsaw Pact, concentrated priorities on other issues. Both Greece and Turkey became NATO allies and there were some years of relative calm in bilateral relations.

338. Soon, however, in the mid 1950s, Cyprus became the new disintegrating influence and in 1974 the Turkish invasion and subsequent oc-
cupation of the northern part of Cyprus reintroduced Turkey as the most important potential military threat to Greece. The fact that NATO did not act to protect the Greek Cypriots against the invading Turkish armed forces did not increase NATO's popularity which was already very low because of its close links with the Colonels' régime during the years 1967-74.

339. Greece points out that in the early 1990s Turkey started to implement an ambitious and wide-ranging modernisation and restructuring programme for its armed forces while its national military-industrial base was enlarged and is now able to build fighter and transport aircraft, armoured fighting vehicles, frigates and electronic equipment. Efforts are being made to develop a production capacity for tanks, missiles and heli-
copters.

340. Greece is also worried about Turkey's IVth army, not assigned to NATO, and equipped with the largest non-ocean-going landing force in the world (110 ships) which is deployed at Turkey's western border, facing the Greek Aegean islands. It does not exclude the possibility of a Turkish seizure of Greek islands in the eastern part of the Aegean. Referring to Article 51 of the United Nations' Charter, Greece has fortified and militarised a number of its Aegean islands as a measure of self-defence and to function as a tripwire in case of a Turkish attack. According to Greece, large units of Turkey's armed forces are also positioned in the coastal area facing Cyprus, ready to move into action if need be. A large proportion of the Turkish armed forces is also deployed in the region facing north-eastern Greece, where the Muslim minority lives.

341. An important new element in the increased Turkish security threat as perceived by Greece is Turkey's effort to play an active rôle in the Balkans, based on the presence of Muslim minorities in Albania, Bosnia-Herzegovina, the FYROM and Kosovo and of minorities of Turkish descent in Bulgaria, the FYROM, Greece and Romania. Greece takes the view that Turkey's objective is to create a "green" or islamic belt from the Adriatic to the Black Sea which would isolate Greece from Christian Europe. Even if this may be an inflated view of reality, it has had an important influence on Greece's Balkan policy and defence posture.

342. At present, only nationalistic extremists in Turkey would mention the possibility of Turkish intervention in north-eastern Greece in order to "liberate" the 120 000-strong Muslim minority living there, consisting of 49.9% Turkish Mus-
lims, 33.5% Pomaks and 16.5% gypsies. Greece nonetheless takes into consideration that Turkish territorial aspirations could emerge and pose a threat to Greek security, the more so since the Muslim minority in Bulgaria is mainly concen-
trated in a nearby area across the Greek-Bulgarian border.
III. Defence spending and defence policy

(a) Defence spending in Greece

343. Since the return of a democratic government in 1974, there has been a widespread consensus on the need to upgrade Greece's defence capability and the corresponding high-level defence expenditure, justified by suspicions as regards Turkey, which had invaded Cyprus in the summer of 1974. During the last years of the cold war period, Greece ranked first among NATO countries in military expenditure as related to GDP.

344. A national defence industrial base was developed in order to satisfy at least part of the needs of the Greek armed forces and to reduce dependence on foreign suppliers. Additionally, lower arms imports limited the drain on currency reserves while export markets were actively explored to improve Greece’s balance of trade.

345. In the late 1980s, the deteriorating national economy and the depreciation of the Greek drachma strongly affected the Defence Ministry's purchasing power. At the same time, it appeared that the development of an all-round modern national defence industry was not succeeding, since it was able to produce only 20% of Greece's armaments.

346. The government decided to restructure the defence industry, including privatisation and mergers. Large cuts in defence expenditure were thought inevitable, but they were postponed as a result of the war in neighbouring former Yugoslavia. Simultaneously, Greece received large quantities of modern equipment as a result of CFE reductions of equipment in other NATO member states.

347. Greece received 80 M-60 tanks from the United States and Germany is transferring 75 Leopard-1 tanks, 200 M-113 armoured personnel carriers, 500 BMP-1 armoured fighting vehicles, 72 M-110 self-propelled guns, 150 RM-70 multiple-rocket launchers and 20 multiple-launch rocket systems. The Netherlands transferred 60 M-106A1 mortar carriers. Moreover, 17 AH-1P Cobra attack helicopters together with 24 AH-64 Apache attack helicopters are to be delivered in 1995.

348. Greece has adopted a system of compulsory military service for all men and voluntary service for men and women. The breakdown of military personnel is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Peacetime</th>
<th>Wartime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>126 000</td>
<td>360 000</td>
</tr>
<tr>
<td>Navy</td>
<td>19 500</td>
<td>43 000</td>
</tr>
<tr>
<td>Airforce</td>
<td>23 500</td>
<td>45 000</td>
</tr>
<tr>
<td>Total</td>
<td>169 000</td>
<td>448 000</td>
</tr>
</tbody>
</table>


349. Greece also receives significant military assistance from the United States, which is meant to contribute to a balance of forces between Greece and Turkey on a 7:10 ratio. Foreign military assistance, which includes both foreign military financing and international military education and training, amounted to $315.3 million in 1993, $283.6 million in 1994 and $317 million in 1995.

(b) The role of the Greek navy in the Mediterranean

350. Through its geographic position, Greece has an important role in the Eastern Mediterranean. It is the strategic link between Italy and Turkey on Europe’s southern flank. It controls the sea lines of communication in the Aegean and the movement of naval forces to and from the Black Sea. Moreover, it provides the Atlantic Alliance with important military bases in the area.

351. The areas of immediate interest for the Hellenic naval forces are the Aegean and Ionian Seas with the corresponding accesses or passages and the sea area extending south-south-west of Crete and east-south-east of Rhodes. Greece considers the Aegean Sea as constituting an inseparable unique entity with the Greek mainland, the control of which it considers vital for the survival of Greece and for the security of Europe as a whole. The strategic importance of the island of Crete as a main maritime base for the southern flank of Europe and the alliance was proven once again during the Gulf war while the Ionian Sea is vital for the control of the Adriatic and security in the Balkans.

352. In order to enable the Hellenic navy to implement its many different tasks, Greece has initiated a long-term modernisation and development programme, ranging from the areas of C3, through air defence, anti-submarine, anti-surface and mine warfare to the areas of electronic warfare and logistic support. The new structure should provide the Hellenic navy with maximum flexibility and rapid reaction capability. The navy is to include several types of ships, rather than single-mission ships, which should, insofar as possible, be platforms with multi-mission capabilities.

353. Recently, two Katsonis (United States Guppy-class) submarines and two Themistocles (United States Gearing-class) destroyers have been retired from service. A fifth Ellí (Netherlands Kortenaer) frigate has been commissioned, as have two Votis-class (German Tiger-class) fast patrol craft, armed with Exocet SSM, and two Greek-built Pirpolitis-class coastal patrol craft.

354. From the United States, it received three United States Knox-class frigates (on lease) and from Germany it received a further three Thetis-class anti-submarine warfare corvettes. The navy recently took delivery of one German-built Meko frigate and another of this class is under construction.
IV. Greece and WEU

355. When the EC member states started to prepare the intergovernmental conference on the political union in 1990, there was almost general agreement across the political spectrum in Greece in favour of joining and further developing a European defence and security system. It was thought that such a system would protect all members against external threats. Greece would as a consequence be protected by this collective defence mechanism against any possible threat from Turkey. In this reasoning, a European defence system, of which Turkey would be a part, would offer the perfect protection which NATO, with Turkey as a member, could not provide.

356. At the Maastricht summit meeting in December 1991, however, it appeared that negotiations had resulted in conclusions which differed from Greece’s original expectations. The member states of WEU invited Greece, as a member of the European Union, to accede to WEU “on conditions to be agreed in accordance with Article XI of the modified Brussels Treaty”, but at the same time they invited Turkey and other European member states of NATO “to become associate members of WEU in a way which will give them the possibility of participating fully in the activities of WEU”.

357. In the accession negotiations with Greece, some member states insisted on a modification of Article V of the modified Brussels Treaty in such a way that it would not apply to external attacks by one NATO country against another.

358. The Petersberg declaration of 19th June 1992 formulated this exception as follows: “They (Ministers) also stressed that the security guarantees and defence commitments in the treaties which bind the member states within Western European Union and which bind them within the Atlantic Alliance are mutually reinforcing and will not be invoked by those subscribing to Part III of the Petersberg declaration in disputes between member states of either of the two organisations.”

359. This specific amendment to Article V which made the vital collective defence virtually non-applicable to any form of conflict between Greece and Turkey, combined with the status of associate membership granted to Turkey, which almost amounted to full participation of Turkey in the WEU Council’s activities, was quite different from Greece’s initial expectations. Although it felt disappointed by the apparent lack of the other European Union member states to provide protection and security guarantees against Turkey, Greece signed its protocol of accession to WEU on 20th November 1992.

360. After ratification by all the signatories, the protocol of accession entered into force on 6th March 1995. Since then, however, it became known that in its notification of ratification as registered at the Belgian Ministry for Foreign Affairs on 10th June 1994, Greece itself has taken exception to Article X of the modified Brussels Treaty, declaring that for a period of five years it “excludes from the competence of the Court any dispute over the Hellenic Republic taking defensive military measures for reasons of national defence”.

361. Apparently, this exclusion of the competence of the International Court of Justice in the first place refers to Greece’s dispute with Turkey over the militarisation of the Aegean islands. Having understood that its membership of WEU does not provide any security guarantee against potential Turkish aggression, it has preferred also to exclude the possibility of a verdict of the International Court of Justice, forcing it to demilitarise the Aegean islands.

362. Article X allows the High contracting parties to make reservations to the compulsory jurisdiction of the Court, but it would seem that this reservation should have been made at the moment of signing the Protocol of Accession on 20th November 1992 and not, as was done, at the time of notifying ratification on 10th June 1994. Would the other member states of WEU have signed and ratified the protocol if they had been informed of Greece’s reservation?

363. The specific amendment to Article V and the reservation to Article X, in connection with Greece’s membership and Turkey’s associate membership, have weakened the modified Brussels Treaty and the internal coherence of its member states. One may wonder whether this operation has reinforced security in Europe.

364. Greece has repeatedly made it clear that it perceives major potential threats at its northern and eastern borders from the Balkans and Turkey. With the FYROM and Turkey in particular, it is involved in long-standing and serious disputes over a multitude of issues, the solution of which is by no means in sight. There is no decisive answer to the question whether, and to what extent, the other European Union and WEU member states share its views. The establishment of a European common security and defence policy as announced in Article J of the Treaty on European Union, is certainly hampered by the unresolved disputes between Greece and its neighbours.

365. If Greece wishes to play a positive rôle in the Balkans and to make a contribution towards the European Union’s policy in the region, it will have to make progress in the direction of a normalised relationship with Turkey.
PART THREE: CYPRUS

I. The political situation

366. The situation in Cyprus, where for many decades the Greek and Turkish communities have been opposed in a bitter dispute, is a key issue in relations between Turkey and Greece. Recent efforts by the United Nations Secretary-General to reconcile the positions of both communities on the island have not led to any breakthrough. A reconciliation now seems to be more urgent than ever in view of the fact that the European Union has fixed a date for the start of negotiations on the application for membership which was deposited by the Republic of Cyprus on 3rd July 1990. The rapid decline in the economy and standard of living in the northern part of the island is another reason for reconciliation.

367. Without going into too much detail, some recent events in the history of Cyprus should be recalled here. 62

368. In February 1959, agreements signed in Zurich and London between representatives of Greece, Turkey and the United Kingdom and of the Greek and Turkish communities of Cyprus paved the way for the independence of the Republic of Cyprus which came into being on 16th August 1960.

369. According to the 1960 Constitution, the President should be a Greek Cypriot, while the Vice-President should be a Turkish Cypriot, each elected by their own community. Each had a veto right on vital issues such as foreign affairs and defence.

370. In government and in legislative bodies, Greeks and Turks would share responsibilities on a 70%-30% basis. According to the 1960 census, the Greek community accounted for 77% and the Turkish community 18.3% of the total Cypriot population.

371. In 1963, the Greek Cypriot proposals to change the constitution were rejected by the Turkish Cypriots, while at the same time, Greek Cypriots officially declared their political objective to unite Cyprus with Greece (the so-called Enosis).

372. Following violent clashes between the two communities in 1963 and 1964, the United Nations Security Council decided in March 1964 to dispatch a United Nations peace-keeping force (UNFICYP) to Cyprus. The peace-keeping force is still present in Cyprus but for financial reasons it has been considerably reduced to the present number of around 1 200 troops.

373. In 1967, the Turkish-Cypriot community established its own provisional administration in those parts of the island where Turkish-Cypriots were in a majority.

374. On 15th July 1974, the Cypriot National Guard committed a successful coup d'état against President Makarios, organised by the Greek military junta. The putsch collapsed when a few days later the Turkish Government intervened militarily. Following the breakdown of the August 1974 negotiations, in which Greece, Turkey, the United Kingdom and the Greek and Turkish communities of Cyprus participated, Turkish troops occupied the northern 37% of the island causing the migration of 200 000 Greek Cypriots to the southern part and the de facto division into two parts, separated by a demarcation line 63. Moreover, demographic problems have increased with the policy of colonisation pursued by the so-called Turkish Republic of Northern Cyprus in collaboration with Turkey 64.

375. In February 1975, the Turkish Cypriots unilaterally and illegally declared their own independent state, which was rebaptised the Turkish Republic of Northern Cyprus (TRNC) in November 1983 and recognised only by Turkey.

376. Since 1975, the United Nations, through its Secretary-General has made many efforts to solve the Cyprus question, including two high-level agreements reached in Vienna in 1977 and 1979, which set out the framework for a solution on a federal basis.

377. In 1992, a new impulse was given to the United Nations initiatives to reconcile the positions of the Greek and Turkish communities. The results of these activities are discussed in detail in the abovementioned reports of the Parliamentary Assembly of the Council of Europe and of the European Parliament.

378. The United Nations Secretary-General has proposed a number of confidence-building measures which, if accepted by both parties, could help to achieve an overall agreement based on a "set of ideas" approved by the United Nations Security Council.

379. An essential part of the confidence-building measures is the rehabilitation of the Varosha

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62. A report on the situation in Cyprus, submitted by Lord Finsberg, Rapporteur, on behalf of the Political Affairs Committee of the Parliamentary Assembly of the Council of Europe was discussed in that Assembly on 2nd February 1995.

63. See the report on national refugees and missing persons in Cyprus, by Messrs. Riesen and Müller, Parliamentary Assembly of the Council of Europe, Document 5716.

64. See the report on the demographic structure of the Cypriot communities by Mr. Cucó, Rapporteur, Parliamentary Assembly of the Council of Europe, Document 6589.
area north of the United Nations administered buffer zone, at present surrounded by territory controlled by the Turkish Cypriot administration, as an area for trade and intercommunity contacts and the re-opening of Nicosia international airport to civilian passenger and cargo traffic.

380. One of the guiding principles of the overall agreement is based on the "set of ideas", the establishment by the Greek-Cypriot and Turkish-Cypriot communities of a bi-communal and bizonal federation, comprising one territory composed of two politically equal federated states. This federal republic would have one indivisible sovereignty.

381. Although progress has been made in protracted negotiations between the parties concerned, many questions still remain to be settled. No agreement has been reached on the vital confidence-building measures relating to Varosha and Nicosia International airport. One of the other remaining stumbling-blocks is the question of territorial adjustments. The Turkish part of the population, representing 18% of the total population, now occupies 37% of the island. According to the United Nations Secretary-General, they should reduce their portion of land to 28.02% but the leader of the Turkish Cypriots, Mr. Denktash, considers 29% to be the minimum.

382. Since May 1994, negotiations between the two communities have remained deadlocked. In a report of 30th May 1994 to the Security Council, the United Nations Secretary-General stated that the absence of an agreement was due mainly to a lack of political will by the Turkish Cypriot side.

383. Informal meetings between President Clerides and Mr. Denktash in October 1994 were concluded without any result.

384. In January 1995, Mr. Denktash announced a 14-point proposal to break the deadlock with the Greek Cypriots. The proposal included acceptance of the United Nations proposed confidence-building measures, eventual demilitarisation of the island and the exchange of territory, but Mr. Denktash admitted that it did not signify a change in attitude or policy.

Mr. Denktash also excluded the possibility of Greek Cypriots returning to their former homes in the northern part of the island.

385. On 6th March 1995, when the European Union concluded a customs union agreement with Turkey, it was also agreed that negotiations for accession would start on the basis of proposals by the Commission six months after the conclusion of the 1996 conference and taking into account the results of the latter. Although it was not mentioned in any official document, it is hoped that this promise of future membership could work as a catalyst to end the stalemate in negotiations between the Greek and Turkish Cypriots on an overall agreement. In its communiqué of 6th March 1995, the European Council confirms that the European Union intends to continue to uphold, by all the means at its disposal, the efforts of the United Nations with a view to a comprehensive settlement of the Cypriot question.

386. In fact, the first reactions to the agreement were far from promising and Turkish political leaders seem to indulge in muscled declarations, possibly only for domestic consumption. Only hours after having signed the agreement, the Turkish Foreign Minister, Murat Karayalcin, stated that the European Union's decision on Cyprus' membership was an "unfortunate step" which could lead to the permanent division of the island. He said that if accession negotiations were held with the Greek Cypriot side of the island, Turkey "would be left with no option other than to take steps towards achieving a similar integration with the Turkish Republic and Northern Cyprus".

387. Prime Minister, Tansu Ciller, when visiting the United States in April 1995, suggested that a solution to the Cyprus problem would be found after Turkey becomes a member of the European Union.

388. Both Turkey's government officials and Mr. Denktash have declared repeatedly that they consider the request for membership of the European Union by the Republic of Cyprus as an illegal act since, under the terms of the Constitution, the Republic of Cyprus cannot become part of another alliance or union without the consent of both communities. This refers to Article 50(a) of the Constitution of the Republic of Cyprus which reads as follows:

"1. The President and the Vice-President of the Republic, separately or jointly, shall have the right of final veto on any law or decision of the House of Representatives or any part thereof concerning:

(a) foreign affairs, except the participation of the Republic in international organisations and pacts of alliance in which the Kingdom of Greece and the Republic of Turkey both participate."

389. The Republic of Cyprus has dismissed this argument, noting that a decision to join the European Union would be subject to a referendum, in which case the right of final veto does not apply. Moreover, it is argued that the Turkish Cypriots cannot refer to a clause in a constitution which they have otherwise unilaterally and fully rejected, and that Turkey itself applied for membership of the European Union in 1987.

390. It should be noted that, as a consequence of its complete dependence on Turkey, the economy of the northern part of the island is in a dramatically bad shape with an inflation rate of 215% for 1994 and a decrease of 34% in tourism compared to the preceding year with only 70 000 tourists. Moreover, the export of food products, including citrus fruit, to the European Union has practically come to a standstill as a consequence of a ruling of the European Court of Justice. There have also been increasing interruptions in the supply of electric energy from the south, purportedly of a technical nature. In fact, economic problems may be a reason for the Turkish Cypriots to change their attitude.

391. It seems that a majority of the Turkish Cypriots living in the northern part of the island is ever more anxious for a settlement which would lift the trade embargo. Furthermore, it is thought that future membership of the European Union could bring considerable regional aid to the ruined economy of the north.

392. Meanwhile, the economy of the southern part is in good shape with estimated figures for 1994 of 4.7% economic growth, 2.5% unemployment and 4.7% inflation. In 1994, the Republic of Cyprus registered 2 million tourists in 1994. The present per capita income is higher than that of Portugal and Greece and at the same level as that of Spain.

393. On 23rd April 1995, the presidential elections in northern Cyprus resulted in a victory for Mr. Rauf Denktash with 62.5% of the 91 000 votes cast in a second round of voting, with Mr. Dervis Eroglu taking the remaining 37.5%. In the preceding 1990 elections, Mr. Denktash was elected with 66.7% in the first round.

II. The military situation

394. On numerous occasions, the Security Council has insisted on a reduction in the number of foreign troops and a reduction of defence spending on the island. Recently in Resolution 969, adopted on 21st December 1995, it urged:

"All concerned to commit themselves to a significant reduction in the number of foreign troops in the Republic of Cyprus and a reduction of defence spending in the Republic of Cyprus to help restore confidence between the parties and as a first step towards the withdrawal of non-Cypriot forces as set out in the Set of Ideas, and (called) upon the Secretary-General to promote efforts in this direction."

Unfortunately, no progress has been made on this issue and developments have been rather in the opposite direction.

395. On 17th December 1993, President Clerides made a proposal for demilitarising the island which included: disbanning the National Guard and transferring all of its arms and military equipment to the custody of UNFICYP; maintaining the Cyprus Police at its present strength, equipped with light weapons; defraying the total cost of an enlarged United Nations peace-keeping force that would have rights of inspection; use by that peace-keeping operation of heavy National Guard equipment in its custody; all money saved from disbanning the National Guard and from discontinued arms purchases would be deposited in a United Nations account and, after deducting the cost of a United Nations peace-keeping operation, be used for the benefit of both communities after the solution of the Cyprus problem. President Clerides added the condition that the Turkish forces be withdrawn from Cyprus, the Turkish Cypriot forces disbanded and their weapons and military equipment placed in the custody of the United Nations peace-keeping force.

396. Mr. Denktash reacted by calling President Clerides' proposal impractical and propagandistic and declared: "Turkish Forces, other than those to be retained under the updated Treaties of Guarantee and of Alliance, will withdraw from Cyprus within the framework of a lasting solution, which can only be realised if mutual confidence is established between the two peoples on the island". It is noted here that the actual military situation can hardly inspire mutual confidence.

397. In the northern part of the island, Turkey has deployed a number of troops estimated well in excess of 50 000, equipped with more than 300 tanks. The armament of these Turkish forces has recently been upgraded and equipment also includes armoured personnel carriers, considerable firepower in different categories of artillery and helicopters. The active Turkish Cypriot armed forces count 4 000 infantry troops.

398. The National Guard of the Republic of Cyprus has 10 000 personnel in active service. The equipment includes 52 tanks, armoured personnel carriers and a wide variety of artillery, air defence missiles and guns, and anti-tank weaponry. Moreover, there are estimated to be in excess of 2 000 Greek personnel composed of the ELDYK regiment, provided for under the 1960 Treaty of Alliance and individual personnel assigned separately therefrom to Cyprus.

399. Since 1988, successive governments of the Republic of Cyprus have been implementing a programme of armaments acquisition to enhance significantly the equipment operated by the National Guard, which has resulted in a large increase in defence spending by the Republic. 67

PART FOUR:  
DISPUTES BETWEEN TURKEY AND GREECE 

I. Disputes in the Aegean Sea  

(a) The Aegean islands 

400. Since the birth of Greece as a state in 1830, most of the islands in the Aegean sea have gradually come under Greek sovereignty. 

401. Italy occupied the islands of the Dodecanese, then still under Ottoman rule, and Greece took the northern and central islands in the eastern part of the Aegean Sea during the Balkan war of 1912-13. In February 1914, the six European powers left the Dodecanese to Italy by tacit agreement and decided to leave Greece in possession of the other islands with the exception of Imroz, Tenedos and Castellorizo, under the condition that all the islands left to Greece would be demilitarised. A final settlement of the legal status of the eastern Aegean island was reached in the Treaties of Lausanne of 24th July 1923, between Turkey, the European allies and Greece. 

402. The Dodecanese and Castellorizo came under Greek sovereignty through the Paris Peace Treaty of 10th February 1947. 

403. At present, 2,383 islands in the Aegean sea are under Greek sovereignty, while some sixty islands, mostly situated within the three mile zone of the Anatolian coast, are under Turkish sovereignty. 

(b) The status of the Greek islands in the Aegean Sea 

404. The governments of Greece and Turkey are involved in a long-standing dispute over the status of restrictions imposed upon islands in the Aegean Sea. A distinction is made between three different categories of islands, each of which has a different status. 

(i) Lemnos and Samothrace 

405. The statute of these islands was initially determined by the Convention on the régime of straits, signed in Lausanne on 24th July 1923, which according to Article 4, had imposed the demilitarisation of the Greek islands Limnos and Samothraki and also of the Turkish islands Gökçeada (Imroz), Bozcaada (Tenedos) and the Rabbit islands (Îles-aux-Lapins). Later, in the Montreux Convention on the régime of straits signed on 20th July 1936, the contracting parties stipulated that they had resolved to substitute the present convention for the one signed in Lausanne on 24th July 1923. 

406. Following the conclusion of the Montreux Convention, both countries gradually started to remilitarise the abovementioned islands and with the increasing problems between Greece and Turkey over Cyprus the status of the islands became one of the disputes to which no solution has yet been found. 

407. Turkey argues that the Montreux Convention has not completely replaced the Lausanne Convention and only provides Turkey with the right to remilitarise the islands and territories which have been recognised as being part of the defensive system of the Straits. It also argues that the remilitarisation of Lemnos and Samothrace by Greece has not been authorised in the Montreux Convention. 

408. Greece, on the other hand, argues that the Montreux Convention has fully replaced the Lausanne Convention and that any exception as regards the status of any specific island would have been mentioned. Moreover, Greece has pointed out that immediately after the signing of the Montreux Convention, Turkey recognised, in several different official declarations, the right of Greece to remilitarise its islands in the straits. 

409. In the framework of NATO, Turkey has used its veto whenever the alliance has proposed to use Lemnos for operational purposes and to include it in its military planning. 

(ii) Lesbos, Chios, Samos and Nikaria 

410. The military status of these islands is subject to the Lausanne Peace Treaty, signed on 24th July 1923, which states in Article 13, paragraph 3: 

"The Greek military forces in the said islands will be limited to the normal contingent called up for military service, which can be trained on the spot, as well as to a force of gendarmerie and police in proportion to the force of gendarmerie and police existing in the whole of the Greek territory."

The Treaty also stipulates that the two countries' military aircraft are forbidden to fly over these islands and over the Turkish coast and the construction of arsenals and fortifications is prohibited. 

411. Since 1974, following the Turkish invasion of Cyprus, the situation has changed drastically and in 1974, 1976 and 1987 there were serious crises in the Aegean Sea over the mere existence and limits of the continental shelf of the Greek islands. 

(iii) Dodecanese 

412. In Articles 15 and 16 of the Lausanne Peace Treaty of 24th July 1923, Turkey gave up its rights over the islands of the Dodecanese and they were given to Italy. After the second world war, 

68. Austria-Hungary, France, Germany, Italy, Russia and the United Kingdom.
Italy handed the Dodecanese over to Greece in accordance with Article 14 of Section V of the Peace Treaty signed in Paris on 10th February 1947. This same Peace Treaty put restrictions on the militarisation of these islands which were respected by Greece until 1974, when Turkey invaded Cyprus. After this event, Greece invoked its inalienable right of self-defence as codified in Article 51 of the Charter of the United Nations to remilitarise the Dodecanese.

(c) The limits of territorial waters

413. In Article 3 of the 1982 Convention on the Law of the Sea, it is stated that:

"Every state has the right to establish the breadth of its territorial sea up to a limit not exceeding 12 nautical miles, measured from baselines determined in accordance with this Convention."

414. While Greece now considers the twelve-mile zone as a generally-accepted norm, Turkey does not want to recognise it and remains hostile to any unilateral extension of Greek territorial waters beyond the present six miles. Turkey insists that the limits of the territorial waters between Greece and Turkey should be determined according to the principle of equity. In the Mediterranean, only Turkey and Israel do not recognise an extension of territorial waters beyond 6 miles.

415. Turkey has gone so far as to say that an extension of Greek territorial waters beyond 6 miles would be a casus belli and it has put forward a number of arguments to support its position.

416. The first is that Turkey does not recognise the twelve-mile zone as a generally-accepted rule of law. It has noted that even if the twelve-mile zone were international common law its observance depends on the agreement of states and that Turkey has always opposed this common law.

417. Finally, Turkey invokes Article 300 of the 1982 convention, regarding abuse of law, arguing that in closed or semi-closed waters, as those around its coastline, the twelve-mile zone cannot be applied. With the abusive application of the twelve-mile zone in the Aegean Sea, this would simply become a "Greek lake".

418. Notwithstanding the legal battle, it should be noted that the question of territorial waters between Greece and Turkey is mentioned in the Treaty of Lausanne of 24th July 1923. Maps attached to the British edition of the proceedings of the Lausanne conference provide the specific dividing line of the waters between the two countries, which is the central line between the Anatolian coast and the Greek islands opposite. In fact, ever since then, this has been observed as the borderline. The borderline between the Anatolian coast and the Dodecanese was determined in the agreements of 4th January 1932 and 28th December 1932.

419. As regards the waters at the mouth of the Evros (Maritsa) river, a protocol was signed on 3rd November 1926 which determined the border on the central line of the main navigation canal of the river in a south-western direction for up to three miles. There is no dispute over this matter.

420. In November 1994, there was growing tension between Greece and Turkey when the International Convention on the Law of the Sea came into force on 16th November 1994. The Turkish armed forces held an aeromaritime exercise in the Aegean Sea, while simultaneously the Greek armed forces held exercises in the southern part of the Aegean Sea.

421. Tension was lowered, however, when on 17th November the Greek Government made an official declaration that the date of the coming into force of the convention had no specific importance and that its ratification by Greece would not have immediate consequences, although Greece did not renounce the right to extend its territorial waters.

(d) The continental shelf

422. At present, the continental shelf is a maritime zone of 200 miles bordering on the coast officially attributed to each coastal state where this state holds sovereign rights concerning exploration, exploitation, conservation and management of natural resources. In recent years, this has become an institution of common international law which is also being called an exclusive economic zone.

423. Since 1961, Greece has awarded exploration permits in the Aegean Sea west of the Greek islands. In 1973 and 1974, however, the Turkish Government awarded exploration permits to the national Turkish oil company which allowed it to search for natural resources in areas which Greece considers to belong to its own jurisdiction.

424. The ensuing dispute over the continental shelf in the Aegean Sea has not yet been settled. Greece unilaterally laid the matter before the International Court of Justice on 10th August 1976, but because of lack of competence due to the fact that Turkey has refused to attend, the Court cannot rule on this matter. Greece considers

69. The principle of equity in international law is normally applied to limit a continental shelf or an exclusive economic zone.

70. It should be noted, however, that in the protocol of 17th April 1973 on the limits of territorial waters in the Black Sea, signed between Turkey and the USSR, the border of both countries had been fixed at the twelve-mile zone.
this as a legal dispute over the limits of the continental shelf which does not concern the vital strategic or political interests of both countries. Turkey, on the other hand, considers it to be a highly political dispute which concerns the vital interests of both countries and the whole of their territorial and political relations.

(e) Air space and related matters

(i) Air space

425. In the 1982 Convention on the Law of the Sea, it is stipulated that the sovereignty of coastal states also relates to the air space above its territorial waters. Unlike the rules for ships, however, there is no inoffensive right of passage for aircraft.

426. According to the Greek law of 1931 on civil aviation, the state exerts its full sovereignty over the air space above its territory, which also includes its territorial waters. In application of this law, Greece adopted in 1931 a decree extending its territorial waters to ten miles for questions regarding aviation and police.

427. This extension has been contested by Turkey since 1974 with the argument that it is not compatible with the Chicago convention of 7th December 1994. According to Turkey, both the territorial waters and air space of Greece cannot extend beyond six miles from the coastline. Turkish military aircraft quite frequently penetrate Greek air space without notice.

(ii) Flight information region

428. Since 1952, the air space over the Aegean Sea is part of the flight information region of Athens according to an agreement, adopted by the ICAO Council, which divided the FIRs of Athens and Istanbul, mainly on the basis of the maritime borders of Greece and Turkey. This arrangement worked well until 1974 when Turkey unilaterally extended the Istanbul FIR to the West and into the Athens FIR, following the limits of the continental shelf as claimed earlier. Later, in 1980, Turkey lifted the restrictions that it had imposed in 1974. A dispute still remains over the question of whether official aircraft, and also as a consequence military aircraft, have to submit their flight plan. Turkey claims that only civilian aircraft are obliged to do so.

* * *

429. A solution to the abovementioned disputes is not yet in sight. Turkey wants across-the-board negotiations on all the issues. Greece, on the other hand, says that the only issue that needs to be discussed is sea-bed mineral rights, which it wants settled by international arbitration.

II. The Turkish minority in Western Thrace

430. The situation of the Turkish minority in Western Thrace is another area of friction between Greece and Turkey.

431. By the July 1923 Treaty of Lausanne, terminating the war between Greece and Turkey, Turkey undertook to ensure the protection of the 200 000-strong orthodox population of Istanbul and Greece and the 120 000 Muslims in Western Thrace. The Treaty of Lausanne only recognises the existence of religious minorities. The originally 200 000-strong Greek orthodox population of Istanbul, Imroz and Tenedos at present only numbers some 3 000. According to official figures, of the 100 000 to 120 000 Muslims living in Western Thrace, 49.9% are of Turkish origin, 33.5% Pomak and 16.5% gypsies. Neither Greece nor Turkey were to respect their undertakings. According to the provisions of the treaty, the Muslim minority in Western Thrace was to enjoy rights and freedoms in education, management of foundations and worship. The situation today is hardly satisfactory. For virtually 70 years, this minority has been unable to exercise its rights and freedoms and it has been subject to numerous pressures.

432. The Turkish population is stagnating despite a high birth-rate and difficulties caused by the local administration are encouraging fairly large-scale emigration to Turkey or Germany. In the past, several members of this minority have been deprived of their nationality in the context of Article 19 of the Nationality Code.

433. Moreover, the Turks of Western Thrace, the majority of them farmers, are encountering severe difficulties in obtaining licences to drive agricultural vehicles and permits to build and to buy or sell land. Nor are members of this minority able to refer to their Turkish origins since, in accordance with the Lausanne Treaty, only their Muslim religion is recognised.

434. As to freedom of worship, in recent years Greece seems to have adopted an attitude hindering the practice of this freedom. In point of fact Greece recently opposed the visit which the Head of Religious Affairs of Turkey wished to make to Western Thrace on 24th and 25th July 1994 while on a tour of the Balkans. The Greek authorities suggested that such a visit would be detrimental to public order in Greece during a period when the two countries were experiencing difficulties, a reason considered unacceptable by the Turkish authorities.

435. Greece’s attitude has served to confirm the feeling of the Thracian Turks that they are being treated as second class citizens. The Turkish minority has therefore hardened its position and withdrawn its confidence in the Greek parties.
III. Turkey and Greece in NATO

438. The very low tide in relations between Greece and Turkey is now also having an impact on NATO's activities. NATO has been forced to freeze all capital projects under its military budget and to economise on current expenditure because Greek-Turkish differences are holding up the North Atlantic Council's approval of both NATO's military budget ($797 million) and its infrastructure budget ($855 million) for 1995.

439. The implementation of a 1992 decision to activate the 7th NATO Allied Tactical Air Force and Land Forces headquarters at Larissa in central Greece and the establishment of a regional headquarters for NATO's new rapid reaction force in Salonika are being blocked by Turkey which argues that the responsibilities of the two Larissa commands must be defined before they are established.

440. The Turkish Defence Minister, Mehmet Golham, has been quoted as saying that Turkey would approve the Salonika command only if Greece renounced any aspiration to extend its territorial waters from six miles to twelve and if the first commander in Salonika was a Turk, but the formal link between the Salonika headquarters and the problem of territorial waters has later been denied by Turkish officials. Both parties now seem to be prepared to discuss a comprehensive package deal. In this framework, NATO's Secretary-General, Willy Claes, visited both countries on 17th and 18th May 1995.

441. Greece, on the other hand, complains that the regional NATO headquarters at Izmir do not exist legally and that a new decision of the Defence Planning Committee is required to establish a legal status for these headquarters.

Conclusions

442. The region discussed in the present report is of exceptional importance for the security and defence of Europe. Developments after the end of the cold war have demonstrated that the Balkans, Transcaucasus, the Middle East and even Central Asia are theatres of a multitude of wars, crisis situations and potential conflicts which can threaten the security and stability of Europe. Experience has also shown that they cannot or will not be ended, managed or prevented without the active participation of Greece and Turkey, full members and associate member of WEU respectively.

443. Moreover, there is a number of long-standing disputes between Greece and Turkey which need to be solved sooner rather than later.

444. The agreement concluded with the Republic of Cyprus to start negotiations on its accession to the European Union six months after the conclusion of the Intergovernmental conference of 1996, opens the perspective of Cyprus' membership of WEU.

445. In the following paragraphs, the main conclusions from the report will be summarised.

(a) Turkey

446. For a long time, Western Europe's relations with Turkey have been rather ambiguous. It did not want it to be in the European community, but did not want it either to be out of Europe. Turkey has been a member of the Council of Europe from the beginning, but it has always been criticised for its human rights record and deficiencies in its democratic system. If Europe does not yet want Turkey to become a member of the European Union, neither does it wish to lose it, because in an Islamic world where radicalism is in the ascendant, it is the only secular state with a democratic government which is oriented towards the West and wishing to be an integrated part of it.

447. In March 1995, a very important decision was taken when the European Union and Turkey agreed to establish a customs union by 1st January 1996. After a transitional period, the customs union is thought to provide Turkey with a solid political, social and economic anchor in Western Europe that could help it to neutralise further growth of the Islamic movement, which has promised to pull Turkey out of NATO, resist closer links with the European Union and forge closer ties with other Muslim states if it would come to power. Expected economic growth and stabilisation of the government's position could also provide the government with an opportunity to make progress in human rights issues and help it to implement the Prime Minister, Tansu Ciller's promise to bring Turkish law in line with Article 10

of the European Convention on Human Rights, which guarantees freedom of expression.

448. Although Turkey is known to be a staunch supporter of NATO, it is also aware that the importance of NATO has diminished since the collapse of communism and the dissolution of the Warsaw Pact. Moreover, if NATO would be enlarged through the accession of the Central European countries, it might be too busy solving its internal problems to manage Turkey’s security.

449. Turkey is not fully satisfied with its present status in WEU, but it understands that after the Maastricht Treaty, a link has been created between membership of the European Union and full membership of WEU. Knowing that European membership can only be a long-term objective, it has accepted associate membership of WEU as the best possible position, and it participates actively in the WEU Council’s activities.

450. Aware of the many poles of instability around Turkey, Western Europe has clearly decided to confirm its close relationship with Turkey, knowing that it will always have to rely on it to keep guard over the gateway to Europe.

451. Turkey’s efforts to establish good relations with the newly-independent republics in the Transcaucus and Central Asia is often interpreted as an over-ambitious quest for influence in a vast region which has failed to materialise. Here it is noted that through its cultural and linguistic kinship, Turkey can play a positive rôle in the oil and gas-rich and strategically important Transcausasia and Central Asia, where it can help to rein in a resurgence of Russian expansionism while propagating the establishment of secular and democratically governed states in an Islamic environment.

452. Apparently, Turkey’s most difficult security problem is the Kurdish problem although the Turkish Government asserts that it has no Kurdish problem, but only a problem with the terrorist PKK.

453. For your Rapporteur, the Kurdish problem is twofold: on the one hand, there is the government’s legitimate fight against the PKK, which, through violence and terrorism, is threatening the security of Turkish citizens and the stability of Turkish society; on the other hand, there is the legitimate quest of the Kurdish minority for rights of cultural self-expression and some form of autonomy, ideas long forgotten by the Turkish Government which propounds the Kemalist unitarian thesis to the effect that the country has no Kurdish people, only Turkish citizens.

454. As regards the fight against the PKK, it may be best to quote the French Minister for Foreign Affairs, Alain Juppé, when he said “Turkey is a friendly country which is entitled to fight terrorism. But it must respect the basic rules of democracy, particularly as far as justice is concerned.”

455. Closely connected with the PKK’s activities in Turkey is the chaotic situation in Iraq, where the central government is denied to exert its authority over the northern and southern parts of the country. The creation of a Kurdish enclave north of the 36th parallel, protected by the coalition forces with the support of Turkey, where different Kurdish factions are fighting each other while blatantly violating human rights, has not improved security and stability in the region.

456. Coalition states responsible for the enclave cannot wait much longer to decide on its future. Continuing the present status makes little sense. The establishment of a separate Kurdish state in northern Iraq is an even less attractive solution because it would put into question the existing borders in the region and provoke further separation. The only possible solution, strongly supported by Turkey, seems to be re-establishment of the pre-Gulf war situation in the region through full implementation of United Nations Security Council Resolution 688 by Iraq and its re-integration as a normally functioning state in the region. It is to be hoped that the countries of the region will one day return to a democratic system allowing the cultural identity of the Kurdish people and even its right to autonomy to be recognised, without jeopardising the territorial integrity of the states of the region.

457. As for the Kurdish minority, if Turkey considers itself a western-oriented democratic state based on values generally accepted in Europe, it has no choice but to find a peaceful solution, in particular by granting the Kurds living on its territory democratic rights of cultural self-expression, including the undiscriminated use of the Kurdish language. Separatist ambitions, understandably, cannot be met, but some form of local, or regional, autonomy may be inevitable in the future for maintaining the stability and territorial integrity of the Turkish state. It is necessary therefore to recall Recommendation 1266 of the Parliamentary Assembly of the Council of Europe in which Turkey is invited “to seek a peaceful solution to the Kurdish problem on the basis of the principles embodied in the Statute and the relevant Conventions of the Council of Europe”.

(b) Greece

458. Greece’s security concerns are clearly focused on the Balkans and Turkey. As regards the Balkans, it appears to have given up a rather boisterous policy in exchange for more silent and

72. Le Figaro, 10th January 1995.
effective diplomacy. Relations with most other Balkan states are mostly balanced and considerable progress has been made in improving relations with Albania.

459. A remaining source of trouble is Greece’s relations with the FYROM, against which it has maintained a trade embargo in order to force it to stop using the name “Macedonia” and using the star of Vergina as its national emblem. The preliminary opinion of the European Court of Justice, according to which the trade embargo did not breach the Treaty of Rome, has certainly comforted Greece’s position. It noted, however, that apart from the question whether it is in accordance with the Treaty of Rome, the trade embargo could have negative effects such as inciting a state to persist in its position, or a further destabilisation of the internal situation. The FYROM’s exclusion from the OSCE because of a continuing Greek veto is worrying many other European states since it excludes the FYROM from the only security organisation in Europe to which it is eligible.

(c) Disputes between Greece and Turkey

460. Although the Cyprus problem has proven to be a quagmire for more than thirty years now, it is thought that the solution to this problem is the key to a much-needed improvement in relations between Greece and Turkey. The European Union, under France’s presidency, has created new conditions which can be considered a leap forward by simultaneously concluding agreements over accession negotiations with Cyprus and a customs union with Turkey. The implementation of these agreements should be used by both Greece and Turkey as an opportunity to help find a solution for the reunification of the northern and southern part of the island into a federal state, based on equality of both the Greek and Turkish communities. Negotiations over such a solution will only have a chance to succeed if the leading politicians involved are prepared to forget, for a moment, the seemingly eternal hair-splitting and, instead, let themselves be inspired by a much-wanted vision of common destiny. The example of the once hereditary enemies, France and Germany, having become the hardcore of Europe’s unification process could be enlightening.

461. It seems to make little sense to review the other disputes between Greece and Turkey, trying to propose ingenious solutions. The continuation of almost all of them is based on deep distrust. A solution to the Cyprus problem could be a first step in reversing this attitude into mutual confidence.

(d) Discussion in the committee

462. The Rapporteur notes that while the preliminary draft recommendation as a whole was adopted unanimously, one Greek member of parliament made a reservation concerning paragraph 3 of the operative text, considering it inappropriate to refer to a “veto” by Greece of the FYROM’s accession to the OSCE.
APPENDIX I

Defence expenditures as % of gross domestic product

Based on current prices

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<td>5.8</td>
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<td>3.8</td>
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<td>4.1</td>
</tr>
</tbody>
</table>

Based on constant prices

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<td>5.8</td>
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<td>5.5</td>
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</table>

Defence expenditures per capita in US dollars

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Defence expenditures annual variation (%) Based on constant prices

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<td>2.8</td>
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</table>

(* estimate)

73. Source: NATO review, April 1994.
The Balkans and the Middle East