Turkey’s relations with Greece form an important part of Turkey’s broader agenda. The conflict between the two countries has been a persistent threat to security in the Eastern Mediterranean since the mid-1950s. During the Cold War, the differences between the two countries threatened to break out into open conflict on several occasions.1 However, these differences have taken on added importance since the end of the Cold War for several reasons.

First, the Aegean has been one of Europe’s most dangerous flashpoints. Turkey and Greece have come close to armed conflict several times in the last two decades—most recently in January–February 1996 over the islets of Imia/Kardak. Only last-minute U.S. diplomatic intervention prevented an armed confrontation. Although relations have improved since mid-1999, as long as the issues that gave rise to the near clash remain unresolved, there is always a danger that an incident could lead to inadvertent armed conflict.

Second, the Cyprus issue continues to aggravate Greek-Turkish relations. Since 1974, the division of the island has hardened, with little communication and interaction between the Turkish and Greek Cypriot communities. In addition, the island has become increasingly militarized. In recent years, both sides have sought to augment

their military capabilities on the island. This growing militarization has increased the dangers of a Turkish-Greek confrontation, as the crisis over the S-300 missiles in 1997–1998 highlights.

Moreover, the lack of a settlement of the disputes over the Aegean and Cyprus is an obstacle to Turkey’s relations with the EU. At the Helsinki summit in December 1999, the EU accepted Turkey as a candidate member, but it made a resolution of Turkey’s differences with Greece over the Aegean and Cyprus a prerequisite for Turkey’s eventual membership in the EU. Thus, Turkey’s European aspirations are now directly tied to a resolution of its differences with Greece over the Aegean and Cyprus.

Moreover, the new détente is fragile and by no means irreversible. The core differences between the two countries—the Aegean and Cyprus—have yet to be seriously addressed. In addition, a number of issues, particularly the EU’s decision regarding the Greek Cypriot application for membership, could have a significant effect on Greek-Turkish relations, undermining the recent improvement in bilateral ties and possibly even setting the stage for a new period of confrontation.

THE HISTORICAL LEGACY

The current difficulties in Turkish-Greek relations have deep historical roots that directly affect how each side perceives and relates to the other. These roots touch directly on important issues of national identity. The modern Greek state was born of a struggle against Ottoman rule and for much of the next 80 years it expanded by lopping off parts of Ottoman territory. The Megali Idea—the desire to unite Greeks in a common Greek state—was a driving force behind Greek policy up until the early 20th century. Thus, Greece’s own independence and process of state-building have been closely tied to a struggle against Turkey.

Similarly, the birth of the modern Turkish state was closely associated with the War of Independence and the campaign against Greece.

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Relations with Greece and the Balkans

that ended with Atatürk’s expulsion of the Greek forces from Central and Western Anatolia in 1922 and the subsequent exchange of populations in 1923–1924.\(^3\) Thus, both states link their existence and an important part of their identity to experiences that are associated with negative images of the other side. This has served to reinforce a sense of mutual mistrust that has complicated the resolution of outstanding differences.

On rare occasions, however, Turkey and Greece have shown an ability to put aside their differences and cooperate. The most important example of this capacity occurred during the interwar period. Only eight years after Greece’s defeat at the hands of Turkey, Atatürk and Greek Prime Minister Eleftherios Venizelos signed the Ankara Agreement, resolving outstanding issues left over from the earlier confrontation, such as property rights arising out of the exchange of populations. This was followed by the conclusion of a formal Friendship and Cooperation Treaty in 1933, which introduced a period of cordiality and cooperation that lasted into the early postwar period.

The onset of the Cold War and the threat posed by the Soviet Union initially created strong incentives for both countries to put aside their differences. But beginning in the mid-1950s, relations became increasingly strained over the Cyprus issue. The attempted coup against President Makarios of Cyprus by the Greek junta in July 1974 and the subsequent Turkish invasion of the island marked an important turning point in relations. Thereafter, relations remained, until very recently, tense.

In the past two decades, there have been several attempts to overcome these difficulties and improve relations. The most important was the meeting between Turkish Prime Minister Turgut Özal and Greek Prime Minister Andreas Papandreou in Davos in January 1988.\(^4\) The two leaders agreed to establish a hotline, to meet at least

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once a year, and to visit each other’s country. They also called for an intensification of contacts. In an early gesture of goodwill, Turkey rescinded the 1964 decree restricting the property rights of Greek nationals in Turkey.

These moves led to a thaw in bilateral relations (the Davos Process). But the thaw proved short-lived because it lacked strong domestic support. Neither leader sought to build bureaucratic and public support for the attempt at reconciliation. Thus, both leaders found it difficult to “sell” the thaw to a skeptical domestic audience at home, especially as their own internal positions weakened. As a result, the détente gradually lost momentum and eventually collapsed.

THE AEGEAN DISPUTE

There are three main sources of tension between Turkey and Greece. The most important of these centers around the Aegean. The Aegean dispute is not really one dispute but a series of disputes: These relate to limits on territorial sea, sovereign rights over the continental shelf and airspace, management of the military and civil air-traffic control zone, and the militarization of the Greek islands.5

For Turkey, the most important of these issues is the territorial sea issue. Under the 1982 Law of the Sea Convention—which Turkey has not signed—Greece has the right to extend its territorial waters to 12 miles although it has so far refrained from exercising that right. Greek extension of the territorial waters from six to 12 miles would make Turkish access to major ports, such as Istanbul and Izmir, more difficult. Turkey has repeatedly said that any effort by Greece to extend its territorial waters to 12 miles would constitute a casus belli. This explicit threat to use force if Greece exercised its right to extend its territorial waters has been a prime source of tension between the two countries. Greek officials insist that there can be no far-reaching rapprochement between Greece and Turkey as long as Turkey continues to threaten to use force to settle outstanding

issues, especially ones in which Greek actions are consistent with international law.

Turkey and Greece are also at odds over the Aegean airspace. Turkey rejects the 10-mile airspace claimed by Greece, arguing that Greece is entitled to exercise sovereignty only over six miles. To emphasize this point, Turkey regularly sends its aircraft up to six miles from the Greek coast. Greece responds to what it considers violations of its airspace by sending aircraft to intercept the Turkish aircraft. The mock dogfights and aerial challenges are a source of constant concern to Turkey’s NATO allies, who worry that some incident or miscalculation could lead to a major confrontation between the two countries, as nearly happened during the Imia/Kardak crisis in January/February 1996.

Turkey has offered to open a bilateral dialogue with Greece to resolve these issues. However, Greece has rejected a broad-based bilateral dialogue, arguing that there is only one issue that needs to be resolved—the continental shelf. This issue, Greece argues, should be submitted to the ICJ at the Hague for adjudication. However, Turkey has refused to submit the issue to the ICJ, preferring instead to resolve the issue through bilateral negotiations, where it feels it has more leverage.

Another issue burdening bilateral relations is Greece’s militarization of the Eastern Aegean and Dodecanese islands, which Turkey argues violates the Treaty of Paris (1947). Greece argues that its militarization of the islands is a defensive response to the creation by Turkey of the 100,000-man strong “Fourth Aegean Army,” which was formed shortly after the Turkish invasion of Cyprus in 1974 and which has its headquarters in Izmir, just a few miles from the Greek islands. This army, Greece maintains, poses a serious threat to Greek sovereignty.

So far, Turkey has refused to disband the Aegean army. However, in the spring of 2000, Admiral (Ret.) Güven Erkaya, the former commander of the Turkish navy and an advisor to Prime Minister Ecevit, proposed in a secret memorandum (later leaked to the Turkish press) that Turkey disband the Aegean army in return for a pledge by
Greece not to extend its territorial waters to 12 miles.\(^6\) Although his proposal was rejected by the Turkish military,\(^7\) who maintained that Greece had to first agree not to extend its territorial waters to 12 miles, it continues to be seen in some Turkish circles as a possible avenue that could, if combined with reciprocal measures by Greece, lead to a de-escalation of the Aegean dispute.

Turkey’s relations with Greece have significantly improved since mid-1999 (see below), but the dispute over the Aegean continues to cast clouds over the relationship and could even derail the recent détente. In October 2000, for instance, differences over the inclusion of the islands of Lemnos and Ikaria prompted Greece to withdraw from NATO exercises in the Aegean, casting a pall over the rapprochement between Greece and Turkey.\(^8\) Although both sides have continued to stress their commitment to improving relations, the incident underscores the degree to which the differences over the Aegean continue to burden the relationship.

In addition, the EU has made a resolution of Turkey’s differences with Greece a requirement for Turkish accession to the EU. The communiqué issued at the EU’s summit in Helsinki in December 1999 urged candidate states to make every effort to resolve their border disputes and other related issues or, failing that, to bring the dispute to the ICJ in a reasonable time. The council stated that it would review the situation by the end of 2004 in relation to the accession process. Thus, Turkey’s application for EU membership could be held up if there is no resolution of the dispute.

In January 2002, Greece agreed to open a bilateral dialogue with Turkey on Aegean issues. Greek diplomats want the dialogue limited to the issue of the continental shelf. However, in the course of the dialogue other issues, such as differences over airspace control and

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\(^7\) “Dismantling Aegean army not on agenda,” *Turkish Daily News*, May 24, 2000. See also “Turkish officials: before we dismantle the Aegean army, Greece has to recognize six mile limit,” ibid., May 23, 2000.

the Ecumenical Patriarch (the spiritual leader of the world’s Orthodox Christians, who resides in Istanbul), may also be discussed.

THE CYPRUS CONFLICT

Cyprus is a second major source of tension between Turkey and Greece. During the 1930s and 1940s when Cyprus was under British rule, the fate of the Turkish Cypriots was not a burning issue for the Turkish government. It became a major concern only in the 1950s when the Greek Cypriots, supported by the Greek government, intensified their demands for enosis (union with Greece) and the British government began considering relinquishing control over the island. Although Turkey preferred a partition of the island (taksim), it agreed to independence on the condition that the Turkish Cypriots would have the status of a community with equal rights with the Greek community.

From the Turkish point of view, independence was a second-best solution. It was accepted because it prevented enosis and provided important legal guarantees of equality for the Turkish Cypriot community.9 Under the 1960 Treaty of Guarantee, Turkey became one of the three guarantor powers (along with Greece and Britain) of the island’s independence. This ensured Turkey a certain degree of influence over developments on the island and gave Ankara the right to intervene, either singularly or collectively, to reestablish the constitutional arrangements on the island if they were violated. It was under the provisions of the 1960 Treaty of Guarantee that Turkey justified its invasion of the island in 1974.

The 1960 constitutional arrangements, however, proved unworkable and collapsed when President Makarios sought to amend the Constitution.10 His changes would have relegated the Turkish Cypriots to the status of a minority rather than a community with equal political

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rights with the Greek community. This was unacceptable to both the Turkish Cypriots and Turkey. When anti-Turkish violence broke out in 1964, Turkey threatened to intervene. However, Ankara was deterred from carrying out the threat by President Johnson’s blunt letter to Turkish Prime Minister Ismet Inönü warning that the United States and NATO could not guarantee Turkey’s protection if a Turkish invasion provoked Soviet intervention.11

Turkey showed only lukewarm support for the Turkish Cypriots in the period 1965–1973. However, Turkish policy hardened after the election of Bülent Ecevit as prime minister at the end of 1973. When the military junta in Athens sought to overthrow Makarios and install a pro-enosis extremist, Nicos Samson, as president, Ecevit ordered the invasion of the island. However, Turkey invaded only after first requesting that Britain participate in the invasion under the terms of the 1960 Treaty of Guarantee. When Britain refused to participate, Turkey decided to act unilaterally.

The 1974 invasion set the contours for the current conflict. It led to the expulsion of 200,000 Greek Cypriots from their homes and the division of the island into two autonomous administrations, one Greek Cypriot, the other Turkish Cypriot. Since then, Turkey has maintained 30,000 to 35,000 troops on the island. The Greek Cypriots regard the troops as occupation troops. Turkey, however, see the troops as the main guarantee of the rights of the Turkish Cypriots.

From the Turkish perspective, the invasion “solved” the Cyprus problem. In 1983, the Turkish Cypriot part of the island declared itself an independent state—the TRNC—with Rauf Denktash as its president. The TRNC is recognized only by Turkey and is economically and politically dependent upon Ankara, which heavily subsidizes its economy. Although this subsidy imposes a substantial economic burden on Turkey, Ankara has considered the political and strategic benefits worth the economic costs.

Turkey’s approach to Cyprus has undergone an important shift since the mid-1990s. Before 1997, Turkey put primary emphasis in its Cyprus policy on the protection of the Turkish Cypriot community on the island. Since 1997, however, Turkey has increasingly emphasized that Cyprus is a security issue for Turkey in its own right. Prime Minister Bülent Ecevit in particular is a firm proponent of this view. For years Ecevit argued that Cyprus should be seen not as a burden but as an important component of Turkey’s own security.12

Ankara sees Cyprus as a cornerstone of Turkish security and a key element of the defense of Anatolia. Cyprus is also increasingly seen as important for the protection of Caspian oil that is expected to flow through the Baku-Ceyhan pipeline and then be transported on to Europe. Thus, Turkey wants to ensure that the island is not controlled by a hostile power, especially Greece. Many Turks believe that the best way to ensure that this does not happen is to keep the island divided and maintain a strong military presence there.

Turkey has reacted harshly to efforts to change the military status quo such as the Greek Cypriot decision to acquire S-300 missiles from Russia. Ankara threatened to use military force, if necessary, to prevent the deployment of the missiles on Cyprus.13 The crisis was finally defused when the Greek Cypriot government—under strong U.S. and EU pressure—agreed to deploy the missiles on Crete rather than the Cypriot mainland. However, the bellicose Turkish response to the initial threat to deploy the missiles on the Cypriot mainland highlights the importance that Turkey attaches to maintaining the political and military status quo on the island.

Since the late 1990s, Turkey has taken steps to strengthen its ties with the TRNC. In July 1997, Turkey and the TRNC issued a joint statement expressing their determination to strengthen and deepen cooperation. The declaration called *inter alia* for the establishment of

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12 As he stressed at the celebration of the 25th anniversary of the Turkish invasion of Cyprus in July 1999: “As much as Turkey is the generator of KKTC (TRNC) security, the KKTC is the guarantee of Turkey’s security.” See “Turkey and Cyprus Not Moving An Inch From Cyprus Policy,” *Turkish Probe*, July 25, 1999.

an Association Council, the creation of an economic and financial union between the two states, the inclusion of the TRNC in Turkey’s regional development master plan, and the improvement of transportation links between Turkey and the TRNC.\textsuperscript{14} Turkey also began to include Turkish Cypriots in Turkish delegations and missions abroad. At the same time, Turkey moved away from the bi-zonal and bi-communal federation that it supported for nine years, insisting on the recognition of two separate states as a basis for any solution.

The passage of time, moreover, has led to a hardening of the status quo. At present, a whole generation of Turkish and Greek Cypriots has grown up with virtually no contact with one another. This situation is likely to grow worse with time, leading to even greater estrangement and isolation between the two communities. In addition, the ethnic composition of the TRNC is changing. As a result of the massive influx of new settlers from the Turkish mainland and the emigration of educated Turkish Cypriots, the proportion of Turkish Cypriots in the TRNC is declining. Today, Turkish Cypriots make up only about 60 percent of the TRNC’s population. If the economic situation in the TRNC continues to deteriorate, their number is likely to further decline, as more and more Turkish Cypriots—especially educated ones—emigrate because they cannot find jobs.\textsuperscript{15}

**PROSPECTS FOR A SETTLEMENT**

Intercommunal talks between the two Cypriot communities have been conducted, under UN auspices, since 1974. However, they have produced no major breakthrough. The basic problem is that the two Cypriot sides have very different visions of the island’s political future. The Greek Cypriots want a bi-zonal, bi-communal federation with broad powers for the central government. Since 1998, the Turkish Cypriots, by contrast, have pressed for a

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\textsuperscript{14}For the text of the Joint Statement, see Dodd, *The Cyprus Imbroglio*, pp. 190–192 (Appendix 9).

\textsuperscript{15}Since 1974 an estimated 50,000–60,000 Turkish Cypriots—more than one-third of the Turkish Cypriot population—have emigrated. See “Ankara’s Zypern–Politik in der Sackgasse?” *Neue Zürcher Zeitung*, May 23, 2001.
confederation with weak federal powers, based on the recognition of
two separate and equal states. These two visions are in direct
conflict with one another and are difficult to reconcile.

Prospects for a settlement before the EU summit in Copenhagen in
December 2002 appear bleak. On January 16, 2002, the leaders of the
two Cypriot communities, Rauf Denktash and Glafkos Clerides,
agreed to open negotiations, with the goal of achieving an agreement
on the island’s future by the summer of 2002. However, these talks
have made little progress. There have been some minor changes in
approach on both sides, but neither side has substantially altered its
fundamental position.

The Greek Cypriot side seems to be playing for time in the belief that
Greek Cyprus will be invited to join the EU, with or without a settle-
ment. Thus, it has little incentive to make any major concessions.
The Greek Cypriots appear to calculate that their leverage will in-
crease once they are a member of the EU and that EU membership
will make a settlement of the conflict on their own terms easier.
Hence, they seem content to “play out the EU clock.” At the same
time, the Turkish Cypriot side also appears unwilling to depart from
its insistence on a two-state solution.

Ultimately, the key to a Cyprus settlement lies in Ankara. However,
there is little likelihood of a shift in Turkish policy—if at all—until
after the national elections in November 2002. By then, however, it
may be too late. It seems almost certain that the Greek part of the
island will be invited to join the EU at the EU summit in Copenhagen
in December 2002.

Greek Cyprus membership would be a real trauma for Turkey and
could lead to a serious deterioration of Turkey’s relations with the
EU. Turkey’s chances of opening accession negotiations with the EU
would be jeopardized and prospects for obtaining EU membership
in the foreseeable future would be seriously set back. It could also
have a spillover effect on Turkey’s relations with Greece, endangering
the current bilateral détente. Indeed, a new period of Greek-Turkish
tension might well ensue.
THE MINORITY ISSUE

A third irritant in Turkey’s relations with Greece has been the status and treatment of the Turkish minority in Greece. There are about 120,000 Muslims in Greece, the majority of whom are ethnic Turks. The rest are mostly Gypsies (Roma) and Pomaks (Muslims with an affinity to Bulgarian culture). Until recently, Greece has insisted on using the term “Muslim” for this minority, even though a large part of the Muslim population is composed of ethnic Turks. Greece bases its position on the Lausanne Treaty (1923) which refers to the population as “Muslims.”

The Muslim/Turkish minority in Greece basically enjoys the same rights as ethnic Greek citizens of Greece. However, the minority has been subject to indirect forms of discrimination regarding the purchase of land, obtaining building permits for the construction of private buildings and mosques, obtaining driving licenses, and having their land expropriated for public use. Until 1998, the minority was also subject to possible loss of Greek citizenship if members of the minority left Greece.

The plight of the Turkish minority receives considerable attention in the Turkish media, which claims that the community faces systematic discrimination. Greece, in turn, accuses the Turkish government of having systematically forced out the Greek minority in Istanbul. In 1923, the Greek population in Istanbul numbered about 120,000. Today it has dropped to less than 3,500. Most of the Greek minority left in the 1950s and 1960s when Greek-Turkish relations were tense as a result of the Cyprus crisis.

Greece denies that it discriminates against the Turkish minority and in recent years the Greek government has undertaken a number of steps to improve the lot of the Turkish minority. In 1998, the government revised the controversial provisions of the Greek Nationality Law that had been used to revoke the citizenship of members of the

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17 However, in the 1940s and 1950s, both terms “Muslim” and “Turk” were used to refer to the population. Greece reverted to using solely the term “Muslim” only after the tensions with Turkey increased in the 1960s.
Turkish minority who traveled abroad. Greece has also taken measures to develop the economy of Western Thrace, where most of the Turkish minority lives.

Recently, moreover, Greece has begun to adopt a more open approach regarding the existence of the Turkish minority. In July 1999, Greek Foreign Minister George Papandreou suggested in an interview that Muslims who felt themselves to be Turks should be allowed to call themselves Turks. His remarks were welcomed in Turkey as a sign of Athens’ desire to improve relations with Ankara. Although they caused a storm of protest in nationalist circles in Greece, since then there has been a growing acceptance in Greece of the idea that there is a Turkish minority.

These changes have helped to defuse the minority issue as a source of tension in bilateral relations. However, the leaders of the Turkish minority and the Turkish government continue to press Greece to take further measures to improve the minority’s economic status and educational opportunities. In particular, they want the minority to be able to elect its own religious leaders (Muftis) rather than have them appointed by the Greek government, as is currently the case.

NEW REGIONAL GEOMETRIES

The conflict between Turkey and Greece has also been given sharper focus by the emergence of new regional alliances. Just as Turkey has expanded its relations in the Balkans, Greece has sought to cultivate new strategic allies in the Caucasus and the Middle East. Greece’s effort to forge closer ties to Armenia has aroused particular suspicion in Ankara. Ankara regarded the Greek-Armenian defense agreement signed in 1996 as specifically directed against Turkey.

More upsetting, however, was Greece’s effort to forge closer ties—especially defense ties—to Syria because of Syria’s support (until 1998) of the separatist Kurdistan Workers Party (PKK) and its leader Abdullah Öcalan, regarded in Turkey as a terrorist. Reports that Greece had signed a substantive “defense agreement” with Syria in

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1995 appear to be exaggerated. But the closer cooperation between Greece and Syria caused considerable concern in Ankara because of the PKK connection and Turkish complaints that Greece was supporting PKK activities on its soil.19

Turkish suspicions were reinforced by revelations that Öcalan had been smuggled into Greece and was given sanctuary in the Greek embassy in Nairobi. Possibly tipped off by U.S. intelligence, Turkish authorities managed to capture Öcalan as he was being whisked off to the Nairobi airport. The whole affair was a major embarrassment for the Greek government and led to a sharp deterioration of Greek-Turkish relations as well as the dismissal of several high-ranking Greek officials, including then Foreign Minister Theodore Pangalos.20

EARTHQUAKE DIPLOMACY AND THE NEW DETENTE

Although the Öcalan affair led to a sharp deterioration in Turkish-Greek relations, paradoxically, it also served as an important stimulus to an eventual thaw in relations. In the aftermath of the Öcalan affair, both sides began a quiet dialogue designed to explore ways to improve relations. This dialogue was given important momentum by the devastating earthquake in Turkey in August 1999 and the much smaller one in Athens several weeks later. The rapid and generous support by Greece to the Turkish earthquake victims had an important psychological effect on the Turkish public. In the wake of the earthquake, each side began to see the other in human terms rather than as an abstract enemy. This helped to break down old stereo-

19While the Greek government repeatedly denied Turkish charges regarding support for the PKK, a number of Greek parliamentarians maintained contacts with the PKK. In January 2000, for instance, Deputy Parliamentary Chairman Panayiotis Sghouridis, PASOK (Pan-Hellenic Socialist Movement) deputy from Xanthi in Thrace, revealed that he had met with Öcalan in Damascus in 1995, as part of a Greek parliamentary delegation, and again in Rome, in December 1998. Sghouridis said that he had sent memoranda about these meetings and other contacts with the PKK to Foreign Minister Theodore Pangalos and Parliamentary Chairman Apostolos Kaklamantis. See Ionnis Dhiakoyannis, “The Secret Meeting with Öcalan in Rome,” Ta Nea, January 24, 2000, translated in FBIS-WEU-2000-0125, January 24, 2000.

types. At the same time, it provided domestic cover for diplomatic initiatives on both sides and helped to insulate them from strong domestic criticism.

Since the EU summit in Helsinki, the thaw has gained new momentum. In January 2000, Greek Foreign Minister George Papandreou paid a visit to Ankara where he signed five low-level agreements on issues of environment, terrorism, illegal immigration, etc. Papandreou was the highest-ranking Greek official to pay a state visit to Ankara in 38 years. The following month, Turkish Foreign Minister Ismael Cem visited Athens—the first visit by a Turkish foreign minister to Greece in 40 years. Greece and Turkey have also begun a dialogue on confidence-building measures.

These moves have been followed by other important steps to improve relations, including a commitment to remove mines along the Greek-Turkish border, plans to extend the Ignatia highway from Western Greece to Istanbul, an agreement on cooperation on transporting Caspian and Egyptian gas through Turkey and Greece and on to the rest of Europe, joint investment on tourism related to the 2004 Olympic Games in Athens, an agreement on cooperation in dealing with natural disasters, and an agreement on the repatriation of illegal immigrants. The latter agreement is considered to be particularly important because both countries, especially Greece, have been inundated with a large influx of illegal immigrants in recent years.

Important steps have been taken in the defense field as well. In April 2001, Greece announced changes in its military doctrine, ending the state of war mobilization with Turkey that had existed since the 1974 Turkish invasion of Cyprus. In addition, Athens announced plans to cut arms procurement by $4.4 billion, including postponing the purchase of 60 Euro-fighters until 2004, and to reduce its armed forces from 140,000 to 80,000–90,000 men.21 In April 2000, Turkey also decided to postpone defense spending by $19.5 billion. In both cases these measures were primarily dictated by economic considerations, but they contributed to improving the overall climate of bilateral relations.

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Energy has also emerged as an important area of bilateral cooperation. In March 2002, the two countries signed a $300 million deal to extend an Iranian natural gas pipeline from Turkey to Greece. The pipeline, due to be completed in 2005, could be extended to Italy with financial assistance from the EU and would help Turkey and Greece enter the European market both as buyers and sellers.

The key question is whether the current thaw represents a strategic shift in relations or just a tactical thaw. There have been a number of efforts to mend fences before—the most notable being the effort by Ö zal and Andreas Papandreou after their meeting in Davos in January 1988. All were short-lived and ultimately collapsed. However, the current effort at détente is likely to prove more enduring than previous efforts for several reasons.

First, the new détente has strong domestic support. The thaw following the Davos meeting between Papandreou and Ö zal represented an attempt to break the logjam in bilateral relations through “personal diplomacy.” But, as noted above, it lacked a solid institutional base and strong domestic support. Thus, it soon collapsed. The current rapprochement, by contrast, has a much stronger domestic base in each country. The earthquakes in Turkey (August 1999) and Greece (September 1999) created a kind of “bonding” at the popular level that was absent at the time of the Papandreou-Ö zal dialogue. There has also been an effort to involve civic groups in the rapprochement process, especially the business community.

Second, the current rapprochement represents a strategic shift in Greece’s approach to Turkey. For years, Greece sought to use its membership in the EU to isolate Turkey in an effort to force Turkey to change its approach to the Aegean and Cyprus. In the past, Greece, persistently blocked the dispersal of EU financial aid to Turkey, linking it to Turkey’s policies on the Aegean and Cyprus. It also blocked Turkey’s candidacy for EU membership on the same grounds.

Greece has now abandoned this approach. Instead, it has adopted a policy of engagement with Turkey, which is based on the premise that a more “Europeanized” Turkey is in Greece’s long-term interest. At the EU’s Helsinki summit in December 1999, Greece lifted its veto against Turkey’s EU candidacy. This removed the most important
obstacle to the EU’s acceptance of Turkey’s EU candidacy at the summit (although there is still considerable skepticism in Germany and elsewhere in Western Europe about putative membership).

Third, the détente has been buttressed by growing economic cooperation, especially in the energy field. This cooperation ties the two countries together economically and gives the cooperation a strong economic component. Each side now has a strong economic stake in continuing the détente and would suffer adverse economic consequences if the détente were to collapse. This gives both sides a strong incentive to keep the current rapprochement on track.

Finally, the EU has shifted its approach to Turkey. Before the EU summit in Helsinki, the EU had refused to accept Turkey as a candidate for EU membership—a position that had led to serious strains in Turkey’s relations with the EU. However, at Helsinki, the EU Council officially accepted Turkey as a candidate member, opening up the possibility of Turkish membership over the long run. At the same time, the EU made clear that a resolution of Turkey’s differences with Greece over the Aegean and Cyprus were a precondition for membership. Thus, Turkey now has a strong incentive to regulate its relations with Greece.

These developments have changed the context of relations and improved the prospects for a far-reaching détente between the two countries. However, the current rapprochement remains fragile for several reasons.

First, most of the changes have come on the Greek side. Without some reciprocal gestures on Turkey’s part, it may prove difficult to maintain domestic support in Greece for the rapprochement over the long run. At the moment, most Greeks are willing to give Prime Minister Costas Simitis and Foreign Minister George Papandreou—the chief architect of the recent détente—the benefit of the doubt. But, at some point they may begin to ask what Greece has received in return. Thus, some reciprocal gestures by Turkey will be important to keep the process moving.

Second, so far the rapprochement has been limited mainly to non-controversial areas such as trade, the environment, and tourism, although new protocols on combating international crime and terrorism have brought cooperation to more difficult issues. But, at some
point, the sensitive issues in the Aegean and Cyprus will have to be addressed if the rapprochement is to prove durable.

Finally, the structure of post-Helsinki rapprochement between Greece and Turkey is heavily dependent on the course of Turkey’s relations with the EU. If Turkey’s candidacy proves hollow or Turkey’s political evolution makes integration difficult, Greek-Turkish relations could suffer and the assumptions on which the détente has rested could be undermined. This could lead to a new period of antagonism and confrontation.

**THE AMERICAN FACTOR**

Turkey’s relations with Greece have been—and will continue to be—significantly influenced by U.S. policy. In general, the United States has tried to avoid taking sides in the dispute between Greece and Turkey and to act instead as an honest broker. Its primary concern has been to prevent an escalation of tensions between two allies that could weaken NATO’s cohesion and military effectiveness. These efforts at mediation, however, have often aggravated relations with either Greece or Turkey—and in a number of instances with both.

The 1963–1964 Cyprus crisis provides a good example. President Johnson’s letter to Prime Minister İnönü—in which he warned that the United States and NATO might not come to Turkey’s aid if a Turkish invasion of Cyprus provoked Soviet intervention—succeeded in preventing a Turkish invasion. But it created a furor in Turkey and prompted Turkey to reduce its dependence on the United States and diversify its foreign policy, including undertaking a major effort to improve relations with Moscow.

Similarly, U.S. sanctions imposed following the Turkish invasion of Cyprus in 1974 led to a sharp deterioration of U.S.-Turkish relations. When the U.S. Congress imposed an arms embargo on Turkey, Turkey responded by temporarily suspending U.S. access to key facilities on Turkish soil. Many Turks regarded the embargo as an unfair slap in the face of a loyal ally and its memory still rankles in many Turkish quarters today. In addition, Greece temporarily withdrew from the military wing of NATO to protest the Turkish intervention and the weak U.S. and NATO reaction to the Turkish invasion.
Although the United States has tried to pursue an even-handed policy and avoid choosing sides, Turkey has always been regarded as the strategically more important ally. During the Cold War, Turkey served as an important bulwark against the expansion of Soviet power into the Mediterranean and the Middle East, tying down some 24 Soviet divisions. It also provided valuable communications and intelligence assets for monitoring Soviet troop movements and verifying arms control agreements.

With the end of the Cold War, Turkey’s strategic importance in U.S. eyes has increased.\(^{22}\) Turkey is at the nexus of three areas of increasing geostrategic importance to the United States: the Caucasus, the Middle East, and the Balkans. In each of these areas, Turkey’s cooperation is critical for the achievement of U.S. foreign policy objectives. Moreover, Turkey’s strategic weight has increased in U.S. eyes as a result of the war on terrorism. This limits the degree to which the United States is willing to exert pressure on Turkey over issues such as Cyprus and the Aegean.

However, the perception in Greece is quite different. U.S. “evenhandedness” is seen in Athens as an example of Washington’s willingness to overlook Turkey’s violations of international law, especially Turkey’s occupation of Cyprus. As Dimitrios Triantaphyllou has noted, “As long as Greeks perceive the United States to be a biased interlocutor between Greece and Turkey and over the Cyprus question, U.S.-Greek relations will continue to be viewed with suspicion in Athens.”\(^{23}\)

However, Washington’s ability to influence Turkish policy has significantly declined in the last decade. With the end of the Cold War, Turkey is less in need of U.S. “protection.” In addition, Turkey today has foreign policy options—in the Caucasus, Central Asia, the Middle East, and Balkans—that were not open to it a decade ago. It is thus less ready to automatically fall in line behind U.S. policy, especially when U.S. preferences conflict with its own regional interests. The

\(^{22}\) For a fuller discussion, see F. Stephen Larrabee, “U.S. and European Policy Toward Turkey and the Caspian Basin,” pp. 143–173.

\(^{23}\) Dimitrios Triantaphyllou, “Further Turmoil Ahead?” in Dimitris Keridis and Dimitrios Triantaphyllou, Greek-Turkish Relations in an Era of Globalization, Dallas, VA: Brassey’s, 2001, pp. 73–74.
-ending of U.S. military assistance has also served to reduce U.S. leverage over Turkish policy.

At the same time, U.S.-Turkish relations have been increasingly affected by U.S. domestic politics, especially the influence of the Greek-American lobby. Over the last decade, the lobby has been successful in mobilizing support in the U.S. Congress to halt or delay arms sales to Turkey on a number of occasions. These delays have been a source of increasing irritation in Ankara and have been one of the reasons behind Turkey's intensified military cooperation with Israel, which Ankara sees as a means of reducing its dependence on American (and European) arms. Ankara has also viewed closer cooperation with Israel as a way of exploiting the political clout of the Israeli lobby in the United States for its own political purposes.

Despite these difficulties, the United States has continued to actively encourage a process of détente and reconciliation between Greece and Turkey. U.S. diplomatic intervention was critical in defusing the crisis over Imia/Kardak in early 1996. The United States also played an important behind-the-scenes role in promoting the nonaggression pledge by President Demirel and Prime Minister Simitis at the NATO summit in Madrid in July 1997 and in defusing the crisis over the deployment of the S-300 missiles. More recently, Washington has actively pushed for a dialogue between Athens and Ankara on confidence-building measures.

Cyprus, however, remains an irritant in U.S.-Turkish relations, especially with the U.S. Congress. Turkey’s human rights record and continued occupation of Cyprus have prompted the Congress to hold up a number of arms sales to Turkey, causing difficulties in U.S.-Turkish defense relations. In November 2000, for instance, Senator Joseph Biden, the ranking member of the Senate Foreign Relations Committee, temporarily held up export licenses for the sale of eight U.S. CH-53E heavy lift helicopters to Turkey because of Turkey's policy toward Cyprus.24

The United States, however, has avoided getting too deeply involved in the Cyprus issue. Instead Washington has encouraged the UN to

take the lead on Cyprus, with the United States playing a low-key “supportive” role behind the scenes. As Morton Abramowitz has noted, “the inclination of every administration is to try to push the Cyprus issue off into the future in the hope that some event—a shift in EU policy, the departure of Denktash, or a change of government in Ankara—will change the context and open up new opportunities for a settlement later.”

There have been a few notable exceptions to this pattern. In the summer of 1991, the first Bush administration tried to invigorate the intercommunal talks. But the effort failed to bear fruit and was soon abandoned. After the end of the Bosnian conflict, the Clinton administration seemed about to make a new push for a Cyprus settlement. However, the administration’s plans were derailed by the outbreak of the Imia/Kardak crisis and growing domestic instability in Turkey.

In June 1997, Clinton made another attempt, appointing Richard Holbrooke, the architect of the Dayton Accord, as special envoy to Cyprus. Holbrooke made a number of trips to Cyprus in an effort to jump-start the intercommunal talks, but his efforts failed to break the deadlock. The United States played an important behind-the-scenes role in getting the “proximity talks” started in December 1999, but since then it has not given the Cyprus issue high priority.

The Bush administration has been too preoccupied with the war on terrorism—and more recently Iraq—to pay much attention to Cyprus. However, this lack of high-level attention is shortsighted. The failure to achieve a Cyprus settlement could lead to a dangerous deterioration of Turkey’s relations with the EU and could even stimulate a broader anti-Western backlash among the Turkish population. It could also undermine the recent Greek-Turkish rapprochement.

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THE DOMESTIC DIMENSION

Domestic factors have played an important role in influencing Turkish policy toward Greece and Cyprus. Since the 1990s, Turkey has had a series of weak governments, most of them coalitions. This rapid turnover and lack of a strong government have made the pursuit of bold initiatives toward Greece difficult. With the exception of Turgut Özal, no political leader in Turkey in the last decade has been in a position to make the type of difficult compromises necessary to break the deadlock in relations with Greece. And even Özal’s initiatives were ultimately undone by the weakening of his domestic base.

Some important steps toward easing tensions with Greece occurred during Ecevit’s second prime ministership. But there was little progress toward a Cyprus settlement. Both Ecevit and Deputy Prime Minister Devlet Bahçeli, the leader of the MHP, opposed any change in Turkish policy on Cyprus, as did the Turkish military. Moreover, the deterioration of Ecevit’s health in the spring of 2002 left Turkey leaderless at a critical moment when important decisions needed to be made—especially on Cyprus—and eventually forced Ecevit to call for new elections.

The victory by the Islamist Justice and Development Party in the November 3, 2002, elections adds a new element of uncertainty to Greek-Turkish relations. In the past, rapprochement with Greece has not been high on the AKP agenda—or that of its predecessors—but this may change now that the AKP is in power. The AKP leadership seems to want good relations with Greece. Thus, it is likely to continue the rapprochement with Greece initiated by its predecessors.

Two steps in particular on Turkey’s part could help to give Greek-Turkish relations new momentum.

The first would be for Turkey to rescind the parliamentary resolution saying that the extension of Greek territorial waters would be tantamount to a casus belli. This resolution has particularly vexed Greek public opinion because Greece has the right under international law to extend its territorial waters to 12 miles but has chosen for political reasons not to do so. A second gesture would be to reopen the theo-
logical seminary on the island of Halki which was closed in the early 1970s.

Both moves would give Greek-Turkish détente new momentum and be an important sign of Turkey’s commitment to further improving relations with Greece. They would also make it easier domestically for the Greek leadership to justify its détente policy and take additional steps to strengthen it. Indeed, without some reciprocal gestures on Turkey’s part, public support for Greek-Turkish détente may be hard to sustain in Greece over the long run.

THE WIDER BALKAN STAGE

The continued differences with Greece over the Aegean and Cyprus have been accompanied by a more active Turkish policy toward the Balkans. Historically, the Balkans have been an area of strong Turkish interest. Turkey is linked to the area by ties of history, culture, and religion. The Balkans were under Ottoman rule for nearly five centuries. This rule left an indelible imprint on the culture, political institutions, and social life of the region. Moreover, many members of the Turkish elite—including Atatürk himself—trace their ancestry back to Ottoman rule in the Balkans.

After the Balkan wars (1912–1913), however, Turkey largely withdrew from the Balkans. Following the founding of the Turkish Republic in 1923, Atatürk discouraged any expression of Pan-Turkism and Turkey carefully refrained from making any irredentist claims over the Turkish and Muslim territories in the Balkans. However, Turkey did participate in the Balkan Pact (1934), which it saw as a hedge against Bulgarian and Italian revisionism. After the end of World War II, Ankara focused its attention on NATO and relations with the West. Although Turkey did make efforts to improve ties with some

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Balkan countries, in general, the region was not high on Turkey’s foreign policy agenda.

However, since the end of the Cold War Turkey has “rediscovered” the Balkans. To some extent, this rediscovery has been part of a general broadening of Turkey’s foreign policy horizons since the fall of the Berlin Wall.  But it has also been influenced by the perceived need to prevent instability in the region from spreading further south and spilling over into Turkey itself.  Turkey’s policymakers opposed the breakup of Yugoslavia because they feared the implications of secessionism for Kurdish separatism in Turkey and for Turkey’s territorial integrity.  They oppose Kosovo’s independence for the same reason.

Feelings of kinship and a shared history have also been important driving forces behind Turkey’s policy, especially toward Bosnia.  Many of the Turkish elite trace their origins back to ancestors who fled the Balkans as Ottoman power in the region receded at the end of the 19th century.  Moreover, Turkey has given preference in its immigration policies to immigrants from the Balkans.  The Turkish elite has tended to view these immigrants as “people like themselves” and felt that Turkey could trust them more easily than other minorities, even if they were not ethnically Turkish.

Since 1990–1991, ties with Albania have been strengthened, especially in the military sphere.  Under an agreement signed in 1992, Turkey agreed to help modernize the Albanian army as well as help train Albanian military officers.  Ankara also helped to rebuild a naval base at Para Limani on the Adriatic coast, to which it will have access.

Relations with Macedonia have also intensified.  Turkey was the first country after Bulgaria to recognize the new Macedonian state.  Turkey is also helping to modernize Macedonia’s armed forces.

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July 1995, the two countries signed a military cooperation agreement providing for the exchange and training of military experts and joint military exercises. In 1998, Turkey also agreed to give Macedonia 20 of its U.S.-made F-5s as part of its effort to assist the Macedonian armed forces.30

The most far-reaching improvement, however, has occurred in relations with Bulgaria. During the Cold War, relations between Ankara and Sofia were marked by considerable hostility, in particular because of Bulgaria’s mistreatment of the Turkish minority (about 10 percent of the Bulgarian population).31 Relations deteriorated dramatically in 1989 when Bulgaria forced 300,000 ethnic Turks to emigrate and confiscated their property.

However, relations improved significantly after the collapse of the communist regime in Sofia in November 1989. Since then, the rights and property of the Turkish minority have been restored and more than half of the 300,000 ethnic Turks forced to emigrate in 1989, have returned to Bulgaria. In addition, several agreements on confidence-building measures have been signed, which have helped to reduce threat perceptions and contribute to better mutual understanding. Today, Turkish-Bulgarian relations are the best they have been since the end of World War II.

Turkey’s new activism in the Balkans initially aroused concern in Athens. Many Greeks saw Turkey’s more active Balkan policy as an attempt by Turkey to establish a “Muslim arc” on Greece’s northern border and as part of a larger strategic plan by Turkey to reassert its former hegemonic role in the Balkans.32 These concerns were reinforced by Turkey’s extensive military modernization plans. With the precedent of the 1974 Turkish invasion of Cyprus in mind, some Greeks worried that Turkey might seek to exploit discontent among Greece’s Turkish minority and use it as a pretext to launch an attack against Greece and retake Western Thrace.

However, Turkey’s policy in the Balkans has actually been quite cautious. Turkey has not sought to play the “Muslim card,” either in Greece or elsewhere in the Balkans. Nor has Turkey shown an inclination to take any unilateral military action in the Balkans. On the contrary, all its military actions in the region have been carried out within a multilateral context, either as part of NATO or United Nations operations. At the same time, Turkey sought to use the crisis in the Balkans as an opportunity to demonstrate its value as a strong NATO ally. Ankara participated in both IFOR and SFOR in Bosnia and provided bases and aircraft for Operation Allied Force in Kosovo. It also contributed 700 troops to the Italian-led Operation Alba in Albania.

Turkey has also taken the lead in the establishment of a multinational peacekeeping force in the Balkans (the Southeast European Brigade, or SEEBRIG). SEEBRIG—which is composed of units from Turkey, Greece, Italy, Romania, Bulgaria, Macedonia, and Albania—has its headquarters in Plovdiv, Bulgaria. Although the brigade is still in its infancy, over the long run it could make an important contribution to promoting greater regional trust and stability.

In short, although Turkey has pursued an active policy in the Balkans since the early 1990s, its policy has been very much in line with that of its NATO allies. Kosovo provides a good example. Despite the fact that Kosovo is almost entirely populated by Muslims and also contains a large Turkish minority (30,000–40,000), Turkey has not taken up the cause of the Kosovars or sought to act as their advocate in international fora. This was in large part because Turkey feared that support for the Albanian Kosovars could legitimate Kurdish separatist tendencies within Turkey.

The Balkans, in fact, have become an area of growing cooperation between Greece and Turkey. During the Kosovo crisis, both countries worked together closely to help dampen and prevent the spread of the conflict. Indeed, both countries have come increasingly to recognize that they share many common interests in the Balkans. This growing convergence of interests has helped to temper the earlier political rivalry in the region and given the recent rapprochement between the two countries greater momentum.
This recent cooperation in the Balkans, however, is highly dependent on a continuation of the process of bilateral détente and progress toward the resolution of other outstanding bilateral issues. If this progress were to be halted, leading to new tensions in bilateral relations, the cooperation in the Balkans between Turkey and Greece could be adversely affected. The emergence of a more nationalistic regime in Ankara could also result in a more assertive, less-cooperative Turkish policy in the Balkans. Finally, a serious deterioration of Turkey’s relationship with the EU could diminish Turkey’s readiness to cooperate with Greece in the Balkans.