

EUROPEAN COMMUNITY INFORMATION SERVICE

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To Editors

This is the second of a new service of Newsfeatures on the European Community for editors of US dailies and leading weeklies. We plan to send these articles regularly, at a rhythm of about five every three months. The first was on Europe's relations with the developing world: this one is on the Market's links with the Eastern Mediterranean's antagonists--Turkey, Greece and Cyprus.

Our purpose is not propaganda. We're an information, not a public relations service, and we feel our aims are satisfied if we can simply interest and educate more Americans on the problems and events of Europe.

We would like to have your reaction to these first two features, and information on your future needs.

Please mail us back the enclosed reply-paid card with your responses.

Thank you.



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Media Director

RWH/cjf

newsfeature

NF/2

August 26, 1974

EUROPE AND THE CYPRUS CRISIS

Washington

For Washington, the Cyprus crisis brought two NATO allies, Turkey and Greece, into near head-on collision. For the European Communities--the nine-nation Common Market -- it was a drama involving three of the organization's associate members.

Greece, Turkey and Cyprus are all potential full members of the Market--although at present only Greece is economically within sight of achieving that goal in a decade or two.

Greece's treaty with the Community, signed in Brussels in 1961, was suspended in 1967 following the "colonels' coup." It called for the progressive introduction of a customs union between Greece and the then six EC powers, over 12 years--over 22 years in the case of some sensitive products.

Quotas and other non-tariff barriers would also be progressively eliminated, and fiscal, anti-trust, and other laws were to be aligned. Free movement of labor and services would be achieved over 12 years.

Now that representative government is promised for Greece, reactivation of the agreement after a seven-year gap is in sight.

The Turkish accord, signed in Ankara in 1963, allowed for a five-year preparatory period to enable Turkey to "strengthen its economy." A twelve-year progressive association period, similar to Greece's, began with signature of a new agreement in Brussels in 1970.

Most of Turkey, which once ruled large parts of southeastern Europe and North Africa, now lies in Asia.

The Cyprus agreement dates only from May 14, 1973. This provided for a first-stage phase ending June 30, 1977. Negotiations on a second five-year stage, leading to full customs union with the now nine EC members, are scheduled to start in January, 1976.

European opinion has been largely neutral on the Cyprus conflict. Greece, Turkey and an EC nation, Britain, are the three guarantee powers of Cypriot independence. When the military regime in Athens encouraged a coup d'etat on Cyprus in July, Turkish forces went in under the Treaty of Guarantee to protect the interests of Turkish Cypriots.

Greece's inability to resist Turkey led to the fall of the Athens junta and, sequentially, to the failure of the military coup on Cyprus. Britain and the US have been mediating the conflict, with de facto partition of Cyprus between Greek and Turkish areas already achieved by the Turkish army.

Greece has blamed the U.S. for its diplomatic humiliation, but European opinion agrees with Secretary of State Henry Kissinger that the real culprit is the former military government in Greece, which triggered the unsuccessful Cyprus coup.

Europe, like the US, expects to have a role to play in aiding war-battered Cyprus to recover. The island has an estimated current population of just over 700,000. Its 1971 economy was worth \$604 million--\$944 per head. Total Cypriot trade with the EC was then worth \$125 million.

Greece, with currently nine million people, had an economy worth \$10.717 billion in 1971--\$1,211 per head. Turkey, with about 40 million people today, had a 1971 gross domestic product of \$11.816 billion--\$327 per head. Turkey's income per head is lower than that of any European country except Albania.