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The EC and Its Mediterranean Problems

The European Community has always found it difficult to define its relations with the Mediterranean countries. In the long process of negotiations with these nations the Community's original impressive concept of a free trade area reaching from Northern Europe to Syria time and again has run into serious economic and technical complications. The Nine have Italy and France to thank for first launching the idea of a Mediterranean policy in the mid-sixties. Both of them regarded the plan as a means of preserving their traditional influence in this area.

In 1972 the Community decided to work towards parallel agreements covering trade, aid and the movement of labour with every single country bordering on the Mediterranean except for Libya and Albania which were not interested in links with the Community. As most of these nations already had agreements with the EC it was intended to comprise these pacts into a single global approach taking into consideration political, geographical and economic differences. Three broad types of agreements were involved. Greece and Turkey as associate countries were promised full EC membership in future, Spain and Israel were to get free trade agreements and the others were being offered access to the Common Market without being required to make reciprocal trade concessions and financial aid.

In many cases, however, specific problems are holding up the progress of negotiations. It has become quite clear that the Community underestimated the difficulty of negotiating satisfactory arrangements with a whole series of countries whose main exports are farm products in direct competition with French and Italian agriculture. Therefore the Community can only proceed step by step thrashing out trade concessions bit by bit.

While the agreement with Israel came into force by mid-1975 and the agreements with the Maghreb states could also be concluded recently, a new dispute is threatening the Community's concord. This time it is the problem of distributing the approx. DM 3.7 bn at the disposal of the EC up to 1980 for financial aid in favour of other Mediterranean countries. They are either associated nations or, if not, agreements on a closer economic cooperation similar to those existing with Algeria, Tunisia and Morocco are to be negotiated.

Apart from Greece and Turkey also Egypt, Syria, Jordan and Lebanon as well as Cyprus and Israel are involved. For Portugal and Malta the framework for the Community's financial obligations is already established. The EC Commission has tried in vain to apply objective criteria for the distribution of the funds. In spite of the risk that the balance of the EC's relations with the competing countries will be disturbed if the funds are distributed according to political preferences, with several EC partners national priorities are already dominating.

But there are other events overshadowing at present everything else: the EC decision of July 1976 to open talks on Greek membership and the Greek-Turkish tensions over Cyprus and the Aegean Sea sovereignty. In June 1975 Greece officially asked to join the EC, and in spite of the Commission's formal opinion suggesting for economic, political and administrative reasons a pre-entry period, the Council of Ministers in February 1976 gave go-ahead for the talks. The Commission was particularly worried about the precedent which will be set for future Mediterranean applications, notably from Spain and Portugal. Besides the Commission's opinion emphasised that the Community must not become a party to the Greek-Turkish disputes and that relations with Turkey must not be affected.

There is no doubt that the Community's relief that Greece has become democratic again was one of its main reasons for rejecting the Commission's opinion. The Greeks, on the other hand, believe that EC membership will act as guarantee against their return to a dictatorial regime. Another reason why the EC members want Greece to join them is their belief that the Community by extending its Mediterranean wing will forestall Soviet economic and military ambitions in the area. But if these calculations are to come off successfully, the Community will have to use its influence to mediate between Greece and Turkey — something which it regards with deep apprehension. Its usual "wait-and-see" attitude will, however, on these problems not suffice at all.

Hubert Höping