

## *TURKEY in FOCUS*

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### **THE FINAL COUNTDOWN IN CYPRUS: A BUMPY ROAD TO RECONCILIATION**

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*This issue of "Turkey in Focus" is based on a recent trip of the author between March 13-21 to Greece and Cyprus, with a delegation from Johns Hopkins University School of Advanced International Studies.*

Is this finally "the year of Cyprus?" The world is about to find out the answer in less than a month. The latest round of talks are based on UN Secretary General Kofi Annan's detailed unification plan, which started on February 19. These talks have led the parties as close to a settlement as they have been in 40 years. Yet, the road to peace is still full of hurdles.

Following a month of inconclusive talks in Nicosia, the "four-party" phase of the negotiations, held at the Swiss resort of Burgenstock, ended on March 31 with the introduction of the fourth version of the Annan plan. The final version immediately faced criticisms coming from Turkish Cypriot President Rauf Denktas, Greece, and Greek Cypriot President Tassos Papadopoulos. Turkish Prime Minister Recep Tayyip Erdogan and Turkish Cypriot Prime Minister Mehmet Ali Talat on the other hand had a mildly positive reaction in line with their pro-settlement outlook. It is now up to the peoples of Cyprus to determine their own future.

Most of the members of the SAIS delegation began the visit with optimism for Cyprus solution due to the resumption of the negotiation process and renewed international focus. This optimism was reinforced in Athens with the favorable impression the Greek officials and think tanks left on us. However, talks with the Turkish and Greek Cypriot authorities reflected the intricate aspects of the conflict as well as the deeper concerns and anxieties on both sides of the island. Personal interactions on the island helped us observe how differing accounts of history on each side perplexed common vision for the future. Our encounters in Cyprus also brought out the diversity of voices not only between but also *within* Greek and Turkish Cypriot communities and even within individual families regarding the Annan plan and wider prospects for a settlement.

## □ **Controversial Issues In UN-Backed Settlement**

In the SAIS delegation's talks with various officials in Greece and both sides in Cyprus, several issues were highlighted as major roadblocks to a final agreement. The negotiation process in the last six weeks confirmed these points. Final compromise on the issues of contention that are outlined below will affect both the ultimate decisions of the leaders and the outcome of the April 24 referenda.

***Demilitarization, Security, and Guarantees:*** The latest version of the Annan plan proposes a reduction in the current number of Turkish troops to 6,000 by the end of 2007, eventually to be diminished to several hundred on each side of the island, contingent upon Turkey's membership into the European Union. Every Greek Cypriot we met expressed a strong discomfort regarding any kind of Turkish military presence and called for immediate demilitarization. Greek Cypriots were even objecting to the earlier version of the Annan plan, which had proposed complete demilitarization in the wake of Turkey's entry into the European block. Greek Cypriots are also eager to set a timetable to put an end to the guarantorship of Greece and Turkey.

Turkish Cypriot leaders, on the other hand, see the presence of some Turkish troops as vital, at least psychologically. Assuring Turkey's guarantorship on any kind of settlement is also presented as indispensable to the achievement of a final agreement.

***Differing Accounts of History:*** The way history resonates in the hearts and minds of the two Cypriot communities is an inseparable component of the conflict and key element of ongoing disagreements. According to the Greek Cypriot south, the conflict started in 1974 with the invasion of the island by the Turkish troops. On the other hand, the breakdown in power sharing mechanisms between the majority Greek and minority Turkish Cypriots between 1963-1974, a "neglected" decade in the southern memory, is the underlying account of history in the north, which feeds into fears and anxieties even today. To a great extent, such completely different historical narratives are the primary reasons behind Greek Cypriot insistence on demilitarization on the one hand and Turkish Cypriot insistence on bizonality and security guarantees on the other.

***Economic Costs:*** For Greek Cypriots, uncertainty prevails regarding the economic cost of settlement based on the Annan plan. They are worried that they will have to shoulder the burden of underdeveloped north and are doubtful that the modest amount of EU funds will significantly alleviate this burden. A 'pro-settlement' parliamentary deputy admitted, for example, that economics is the most difficult issue to discuss in the Greek Cypriot House of Representatives. "Whatever amount is thrown at us, we take it for granted, since only a few of us in political cadres has the expertise to challenge the economic costs of the plan." She also noted that it was important to distinguish between the "cost of the Annan plan" and "the cost of settlement", meaning *any* settlement based on a federal solution, an idea long-time advocated by the Greek Cypriots, would carry similar economic costs in the short run –irrespective of the Annan Plan

While being the more advantaged party in terms of economic implications of the settlement, Turkish Cypriots too have their concerns about economic effects. They are also worried about the economic repercussions of asymmetrical development levels of the Turkish and Greek Cypriot territories. The Turkish Cypriot business owners, for example, complain that it is already extremely hard to keep workers in the north, many of whom take jobs in the south due to higher wages. They are worried that such a flow will intensify once there is a settlement, until the wages eventually converge.

***The Question of Turkish settlers:*** An issue of strong contention within Greek Cypriot political circles is the presence of Turkish settlers in the north, whose exact numbers are still unknown due to a lack of an official census. According to the Annan plan, the Turks who have been married to Turkish Cypriots, plus an additional 45,000 Turks who currently hold Cypriot citizenship will be eligible to stay on the island. The Greek Cypriot negotiating team had proposed a reduction in this number to approximately 30,000. A representative from The Democratic Party (DIKO), the party of Greek Cypriot President Papadopoulos, which takes a hardliner stance on the issue, criticized the Annan plan as “legitimizing the presence of Turkish settlers in the island.” Another Foreign Ministry official said that the UN should prevent them from voting in the upcoming referendum, “because of their illegal status and their blind support for Denktas.” Papadopoulos has also echoed the same demand in his March 28 letter to the UN Secretary-General Annan. Yet, officials from all political spectrums assert that the UN should bear responsibility in “properly dealing” with the Turkish settlers.

Turkish Cypriot official position, on the other hand, emphasizes the humanitarian aspect of the problem. They point out the practical and emotional difficulties in expelling their own citizens who have been living in the island for a long time. While the Greek Cypriot officials asserted that they should move back to Turkey and even to Europe, as suggested by an official, most of the settlers do not have homes in Turkey where they can return. Having a similar approach to the problem, the U.N has been reluctant so far to be directly involved in such a sensitive issue.

***Territorial Swaps, Freedom of Movement, and Resettlement:*** Under the latest version of the plan, around 70,000 of the 180,000 Greek Cypriots, who fled the northern part of the island following the 1974 intervention, would be allowed to return and claim property following settlement. The Greek Cypriot officials, on the other hand, demand that “all refugees should have the right of return”, and call for a more active role by the UN in easing the process. The Turkish Cypriot side, with the fear of being outnumbered by the Greek Cypriots in the north, wants a permanent curb on the number of the Greek Cypriots who will be eligible to claim property in the north. The two sides also disagree on issues such as how much land Turkish Cypriots should hand over to Greek Cypriots. The fourth version of Annan plan proposes that the 36.4% of territory that is currently under Turkish Cypriot supervision would be reduced to 28.6 %. Accordingly, around 50,000 Turkish Cypriots would have to leave their current homes.

***Legitimacy of a “UN imposed” solution:*** Turkish and Greek Cypriots had reached an agreement during February negotiations in New York that the UN Secretary General Kofi

Annan would fill in the blanks when the two sides fail to agree. However, skeptics of the Annan Plan in both communities, sometimes including the community leaders themselves, criticize this format as being an “imposition”, that might be unacceptable and illegitimate in the eyes of the two Cypriot communities. The feeling is especially strong among pro-Denktaş Turkish Cypriots, who point to the breakdown of the 1960 Founding Agreements of Cyprus. The agreement back then, imposed by foreign powers, could only survive 3 years.

***Co-Presidency:*** The draft constitution for a unified Cyprus will be put to referenda at the same time as the Annan plan and will become operational if both the Greek and Turkish Cypriots say "yes" in the referenda. If the constitution is approved, the Turkish Cypriot President Rauf Denktaş will become the first "Cypriot Turkish state president," in the "United Cyprus Republic". The state institutions of the Turkish Republic of Northern Cyprus will become part of the new institutional structures.

Nevertheless, Greek Cypriot officials express concerns about the co-presidency arrangement. A Greek Cypriot official said during our talks, “It is unrealistic to assume that a country can be run effectively when the approval of the two leaders is needed in every decision.” Yet other officials signalled that it is the “Denktaş factor” that raises eyebrows in the south. Indeed even the name of “Denktaş” has become such a nightmare for the Greek Cypriots, that it seems beyond imagination for many that Denktaş, regarded in the south as the single most powerful figure that has been blocking the efforts for solution, might soon become a co-president for the whole island.

***EU derogations:*** EU derogations stipulate freedom of movement, settlement, and acquisition of property across EU member countries’ boundaries. The implication of the derogations on a unified, EU member Cyprus based on a loose federalist structure is a substantial issue of controversy between the both sides. The Annan Plan proposes an exception for the new Cyprus that was also accepted by the EU officials. The Turkish side insists that those exceptions granted in the Cyprus settlement be made part of the union's primary law, in order to prevent legal challenges through future court actions. The Greek Cypriots, in all political spectrums, dismiss it as a move to restrict their freedom of movement. European Commission President Romano Prodi recently stated the difficulties of meeting the Turkish demands. “We've made exceptions for a transitional period but not permanent derogations," he said in Brussels, indicating that such a decision would need the ratification in each national parliament of the EU countries. Still, both the EU and UN officials continue to work for easing Turkish concerns and Greek objections on this issue.

#### □ **The Costs of Non-Solution:**

While the negotiations have centered on how to make the settlement less costly for each community, the cost of a non-settlement has been rather sidelined in the recent weeks. Nevertheless, it is a crucial determinant of the final positions of the community leaders as well as the people. Turkish Cypriots, living under political and economic isolation for decades, seems to be more aware of the cost of stalemate than their Greek Cypriot

counterparts. Although many in the north are distrustful of Greek Cypriot leaders, their fatigue with the status quo is the overriding sentiment on top of other fears and concerns. For a large number of Turkish Cypriots, the Annan plan, despite shortcomings, is the ticket to a better future. For them, it is the only way to escape from international isolation, end their political and economic dependence on Turkey, and attain EU membership. Turkish Cypriots realize that a “non-solution” will not only jeopardize their own future but also Turkey’s chances of becoming an EU member coupled with thousands of other “Loizidou cases” that will legally and economically burden Turkey in the years to come.

On the other hand, the cost of a non-solution is harder to glimpse from the Greek Cypriot side. Enjoying the privilege of international recognition and Western economic standards with about \$15,000 GDP/capita, Greek Cypriots seem less willing to shoulder the risks of a major political and economic restructuring. They also enjoy the comfort of having secured the EU accession, which will not be jeopardized even if they vote “no” in the referendum. In this context, it is also a wide sentiment among the Greek Cypriot leadership and among the people that a collapse of the settlement efforts prior to May 1 “won’t be the end of the world.”

Yet, the implications of a Greek Cypriot “no”, in response to a Turkish Cypriot “yes”, might be more complicated in the political sense than legal. For the first time in the history of Cyprus conflict, they might be in an uncompromising position in the eyes of both the EU and the broader international community. In fact, Britain and the US have started to give their early warnings to the Greek Cypriot leadership that the tourism sector might be adversely affected if the settlement is not reached. The British and US officials stated that they might need to issue travel warnings to south Cyprus. They also warned that they might start a series of investigations regarding the money laundering charges against the Greek Cypriot administration. In addition, the European Commission cautioned that the Greek Cypriot administration might face political isolation within the EU by the other member states. It is also quite possible that the international community might lift the economic sanctions on northern Cyprus and perhaps even recognize the Turkish Cypriot state in the long run.

#### □ **What Will Affect Referenda Outcome?**

The polls that have been released by various media outlets in the recent weeks signify that a majority of Greek Cypriots are likely to reject the Annan plan in the referendum. In the north, the outcome is also unknown, yet there is a much higher possibility that it will pass in the north than in the south.

A Greek Cypriot official conveyed her concern that the Greek Cypriot people were not properly informed about the plan and that there was a wide sense of confusion in the south. Thus, she noted the position of the Papadopoulos and Greek Cypriot political parties would be a crucial factor to swing the referendum outcome in either way. The polls show that the final position of Papadopoulos will be the single most important determinant of the result of the referendum on the Greek Cypriot side. Again, according

to the poll conducted by the Communication Services Bureau (CBS) on behalf of a Greek Cypriot newspaper, 76 % of Greek Cypriots said they would go ahead with Greek Cypriots leader's "no" advise, even if the political parties say "yes" to the Annan plan. Although many Greek Cypriot officials stated that the influence of the Orthodox Church has diminished in the Greek Cypriot community in the last years, the hardliner position of the church regarding the Annan plan might also constitute a factor in determining the final referendum outcome in the south. Greek Cypriot officials also asserted that the pre-donors conference would also be an important swing factor, in terms of easing the fears of economic burden of a settlement in the Greek Cypriot side.

In the Turkish Cypriot side, the position of Prime Minister Mehmet Ali Talat, who has been somewhat quiet throughout the negotiation process will inevitably influence the number of settlement supporters based on the Annan plan. President Denktas, who had refused to attend the Switzerland phase of negotiations, announced on March 31 that the fourth version of the plan fails to satisfy the Turkish Cypriot demands and that "he has no choice left but to actively lobby for a "no" vote in the referendum". The Turkish Cypriot President's active approach to influence the outcome of the referendum could have simultaneous effects. While it would solidify the "no" votes of the already Denktas-loyalists, it could also strengthen the already strong "anti-Denktas sentiment" among those who are increasingly critical of his uncompromising stance.

Finally, both Greek and the Turkish Cypriot media have a crucial role to play in educating and informing their respective communities. The media has a major responsibility in showing the perspectives and opinions neglected by the leaders, as well as pointing out the human dimensions of a settlement that moves beyond a strict cost-benefit analysis.

#### □ **Conclusion**

Relying on preliminary polls in trying to estimate the results of referenda might be premature at this point, yet they are sufficient to make anyone worry that prospect for a settlement could once again be shattered. What is desperately needed at this critical juncture is genuine leadership from both sides to restore mutual trust and confidence and convince their respective communities that the Annan plan, with all its virtues and shortcomings, is the best chance for a lasting peace. The key to settlement, above all, seems to be in the hands of the young generations in the island, who do not carry the bitter personal memories of the past, as well as those in both sides who are eager to overcome the "the fear of the other", and who seem willing to shoulder the short-term burdens in the name of a long-term stability.