

Alexandros Lordos

Civil Society Diplomacy:

A new approach for Cyprus?

An evidence-based report

in co-operation with

CYMAR Market Research Ltd.

and KADEM Cyprus Social Research

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Preface

Ever since the resounding rejection of the Annan Plan by the Greek Cypriots in last April's referendum, the international community has been ambivalent and hesitant about recommencing the Peace Process – and not without reason: The intensive diplomacy that led to the creation of the Annan Plan was a path paved with thorns, with the international mediators repeatedly struggling to discover windows of opportunity wherein the motivations of the two opposing leaderships would be balanced, only to see these opportunities pass them by through the intransigence of the one or of the other leadership. And then, when eventually the obstacle of the leaders was bypassed, through the agreement of both sides to accept to put the final plan to a referendum even if they personally disagreed with the content, the mediators ran into yet another obstacle: The rejection of the Plan by the people themselves, in a referendum campaign which illustrated the sharp divide between official negotiating positions and popular sentiments.

To many of the players involved, the recommencement of yet another round of negotiations in accordance with the established methodology does not seem like a promising avenue: Already, the Greek Cypriot side, while agreeing in principle to re-enter negotiations, is fortifying itself against specific deadlines and mediation by the Secretary General, both of which have in recent years been central ingredients of the UN approach. Similarly, the Turkish Cypriot side, while agreeing in principle to examine Greek Cypriot concerns, is making it clear that it will not tolerate extensive renegotiation of the Annan Plan. Therefore, any attempt to resurrect the existing procedure would most likely lead to yet another deadlock, through the stalling and the objections of one or the other side.

While the leaderships of the two sides are busy protecting their respective positions, it might be worthwhile to ask ourselves: Above and beyond the tactical posturing of local politicians, is there potential for consensus amongst the people of Cyprus, the Greek Cypriots and the Turkish Cypriots, who are, after all, the final arbitrators of any proposed solution? Or are their visions for a solution – and their perceptions of each other - so radically opposed that any attempt to reach a *modus vivendi* is doomed from the start?

This paper, which is based on the findings of two separate surveys – one amongst the Greek Cypriot community and the second amongst the Turkish Cypriot community – aims to explore precisely such questions. In the first survey, which took place in September 2004 with a sample of 1000 Greek Cypriots, respondents were asked to clarify what changes, precisely they would like to see made in the Annan Plan. In the second survey, which took place in January 2005 with a sample of 700 Turkish Cypriots, respondents were asked if they would tolerate such changes to the Annan Plan as would satisfy the Greek Cypriots, and furthermore, what improvements to their own benefit they would like to see in return. More crucially, both sides were asked whether they accept the Federal alternative, or whether instead they remain entrenched in either the Unitary or the Two-State model.

By examining the responses of the two communities we will be able to discern clearly whether there is room for consensus, on a grass-roots level. More importantly, we will begin to develop an understanding of which issues/concerns should be considered priority items in future negotiations to solve the Cyprus Problem, and which issues/complaints can safely be ignored. Furthermore, there exists a distinct possibility that the prospect of a popular consensus – if such a consensus can be verifiably demonstrated – may well serve as a motivator for local politicians to take positive steps towards a solution, in a way that external pressure has so far failed to.

In ending this preface, I would like to thank the various individuals who in one capacity or other assisted in the development of this project. Firstly, thanks must go to Eleni Marangou, director of CYMAR Market Research Ltd, and Muharrem Faiz, director of KADEM Cyprus Social Research, as well as their staff, for successfully undertaking the responsibility for the field-work that this study is based on. Also, special thanks go to Ayla Gurel, Mete Hatay, Yiannis Papadakis, Costa Carras and Constantinos Lordos, all of whom contributed with their insightful comments for the development of the questionnaires, and to Maia Woodward, who undertook the overall co-ordination of this project on a practical level. Finally, thanks must go to the 1,000 Greek Cypriots and 700 Turkish Cypriots who agreed to be interviewed: It is to them that this project is dedicated, as well as to the wider Cypriot population that they, as a representative sample, have spoken for.

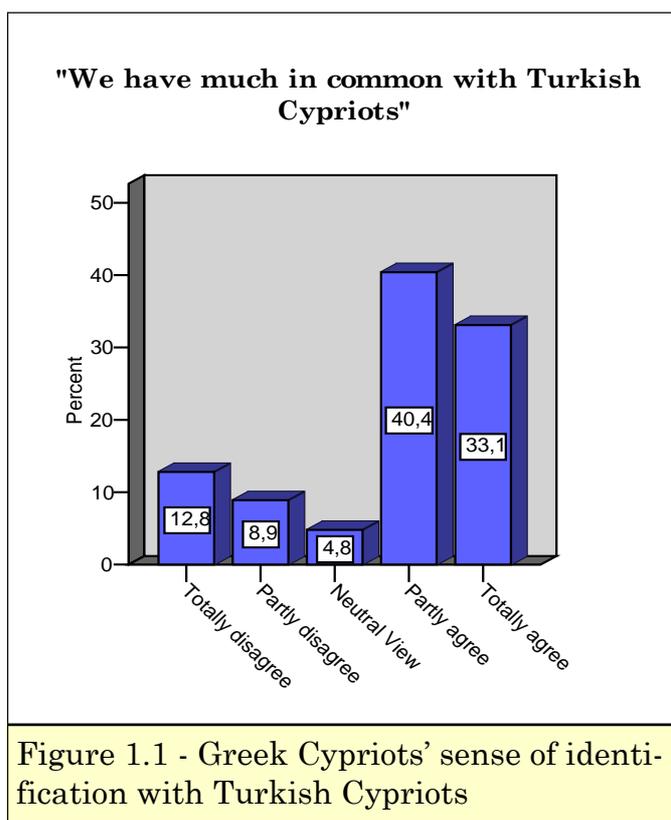
*Alexandros Lordos,
10th February 2005,
Nicosia, Cyprus.*

Chapter 1: Underlying Attitudes

In both surveys, respondents were asked such questions as would help gauge attitudes and prejudices that might either facilitate or hinder the prospects of a Solution. The five issues on which perceptions were gauged have to do with the potential for co-existence, the potential for co-operation, the sense of security in the presence of the other, the readiness to resort to militancy in order to resolve inter-communal problems, and, finally, the willingness to accept a Federal Compromise.

A. The potential for co-existence

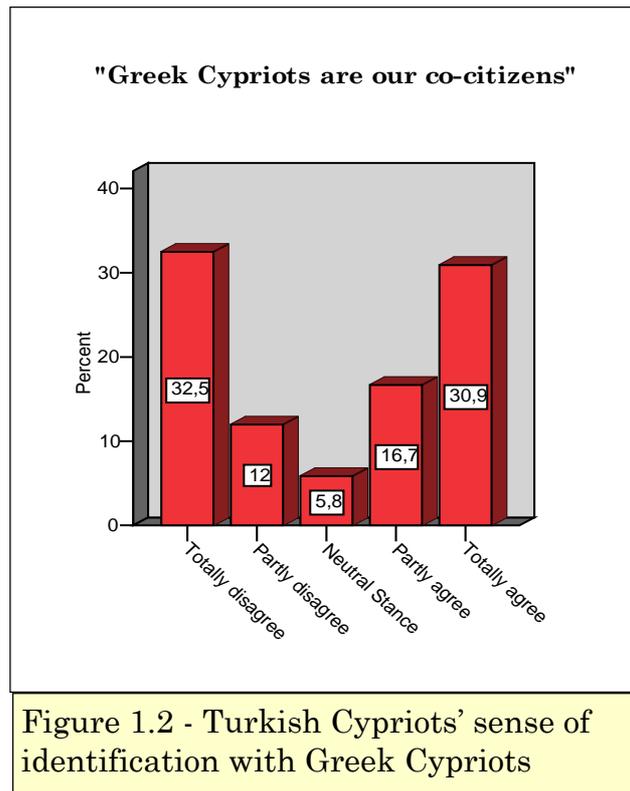
Are the two communities willing to co-exist in Cyprus? Each of the two communities has been drifting away from the other in slightly different ways over the last 40 or 50 years. The Greek Cypriots, for a number of decades, were carried away by the “Enosis” rhetoric, while the Turkish Cypriots have more recently been carried away by the “Two-State” rhetoric. Have these historical narratives wounded the Cypriots’ sense of sharing a common homeland?



A particular concern about the Greek Cypriot side has been whether they would perhaps fail to identify with the Turkish Cypriots, seeing themselves only as Greeks and the Turkish Cypriots only as Turks. However, it can clearly be seen in Figure 1 that this is not the case: About 73% of Greek Cypriots tend to acknowledge that there is, indeed, much which the two communities have in common.

Similarly, a concern about the Turkish Cypriot side is whether they still feel themselves to share the same country with the Greek Cypriots, whether they consider them to be their co-citizens, or whether instead they have by now come to believe their “official” two-state rhetoric. The results here are slightly less encouraging:

As we see here, the Turkish Cypriot community is divided and polarized as to its view of the Greek Cypriots: While about 31% of Turkish Cypriots totally agree (and about 48% tend to agree) that Greek Cypriots are to be seen as co-citizens, an equivalent proportion, about 33%, totally disagrees with the exact same statement (and about 45% tends to disagree). Neutrality on this issue is very low, at about 6%.



One way to explain these results is that the “Two-State” rhetoric, which leads Turkish Cypriots to feel separate from Greek Cypriots, is very much alive even today, whereas the “Enosis” rhetoric, which equivalently led Greek Cypriots to feel separate from Turkish Cypriots, mostly died away after 1974.

Basic co-existence of the two communities, we may tentatively conclude, should not be a problem for the great majority of Greek Cypriots, but different segments of the Turkish Cypriot community are likely to respond in sharply diverging ways: Some Turkish Cypriots will make the Greek Cypriots feel more than welcome. Other Turkish Cypriots, in contrast, will most likely object to the sudden presence of Greek Cypriots in their midst - and this factor should be taken into account when designing a new Solution Plan.

B. The potential for co-operation

Even if the two communities are willing to co-exist on a daily level, is there sufficient trust between them to allow effective co-operation? Or is each side still under the spell of their painful common past and their unproductive present? Are the Turkish Cypriots still afraid that the Greek Cypriots will attempt to politically dominate them, and are the Greek Cypriots still afraid that the Turkish Cypriots will break away from what they have agreed to? As we will see in the following two figures, the nightmares of the past still haunt both communities:

According to the typical Greek Cypriot narrative, it was the Turkish Cypriots who were responsible for the irregularities that began in 1963, by putting forward self-serving demands and then abusing their constitutional powers to blackmail Greek Cypriots into submission. This belief, that “the Turkish Cypriots are devious and self-serving”, still runs strong even today, with about 34% of Greek Cypriots totally agreeing that this is so, and a further 16% partly agreeing. With such a strongly ingrained belief - reinforced through 30 years of perceived Turkish Cypriot duplicity at the negotiating table - colouring their perception, it should come as no surprise that Greek Cypriots tend to be suspicious when various Peace Plans propose to give to Turkish Cypriots constitutional privileges to block any decisions which they might disagree with.

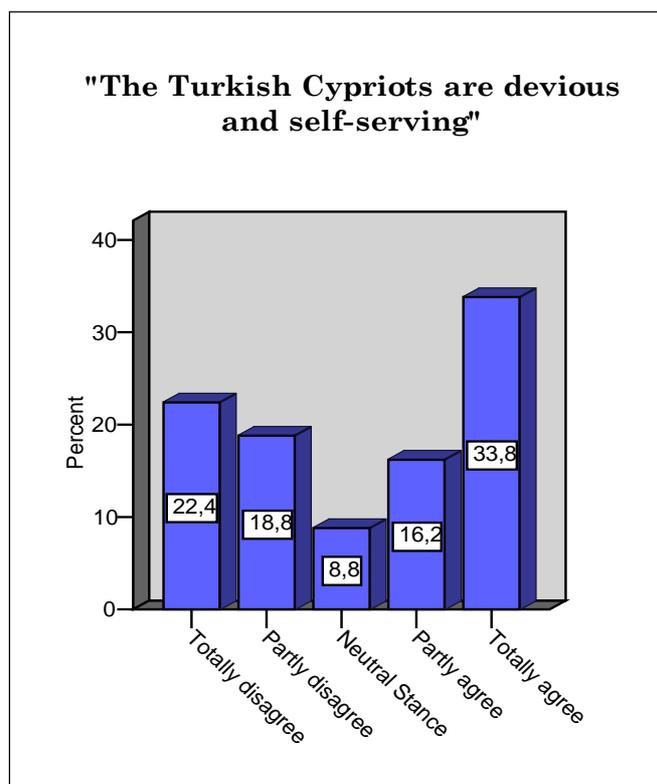
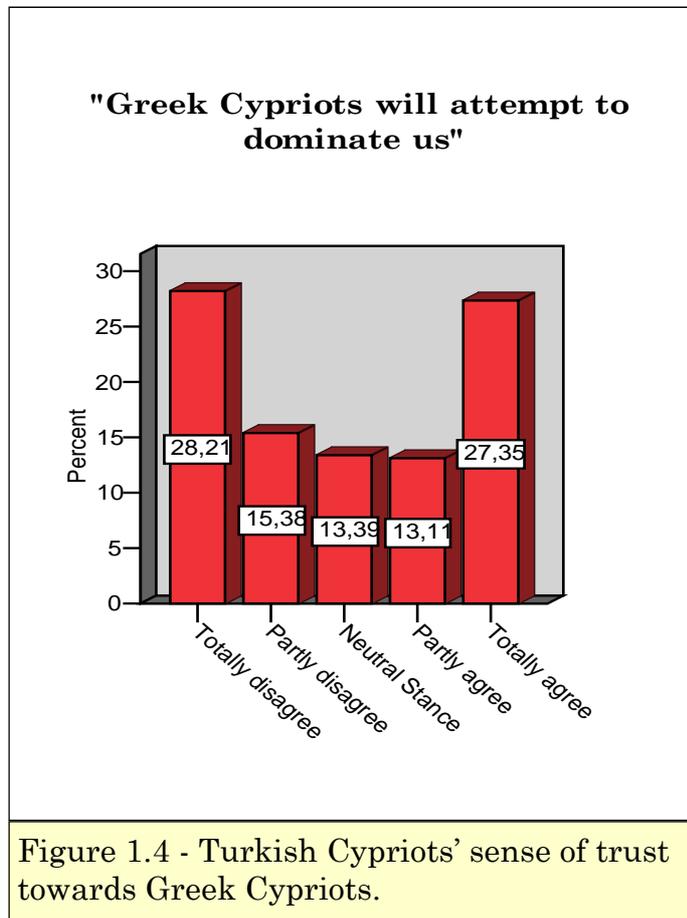


Figure 1.3 - Greek Cypriots' sense of trust towards Turkish Cypriots.

The situation with the Turkish Cypriots is the precise mirror image of what has been described above:

According to the typical Turkish Cypriot narrative, it was the Greek Cypriots who were to blame for the 1963 breakdown, by attempting to dominate the Republic of Cyprus and deprive the Turkish Cypriots of their constitutional rights. Even though these events took place forty years ago, a very large segment of Turkish Cypriot society - about 40% - would tend to agree with the statement that, even today “Greek Cypriots will attempt to dominate us”.



It should come as no surprise, therefore, that Turkish Cypriots tend to demand extra-ordinary constitutional safeguards against what they call “domination by the Greek Cypriot majority”.

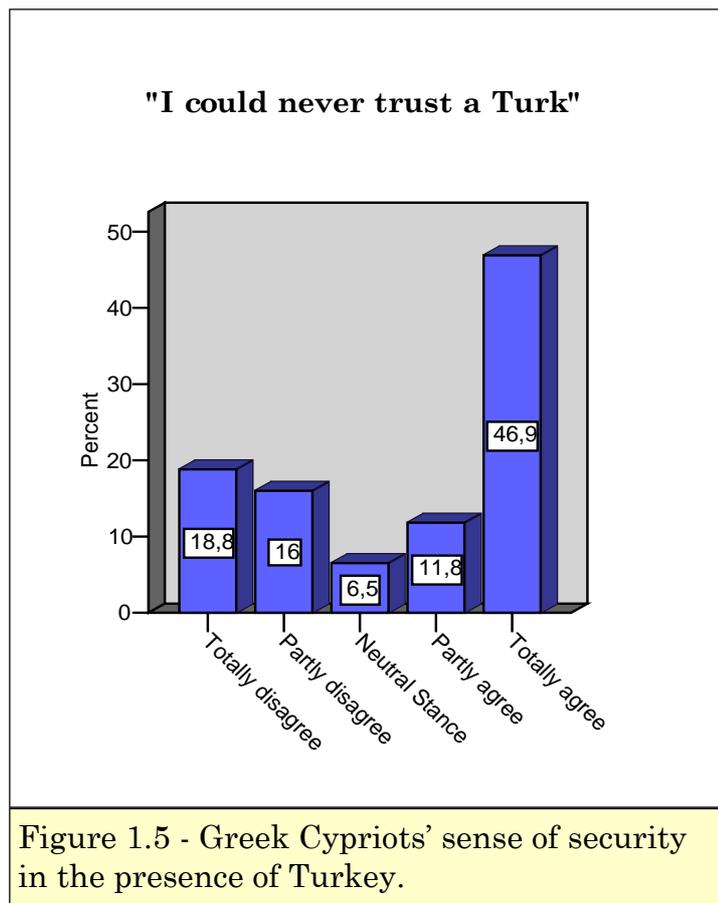
The two communities, we may conclude, experience substantial unease at the prospect of co-administering a future re-united Cyprus. Both tend to mistrust the intentions of the other, both tend to suspect that the other will seek to take advantage of circumstances in order to put forward their own one-sided agenda. Any Solution Plan, therefore, if it is to have any chances of convincing the Cypriots that it would effectively re-unite the island, must take these concerns into account and ensure, as far as possible, that both domination and subversion are - quite simply - options that are not available.

C. The Sense of Security

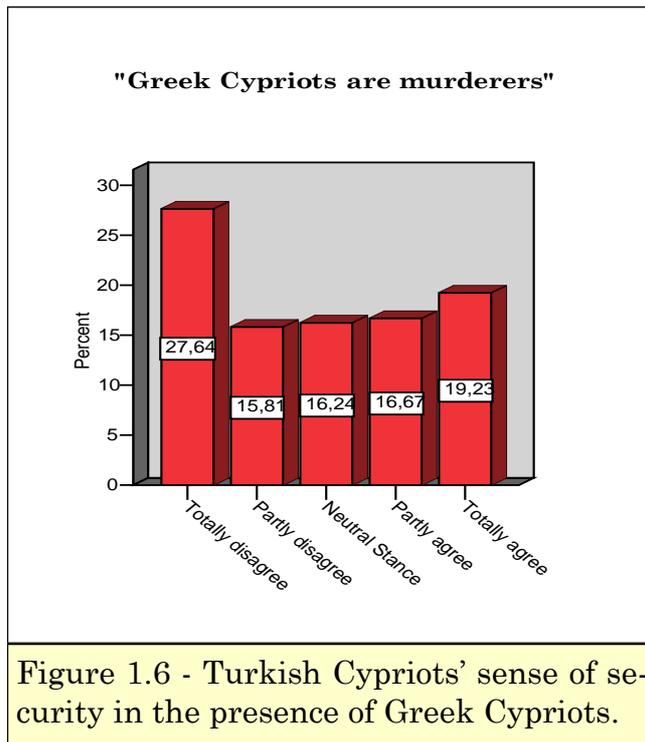
Concerns about security are very much at the heart of the Cyprus Problem. The recent history of Cyprus is scarred with periods of intense violence, and in fact the current situation is perceived by Cypriots to be a product of violence.

Greek Cypriots tend to focus on the Turkish Invasion of 1974, as the central traumatic event and the hard core of the Cyprus Problem. For Greek Cypriots, Turkey is the cruel invader who killed thousands during the course of the invasion, and who still constitutes a daily threat by holding Cyprus under its military grip. For most Greek Cypriots Turkey is, quite simply, the enemy:

We see in figure 1.5 that a large majority of Greek Cypriots, about 60%, would have great difficulty if asked to trust the intentions of a Turk. This lack of trust, when compounded with Turkey's military might, adds up to a profound sense of insecurity in the presence of Turkish troops, and a desire for Turkey to totally withdraw from Cyprus and stay away forever after. This security concern of Greek Cypriots, in its turn, translates



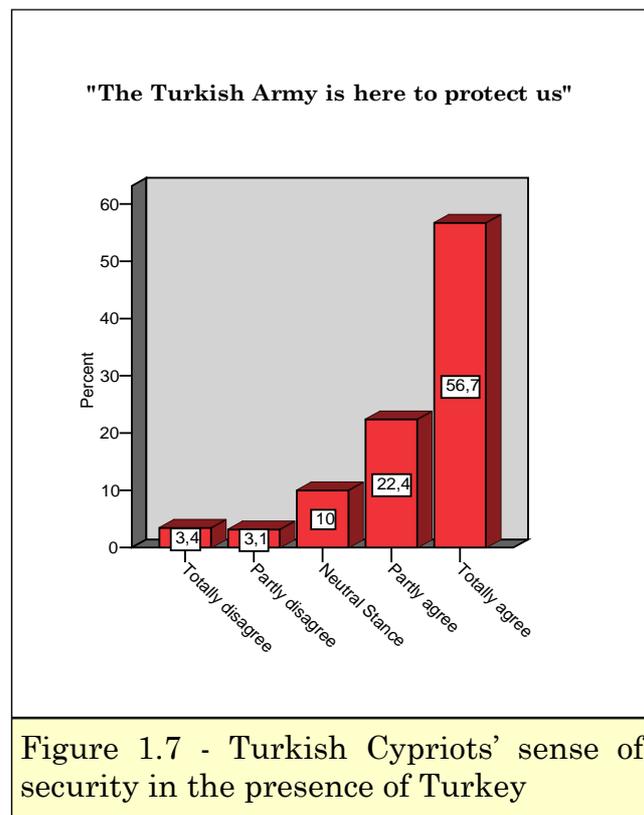
into intense disappointment whenever a Peace Plan comes around which, in Greek Cypriot eyes, fails to "release Cyprus from the stranglehold of Turkey".



For Turkish Cypriots, of course, the security issue is interpreted in a totally different way. For them, the focus is not on 1974 but in the 1960s, when militant Greek Cypriot groups were, in their perception, seeking to exterminate the Turkish Cypriots in order to promote “Enosis” with Greece. Owing to these painful historical memories, and to the constant re-awakening of these memories by the Turkish Cypriot

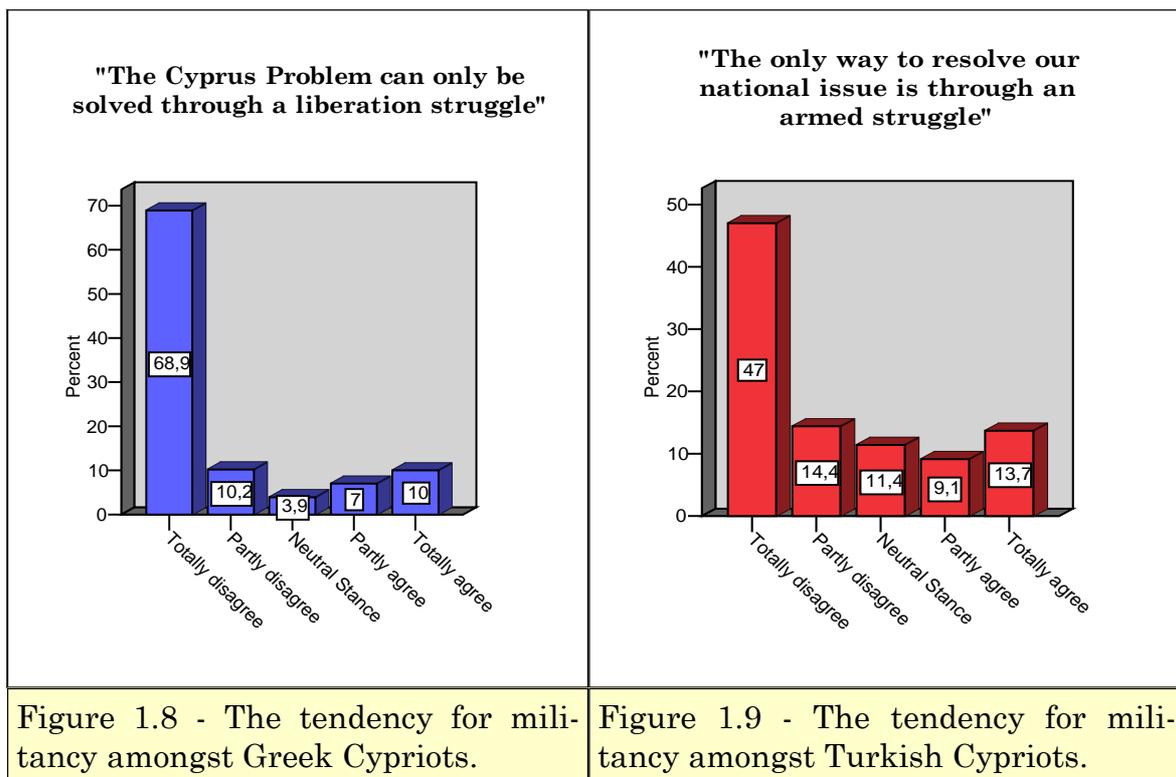
leadership over the last thirty years, many Turkish Cypriots do not hesitate to agree with the statement “Greek Cypriots are murderers” - in fact, only about 28% of Turkish Cypriots totally disagree with this statement, everyone else seems to find at least a kernel of truth in this assertion.

For this reason, Turkish Cypriots tend to interpret the presence of the Turkish Army in a way diametrically opposed to that of the Greek Cypriots: For them, not only is Turkey not an aggressor in Cyprus, she is in fact the protector who in 1974 saved them from the aggression of the Greek Cypriots - and for this reason, Turkish Cypriots are very touchy at the prospect of Turkey not having the right to intervene in Cyprus after a Solution.



D. The Threat of Militancy

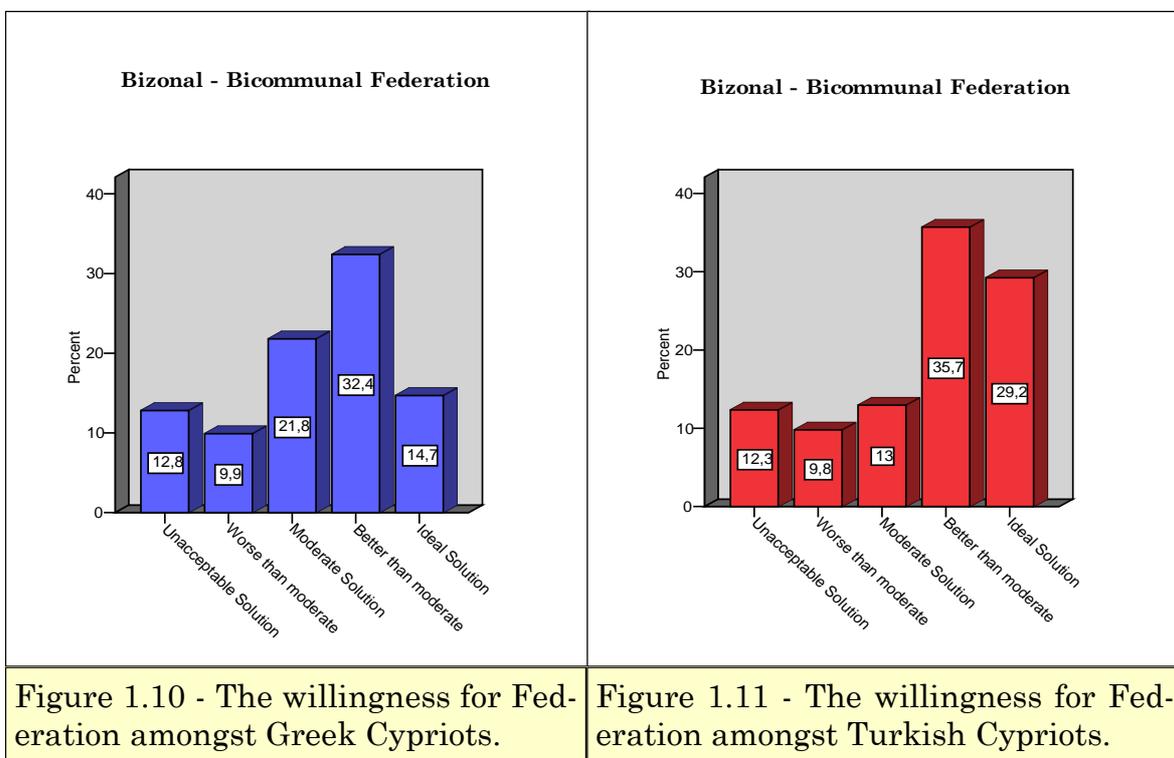
If Greek Cypriots and Turkish Cypriots hold such different views on the issues of Security and Governance, and if segments from both societies resist the concept of re-unification, should we not also worry about the danger that militant behaviour would arise in a post-solution Cyprus? As we can see in the following two figures the tendency for militancy is small, but not negligible, in both communities:



Amongst the Greek Cypriots, about 69% totally resists the thought of militant behaviour, while about 17% would consider it either hesitantly or with assurance. Amongst the Turkish Cypriots, about 47% totally resists the thought of militancy, while 23% would perhaps consider it, either hesitantly or with certainty. From this data we infer that, while majorities of both sides would oppose militant behaviour, there still exist minority groups who would resort to such action if they felt it necessary - and this tendency is slightly more pronounced amongst the Turkish Cypriots.

E. The willingness for Federation

A final issue that will be considered in this preliminary chapter is: To what extent do the two sides in Cyprus accept the Federal compromise, which their respective leaderships have purportedly been striving towards? As we will see in the following two figures, large majorities of both communities seem to consider the basic framework of a Bizonal - Bicomunal Federation to be an acceptable compromise:



In both communities, the percent of those who are opposed to a Federal Solution is about the same, 23%. Everyone else seems to accept Federation, either as a moderate solution, or as a good solution, or as the ideal solution. An important distinction between the two communities, is that amongst the Turkish Cypriots twice as many - about 30% - consider Federation to be an ideal solution, when compared to the Greek Cypriots, where only about 15% consider Federation to be an ideal solution. This difference may perhaps serve to explain why popular movements in favour of a Federal Solution tend to develop more spontaneously, and amass more support, amongst the Turkish Cypriots than amongst the Greek Cypriots.

F. Preliminary Remarks

It is a common enough thought, to blame the failure of progress towards a solution of the Cyprus Problem on the attitudes of the two leaderships, or of the leaderships of Greece or Turkey. To say, perhaps, that the leaders are uncompromising and intransigent, that they fail to grasp the fundamental principles of give-and-take and so on. However, we have seen in the preceding pages that the Cyprus Problem is very much a clash of the two communities themselves, of attitudes and perceptions on the grass roots level. Quite often, diplomatic attempts to solve the Cyprus Problem tend to overlook this dimension and assume that it is sufficient to somehow get the two leaderships to agree and that then the people will follow. The evidence of this report suggests that this is not the case: Greek Cypriots and Turkish Cypriots “in the street” have very strong views of their own, which relate to the potential of the two communities to co-exist, on the problem of security and the role of Turkey, on the problem of governance and effective co-operation, and it would be very difficult to achieve simultaneous “Yes” votes in a future referendum unless these popular needs and attitudes are carefully examined. Furthermore, the problem does not necessarily end with the signing of an agreement, because a Peace Plan that fails to satisfy the basic demands of the two communities could well offer the pretext for militant groups to surface and reignite the nightmare of inter-communal violence.

On a more encouraging note, it would seem that the idea of Federation has by now matured in the minds of both Greek Cypriots and Turkish Cypriots, after decades of political ambivalence, and therefore any new attempt to reach a solution on the basis of a Bizonal - Bicomunal Federation will most probably receive the full attention of both communities. In the following pages, we shall begin to examine in detail the views of the two communities concerning particular aspects of a Solution, such as Security, Governance, Property Rights, Settlers and the Economy, in order to discern areas of agreement and such compromises as will bring about consensus.

Chapter 2: Security

Of all the chapter of a future Solution, security was the one that was least negotiated in advance of the drafting of the UN Plan: While in most other aspects of the Peace Plan novel and creative solutions were sought out, in the aspect of Security the 1960 tripartite agreements between Greece, Turkey and the United Kingdom were simply re-affirmed. Was this conservative approach to issues of security appropriate, or should a more creative solution be found ? In the analysis below - in which the issue of ground troop presence and the issue of intervention rights will be examined separately - we shall see that both sides indeed feel very strongly about security issues, and that a very careful balance will have to be maintained if we are to propose a Security System that will be acceptable to both sides.

A. Presence of Ground Troops

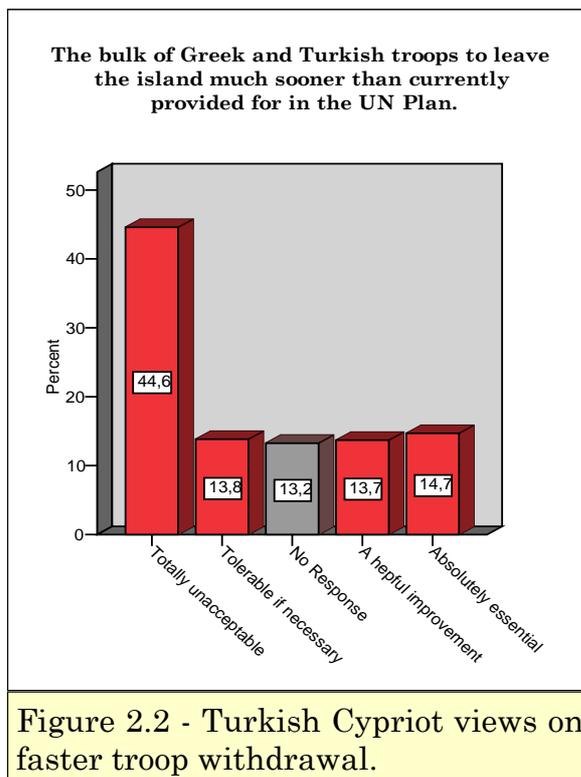
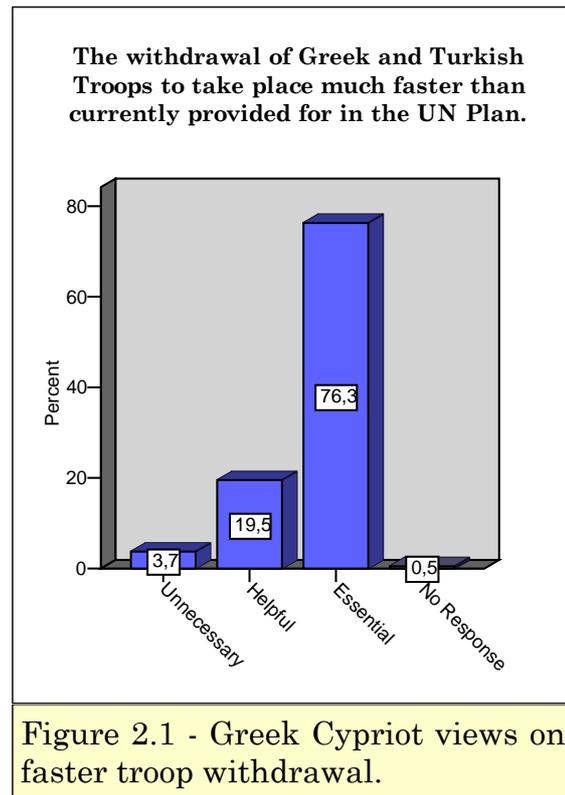
Concerning the presence of ground troops, the UN Plan provided for a gradual phasing out of Greek and Turkish troops over a period of 18 years, or until Turkey joins the European Union, whichever happens first, after which time small contingents of Greek and Turkish troops (950 Greek soldiers and 650 Turkish soldiers) would remain indefinitely, each contingent stationed in its own constituent state.

Through the surveys, both communities were asked, firstly, if they would tolerate or indeed demand a faster phasing out of troops, and secondly, if they would tolerate or indeed demand a final state of total demilitarization, wherein all Greek and all Turkish troops would be required to leave the island.

As we shall see in the following figures, the two communities have sharply opposing views on both these issues.

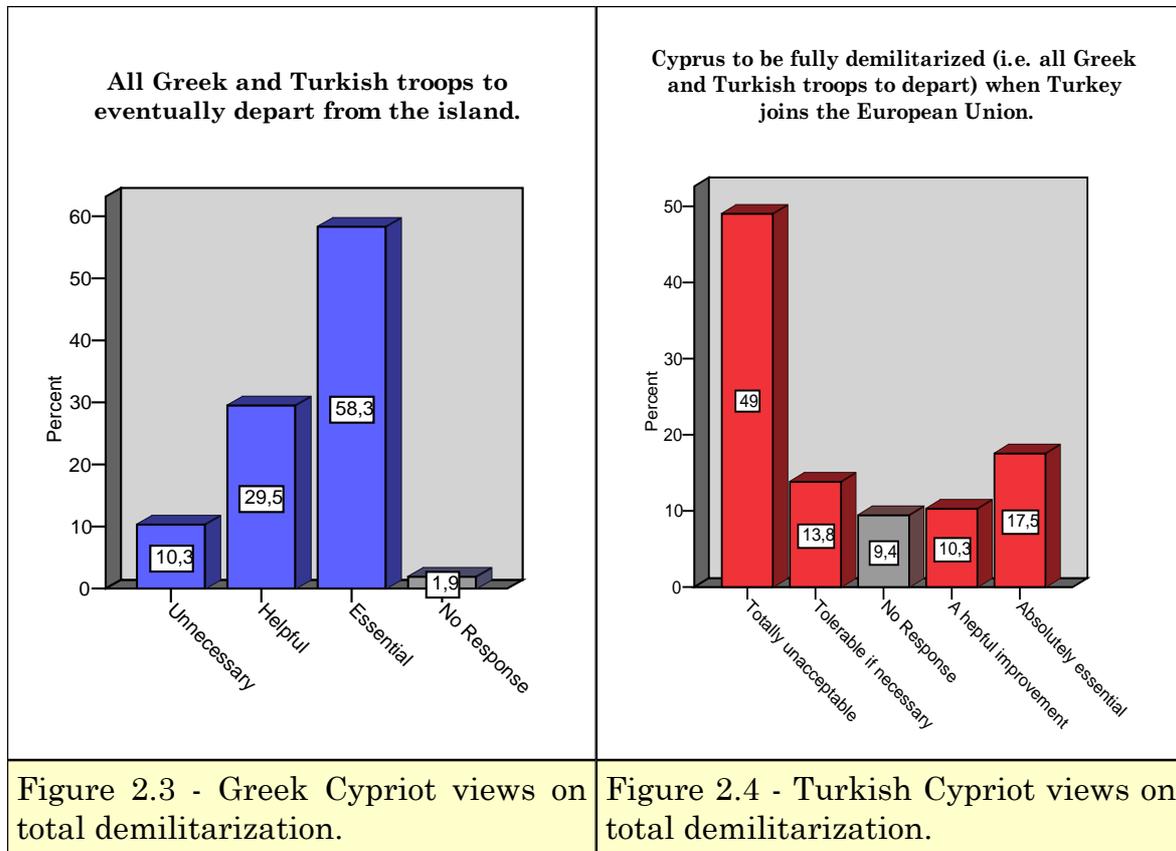
The Greek Cypriots, as we can see in Figure 2.1, strongly object to the rate of troop withdrawal that the UN Plan provided for: About 76% of Greek Cypriots (the same percent as last April's "No" vote) consider that a faster withdrawal of Greek and Turkish troops after a Solution is absolutely essential. The typical Greek Cypriot reasoning behind this demand is that through such an extended presence of her troops in Cyprus, Turkey will be able to interfere in Turkish Cypriot politics thus hampering the re-unification

process. Furthermore, Greek Cypriots tend to believe that such an extended period of time will allow Turkey to "buy time" and find some form of a pretext to not withdraw her troops at all.



Turkish Cypriots, in contrast, would strongly object if the Turkish troops did leave much faster than currently provided for in the UN Plan ... for Turkish Cypriots, the Turkish Army is a source of protection against the perceived potential for Greek Cypriot aggression, and therefore they prefer to hold on to the insurance of Turkey's presence for as long as possible. Clearly, the issue of rate of troop withdrawal can not easily be solved to both sides' satisfaction.

As we shall see in the following two figures, the two communities are no less opposed when it comes to the issue of total demilitarization:



For Greek Cypriots, total demilitarization is essential to about 58% of the people, and considered helpful by a further 30%. Total demilitarization, on the other hand, is unacceptable to 49% of the Turkish Cypriots, just tolerable to a further 14%, and considered helpful or essential to 28% of Turkish Cypriots only.

During discussions about the UN Plan last year, many Greek Cypriots have argued that the long term presence of separate military contingents “from the motherlands” would tend to enhance rather than subdue any inter-communal tension that might arise in the future, not least because such armies may prove to be focal points wherein nationalist sentiments will find expression. In contrast, it would seem that many Turkish Cypriots have grown attached to the presence and protection of the Turkish Army, and therefore do not feel secure at the thought that all Turkish troops will eventually leave.

It would seem, therefore, that the issue of troop presence is a classic case of a Win - Lose situation. The more secure one makes the Greek Cypriots by removing the Turkish Army, the less secure will Turkish Cypriots feel. And the more secure one makes the Turkish Cypriots by maintaining the presence of the Turkish Army, the less secure will *Greek Cypriots* feel. Is there a way out of this imbroglio?

One creative solution to this problem would be to allow for the creation of an integrated military force, which will include Greek and Turkish soldiers but also soldiers from other European Countries. Such a military force would be stationed all over the island, but with more Turkish soldiers in the north and more Greek soldiers in the south. Through such an innovation, Greek Cypriots would undoubtedly be less dissatisfied, since the risk of separatist tendencies and Turkish interference will be minimized. But the critical question is: Would the Turkish Cypriots accept such a dilution of the Turkish Army presence? The following figure presents some encouraging results:

As we can see in Figure 2.5, such a proposal would only be unacceptable to about 30% of the Turkish Cypriots - which is less than the total percent of the “No” vote at the referendum last April. Many Turkish Cypriots in fact, about 38%, would tend to welcome rather than simply tolerate such an amendment to the UN Plan. As we shall see further in this report, the concepts of “Integration” and “Europeanization” tend to matter to the majority of Turkish Cypriots just as much as they matter to the Greek Cypriots.

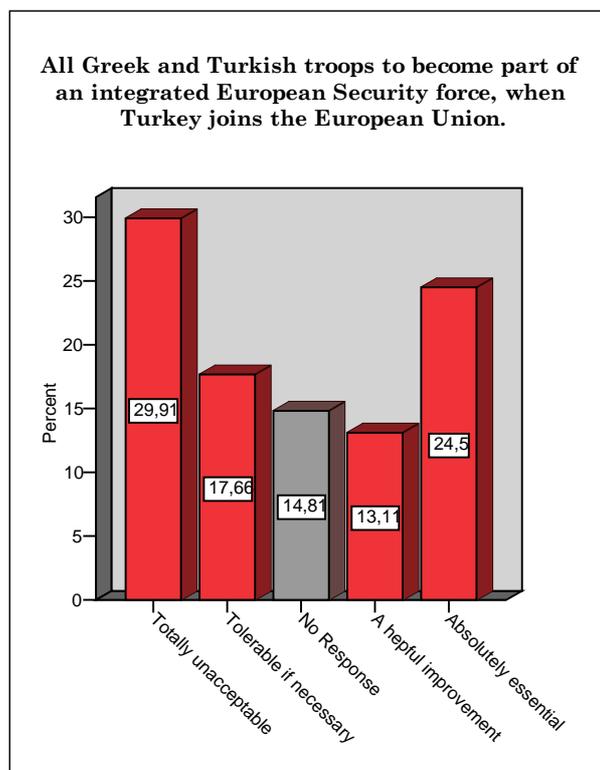
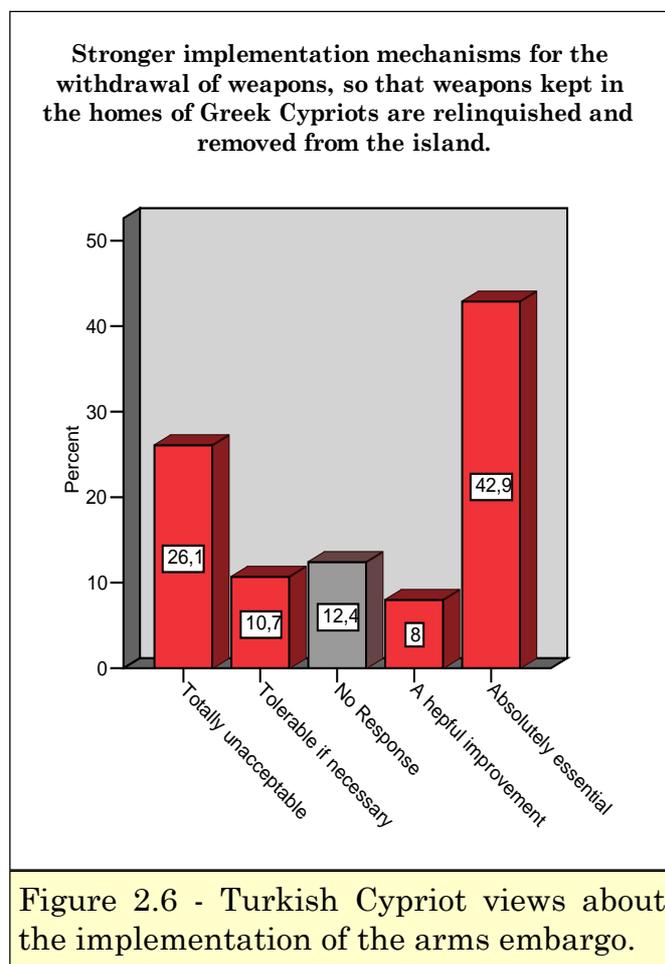


Figure 2.5 - Turkish Cypriot views about an integrated military force.

A footnote to the issue of troop presence, is a concern that is particular to the Turkish Cypriot side, a concern that was in fact discussed before the referendums: The Greek Cypriot National Guard has, over the last few years, been following a policy of asking its reserve troops to keep weapons and ammunition in their homes, in case the country comes under a surprise attack. According to the UN Plan, all these weapons would have to be handed over to the authorities and removed from the island, but many Turkish Cypriots were concerned that this measure might not be fully implemented:

Turkish Cypriots, in other words, are concerned about the implementation of this particular aspect of the agreement, perhaps because they are worried that militant Greek Cypriots will have a motive to hide away these weapons and eventually use them against Turkish Cypriots. Who will be overseeing the relinquishing of these weapons? If it is just the Greek Cypriot military authorities, then the Turkish Cypriots can only suspect - and fear - that a possible collusion will take place.



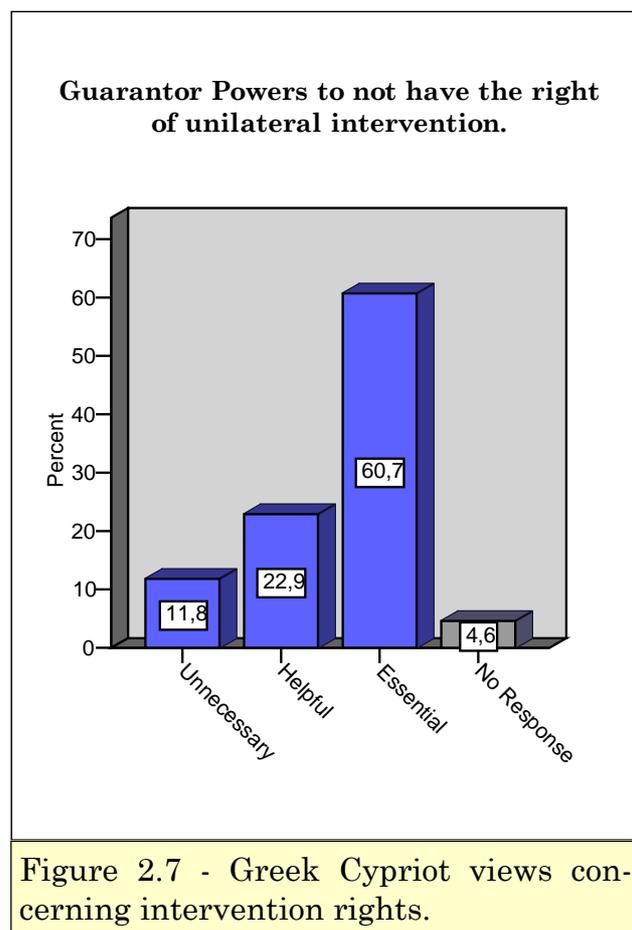
Therefore, the Turkish Cypriots demand strong a implementation mechanism for the withdrawal of such weapons, a mechanism that will, perhaps, closely involve international supervision. Such an improvement to the UN Plan may help to balance any Turkish Cypriot concerns that might arise from the dilution of the Turkish Army's presence.

B. The Intervention Rights of Turkey and Greece

According to the UN Plan, the Treaty of Guarantee which was signed in 1960 between Turkey, Greece and the UK, would continue to apply unaltered. According to this treaty, Greece, Turkey, and the UK each has the right to intervene in Cyprus “in order to uphold the constitutional order”, and while a consensus of the three before any intervention is preferable, it is not compulsory. The only amendment that was made to the Treaty of Guarantee in the UN Plan, was to extend the intervention rights so that they cover the constitutional order of each of the two constituent states as well.

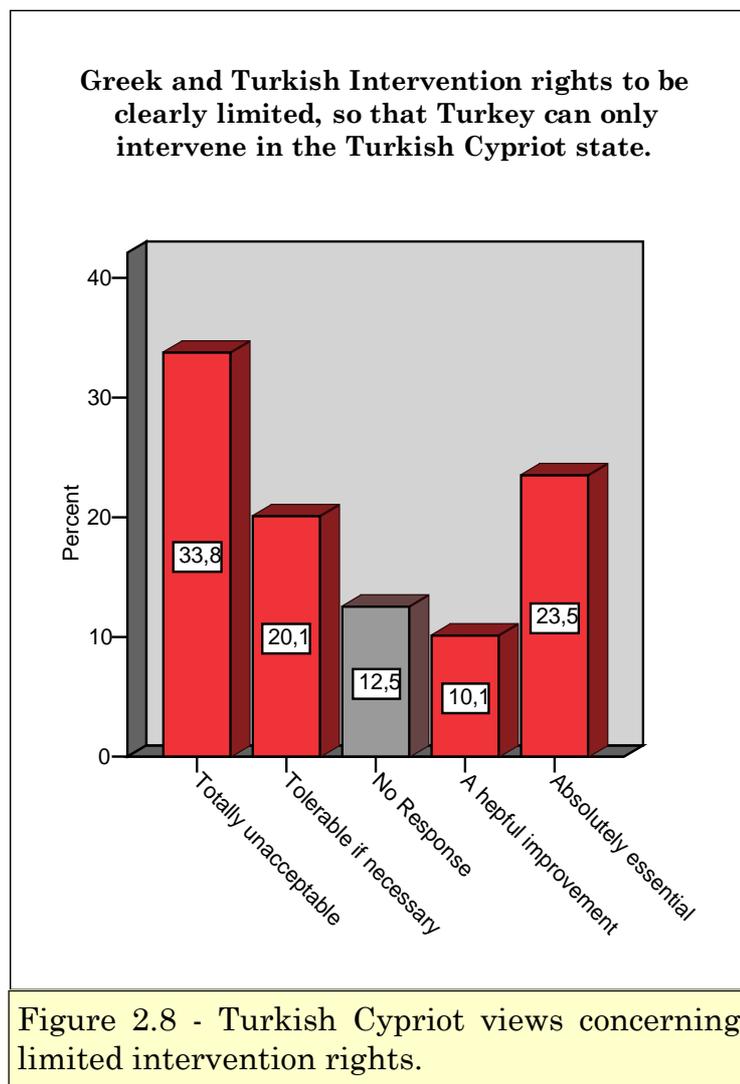
One may ask at this point: How do the Greek Cypriots feel about such extensive intervention rights by Turkey, given their known sensitivities on the issue of Turkey’s military presence? The answer is, of course, as one would expect:

We see in Figure 2.7 that about 61% of Greek Cypriots consider it absolutely essential that Turkey - or Greece for that matter - should not have the right to unilaterally intervene in Cyprus. For most Greek Cypriots, allowing Turkey to have unilateral intervention rights in Cyprus is tantamount to surrendering Cyprus under Turkey’s strategic control - an unthinkable concession. Especially so, if Turkey’s intervention right is somehow extended, so as to cover the territory of the Greek Cypriot constituent state as well.



We know of course that the Turkish Cypriots would never accept that Turkey should not have the right to intervene under any circumstances, as the Greek Cypriots would ideally like to see. The perceived security of the Turkish Cypriots depends too much on Turkey for them to allow such an extensive concession. So the question at this point becomes: Would Turkish Cypriots be willing to accept a moderation of Turkey's right to unilaterally intervene in Cyprus? In the following figures we shall explore various different ways in which such a moderation could take place.

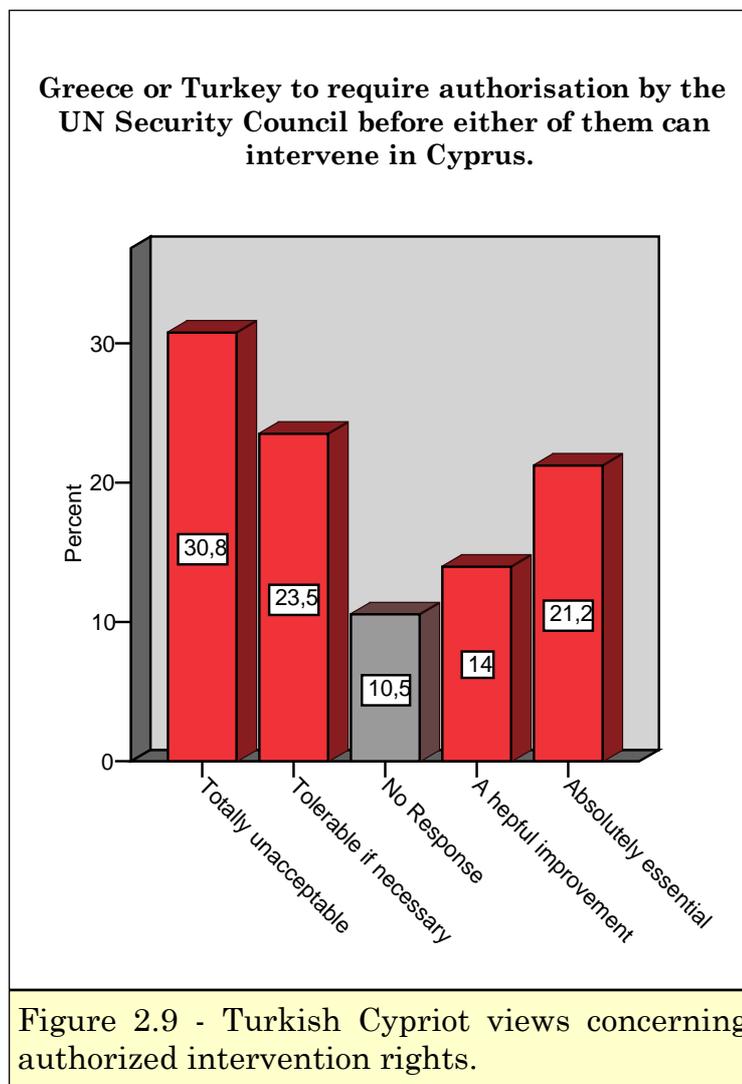
One possibility is to limit the right of unilateral intervention, so that Turkey can only intervene in the Turkish Cypriot state and Greece can only intervene in the Greek Cypriot state. Such an option is tolerable to the majority of Turkish Cypriots, and only about 34% would find it totally unacceptable. Such an amendment would imply that, instead of Turkey guaranteeing the entire implementation of the Federal and Constituent State Constitutions - a position from which countless pre-



texts for intervention could be devised - she would only guarantee the security of the Turkish Cypriot state, against the remote possibility that one day the Greek Cypriots may seek to militarily threaten its integrity.

Another possibility for the moderation of intervention rights, is to place the precondition that UN Security Council authorization should be sought before this right could be exercised unilaterally. To this amendment also, we see a tolerance on behalf of the Turkish Cypriots:

We can see in Figure 2.9 that only about 31% of Turkish Cypriots would strongly oppose such an amendment, through which Turkey or Greece would require Security Council authorization in order to unilaterally intervene. Interestingly enough, a substantial proportion of the Turkish Cypriots - about 35% - would welcome or even insist upon such an improvement. This high figure suggests that many Turkish Cypriots are also concerned about the right

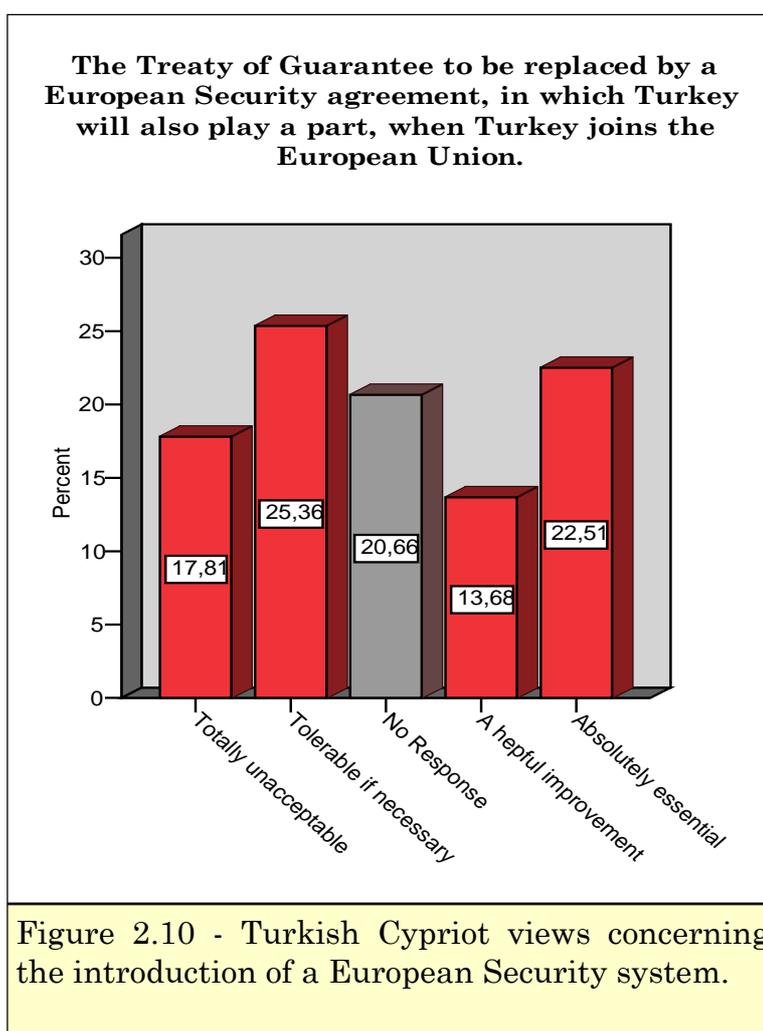


of Greece and of Turkey to intervene in Cyprus without the requirement that they explain themselves to anyone else first.

A third possibility, more radical than the previous two, would be to totally redesign the Security system of Cyprus, in order to take advantage of the fact that Cyprus is a member of the European Union and Turkey will soon be a member of the European Union also.

More particularly, it is worth considering if the 1960 Treaty of Guarantee could be annulled, and replaced with a new Treaty, wherein the European Union will co-operate with Greece and Turkey in order to guarantee the security of Cyprus. Such an amendment would be perceived by the Greek Cypriots as an important improvement, as a “modernization” of the UN Plan to take the historic development of EU accession into account, but would the Turkish Cypriots be willing to entertain such an option?

Interestingly, of all the amendments to the Treaty of Guarantee that we have so far proposed, this seems to be the most popular - only about 18% of Turkish Cypriots would oppose the introduction of such a European Security system, while 23%, a greater proportion, would in fact consider it not just tolerable or desirable, but in fact absolutely essential. This data once again suggests that the Turkish Cypriots tend to in-



herently trust “things European”, since after all it is the prospect of EU membership that propelled them to seek a Solution to the Cyprus Problem in the first place.

Chapter 3: Governance

Along with security, the issue of governance is very much at the heart of the Cyprus Problem. The problem of governance has historical roots that stretch back to the 1960s, when the co-administration of the Republic of Cyprus came to an abrupt end amidst extensive violence and controversy. The two communities have on the whole given different interpretations to the events of that time, and each side's interpretation still drives their negotiating position even today.

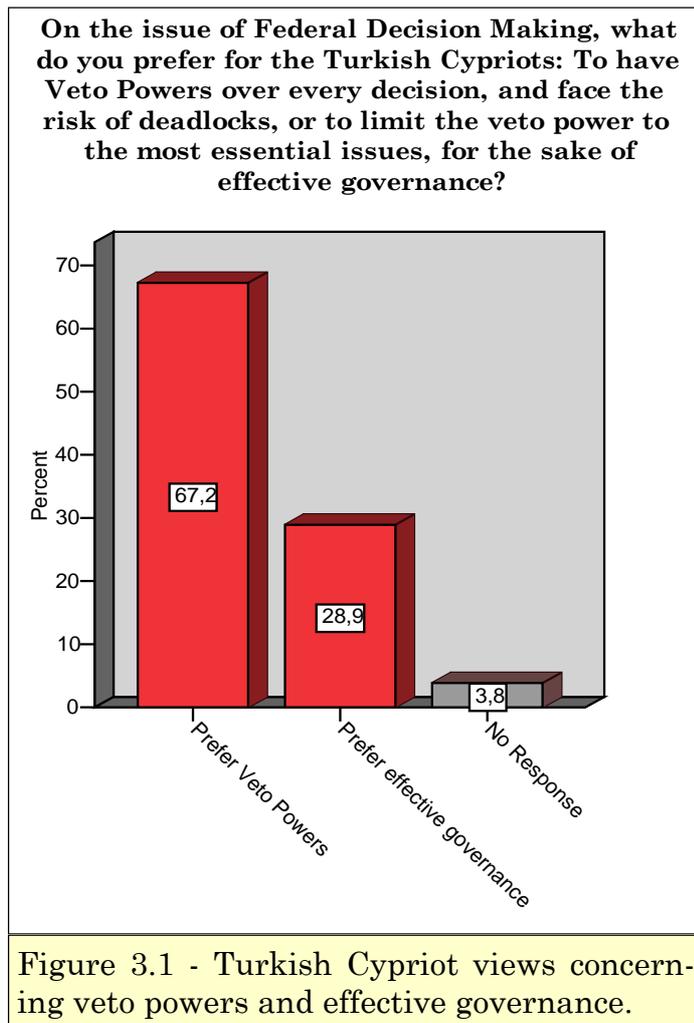
The Greek Cypriot interpretation is that the constitution was dysfunctional, in that it allowed far too much veto powers to the Turkish Cypriot community on every single issue, with the result that day-to-day functioning became impossible. The Turkish Cypriot interpretation is that the Greek Cypriots did not wish to share power, and therefore they eventually "hijacked" the Republic by forcing the Turkish Cypriots to resignation.

For these reasons the Greek Cypriots, even today, insist on what they call "administrative functionality" of the Federal Government, whereas the Turkish Cypriots insist on what they call "political equality of the two communities" and measures to ensure that "they will not be dominated by the Greek Cypriot majority". The UN Plan, as it was eventually presented, was attempting to strike a careful balance between these two opposing demands. One could describe it as a regular Federal system, but with extensive revisions and safeguards to alleviate the Turkish Cypriot fear of being dominated, and further counter-revisions to ensure that the above safeguards do not lead the Federal State to administrative paralysis.

To verify the Turkish Cypriot anxiety over potential domination, this survey put respondents in front of a dilemma: To choose whether they prefer to have the right to block every Federal Decision, even if this means administrative

paralysis which would affect them adversely also, or alternatively, whether they would prefer to have the right to block decisions only on the most important issues, in order to ensure effective governance, but with the risk that they might have to tolerate a decision that they disagree with on a secondary matter. The Turkish Cypriot response came loud and clear:

For 67% of the Turkish Cypriots, the “fear of majority rule” prevailed and they chose to have veto powers over every single decision of the Federal Government. The thought that such blocking powers might lead to problems of a different kind, wherein minority interest groups might take advantage of the system to hold everyone else hostage, only registered with about 29% of the Turkish Cypriots. Thus, we can say that the Turkish Cypriot “fear of domination” is still very much alive today, and therefore an

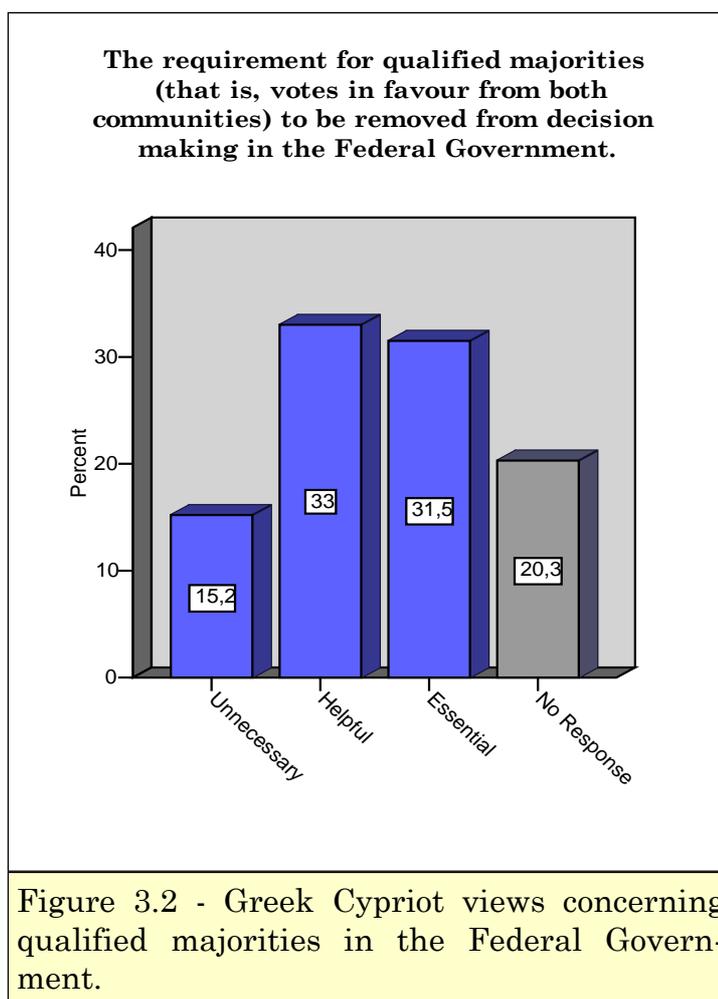


elaborate system of checks and balances such as the one proposed in the UN Plan will be required , if such concerns are to be alleviated.

At this point the question inevitably arises: Are the Greek Cypriots willing to tolerate such an elaborate system of governance? Before the referendum last year, many Greek Cypriots indeed complained that what the UN Plan proposed was the creation “of a monster state”, that would “collapse within

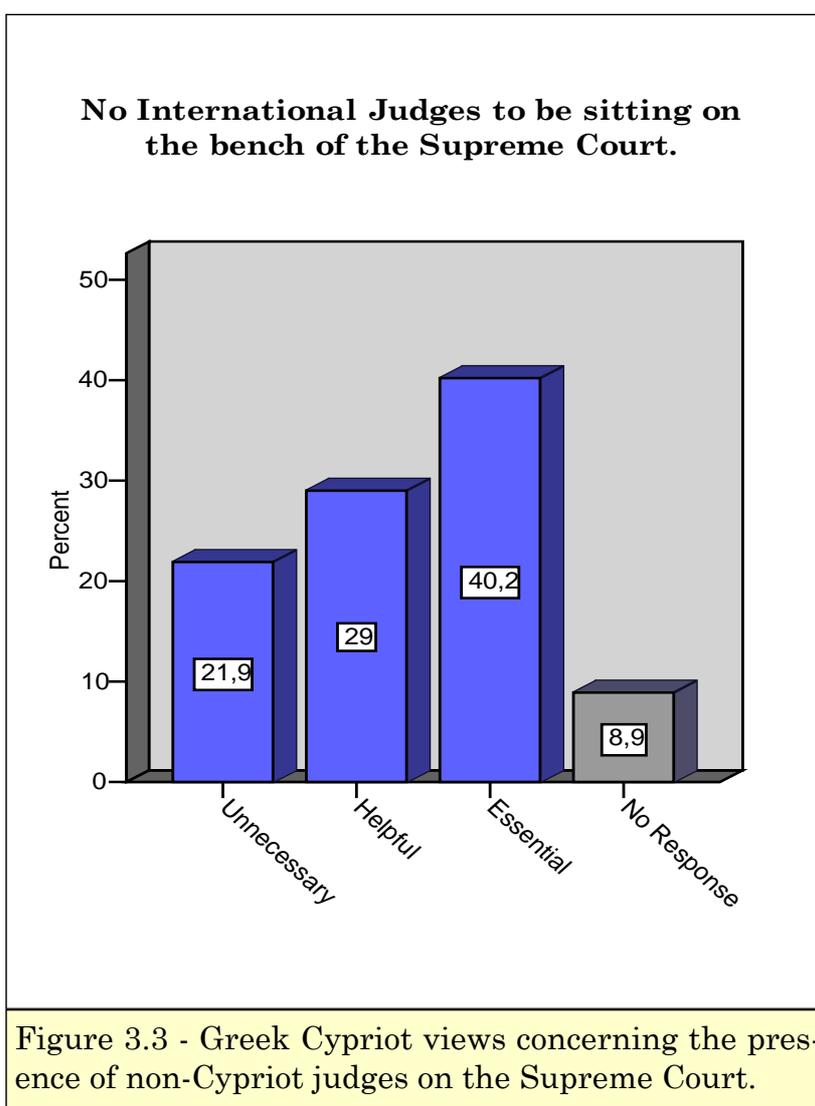
months of the implementation”, “an undemocratic system wherein one Turkish Cypriot vote will count for as much as five Greek Cypriot votes”, “a system wherein the executive and the judiciary branches will be confused” and “foreign intervention in our internal affairs will be institutionalized”, and that “an apartheid state with distinctions based on race will be created”, a state wherein “basic freedoms will be curtailed in violation of International Law”. Do these sharply critical voices represent the majority, or the minority of Greek Cypriot public opinion? If they represent the majority, then it will indeed be very difficult to reach a mutually acceptable compromise on the issue of governance. The following figures will help us to ascertain an answer to this central question.

In Figure 3.2, we see that respondents were asked whether they would be willing to accept or tolerate qualified majorities for decision making in the Federal Government, most notably in the Senate and the Presidential Council. Qualified majorities imply a quota of Turkish Cypriots who would have to also agree to each decision, above and beyond the usual requirement for a simple majority vote in favour. Apparently, only 32% of Greek Cypriots would insist on the removal of qualified majorities, whereas a further 33%, while preferring such an amendment, would not go so far as to insist upon it.



While qualified majorities provide protection to Turkish Cypriots against majority domination, they also encumber the decision making process and make administrative deadlocks much more likely. To balance this difficulty, the UN Plan vested tie-breaking authority to the Supreme Court, the neutrality of which was to be guaranteed by the presence of three non-Cypriot judges sitting on its bench. In the question of whether the Supreme Court should not have non-Cypriot judges sitting on its bench, the response profile for Greek Cypriots was as presented in Figure 3.3 below:

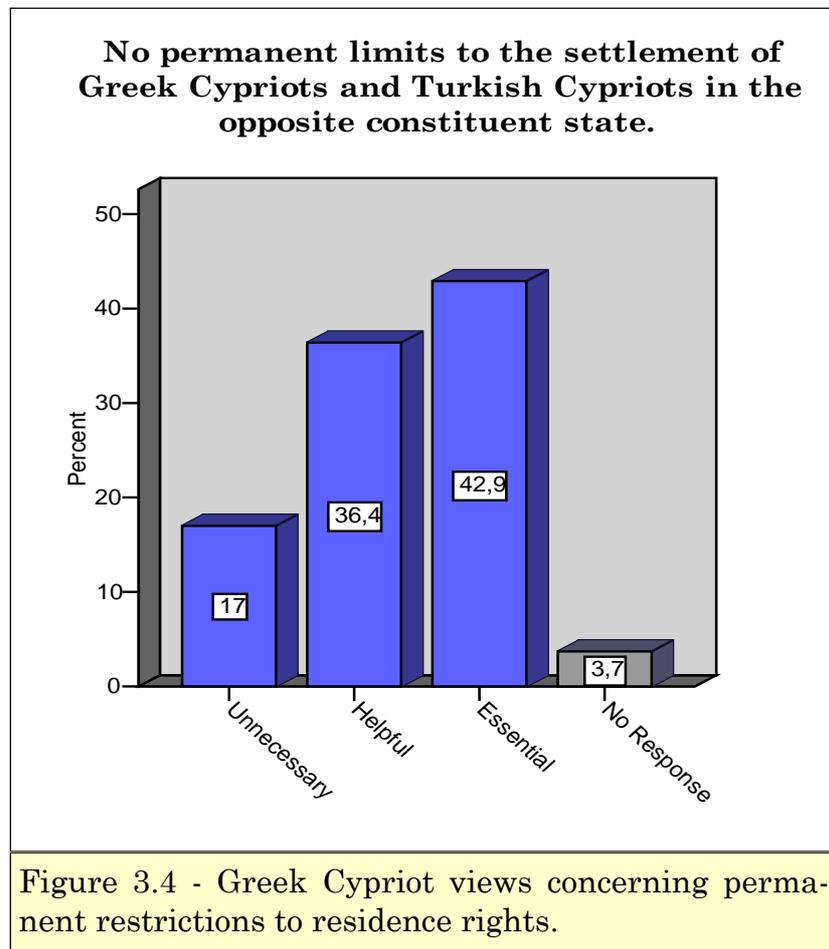
About 40% of Greek Cypriots consider the abolition of non-Cypriot judges essential, while a further 29% considered such an amendment, if not essential, at least helpful. Like in the case of Qualified Majorities, we see a profile whereby a strong minority group is sharply opposed to the constitutional balances of the UN Plan. A strong group, but nonetheless a minority.



A different dimension of the “political equality” theme touches on the issue of bizonality. More particularly, the Turkish Cypriots demanded that there be

permanent limits to the number of Greek Cypriots who may become citizens of the Turkish Cypriot constituent state - and this move was not so much motivated by the unwillingness of Turkish Cypriots to have Greek Cypriot neighbours, but rather, by their fear that the Greek Cypriots will gradually form a voting majority in the north as well, rendering the Turkish Cypriots a minority “in their own constituent state”. For this reason, a permanent limit was included in the UN Plan, whereby no more than one third of the citizens of the Turkish Cypriot state can ever be Greek Cypriot. The question inevitably arises here: Are the Greek Cypriots willing to tolerate such a limitation to their freedom?

We see in figure 3.4, a response profile very similar to that of the previous questions: A strong minority, about 43%, sharply opposed to permanent restrictions, and a second large group, about 36%, who would not insist on the abolition of permanent restrictions to residence but who would nonetheless desire it.

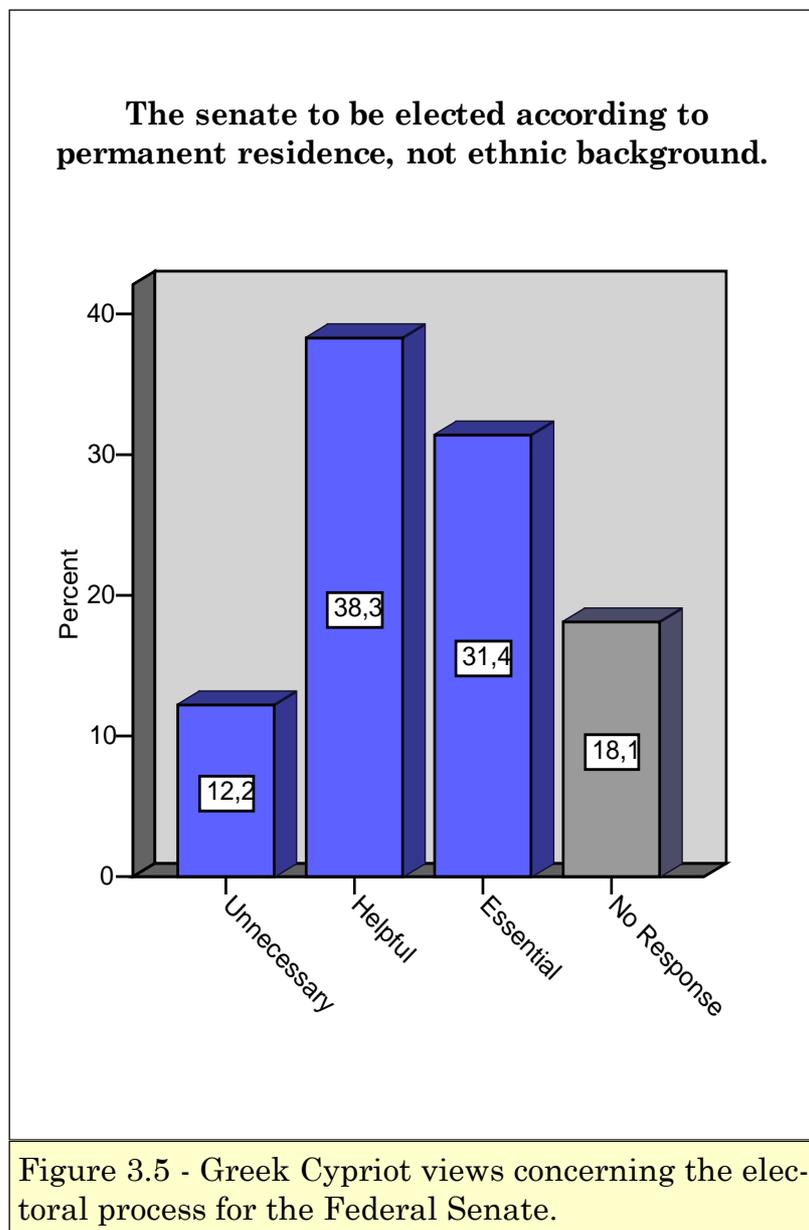


One other derogation which the Turkish Cypriots demanded in order to protect their communal political rights, was the requirement that elections to the Federal Senate do not take place according to constituent state citizen status,

but rather in accordance with ethnic origin. The reasoning behind this demand is that, with elections according to internal citizenship status many Greek Cypriots who would be residing in the Turkish Cypriot state would also be eligible as candidates for the Turkish Cypriot half of the Senate, thus leading eventually to a situation whereby the Turkish Cypriots themselves hold less than 50% of the Senate seats. This derogation was also accepted by the UN on the basis that it facilitated political equality, but how do the Greek Cypriots feel about such a racial distinction being superimposed onto the democratic process?

Once again, we observe the same pattern: 32% of Greek Cypriots sharply opposed to senate voting along ethnic lines, and a further 38% who dislike it but without considering it to be a priority item.

We may conclude therefore that, in all four “derogations for the sake of political equality” that were tested in this study, namely qualified majorities in the Federal Government, non-Cypriot tie-breaking



judges on the Supreme Court, permanent limitations on the right to become a resident of the other constituent state, and senate voting according to ethnic lines, we see the majority of Greek Cypriots to be willing to tolerate such arrangements. Certainly, it would be false to say that the Greek Cypriots are pleased about all these provisions of the UN Plan, provisions which are after all administratively cumbersome and legally inelegant. Accommodating the Turkish Cypriots on the issue of governance has not been an easy compromise for the Greek Cypriots, but it is nonetheless a compromise that the majority is willing to make.

Having said that, it would be wise to remember that the large majority of Greek Cypriots *do not like* the constitutional provisions of the UN Plan on the issue of governance. A further demographic analysis reveals that the age-gender group that most dislikes the governance provisions, is men aged 55 to 64 - in other words, the opinion-forming “ruling class” of Greek Cypriots. Though a revised UN plan could still get a small majority “Yes” vote in a future referendum even if nothing is improved on the matter of governance, it is worth examining if there are any Greek-Cypriot focused improvements to non-core aspects of the governance issue, which would also be acceptable to the majority of Turkish Cypriots. And this, because a Peace agreement is more likely to be implemented effectively if it is approved of by the people, rather than just tolerated for the sake of compromise.

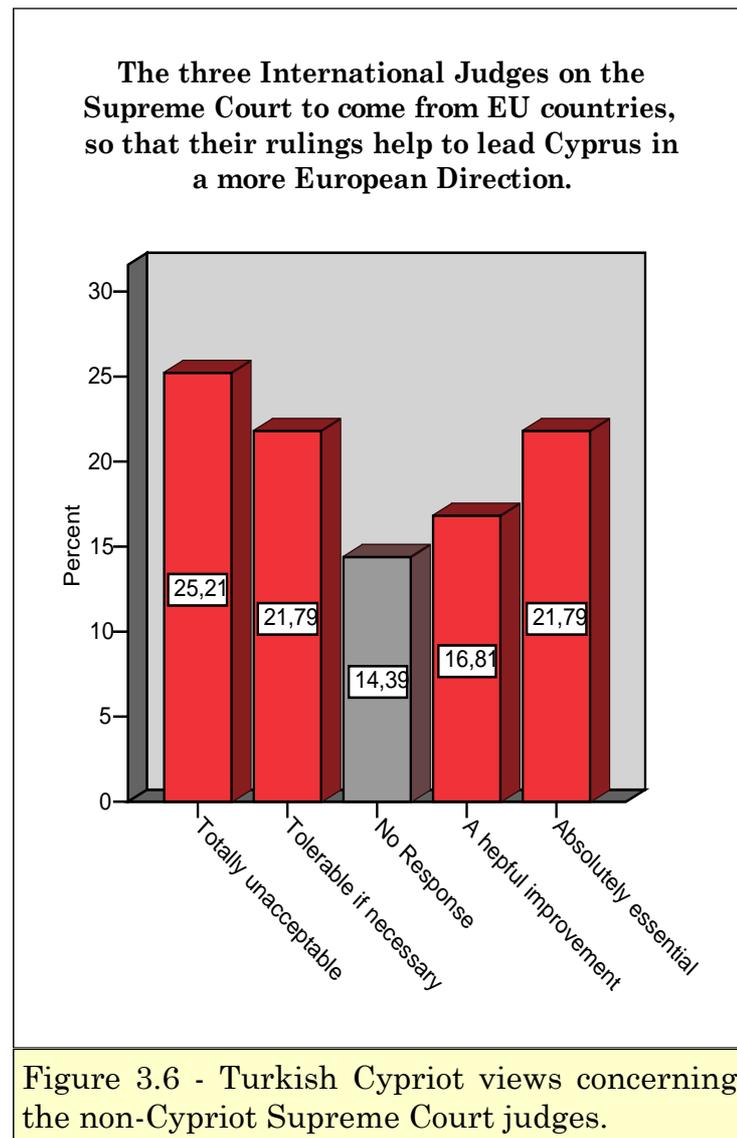
In the following pages, four such potential improvements will be examined. The first involves the functionality of the Supreme Court, the second involves the functionality of the Senate, the third involves the election process for the Presidential Council, while the fourth concerns the development of bicomunal political parties.

As we have already seen, Greek Cypriots are willing to tolerate the presence of non-Cypriot judges in the Supreme Court. However, one of the reasons for

which this provision is not liked, is that it is seen as amounting to foreign interference in the internal administration of Cyprus. If, perhaps, the three non-Cypriot judges are required to originate from EU countries, it will not be experienced so much as foreign interference, since the EU is already “involved” in the administration of Cyprus by virtue of EU membership. Furthermore, many Greek Cypriots will find hope in the thought that it will be Europeans who will be resolving deadlocks in the Federal Government, hope that their rulings will lead Cyprus into a more European direction.

How, then, would the Turkish Cypriots feel about such an amendment to the UN Plan?

As we see in Figure 3.6, only about 25% of Turkish Cypriots sharply object to the prospect of having European Judges - a proportion that is substantially lower than the Turkish Cypriot “No” vote last April. As for the rest, 22% find such an amendment tolerable, 17% find it desirable, and 22% find it essential. Again, we see the majority of Turkish Cypriots to be willing to introduce “European” improvements, since EU accession was one of their main motives for a Solution anyway.



The second issue we shall examine concerns the functionality of the Senate.

As has been previously hinted at, decisions in the Federal Senate require a quota of at least 25% of Turkish Cypriot Senators to agree with each decision, in order to ensure that all decisions have the consensus of both communities. However, a further provision has also been added, so that “special majority” will be required on certain issues, in the following manner:

“A special majority comprising at least two fifths of sitting senators from each constituent state, in addition to a simple majority of deputies present and voting, shall be required for:

- Ratification of international agreements on matters which fall within the legislative competence of the constituent states;
- Ratification of treaties and adoption of laws and regulations concerning the airspace, continental shelf and territorial waters of the United Cyprus Republic, including the exclusive economic zone and the contiguous zone;
- Adoption of laws and regulations concerning citizenship, immigration, water resources and taxation;
- Approval of the federal budget;
- Election of the Presidential Council; and
- Other matters which specifically require special majority approval pursuant to other provisions of this Constitution.”

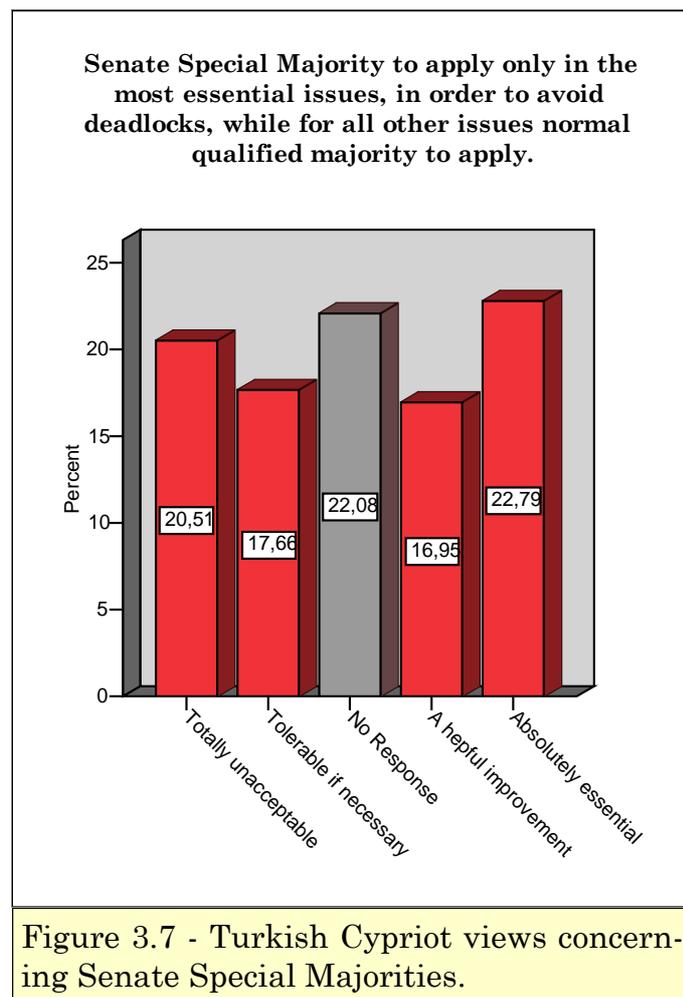
The first item on the list, ratification of international agreements on matters which fall within the legislative competence of the constituent states, means that the constituent states will not be able to make cultural or commercial agreements with other countries - as is their privilege according to the UN Plan - unless 40% of the Senators of the other constituent state also choose to ratify such agreements. Such clauses in the UN Plan have brought about criticisms of the type “The Annan Plan makes the Turkish Cypriots masters in the north and co-administrators in the south”.

Further down the list of special majority items, we see that “taxation laws” have been included. Further down, we see that the approval of the annual

Federal Budget features prominently on the list. Both these items are likely to cause difficulties and inappropriate deadlocks, since special interest groups from one or the other constituent state may work to block legislation which, while it would have been good for the country as a whole, would not have served their own private interests. And if what is blocked is the Federal Budget, we run the risk of paralysis of the Federal administration.

Another important case in point is that of the election of the Presidential Council - which should perhaps be relabeled as “Collective Prime-Minister ship” rather than “Collective Presidency” since it is to be elected by Parliament. By requiring Special Majority for the election of the Presidential Council we run the risk that none of the candidate groups will be able to pass the mark, thus leading the nation back to elections.

For all these reasons, the Turkish Cypriots were asked in the survey if they would tolerate an amendment to the UN Plan whereby “Senate Special Majority to be required for the most essential items only, in order to avoid administrative deadlocks, while for all other items normal Qualified Majority to continue to apply”. The results are encouraging: Only 21% of the Turkish Cypriots strongly objected to such an amendment, while the rest responded with various degrees of acceptance.



The method of election for the Presidential Council, is a serious enough issue to deserve separate mention. It is axiomatic in political science that in countries which are in transition and ideological flux, prime-ministerial systems lead to frequent changes in governments, as delicate coalitions collapse and the government loses the confidence of the legislature. In Cyprus, which will be in a state of extreme flux after a Solution, coalitions will not only have to cross ideological divides, but ethnic divided also, if they are to enjoy the support *both* of the majority of the senate, *and* of 40% of each state’s senators. Rightfully, one wonders how stable such a system of governance would be. Furthermore, Greek Cypriots have grown used to electing the executive branch by direct popular vote, and the provision that the Presidential Council will be appointed by the senate, only serves to confirm in their eyes how “undemocratic” the UN Plan is.

One alternative is to adjust the executive so that it will be a “presidential” rather than “prime-ministerial” system: The Presidential Council, in this case, would be chosen directly by the people, through the institution of an electoral college in which each constituent state will elect an agreed proportion of the electors. We see in figure 3.7, that the Turkish Cypriots are not just willing to tolerate such an amendment, but they would in fact strongly prefer it themselves: About 44% consider the direct election of the Presidential Council to be an absolutely essential improvement, while only 11% of the Turkish Cypriots would consider such an amendment unacceptable. “More democracy”, it would seem, is just as much a demand of the Turkish Cypriots as it is of the Greek Cypriots.

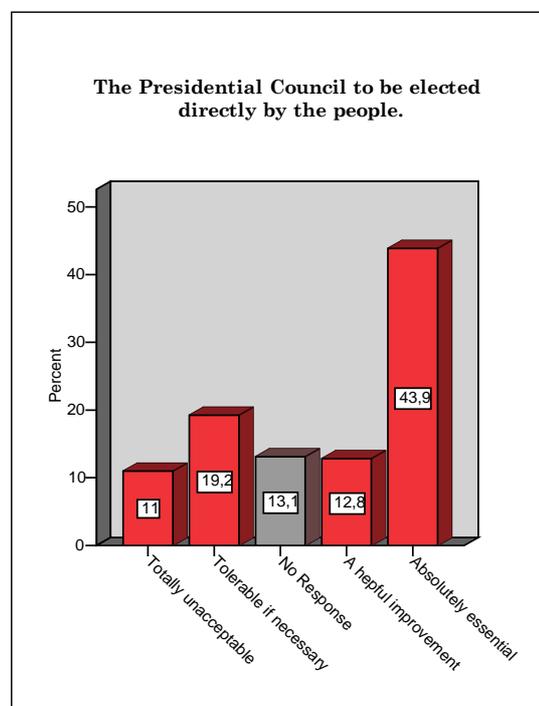


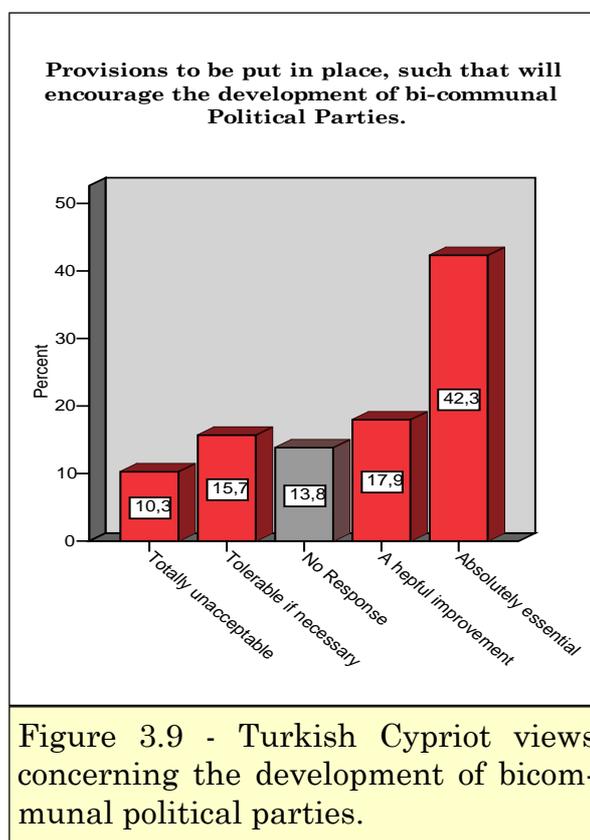
Figure 3.8 - Turkish Cypriot views concerning the direct election of the Presidential Council.

The final governance theme that will be examined here, concerns the development of an integrated political culture. On the run-up to the referendums, many Greek Cypriots were complaining that the UN Plan, if adopted, would not lead to the development of shared institutions, that “separateness” of the two communities was over-emphasized while “integration” was neglected. On the political dimension, for instance, many Greek Cypriots would like to see the development of bicomunal political parties, which would have political ideology rather than ethnicity as their unifying characteristic. How would the Turkish Cypriots feel about such a development? Are they also in favour of integrated institutions, or do they instead place a premium on “separateness”?

On this matter, figure 3.8 is revealing: About 43% of Turkish Cypriots would consider the development of bicomunal political parties essential, while a further 18% would consider them desirable. In total, we might say that 61% of the Turkish Cypriots would positively welcome the development of bicomunal political parties, while only 10% of the Turkish Cypriots might be said to strongly oppose such a development.

Of course, the precise constitutional and legal provisions that might en-

courage the development of bicomunal parties, is a matter that requires a separate analysis of the socio-political dynamics involved. Some possibilities that are worth examining, is to ensure that both constituent states hold their local elections on the same day, or to allow weighted cross-voting in the senate, so that Greek Cypriots also vote for the Turkish Cypriot senators, and Turkish Cypriots also vote for the Greek Cypriot senators.



Chapter 4: Property

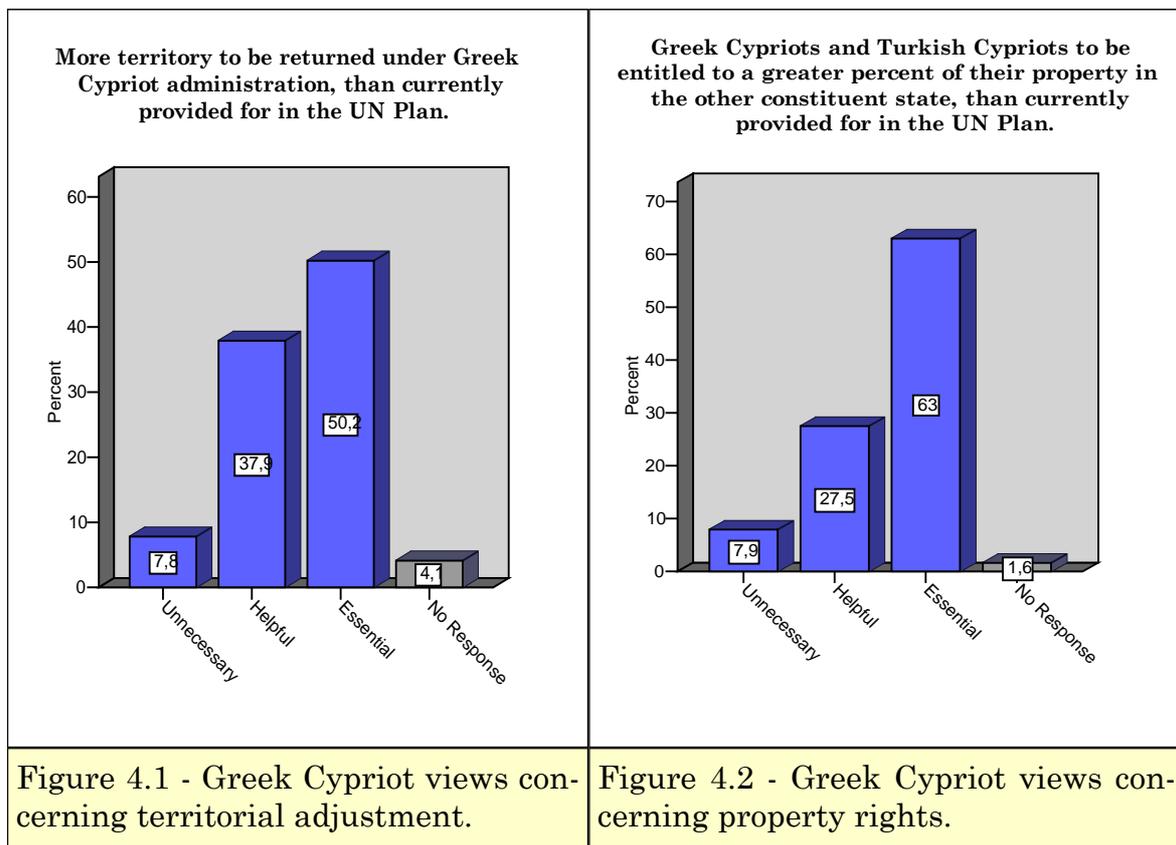
The issue of property rights became a particularly complex aspect of the Cyprus Problem after the events of 1974, when hundreds of thousands of Cypriots were forced to abandon their homes and relocate elsewhere, Greek Cypriots to the south and Turkish Cypriots to the north. Inevitably, most of the Turkish Cypriot refugees resettled in homes that belonged to Greek Cypriots, while most of the Greek Cypriot refugees resettled in houses that were built for them in refugee camps, camps which were mostly built on Turkish Cypriot land.

Over the last thirty years, while Turkish Cypriots have been taught to think that “These are our homes now, we should forget about our old homes in the south”, the Greek Cypriots have been longing for the day when they would all return to their homes and their villages. Thus, while for the Turkish Cypriots the Cyprus Problem has mostly been a struggle in achieving political and geographic autonomy with the issue of property receding to the background, a mere legal technicality that would some day be resolved, for the Greek Cypriots it has been a struggle for the “right to return”, a struggle to one day revitalize abandoned towns and abandoned villages, and re-imbue them with the spirit of their culture and civilization. In consequence, Greek Cypriots tend to believe that a Solution Plan which does not guarantee the right of return for all refugees, is not “a real solution”, but rather “a concealed partition plan”, “which is deviously being proposed to us”.

The Greek Cypriot vision on a political level, ever since the high level agreements of 1977, has been that, within a Bizonal Federal framework, about 90,000 - 120,000 refugees would return under Greek Cypriot administration through territorial adjustment, while a further 50,000 - 80,000 refugees (the remainder, that is) would have the right to return under Turkish Cypriot administration, without thus harming the principle of bizonality since the Turkish Cypriots would still form the great majority in the north. Therefore, the

struggle for “the right of return” has been fought on two fronts: On the one hand, achieving substantial territorial adjustments so that as many Greek Cypriots as possible would return to towns like Famagusta and Morphou under Greek Cypriot administration, while on the other hand upholding the property, residence and cultural rights of those refugees whose homes would fall within the territory to be administered by the Turkish Cypriots.

It is worth asking at this point, which of these two aspects - territorial adjustment or property rights - the Greek Cypriots feel is most satisfactory in the recent UN Plan, and which, in their opinion, still needs to be extensively improved:



We see from figures 4.1 and 4.2 above, that the balance is definitely in favour of further improvements on property rights, rather than on territorial adjustment: Whereas only 50% of Greek Cypriots consider that it would be essential to have more property returned under Greek Cypriot administration, a full

63% insist that it is absolutely essential for refugees to be entitled to a greater proportion of their property in the other constituent state, than currently provided for in the UN Plan. Indeed, discussions concerning the UN Plan last year rarely criticized “the map” of the UN Plan, except perhaps to complain about the removal of Karpasia region from the list of territories to be returned, or the fact that the distribution of coastline would inequitably favour the Turkish Cypriot side. Instead, criticism was widespread about the property provisions of the Plan, about the strict restrictions on residence rights, about the lack of planning for the social, cultural and educational needs of Greek Cypriots returning under Turkish Cypriot administration. In other words, Greek Cypriots felt that the “second aspect” of the right to return, the return that is under Turkish Cypriot administration, was not guaranteed in the UN Plan.

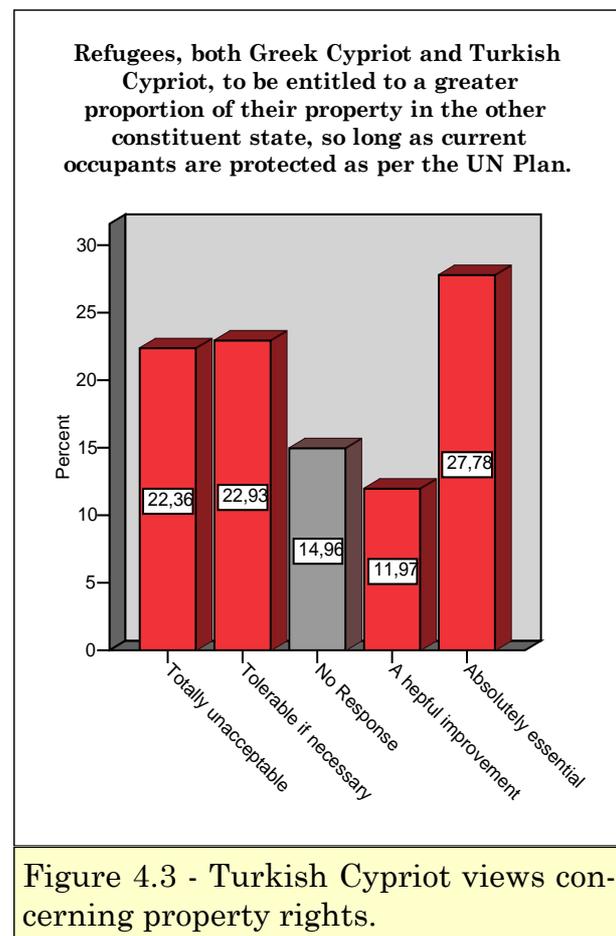
It is important at this point to try and understand more deeply Greek Cypriot anxieties about the property provisions of the UN Plan. Essentially, Greek Cypriots took offense with two particular aspects of the property provisions: On the one hand, the fact that an arbitrary limitation of “one third of total property” was set to the amount of property that one could claim, and on the other hand, the fact that on the priority system devised in the Plan to decide who would have the right to keep a property, Greek Cypriots felt themselves to be at the bottom of the list. First priority was given to Turkish Cypriots who were themselves refugees from the south, then second priority was given to holders of property that had been significantly improved, third priority to people who had bought such property from Turkish Cypriot refugees, even if they themselves were not even Cypriot, fourth priority to settlers from Turkey who might have lived in these houses for at least ten years, and finally, Greek Cypriots would be allowed to claim anything that hadn’t already been claimed under any of the above rules, so long as that claim did not exceed one third of their total holdings. The net result was that most Greek Cypriot refugees were not sure what, if anything, they would be allowed to reclaim from

their original property. Furthermore, the complexity of the above rules made them feel that “the Annan Plan is deviously misleading in the small letters” and the fact that so little respect was paid to the rights of original owners made them denounce the Plan “as containing severe violations of human rights”.

One may ask at this point: Is there a way to remedy this situation, in such a way so that Greek Cypriots will no longer feel unjustly treated, while at the same time ensuring that the needs of individual Turkish Cypriots and of the Turkish Cypriot community as a whole are also respected ?

A first avenue of approach might be to inquire whether the Turkish Cypriots would be willing to allow a greater proportion of each refugee’s property to be returned to its original owners, but without changing the “exceptions system”:

In Figure 4.3, we see that the Turkish Cypriots would indeed be willing to tolerate such an approach: Only about 22% of Turkish Cypriots would strongly object to Greek Cypriots getting back a greater proportion of their property, and, in fact, about 40% of the Turkish Cypriots would positively welcome such an amendment. This result is intriguing, perhaps what is at play here is the sense of justice and honesty of the Turkish Cypriots themselves, who do not wish to hold on to property that is not rightfully theirs.

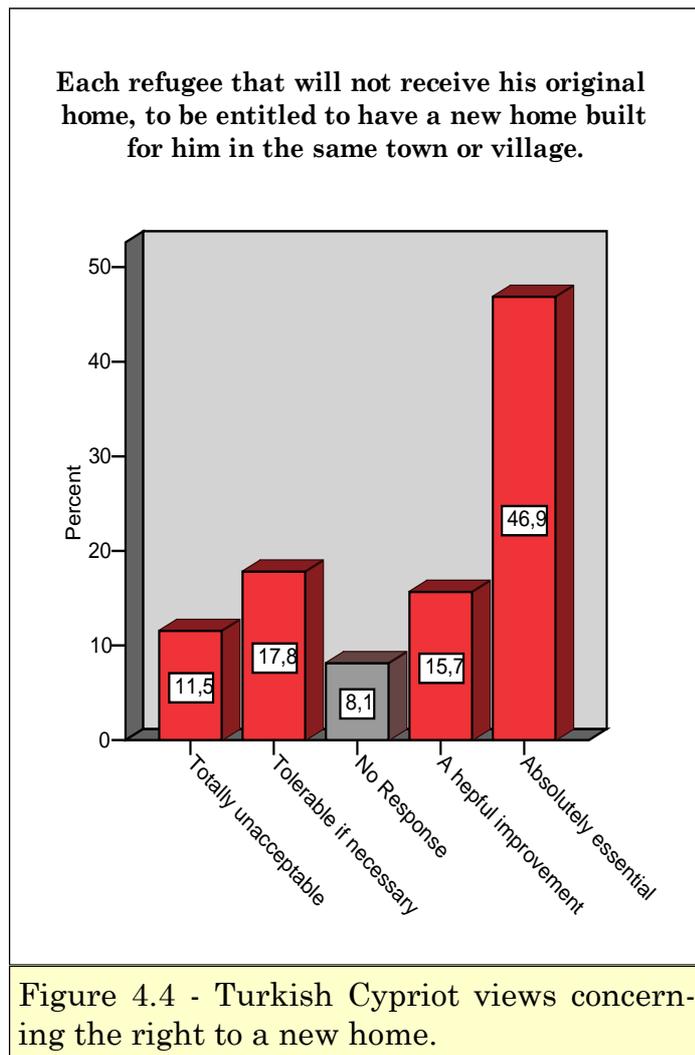


One may ask at this point: If the Turkish Cypriot current tenants were already protected through the “exceptions system” described above, then what was the reasoning behind the added restriction that “only one third of property could be reclaimed”? The answer is simple: One of the parameters of “bizonality” as it was being negotiated over the years was that the Turkish Cypriots would form the majority of the population *and* own the majority of property in the northern constituent state. This particular guideline requirement, has been translated in the UN Plan as the “one - third limitation” that is so unpopular with Greek Cypriots. But is it really necessary? If one examines more carefully the property regulations in the UN Plan, one finds that there is much property that will not be returned to Greek Cypriots anyway - namely, corporately owned land, church owned land, and state owned land. Furthermore, much of the land in the north was originally owned by Turkish Cypriots anyway, and the application of the “exceptions system” will put more of this land in Turkish Cypriot hands. So even if all privately owned Greek Cypriot land that does not fall under the exception clauses is returned to its original owners, it is likely that Greek Cypriot property ownership in the north will not exceed 25 - 30% of the total land.

Of course, while Turkish Cypriots might be generous about returning property that they are not using to original owners, one may reasonably expect that they would not be similarly forthcoming when it comes to returning those properties which they are currently using. An amendment whereby original owners would have priority control of all property, with no exceptions to protect current occupants whatsoever, would undoubtedly be deeply unpopular amongst the Turkish Cypriots, who would rightly predict that under such a Plan the life of their community would be turned upside-down. So, when it comes to the “exceptions system”, it is not conceivable that Greek Cypriots will suddenly be moved from the bottom to the top of the priority list, as they perhaps would have liked. There might however be a case to be made for moving the Greek Cypriots, if not to the top, then at least to the

middle of the priority list. One way to achieve this without upsetting the daily life of the Turkish Cypriot community, is to allow Greek Cypriot owners priority control of their properties over non-Cypriot current occupants. This will help to alleviate the feelings of indignation that Greek Cypriots suffer from, when they hear that their houses are being sold to foreign nationals “who are making holiday homes of their childhood memories”. Such an amendment would not of course mean that the non-Cypriot current occupants would lose their investments: Simply, the full compensation which the Greek Cypriot would have received for his home, will go to the current occupant instead.

Such cases, of course, are in the minority. Most Greek Cypriot homes in the north are occupied by Turkish Cypriots, themselves refugees from the south, and it would certainly be inappropriate to insist that Greek Cypriots should have priority control over such homes as well. However, the demand of Greek Cypriots to be able to return to their home town, if they wish to, cannot be ignored either. A balanced solution to this problem might be to grant to each refugee the right to a new home in the same town or village, in case he is not entitled to return to his original home. The Turkish Cypriots, we see in figure 4.4, would not have a problem with such an arrangement - in fact, about 63% would positively welcome it.



This willingness of the Turkish Cypriots to accept the “right to a new home” provision, can perhaps be explained in two ways. The first is that they sympathize with the plight of Greek Cypriot refugees, that they too wish to find a way that will allow the Greek Cypriots to somehow exercise the right of return. The second explanation - which complements rather than excludes the first - is that the Turkish Cypriots are themselves concerned about their own right of return to the south, that they would perhaps like to return, or to at least have a second home, in Limassol or Larnaca or Paphos, but that under the current provisions of the UN Plan they may not have been entitled to these properties. Indeed, we have seen in this study that about 20% of the Turkish Cypriots would contemplate permanently living in the south after a solution, while 40% of the Turkish Cypriots would contemplate working in the south, presumably returning to their permanent residence in the north for weekends and holidays. For all these reasons, the “right to a new home” would be a very popular amendment, not just for the Greek Cypriots, but for the Turkish Cypriots as well.

On a practical level, such a clause would not be difficult to implement: Ex-agricultural land at the outskirts of towns and villages could be taken up by the Property Board, subdivided into residential plots, and given over to the refugees in question so that they can build their new homes. A welcome side effect of this arrangement would be that new neighborhoods would arise, neighborhoods of Greek Cypriots in the north and of Turkish Cypriots in the south, where the ex-refugees could feel more at home amongst people of their own ethnic group.

Another dimension to the issue of refugee rights, beyond property, is the right to become a resident of the other constituent state. In the most recent version of the UN Plan this right was strictly controlled, with only 1% of the population of a constituent state being allowed to hail for the other constituent state in the first year, 2% in the second year, 3% in the third year and so on. This

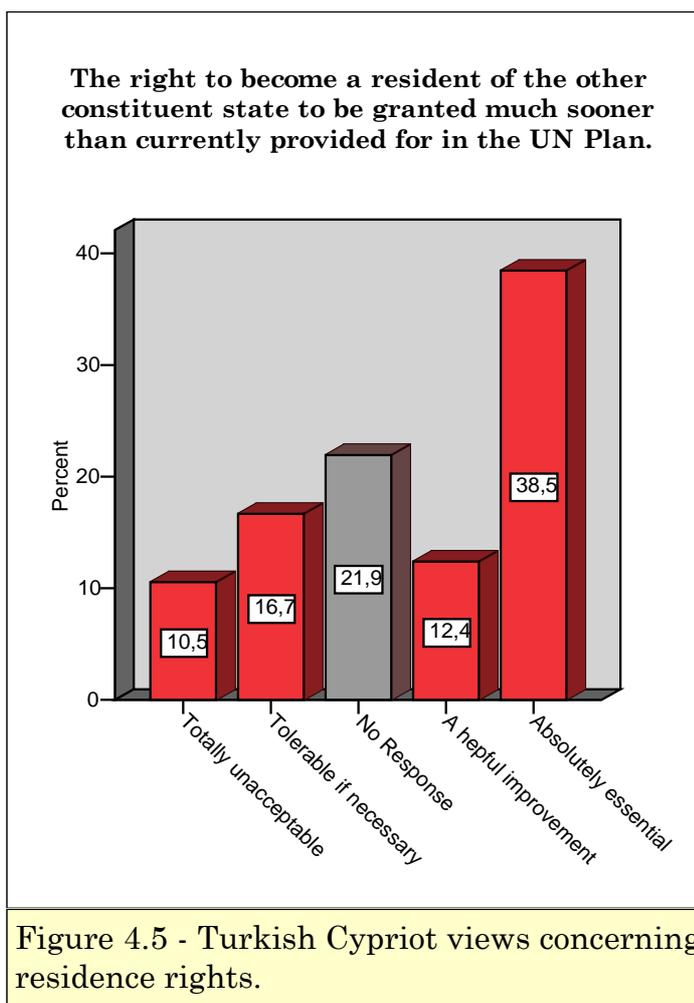
limitation, in fact, did not just apply as a grand total for the constituent state as a whole, but for each town and village separately. So in a village of 500, 5 persons from the other constituent state would be allowed to become residents in the first year, another 5 persons in the second year, and so on. This strict limitation of residence rights was vehemently opposed by the Greek Cypriots, who felt that with such constricting limits, the “critical mass” for the development of Greek Cypriot life in the north would never be reached. For instance, at which point would a Greek school be built in a certain township, if only 5 or 10 Greek Cypriots are allowed to settle there each year?

The official reasoning behind this restriction was that the Turkish Cypriot populace would need time to become accustomed to the presence of Greek Cypriots. Off the record however, an important consideration behind these strict limitations was precisely “to take the steam out of a potential relocation movement of Greek Cypriots to the north”. The overall aim behind such reasoning, as far as the Turkish Cypriot leadership of the time was concerned, was to ensure that the end result would be two ethnically pure constituent states, wherein all the Greek Cypriots would reside in the Greek Cypriot state, and all the Turkish Cypriots would reside in the Turkish Cypriot state; something, of course, which is contrary to the spirit of the 1977 and 1979 High Level Agreements, which talked about *majority control* of each constituent state by the community in question, and not about *total ethnic purity* of the constituent states.

Of course, the Greek Cypriots received the message behind these artificial restrictions loud and clear: “You are not welcome in the north, your presence here would be disliked and would cause problems. Please stay away”. Not surprisingly, this tendency to ethnic purity and total separation which was embedded in the UN Plan, based on the demands of the Turkish Cypriot leadership of that time, was a prime determinant of the Greek Cypriot “No” vote in last April’s referendum.

Going back to the “official reasoning” behind this restriction, one may ask: How would the Turkish Cypriot people themselves feel if the right of residence was granted in a “more generous” fashion? Would they feel uncomfortable, or insecure, or angry, to have Greek Cypriots coming to live in the north without the strict controls which the UN Plan provided? Figure 4.5 below may help to provide an answer to this question:

To the proposal that “the right to become a resident of the other constituent state should be granted much sooner than currently provided for in the UN Plan”, only about 11% of the Turkish Cypriots strongly objected. A large proportion of the population, about 39%, did not just find such an amendment tolerable or desirable, but in fact positively essential. Again, this is a surprising result, far removed from the official position of the Turkish Cypriot old guard: One likely interpreta-



tion of this result is that the Turkish Cypriots, having themselves had their freedoms limited over the last thirty years, and quite aware that such limiting provisions of the Plan affect them just as much as they affect the Greek Cypriots, now demand that they too be given the freedom to live and work wherever they wish, just as much as they are willing to give this freedom to the Greek Cypriots.

Of course, it is important at this point not to lose sight of the fact that, while about 50% would consider the lessening of residence restrictions to be a positive improvement, the other 50%, while not necessarily objecting, would certainly be hesitant. More specifically, about 17% would just tolerate - rather than positively wish for - such an amendment, a further 22% are so ambivalent about this issue that they could not respond one way or the other, while a final 11% would actually object to a lessening of restrictions. While these proportions are not large enough to overturn the current in favour of greater freedom, they are still enough to make one stop and think. When we also recall that in the first three to five years after the agreement, the potentially charged subject of property disputes will be on the daily agenda (and the daily news), it might perhaps be unwise to encourage mass relocation of Greek Cypriots to the north, until all such property issues have first been dealt with. Furthermore, these first three to five years may profitably be used by the Reconciliation Commission to educate the more ambivalent Turkish Cypriots about the benefits of co-existence, so that when Greek Cypriots do in fact relocate to the north, it will be amongst a population that is ready to receive them. After that point it would be more appropriate, and more popular, to remove all restrictions to residence, except of course the permanent restriction that Greek Cypriots may never be more than 33% of the population of the Turkish Cypriot state, which restriction is necessary in order to protect the - essential to Turkish Cypriots - principle of bizonality.

Chapter 5: Settlers

Out of the various aspects of the Cyprus Problem, the issue of “settlers” is definitely the youngest: It began to exist as an issue in the late 1970s, when Turkey developed a new policy, to bring Turkish Citizens into Cyprus and install them into freely donated Greek Cypriot homes. Various explanations have been offered for the development of this policy, most prominent ones being that Turkey was seeking to strengthen the Turkish-speaking community’s workforce, and also that she was seeking to alter the demographic balance of Cyprus in favour of the Turkish-speaking community. Before we proceed to examine the response of the Cypriots themselves to the issue of settlers, it may be useful to first try to assess the extent of the problem:

To the extent that our sample of 700 Turkish Cypriots is representative of the total population, we can say that about 67% of residents in the north are Turkish Cypriots who have been in the island since before 1974, while 17% are immigrants who came to the island between 1974 and 1979. (It should be noted that out of

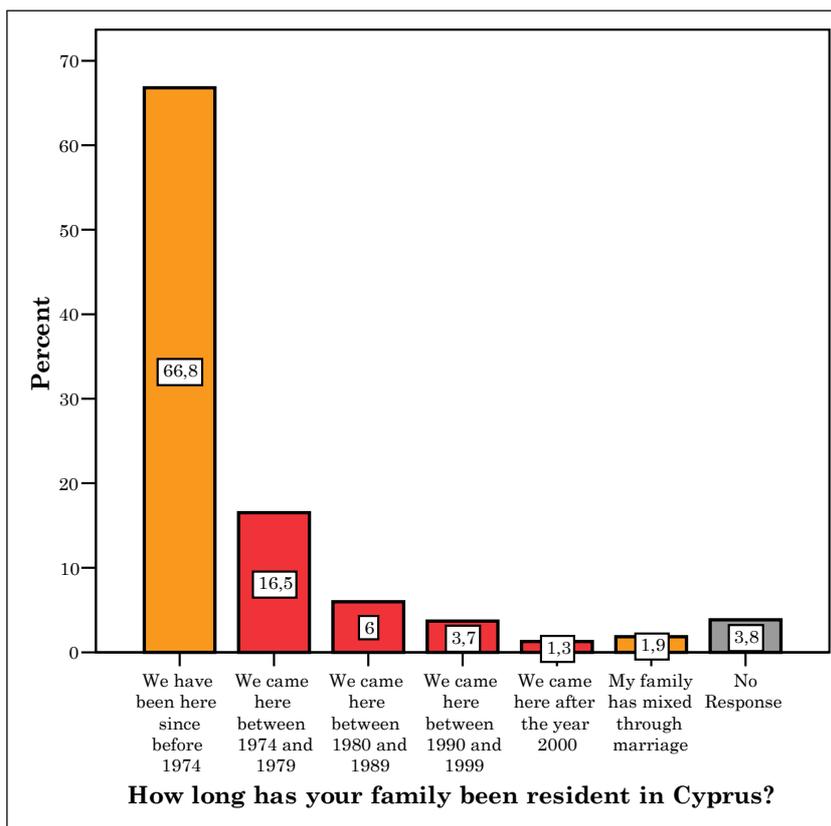


Figure 5.1 - Demographic analysis of the Turkish-speaking population currently living in the north of Cyprus.

this 17%, about nine tenths are Turkish Citizens while about one tenth are Turkish Cypriots who in the 1970s returned from emigration). A further 6%

of the population, nearly all of them Turkish Citizens, came into Cyprus in the 1980s, while about 4% of the population, again Turkish Citizens, arrived in the 1990s. Finally, a small proportion of the population - about 1,5% - only arrived on the island after the year 2000. Mixed marriages between Turkish Cypriots and Turkish Citizens have also been reported, and the total percent of those is about 2%.

To translate these percentages in real numbers, we have to first make some assumptions about the total population in the north. By taking as a base the number of individuals who voted in last April's referendum, and adding to that the projected number of under-aged children, we reach a total figure of 225,000 individuals. From this total we can deduce the following approximate figures:

Turkish Citizens who came in the 1970s	32,500
Turkish Citizens who came in the 1980s	13,500
Turkish Citizens who came in the 1990s	9,000
Turkish Citizens who came since yr 2000	4,000

Table 5.1 - Number of Turkish Citizens who have settled in Cyprus since 1974, sorted by decade of entry.

It should be noted that Table 5.1 above does not include the so-called “illegal workers”, the large group of Turkish Citizens who entered Cyprus without any border control checks in the 1990s, when the requirement to present a passport was waived for those entering from Turkey. This large group, unregistered and invisible to all authorities, is estimated to amount to about 40,000.

Therefore, if the “illegal workers” are not counted, as is usually the practice when the Turkish Cypriots are asked to estimate the number of settlers, the total is about 60,000. If however we also include the “illegal workers”, as is

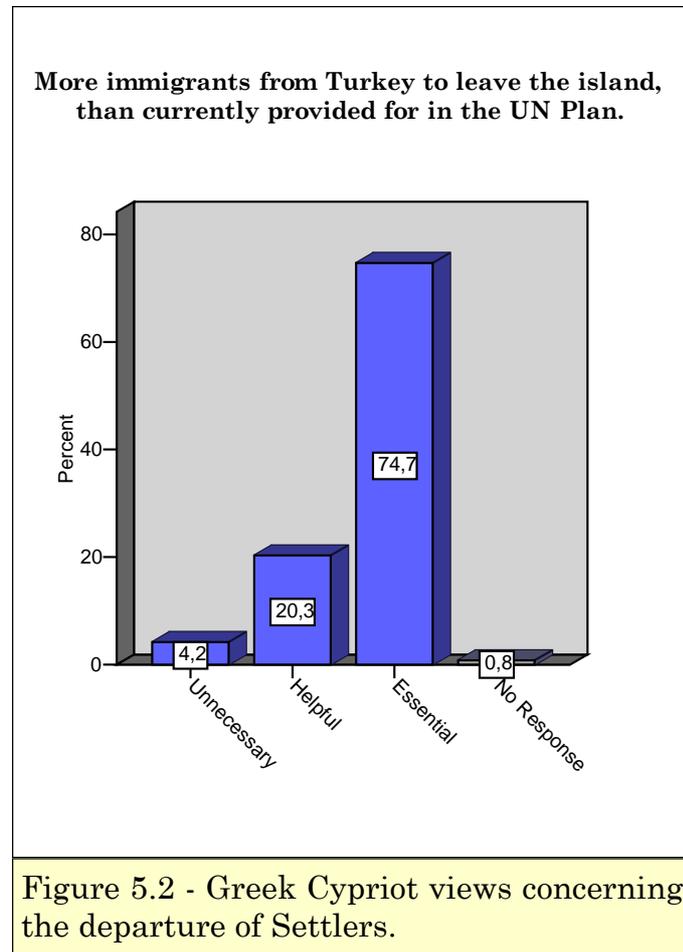
usually the practice when the Greek Cypriots try to make their own estimation, the total number of settlers is about 100,000 individuals, children included.

Now we may begin to tackle the difficult questions surrounding this issue: Under the UN Plan, how many of these 100,000 would stay? Officially, the number given in the Plan is 45,000 individuals, children included, whose names were to be written on a list and delivered to the UN before the ratification of the agreement. In practice however, the UN Plan also included other clauses which bore on this issue, namely the “naturalization” clause and the “facilitated naturalization” clause. According to the first clause, those who lived in Cyprus for at least nine years, four of which to be after the date of the Solution, can also become citizens of Cyprus by naturalization, so long as they don’t exceed 5% of the constituent state population. In real numbers, this means that a further 10,000 settlers would also become citizens of Cyprus 4 years after the solution. Furthermore, the facilitated naturalization clause states that the children of Cypriot citizens may also become citizens of Cyprus themselves, by virtue of their parents’ citizenship. This may seem like an innocent addition, however it opens the system up for abuse in a very subtle way: By “failing to include” under-age children in either the 45,000 or the 5% quota, one could radically increase the number of settlers who would remain, since those children would be given, on the very next day, citizenship by facilitated naturalization. Therefore, though theoretically the UN Plan would only grant Cypriot citizenship to 45,000 Turks, in actual fact that number would range anywhere between 55,000 and 80,000 individuals, depending on how much the facilitated naturalization clause is abused.

Having all the above in mind, it should come as no surprise that the Greek Cypriots were complaining that “the Annan Plan is deceptive on the issue of settlers”, and that “with the Annan Plan almost all settlers are made legal”.

The strength of Greek Cypriot emotion on this issue, can clearly be discerned in figure 5.2 below:

We see that about ... 75% (!) of Greek Cypriots, consider that it is absolutely essential for more settlers to leave the island than currently provided for in the UN Plan, while only ... 4% would consider such an amendment unnecessary. Clearly, the Greek Cypriots are taking the issue of settlers very seriously. One may rightfully wonder at this point, and ask why it is that the Greek Cypriots rate the withdrawal of more settlers from Cyprus as their “number one priority”.



Greek Cypriots themselves, generally give three reasons for insisting that more settlers should leave the island: Firstly, because they are living in Greek Cypriot properties, which the original owners want back. Secondly, because “they have a different cultural make-up to the Turkish Cypriots, and they would “cause problems” after a solution, either refusing to accept integration with Greek Cypriots, or insisting on direct guidance of the Turkish Cypriot community by Turkey”. Thirdly, it is felt by many Greek Cypriots that to legalize the settlers now would be “like rewarding Turkey for the war crime she committed, namely, settling an occupied territory”, “and therefore encouraging Turkey to violate International Law with renewed audacity”.

It may be helpful at this point, to more carefully examine these three concerns which the Greek Cypriots voice concerning the settlers issue.

The first concern, that the settlers currently reside in Greek Cypriot properties, is undoubtedly factually accurate. Most settlers have simply had Greek Cypriot homes donated to them when they came to Cyprus, while a few others “bought” Greek Cypriot properties from Turkish Cypriots who had been given the stewardship of these homes. Up to here, the facts are clear. The Greek Cypriot concern is that, according to the UN Plan, the settlers would not have been required to vacate these properties and return them to their original owners. Is this allegation true? At this point, the facts are murky and require careful analysis. At a first glance, the UN Plan only grants primacy of property control: a) to Turkish Cypriots who were themselves refugees and who have equivalent property to exchange in the south, and b) to current occupants who control properties that have been significantly invested on since 1974. None of these two clauses seem to protect settler occupants, since they neither have property to exchange nor have they, on the whole, significantly invested on the properties they hold. According to a *caveat* clause, however, if a current user has lived in a house for at least ten years, and if the original owner himself lived in the house for less than ten years, *then the Property Board will have the authority to decide who should be awarded the property, taking all factors into account.* The main beneficiaries of this *caveat* are of course settler current occupants, most of whom have lived in such properties for at least twenty years - and this is a clause which the Greek Cypriots did not miss noticing, when evaluating the UN Plan.

Another, subtler way in which Greek Cypriots felt that their properties would revert to settler ownership under the UN Plan, was through the overall functioning of the Property Board: Given that original owners would only be entitled to the re-instatement of one-third of their property, it stands to reason that large volumes of property would come under the stewardship of the Prop-

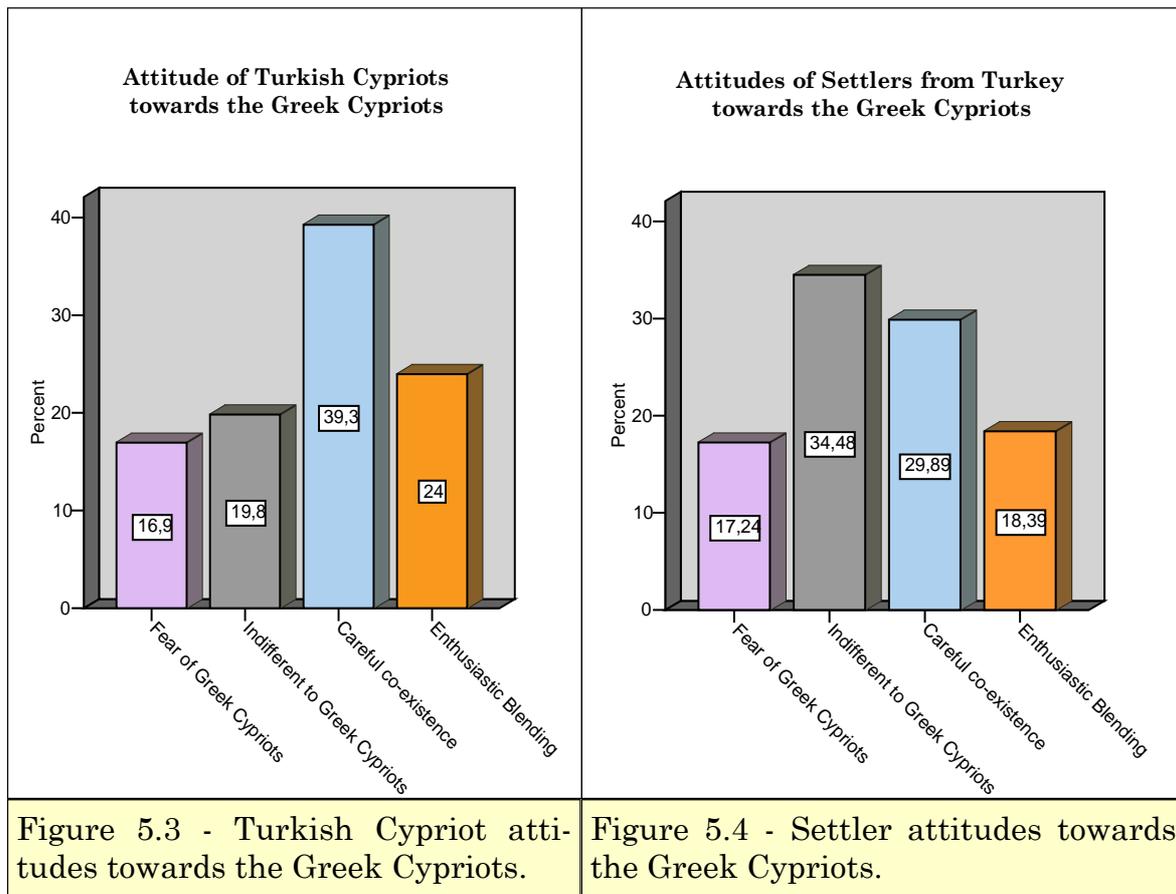
erty Board, which Board would then seek to sell these properties in the free market. The operation of the free market, however, would be hindered in this case by yet another clause in the UN Plan, which bans Greek Cypriots - and all other EU citizens for that matter - from purchasing property in the Turkish Cypriot constituent state, for the first 15 years after the agreement. Therefore, the only significant demand for properties in the north will be from residents of the Turkish Cypriot constituent state, 55,000 to 80,000 of whom will, as we have already determined, be ex-settlers. The artificially high supply of property, coupled with the artificially low demand, would most probably translate to extremely low market prices. Bearing these dynamics into account, it should therefore come as no surprise to learn that the Greek Cypriots were complaining that “with the Annan Plan our homes will be taken away from us, and then sold to the settlers for peanuts”.

Overall, we may conclude that there is truth in the Greek Cypriot allegation that, according to the UN Plan, many if not most settlers would end up in Greek Cypriot properties. One poignant remark that was made before the referendums, and which serves to sum up Greek Cypriot sentiments on this issue was: “All these years, we have been saying that all the refugees should return to their homes. If however we vote in favour of the Annan Plan, that will amount to admitting that all the settlers should remain in our homes” - and this remark was made from within the ranks of DISY, the only large party which officially supported the UN Plan, but whose voters eventually voted 55% against the Plan, if the relevant exit polls are to be believed.

The second concern which the Greek Cypriots put forward in regards to the settlers, was that “they would not socially integrate within the Cypriot community”, that “they would be psychologically reliant on Turkey”, “and therefore they would act as a Trojan horse through which Turkey would implement her policies in Cyprus”. Is there truth in these allegations also, or should we say instead that the Greek Cypriots are over-reacting?

One way to begin answering these questions, is to use the survey results to group the Turkish Cypriots into socio-ethnic groups, according to their attitudes and perceptions towards Greek Cypriots and towards Turkey, and then see if original Turkish Cypriots and settlers from Turkey have significantly different socio-ethnic profiles.

First, we shall compare the attitudes of Turkish Cypriots and Settlers, towards the Greek Cypriots:



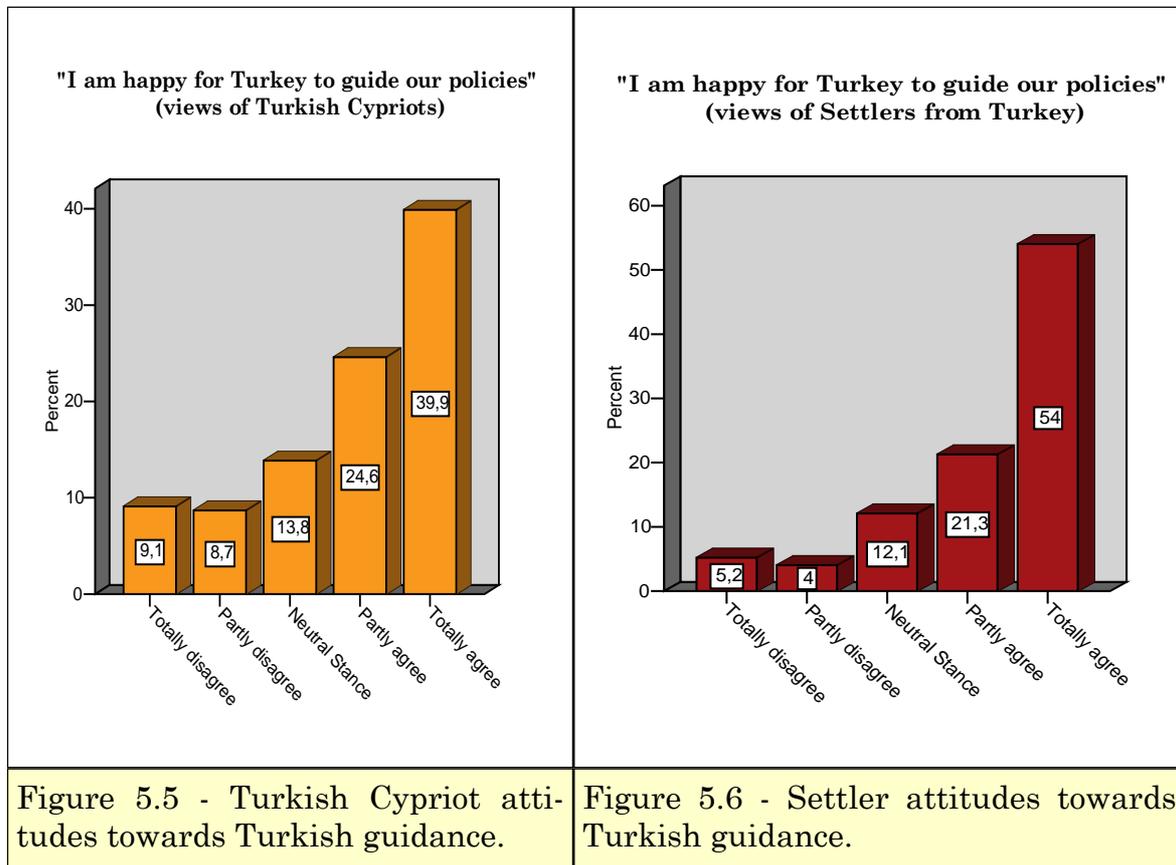
We see in figures 5.3 and 5.4, that the Turkish Cypriots and the Settlers can be said to fall into four different categories in their attitudes towards Greek Cypriots. The most positive, are those who favor a total blending of the two communities, with integrated schooling and inter-marriage, an overall blurring of the distinction between the two communities in favour of “Cypriotness”. In this group belong about 24% of the Turkish Cypriots and 18% of the

settlers. The second-most positive group are those who support a co-existence in which careful balances will be maintained, where the Greek Cypriots can certainly be friends, neighbours and work colleagues, without however it being advisable to inter-marry or go and live in the south of the island under Greek Cypriot administration, and in this group belong 39% of the Turkish Cypriots and 30% of the Settlers from Turkey. The third group, less positive than the first two, is somewhat indifferent towards the Greek Cypriots, neither thinking ill of them nor having any great desire to co-exist, and in this group belong 20% of the Turkish Cypriots and 34% of the Settlers from Turkey. In the final and smallest, but also most negative group, are people who actually experience fear and mistrust towards the Greek Cypriots, who consider the Greek Cypriots a threat and would actively seek to avoid them, and in this group belong 17% of the Turkish Cypriots and 17% of the Settlers from Turkey.

We see therefore that the attitudes of Turkish Cypriots towards Greek Cypriots, and the attitudes of Settlers from Turkey towards Greek Cypriots, are not radically different. The only notable difference between the two, is that while amongst Turkish Cypriots more people are in favour of careful co-existence than are indifferent to Greek Cypriots, in the case of Settlers from Turkey more people are indifferent towards Greek Cypriots than are in favour of careful co-existence. Otherwise, we see both amongst Turkish Cypriots and amongst Settlers many people who are willing to fully blend in an integrated Cypriot community, just as we see in both groups people who would wish to stay totally separate from the Greek Cypriots.

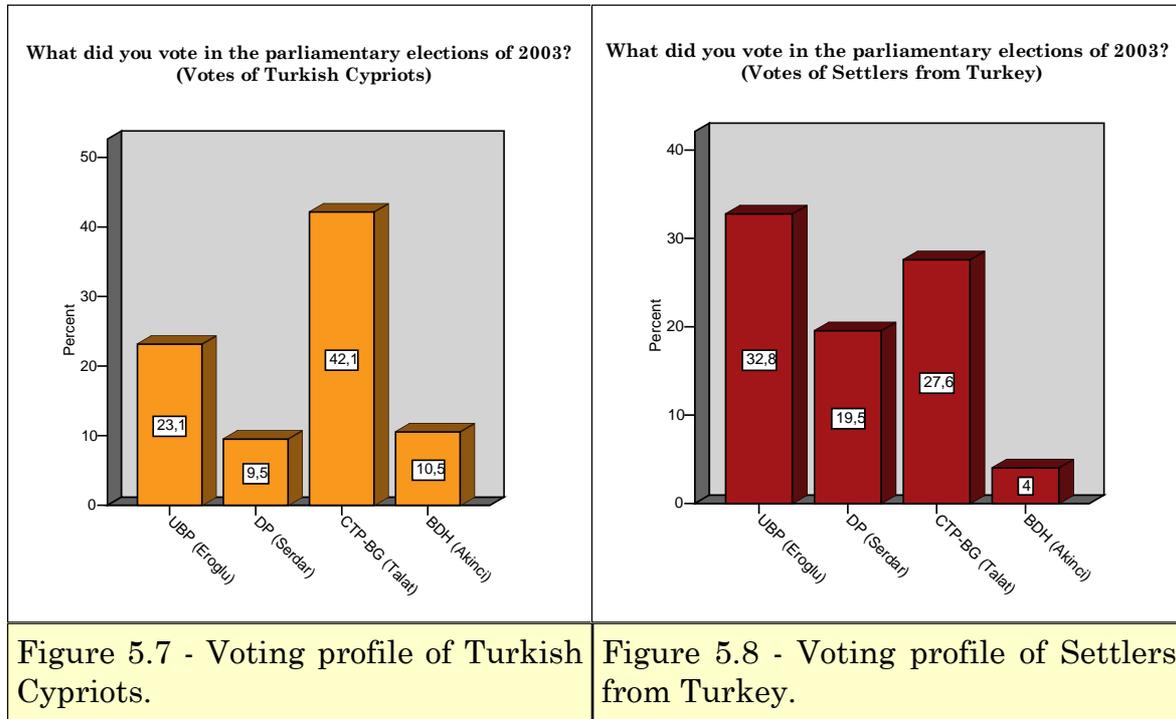
On this count therefore, it would seem that Greek Cypriot fears are exaggerated. If the momentum towards re-integration of the two communities is to be blocked by any group, it will be blocked by those who are fearful or indifferent towards the Greek Cypriots, irrespective of whether they were originally born in Cyprus or originally born in Turkey.

Having tackled this issue, we can now turn to the other concern of Greek Cypriots, that through the support of the Settlers Turkey will be able to influence Turkish Cypriot politics and therefore impose her own policies. In the following two figures, a comparison that is relevant to this issue will be made:



We see in figures 5.5 and 5.6, that Turkish Cypriots and Settlers do not much differ in their attitudes towards Turkish guidance. To the statement “I am happy for Turkey to guide our policies”, 40% of Turkish Cypriots and 54% of Settlers totally agree, 25% of Turkish Cypriots and 21% of Settlers partly agree, 14% of Turkish Cypriots and 12% of Settlers are neutral, 9% of Turkish Cypriots and 4% of Settlers partly disagree, while 9% of Turkish Cypriots and 5% of Settlers totally disagree. In other words, if political dependence on Turkey is a problem, then it is not a problem because of the settlers. Turkish Cypriots have also grown accustomed to Turkish guidance and dependence, therefore the overall balance of “dependence on Turkey” - as an ideological stance - would not particularly change if the settlers were evicted.

Having said that, it is in fact true that Settlers from Turkey have a substantially different voting profile to the Turkish Cypriots:



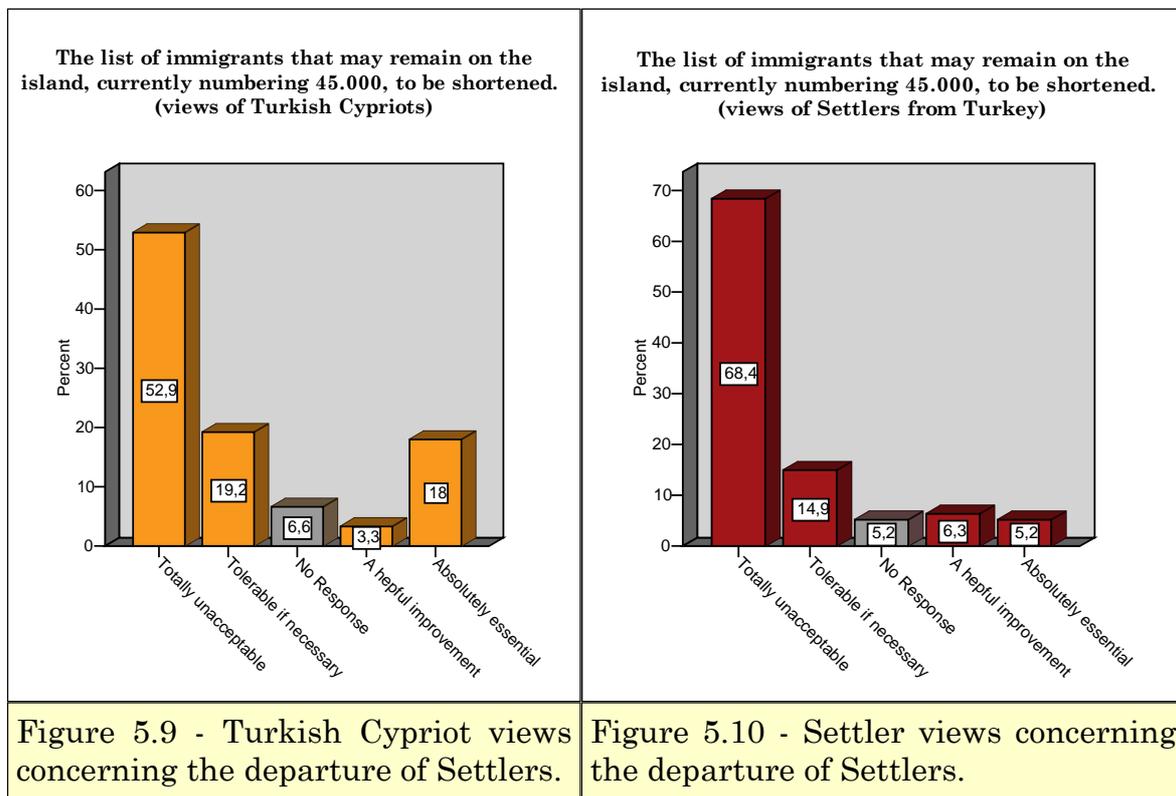
We see in figures 5.7 and 5.8 that Turkish Cypriots and Settlers from Turkey tend on the whole to vote for different parties. While Turkish Cypriots tend to favour CTP (Talat) over UBP (Eroglu) and BDH (Akinci) over DP (Serdar Denktash), the opposite is the case with settlers, who tend to favour what were branded in the 2003 elections as the “status quo” parties. In fact, we clearly see from figure 5.7 that, if it were not for settler voters, the progressive parties (CTP and BDH) would have gotten 53% of the popular vote, compared to 33% for the “status quo” parties (UBP and DP).

This tendency of settlers to vote for the traditional “status quo” parties, is usually explained as a consequence of the dependence which the settlers had on those who held power in the north of Cyprus, over the last thirty years. Their whole livelihoods depending on the good will of the “government” it came to be seen as a personal duty to vote in such a way so that those who had “helped them” would remain in power.

The previous few figures present us with a complex situation: On the one hand, Settlers are only slightly more dependent on Turkey than Turkish Cypriots are, on the level of personal convictions. On the other hand, Settlers show a strong tendency to vote for the “status quo” parties, those parties which are least interested in re-unification and most aligned with the Turkish “deep state”. Even though it is true that this preference of the settlers does not so much represent an ideological pro-Turkish choice, as it does a pragmatic calculation of personal interest combined with the power of habit, the net result is the same: Through the vote of the Settlers, the parties that least favour re-unification and most favour the dependence on Turkey remain strong. In this sense, the Greek Cypriot allegation that the Settlers will impede the process of *political* re-integration of the two communities does in fact have a basis in fact, much more so than their less credible allegation that the Settlers will impede the process of *social* re-integration in the context of everyday life.

The final Greek Cypriot argument against Settlers which will be considered here, is the legal argument: That the presence of Settlers in Cyprus is a violation of International Law, and therefore the perpetrator - Turkey - should not be allowed to escape without consequence. While there is some merit in this argument, and perhaps a case for insisting that Turkey should incur most if not all of the Settler-related costs of the solution, it could be argued that the Greek Cypriots are missing here an important parameter: Just as much as settling an occupied territory is a violation of International Law, it is similarly a violation of human rights to evict from a country people who have lived there for over twenty years, many of whom were in fact born in Cyprus and know no other place that they can call home. The solution to the problem of the settlers should be one that takes all these factors into account in a balanced way, so that justice is served on every level, not *only* on the level of states or *only* on the level of individuals.

Now that we have thoroughly examined the Greek Cypriot perspective on the issue of settlers, it is time to examine the Turkish Cypriot viewpoint as well: We know that Greek Cypriots would like it if most Settlers left the island, but do the Turkish Cypriots feel the same way, or would they object to such an amendment? Figures 5.9 and 5.10 below may serve to illuminate this issue:



For self-evident reasons, the responses of Turkish Cypriots and Settlers to the question “The list of immigrants (i.e. Settlers) that may remain on the island, currently numbering 45.000, to be shortened” are presented separately. The settlers themselves, as one might expect, strongly oppose such an amendment. More surprising however, is the strong objection that Turkish Cypriots themselves have, to the prospect of more settlers being asked to leave. As much as 53% of the Turkish Cypriots consider such an amendment to be totally unacceptable, leading us to suspect that a potential reduction of the number of settlers in a future peace plan, while satisfying the Greek Cypriots, may well end up eroding the majority of Turkish Cypriot support to the proposal. Clearly, this is an issue that will require careful balances to be kept.

Why, one might ask, do the Turkish Cypriots feel so strongly that no more settlers should be asked to leave? Perhaps they feel that settlers have by now integrated themselves in society, socially and economically, and that therefore asking them to leave now, after 20 or 30 years, would tear apart the fabric of their society and economy. Or perhaps, the Turkish Cypriots are experiencing here the inverse version of the “justice argument” - whereby they consider the eviction of so many people from the places they have come to call home, a violation of basic human rights.

Whatever the reasons of the Turkish Cypriots, one thing is clear: Satisfying the Greek Cypriot demand on the issue of settlers might not be so easy, if we also wish to maintain the Turkish Cypriot “Yes” vote in a future referendum. Is this, therefore, an irreparably deadlocked subject? Do the “red lines” of the two communities on this issue overlap in such a way, that any compromise is impossible?

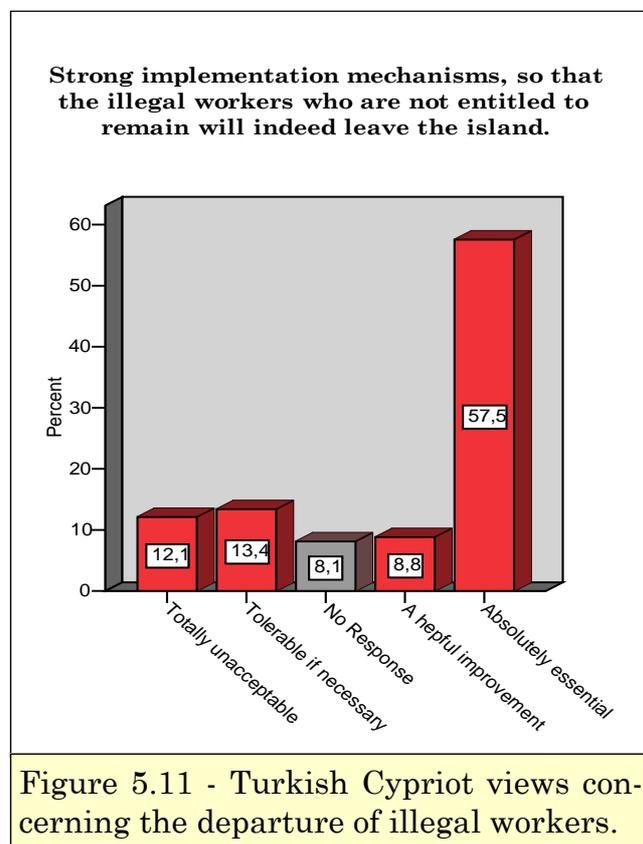
Not necessarily. If we just recall for a moment the specific issues which the Greek Cypriots have on this matter, we will see that the problem is not so much with the physical presence of 45,000 individuals, but rather: a) With the prospect that the real number would not be 45,000, but actually a lot more. b) With the prospect that these settlers would be staying in Greek Cypriot properties. c) With the prospect that after a solution these settlers would strengthen those political parties that will be opposing the agreement, and d) with the prospect that Turkey would not be appropriately punished for the crime of illegally settling an occupied territory. All these concerns, we might say, could perhaps be tackled separately, without affecting the “list of 45,000 individuals” which the Turkish Cypriots do not want to see shortened.

As to the first Greek Cypriot concern, that the real number of settlers to remain will be much more than 45,000, much could be done to alleviate their anxieties. One amendment could be not to allow two separate quotas, 45,000

individuals *plus* a further 5% of the constituent state population, but just one quota, the 45.000 individuals. To achieve this, a minor amendment could be made in the naturalization laws, so that the nine years required for naturalization would begin counting from the day of the agreement, not five years earlier, while at the same time strict restrictions should be placed for the granting of work permits, so that most people who are *not* on the list of 45.000 will *not* be able to stay on until they acquire citizenship by naturalization. A further amendment could be made, in the law concerning facilitated naturalization. More particularly, it could be made explicit that, if any children of parents that are on the list of 45.000 *are not also declared on the list as prescribed*, then they will *not* be entitled to citizenship by facilitated naturalization. This *caveat* would help curb abuse of the facilitated naturalization clause.

It should be noted at this point, that it is not only the Greek Cypriots who are concerned with the prospect of non-entitled foreign citizens remaining on the island:

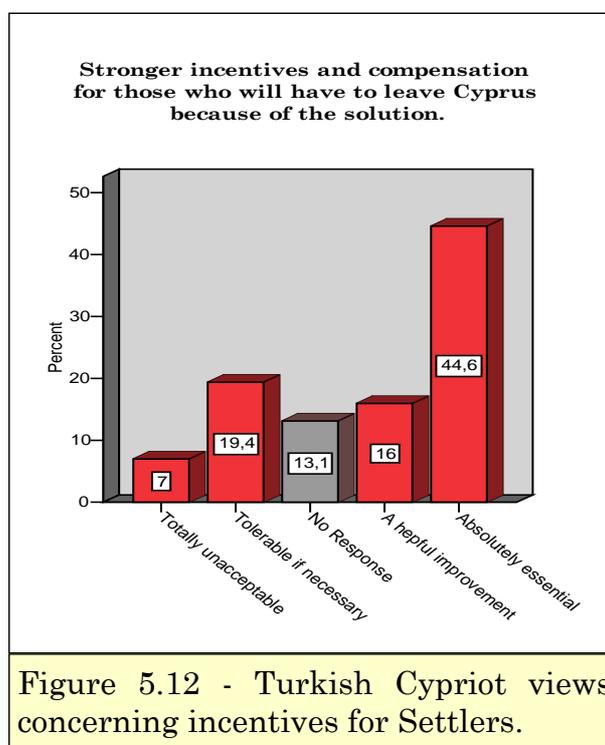
As we see in figure 5.11, the Turkish Cypriots themselves are deeply concerned about the implementation of immigration laws, and they *also* make the demand that the agreement is strictly adhered to. Turkish Cypriots, we may surmise, are also in distress over the lax application of “immigration laws” in recent years, something which led to the entrance of tens of thousands of illegal workers, and worsened the already poor employment prospects of the Turkish Cypriots.



So far, therefore, we see a partial consensus between Greek Cypriots and Turkish Cypriots on the issue of Settlers: Anyone who is not on the “list of 45,000” should definitely have to leave the island. Therefore, a simplification of the Plan in this respect, to remove the various “escape clauses” and clarify the criteria for inclusion on the list, as well as the institution of strong implementation mechanisms and strict timetables for Settler withdrawal, will make the Plan more popular to majorities of both communities.

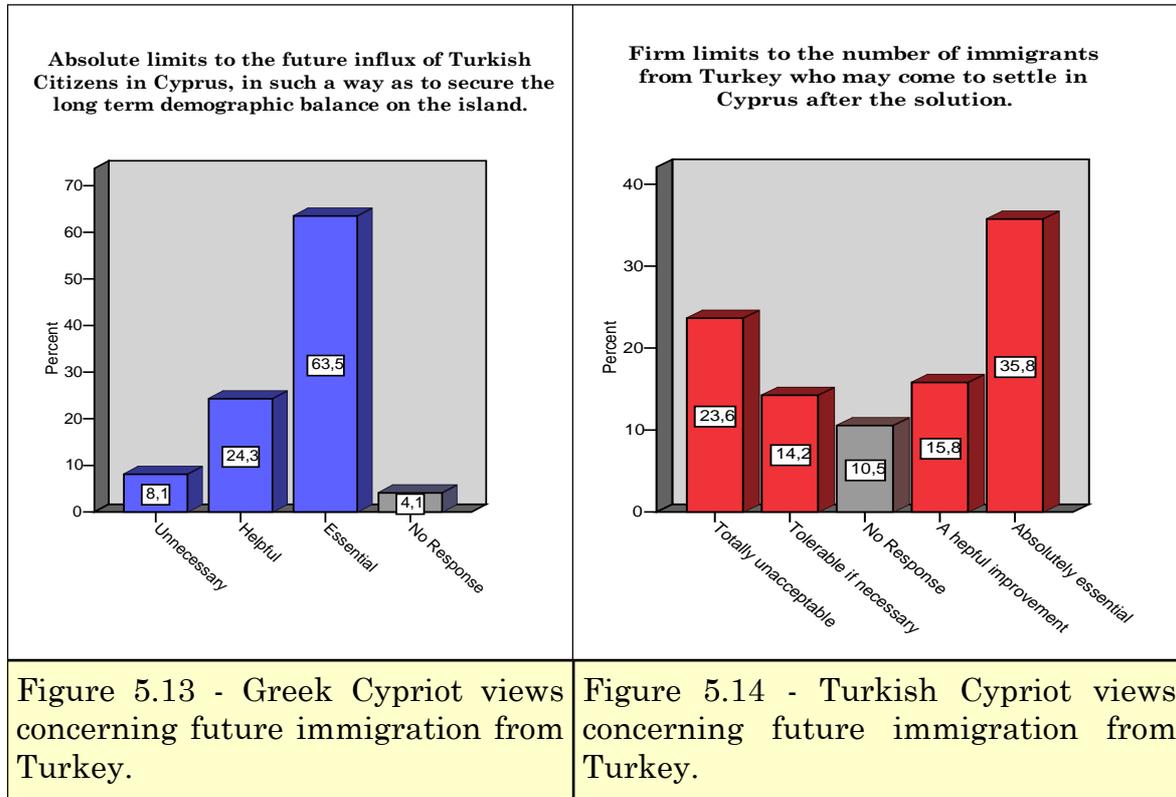
Having said that, we should not lose sight of the fact that consensus on this issue is only partial: Greek Cypriots would prefer it if no (or very few) Settlers remained, whereas Turkish Cypriots insist that a minimum of 45,000 should have the right to stay. Perhaps a way out of this particular deadlock might be to grant those 45,000 individuals special incentives, so that they may, if they so wish, depart voluntarily. Turkish Cypriots, we see in figure 5.12, would tend to favor such an “incentives approach”:

The question arises at this point: What would constitute an effective incentive such that would encourage a Settler to voluntarily depart. The prospect of repatriation to Turkey, even with substantial compensation cash, would not necessarily appeal to many, and furthermore it would add to the already very high cost of the solution. A more effective and less expensive approach, would perhaps be a promise from the United States that out of the



300,000 “Green Cards” granted by lottery each year, a quota of 5,000 annually would be allocated to Turkish Settlers in Cyprus, for the first ten years after the Solution.

Another related issue, on which Greek Cypriots and Turkish Cypriots happen to be “on the same page”, concerns the future immigration of Turkish Citizens into Cyprus, when Turkey becomes a member of the EU:



It would seem here that, while for Greek Cypriots the issue of future immigration from Turkey is a “red line” concern, for Turkish Cypriots it is also an issue that they are concerned about, and, on the balance, would prefer to see resolved in a clear and firm fashion.

In the UN Plan, this issue was deferred to an immigration law that would have to be passed 18 years after the solution, with the constitutional guideline that “the current demographic balance between Greek speaking and Turkish speaking citizens of Cyprus should be maintained”. Greek Cypriots however, feared that such a law would never be ratified by the Senate - in which agreement by the Turkish Cypriots would also be needed - and therefore they demanded that such a law should be included in the comprehensive settlement agreement. It would seem, from the above chart, that the Turkish Cypriots would tend to support rather than oppose such a clarification.

We have seen therefore that various creative solutions could be found, to satisfy the Greek Cypriot demand that more settlers should leave, without crossing the Turkish Cypriot “red line” that the list of 45.000 individuals should not be shortened. As we have said, however, the Greek Cypriot concern with Settlers is not simply about their physical presence on the island: On the related issues of settler-occupied properties, the political influence of Settlers, and the rendering of justice for Turkey’s “transgression”, various solutions could be found.

Concerning property, the most obvious improvement will be to enshrine in the constitution that Greek Cypriot original owners have priority control of their properties over Settler current occupants. Most especially, the clause which permits current occupants to stake a claim for a property if they have lived in it for more than ten years and the original owners have lived in it for less than ten years, should be removed from the Peace Plan. Such vague clauses would only cause bitter acrimonies in the post-Solution Cyprus, when each ruling of the Property Board would be despised and disputed either by one side or the other.

As well as the above improvements, the removal of the “one-third” clause regarding property claims (i.e. that Greek Cypriots can only reclaim one third of their total property), would mean that much less land will be available for sale by the Property Board, thus leading to higher property values, and relieving the Greek Cypriot concern that “Settlers will buy back our properties for peanuts”.

Of course, making these changes to the Plan would mean that the Settlers would then have a housing problem - since most of them do indeed live in Greek Cypriot properties. This, perhaps, is where the role of Turkey comes in. Making Turkey responsible for the costs of the internal relocation of the Settlers, would not only make economic sense, in that a great financial burden

will have been lifted off the shoulders of the already heavily burdened Cypriot economy, but it will make legal sense also, in that the party responsible “for the illegal settlement of an occupied territory” would be asked to pay a penalty for her actions, without however going as far as to violate the individual human rights of the Settlers themselves by insisting that they should all be deported.

The final concern that will be addressed here, is the Greek Cypriot fear that through the vote of settlers those powers which resist re-unification will be allowed to remain strong in Turkish Cypriot and Federal politics: and this, not so much as the result of an informed choice, but because of a client-type relationship and attachment to those parties that have been traditionally labeled as “supporters of the status quo”.

One creative solution to this problem, might be to amend the status of the 45.000 individuals who will be allowed to remain, so that instead of being granted full citizenship from day one of the solution, they will be granted a residence permit that will be upgraded to full citizenship through naturalization, nine years later. In this way, a head-start of nine years will be given to Greek Cypriots and Turkish Cypriots in order to begin integrating their politics and together lay the foundations of a new political culture, after which time the ex-settlers will also be invited to become full citizens of the United Cyprus Republic.

Chapter 6: The Economy

Economic concerns have not traditionally been considered to be part of the “hard core” of the Cyprus Problem: Other issues, such as Security, Governance, Property Rights, and Settlers have come to be seen as the “essence” of the problem, such that if a consensus is reached on these, then the Economics of the Solution is a mere technical matter that can be easily resolved.

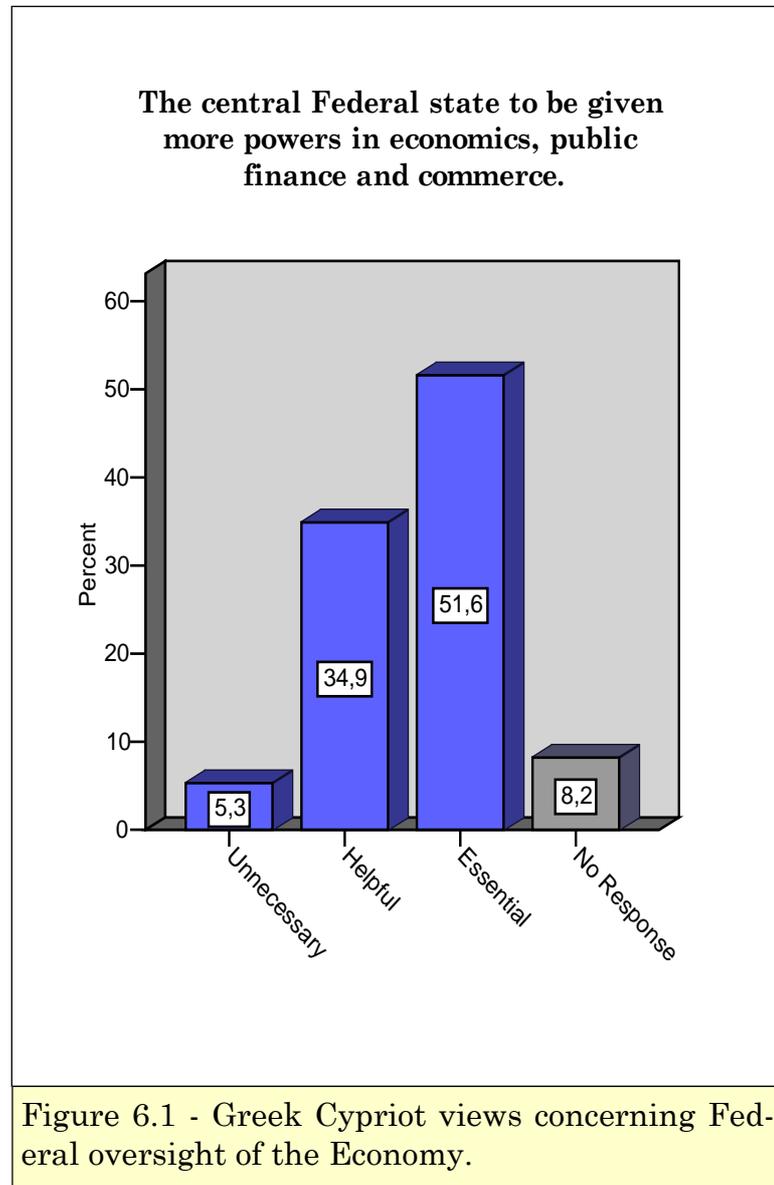
And yet, as we shall see in this chapter, both the Greek Cypriots and the Turkish Cypriots have expressed serious concerns - and still have important issues - concerning the economics of the UN Plan. Different areas of concern included the level of Federal control on the economy, the equitability of cost distribution between the two communities, the rate at which the free market will be applied, and what effect any limitations to the free market will have on the macro-economy, and the financial viability of the Property Board, through which the refugees will be compensated for their properties. Finally, great concerns were expressed about the cost of the Solution, and whether the United Cyprus Republic would have the liquidity to manage it.

The first issue that we shall examine here concerns the level of oversight which the Federal Government should exercise on the finances of the two constituent states. The official negotiating position of the Greek Cypriot side on this matter, has been that it is imperative that the economy be managed centrally, both in terms of monetary policy and in terms of fiscal policy, otherwise serious disharmonies would occur in prices, wages, interest rates etc., with chaotic consequences for the Cypriot economy. The Turkish Cypriot side, on the other hand, tended to follow on this issue also its “blanket policy” of wanting as many powers as possible to be vested to the constituent states, which should be allowed to operate as autonomously as possible.

It is appropriate to ask at this point: Notwithstanding official positions, how

do the people themselves feel about the prospect of a strongly federalized economy? Looking at the Greek Cypriots first, we see that this matter does indeed concern them:

As we see in figure 6.1, about 52% of Greek Cypriots consider it essential that the Federal Government be given more powers in matters of economics, public finance and commerce - while a further 35% percent would welcome such changes, without however insisting on them. In other words, 52% of Greek Cypriots considered the lack of sufficient Federal Oversight to be a serious enough reason, for which to reject the UN Proposal.

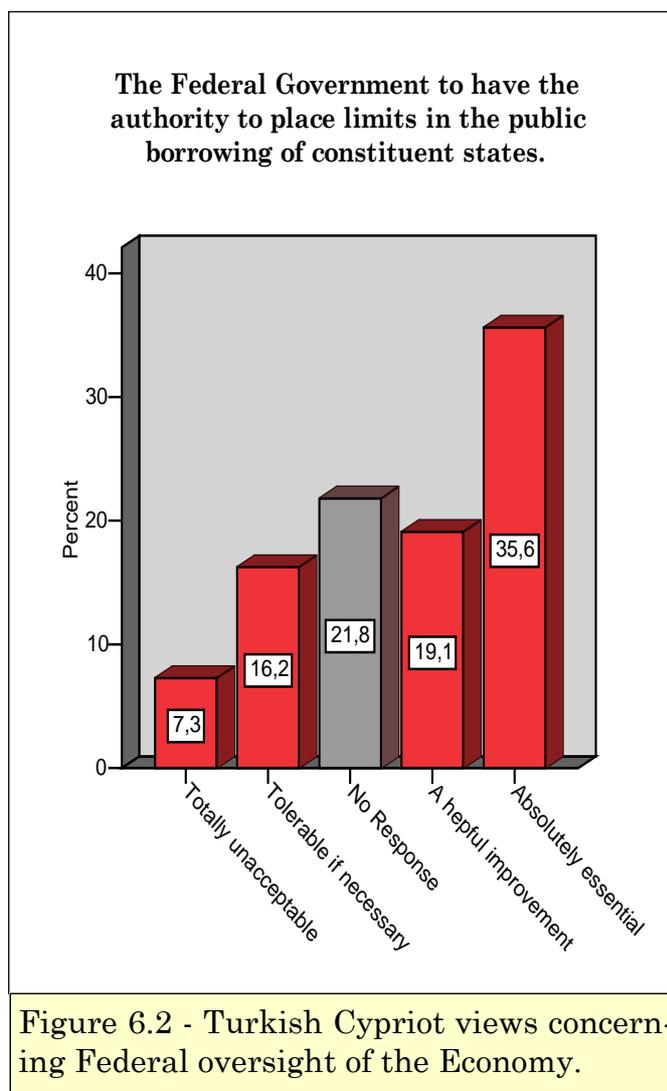


Thus we can begin to

dispel the myth that “Economics is a secondary matter, and not a core issue of the Solution Plan”. We should ask at this point: How do the Turkish Cypriots feel about such Federal Oversight? Do they also follow the official negotiating position of their leadership, or do they have a different opinion? To clarify this matter, we have asked Turkish Cypriots about a very specific aspect of Federal Oversight, the authority of the Federal Government to place limits to the

Public Borrowing of constituent states. The results, as we can see in figure 6.2 below, are indeed surprising:

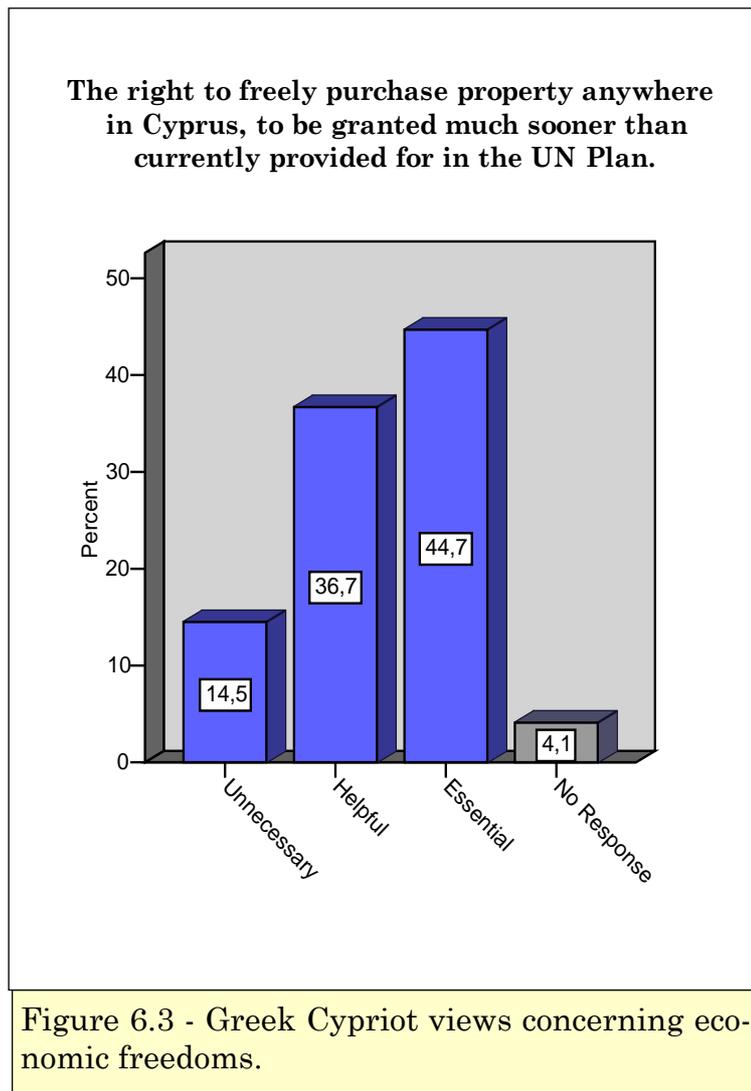
About 36% of Turkish Cypriots would consider such Federal Oversight absolutely essential, while a further 19% would consider it desirable. In contrast, only about 7% of Turkish Cypriots would consider it totally unacceptable. It would seem that beyond the “rhetoric of autonomy”, most Turkish Cypriots are aware of the importance of effective financial control. Perhaps the economic hardships they have suffered in recent years, have made them aware that full autonomy in economic affairs is perhaps less of a blessing than might appear at first sight.



A second related issue is the operation of the free market. Again, the official negotiating position of the Turkish Cypriot side has been that Greek Cypriots should be blocked from purchasing property in the Turkish Cypriot constituent state for as much as two decades after the agreement (in the end, they settled for fifteen years). Not surprisingly, the Greek Cypriot position was that such limitations would hamper the economic development of the north, and of the whole island by extension. In asking the Greek Cypriot public, we see that they consider this issue also important, though perhaps slightly less

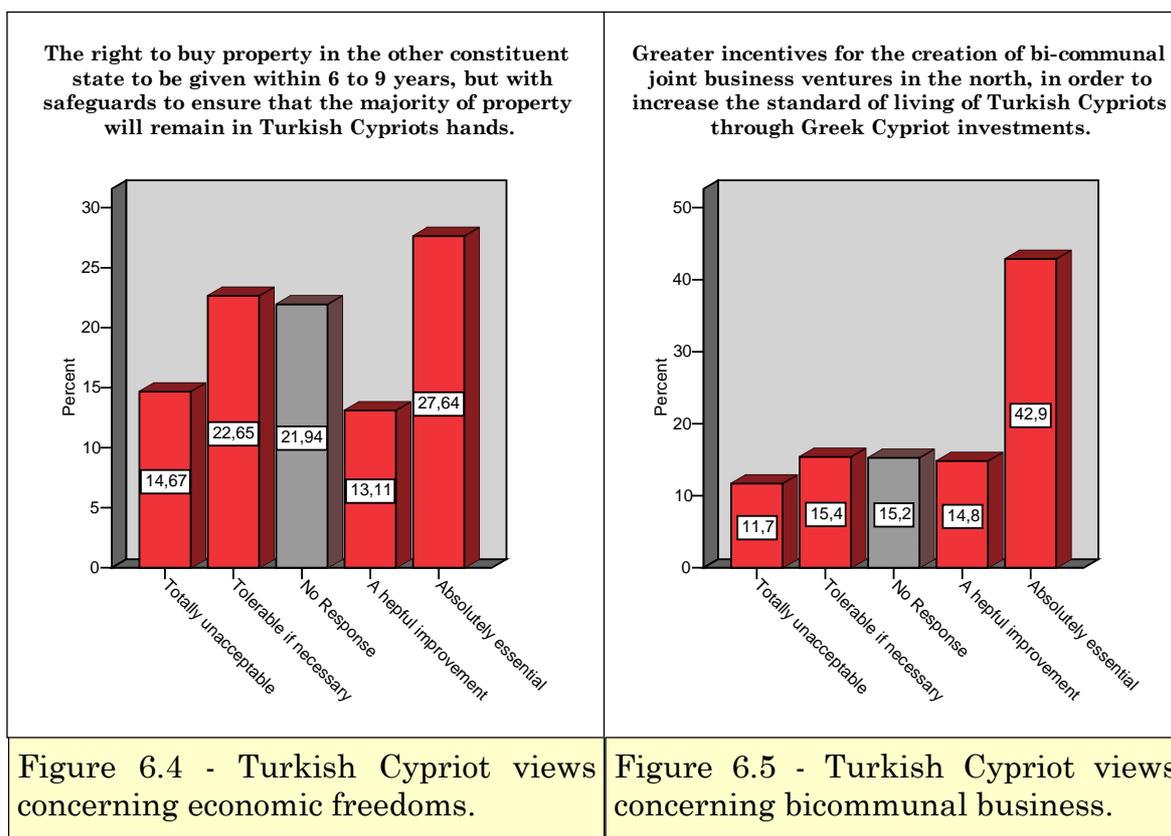
so than the issue of Federal Oversight:

About 45% of Greek Cypriots, as we see in figure 6.3, would insist that the right to purchase property anywhere in Cyprus should be granted much sooner than currently provided for in the UN Plan - in other words, much sooner than after 15 years. A further 37% of Greek Cypriots would welcome this change, without however insisting upon it. So again we see an economic issue, which is potent enough to be a determinant of the vote of many.



Greek Cypriots, of course, would like to have greater freedom to purchase and invest anywhere in Cyprus - they are, after all, the wealthy side. But how would the Turkish Cypriots feel about granting this right? Is it true that they would be concerned, that very soon most of the property in the north would belong to Greek Cypriots, thus turning them into second class citizens in their own constituent state? Or would they, in contrast, welcome the investment of the Greek Cypriots, seeing it as an opportunity to raise their own standard of living as well. In order to get a clearer answer, two relevant questions were asked, one concerning the shortening of restrictions to property purchase, and

the other concerning the creation of bicomunal business ventures that would operate in the north, with joint Greek-Cypriot and Turkish-Cypriot management, and Greek-Cypriot investment. It would seem from the following two figures that both proposals would be acceptable, though the second would be much more popular than the first.



We see in figure 6.4 that about 28% of Turkish Cypriots would consider the granting of economic freedoms essential, while a further 13% would consider them desirable. Only about 15% would find such a change unacceptable, but the high percentages for “tolerable” - 23% - and “no response” - 22% - suggest that the Turkish Cypriots would be hesitant to allow such a change, perhaps feeling uncertain as to what it might lead to. In contrast, to the question of whether they would welcome the creation of bicomunal business ventures, such that would help raise the standard of living of Turkish Cypriots through Greek Cypriot investments, the response was enthusiastic: About 43% considered this change absolutely essential, while a further 15% would find it help-

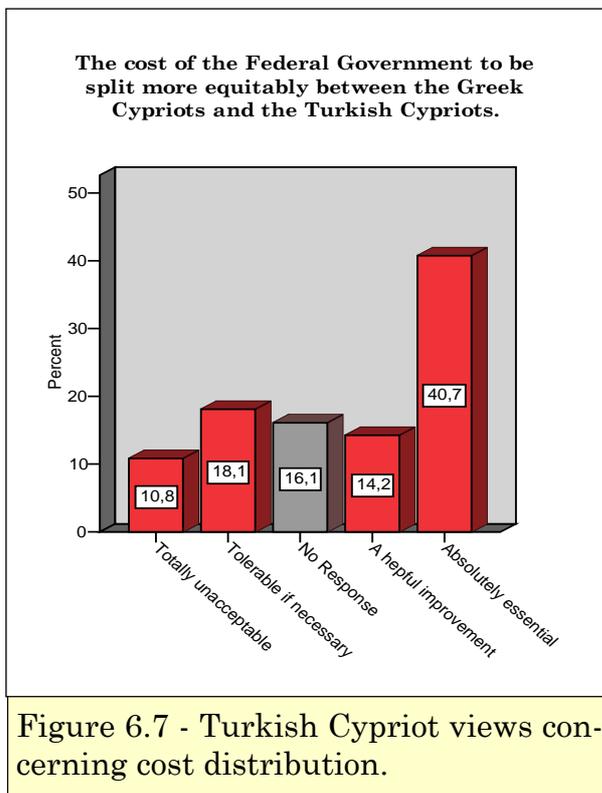
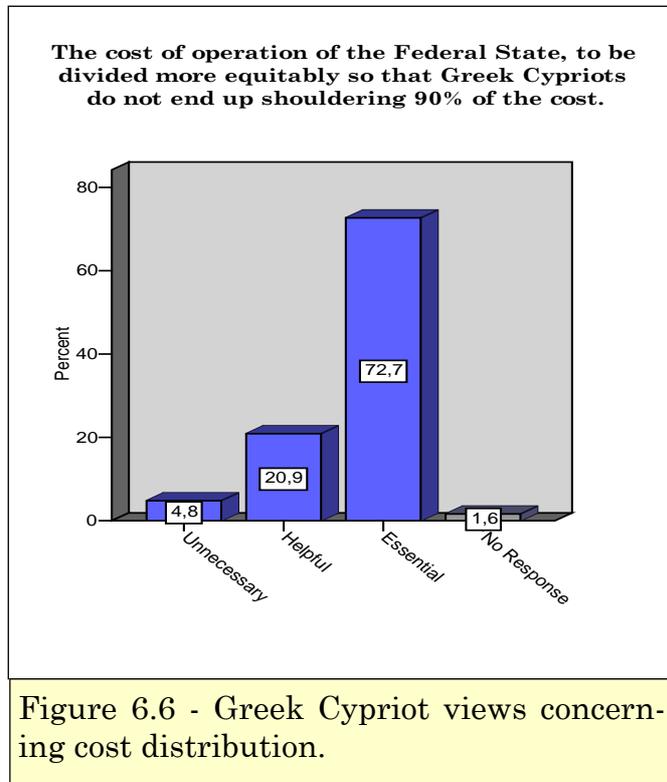
ful but without insisting upon it. In total, about 58% of Turkish Cypriots consider bicomunal business ventures a very positive way to move their economy forward.

Again, therefore, we see a myth being deconstructed: The Turkish Cypriots are not only willing to tolerate Greek Cypriot investment in the north, but they do in fact insist upon it, so long as it is done in such a way as to ensure that their standard of living will *also* be raised through these investments, so that they can stand equal to the Greek Cypriots, and not stand by and watch the Greek Cypriots grow richer - in the Turkish Cypriots' own constituent state - while they themselves remain as they were.

Another economic issue related to the solution is the matter of equity, of ensuring that the operating cost for the Federal State is divided in such a way that each community "pays its due". In the most recent version of the UN Plan, the Federal State would have been financed through indirect taxes - mostly VAT - and all expenses would therefore be paid by these taxes. Given however that Greek Cypriots are wealthier on average than the Turkish Cypriots, it is estimated that about 90% of the Federal State's income would come from the Greek Cypriots. Remembering that in most departments of the Federal Government special quotas exist, to ensure the participation of Turkish Cypriot administration in proportions greater than that of their population, and therefore that 35% to 50% of Federal Government employees would be Turkish Cypriots, one can only wonder how the Greek Cypriots would feel about being asked to finance the over-representation of Turkish Cypriots in the Federal Government. Those who followed the referendum campaign last April, are aware that this issue of equity was one of the most effective critiques of the UN Plan - and this, because of a sense that "insult is being added to injury" - "not only are we being asked to tolerate the over-representation of Turkish Cypriots in the Federal Government, in the name of "political equality", we are then also being asked to pay the bill for this barely tolerable injustice".

The quantitative evidence, as seen in figure 6.6, comes to confirm this feeling of indignation:

A full 73% (!) of Greek Cypriots, considers it absolutely essential that a way be found for the cost of the Federal Government to be divided more equitably. Clearly, this is a sentiment that can not be ignored, and a way will have to be found to restructure the financing of the Federal Government. Thankfully, as we shall see in the next figure, the Turkish Cypriots themselves would not object to making such an amendment:



We see in figure 6.7 that about 41% of Turkish Cypriots would in fact insist on such a change (*and a total of 55% would welcome it*), even though it would imply that they will have to pay more than under the current version of the UN Plan! What would seem to be at play here, is a perception widespread amongst Turkish Cypriots that “unless the Greek Cypriots also feel that the solution is fair, we will have problems in the future”.

Of course, the issue of cost-sharing for the Federal Government is relatively simple to correct, with few consequences to the macro-economy. The same can not be said for the related issue, of the Federal Government's redistribution of VAT to the constituent states. How will this VAT be redistributed? The same proportion to each constituent state? Each state to only get as much as it contributed? Or should the Federal Government decide this issue each year in its budget, based on the needs of the time? There is no easy answer to this question, for if we insist on the "equity argument" here as well, to appease the Greek Cypriot sense of justice, then we run the risk of removing macro-economic policy tools from the Federal Government, which would therefore become unable to assist in the economic development of the north through appropriate financing. If on the other hand the Federal Government is encouraged to distribute VAT in such a way as to assist the development of the north, the Solution runs the risk of being rejected by the Greek Cypriots, as "unfair". If, finally, we allow the Federal Government the discretion to decide each year how to distribute these funds, we run the risks of bitter acrimonies and administrative deadlocks every time the annual Federal budget is brought before the Senate for approval.

One way out of this imbroglio might be to allow for interim arrangements, for the first ten years of the solution, so that for this period the Federal Government will only return VAT *to* each state in the proportion that it has collected VAT *from* that state. After that period, the Federal Government will be permitted to exercise its full powers of discretion, and decide each year in the annual budget how much of the VAT should go to each of the two constituent states. In this way, feelings of injustice and administrative deadlocks, as far as this issue is concerned at least, will be avoided in the critical first ten years after the solution.

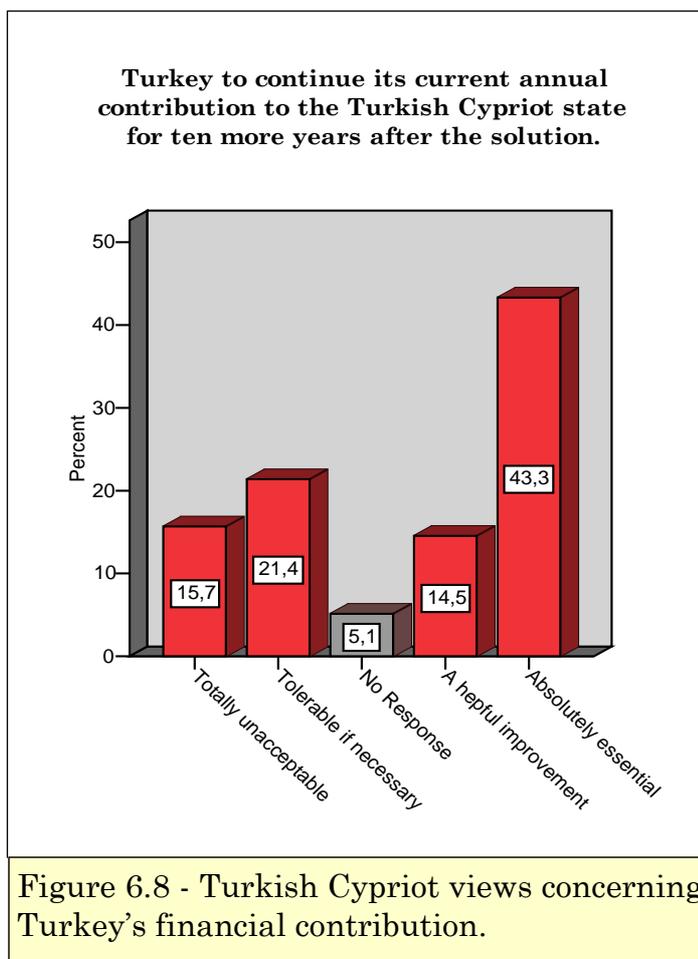
However, the question remains: How will the Turkish Cypriot state's standard of living be raised to match the Greek Cypriot state, if the Federal Gov-

ernment will not be allowed to exercise development policy? One way to solve this problem might be to allow a role for Turkey, and ask her to financially contribute for the operation of the Turkish Cypriot state, to the level of her current annual contribution, for ten more years after the solution. To Turkish Cypriots, such an arrangement would be seen as positive and helpful:

As we see in figure 6.8, about 43% of Turkish Cypriots would consider the financial contribution of Turkey to the Turkish Cypriot state, for ten more years after the solution, absolutely essential (*and a total of 58% would consider it preferable*). At the same time, only about 16% of Turkish Cypriots would find such an amendment totally unacceptable. Such a contribution by Turkey would not just be welcome to the Turkish Cypriots, but also to the Greek Cypriots, who would be re-

lieved of the burden for the development of the Turkish Cypriot north, at a time when, as all projections clearly show, the Cypriot economy would be greatly strained anyway.

This brings us to the final economic issue that will be discussed in this chapter, namely, the issue of compensation for refugees that will not be receiving their property back after the settlement. In its most recent form, the UN Plan provided for the creation of a Property Board, whose mandate would be to fa-



cilitate the exchange of properties and the compensation of refugees, in the first few years after the solution. In essence, the Property Board as devised in the UN Plan could be likened to a private company, that would “purchase” all property that owners would not be entitled to keep, (*based on the criteria for re-instatement that have already been discussed in the chapter about Property*), paying out compensation, and then “sell” these properties, either to their current occupants or in the free market. In theory, therefore, the Property Board is supposed to be self-financing, since it would “sell” as much land as it would “buy”, therefore leaving a “zero-balance” at the end.

This, at least, is how the Property Board was supposed to work in theory. Before the referendum, however, many Greek Cypriots argued that it would work out very differently in practice, and that the effect of the Property Board’s transactions would have a serious impact on the macro-economy of Cyprus: Through the Property Board, huge swathes of property would suddenly come into the market, thus increasing the supply of property without at the same time increasing the demand (demand would not increase because the main beneficiaries of the compensation, the Greek Cypriots, would not be allowed to purchase the property being made available, under the fifteen year ban “to protect bizonality”). Therefore, property values would very likely collapse all over Cyprus, leading not just the Property Board to insolvency (*since it would not be able to re-claim through sales the money it paid out in compensation*), but also causing serious dysfunctions in the banking system, since property collaterals on all loans would lose much of their value, thus seriously affecting the banks’ credit rating in the international banking system. Furthermore, the money paid out in compensation (amounting to many billion dollars) would put a very serious inflationary pressure on the economy, especially given the fact that Greek Cypriots, who will be the main beneficiaries of compensation, will not be able to use their money to buy property in the north, which is where the main supply of property will be. Thus, while the UN Plan on the one hand relies on the free market to keep the Property

Board solvent, at the same time it blocks the operation of the free market through the fifteen year ban - and this combination of “free market” and “blocked market” would most likely prove lethal for the Cypriot economy.

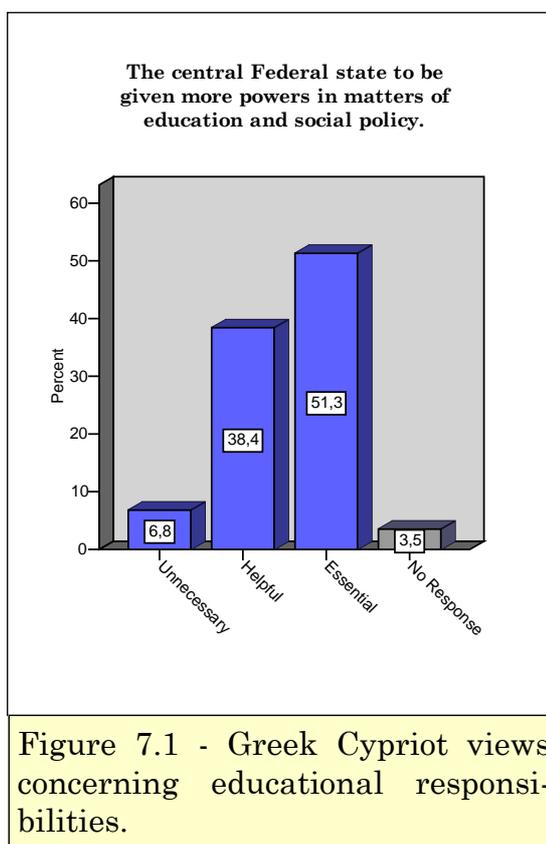
It is based on such reasoning, that many Greek Cypriots who have for decades supported the cause of re-unification, came out last April firmly opposing the UN Plan. However ardently one wishes the re-unification of Cyprus, one cannot in all conscience be expected to sign on to a deal which, in his mind, would lead the economy to ruins in a matter of a few years. The memory of the Stock Exchange Crash of 2001 was still raw in the memory of Greek Cypriots at the time the referendums took place, and the thought of another financial collapse, far more serious than the Stock Exchange crash (*more serious in that the Stock Exchange crash simply followed market dynamics, whereas in the case of the Property Board these dynamics would be blocked, skewed and artificially inflated*), led many people - who would have otherwise voted “Yes” - to reject the UN Plan.

Assuming that the Turkish Cypriot side is not willing to lift restrictions to Greek Cypriots who might wish to purchase property in the north, the most optimal solution to this problem would be to reduce the amount of land that will be sold through the property board, and also the amount of money that will be distributed as compensation. In order to achieve these goals, it will be necessary to reduce the amount of property that will be taken away from original owners. For instance, the “one-third restriction” (as discussed in the chapter on Property) could be abolished, corporate property could be returned to original owners, who would have to form bicommunal business ventures in order to develop it and use it for business, and church property could be divided in plots and distributed to refugees who would not be getting their own home back, so that they could build new homes. Generally, the less land that the Property Board is forced to make available through the free market, the less will be the toxic effect of the Property Board on the Cypriot economy.

Chapter 7: Education

Surprisingly enough, the issue of Education has not been negotiated at all prior to the development of the UN Plan. Neither is there any particular mention of Educational concerns in the Plan, other than to place it into a list of functions that would fall under constituent state responsibility, as opposed to being a Federal responsibility. There is no particular mention in the Plan, for instance, about who would be responsible for the Education of Greek Cypriots in the north, and of Turkish Cypriots in the south. Would it be a responsibility of the constituent state that they are residents of, or a responsibility of the other constituent state of which ethnicity they derive? Furthermore, the UN Plan makes no provisions for integrated, bicomunal schooling, for parents who might wish to send their children to a school that is not separated along strict ethnic lines.

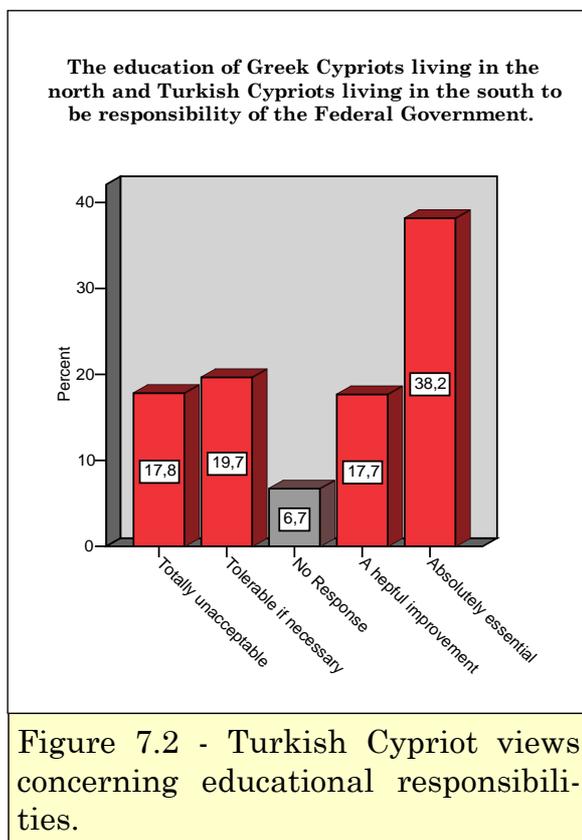
Prior to the referendums of last April, many Greek Cypriots did indeed voice concerns about the issue of education, and more particularly about who would be responsible for their children's schooling if they chose to relocate to the north after the solution. Understandably, many Greek Cypriots felt insecure at the prospect of having to trust the Turkish Cypriot authorities with a matter so serious as their children's education - the fear being that their cultural identity, as Greek Cypriots, would not be adequately protected. This fear registered in the survey, as we see in figure 7.1, with the majority of Greek Cypriots, about 51%, insisting on greater federal oversight in matters of education.



It is important to note at this point, that in the survey a strong correlation was registered between those who insisted on greater federal oversight on matters of education, and those who insisted on having a greater percent of property returned to original owners. The most likely interpretation of this correlation, is that both demands originate from a desire to be able to relocate in the other constituent state - and therefore seeking such improvements (in issues of property, of education and others) as would make their relocation more viable.

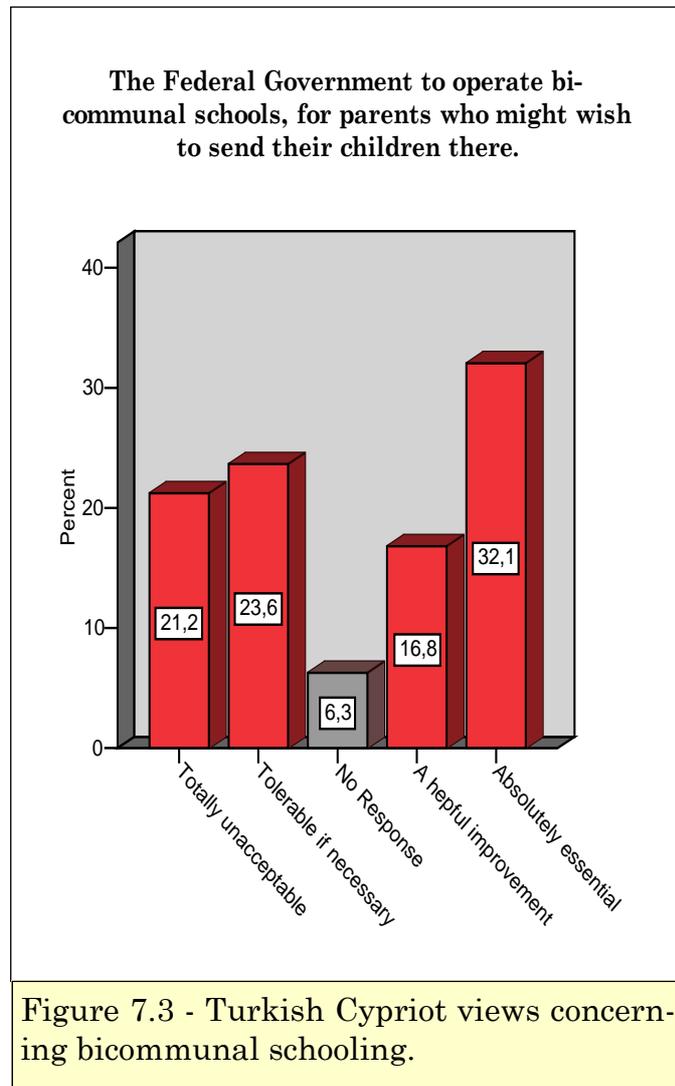
A conclusion that can reasonably be drawn from the above analysis, is that a Federal Ministry of Education should be instituted, with the specific responsibility to build and manage Greek schools in the north and Turkish schools in the south. Given that the Federal Government will be a bicommunal administrative body, it should be able to develop such educational curricula as would safeguard cultural identity on the one hand, without causing friction with the surrounding culture on the other.

It is appropriate at this point to ask whether the Turkish Cypriots would also be willing to consider the creation of such a Federal Department. As we see in figure 7.2, about 38% of Turkish Cypriots would insist on such an arrangement, while a further 18% would consider it not essential but helpful. Only 18% of Turkish Cypriots would strongly oppose such an amendment, perhaps because they refuse to contemplate any “dilution” of constituent state responsibilities in favour of the Federal Government.



Since the Turkish Cypriots would be willing to concur to the creation of such a Federal department, it might be worthwhile to inquire if they would also be willing to accept that such a department should also operate bicomunal schools, all over Cyprus, for children who might wish to send their children there:

In this issue also, we see a similar picture. Of the Turkish Cypriots, 32% would strongly insist on having a provision for bicomunal schools, while a further 17% would consider it helpful if not essential. Only 21% of Turkish Cypriots would strongly oppose such a provision - since of course such bicomunal schooling would be voluntary, there is no question of oppressing the rights of this “minority” who does not wish to see bicomunal schools, or of forcing onto them a type of education that is not compatible with their philosophical attitudes.



Having bicomunal schools as well as schools separated by ethnicity is probably the optimal balance that can be struck in the case of Cyprus: Through ethnically oriented schools, the “Greek-ness” and “Turkish-ness” of the people of Cyprus will continue to be affirmed, while through integrated

bicommunal schools a new pan-Cypriot identity will begin to be forged, capable of bridging the divide between the “Greeks” and the “Turks” of Cyprus.

So far, we have talked about the education of Greek Cypriots living in the north and of Turkish Cypriots living in the south, and also about the education of all those who might wish to opt for bicommunal schooling. It has been argued that in all the above cases education should be the responsibility of the Federal Government, and that such an arrangement would not only be appropriate but also popular. How about, however, the education of Greek Cypriots living in the south and Turkish Cypriots living in the north, in the case where they wish to opt for ethnically separate schooling?

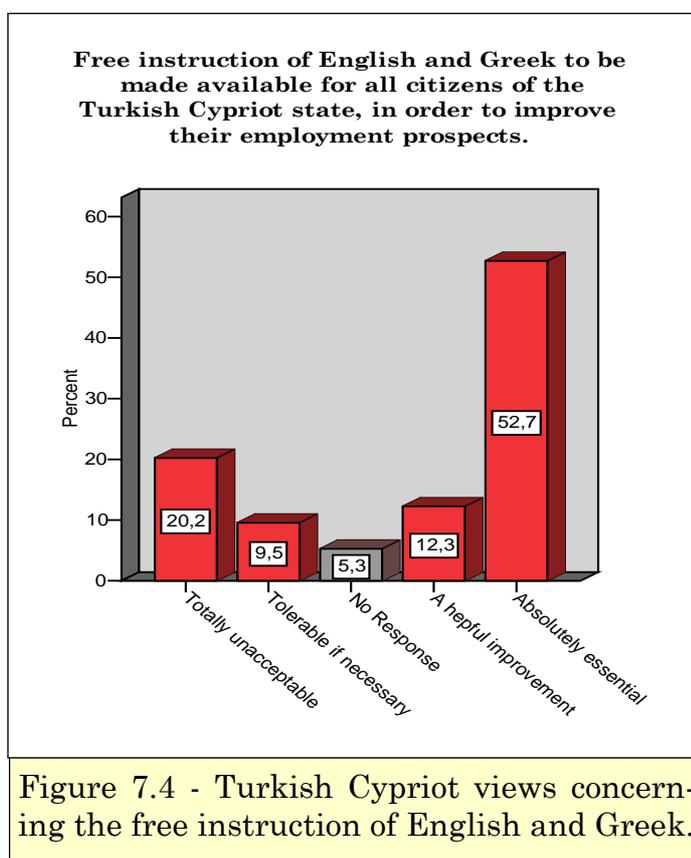
In these cases - which will in fact cover the majority of children in the first years after the solution, education could remain the responsibility of the constituent state, as currently provided for in the UN Plan. Allowing for this segment of education to remain under constituent state supervision, would comfort those who care little for bicommunal affairs, and who would prefer the simple formula “I am a Greek Cypriot and Greek Cypriots are responsible for my children’s education”, or, “I am a Turkish Cypriot and Turkish Cypriots are responsible for my children’s education”.

Having said that, a cautionary note is in order here: The teaching of history, especially of medieval and modern Greek, Turkish and Cypriot history, is a potentially explosive issue which should be under close Federal supervision. A bureau of the Federal Department of Education should have the responsibility to develop the educational curriculum in these subjects - and also commission the writing of the relevant teaching books, in co-operation with the Reconciliation Commission - and this curriculum should then be taught *in all the schools of Cyprus*, irrespective of whether they are bicommunal schools, ethnic schools in the opposite constituent state, or ethnic schools in the same constituent state.

A final educational issue that will concern us here, is language teaching for the Turkish Cypriots. Since the Turkish Cypriot community has been largely isolated from the outside world over the last thirty years, it is not surprising that their command of English is comparatively poor. Similarly, we know that the older Turkish Cypriots speak quite good Greek, whereas the younger ones do not know any Greek at all.

The issue here is not so much about cultural identity, as it is about employment prospects. In a country where 80% of the population is Greek-speaking, and where European Integration makes the knowledge of at least English imperative, Turkish Cypriots will very likely find it impossible to compete in the job market of the integrated Cypriot economy, where a good command of English and Greek will be a prerequisite for most jobs. For this reason, Turkish Cypriots were asked in the survey if they would appreciate free instruction of English and Greek, for all residents of the Turkish Cypriot state, perhaps as part of a European Development program:

Of all the possible improvements to the UN Plan, this would arguably be one of the most popular for the Turkish Cypriots: About 53% would consider it essential, while a total of 65% would certainly consider it desirable. Only about 20% of Turkish Cypriots would strongly reject such a gift, possibly because they fear that learning other languages might “dilute” the purity of their “Turkish-ness”.



Chapter 8: Legal Status

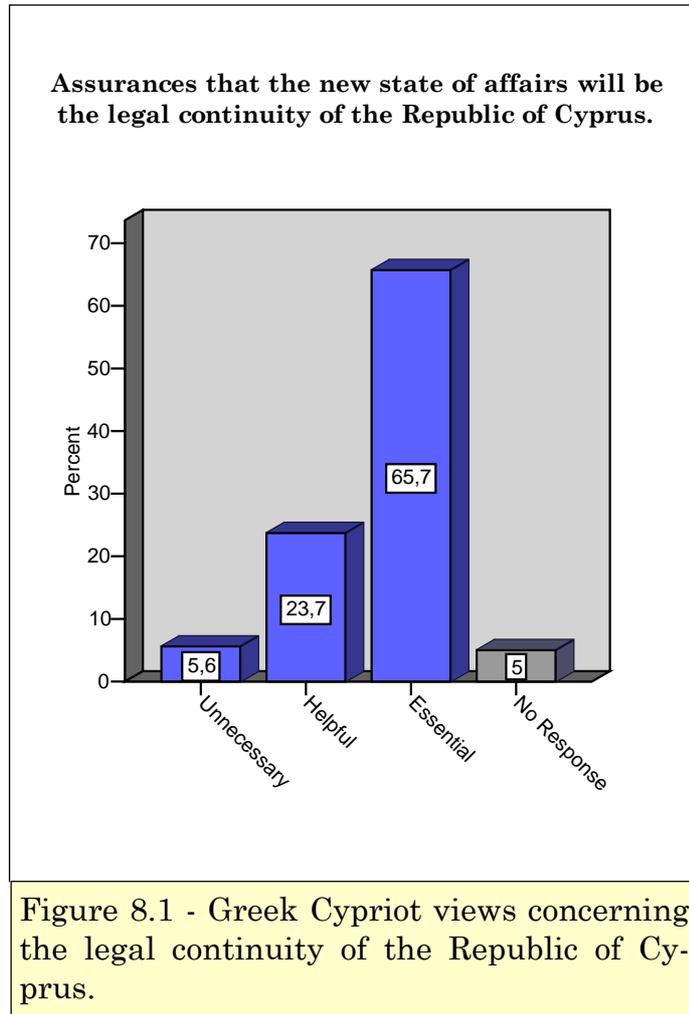
The issue of the legal status of the “new state of affairs” was sharply contested over the years, with the Greek Cypriot leadership insisting that the move to Federation “should be nothing more than the evolution of the Republic of Cyprus, and by no means the dissolution of the Republic and the creation of a new State”, whereas the Turkish Cypriot leadership has been insisting that the Federation “should be seen as a new partnership between two sovereign peoples” and that “the Republic of Cyprus had ceased to exist in 1963, when the Turkish Cypriots ceased to participate in its administration”

An outside observer might ask at this point: Why this insistence on legal semantics? Have the Cypriots fallen into a “legalistic trap”, wherein they refuse to see the essence of their problem and instead choose to focus on meaningless semantics? This was, to an extent, the view of the UN negotiating team and of the various special representatives, who chose to transcend rather than solve the problem by making no mention of it at all in the UN Plan. So, according to the Plan, the new State of Affairs is neither the explicit legal continuity of the Republic of Cyprus, nor the explicit forming of a new partnership between two sovereign peoples. In what has come to be known as the “constructive ambiguity approach”, the whole issue was simply by-passed.

Of course, one should not be surprised that legally-minded and legally-trained politicians would be suspicious of such a vague approach, since it goes against their professional legal instincts. But how about the people? Does the wider public share the view that “such issues are mere semantics”, or does it instead share the view that instead the view that “it is vitally important to clarify the legal basis of the new state of affairs”? Are the Greek Cypriots as concerned as their leaders, that the new state of affairs should be the undisputed legal continuity of the Republic of Cyprus? And are the Turkish Cypriots as concerned as *their* leaders, that the new state of affairs should have nothing to do

with the Republic of Cyprus? We shall begin by examining the attitude of the Greek Cypriots:

As we see in Figure 8.1, the issue of legal continuity is seen by Greek Cypriots as something far more important than “mere semantics”. About 66% of Greek Cypriots would consider it absolutely essential that the new state of affairs is the direct legal continuity of the Republic of Cyprus, while only about 6% would deem such a change “unnecessary”. How are we to explain this insistence of the Greek Cypriots to place legal continuity on the priority list of issues to be negotiated?



The most likely explanation is that the Greek Cypriots link the issue of continuity with the danger of secession. For Greek Cypriots, a lack of clarity on this issue would mean that the Turkish Cypriot side might be legitimized in the future to break away from the Federation, with the argument that, after all, it sovereignly entered into this agreement in a separate referendum, and therefore it can sovereignly choose to opt out of the agreement through another separate referendum. Furthermore, the Greek Cypriots feared that once the Federation was dissolved, the Greek Cypriots would be left with nothing more than an internationally un-recognized constituent state, since the Republic of Cyprus would have already been dissolved in the coming into being

of the new state of affairs - and therefore the next step for both sides would be to seek separate international recognition for their constituent states, after the model of the breakdown of the Yugoslav Federation. And a further fear: After such a dissolution of the Federal State, would the constituent states still be a part of the European Union, or would the membership of Cyprus be cancelled? The situation has not been tested before, so there is no precedent on which to answer such a question.

As a result of such concerns, the wider Greek Cypriot populace has now placed the issue of legal continuity on their list of “red line” issues - it can thus be argued that no solution would pass through a referendum, as far as the Greek Cypriots are concerned, if this issue is not satisfactorily resolved.

But would the Turkish Cypriots themselves be willing to consider a formula by which the “Republic of Cyprus” would somehow remain alive, or has the fact that the Republic of Cyprus was controlled by Greek Cypriots all these years made them fatally prejudiced against it? As we see in figure 8.2, the Turkish Cypriots do not so much have a problem with the Republic of Cyprus *per se*, as they do with the fact that Greek Cypriots have been saying all these years that they have a right to govern it by themselves: It is striking indeed that only 16% of Turkish Cypriots would totally reject any concept for the legal continuity of the Republic of Cyprus. All the rest are, we might say, “open to suggestions”.

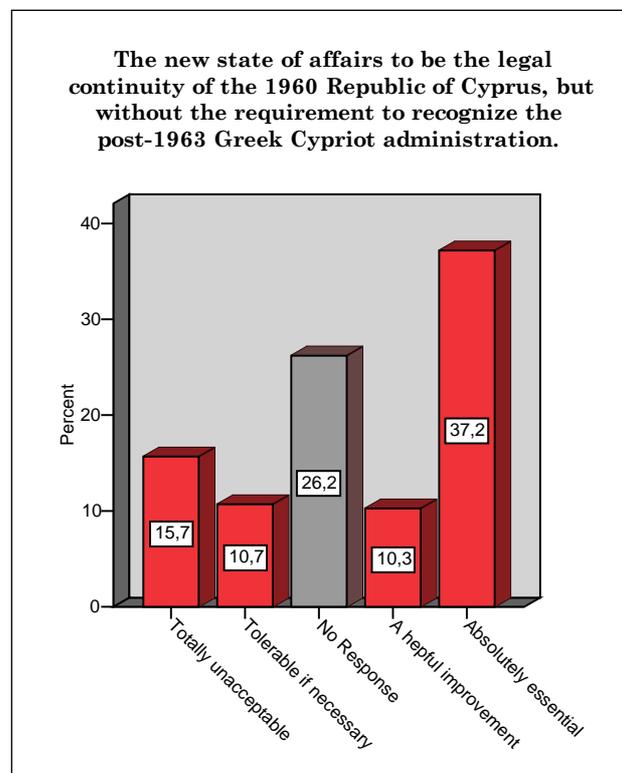


Figure 8.2 - Turkish Cypriot views concerning legal continuity.

One approach that might work for both parties, might be to include a preamble to the constitution which will narrate a mutually acceptable version of history for the events from 1960 until the present day, and from within this history a mutually acceptable approach for settling the continuity issue. Such a narration was very much lacking in the UN Plan, wherein the two sides were “invited to agree on the future without necessarily agreeing on the past”.

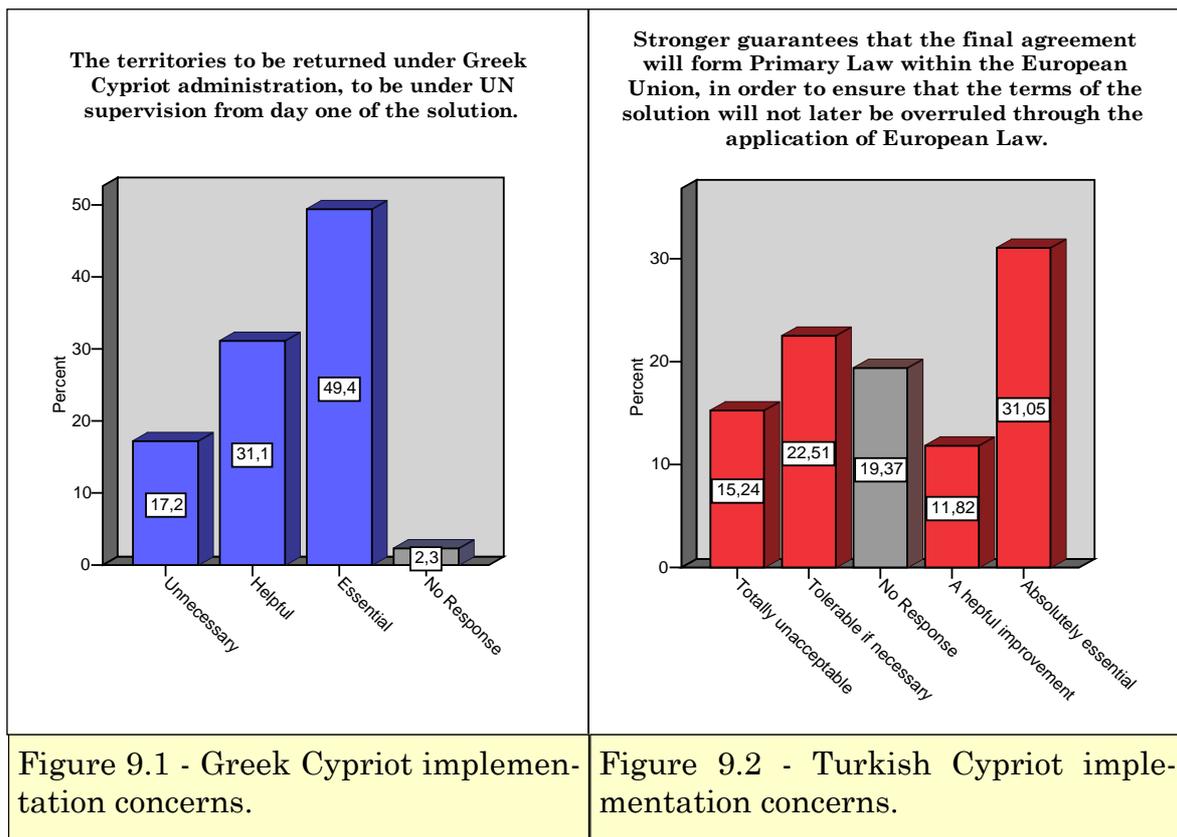
One such mutually acceptable narrative might run as follows: We, the Cypriot people, together established the Republic of Cyprus in 1960, and co-administered it until 1963 in accordance with the constitution. However, following a constitutional crisis in 1963 and also the events of 1974 (issues of blame should be bypassed at this point), the Turkish Cypriots set up their own *temporary administration*, while the Republic of Cyprus was continuing its existence with a *temporary caretaker government*, composed only of Greek Cypriots. Under this caretaker government, the Republic of Cyprus entered into accession talks and finally became a member state of the European Union. And now, with the joint consent of both communities, *the Republic of Cyprus is returning to normal bi-communal control, and adopting a new constitution whereby it evolves to a bizonal-bicommunal Federation*.

Through such a narrative, the fears of both communities can be laid to rest. The Greek Cypriot fear that the Republic of Cyprus might be dissolved is laid to rest through a clear statement of continuity - a continuity, in fact, that covers even the most difficult years of the constitutional crisis - while the Turkish Cypriot fear that the Greek Cypriots may again seek to dominate the Republic is laid to rest by a clear statement that *the normal situation* is to have bi-communal control of the Republic, and that the intervening years of Greek Cypriot administration need only be recognized as a “caretaker government” - a caretaker government, however, which negotiated the great achievement of EU accession, an achievement of which they will all now partake.

Chapter 9: Implementation Guarantees

When all is said and done, when even the best possible solution Plan has been drawn up and agreed upon, there remains the issue of implementation. For many Cypriots, both Greek Cypriot and Turkish Cypriot, implementation related issues ranked very high in their list of concerns about the UN Plan. In this chapter we will attempt to examine what exactly the Greek Cypriots and the Turkish Cypriots mean by “implementation concerns”, and we will begin to explore some ways in which these concerns could be alleviated.

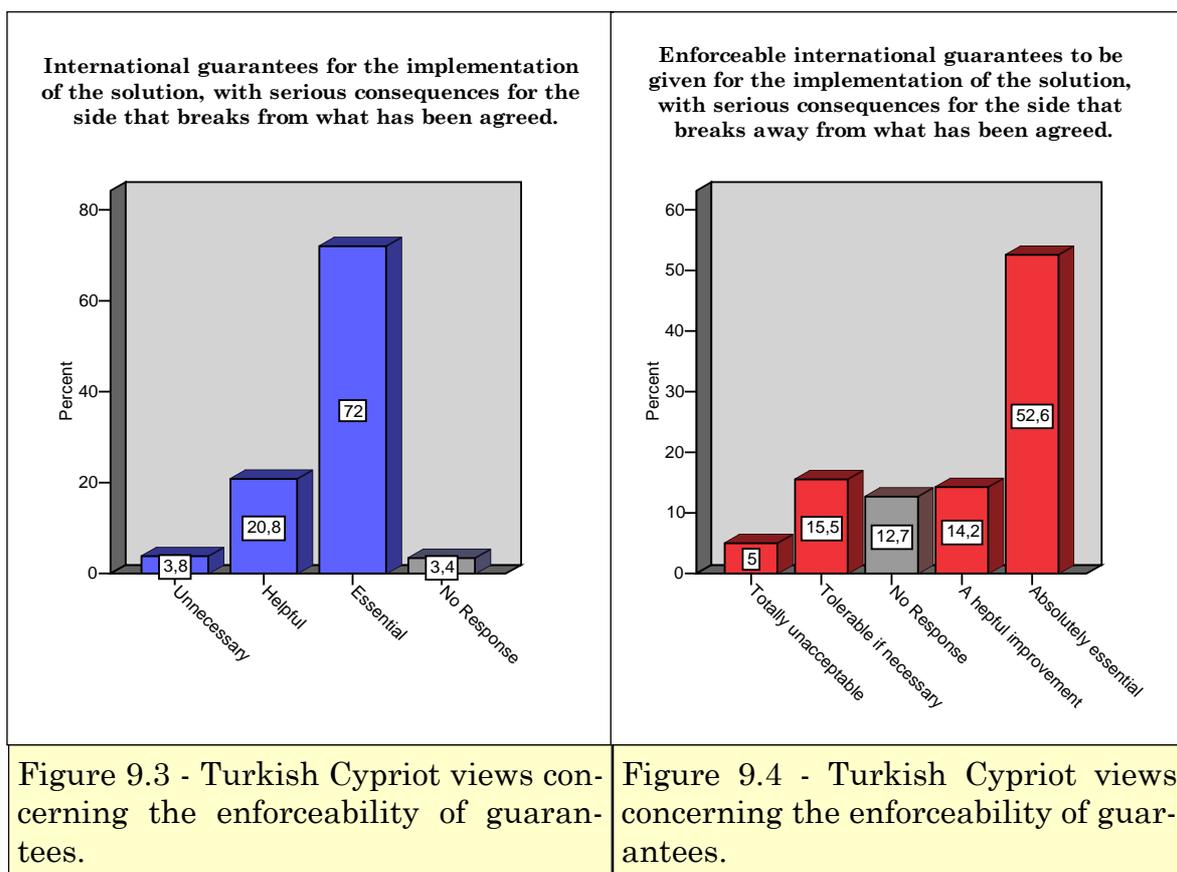
As we shall see in the following two figures, Greek Cypriots and Turkish Cypriots have very different implementation-related concerns:



As we can begin to suspect from figures 9.1 and 9.2, Greek Cypriot implementation concerns tend to focus on the issue of territorial adjustment, whether Turkish Troops will withdraw on time, whether property will be returned to

original owners as agreed, and so on. Turkish Cypriot implementation concerns, however, tend to focus on whether the terms of the solution will continue to apply unaltered in the future, or whether instead the application of European Law will render inactive the derogations which were meant to protect them from the Greek Cypriot majority.

One thing that both sides agree upon, is on the necessity for strong and, above all, *enforceable* guarantees:



International guarantees, both sides agree, will only be meaningful if they are enforceable. This is the clear message from figures 9.3 and 9.4.

In the period after last April's referendum, many commentators were criticizing the Greek Cypriots that "they were offered guarantees for the implementation of the solution (in the form of a Security Council resolution) but they

refused to “take up the offer”: “Instead”, the criticism goes, “they got Russia to veto the deal”. And yet, in the discussions preceding the drafting of the resolution, it was debated whether the resolution should be under article 7 of the UN Chapter - the only category of resolution that can really be said to be enforceable - but Turkey flatly refused to consider such an alternative. Understandably, Greek Cypriots were suspicious of this flat refusal: “If you are intending to honor your agreement, then why do you consider enforceable implementation guarantees to be so unacceptable?”, the reasoning of the Greek Cypriots went.

One may ask at this point: What would amount to “enforceable and solid” guarantees for the implementation of the solution, such as would alleviate Greek Cypriot and Turkish Cypriot concerns?

On the issue of territorial adjustment and troop withdrawal, wherein the Greek Cypriots are expecting Turkey to honor her deal, the two most plausible avenues of approach - plausible in that they would convince Greek Cypriots that they are indeed “enforceable” - are either to cover these two particular aspects of the Solution with a Security Council resolution *under article 7 of the UN Chapter*, or to clearly link these two aspects of the Solution with Turkey’s accession negotiations to enter the EU.

On the issue of whether the terms of the solution would continue to hold valid in the future, so as to reassure Turkish Cypriots that the principles of bizonality and political equality will not be overruled, the European Court of Human Rights could issue a statement as soon as a Solution is agreed upon, to the effect that all the terms of the Solution are deemed as being compatible with European Law and with the Convention of Human Rights, and that these terms are thereby granted status of legal precedent.

On the issue of whether properties would indeed be vacated and returned to

original owners as agreed, there is again a role for the European Court of Human Rights: In the current version of the UN Plan, the co-Presidents of the United Cyprus Republic are being asked to send a letter to the European Court of Human Rights to say that all cases concerning property in Cyprus pending before the court should be cancelled, and that from now on these matters would be resolved internally by the United Cyprus Republic. If perhaps to this letter was added a paragraph which clearly stated that, in case the ruling of the Property Board concerning a property is not enforced by the constituent state in which the property is to be found, then the individual claimant will have the right to turn to the European Court of Human Rights against the constituent state in question.

Another implementation concern - for both the Greek Cypriots and the Turkish Cypriots - is whether those settlers who are not entitled to claim citizenship will indeed depart as planned. In this issue, it should perhaps be made explicit that it will be Turkey's responsibility to repatriate its citizens, and furthermore that it will be the Turkish Cypriot constituent state's responsibility to ensure that they will depart from the island. Firm time limits should be set for their departure and repatriation, and the UN should closely monitor the implementation of this clause, with explicit penalties in case these timetables are not adhered to.

Chapter 10: Getting to Yes - *An Overview of Greek Cypriot and Turkish Cypriot requirements*

Having come to the end of this study, and having discussed various aspects of a potential Solution to the Cyprus Problem, it is appropriate to conclude with an overview of all that has been presented in the previous pages.

In order to collect all the various strands and issues into one coherent whole, the statistical technique known as “cluster analysis” was performed on the samples of the two surveys. Briefly, this technique involves comparing the answers of individual respondents to a range of different questions, and then assigning each of these individuals to a group according to his or her response profile.

For the purposes of this overview, the particular analysis that was conducted involved *the preferences of Greek Cypriots and Turkish Cypriots, concerning possible improvements to the UN Peace Plan*. By achieving a thorough understanding of how Cypriots cluster together on this vital issue of “how the UN Plan should be improved”, we may begin to work towards a sensible re-drafting of the UN Plan, such that would be acceptable - or even indeed desirable - to the majorities of both Cypriot communities.

We shall begin by examining the Greek Cypriots. As we can see in figure 10.1 overleaf, the Greek Cypriots can be separated into 6 distinct groups, in their attitude towards the UN Plan.

Firstly, we can discern the Greek Cypriots **who find the UN Plan satisfactory**. According to this group, the UN Plan is fair and satisfactory, and it is impossible to improve it without destroying its delicate balances. These people were the enthusiastic “Yes” voters of last April’s referendum, but, as we can see in figure 10.1, they only amount to 5% of the Greek Cypriots.

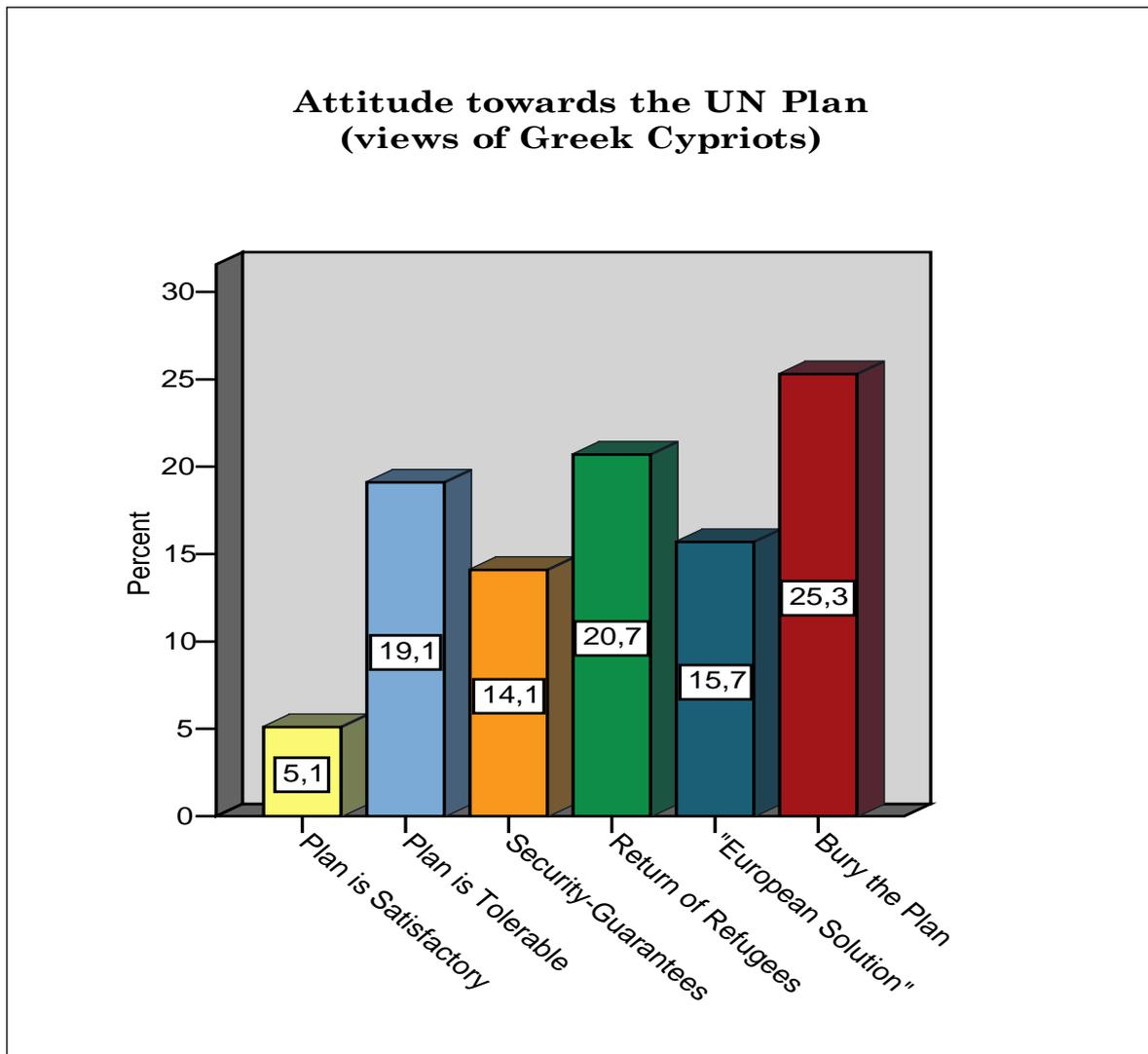


Figure 10.1 - Greek Cypriot attitudes towards the prospect of improving the UN Peace Plan.

Secondly, we can discern those Greek Cypriots **who find the UN Plan tolerable as a compromise**. These people would have liked to see a substantially better Plan, but they are willing to put their concerns aside for the sake of reaching a compromise. They are, in other words, the people who are very concerned that “time is running out”, and that “if we don’t take what has been offered, however inadequate, the alternative will be far worse”. This group is larger than the first - about 19% of the Greek Cypriots - and together with the first group it comprises the segment of the population that would vote “Yes” if the same Plan came back for a new referendum without any improvements - a segment not greater than 24%, the same as the Greek Cypriot “Yes” in last April’s referendum.

The third group of Greek Cypriots that can be discerned, are those **who would like to see the UN Plan improved in the chapters of Security and Implementation Guarantees**. For these people, most of the issues of the Cyprus Problem have been satisfactorily, or at least tolerably dealt with, but the chapter of Security leaves a lot to be desired and the issue of implementation needs to be examined closely. Furthermore, in the minds of members of this group the issue of legal continuity of the Republic of Cyprus is also a serious concern. This group comprises about 14% of Greek Cypriots, and if their requirements are satisfied then the Greek Cypriot “Yes” vote could rise from 24% to about 38%.

The fourth group that can be discerned, includes those **who would like to see the UN Plan improved in the chapter of refugee rights**. In other words, it is composed of people who would like to see refugees receiving a greater proportion of their property in the other constituent state, who would like to see the timelines for the right to residence being sharply reduced, who would like to have Federal supervision over the schooling of their children in the Turkish Cypriot constituent state, and who would like to see firm limits to the future influx of citizens from Turkey, so that the place they choose to make their residence will not at some point be flooded with people that are, to them, foreign. This is a large group, and comprises about 21% of the Greek Cypriot population. If the demands of this group are satisfied, along with the demands of the previous group that is concerned about security and guarantees, the overall “Yes” vote of the Greek Cypriots could rise to about 59%.

The fifth group of Greek Cypriots is comprised of those **who would like to see a “more European” Solution to the Cyprus Problem**. By this general term, these people refer to well-rounded package of improvements that will render the solution more in line with European Principles. For instance, they want a solution to the issue of Security that does not involve foreign interference, a solution to the problem of refugees that obeys the principles of

International Law, an economy that is strongly integrated and wherein the free market principle is respected and enshrined, and, finally an absolute respect for “the basic freedoms” so that everyone will be free to settle at the place of his choosing, and have the right to vote and be elected at that same place.

While the principles that underpin the choices of this group are certainly noble, and while a good solution Plan would probably satisfy most of their demands, it would seem that it is impossible to fully satisfy these people while at the same time fully respecting the “derogations” which the Turkish Cypriots have demanded in order to maintain the bizonality of the solution. This group represents about 16% of the Greek Cypriots, and by satisfying, say, half of them, the “Yes” vote in the Greek Cypriot side could rise to as much as 67%.

The final group of Greek Cypriots that can be discerned are those **who would like to see the UN Plan buried for good, because they reject the fundamental principle of power-sharing which underpins it.** For this group, the UN Plan is flawed in so many ways that it is impossible to even enumerate them (“it would waste less paper to write a new Plan than it would to list my objections to the Annan Plan”) but what they clearly object to most, is the idea that power in the Federal Government would be shared equally by the two communities, instead of strictly adhering to the principle of simple majority rule. “How can the 18% (*i.e. the Turkish Cypriots*) be made equal with the 82% (*i.e. the Greek Cypriots*)?”, they often ask, rhetorically of course.

This group comprises about 25% of the Greek Cypriot population, and it is hard to see how they could be satisfied without at the same time alienating the majority of the Turkish Cypriots.

Having considered the groups of which the Greek Cypriot population is comprised, it is time to turn to an examination of the Turkish Cypriots, who, as we can see in figure 10.2, can be separated into three distinct groups.

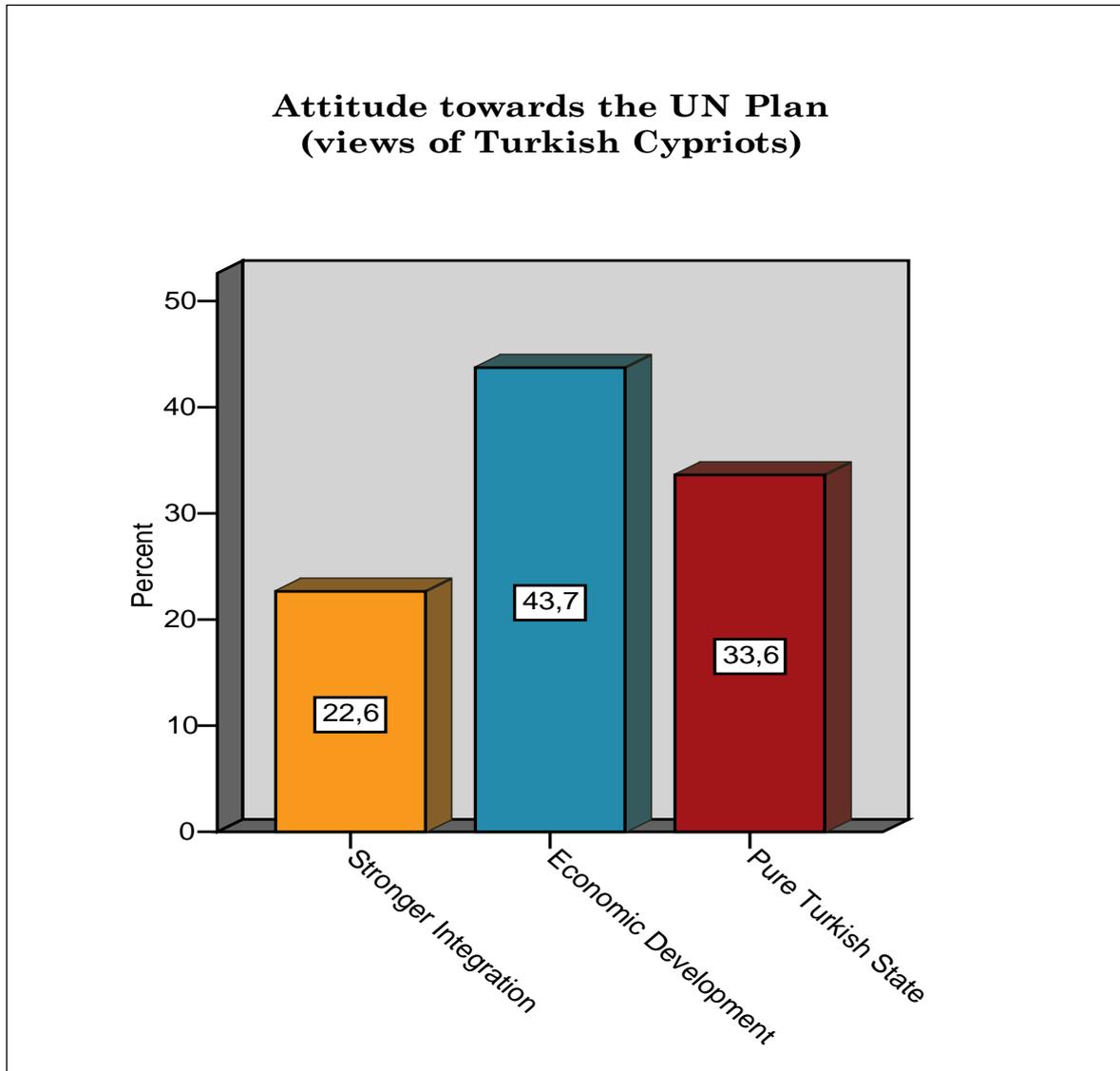


Figure 10.2 - Turkish Cypriot attitudes towards the prospect of improving the UN Peace Plan.

The first group of Turkish Cypriots that can be discerned, are those **who would like to see the UN Plan improved so as to provide for a stronger integration of the two communities in Cyprus**. Amongst the most important improvements for this group, are provisions to encourage the development of bicomunal parties and bi-communal business ventures, as well as the establishment of bi-communal schools within the framework of a

stronger Federation. These are the people who believe that the only real security for the Turkish Cypriots lies in them being accepted as equals by the Greek Cypriots, rather than being seen as separate because of their ethnic origin. This group comprises about 23% of the Turkish Cypriot population, and, while 90% of them already voted “Yes” in last April’s referendum, satisfying their demands would make them even more ardent in their support of the Solution.

A second Turkish Cypriot group that can be discerned, are those **who would like to see such improvements to the UN Plan as would help raise their standard of living through a more effective integration with the European Union**. For these people, any improvements that aim to improve the functionality of the economy, or that aim to improve the employment prospects of the Turkish Cypriots, or that put more development and reconstruction subsidies into Turkish Cypriot hands - any such improvements would go a long way towards convincing them to vote “Yes”. These are the people who would strongly favor Federal oversight of the economy, or who would strongly prefer that the three non-Cypriot judges should be from European countries, and so it is easy to see that by satisfying them the Greek Cypriots are also being satisfied at the same time. This group is very large - comprising about 44% of the Turkish Cypriot population, and a full satisfaction of this group’s demands would yield an overall “Yes” vote in the Turkish Cypriot side, at around 67%. It should be noted here that, in last April’s referendum, about 30% of this group did in fact vote “No”, so clearly there is room here to make the Plan more acceptable for the Turkish Cypriots.

The final Turkish Cypriot group that can be discerned, are those **who would like to see the UN Plan changed so as to provide for a pure Turkish State in the north, with as little Greek Cypriot and as little European influence as possible**. In the minds of these people, the kind of changes that would count as “improvements” would be, to raise the number of settlers that

might stay in Cyprus, to raise the number of Turkish troops that would remain, to reduce the amount of territory that would be returned under Greek Cypriot administration, to ensure that no Greek Cypriots would return to live under Turkish Cypriot administration, and so on. It should be clear that this group - which comprises about 34% of the Turkish Cypriots - is impossible to satisfy, even partly, without alienating the vast majority of the Greek Cypriots. And yet, in last April's referendum, about 40% of this group were sufficiently satisfied with the Plan in order to vote "Yes" - they were sufficiently satisfied, in other words, that the UN Plan provided for a pure Turkish State in the north, with a satisfactorily minimal return of Greek Cypriots, with a satisfactorily permanent presence of the Turkish Army, and with a satisfactorily large number of settlers remaining on the island. Having in mind the extent to which this group was satisfied, it should come as no surprise that the Greek Cypriot "No" in last April's referendum was as resounding as it was.

A truly satisfactory Solution of the Cyprus Problem, would in fact be one that would *fail* to satisfy the extreme elements of each community. Only by failing to satisfy the extremist minority of Greek Cypriots who insist on "simple majority rule" and only by failing to satisfy the extremist minority of Turkish Cypriots who insist on "a pure Turkish state", can we begin to satisfy the moderate majorities of both sides, those silent majorities whose requirements, when respected, do not lead our efforts to degenerate into a zero-sum game, but rather help us to define an even better Solution Plan, with even better prospects for its long-term viability.

The mathematics of the above analysis has worked out in a strangely symbolic manner: Satisfying the moderate people of each side would yield "Yes" votes of about 67% - or two thirds - from each community. A two thirds "Yes" vote from each community is therefore the best we can hope for, but it is also the least that we should aim for, if we wish to be truly fair towards the people of Cyprus.