

Don't Hold Your Breath (Yet) for a Settlement in Cyprus

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Theme: After decades of ongoing intercommunal disputes between Greek Cypriots and Turkish Cypriots, and for the first time since 2004 when a peace process brokered by the UN failed, the leaders of the two communities on the island have re-launched negotiations for a federal solution.

Summary: In September 2008 direct negotiations were launched in Cyprus. This round in the 44 year-old peace process represents both the last and the best chance to achieve peace on the island. The last chance because since the fateful referendum over the UN-brokered Annan Plan in April 2004, while the peace process stagnated, dynamics on the ground have reduced the likelihood of a federal solution on the island; the best chance because the peace process is led by two moderate leaders, Demetris Christofias and Mehmet Ali Talat, who have demonstrated their readiness to compromise by starting negotiations over a comprehensive settlement and agreeing on a set of confidence building measures. Yet this does not mean that a federal solution is on the short-term horizon. On the Greek Cypriot side there is still an important source of resistance against a federal power-sharing deal. On the Turkish Cypriot side, enthusiasm for federalism and EU accession in 2008 is far below what it was in 2004. Furthermore, since 2007 political turmoil in Turkey alongside the reluctance of several EU member states to proceed with Turkey's EU accession process, might constrain the Turkish government's ability to deliver on Cyprus. Within this context, the role of the EU in generating incentives within a Cypriot-owned and UN-mediated peace process is critical. This would mean closely monitoring the peace process and exerting pressure on all sides, delivering on the promises made to the Turkish Cypriots to lift their state of international isolation and re-energising Turkey's accession process.

Analysis: On 3 September 2008 direct negotiations were launched on the island of Cyprus. This latest round in the 44-year-old peace process can be viewed as representing both the best and the last chance to achieve peace on the Eastern Mediterranean island, which has been physically divided between the Greek Cypriot and Turkish Cypriot communities since 1974, following the coup d'état by the Greek military junta and the subsequent invasion of the north by Turkey. The best chance because, whereas the past negotiations were led by hardliners in either one community or both, this Cypriot-owned peace process is led by two moderate leaders, Demetris Christofias (President of the Republic of Cyprus and leader of the leftist party AKEL) and Mehmet Ali Talat (President of the Turkish Republic of Northern Cyprus, recognised only by Turkey, and leader of the leftist party CTP), also known for their good personal rapport and their party political affinities. The last chance because since the fateful referendum over the UN-brokered

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Annan Plan in April 2004,¹ while the peace process stagnated,² dynamics on the ground have been all but frozen. As the Annan Plan became a fading memory, the prospects for reunification on the basis of a loose federal solution became increasingly dim. Taking the upper hand instead have been the two opposite ends of the spectrum of possible solutions: on the one hand reunification into a unitary state, as desired by the Greek Cypriot side; on the other, two separate states, as preferred or not opposed by the Turkish Cypriot side. An interesting manifestation of these trends has been in the property realm, in which the Turkish Cypriot community and Turkey, attempting to fend away the myriad property cases filed at the European Court of Human Rights, have established their own Property Commission, adjudicating on cases brought to the Court by Greek Cypriot property owners in northern Cyprus. While far from representing a mass-scale trend, over 300 owners have already applied to this Commission since its entry into force in 2006, and 30 cases have been settled, principally through compensation.

Against all odds, the Greek Cypriot public reversed the negative swing of the Cyprus pendulum with its vote in February 2008. By relegating the former President Tassos Papadopoulos to a humiliating third place in the presidential race and ultimately electing the AKEL' candidate, Demetris Christofias, the Greek Cypriots signalled their will for political change. In a mere month after the Greek Cypriot presidential elections, the dormant peace process was kick-started again. On 21 March the two leaders met to launch a new process, which initially saw the establishment of six inter-communal working groups in April 2008, meeting twice a week and covering the principal items on the conflict settlement agenda: governance and power-sharing, EU matters, property, security and guarantees, economy and territory. Seven technical committees were also set up to discuss crime, commerce, cultural heritage, crisis management, humanitarian issues, health and the environment. Moreover on 23 May 2008, Christofias and Talat agreed on a joint statement declaring that a solution would entail a bi-zonal and bi-communal federation, with a single international personality and with a Greek Cypriot and a Turkish Cypriot constituent state enjoying equal political status. This was followed by statement on 1 July in which the leaders agreed in principle that a solution would entail a single sovereignty and citizenship on the island. On 25 July a final review of the progress in the working groups and technical committees was completed and the two leaders produced a joint statement where they pledged that as in 2004 '[t]he agreed solution will be put to separate simultaneous referenda'.³ Full-fledged negotiations commenced with a formal ceremony on 3 September 2008.

Alongside these efforts to reach a comprehensive settlement, the two Cypriot leaders have also moved forward on confidence-building measures (CBMs). Most notable in this respect was the opening of the Ledra Street/Lokmaci crossing in April 2008 and more crossings, specifically at Limnitis/Yeşilırmak, are on the negotiating table. Further progress was made by the technical committees. In particular, agreements were reached through the committees on the crossing of ambulances across the green line, trilingual (Greek, Turkish and English) road signs across the island, cooperation on public health issues and repair work on two Greek Orthodox churches in northern Cyprus in June

¹ The Annan Plan, first presented by the UN to the two Cypriot communities in 2002 and then revised several times before being submitted to referendum in April 2004, provided for a loose federal constitutional settlement on the island drawing upon elements of the Swiss and Belgian models. The Plan also provided for detailed compromise arrangements on the issues of property, territory, security and citizenship.

² With the partial exception of the low-key 'Gambari process' launched in 2006.

³ UN News Centre (2008), 'Greek Cypriot and Turkish Cypriot leaders announce "full-fledged" negotiations', http://www.un.org/apps/news/story.asp?NewsID_27489&Cr=Cyprus&Cr1

2008.⁴ More was promised through the 25 July statement mentioned above. In the area of environmental protection, the sides agreed to prevent illegal dumping sites in the buffer zone, to exchange information between environmental experts and to cooperate on the prevention of wildfires. Further CBMs included cooperation in waste management, raising bi-communal awareness for water conservation, dealing with quarrying, biodiversity protection, marine management and the management of chemical, asbestos and historical pollution. With respect to cultural heritage, the parties agreed to compile a list of immovable cultural heritage items and additional restoration projects are to be determined. Guidelines are to be produced for the development of an interactive educational computer program. In the area of crisis management, mechanisms for cooperation are envisaged. Finally, cooperation in crime and criminal matters is to be enhanced through the exchange of information and intelligence.

The mere fact that direct negotiations have started and that beyond them the two leaders seem determined to build trust and confidence between the two communities is enough to inject cautious optimism even in the most cynical observer of the prolonged Cyprus conflict. Moreover, the fact that this peace process has been marketed and sold as a 'Cypriot-owned' process raises hopes even further. Indeed, a critical lesson drawn from the Annan Plan process is the need for conflict resolution efforts in Cyprus to be perceived as Cypriot-owned. True, the Annan Plan had been largely drawn up by the Greek Cypriot and Turkish Cypriot leaders and their respective negotiating teams, building upon talks carried out between them over the decades. The UN team had made bridging proposals, suggested new ideas and fixed time frames only when compromise eluded the leaders. Yet the mainstream narrative within the Greek Cypriot community, captured and led by the 'No' camp in the south, was that the Plan had been imposed upon the Cypriots by foreign agents. In turn, the public perception among Greek Cypriots of the Annan Plan process was of excessive external meddling, which reawakened embedded anti-colonial sentiments and fears. Regardless of the actual truthfulness of this narrative, the fact that it took hold within the Greek Cypriot community created a new reality to be reckoned with. Hence, the view gradually consolidated both within and beyond Cyprus that a new peace process had to see Cypriots sitting squarely in the driving seat, determining the substance, procedures and timeframes of negotiations. The international community and the UN in particular would confine themselves to a 'good offices' role. The 21 March process and the ensuing launch of direct negotiations have been unequivocally Cypriot. The process has been launched, determined and carried out by Cypriots, with the UN, and indeed all other external actors, being hardly visible and keeping to a strictly supporting role.

Last but not least, despite trends on the ground oscillating between centralised unification and complete separation, the parameters agreed by the two Cypriot leaders remain the only ones on which a second-best compromise is possible and thus which could obtain (narrow) majority support in both communities in separate referendums. A spring 2008 opinion poll carried out by the Centre for European Policy Studies reveals that both communities converge on the idea that the basis for negotiations should be the 1977-79 High-Level Agreements on a bi-zonal and bi-communal federation, with 63% of Greek Cypriots and 77% of Turkish Cypriots viewing this basis as either tolerable, satisfactory or desirable. This is confirmed by the fact that the two communities also converge on a 'Bizonal Bicomunal Federation with Political Equality', with 75% of Greek Cypriots and

⁴ See International Crisis Group (2008), 'Reunifying Cyprus: The Best Chance Yet', *Europe Report*, nr 194, 23 June, p. 6-7.

90% of Turkish Cypriots viewing this final outcome as either tolerable, satisfactory or desirable.⁵

This notwithstanding, these critical signals that certainly warrant cautious optimism are insufficient to nourish the expectation that the 21 March process can or will deliver in the short-term, as first anticipated by Christofias and Talat. Beginning with the Greek Cypriot side, despite the election of Christofias, the truth of the matter is that a hard third of the public remains firmly opposed to the power-sharing compromises necessary to reach peace with their Turkish Cypriot counterparts. Indicative of this is that while the hardliner Papadopoulos lost the presidential race, he did so by a narrow margin of 8,000-9,000 votes, suggesting that over one third of the public continues to back his nationalist stance. Secondly –and related–, Christofias won the presidency in the second round of voting because both the nationalist DIKO (Papadopolous' party) as well as the nationalist EDEK and Greens backed his candidacy against the liberal DISY candidate Cassoulides. Furthermore, while Christofias as President and his party AKEL have overarching power, this is no guarantee for compromise with the Turkish Cypriots. AKEL as a party and Christofias as its leader have lost much of their pro-solution credentials since the turn of the century and particularly with the Annan Plan debacle. While representing historically the warmest partners of the Turkish Cypriots, AKEL has demonstrated it can act in a highly pragmatic and at times opportunistic manner, engaging in unwieldy coalition politics with nationalist parties and rejecting the Annan Plan, arguably less out of conviction than out of convenience –so as not to be on the losing side of a referendum–. As a matter of principle, instead, Christofias might turn out to be no less of a hard nut to crack than his predecessor on issues such as demilitarisation, Turkey's guarantorship, refugees and the liberalisation of the freedoms of movement, settlement and property. All this within a structural context which has remained unchanged since 2004: Cyprus as an EU member state with little or no pressure coming from either its EU partners or any other external actor to make the concessions on power-sharing and bi-zonality needed to reach a compromise agreement with the Turkish Cypriots.

Turning north, the Turkish Cypriots have borne the brunt of the Cyprus stalemate in 2004-08, having been let down by the Greek Cypriot rejection of the Annan Plan and by the unfulfilled promises of the international community to lift their state of international isolation. This has meant that Turkish Cypriot enthusiasm for federalism and EU accession in 2008 is far below what it was in 2004. Some polls conducted in 2007 and 2008 among Turkish Cypriots suggest that support for federalism is waning in northern Cyprus.⁶ The Turkish Cypriots today are disillusioned, sceptical and more divided compared with the heydays of the Annan Plan, when empowered and united by their overthrow of the veteran leader Rauf Denktaş they were willing to take a step into the unknown with the Annan Plan. Furthermore, the little payback received for having undergone an effective regime change and accepted the Annan Plan also means that we are unlikely to see the 2003-04 levels of civil society and popular mobilisation in favour of a compromise solution in northern Cyprus today. Disillusioned and sceptical of the prospects for a loose federal agreement, the Turkish Cypriots feel increasingly inclined to concentrate on their internal well-being and, in the absence of palatable alternatives, direct their foreign policy efforts towards the lifting of their international isolation.

⁵ E. Kaymak, A. Lordos & N. Tocci (2008), *Building Confidence in Peace: Public Opinion and the Cyprus Peace Process*, CEPS, Brussels.

⁶ The results of a KADEM poll released in January 2007 demonstrated that 65% of Turkish Cypriots favoured a two state solution (<http://acturca.wordpress.com/2007/02/02/turkish-cypriots-in-favour-of-coexistence-of-two-separate-states-on-cyprus/>).

Mehmet Ali Talat is not only constrained by domestic politics; he is stuck between the rock of Turkish Cypriot public disillusionment and the hard place of Turkish political turmoil. Since 2007 we have witnessed the escalating political conflict between the AKP government and the 'Kemalist establishment', comprising not only the opposition party CHP but also the judiciary, the Turkish Armed Forces and key elements within state institutions, the media and the Turkish intelligentsia. This escalating tension was manifested first with the debacle over Abdullah Gül's election to the presidency in 2007. Rather than subsiding after the July 2007 parliamentary elections in which the AKP was awarded a second term in office, the tension exacerbated with the controversy over the headscarf issue in the winter of 2007-08, culminating with the Constitutional Court's case to close the AKP and ban from politics several of its parliamentarians (including the Prime Minister Recep Tayyip Erdoğan) for alleged anti-secular activities. When the Constitutional Court ruled in July 2008 to fine rather than to close and ban the party and its politicians, most –both within and outside Turkey– sighed in relief. The closure would have most certainly triggered a freeze (if not a complete halt) of Turkey's EU accession process and generated an escalation of the domestic political crisis to unprecedented heights. Yet the Constitutional Court's decision has not entailed a resolution of the crisis, putting Turkey firmly back on the track of domestic reform and "EU-isation". It has rather meant putting a cap on the crisis, with the secular establishment maintaining a close eye on the AKP and the latter turning its back (so far) to the chorus of calls from both within and beyond Turkey to restart the reform process. Within this context of continued yet contained political crisis alongside the reluctance of several EU member states to re-energise Turkey's EU accession process, can the AKP government, which struggles to reengage in a meaningful process of domestic reform, deliver on Cyprus? While a mood of cautious optimism prevails in Ankara regarding the Cyprus question, the answer to the question is all but evident.

Conclusions: So where does all this leave us? Developments in Cyprus since February 2008 are certainly positive compared to the dearth of good news coming from the Eastern Mediterranean island in recent years. The undeniable truth is that more has been achieved in the last six months than over the last four years of stalemate. Yet precisely because of these reasons for optimism and the fact that this Cypriot-owned peace process may represent the last chance to reunify the island on the basis of a loose federal agreement, external parties cannot simply sit aside and watch. Particularly in view of the asymmetries in powers, incentives and contexts within the conflict, but also in view of the responsibility shared by external actors for the 2004-08 impasse, the latter –first and foremost the EU– ought to play a decisive role. This does not entail embarking on a mediation role, which it cannot do effectively given that since 2004 it has become part and parcel of the Cyprus conflict. The role of the EU would be that of acting in support of and generating incentives within a Cypriot-owned and UN-mediated peace process as well as acting alongside the negotiation process in order to raise confidence between the two communities, in the peace process and in the EU itself. This would mean closely monitoring the peace process and mustering sufficient consensus within the EU to exert pressure on all sides, including on EU-member Cyprus. It also means delivering on the promises made to the Turkish Cypriots setting aside ill-founded EU concerns over recognition. Above all, it means proceeding with Turkey's accession process and thus not allowing the quest for membership in Turkey to become a non-issue at best and the far-fetched dream of marginalised and naïve reformists at worst.

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