

Solving the Cyprus Problem: Hopes and Fears

A REPORT BY THE
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Solving the Cyprus Problem: Hopes and Fears

“Solving the Cyprus Problem: Hopes and Fears”, reflects the views of participants in various panels that addressed the hopes and concerns that people harbor with respect to a potential settlement in Cyprus. The report and related research module are geared towards helping the two communities prepare for the societal conditions that will prevail if the two leaders reach an agreement, by working to remedy the deficit of contact and trust between different groups within and across the two communities.

This report has been prepared through a collaborative and participatory process which included numerous stakeholders from both communities of Cyprus, and as such conventional notions of authorship cannot be easily applied. The following is a non-exhaustive list of individuals who, in varying capacities, contributed to the development of the report:

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Participants are inclusive of persons who were individually interviewed and attended intra-communal stakeholder panels, as well as a subset of persons who additionally participated in intercommunal stakeholder panels to discuss the specific issues that comprise the chapters of this report.

All interviewees and participants in the Solving the Cyprus Problem Stakeholder Intracommunal and Intercommunal Panels participated in their personal capacities. Any views expressed during the meetings were their own and not necessarily of any organisations or authorities that they otherwise represent. While any recommendations contained in this report derive from individual interviews or stakeholder panel deliberations, specific recommendations do not necessarily reflect a broad consensus of the Solving the Cyprus Problem Intercommunal Stakeholder Panel. Moreover, particular recommendations should not be ascribed to, or identified with, any specific participant.

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PREFACE

Cyprus 2015 is a peace-building initiative which aims to complement the ongoing peace process by exploring broader societal issues that are directly or indirectly linked with the efforts to achieve lasting peace in Cyprus. The stated purpose of the Cyprus 2015 Initiative is to contribute towards a creative and constructive social debate for the long-term sustainable future of Cyprus, while the methodological framework it utilizes towards this end can best be described as participatory action research – in which research and dialogue come together, in the service of socially desirable change.

The Solving the Cyprus Problem Module of the Cyprus 2015 project aims to contribute to the development of a public atmosphere and social dynamics that promote and sustain a constructive engagement for the discussion on important issues among people in Cyprus that are likely to develop over the next five years (hence the reference to 2015). While negotiations on finding a comprehensive settlement for the Cyprus problem continue between the two leaders there is a need to bridge the vertical gap between leaderships (both intra-communal and cross-communal) and the society in order to enhance the long-term viability of a settlement. By ‘daily life’ what is meant is a focus on the particular issues that individuals face in the context of the current Cyprus problem, as well as a focus on future issues that affect the dealings of individuals, whatever their walk of life. Thus, the project encourages participants to focus on the present, considering how the current situation in Cyprus affects people, in contrast with anticipated changes.

An analysis of hopes in the context of a solution can be of use in encouraging public discussion of the peace process. Thus, despite prevailing pessimism as evidenced in public opinion polls, the exploration of hopes could aid in the fine-tuning of a settlement plan in order to reinforce and enrich those elements on which the people are investing hopes for the future.

An analysis of fears in the context of a solution is similarly valuable, insofar as it serves to catalogue concerns – a threat analysis – on which to base a holistic and citizen-based resolution of implementation related dossiers in the negotiation.

An analysis of hopes in the context of a non-solution is also important, insofar as it represents an alternative viewpoint which must be acknowledged and respected in the context of a participatory and inclusive process. A respectful and cohesive presentation of alternative visions for the future of Cyprus will at the very least enrich the internal dialogue within each community, and perhaps also lead to the discovery of ways to further improve a solution proposal, so that it will be increasingly ‘competitive’ when compared against a status quo alternative.

Finally, an analysis and presentation of fears in the context of a non-solution is useful insofar as it helps raise awareness of the underlying dangers of the status quo, which easily get forgotten due to the apparent normality of everyday life. Placing an emphasis on the threats of non-solution is a research direction that was recommended to the research team by several key stakeholders during the issue mapping phase.

Beginning in the autumn of 2009, the research team interviewed people from various backgrounds in order to discuss issues that people focus on regarding a potential settlement. Here the goal was to focus on the hopes versus fears expressed in society regarding the future. Thus, potential stakeholders were interviewed and asked to

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participate in panels to address this theme. Stakeholders were asked not only to focus on a potential settlement scenario, but also to consider alternative scenarios, taking their current daily life experiences as a base line.

Initial interviews with key stakeholders took the form of an issue mapping exercise. The interviews demonstrated that people living on both sides of the divide were concerned with the main dossiers of the Cyprus problem, i.e. Property, Security and Governance. Beyond these conventional dossiers, the interviews exposed the need to explore the sociological dimension, since many of the expressed views entailed optimism or concern that social level dynamics would serve to either underpin or undermine a political settlement during its implementation.

More immediately, citizens' votes in a possible referendum will be shaped by the way these issues are handled by their leaderships. Polls and focus groups were utilized to shed some light on the most and the least acceptable options vis-à-vis these issues, which formed the basis for forums where project participants could discuss complex issues, try to understand varying views and needs, and work toward mutually beneficial outcomes. To this end a joint inter-communal stakeholder panel with participants from both communities was established.

Initial interviews held with Turkish Cypriot and Greek Cypriot civil society leaders, politicians, individual experts and academics on their hopes and fears regarding a settlement or a non-settlement were reported in joint interim presentations on the respective dossiers. The presentations were followed by stakeholder deliberations held in early 2010. Later, the inter-communal discussions were shared and reflected upon with the broader intra-communal stakeholder panels.

Since then, the research team has drafted this report. The Solving the Cyprus Problem monograph is but one of an array of tools to enhance dialogue. By sharing polling data and focus group concerns with stakeholders in a deliberative forum, the process to date and this report contribute to establishing a process of virtual dialogue between, on the one hand, persons potentially affected by a settlement, whose claims are in conflict with each other, and on the other hand, between affected persons and the political leadership of both communities. Other tools for this virtual dialogue include a brief video documentary on the theme of Solving the Cyprus Problem featuring stakeholders in interviews.

This report summarizes discussions and itemizes various recommendations made by individual participants during the joint inter-communal panels, as well as other suggestions from participants in interviews. What the report aims to achieve is the documentation of the various views expressed, and where possible, identify common or converging visions, while noting divergences among stakeholders and the broader communities. Where common visions permit, the report etches out policy recommendations and where this is not possible, points to areas requiring societal dialogue. The rationale is that the formal negotiation process is bereft of societal input, whereas any blueprint will manifestly affect the lives of people. Moreover, any settlement deal will also have to put to referendum.

This report will be the basis of further discussion with participants and stakeholders, but will also be the subject of public events in order to disseminate the results to a broader public. The report is intended to be used as the basis of further dialogue in parallel with ongoing efforts to reach a settlement in Cyprus. In identifying hopes and fears, the report is intended to convey to policy makers the need to take on board social needs in order to ensure that the implementation of any agreement is congruent with social expectations. However, it is not only formal policy makers or negotiators that may find elements of the report of utility. Different groups of readers, including business people, researchers, or civil society organizations, will be interested in different aspects of the report.

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Further to the participants and contributors cited in the front flap, we also wish to thank the following for making possible the preparation of this report: Bernardo Arévalo de León and Enrique Sánchez of the Joint Programme Unit for UN/Interpeace Initiatives, for their patient supervision and guidance of the participatory process in accordance with international best practices;

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INTRODUCTION

This report, “Solving the Cyprus Problem: Hopes and Fears,” is an integral part of an Interpeace affiliated project entitled ‘Cyprus 2015’. Through the Cyprus 2015 project, the research team not only engages Track 1 level actors, but also connects with grassroots level actors, both through polling, but also through engagement of stakeholders through a participatory methodology. The project has identified research ‘modules’ that assist the team in conveying information to and from stakeholders to the broader communities.

‘Cyprus 2015’ is based on the peace-building paradigm, which privileges the notion that local Civil Society Organizations (CSOs) play a significant role in conflict transformation. The project is associated with the Geneva based UN-affiliated Non-Governmental Organization (NGO), Interpeace (formerly the War Torn Societies Project), which has developed its own process oriented methodology in this field. Crucially, the ‘Cyprus 2015’ project attempts to engage society at all levels. This is significant, since unlike conventional inter-communal activities (or bi-communal, as they are conceived in the context of Cyprus) this project focuses initially on intra-communal communications.

The rationale for such a process emanates from recognition that in Cyprus a settlement must be ratified through separate referenda. The most recent round of negotiations to arrive at a comprehensive settlement began with a joint statement of the Greek Cypriot and Turkish Cypriot leaders on 21 March 2008. Later in the process (25 July 2008), the two leaders confirmed that “[t]he agreed solution will be put to separate simultaneous referenda”¹ This referenda process is by now familiar to Cypriots, where in 2004 a United Nations (UN) blueprint, popularly known as the “Annan Plan”, so dubbed because of its association with the former UN Secretary General’s good offices mission, was rejected in a referendum by the Greek Cypriot community. So, whereas the same plan was accepted by a majority of Turkish Cypriots in a simultaneous referendum, the plan failed and Cyprus joined the EU as a divided island. The Cyprus problem persists.

Unlike the experience of 2004 the United Nations’ good offices mandate “is to assist the parties in the conduct of full-fledged negotiations aimed at reaching a comprehensive settlement to the Cyprus problem.”² The Secretary General’s Special Representative (SASG) “liaises regularly with other parties concerned,” but presumably will not table an initiative of his own or otherwise mediate or arbitrate a settlement, although the SASG

¹ UN News Centre (25 July 2008), “Greek Cypriot and Turkish Cypriot leaders announce ‘full-fledged’ negotiations” (http://www.un.org/apps/news/story.asp?NewsID_27489&Cr=Cyprus&Cr1).

² Mandate of the SASG, http://www.uncyprustalks.org/nqcontent.cfm?a_id=2480&tt=graphic&lang=11 (accessed on 15 August 2010)

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published an interim report in November 2010 that will have bearing on the future of the good offices mission and the ongoing negotiations.³ In this sense, the current round of negotiations has been dubbed 'Cypriot-owned', or in the words of the Secretary General "a process that is by the people of Cyprus, and for the people of Cyprus."⁴

Negotiations since 2008 have been an open-ended process based on general parameters. The settlement is to be a bi-zonal, bi-communal federation based on political equality. That is, a power sharing model with two federal (or constituent) states. Beyond this, however, there is significant divergence in the views of the negotiating parties and also between the communities. The implications for public opinion are clear, since polls suggest that Cypriots on both sides of the divided island are actors in their own right, more or less informed on the kind of solution that they would like to see and accept.⁵

The project assumes that there are potential convergences, but that these require a communicative space that presently does not present itself. In Cyprus there are a number of issues where a zero-sum equation prevails. However, there are also a number of areas of convergence, at least in principle, that makes the negotiation framework more congruent.

This report contributes to the process of identifying congruencies, as well as pointing to ways in which this potential can be best harnessed in the form of policy recommendations. Where zero-sum mentalities persist, the report provides a forum through which respective views on sensitive topics can be dealt with honestly and respectfully, consistent with the communicative and inclusive strategy.

"Solving the Cyprus Problem: Hopes and Fears", reflects the views of participants in various panels that addressed the hopes and concerns people harbor with respect to a potential settlement in Cyprus. The report and related research module are geared towards helping the two communities prepare for the societal conditions that will prevail if the two leaders reach an agreement, by working to remedy the deficit of contact and trust between different groups within and across the two communities.

The report concludes with a series of policy recommendations based on stakeholder inputs. Policy recommendations entail the identification of inter-communal convergences or consensus, either in procedural or substantive matters. That said, the proposals are not the product of the stakeholders, but reflect the analysis of the authors responsible for the report. Thus, recommendations are intended to serve as the basis of further dialogue, both among participants in this project and more broadly in public discussions.

Beyond this, potential policies are also explored where inter-communal divisions are evident. Moreover, the report points to areas where intra-communal disagreements also manifest.

³ See "Report of the Secretary-General on his mission of good offices in Cyprus" of 24 November 2010 (S/2010/603). Also see "Report of the Secretary-General on his mission of good offices in Cyprus" of 11 May 2010 (S/2010/238), http://www.uncyprustalks.org/media/SG%20Reports/S_2010_238.pdf (accessed on 15 August 2010)

⁴ Joint Statement of the Cyprus Leaders, read out on their behalf by United Nations Secretary-General Ban Ki-moon, 1 February 2010. http://www.uncyprustalks.org/nqcontent.cfm?a_id=2879

⁵ See A. Lordos (2008), "Rational Agent or Unthinking Follower? A Survey-Based Profile Analysis of Greek Cypriot and Turkish Cypriot Referendum Voters", in T. Diez and N. Tocci (eds), *Cyprus: A Conflict at the Crossroads*, Manchester: Manchester University Press.

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The report refers to how people relate to the Cyprus problem as individuals with an appreciation that affected persons can also be aggregated into different groups. Thus, for instance, in the context of Cyprus we can point to displaced persons who have been affected in numerous ways that may shape their current status and also play on what they think the future holds. The research team was interested in hearing about how the current situation affects people while considering how alternative scenarios are understood and how people anticipate they might be affected. Individuals were interviewed to discuss how they relate to the current situation and how they anticipate the future may unfold. Interviewees were asked to discuss the future in terms of the hopes and fears they associate with future scenarios. Based on these scenarios, the research team engaged in an issue-mapping exercise to categorize hopes and fears in the context of the Cyprus negotiations.

The inter-communal panels, based on these issue mapping exercises, focused on the governance, security, property, and social dimensions of the Cyprus problem. To a large extent, thus, inter-communal work has shadowed the Track 1 negotiation dossiers. In this way, inter-communal panels dealt with themes related to the ongoing negotiations. However, the various concerns of the stakeholders were first deliberated intra-communally, so that interim reports effectively communicate issues from one community to the other, leading to inter-communal panel deliberations.

The most notable convergence is the desire that a mutually agreeable settlement be reached. In a poll conducted by the research team in November 2009, Greek Cypriot and Turkish Cypriot respondents mostly concurred in expressing a shared wish that the current process would lead to a settlement, though we must also note significant numbers of persons who do not desire a settlement from this process.⁶ More significantly, we note the contrast between aggregate levels of 'desire' that there be a settlement versus 'hope'. Hope is a scarce commodity whereby few people in Cyprus express much optimism regarding the outcome of the talks, even if they wish otherwise. A second poll conducted in 2010 reveals that little had changed over the course of a year, though levels of desire among Turkish Cypriots increased moderately while hope in both communities remains low.

“THE RESULTS OF THE PUBLIC OPINION POLLS THAT WE HAVE CONDUCTED HAVE CLEARLY SHOWED US THAT PEOPLE HAVE LARGELY LOST THEIR HOPES FOR THE CURRENT NEGOTIATION PROCESS. THIS IS BECAUSE THE NEGOTIATION PROCESS HAS BEEN A PROLONGED PROCESS ... THAT IS TO SAY, THE INTER-COMMUNAL TALKS WHICH STARTED IN LATE 1960S HAVE NOT REACHED TO A COMPREHENSIVE SETTLEMENT AND THEREFORE PEOPLE LEGITIMATELY ARE NOT VERY HOPEFUL ABOUT THE PEACE PROCESS.”

⁶ In the context of the 'Cyprus 2015' project, two comprehensive public opinion surveys have been conducted with respective sample sizes of 1000 and 800 in each community. Respondents were selected through multi-staged random stratification sampling. Fieldwork was conducted by Symmetron Market Research for the Greek Cypriot community and KADEM (Cyprus Social Research) for the Turkish Cypriot sample. Face to face interviews were conducted. The first survey was completed in November 2009 and the second in October 2010. Unless indicated otherwise, all public opinion data presented in this report is taken from these two 'Cyprus 2015' surveys.

AHMET SÖZEN – ‘CYPRUS 2015’ PROJECT CO-DIRECTOR

It is also worthwhile to note that many people, especially within the Greek Cypriot community, remain agnostic regarding a future referendum, presumably not willing to commit themselves either way until a settlement deal has been drafted and disseminated. Turkish Cypriots, having voted ‘yes’ in 2004 to the UN blueprint seem to be increasingly skeptical, whereby significant numbers are already considering voting ‘no’ in a subsequent referendum.

Figure 1A: Level of desire that the peace process should produce results

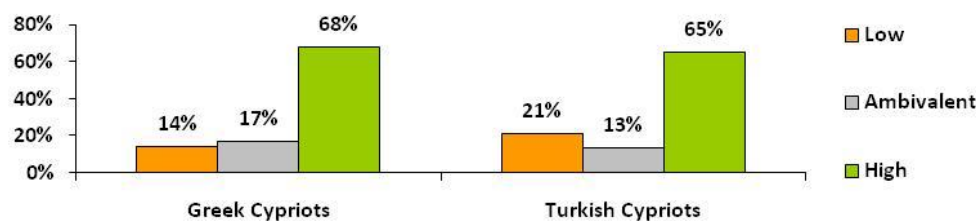
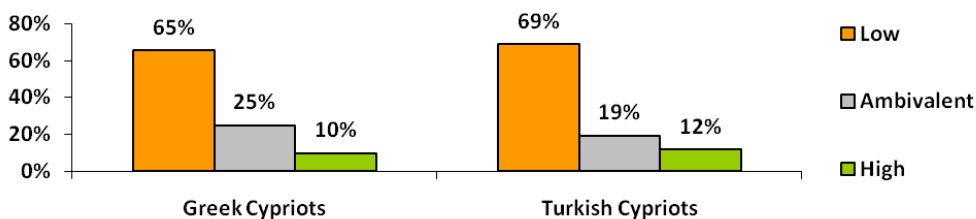
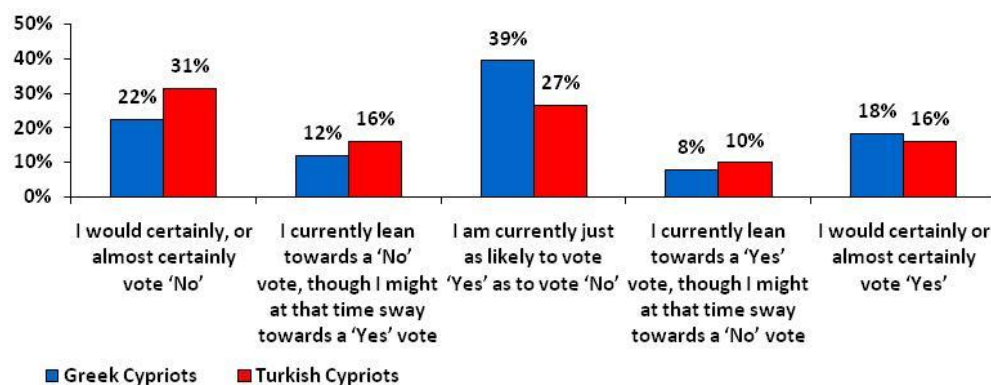


Figure 1B: Level of hope that the peace process will produce results



A majority of the Greek Cypriot community would like to see the peace process being concluded successfully and leading to a Comprehensive Settlement while a majority of Turkish Cypriots similarly espouses the same goal. However, respondents have very little faith that there will be a breakthrough.

Figure 2: Vote in a potential future referendum



To the question of what they would vote in a future referendum, assuming the negotiations between the two leaders conclude and a settlement plan is drafted, the two communities show a similar orientation. Specifically, about a fifth of Greek Cypriots and Turkish Cypriots are committed ‘Yes’ voters, about a quarter of Greek Cypriots and Turkish Cypriots are committed ‘No’ voters, while the rest are swing voters who have yet to make

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a final decision, many of whom are presumably waiting to see the final shape of the deal or the positioning of opinion leaders before making up their mind.

One element of the report is to reflect on this 'desire', if not hope, that a settlement can be reached. In doing so, it inquires as to the varying motivations for a settlement among different groups in Cyprus. In taking divergence seriously, the report aims to provide a comprehensive but complex picture of the way people in Cyprus conceptualize the Cyprus problem and alternative settlement scenarios. To do this, the researchers who contributed to the production of the report spent many hours interviewing stakeholders, taking notes of focus group meetings, and studying survey data. Some of the stakeholder meetings were intra-communal and others inter-communal. As a result, the report aims not only at considering convergences and divergences between Greek Cypriots and Turkish Cypriots in the context of the Cyprus problem, but to also explore the complexity of views and discourses within communities on the island. This complexity helps us chart 'hopes' and 'fears' regarding a settlement (or non-settlement as the case may be).

In the pages that follow, we explore the various hopes and fears that people and our stakeholders expressed with respect to varying scenarios. To do this the report investigates views on governance (and power sharing), economics, social dynamics, security (and guarantees), and property. Whereas the formal negotiation framework includes six chapters of the negotiations: governance and power sharing; European Union matters; security and guarantees; territory; property; and economic matters, this report subsumes discussion of territorial adjustment and European Union matters within other headings.

Breaking with conventional analyses that focus on and trace the dossiers subject to formal negotiation, this report devotes attention to the sociology of the Cyprus problem, appreciating that the success of implementation is of equal concern to arriving at a blueprint. The analysis contributes to the understanding of diverse views through a focus on the social dynamics of the Cyprus problem, whereas Track 1 level negotiations tend to ignore or take for granted the sociological dimension that consequently remains underexplored and disconnected to the negotiation process. Whereas the report includes a separate chapter dedicated to 'social dynamics' it should be noted that the problem of coexistence is interwoven throughout the analysis, depending on the context.

As we have seen above, polling reveals that people generally share the desire that there will be a settlement. Regarding the basis of negotiations, polls also reveal that for either community federation remains the second best option, and only area of overlap. The current model for settlement is a:

*"bi-zonal, bi-communal federation with political equality, as defined by relevant Security Council resolutions. This partnership will have a Federal Government with a single international personality, as well as a Turkish Cypriot Constituent State and a Greek Cypriot Constituent State, which will be of equal status."*⁷

Wholehearted support for this compromise model is in relatively short supply. When asked whether they agree with these principles agreed to by the leaders, only 10% of

⁷ Joint Statement by Greek Cypriot Leader Demetris Christofias and Turkish Cypriot Leader Mehmet Alit Talat of 23 May 2008. http://www.uncyprustalks.org/nqcontent.cfm?a_id=2831 (accessed on 15 August 2010). UN Good Offices.

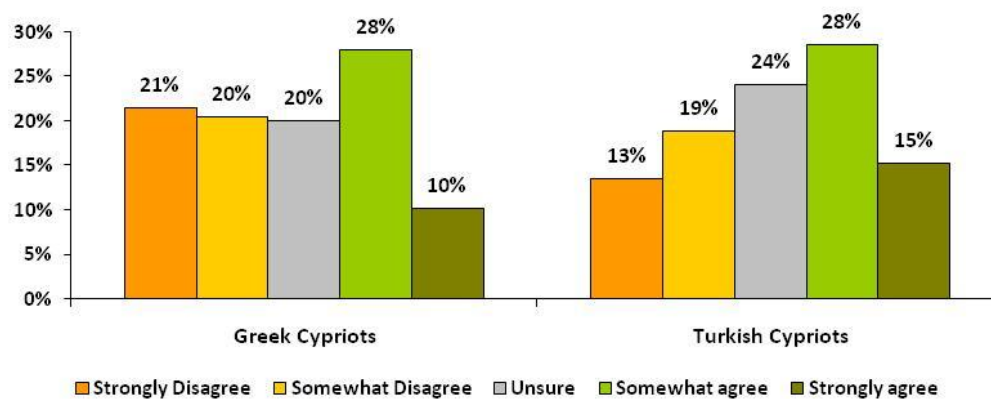
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Greek Cypriots and 15% of Turkish Cypriots report that they strongly agree. That said, people of either community are more likely than not to support the principles, with the mode response being to “somewhat agree” (an equal 28% of both communities). So, despite significant resistance to the principles in some quarters (e.g. 21% of Greek Cypriots responded that they ‘strongly disagree’ with the principles underlying the negotiations) the basis of negotiations are not rejected outright by either community.

By contrast, the primary choices of the respective communities – unitary state for Greek Cypriots and a two-state solution for Turkish Cypriots – are almost equally unpalatable to the other community.

But if there is apparent convergence over the overall compromise package, there are significant differences regarding the components. In the pages that follow, the report ‘unpacks’ the various elements of the compromise model, analyzing what members of either community consider to be of importance.

Figure 3: Acceptance of agreed settlement framework

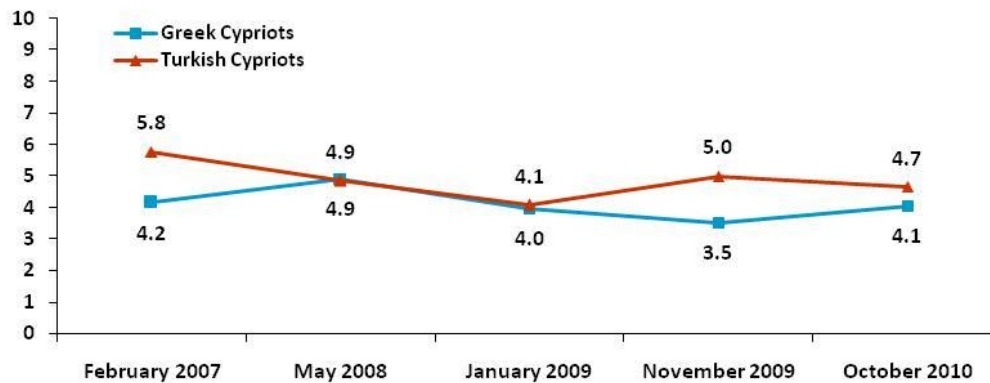


As for the agreed basis of negotiations between the two leaders – namely that the settlement should constitute “a Bizonal Bicomunal Federation with Political Equality, as agreed in UN Security Council Resolutions, with two constituent states of equal status and a single international personality, sovereignty and citizenship” – both communities are expressing ambivalence without rejecting it outright. The skeptic contingent is somewhat stronger in the Greek Cypriot community, while in both communities “moderate support” of the framework is a more frequent condition than “strong support”.

The levels of support for the respective settlement models prove to be stable over time. Results from a second survey in October 2010 demonstrate the same rank ordering of preferences with similar levels of support. Indeed, the results produced here also correspond with survey data collected in earlier years. Demonstrative of this, the graphs presented below demonstrate the overlap (since 2007) regarding a federal settlement versus the polarization on the two-state model alternative.

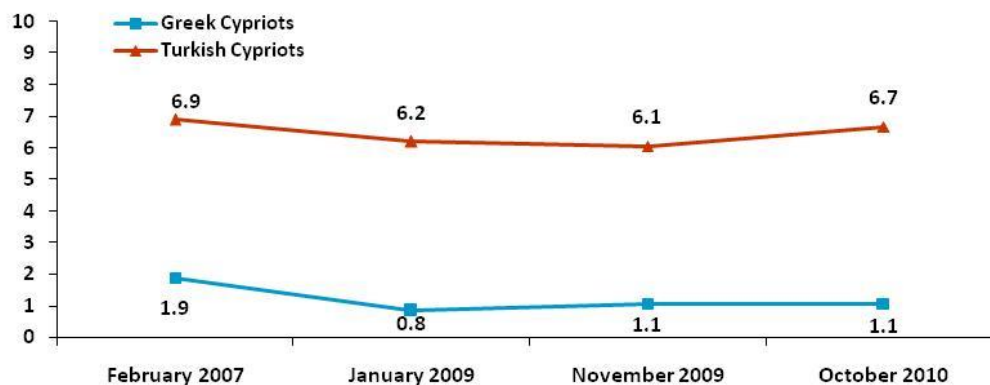
Figure 4: Acceptance of Bi-zonal Bi-communal Federation over time

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Levels of support for federalism oscillate and trends are not clear. That said, levels have declined in aggregate.

Figure 5: Acceptance of Two State Solution over time



Similar to federalism, two state solution levels do not demonstrate a definite trend. Clearly the communities remain polarized on this matter.

The research produced here relies not only on the reporting of survey data, but also entails reflection on the part of stakeholders.

With respect to a federal system as an integral part of a comprehensive settlement – the basis of ongoing negotiations – the research team, together with stakeholders, explored why people hope for this particular solution, whereas others fear it. Starting with survey data that underscore some basic tendencies, focus group participants and stakeholder panel participants were asked to elaborate on tendencies uncovered. Specifically, there was interest in why Greek Cypriots tend to favour centralization over decentralization of authority, and by contrast why the Turkish Cypriots tend to advocate loose federalism with strong ‘constituent’ states. Trust emerges as a key factor (in this and other aspects of the Cyprus problem). Generally, people are concerned that a settlement may fail, so they focus on the consequences of that failure. This uncertainty affects the analysis of the applicability of potential models.

“IN THIS LIFE THERE ARE POSSIBILITIES FOR EVERYTHING. TO PUT IT OTHERWISE, IF HISTORY TEACHES SOMETHING, THIS IS THAT WE CAN

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NEVER BE ABSOLUTELY SURE FOR ANYTHING. FOR BETTER OR FOR WORSE, THINGS ARE HEADED CLEARLY TO A CERTAIN SITUATION WHICH AS I SAID WITH OR WITHOUT SOLUTION, IT WILL BE RATHER ADVERSE FOR THIS PLACE. NOW HOW COULD THEY CHANGE?"

ACHILLES EMILIANIDES – ADVOCATE / ACADEMIC

Thus the preferences for a particular model may have much to do with fears that a settlement will not be permanent or viable. In the report, we note how stakeholders and focus group participants consider the consequences of power sharing arrangements. We note that attitudes are congruent with respective leaderships, though not exclusively so. The report explores some of these nuances.

In recent years the spectre of a 'non-settlement' scenario has become more mainstream and a matter of concern. Thus, the report also takes seriously views on these scenarios as well. In particular, the report takes seriously the consequences of a failure of the current round of negotiations and considers what may unfold in the event that the negotiations do not make significant progress in the coming months. Additionally, the low levels of hope in either community that the process will succeed further mandate a focus on alternative scenarios. In addressing non-settlement scenarios the report delves into various hopes (e.g. some Turkish Cypriots believing that the international community may accommodate two states on the island despite previous UN Security Council Resolutions to the contrary) and fears (e.g. that permanent division will have repercussions).

Independent of whether people believe a settlement is in the offing or not, stakeholder panel and focus group participants are much more optimistic regarding the prospects for economic development associated with a settlement. In general, people express the potential for 'win-win' scenarios. On the other hand, economic asymmetries and the distributional consequences (or 'costs') of 'reunification' are cause of some concern. Turkish Cypriots remain concerned that they lack comparative advantages and that Greek Cypriots remain "protectionist". Greek Cypriots, for their part, tend to view trade across the Green Line as potentially 'strengthening the regime in the north economically'. Meanwhile, we note that the focus on costs is not merely economic, but also relates to attribution. Greek Cypriots tend to resent settlement models that would effectively saddle them with fiscal burdens.

Depending on one's view of the future 'reunification', social dynamics can be reinforcing of a settlement or threatening to identity and status. Once again, trust proves to be a scarce commodity when contemplating coexistence. Identity issues are salient, while we note that concerns regarding demographics are also quite pronounced.

Despite fears associated with identity, people tend to be more enthusiastic about the prospects of social development within their respective communities. Some participants argue that the all-consuming Cyprus problem has served to impoverish public debate contributing to xenophobic and conservative society. Thus a settlement may allow for progressive tendencies and an open society.

Regarding security, both Greek Cypriots and Turkish Cypriots remain firmly embedded in their views, where a zero-sum mentality prevails. The potential and sources for conflict concern many, hence the division regarding the role of Turkey as a guarantor power. Our participants could not untie the Gordian knot regarding the security dilemma.

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Finally, regarding property we note that positions of principle tend to get in the way of constructive dialogue on how to resolve the matter of affected properties. Ultimately, we note that people share a concern for equity and for the valuations of properties in the context of a settlement that would entail some properties being exchanged or compensated.

In the pages that follow the report traces the discussions in intercommunal panels dedicated to each of the dossiers or issues outlined above. The report concludes with a set of recommendations that emanate from the stakeholder panels and related interviews.

GOVERNANCE AND POWER SHARING

Among the six chapters of the formal negotiations – governance and power sharing; European Union matters; security and guarantees; territory; property; and economic matters – Governance and Power Sharing enjoys pride of place. Full-fledged negotiations, formally launched on 3 September 2008, commenced with discussion of governance and power sharing. Despite some noted progress and various convergences over the course of the more than eighty meetings between the leaders since the full-fledged negotiations commenced⁸, the dossier remained open as of this publication. In the pages that follow, we address the degree to which the convergences at the negotiation table (formally pronounced or not) are supported at a societal level.

The particular formula – a bi-zonal, bi-communal, federal system based on political equality – is not unique to the current round of negotiations. Indeed, a bi-communal federal system has been a constant parameter since the 1977 and 1979 High Level Agreements between the sides. Where emphases differ is on the importance attached and legitimacy ascribed to various principles.

At the grassroots level we note a variety of concerns related to the potential ‘new state of affairs’. Participants in the project’s focus group and inter-communal panels considered numerous issues, including how the executive would be elected; whether the communities can coexist given decades of separation; whether the settlement will be successful; among many others.

This chapter is divided into three subsections: deliberations on a federal settlement model; issues of implementation; and finally an assessment of non-settlement scenarios entailing either formal partition or some form of interim arrangements to accommodate the ongoing division.

In early 2010 project stakeholders considered a federal element and its alternatives⁹. To what extent was the basis of the ongoing negotiations congruent with societal needs, and were stakeholders sufficiently reconciled with the parameters set out? To this end, the chapter focuses on dispositions toward the bi-zonal, bi-communal settlement proposal generally, followed by an analysis of the various elements of a federal, power-sharing model, including some of the key ‘convergences’ (i.e. rotational presidency and cross-voting) that feature in the current round of negotiations. This is followed by a discussion and assessment of implementation issues, as well as the more controversial

⁸ See the Joint Statements of the leaders of 1 February 2010 and 30 March 2010.

⁹ The meeting was held on 15 January 2010 at a restaurant near the buffer zone across from the Ledra Palace Hotel. All other subsequent meetings were held at the same site.

Solving the Cyprus Problem: Hopes and Fears

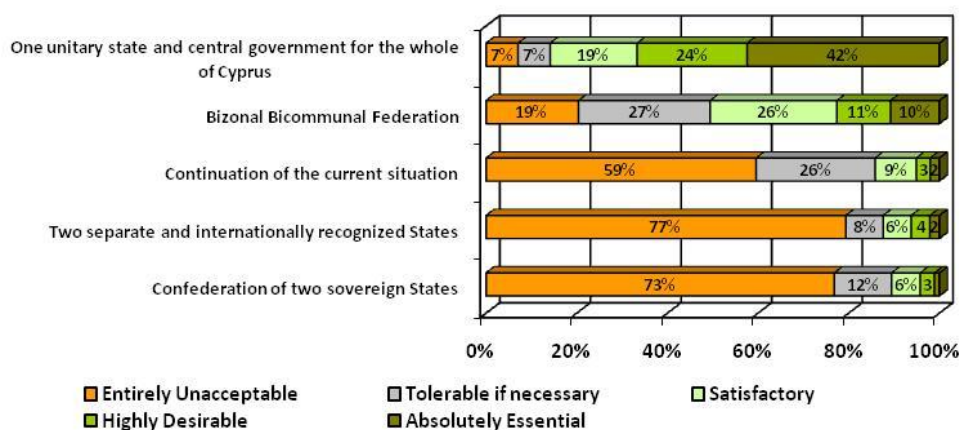
notion that the sides may need to pursue piecemeal agreements in the absence of a comprehensive settlement package. The focus on implementation issues relates very much to the problem of trust and the daily challenges that citizens would face in a post-settlement scenario.

The chapter then turns to the alternative scenarios of non-settlement, hence no reunification. What do our stakeholders consider to be the consequences of another failed round of negotiations? Unlike previous rounds, the current negotiations have been conducted under significant uncertainty regarding the future strategic alliance of Turkey with the 'West'. Moreover, the Cyprus problem has become inextricably linked with Turkey's formal accession negotiations to the European Union. Thus, there is concern in diplomatic circles that a settlement can be reached in Cyprus lest Turkey's relations with the European Union suffer. There is fear that the division of Cyprus can take on another dimension. Here the particular concern is with how such scenarios may materialize and to identify hopes and fears regarding specific scenarios.

Regarding the overall prospects for a successful conclusion of the current round of negotiations, public opinion polls conducted as part of the research project demonstrate that the bi-zonal, bi-communal, federal compromise to be just that: a compromise. In general, Greek Cypriots strongly prefer a unitary state over federation (and the continuation of the Republic of Cyprus), and Turkish Cypriots prefer a two-state solution entailing the international recognition of the unrecognized Turkish Republic of Northern Cyprus ('TRNC').

Polling data establishes that federalism is the second best option for both Greek Cypriots and Turkish Cypriots. Yet, there is great scope when speaking of federal models. Specific models closer approximate the more centralized vision held by most Greek Cypriots, versus the decentralized or 'loose' federation supported by most Turkish Cypriots.

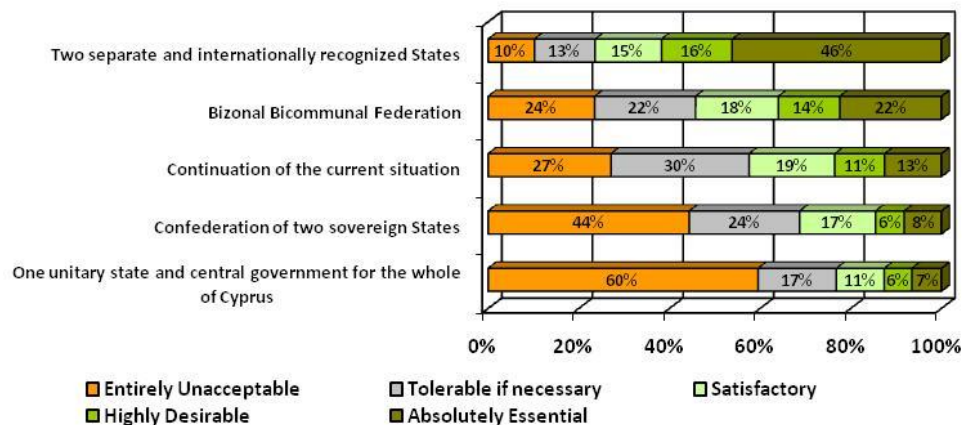
Figure 6A: Overall Settlement (Greek Cypriots)



Greek Cypriots favor a unitary state over other alternatives. Federation is a distant second, but still acceptable to a majority of the population. A continuation of the status quo is seen as unacceptable by the majority of the population.

Figure 6B: Overall Settlement (Turkish Cypriots)

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Turkish Cypriots favor two states, but are prepared to accept federation as a compromise. Continuation of the status quo is also a tolerable option to Turkish Cypriots.

Overall, Turkish Cypriots are more favorably disposed to federalism relative to Greek Cypriots. Greek Cypriots tend to object to various elements of a proposed federal settlement on grounds of principle. That said, polling data corroborated by the implications of recent electoral results among Turkish Cypriots, demonstrates that support for federalism among Turkish Cypriots is contingent on reciprocity.

As a result discussions over this important dossier of the Cyprus Problem are shaped around these varying approaches or vantage points regarding federalism and its potential application in Cyprus.

To the extent that Turkish Cypriots support federalism, they tend to prefer relatively autonomous constituent states vis-à-vis the central, federal government. Similarly, they prefer to limit the competences of the federal government. By contrast, most Greek Cypriots prefer a more centralized federal state with a hierarchy of laws. Being less in numbers, Turkish Cypriots express concerns regarding political equality in the federal state and worry that Greek Cypriots will not accept equitable power sharing. On the other hand Greek Cypriots are apprehensive about Turkey's potential intervention in the new state's affairs and prefer to keep governance competences or authority as central as possible. Having lived apart for the past 40 some years both communities are now questioning whether they will be able to live and work together without any major problems.

Given this situation, it is often difficult to discuss governance without reference to how the new state of affairs would prove stable and that the sides would abide by their respective commitments. For Turkish Cypriots this requires that governance issues be negotiated without reference to changes in the Treaty of Guarantee, whereas for many Greek Cypriots governance must be delinked from international oversight.

“ON THE OTHER HAND GUARANTEE OF
GOVERNANCE HAS TO BE PROVIDED IN SOME
OTHER WAY; I DON'T THINK THE MOTHERLANDS
CAN GUARANTEE GOVERNANCE. IT HAS TO BE
SEPARATED FROM THIS SECURITY AND
MOTHERLAND ISSUE.”

ALEXANDROS LORDOS – ‘CYPRUS 2015’ RESEARCH
CO-DIRECTOR

In the pages below, these general dispositions are deliberated among our stakeholders, both intra-communally (that is, separately, among members of the same community), as well as inter-communally, where stakeholders convened in a panel discussion dedicated to the themes of governance and power-sharing to reflect on the polling data and the various views that emerged from intra-communal deliberations.

A BI-COMMUNAL, BI-ZONAL FEDERAL SETTLEMENT

A federation has been the basis of negotiations since the 1977 and 1979 High Level Agreements between the sides in Cyprus. The 1977 agreement foresaw an “independent, non-aligned, bi-communal Federal Republic.” Subsequent UN Security Council Resolutions have confirmed that the solution sought would provide for the establishment “of a federation that will be bi-communal as regards the constitutional aspect and bi-zonal as regards the territorial aspects.”¹⁰ Beyond this the federal settlement also entails ‘political equality’, an imprecise term that entails the ‘effective participation’ of the Turkish Cypriots while preventing majority domination yet ensuring that government would function. Below the report analyzes how these principles are perceived at a societal level and by participants in this project.

DISPOSITIONS TOWARD A BI-COMMUNAL, BI-ZONAL FEDERAL SETTLEMENT

In this section we explore these basic views in order to illuminate some issues of concern include what people hope and fear regarding a federal settlement. What we note at the outset is that tendencies discerned through focus group discussions and stakeholder interviews as well as stakeholder panels demonstrate that the problem of trust emerges as a significant factor. On both sides of the island, people are concerned that a settlement may fail. Subsequently there is a tendency to focus on the consequences of that potential failure. Moreover, a federal settlement entailing ‘bi-communality’ requires significant degrees of power sharing. Thus aside from trust and fear that the system would not work in practice, there are also intricate relations of power and authority that need to be developed. As we note below, inter-communal trust (or the lack thereof) emerges as a significant factor. The question remains to what extent mistrust is a function of misunderstanding or more fundamental structural factors.

“WHATEVER WE ARE TALKING ABOUT, WHETHER IT’S SECURITY, PROPERTY OR GOVERNANCE, TRUST ISSUE COMES UP. DO YOU THINK WE CAN COME UP WITH IDEAS TO HELP BUILD TRUST BETWEEN THE TWO COMMUNITIES?”

¹⁰ UN Security Council 649 (1990). <http://www.un.org/Docs/scres/1990/scres90.htm> (accessed 16 August 2010)

DERYA BEYATLI – ‘CYPRUS 2015’ SOLVING THE
CYPRUS PROBLEM MODULE RESEARCHER

In practice, a settlement would involve the participation of Turkish Cypriots and Greek Cypriots in federal governance. The Track 1 level official negotiations have yet to finalize what the specific power sharing relationship would be. ‘Political equality’, one of the principles of the negotiation framework, is ambivalent in terms of specifying degrees of ‘participation’ or representation. In a confederal setup this refers to a 50-50 arrangement, but in the case of Cyprus ratios are more complex. Moreover, in federal systems, majoritarian principles conflict with state level representation. Thus there are distributional issues at stake whereby various portfolios and civil servant positions would be appropriated on the basis of ethnicity. Thus, trust also relates to this more tangible problem of the perceived distributional consequences of power-sharing.

A settlement would also affect other sets of outcomes in daily life affairs. As a result, some focus group participants and stakeholders mentioned economic disparities and other asymmetries between the future constituent states as areas of concern.

In order to explore these matters in greater depth our researchers consulted with stakeholders, initially through one on one interviews, and later in groups. Generally, the interviews and deliberations revealed that Turkish Cypriot and Greek Cypriot stakeholders and focus group participants demonstrated an awareness of the consequences of power sharing arrangements. Some consequences have to do with the nature of the polity. Greek Cypriots tend to believe that their numerical superiority entitles them to a majority of government positions. This is a principle of majoritarianism. Meanwhile, among Greek Cypriots there was also an awareness of the societal dimension; namely that without the full participation of Turkish Cypriots the settlement would not be viable, effectively conceding that Turkish Cypriots would have to be incorporated and accommodated in some manner. Greek Cypriots also tended to embed the governance dossier in strategic or complex terms, generally concerned that a failure in the implementation in governance could render what is now the Republic of Cyprus akin to a rump state. Thus, some Greek Cypriots favor a unitary state, or at the very least an explicit process of devolution, as well as legal hierarchies that will ensure that state failure will not come at their expense.

In general, Turkish Cypriot support for a bi-zonal, bi-communal federal settlement is conditional on the satisfaction of ‘political equality’. Interestingly, Turkish Cypriot participants did not only relate to the matter in terms of official or formal power-sharing mechanisms. Some concerns expressed by Turkish Cypriot participants related to the de facto power relations in a future partnership where asymmetries between constituent states and societies are projected to have an impact on outcomes. For instance, some Turkish Cypriots pointed to the inefficient Turkish Cypriot public sector. The overall incompatibility of human resources and lack of administrative experiences would prove to be handicaps. Economically there are concerns regarding competitiveness and a lack of interdependencies between the economies on the island. As a result, some participants expressed the fear that that distributional disagreements reminiscent of the 1960s experience could recur. Ultimately this relates to a fear articulated by many Turkish Cypriots that they will be reduced to the status of a ‘minority’ within a Greek Cypriot dominated society. This makes them adverse, in general, to accepting the devolution of the existing Republic of Cyprus as the basis of a ‘new state of affairs’.

“AT THE END OF 40 YEARS OF NEGOTIATIONS, WE
TALKED ABOUT ALMOST EVERYTHING. IN THE
GREEK SIDE, THEY ARE TRYING TO ERODE OUR

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PARTNERSHIP AND SOVEREIGNTY STATUS BY SAYING THAT 'THE WORLD RECOGNIZES ONLY US, WE ARE THE ONLY RECOGNIZED STATE' ... THIS STATE WILL TURN INTO A FEDERATION AND CONSEQUENTLY THEY (GREEK CYPRIOTS) WILL CATEGORIZE US AN ETHNIC GROUP SUCH AS MARONITES, ARMENIANS, AND LATINS LIVING IN A GREEK STATE. TO BE HONEST WITH YOU, I DON'T HAVE ANY HOPES. WHEN WE PUT OUR-SELF INTO GREEK CYPRIOT SIDE'S SHOES, THEY REALLY DO NOT HAVE SUCH A NEED."

BENGÜ ŞONYA – DEMOCRAT PARTY

That said, Turkish Cypriots are internally divided on strategy. Some consider that their communal political rights emanate from the Zurich-London accords, so they are less resistant to devolutionary models that render the original Republic of Cyprus a federation. Others consider that sovereignty must emanate from the internationally unrecognized TRNC.

In short, it is difficult to engage in any discussion of governance and power-sharing issues independent of other considerations.

"WE HAVE ALL CONFUSED THESE ISSUES, LIKE MILITARY SECURITY AND GOVERNMENTAL FUNCTIONALITY, IT HAS ALL BECOME ONE PACKAGE, WHICH IS IMPOSSIBLE TO SOLVE NOW. WHAT IS IMPORTANT IS TO TOTALLY SEPARATE THESE ISSUES. WE HAVE TO UNDERSTAND THESE FEARS AND DEAL WITH THEM SEPARATELY."

ALEXANDROS LORDOS, 'CYPRUS 2015' RESEACH
CO-DIRECTOR

Power-sharing may manifest in various ways, but participants tended to focus on the executive branch of government, which was to be anticipated given the salience of the executive and the symbolic importance attributed to the presidency in Cyprus. Discourses in focus groups and among stakeholders inevitably focused on the executive. During the current round of negotiations, the sides have been discussing rotational presidency as a possible model on which to achieve convergences. Rotational presidency, on that face of it, addresses the concern for political equality expressed by Turkish Cypriots. In addition, a complementary argument has been developed in favor of solidarity and coherence in government. One way of achieving this is cross-voting mechanisms that would ostensibly serve the end of electing 'moderates' who would work in tandem as rotational partners in a virtual coalition. It is assumed that candidates would thus be motivated to reach out to appeal to voters on both sides of the island.

Our polling data suggest that rotational presidency is a non-starter for most Greek Cypriots. Moreover, most of the Turkish Cypriot stakeholders were of the view that Greek Cypriots were indeed fundamentally opposed to rotational presidency. This view was contradicted somewhat through focus groups comprised of Greek Cypriots where

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many participants said they would countenance rotational presidency, although there were others who disagreed.

The cause for opposition to rotational presidency, in either community, seems to be trust. Generally, Greek Cypriot participants were not comfortable with the notion of a Turkish Cypriot being vested with presidential authority independent of his/her Greek Cypriot counterpart in a rotational presidential system. We note that Greek Cypriots are more open to a system where there are joint decision making provisions. With respect to cross-voting most Greek Cypriot participants were more supportive although there was no consensus. We note that the minority of Greek Cypriot participants who opposed cross-voting also tended to oppose a bi-zonal, bi-communal federal settlement in principle.

Turkish Cypriot focus group participants also expressed a variety of views. Whereas some considered cross-voting a positive thing in that it would serve to keep hardliners out of power, others are concerned about being dominated through this instrument.

Overall, though, what is interesting here is how the responses of people seem to differ somewhat from politicians in that the latter are probably more keenly aware of how their own political fortunes could be affected by cross-voting that would induce coalitions across the communities and impact their chances of getting elected at the margins. That said, some stakeholders were sensitive to the electoral issue and did address the dilemmas facing candidates running for office.

Given the hope for a settlement and some of the considerations regarding a federal system discussed above, the pages that follow also address some of the issues that might motivate people to support a federation.

TRUST: THE PAST AS GUIDE TO THE FUTURE

The literature on power-sharing suggests that in deeply divided societies where trust is lacking, there may be “no alternative to formal constitutional and legal rules to govern power-sharing and autonomy” (Lijphart, 2002, p. 54). Yet, in the absence of trust, such power-sharing arrangements are also said to contribute to governmental deadlocks (Rothchild and Roder, 2005, p. 314).

Based on experience, people in Cyprus tend to express concerns regarding the fate of the proposed ‘new state of affairs’. The extent to which people believe a settlement blueprint will actually be implemented emerges as one important factor that may motivate support for a solution. Fancy language cannot mask the mistrust and lack of confidence.

I CONSIDER THAT, STARTING FROM NOW, THERE SHOULD BE A THOROUGH AWARENESS CAMPAIGN AMONG THE PEOPLE, BECAUSE WE HAVE A LOT OF IDEAS AS TO HOW THIS COUNTRY WILL BE GOVERNED, BUT WHEN THE PEOPLE, THE ORDINARY CITIZENS, DO NOT TRUST THE SYSTEM AND THOSE WHO ARE TO GOVERN THEM, IT'S A BIT LIKE AN UNWANTED GIFT. IN OTHER WORDS, WE WILL VIEW EVERYTHING WITH SUSPICION.

ELLADA EVANGELOU – ‘ROOFTOP’ THEATRE GROUP

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Many Greek Cypriot participants expressed the concern that the setup will not be viable if it is based exclusively on ethnicity (hence power-sharing). In addition, stakeholders share a concern that language might serve as a barrier, apparently not convinced that a multilingual society is functional.

Greek Cypriot and Turkish Cypriot panel participants also agreed on the need for dispute resolution mechanisms. Discussion of deadlock resolving mechanisms featured as an agenda item on the stakeholder panel dedicated to federal governance issues. Participants also considered the implementation of a comprehensive settlement in terms of transitions and time frames.

Our stakeholder interviews, focus group and panel discussions shed more light on the issue of mistrust and preferred settlement models.

“I WONDER HOW THIS FORM OF GOVERNMENT
REFLECTS OUR GOAL OF REUNIFICATION OF THE
CYPRIOT PEOPLE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Stakeholder deliberations on the matter began with intra-communal discussions. A number of Greek Cypriot stakeholders consider a bi-communal federation to be racist and in opposition to human rights. This relates to the perception that in such a system the government and administration would by design depend on ethnic background (as opposed to merit, ostensibly). Some others object to it on the basis that there is supposedly no applicable example in the world of a functional bi-communal, bi-zonal system and that Cyprus was “selected” by the international community “as their guinea pig.” Another concern mentioned by a stakeholder during an interview was that such a form of government would only serve to create very fertile ground for chauvinist tendencies to develop in society in the future, with harmful consequences. Some participants in a focus group dedicated to the issue of governance considered a bi-zonal federation to be a form of “disguised” partition. In short, many Greek Cypriots perceive the model not as one of mutual need, but something essentially imposed by external actors for their own expediency. Thus, opposition to power-sharing mechanisms may be more fundamental and not reducible to mistrust.

Indeed, differences over governance and federalism relate to the degree to which bi-zonality will restrict the flow of factors across the administrative border. Some Turkish Cypriots remain confident that such restrictions, or derogations from the EU *acquis communautaire*, can and should be accommodated based on the European experience.

“GERMANY DEVASTATED ALMOST THE WHOLE OF
EUROPE... BUT WHAT HAPPENED? TODAY IT IS
MAKING PLANS AND ENGAGED IN PROJECTS WITH
ALL THESE EUROPEAN COUNTRIES IN A
HARMONIZED AND ORDERLY FASHION TO
DEVELOP ITS ECONOMY. ... THESE COUNTRIES ARE
SUSTAINING THEIR EXISTENCE WITHIN THE
EUROPEAN UNION BY IMPOSING SOME
LIMITATIONS. IF WE ARE ANXIOUS AND WANT TO
FIND PEACE WITHIN OURSELVES, WE CAN ALSO
IMPOSE SOME RESTRICTIONS TO THE GREEK

CYPRIOTS WHO WOULD SETTLE IN OUR TERRITORY.”

SAMI DAYIOGLU – MORFU-LEFKA CITRUS GROWERS ASSOCIATION

Despite differences on what is meant by a federation, Turkish Cypriot focus group participants were mainly positive in their evaluations of federation as an applicable model in Cyprus. That said, the focus group participants were generally in favor of a loose federation as opposed to a more centralized system. Reasons for this varied.

The problem of power-sharing featured as a focus point in a subsequent inter-communal panel on governance. During the panel deliberations few Greek Cypriot participants took these views at face value. One Greek Cypriot participant regarded these prevalent views to be baseless from an empirical point of view. “We prefer to talk in an abstract way mentioning that a bi-zonal, bi-communal federation is a strange structure, it’s imposed from outside, or that it’s against human rights. Since there is no current discussion going on, we build our arguments on myth” she argued. Another participant explained that these approaches to federalism as being oriented toward internal politics and thus required little validation outside of communal level discourses. The Greek Cypriot participants of the panel further described this position as a justification for opposing federation in general. Significantly, many Greek Cypriots perceive federation to be imposed on them by outsiders, thus not in their interest. The bi-zonality aspect of the foreseen federation is even more problematic since it validates what happened in 1974, they explained. Thus a basic problem emerges regarding the legitimacy of federation in Cyprus.

In support of federalism, another Greek Cypriot stakeholder considered that Cyprus’ multiculturalism would be reflected in the government as a positive asset, saying that finally Cypriots would overcome their racist and conservative tendencies and become more tolerant towards the people they live with on the island. This perspective was reinforced through the focus group discussion results where participants supporting a bi-communal federation pointed out that experience suggest the wisdom of inclusion over exclusion.

“... THE PAST HAS TAUGHT US THAT THE SECLUSION OF TURKISH CYPRIOTS FROM AUTHORITIES HAS LED THE TRAGIC EVENTS.”

GREEK CYPRIOT STEKHOLDER PANEL PARTICIPANT

On the other hand, the Greek Cypriot focus group participants also considered it important that in a federal system the powers of the ‘constituent states’ should be limited and that a federal legal hierarchy was essential.

Since a bi-zonal, bi-communal federation is in line with 1977- 1979 high level agreements many Turkish Cypriots and Greek Cypriots are inclined to think that ‘it’s as good as it gets’ under current circumstances. In other words, it is deemed a realistic alternative to the two-state ideal, on the one hand, and the status quo on the other. During inter-communal panel deliberations, some Turkish Cypriot stakeholders expressed empathy for the Greek Cypriot view that a settlement should not be effectively ‘imposed’ on Cyprus. Such a settlement should be agreed by the leaders and endorsed by the people without any international pressure argued a Turkish Cypriot stakeholder who appreciated Greek Cypriot concerns, emphasising that Greek Cypriots

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should not be forced into such a partnership “if we are to build a system that works.” He considered it important that Greek Cypriot institutions representing citizens, such as the civil society organisations and political parties, accept and support such a formula so as not to run into many societal and political problems during implementation phases.

Looking to a future phase of implementation, some participants anticipated that public authorities would be partial and favor ethnic kin, both at local and federal levels of governance. Due to this concern regarding ethnic discrimination these participants articulated their preference for a loose federation with relatively strong constituent states, in line with the official Turkish Cypriot position. Others, reflecting on past pains and tensions, supported a loose federation on the grounds that it would be difficult to reintegrate society immediately following a settlement, believing peaceful coexistence to be problematic.

“IT’S BEEN MORE THAN HALF A CENTURY SINCE
HAVE HAD REAL COOPERATION AND WE ARE
TALKING ABOUT [COOPERATION] AS IF IT’S GOING
TO BE SIMPLE, BUT WE WERE NOT ABLE TO
IMPLEMENT EVEN THE AGREED CONFIDENCE
BUILDING MEASURES.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Some participants suggested that it would be difficult for traditional ‘rivals’ to change behaviorally and engage in cooperative relations. These participants were skeptical that significant cooperation would be achieved and did not see such a transformation in relations near term. Cooperation required a longer term, evolutionary approach, they argued.

Echoing this sentiment, one stakeholder preferred that federal competences be limited as much as possible at the outset, advocating only limited cooperation and interact only “if we absolutely have to”. Following a period where trust is built, the stakeholder would countenance reallocating some constituent state competences to the federal state.

Trust is an issue that emerges in almost all discussions on governance. Turkish Cypriots habitually refer to the period of 1960-1963 and express fear that they will face discrimination in a future federal government.

“WHEN YOU LOOK AT THE PERIOD OF ‘60-‘63, YOU
SEE A LOT OF TURKISH CYPRIOTS WHO TRIED TO
REGISTER THEIR COMPANIES BUT THE
REGISTRAR REJECTED THEIR APPLICATIONS FOR
BUREAUCRATIC REASONS. WE HAVE SIMILAR
PROBLEMS WITH THE GREEN LINE TRADE
HAPPENING TODAY.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

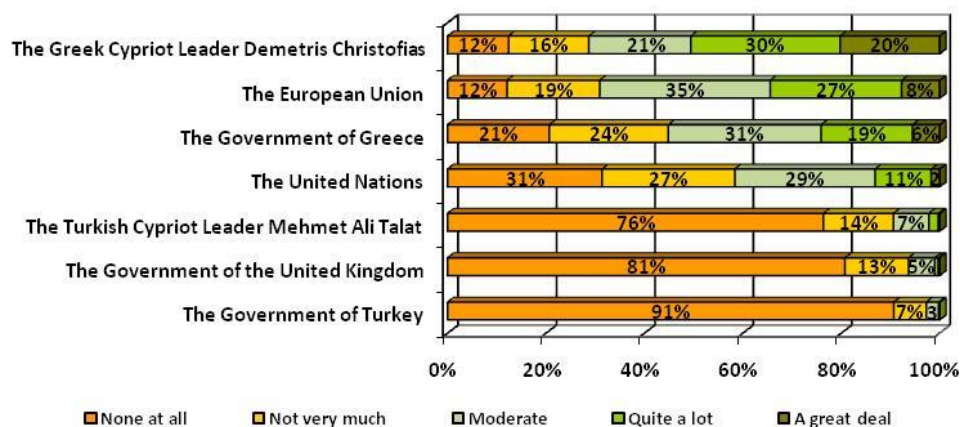
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Some Greek Cypriot stakeholders however, point to the other side of the coin and argue that Turkey and Turkish nationalists in Cyprus are unlikely to want to maintain the federation in the long-term future. Thus, they are wary of evolutionary models.

This manifests itself in the form of the fear that the Turkish Cypriot state might secede from the federation, leaving the Greek Cypriot state undermined and in danger. They consider Turkish Cypriot attempts to make the Turkish Cypriot constituent state as independent and self-sustaining as possible paving the way to partition. These stakeholders fear that by signing a very loose federal agreement, Greek Cypriots might essentially be singing off their homeland to the Turkish Cypriots and forgoing any rights they have in it.

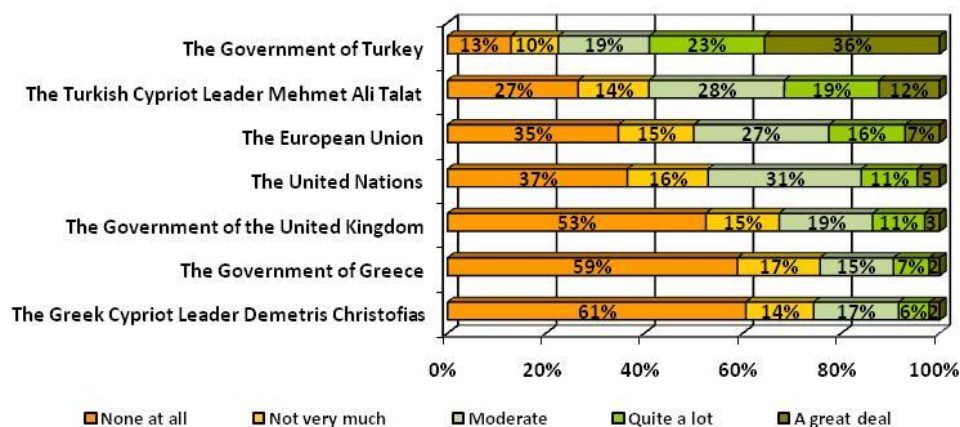
Thus, it comes as little surprise that the actors involved in the negotiation process do not elicit much trust.

Figure 7A: Trust of actors involved in the pace process (Greek Cypriots)



In relation to the Peace Process, Greek Cypriots primarily trust their own Leader, Demetris Christofias, and the European Union, though it should be noted that even for these actors a significant skeptic contingent exists. In contrast, Greek Cypriots strongly mistrust the governments of the United Kingdom and Turkey.

Figure 7B: Trust of actors involved in the pace process (Turkish Cypriots)



In relation to the Peace Process, Turkish Cypriots primarily trust the government of Turkey, and to a lesser extent their own Leader, Mehmet Ali Talat. The European Union comes third, though in its case half of Turkish

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Cypriots declare skepticism. Least trusted is the “Greek side”, as symbolized by the government of Greece and the person of the Greek Cypriot Leader, Demetris Christofias.

The inter-communal stakeholder panel addressed the trust issue extensively and concluded that the 26 confidence building measures agreed in the technical committees should be immediately implemented. This in their opinion would make the future functioning of the federal government and coexistence much easier.

Some participants chose to focus on the problem of ethnic discrimination, hoping to see in place mechanisms that ensure equality of opportunity that would allay fears that individuals would be treated on the basis of ethnic origin.

“THE SOLUTION PLAN SHOULD BE SUCH, NOT ALLOWING ANYONE TO... LIVE, TO “WORK”, WHEN I MEAN ‘WORK’ TO THINK AGAINST EACH OTHER, TO THINK HOW THEY CAN TRICK THE OTHER, BASED ON NATIONAL ORIGIN. AND WE MUST AVOID ALL THESE.”

MICHALAKIS LOIZIDES – ‘NEW CENTURY’
TRIKOMO CLUB

Another point made in the panel discussion was to induce economic interdependence to the greatest extent possible. Federations are mostly established to further economic interest, one participant commented, and “we need to take that into consideration and make two communities interdependent if we want this system to work.”

“WITHOUT BEING ABLE TO CONTROL ALL YOUR TERRITORY YOU CAN NEVER REACH THE MAXIMUM OF YOUR POTENTIAL. THIS IS ANOTHER AREA WHERE A SOLUTION WILL BENEFIT EVERYONE ON THE ISLAND.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

A couple stakeholders considered that a settlement could provide mutual benefits through control of sovereign territory. They think that a settlement will mean that a reunified state will be in a better position to control its own territory. One aspect of control is environmental regulation that benefits both communities, said one stakeholder. Another aspect is the control of drug and human trafficking. One stakeholder said that the management of these problems is going to be much easier to the benefit of both communities.

However, others disagree arguing that they do not share the optimism when it comes to drugs at least, as they anticipate there will be a significant change in the movement of drugs throughout Cyprus.

ASSESSING THE ELEMENTS OF A BI-COMMUNAL, BI-ZONAL FEDERATION

The particular elements of what a federal, power-sharing system might entail are somewhat familiar to the communities in Cyprus given the many rounds of negotiations over the decades. Similar to the 1960 Constitution, a bi-communal, bi-zonal federation would entail power sharing, sometimes referred to in the political science literature as ‘consociationalism’. However, how political equality is ensured has differed in varying interpretations and through alternative models discussed over the years. For instance, the 1960 Constitution included veto rights in the dual executive, whereas the 2004 UN blueprint significantly modified this feature. Our goal is to focus on the current round of negotiations where such matters have featured in the governance chapter deliberations.

In the pages below, the report outlines stakeholder deliberations related to the varying interpretations of power-sharing ‘political equality’, followed by a section dedicated to the executive (i.e. presidency).

POWER-SHARING AND POLITICAL EQUALITY IN THE FEDERAL GOVERNMENT

Power-sharing mechanisms in the federal state and the scope of competences feature as salient issues when participants discussed the governance dossier at an inter-communal panel. In general, Turkish Cypriots were skeptical that Greek Cypriots would be interested in power-sharing, hence federalism in Cyprus. The Turkish Cypriot participants assumed that Greek Cypriots had grown accustomed to self-governance over nearly 50 years.

“THE REPUBLIC OF CYPRUS STARTED THE ACCESSION PROCESS ON ITS OWN. GREEK CYPRIOTS THEN BECAME A MEMBER STATE OF THE EU. NO ONE ASKED THE TURKISH CYPRIOTS WHAT THEY THINK ON THIS OR TO JOIN IN UNDER A TEMPORARY GOVERNANCE MODEL. THEY CONCLUDED THE NEGOTIATIONS AND TOLD US TO JOIN IN AFTERWARDS. OF COURSE WE WOULD NOT DO THAT. GREEK CYPRIOTS HAVE THE ONLY RECOGNISED STATE ON THE ISLAND AND THEY DO NOT HAVE THE INTENTION OF SHARING THEIR POWER WITH US.”

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

A Greek Cypriot stakeholder acknowledged this concern and suggested that fear of the consequences of power-sharing was for many Greek Cypriots to prefer the status quo over sharing power with Turkish Cypriots.

“WE HAVE LEARNED OVER THE YEARS TO GOVERN ON OUR OWN AND CONTROL THE STATE. WE ARE GOING TO HAVE TO LEARN THAT WE ARE NOT GOING TO BE ALONE AS GREEK CYPRIOTS BUT WE WILL HAVE TO WORK WITH TURKISH CYPRIOTS, TO BE ABLE TO COMPROMISE ON SOME THINGS.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Polls suggest that people remain unreconciled with various elements of the federal compromise including political equality. Stakeholder panel participants suggested the need for a public information campaign on UN Security Council resolutions and the agreements between the leaders to date, in order to engage the Greek Cypriot public if we get closer to a settlement. Of course this does not address the substance of the problem, which is to delve into the divergent views regarding the interpretations of political equality. Can the concept be circumscribed or limited to 'effective participation' or is it something more akin to absolute equality at all levels of governance?

This said, intra-communal deliberations revealed a certain degree of empathy. Noteworthy is that almost all Greek Cypriot focus group participants agreed that Turkish Cypriots should participate in the government. In fact they considered the participation of Turkish Cypriots in the police, the courts and other public services as a precondition for a viable settlement. Based on population differentials the focus group participants expressed the belief that Greek Cypriots should hold the majority of positions in the government. Against this, some Greek Cypriot participants were concerned that they would face discrimination by Turkish Cypriots in government and positions of authority, thus they were not supportive of power sharing arrangements.

To Turkish Cypriots 'political equality' is a sine qua non for a settlement. A bi-communal, bi-zonal federation is only acceptable to Turkish Cypriots to the degree that political equality is safeguarded. Being less in numbers and mistrusting the Greek Cypriot community, Turkish Cypriots worry that there will be ethnic discrimination in decisions made by public authorities.

"THE AIM OF GREEK CYPRIOTS IS TO ASSIMILATE
THE TURKISH CYPRIOT COMMUNITY INTO THE
CURRENT REPUBLIC OF CYPRUS AS A POLITICAL
MINORITY JUST LIKE LATINS, ARMENIANS AND
MARONITES AND TREAT THEM AS SUCH."

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Consequently, Turkish Cypriot stakeholders tended to insist on political equality in the 'new partnership state' and they think that the only way forward is to abolish all existing governance structures and start the new state of affairs from scratch. In this case stakeholder panel participants have related (if not conflated) political equality with state succession, although the line of argument need not follow.

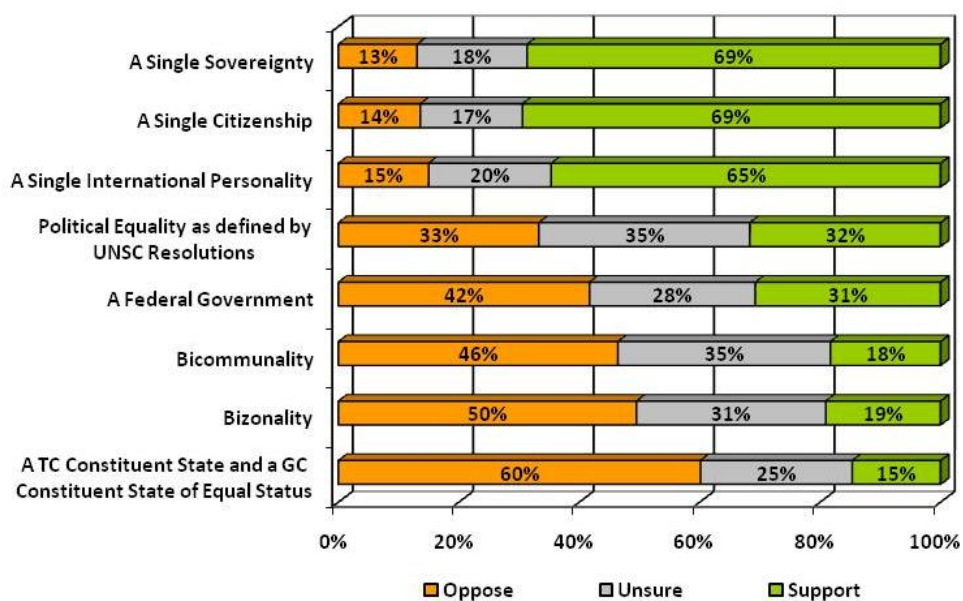
In interviews, the Turkish Cypriot stakeholders almost unanimously approached the matter of power-sharing from another standpoint, pointing to asymmetries or incompatibilities between the administrations on the island. They projected their current concerns with inefficient administration to a future settlement scenario. The apparent insolvency of the Turkish Cypriot public sector requiring subsidies from Turkey, coupled with a lack of accountability as well as transparency contributed to pessimism. Some participants portrayed the political system to be clientelistic and corrupt, based on the relationship between politicians and an electorate dependent on public sector employment. This creates a dilemma, whereby Turkish Cypriot participants considered that their administration was not prepared for a settlement and

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EU accession, yet also inspired the view that only through a settlement to the Cyprus problem could fundamental structural reforms be realized.

Yet pinning hopes on a settlement may provide another set of obstacles. One Turkish Cypriot stakeholder was of the view that Greek Cypriots would not willingly finance a settlement where Turkish Cypriot public sector debt was transferred to the federal system. He doubted that Greek Cypriots would be interested in paying for federal fiscal transfers.

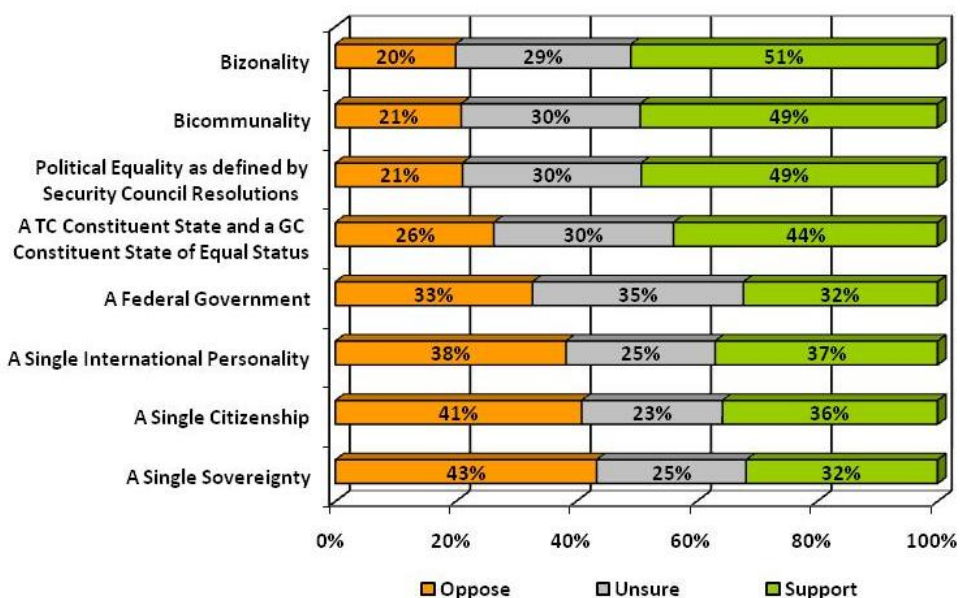
Figure 8A: Acceptance of specific elements in the agreed framework (Greek Cypriots)



Greek Cypriots are most positive over the principles of single sovereignty, single citizenship and single international personality, they are ambivalent over federalism, political equality and bicommunity, while they are very skeptical of bizonality and of the notion that there will be Greek Cypriot and Turkish Cypriot constituent states of equal status.

Figure 8B: Acceptance of specific elements in the agreed framework (Turkish Cypriots)

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As for the Turkish Cypriots, they are strongly supportive of the principles of bizonality, bicommunity, political equality, and the notion that there will be Turkish Cypriot and Greek Cypriot constituent states of equal status. At the same time, they are ambivalent over federalism and the principle of a single international personality, and finally they are somewhat negative over the principles of a single citizenship and a single sovereignty.

Moreover, some Turkish Cypriots also admit that human resources might prove to be a liability. One stakeholder claimed that the public sector was not only crowding out the private sector, but the people employed by the state were not on aggregate “capable” of working for a future federal state.. In addition, even the highly educated bureaucrats currently employed by the Turkish Cypriot administration lack the experience of working in an EU member state. According to him this situation may have two consequences in the public sector. First, there is the risk that Greek Cypriots working under the supervision of a Turkish Cypriot will not respect the administrative hierarchy. Moreover, he believes that Turkish Cypriots will not be able to compete with their Greek Cypriot counterparts and hence will be dominated by them.

This stakeholder fears that disputes as a result of these, may lead to problems and distributive grievances between the two communities. This is a concern expressed by many stakeholders.

THE EXECUTIVE (AN ANALYSIS OF CONVERGENCES)

In this section, the report analyzes degree of convergence regarding proposals surfacing in the current round of negotiations. Whereas governance is a complex chapter, inclusive of constitutional arrangements, legislative representation and procedures, judiciary, bureaucracy, and others, people tend to focus more exclusively on the executive branch. This is not surprising, since the 1960 Constitution established a presidential system, something that Greek Cypriots in particular have grown accustomed to. Thus, when the 2004 UN blueprint Plan suggested an innovation in the form of a ‘Presidential Council’ fashioned on the executive model in Switzerland, it was unfamiliar.

When the current round of negotiations commenced in 2008, the Turkish side still held the view that an indirectly elected coalition government (i.e. the Presidential Council) remained the most viable option. The sides eventually converged in agreeing to a

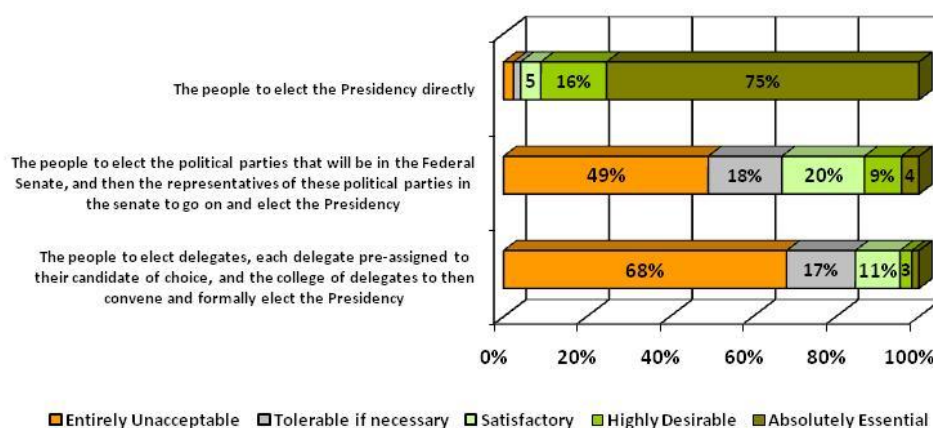
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compromise model entailing a directly elected executive with significant power sharing. Through rotational presidency, the Turkish Cypriots are meant to secure political equality, whereas cross-voting would supposedly ensure that moderates that appeal to both communities are most likely to be elected as president.

ROTATIONAL PRESIDENCY AND CROSS VOTING ASSESSMENTS

The issue of rotational presidency is related to electoral politics and executive power sharing more generally. Our polling data suggest that there is a qualified degree of congruence regarding the executive model. For the most part, Greek Cypriots prefer that the executive be elected directly by the people (under majoritarian principles). Turkish Cypriots are more ambivalent on the matter of electoral system to be applied in the event of a settlement, but on balance concur that directly elected executives are preferable to indirectly elected officials. However, in the case of Turkish Cypriots this does not imply acceptance of majoritarian principles, but, to the contrary, separate electoral rolls (as was the case in the original Republic of Cyprus of 1960).

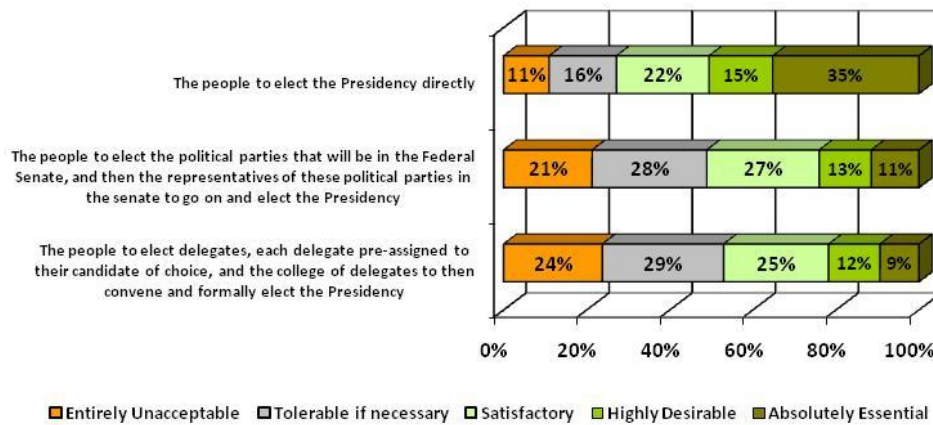
Figure 9A: Electing the Federal Executive (Greek Cypriots)



Greek Cypriots strongly believe that the federal executive should be directly elected by the people, and oppose alternative systems for indirect election of the federal executive, such as through the federal senate or through a college of delegates.

Figure 9B: Electing the Federal Executive (Turkish Cypriots)

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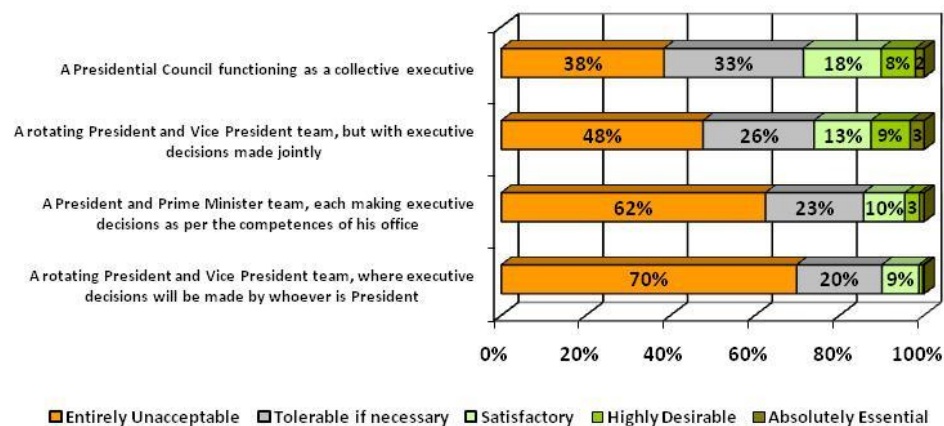


Turkish Cypriots also tend to prefer the option of a directly elected federal executive, but they remain open to the possibility of a system for indirect election of the federal executive, such as through the federal senate or elected delegates.

Our poll results indicate that most Turkish Cypriots are prepared to accept rotational presidency. This applies to either system where executive decisions are made jointly by the presidential ‘team’ or exclusively by the current president during his or her term.

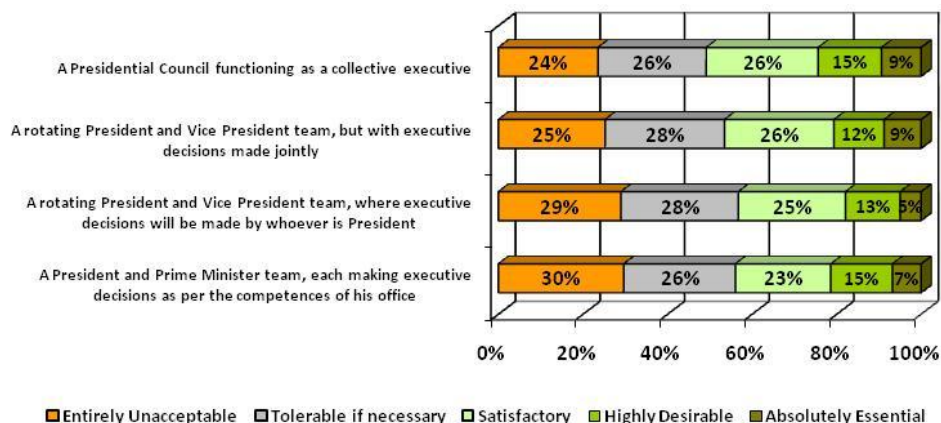
The issue of rotational presidency was discussed intra-communally and was also generally supported by the Turkish Cypriot focus group participants serving to corroborate the survey findings. However, there was no discussion whatsoever on how decisions are to be made. Rather the discussion focused on assumed Greek Cypriot resistance to rotational presidency. Moreover, this was associated with the perception that Greek Cypriots are opposed to power sharing in principle and “do not want to live with us”.

Figure 10A: Decision Making within the Federal Executive (Greek Cypriots)



Greek Cypriots prefer models of the executive where decisions will be made jointly, such as a presidential council functioning as a collective decision making body or a president / vice president team where decisions will be made by consensus, and reject models which would give unbridled authority at a federal level to any single individual, presumably interpreting as threatening the possibility of a Turkish Cypriot having unbridled executive authority over all of Cyprus for any given period of time.

Figure 10B: Decision Making within the Federal Executive (Turkish Cypriots)



To the extent that they accept or reject power sharing in principle, Turkish Cypriots seem flexible over the precise details of how decisions will be made. As a trend, we see about a quarter of Turkish Cypriots rejecting all power sharing models, presumably preferring a two state governance model, then a quarter of Turkish Cypriots tolerating power sharing models as a necessary solution, and finally about half of Turkish Cypriots who actively look forward to having a model of shared governance.

“THIS WEDDING WILL TAKE PLACE, YES, WE ARE TALKING ABOUT HOW THE PARTY WILL BE BUT THE GROOM DOES NOT WANT TO GET MARRIED. I THINK THAT IS OUR PROBLEM. LET’S SAY THIS OUT LOUD.”

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

We note, as elsewhere in this report that lack of trust toward the other community emerges as an important factor contributing to Turkish Cypriot views. There may also be an element of misperception. Greek Cypriot views are not homogeneous. Also, we note some discrepancies between the survey data results and the intra-communal deliberations.

In this instance we consider that the majority of Greek Cypriot focus group participants were prepared to accept rotational presidency and did not foresee any dangers arising from its implementation. To the contrary, they felt that it was a fair settlement that would serve to ease the fears of Turkish Cypriots, who are the minority group. They did not consider it to be the optimal solution, but were prepared to accept it if it would contribute to the aim of achieving a comprehensive settlement to the Cyprus Problem.

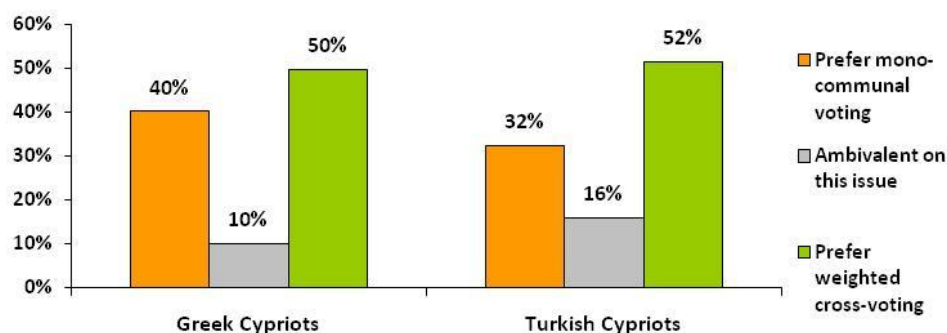
“GREEK CYPRIOTS SHOULD LOOK FOR WHAT IS FEASIBLE AND TAKE INTO CONSIDERATION THE TURKISH CYPRIOT CONCERNS. WITH THIS IN MIND, ROTATIONAL PRESIDENCY IS AN ACCEPTABLE SOLUTION TO THE PROBLEM OF GOVERNANCE.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Nevertheless, the Turkish Cypriot group was not completely proven wrong since there was a second group of Greek Cypriot participants strongly opposed to rotational presidency. They argued that a country cannot be governed efficiently through a system of two rotating executives. They expressed doubts that there would be sufficient congruence. There is no guarantee that both presidents will implement the same policies for internal, external or economic affairs they argued.

This concern is possibly related to mistrust. Greek Cypriot focus group participants who opposed rotational presidency were also of the view that Turkish Cypriots were likely to discriminate against them. In this way, they were expressing similar fears to those usually evoked by Turkish Cypriot participants. Thus, some of the Greek Cypriot focus group members opposed to rotational presidency in general were prepared to countenance it should decisions be taken jointly and not by one executive independent of the other. We note once again the significance of mistrust and the need to build trust, as suggested in the subsequent stakeholder panel on governance.

Figure 11: Cross-voting vs. Mono-communal voting



To the question whether they prefer “mono-communal voting where each community elects its own representatives, or cross voting, where each community primarily elects its own representatives but also has some say about who will be elected from the other community” the majority of both Greek Cypriots and Turkish Cypriots prefer cross voting as opposed to mono-communal voting.

From: Lordos A, Kaymak E & Tocci N (2009) "A People's Peace in Cyprus", Brussels: Centre for European Policy Studies

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Another proposal that has surfaced during the current round of negotiations is a cross-voting mechanism that would ostensibly serve the function of producing more moderate governing coalitions.

In intra-communal deliberations, cross-voting was generally accepted in the focus groups organised on both sides of the Green Line. Greek Cypriot participants felt that it was a 'just' and more 'democratic' procedure than separate rolls minus the cross-voting component. They expressed the hope that cross-voting would bring the two communities together and would serve as a confidence-building-measure. They conceived it as a vow on the part of the communities their mutual desire to work together for the common benefit. Through cross-voting, both communities would seek to elect the best candidates who share a common vision for Cyprus and they would exclude candidates from both sides who are characterized by 'fanaticism' and extreme nationalistic views.

There were very few Greek Cypriot participants against cross-voting. Opponents of cross-voting were few in number, but notably were also opposed bi-communal, bi-zonal federation. In essence, this minority rejected political cooperation with Turkish Cypriots in principle.

Surprisingly, Greek Cypriot participants did not echo the concerns commonly articulated by politicians regarding representativeness. Independent of the focus groups, politicians have gone on record registering the concern that election results could be skewed through cross-voting, especially where small margins determined winners. This would impinge on the democratic will of the people.

The Turkish Cypriot focus group also rated cross-voting positively, since on balance it would serve to keep hardliners out of power they argued. However, the participants also contended that there is a need to control numbers and percentages to ensure Turkish Cypriot rights and representativeness. Here the Turkish Cypriot fear of being dominated shaped the discussion.

The same fear was observed in the inter-communal stakeholder panel. A Turkish Cypriot stakeholder thought it was unfair to have Greek Cypriots decide over the Turkish Cypriot representative and he argued that Turkish Cypriots should oppose such a formula on this basis. He suggested that the intra-communal focus group participants only supported cross-voting because they do not fully appreciate the negative implications or consequences.

“WHEN YOU HAVE 100 THOUSAND TURKISH CYPRIOT VOTES AND 20 THOUSAND GC VOTES, GC VOTES MAY CHANGE THE OUTCOME. SO IT'S VERY, VERY PROBABLE THAT WHOEVER TCS CHOOSE AS THEIR LEADER WILL BE ALTERED BY THE 20% VOTES BY THE GCS. SAME ON THE OTHER SIDE, AND THESE CALCULATIONS WILL BE MADE.”

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Reflecting on this point, other participants at the stakeholder panel pondered the alternative. In the event there would be no cross-voting element (but where rotational presidency was retained) some questioned the logic of permitting only one community

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elect a federal official whose decisions would later affect both Turkish Cypriots and Greek Cypriots. Some did not find this legitimate, thus they argued in favor of cross-voting.

Yet another participant stated that he found it difficult to understand how cross-voting had become such a controversial issue since the majority of Cypriots support it and concludes that the source of opposition must be political parties whose interests may conflict with the application of cross-voting. Panel deliberation continued leading to the conclusion that a threshold would be required to ameliorate fears that the system of cross-voting could unduly skew electoral results.

“I THINK THERE SHOULD BE A THRESHOLD IF SUCH A SYSTEM WILL BE IMPLEMENTED. ANYONE WHO PASSES THAT THRESHOLD SHOULD GET CROSS VOTES. FOR EXAMPLE YOU CAN SAY THAT A CANDIDATE SHOULD GET THE VOTES OF 40% IN ORDER TO GET INTO THE SECOND STAGE. WE’VE DONE THE ARITHMETIC FOR THAT. THE POSSIBILITY OF THE OTHER COMMUNITY CHANGING THE RESULT IS VERY REMOTE IN THAT CASE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

IMPLEMENTATION ISSUES AND ALTERNATIVES TO A COMPREHENSIVE SETTLEMENT

For many decades negotiations have focused on the need to arrive at a comprehensive settlement that effectively deals with all chapters. Part and parcel to a comprehensive agreement is its implementation. It will be recalled that the Zurich-London agreements were similarly comprehensive, yet commitments were violated in short order.

Should a settlement be achieved in Cyprus, it will entail a series of commitments, and will require the implementation of provisional features, including timetables of troop redeployments and territorial adjustments, among others. Crucially, the sides have been guarded and tend not to trust that a signed and ratified deal will be implemented in good faith.

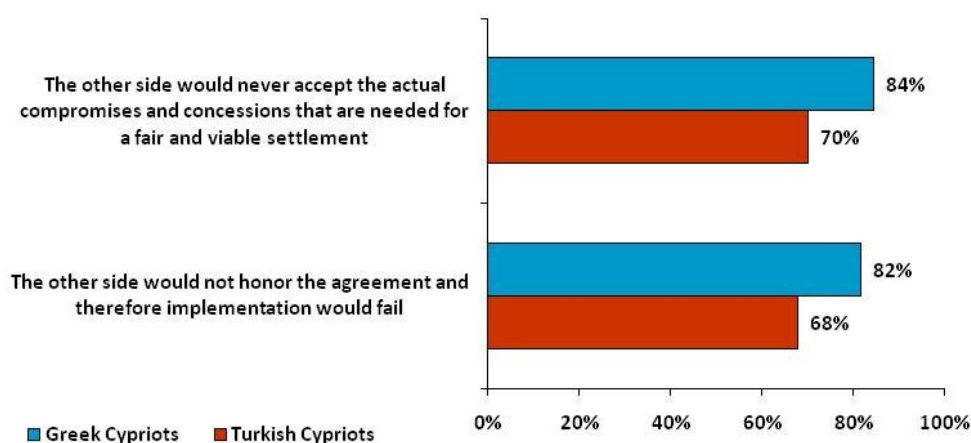
Indeed, in the run up to the Annan Plan referendum in 2004, the Greek Cypriot leader, President Tassos Papadopoulos, argued that there were too many risks associated with the blueprint:

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“I took charge of an internationally recognised state. I am not going to hand over ‘a community’, with no say internationally and in search of a guardian. And all this in exchange for empty and misleading hopes, and the baseless illusion that Turkey will keep its promises.”¹¹

Meanwhile, implementation concerns are not restricted to territorial adjustments, but also relate to constitutional features and provisions for political equality. Moreover, there is concern that the federal government may fail to function as envisioned, leading to administrative deadlock. Indeed, these are not just elite concerns. Polling demonstrates that fear that the ‘other side’ would not implement a settlement package serves to constrain support for a settlement.

Figure 12: Constraining Factors – Trust regarding implementation



Limiting the attractiveness of a settlement is the perception that the other side will fail to accept or honor the terms of a settlement.

The subheading on interim agreements explores alternatives to the comprehensive settlement model. Since trust is built through experience, some advocate this alternative approach in Cyprus. At a political level the sides have expressed misgivings though. For instance, the Turkish side is concerned that any arrangement including the return of Varosha to Greek Cypriot control may undermine a long term settlement satisfying Turkish Cypriot political equality. As a result, confidence building measures (CBMs) are sometimes deemed to effectively prejudice the ultimate outcome of negotiations. So, whereas the 1979 High Level Agreement and UN Security Council Resolution 550 (1984) envision the resettlement of closed Varosha to former inhabitants, this has yet to materialize.

IMPLEMENTATION

There are concerns regarding implementation immediately after the settlement plan is agreed to. Thus, the theme of implementation featured in the inter-communal panel on governance and power-sharing issues. One stakeholder commented that the power

¹¹ 7 April 2004 televised speech

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structure would become more complicated given the need to take into account someone's ethnic background.

“THE QUESTION OF LANGUAGE IS A MAJOR ISSUE, IMAGINE HOW DISCUSSIONS WOULD GO ON IN PARLIAMENT, TAKING AS CERTAIN THAT ENGLISH WILL NOT BE OUR COMMON LANGUAGE AND THAT NOT EVERYBODY SPEAKS ENGLISH. WE ARE GOING TO NEED A HUGE AMOUNT OF INFRASTRUCTURE TO DEAL WITH TRANSLATIONS AND SO ON.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Two stakeholders suggested that Greek and Turkish languages should be compulsory study for schoolchildren for the respective communities. This would aid in the development of mutual understanding, they argued, and is something that should already have been made policy.

Another stakeholder focused on administration and implementation, discussing the civil service.

“THE CIVIL SERVICE IS SUCH AN ESTABLISHMENT ORGANISATION THAT TO THINK OF HOW AFTER A SOLUTION WE WILL HAVE A CHANGE, A REPRESENTATIONAL SYSTEM AND HOW IT WILL WORK IS DIFFICULT. IT IS ALSO DIFFICULT TO SEE HOW THERE WILL BE TRUE COOPERATION BETWEEN MEMBERS OF THE TWO COMMUNITIES. IN THE BEGINNING THESE CHANGES WILL IMPACT NEGATIVELY ON PEOPLES' PERCEPTIONS OF THE NEW STATE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Dispute resolution mechanisms are considered crucial in any potential peace plan by many stakeholders. They fear the possibility that we will often have stalemates that threaten everyone's security. They also fear that if disputes cannot be resolved this could eventually lead to violence and eventually to partition.

“I AM CONCERNED ABOUT HOW A SETTLEMENT IS GOING TO BE IMPLEMENTED IN A WAY THAT CAN SOLVE ANY PROBLEMS WHEN THEY ARISE IN A SMOOTH AND EFFICIENT WAY.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

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On both inter and intra communal levels there are different interpretations of what happened in 1963 when the partnership in the Republic of Cyprus collapsed. Some see it the secession of Turkish Cypriots, others claim that Turkish Cypriots were forced to leave. Whatever they think the cause of the failure was, most Cypriots agree that the two communities have never cooperated on a political level in the past. They consider that there is no precedent of successful cooperation and they fear a repeat of 1963.

As a consequence, stakeholders from both communities expressed the desire that functional, viable and enforceable dispute resolution mechanisms are prepared before they are called to vote in favor or against a future referendum. This will put them at ease about the viability of the solution, and about the unlikelihood of a future dispute that does not get resolved to turn into violence.

The stakeholder panel discussion touched upon the so-called effective deadlock resolving mechanisms and a member of the governance working group explains that deadlocks may take place on three levels; executive, legislative or judiciary. For each of them, effective methods of resolving deadlocks are sought to resolve deadlocks before they become administrative nuisances. Another stakeholder pointed out that, beyond the administrative level, there will be need to resolve potential social conflicts. It was therefore recommended in the panel that instead of only putting in mechanisms to solve administrative deadlocks the concept should be broadened to crisis management, including mechanisms to resolve disputes between citizens as well as mechanisms to manage societal conflict which may otherwise lead to violence.

INTERIM AGREEMENTS AND ALTERNATIVES TO A COMPREHENSIVE SETTLEMENT (I.E. PIECEMEAL OR 'STEP BY STEP' FEDERATION)

Current convergences between the two negotiating teams at the Track 1 level may not be sufficient to generate a comprehensive settlement to all outstanding issues. That said, some participants in the inter-communal panel on governance were of the view that this 'all or nothing' approach was counterproductive. Whereas the philosophy of the ongoing talks has been that 'nothing is agreed to unless all is agreed to', some participants advocated the implementation of various provisional agreements. Building on the European experience of piecemeal integration and confidence building measures, one stakeholder argued for the utility of the step by step or gradualist approach over 'big bang' approaches. Thus, we should build toward framework agreements towards increasing specificity over time. This can be achieved through the implementation of small practical steps contributing to broader frameworks.

"AFTER YEARS OF CONFLICT GERMANY AND FRANCE CAME TOGETHER TO START THE EUROPEAN UNION. IT ALL STARTED WITH TRADING AS THE EUROPEAN COAL AND STEEL COMMUNITY AND MOVED SLOWLY INTO THE CURRENT STATE VIA DIFFERENT TREATIES, BRINGING COUNTRIES CLOSER AND CLOSER IN TIME."

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Some specific measures discussed among stakeholders included the simultaneous withdrawal of some troops, the opening of Varosha for settlement, as well as the free movement of goods between the two sides. According to one stakeholder, these

measures could be implemented without delay. Such measures will help bring the two communities together and build trust, and in time we will have other agreements to move closer and allow for greater scope of convergences. During deliberations the complexity of implementing interim measures were addressed. Some of the conclusions of this deliberation are incorporated into the conclusion section of the report.

PARTITION AND NON-SETTLEMENT SCENARIOS

Whereas the principal concern of this report is to reflect on a federal settlement associated hopes and fears, the flip side is non-settlement. As hope remains low that a settlement will be reached, it is normal to consider how non-settlement scenarios may develop and to explore what people think may happen in the future as well as how they may be affected.

Interviews with stakeholders as well as intra-communal focus group discussions suggest that Greek Cypriots are increasingly inclined to consider that the status quo in Cyprus is no longer sustainable. Some Greek Cypriots express the concern that time is working against a federal settlement. In the event of non-settlement, one scenario entails efforts on the part of Turkish Cypriots to reclaim political rights and properties in the south without a corresponding political settlement that would see territorial adjustments and restitution for Greek Cypriot displaced persons. Moreover, some Greek Cypriot participants cautioned that the internationally unrecognized Turkish Cypriot polity may be upgraded if not recognized by third states in the near to medium term future. The

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resulting 'permanent division/partition' could even be accompanied by formal Turkish annexation of the northern part of Cyprus.

To some extent these are overlapping concerns shared between members of the communities. Turkish annexation, for instance, is also referred to as a threat to Turkish Cypriot integrity. Similarly, hybrid models that entail international contacts short of recognition, including so-called 'Taiwanization', elicit varied responses from Turkish Cypriots. Such scenarios are deemed as either suboptimal or threatening in some sense. However, there are fundamental differences among Turkish Cypriots in that some consider a two-state solution and positions in favor of a federal settlement to be fundamentally at odds, as opposed to being characterized as sitting on the same continuum. Thus, for some Turkish Cypriot stakeholders, non-settlement scenarios that serve as the basis of the recognition of two-states in Cyprus posit a great opportunity.

That said, Turkish Cypriot participants evoked concerns regarding political contingencies. Should the current negotiations fail or Turkish Cypriots reject a settlement in a referendum subsequent to successfully completed negotiations, there is fear that such developments would serve to further isolate the Turkish Cypriots from the international community.

Despite these concerns regarding non-settlement scenarios some people cling to the hope that an 'optimal' settlement is in the offing. According to this view, people should not opt for suboptimal offerings providing a rationale for postponing if not vetoing a brokered deal. Generally speaking the Turkish Cypriot participants were concerned about the implications of the non-settlement scenarios. Greek Cypriot participants were divided between those expressing concerns regarding the sustainability of the status quo versus those inclined or willing to wait for a better settlement in the future.

Noteworthy is that many participants expressed fear associated with change. In many cases preferences for the status quo may be associated with forms of risk averseness. For instance, despite evident reasons to support a settlement given limited economic, social, and political opportunities currently, Turkish Cypriots share this concern regarding change. Thus, Turkish Cypriots are inclined to discount the benefits of a settlement. They also tend to emphasize costs stemming from displacement and relocation in the event of territorial adjustments.

Finally there is the fear that the solution to the Cyprus problem is not entirely dependent on the sides in Cyprus, given the role of Turkey and the international community. For instance, participants were cognizant of the link established between Turkey's own aspirations to the EU and the Cyprus problem. There were concerns that this may serve to delay a settlement indefinitely, as opposed to facilitate one.

ATTITUDES TOWARD THE STATUS QUO AND THE FUTURE

Ever since the rejection of the UN blueprint in 2004, the Cyprus problem has entered a new phase requiring analysis of public opinion. In the immediate aftermath of the 2004 referenda the UN Secretary General speculated that "[w]hile [Grek Cypriots] strongly state their wish to reunify, many see in a settlement very little gain, and quite a lot of inconvenience and risk."¹² The question, thus, is to what extent the rejection of a particular blueprint at a particular point in time reflects fundamental dispositions regarding the status quo? In the pages below the report differentiates between fear of change (hence inertia) versus the hope that a 'better' settlement could be achieved through European Union accession (one of the key themes in the run up to the referendum in 2004).

¹² Paragraph 85, Report of the Secretary-General on his mission of good offices in Cyprus. S/2004/437. 28 May 2004.

FEAR OF CHANGE (INERTIA)

Here the report analyzes the notion of risk averseness as a key explanatory variable in understanding inertia regarding the Cyprus problem.

“HABIT IS A VERY IMPORTANT THING FOR PEOPLE. WE HAVE GOT USED TO THIS WAY OF LIFE, WITH A HIGH STANDARD OF LIVING; REFUGEES HAVE BEEN ABLE TO REBUILD THEIR LIVES AND CREATE FAMILIES HERE. BUT EVERYTHING THAT IS NEW IS SCARY. ESPECIALLY WHEN YOUR LIFE IS SATISFACTORY IN MOST RESPECTS AND EVEN PROSPEROUS THEN YOU DO HAVE SOMETHING TO LOSE FROM SOMETHING NEW AND UNKNOWN.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Stakeholders mentioned that some of their fellow citizens might prefer things to stay as they are, as this is the easiest possible route. People tend to be risk averse and do not prefer change in their lives if most of their needs are met. “When you have problems in your life, when you have poverty or your rights are denied then it is much easier to take the plunge into something that is likely to be better.” Many stakeholders believe that Greek Cypriots feel that they have a lot to lose if a settlement does not work out.

“IMMEDIATELY AFTER THE SETTLEMENT WE WILL EXPERIENCE A SEA OF CHANGE IN ALL ASPECTS OF OUR LIFESTYLE AND WHAT WE HAVE BECOME USED TO. NOT JUST LIFESTYLE BUT ALSO OUR IDEAS AND OUR PRINCIPLES. WE ARE A VERY CONSERVATIVE SOCIETY AND I THINK WE FEAR THIS CHANGE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Although Turkish Cypriots do not have the same degree of certainty at present, change in general and the uncertainty created by the settlement in particular worry some. In their case, they grew accustomed to the way things work in the northern part of Cyprus and although they experience difficulties in their daily life they know how to work through the system.

“A SETTLEMENT MEANS CHANGING DAILY HABITS, IT MAY BE FOR BETTER, BUT STILL CHANGE IS A SCARY WORD FOR MANY PEOPLE. IT MEANS SAILING IN UNCHARTERED WATERS.”

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Lifting the suspension of the Acquis Communautaire in the northern part of Cyprus will also bring about change. Turkish Cypriots will have to abide with very strict rules and regulations. The prospect of such changes creates some discomfort within the community, since some see this as more threat than challenge. As one stakeholder puts it, “it’s surely easier to hide behind the excuse of having isolations and economic difficulties and complain than competing in a highly competitive market.”

There will be uncertainty after a settlement argues another stakeholder. “We don’t know what tools we will have. We will try to create a new life style and this will create problems. The trouble will be that we do not know what kind of problems we will have; hence it is indeed very difficult to anticipate them and try to come up with solutions.” Another stakeholder adds to this point by sampling the types of problems that may arise; property issues, relocation, power sharing, and many others outlined in this report.

BETTER SOLUTION IN THE FUTURE

In this section the notion of a more favorable or qualitatively superior settlement is discussed and deliberated by project participants in the inter-communal panel. As addressed above, a key factor that may be inhibiting popular support for a compromise settlement is the hope that an optimal or superior settlement package is realistically attainable.

“A NON-SETTLEMENT SCENARIO AT LEAST
GUARANTEES THAT WE DO NOT LOSE THE DREAM
POTENTIAL FOR REUNIFICATION IN THE FUTURE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

The quote above is from a stakeholder referring to Cypriots’ preoccupation with the Cyprus problem. In a sense people have got used to the idea of waiting for the ideal perfect scenario where everyone is happy. The potential for the implementation of a settlement tomorrow puts this dream at risk, especially if there are a lot of perceived problems with the particular settlement.

The rationale for postponing a solution is so that there can be more ‘work’ put in regarding the ‘best’ peace plan for Cyprus rather than rush into agreeing on a plan that will not guarantee the longevity and viability of the new federal state, says another stakeholder.

A third stakeholder mentioned that not agreeing on this solution leaves the option open for achieving a better solution in the future. The stakeholder referred to a “third-option” solution, i.e. not a bi-zonal/bi-communal federation and not partition. Some see this third option as one that has a greater respect for internationally recognised rights of individuals and their relationship to the state. In addition, they think that a solution that does not grant all refugees the right of ownership of their property and their right to return also violates international human rights law that refers to the right of personal property.

UNSUSTAINABLE STATUS QUO (SHARING THE REPUBLIC OF CYPRUS)

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Some stakeholders mentioned that the status quo will prove unsustainable and will subsequently destabilise and otherwise complicate the relationship between the two communities in the coming years.

“A LOT OF OUR FELLOW CITIZENS THINK THAT IF NO SETTLEMENT IS FOUND THEN WE WILL CONTINUE TO GO ON LIVING AS WE DO TODAY. BUT THIS IS NOT THE CASE. ALREADY WE CAN SEE AN INFLUX OF TURKISH CYPRIOTS THAT ARE CLAIMING THEIR CITIZENSHIP, THEIR RIGHTS AND THEIR PROPERTY IN THE SOUTH; THEY GET JOBS AND ALL OTHER BENEFITS OF BEING CITIZENS OF THE REPUBLIC.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Stakeholders believe that Turkish Cypriots, as citizens of the current Republic of Cyprus, will continue to have the right to claim their property in the southern part of Cyprus. This may lead to a number of issues: firstly, the Greek Cypriot leadership may have to deal with all the property requests. Considering that public utility buildings and refugee camps have been built on Turkish Cypriot land, this process is going to prove to be complicated and costly for the administration.

Secondly, it will create a situation where Turkish Cypriots have properties both in the north (including the homes of Greek Cypriots) and in the south, which Greek Cypriots see as a fundamental inequality, because Greek Cypriot refugees will not be able to exercise such a right for their properties in the north. Stakeholders are not only concerned about the fact that this is unfair, but also fear any potential unrest this might breed.

Turkish Cypriots, it is believed, might also have the right to represent themselves in government and to participate in local elections if they relocate to the south. As citizens they would have the right to work for the civil service of the Republic of Cyprus, and take advantage of public services including health care.

Note that this may not be the equivalent to having communal level political rights restored. Currently, citing the doctrine of necessity, various constitutional articles have been suspended or revised to accommodate the exclusion of Turkish Cypriots from the government since 1964. However, Greek Cypriots are concerned that the implications may actually be something similar.

“IF WE DO NOT ACHIEVE A SETTLEMENT TO THE CYPRUS PROBLEM WE WILL END UP WITH A SITUATION WHERE TURKISH CYPRIOTS ARE NOT ONLY RULERS IN THE NORTH BUT ALSO OUR PARTNERS IN THE SOUTH.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

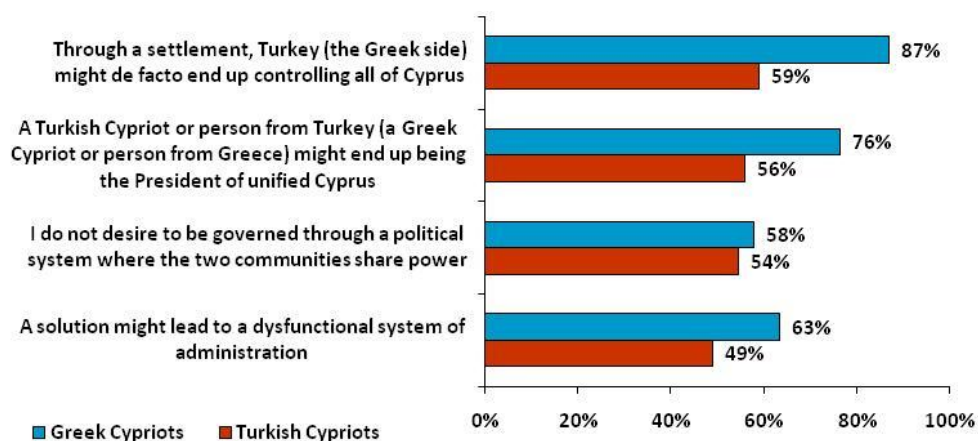
A concern expressed by some Greek Cypriots is a situation where Turkish Cypriots begin slowly and over the years to have a stronger say in Greek Cypriot society and politics

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and end up being “partners in the south” and “rulers of the north.” Stakeholders said that this situation is unfair and would be unacceptable to the majority of the population, and is likely to cause major problems and conflict in the long-term.

Our polling demonstrates that this emerges as the primary fear among Greek Cypriots with respect to governance issues serving to constrain support for a potential settlement blueprint.

Figure 13: Constraining Factors – Governance and Control



Greek Cypriots are especially concerned about issues of governance and control, while both communities display anxiety as to the prospect of being dominated. A possibly dysfunctional government is also among the serious concerns of both communities. Perhaps as a reflection of these fears, respondents from both communities express opposition to power sharing.

A related fear that stems from a potential Turkish Cypriot exodus to the south is that if Turkish Cypriots relocate en masse to the south, then the north will become increasingly ‘Turkified’, and in the future, negotiations would not be between Greek Cypriots and Turkish Cypriots, but between the south and Turks from Turkey in the north.

“WHAT HAPPENS IF MOST TURKISH CYPRIOTS MOVE TO OUR SIDE? WE WILL END UP TALKING ONLY TO SETTLERS TO SOLVE THE CYPRUS PROBLEM. I BELIEVE THIS COULD EVEN MAKE GREEK CYPRIOTS LEAVE CYPRUS IN THE LONG TERM.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

What is a concern for Greek Cypriots is a hope expressed by some Turkish Cypriots. Not wanting to live in the current unsustainable system, reclaiming communal rights under the 1960 constitution of the Republic of Cyprus is considered to be a viable alternative to an immediate and comprehensive settlement plan.

IN CASE OF CURRENT NEGOTIATIONS NOT
LEADING TO THE SETTLEMENT OF THE CYPRUS
PROBLEM WE PROPOSE RECLAIMING THE
CONSTITUTIONAL RIGHTS GIVEN BY THE
REPUBLIC OF CYPRUS IN 1960.

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Turkish Cypriots left the government in 1963 or they were evicted from that government depending on where one stands. However the Republic of Cyprus as founded in 1960 is still internationally recognized, thus legitimate, and so are the rights of Turkish Cypriots under its constitution, argued one stakeholder.

The rationale behind this approach is that international agreements are valid until a new accord is concluded. Cyprus is unique in that it was a state established via international treaties that accorded a specified status to the Turkish Cypriot Community. In the absence of an agreement, Turkish Cypriots should go back to the 'partnership' state established in 1960 and reclaim their rights. The 1977 and 1979 High Level Agreements between the Greek Cypriot and Turkish Cypriot sides added the concepts of bi-communality and bi-zonality, but all can be reconciled with the original accords. "We already have Republic of Cyprus citizenship and benefit from its government's public education and health system individually. Claiming these rights on a communal level may lead to convincing Greek Cypriots to settle the Cyprus Problem" one stakeholder argued. In fact, some Turkish Cypriots express hope that through demanding the exercise of communal rights in the south, Turkish Cypriots can induce changes that would eventually lead to a settlement.

NON-REUNIFICATION SCENARIOS - TWO STATES AND OTHER ALTERNATIVES TO FEDERALISM IN CYPRUS

Negotiations under UN auspices in Cyprus have taken reunification as the basis of settlement. Yet, in recent years, speculation has increased that formal partition may be in the offing should the current round of reunification efforts fail.

As such, the subheadings below explore amicable and hostile partition scenarios. In the former case, the sides agree to terms of partition (as in Czechoslovakia), whereas in the latter there is no consensus. As in Kosovo, the secessionist entity would enjoy international sponsorship of some key states, but the road to statehood would be arduous and contested.

AMICABLE PARTITION – THE CZECHOSLOVAKIAN 'VELVET DIVORCE' MODEL

Opinion polls invariably demonstrate that a bi-zonal, bi-communal federation remains the only popular compromise settlement model. However, given relatively low levels of optimism that a federal negotiated settlement is the offing, many stakeholders now openly articulated hopes and fears associated with non-settlement scenarios, including the potential for two states in Cyprus. Our polls reveal that two states remains the most polarizing outcome. Greek Cypriots almost uniformly reject two internationally recognized states, whereas this option is the most popular alternative for Turkish Cypriots.

While the majority of Turkish Cypriots consider a federation to be the only negotiated settlement model to resolve the Cyprus problem, some Turkish Cypriots do not believe

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that there is sufficient similarity or common characteristics between the two communities to permit them to live together.

These stakeholders refer to the unfortunate events of the past and think that both communities are better off living in their own territory under their own administration, effectively segregated.

“WE CAN LIVE AS TWO NEIGHBORING COUNTRIES AND HAVE GOOD RELATIONS. CZECHS AND SLOVAKS ARE NOW TWO NEIGHBORS WITHOUT ANY BORDERS OR CUSTOMS UNDER THE EU UMBRELLA. THEY HAD SIMILAR ISSUES TO US IN THE PAST AND THEY CHOSE THIS WAY TO MOVE FORWARD.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

“In a possible referendum in the near future if we ask the two communities whether they would like to live together or separately I am sure that both Turkish Cypriots and Greek Cypriots will opt for separation” argues one of our stakeholders. The stakeholder acknowledges that such a scenario would further require agreements of property and territorial boundaries. A ‘velvet divorce’ would follow this arrangement with each side having the right to self-determination.

This idea takes the experience of the former Czechoslovakia as precedent, where the two sovereign states are both members of the European Union (although in Cyprus accession precedes any future separation). It is hoped that the internationally unrecognized Turkish Republic of Northern Cyprus would be recognized as a separate entity and would be able to support itself both economically and politically after its international isolation is lifted. If the two communities accept this separation as the way forward then we would look into how to succeed in creating this new state of affairs, argues a supporter of this model. “We did not have any violence in the past 35 years. Our only issue is fighting over the ownership of this island. Once we accept the simple fact that we are co-owners we will look into ways of cooperation as two separate states within the European Union” he opined.

Not surprisingly, Greek Cypriots overwhelmingly reject two states as it is tantamount to acquiescing to partition and secession, the very principles resisted by Greek Cypriots since 1974. That said, as hopes for reunification diminish, some Greek Cypriots are less hesitant to discuss the potential of partition. A Greek Cypriot stakeholder thought there is indeed a movement towards the acceptance of partition in the Greek Cypriot community.

“IT HAS BECOME A CLICHÉ TO SAY THAT IT IS OUR LAST OPPORTUNITY FOR A SOLUTION...ONE COULD EVEN SAY THAT THE NEXT OPPORTUNITY FOR A SOLUTION COULD BE A PARTITION WITH OUR OWN WILL AND CONSENT. TO BE HONEST THIS IS SOMETHING THAT NO LONGER CONCERNS ME TOO MUCH, I HAVE ACCEPTED THIS AS A REAL POSSIBILITY.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

This apparent shift in thinking is explained by another stakeholder to be related to the fact that Greek Cypriots have been led over the last 35 years to believe in a solution that is unfeasible, and has been so since the High Level Agreements of 1977-1979. Nonetheless, the two states model is strongly resisted in the Greek Cypriot community with 80% of the respondents of our poll finding it entirely unacceptable.

“UNFORTUNATELY, THINGS ARE NOT POSITIVE. WE ARE MOVING GRADUALLY TOWARDS A SITUATION IN CYPRUS WHICH IS PARTITION-ORIENTED. PRESUMABLY THIS IS THE INTENTION OF THE TURKISH SIDE; I HAVE NO DOUBT WHATSOEVER ABOUT THIS.”

ACHILLES EMILIANIDES – ADVOCATE / ACADEMIC

The general conclusion must be that there is little to no congruence on this model, so it is currently a politically unviable settlement model. However, polls in 2010 suggested that Greek Cypriots may prefer a velvet divorce to the continuation of the status quo. Thus, pending another failed round of negotiations, the idea may resurface.

HOSTILE PARTITION – INTERNATIONAL RECOGNITION OF THE TRNC AND THE KOSOVO MODEL

Some Greek Cypriots think that a non-settlement will lead to the recognition of the ‘Turkish Republic of Northern Cyprus’ (TRNC) and as a result we will end up with two separate states in Cyprus. In recent months the Kosovo issue has resurfaced with the International Court of Justice’s (ICJ) advisory opinion on Kosovo’s unilateral declaration of independence. Although the cases are distinct, and TRNC recognition is forbidden by UN Security Council Resolutions, there are concerns that cases such as Kosovo serve as some sort of precedent for other protracted cases of ethnic division.

“CONSIDERING THAT TURKEY IS A DEVELOPING SUPER-POWER RECOGNITION IS A REAL POSSIBILITY. IF AT SOME POINT IT FINDS ITSELF IN A BARGAINING POWER WITH THE INTERNATIONAL COMMUNITY, IT WOULD BE NOTHING FOR TURKEY TO REQUEST RECOGNITION OF TRNC.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

One stakeholder mentioned that there is a fear of recognition of a “legal entity” in the North – short on international recognition. This development would “obviously” put an end to the possibility of a solution of co-existence between the two communities in the future and an end to the plight of refugees to return to their homes.

A Turkish Cypriot stakeholder agrees that this may and indeed should be the way out for Turkish Cypriots as he considers the current situation unfair for Turkish Cypriots as he

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believes that “we cannot keep trying forever, if we can’t agree on a plan, everybody should go their own way” he concludes, specifically if in the event the Greek Cypriots reject yet another settlement plan.

“WE ARE CONSTANTLY TRYING, FOR HOW LONG DO WE NEED TO KEEP TRYING? 65% OF THE POPULATION VOTED IN FAVOR OF THE ANNAN PLAN. THIS WAS A PLAN PUT ON THE TABLE BY THE UN, AN ORGANIZATION REPRESENTING SOME 190 STATES. THINK ABOUT IT, 19-ODD STATES SUPPORT A PLAN, TURKISH CYPRIOTS ALSO SUPPORTED IT BUT IT WAS NOT ADOPTED AS A RESULT OF 700,000 CITIZENS SAYING NO. THEY MAY REJECT IT AGAIN.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Supporters of this idea assume that the upgrading of the TRNC, either as an international recognized state, or recognized as a legal entity, may allow Turkish Cypriots to support themselves economically since there will be no imposed isolation in that scenario.

PERMANENT DIVISION AND ANNEXATION OF THE NORTH

Whereas non-settlement may entail an international effort to accommodate the Turkish Cypriot side, as in Kosovo, there is also the likelihood that such international consensus will not emerge, not least because there remain UN Security Council Resolutions prohibiting recognition of the TRNC.¹³

Non-settlement may lead to Turkey (de facto or otherwise) annexing the northern part of Cyprus comment a number of Greek Cypriot stakeholders.

“THERE MIGHT BE ABSORPTION OF THE NORTHERN PART OF CYPRUS BY TURKEY AND NOBODY IS GOING TO STOP RECOGNISING TURKEY JUST BECAUSE IT ANNEXED THE NORTH. WE MIGHT BE ABLE TO STOP THE RECOGNITION OF THE TURKISH CYPRIOT ADMINISTRATION AS A SOVEREIGN STATE, BUT WHAT CAN WE DO IF TURKEY ANNEXES THE NORTH? CAN WE ASK ANYONE TO REMOVE TURKEY FROM THE UN AND THE SECURITY COUNCIL? OR ARE WE GOING TO WAGE WAR WITH THEM? TURKISH CYPRIOTS THEMSELVES WILL NOT BE IN A POSITION TO REFUSE TO BECOME PART OF TURKEY.”

¹³ UNSC 541, 1983 (<http://www.un.org/Docs/scres/1983/scres83.htm>).

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

This fear is also expressed by some Turkish Cypriots since they fear that they will be assimilated by Turkey in that scenario.

“BREAKING AWAY FROM THE EUROPEAN DREAM
WILL BE A REAL TRAGEDY FOR US.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Polling data confirms that annexation is the worst outcome for both communities. Opposition to permanent division and/or annexation derives from a number of sources. Some approach the issue ideologically saying that Cypriots are similar to each other and they should definitely live together, believing that there is mutual interest in a reunified island for all Cypriots. Others approach the matter from a more practical standpoint, considering that Cyprus is simply ‘too small’ to house two separate states. Some others fear Turkish domination in case of separation. A separation will make Turkish Cypriots even less satisfied with their lives they conclude. Turkish Cypriots may have different reasons to wish reunification but many stakeholders agreed that partition (i.e. “dividing the country into two like a watermelon” as one of the stakeholders put it) “does not make sense.”

COMPLETE ISOLATION OF TURKISH CYPRIOTS

Another possible and related scenario which is the darkest for one of our stakeholders is where Greek Cypriots approve a settlement plan in a referendum whereas Turkish Cypriots reject it. After the failure of the UN blueprint, the Turkish Cypriot community felt that they were the ones penalized, although it was the Greek Cypriots who rejected reunification. Hence their confidence in the international community dropped drastically. Getting them to approve another UN plan may be difficult. A stakeholder argues that the repercussions for failing to ratify a subsequent plan will be significant and Turkish Cypriots will be further isolated from the international community.

“THE CASE OF US REJECTING A SETTLEMENT PLAN
IN A REFERENDUM WHILE GREEK CYPRIOTS
ACCEPTING IT, WILL BE A DISASTER FOR TURKISH
CYPRIOTS. WE WILL THEN BE ALIENATED FROM
THE REST OF THE WORLD AND EXPERIENCE REAL
ISOLATION.”

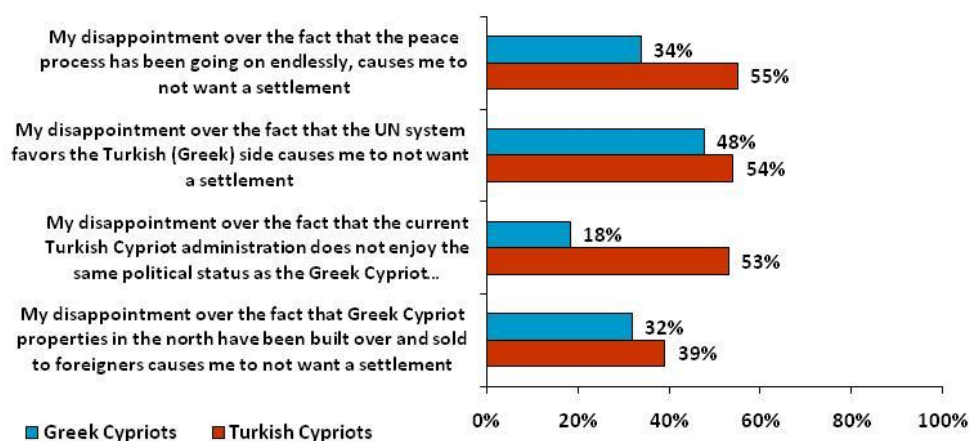
TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

If the current “chauvinist wave continues combined with the disappointments experienced by the Turkish Cypriots, we may reject the next settlement plan. Greek Cypriots consider us to be the boss in the northern part of Cyprus and the partner in the southern part and they are right. But are they going to let us carry on with that in the case of us saying no in the referendum?” wondered a stakeholder.

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This disappointment is more acutely felt by Turkish Cypriots than Greek Cypriots, as evidenced by polling. Ironically, this disappointment may dampen desire for a settlement although the Turkish side's isolation is directly related to non-settlement.

Figure 14: Constraining Factors – Disappointment



Disappointment and past experiences tend to deter many Turkish Cypriots, but fewer Greek Cypriots, from taking a leap of faith in favor of a settlement.

Some Turkish Cypriot stakeholders express concern that in the absence of a settlement international court cases could increase in number and conclude in favor of Greek Cypriot property owners, with the net result being the complete bankruptcy of the construction sector as a result. “The universities are also experiencing problems because of not being involved with the Bologna process (to create the European Higher Education Area), we do not have direct flights either; how are we going to support ourselves?” he asks.

INTERIM MODELS

Given the continuing division in Cyprus it is not surprising that alternative to a comprehensive settlement feature in discourses regarding future scenarios. Indeed, the current state of affairs is an ‘interim’ of sorts, especially in light of the accession of Cyprus and the particular way by which the anomaly of division was accommodated through Protocol 10 of the Accession Treaty.¹⁴ In short, should the current round of negotiations fail there is the likelihood that international diplomacy will settle for suboptimal outcomes as a viable space between settlement and non-settlement situations.

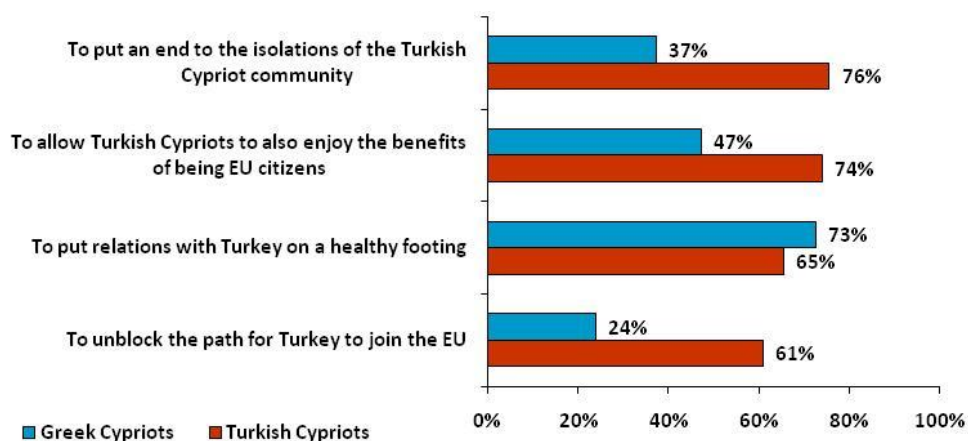
Turkish Cypriots have been pushing for a change in status short of international recognition. This is also linked to potential economic growth, so it is not surprising that public opinion also considers that the lifting of isolations serves as a motivating factor in pursuit of a political settlement.

Figure 15: Motivating Factors – Normalization and Lifting Isolation

¹⁴ For official EU documentation see

http://ec.europa.eu/enlargement/turkish_cypriot_community/index_en.htm and http://eur-lex.europa.eu/pri/en/oj/dat/2003/l_236/l_23620030923en09310956.pdf#page=25.

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Not surprisingly, Turkish Cypriots have an interest in lifting their international isolation, which serves to motivate people in favor of a settlement. Whereas these items do not inspire Greek Cypriots, many Greek Cypriots share a concern that relations between themselves (i.e. Cyprus) and Turkey should also normalize.

TAIWANIZATION

In the likely case of non-settlement, says a Turkish Cypriot stakeholder, “even if we cannot get our state recognized we can still establish links with the international community like Taiwan. This will develop our economy and help us to be economically self-sufficient.” Others do not find this scenario realistic. One stakeholder countered that so-called ‘Taiwanization’ was an interim project based on political considerations but would not enhance the unsustainable economic and political structures or lessen dependency on Turkey.

“TAIWANIZATION IS LEGALIZING THE CURRENT STATUS QUO. INDIRECT RECOGNITION OF ‘TRNC’ WILL BRING ABOUT A SO-CALLED INDEPENDENT STATE. IN REALITY WE WILL BE GOVERNED BY TURKEY.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

In fact Taiwanization was expressed as a fear by a number of stakeholders who were concerned with Turkey’s involvement in their home affairs. “The only difference will be establishing international trade connections” says one stakeholder. “We will export some goods and have direct flights. This may develop the economy a little bit but nothing else will change. We will diminish within a population of 75 million. Our will shall not be legitimate in that case” he continues.

As a result, some participants did not hold out much hope for ‘Taiwanization’ as the means to prosperity of sustainability. Hence, some stakeholders were not too keen on the EU proposed Direct Trade Regulation or other elements of an EU sponsored ‘Taiwanization’ process.

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A third stakeholder argued that Turkish Cypriots would be more vulnerable to illicit underground economic activity such as money laundering, human trafficking, drugs and even arms smuggling in that case. “We will be the backyard of Turkey for her dirty dealings.”

“BEING PART OF THE EU IS NOT A THREAT, BEING
PART OF TURKEY IS.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Overall, though, other stakeholders were more reconciled with dependency on Turkey, considering that the likelihood of ‘Taiwanization’ was not high.

TURKEY’S EU MEMBERSHIP

Turkey’s EU accession process and the related developments generate worries among Turkish Cypriots. In recent years Turkey’s accession talks have been affected not only by the Cyprus problem, but more generally by a reluctance of political leaders in Europe to conclude negotiations on the basis of ultimately extending full membership to Turkey. As a result, many anticipate conflict between Turkey and the EU.

“Turkey now started mentioning that they want to take Cyprus as a hostage until they become an EU member.” Although Turkish foreign policy aims to “solve all their problems with neighbours” comments one of our stakeholders, “when it comes to Cyprus they are not willing to do anything so as to solve the problem.”

“RECENTLY, AFTER THE 11 DECEMBER [2009]
SUMMIT, WE STARTED WITNESSING A BOLD
APPROACH OF TURKEY THREATENING THE EU
WITH NOT SOLVING THE CYPRUS PROBLEM IF SHE
DOES NOT GET WHAT SHE WANTS.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

France and Germany’s approach to Turkish EU membership is rather negative, states another stakeholder, point out that “if Turkey is sidelined and this is where we are heading to, she will not accept this easily and there will be serious political consequences for Cypriots.”

In the conclusion to this report there are a number of recommendations that derive from the stakeholder panel deliberations outlined above.

ECONOMICS

Most stakeholders participating in an inter-communal panel dedicated to economic issues expressed the belief that overall economic prosperity, stability and more jobs will accompany a settlement. There was unanimity among stakeholders on the point that cooperation between the two communities would contribute to political stability, should play a role in attracting foreign investment, and would probably help create more and better jobs for both communities. Economic convergence would be painful at first they considered, but in the long run both sides would benefit. Balancing this, both communities share concerns regarding economic viability in terms of a reunified economy and with respect to the finances and economic competitiveness of the future constituent states.

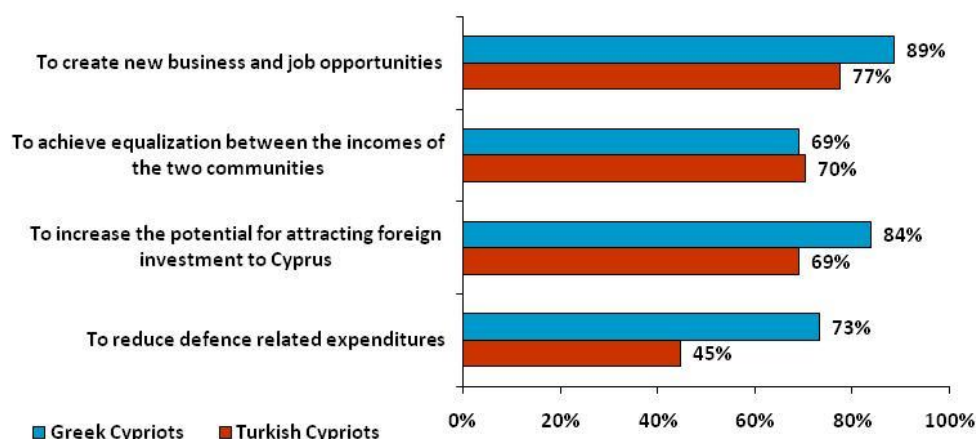
Thus, we note that the ‘win-win’ scenario is related to the (sanguine?) expectation that economic prospects will improve following a settlement. Such aggregate benefits are echoed by academic research on the economic prospects in terms of trade on GDP growth.

Polling data confirms that most people see economic benefits as a factor motivating them to find a solution. Interestingly, Greek Cypriot respondents claim to be even more motivated by the potential economic benefits of a settlement.

Given this overall optimism, debate on future economic relations tended to diverge in the direction of transitions required for economic cooperation and convergence. A specific concern that many Turkish Cypriot participants raised was the current state of the economy in the north. Problems in the Turkish Cypriot economy are perceived to be structural as opposed to simply cyclical, requiring structural reforms.

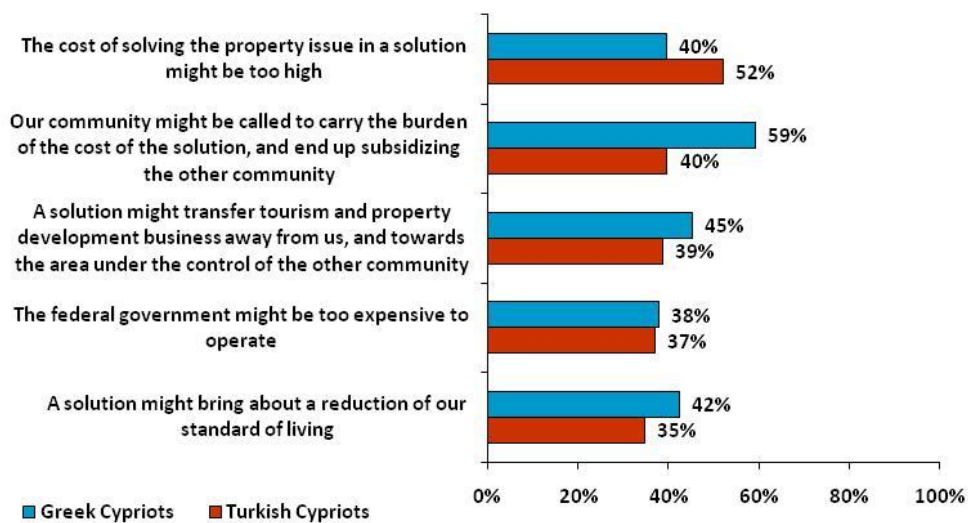
Such concerns are also reflected in discussions regarding economic reunification and the compatibility of the economies on the island. The apparent asymmetry impacts further concerns regarding the distributional consequences of ‘reunification’. Given the inevitable ‘costs of reunification’ it follows that fiscal transfers may prove to be a divisive matter in a future federal system. Our polling demonstrates this flip side of the ‘peace dividend’.

Figure 16: Motivating Factors – Economy



There is general agreement that a settlement may be economically beneficial, and hence desirable. However, Turkish Cypriots are less motivated by defense spending savings.

Figure 17: Constraining Factors – Economics and Distributional Consequences



Greek Cypriots express some skepticism regarding the distributional fiscal costs associated with a federal system, while this does not seem to be related to the costs of government per se. Turkish Cypriots, in contrast, are more concerned about the costs inherent in solving the property issue.

However, we note that distributional consequences are not just a matter of economics, but also relate to a sense of equity or fairness. Some Greek Cypriots consider it unfair and unjust that their community may have to shoulder the cost of reunification despite their attribution of much of source of the costs to the role of Turkey in Cyprus.

For their part, Turkish Cypriots believe that economics may be related to existential matters, thus the fear of economic domination by the relatively capital rich Greek Cypriots. As a result, many Turkish Cypriot participants advocate derogations and other protective measures as a remedy to this asymmetry. Moreover, some Turkish Cypriot participants were of the view that Greek Cypriot businesses and consumers discriminate against Turkish Cypriot producers, although there was no consensus on this point.

Interestingly, it is not only Turkish Cypriots who express concerns regarding comparative advantages and economic domination. Greek Cypriots also spoke of concerns about being dominated by Turkey’s capital in the future. This provided another rationale for derogations (hence transitional protectionist measures that can be negotiated between the sides in Cyprus).

ECONOMIC PROSPERITY

One area on which many participants agree was on the economic benefits of a settlement. Indeed, many associated current economic problems directly with the Cyprus problem.

“MANY PROBLEMS FACED BY TURKISH CYPRIOTS ARE DIRECT RESULTS OF THE CYPRUS PROBLEM. DEMOCRATIC ISSUES, ECONOMIC DIFFICULTIES, EXTERNAL DEPENDENCY ARE ALL BECAUSE OF THE CYPRUS PROBLEM.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

For the most part, Turkish Cypriots anticipate that a settlement would be economically beneficial. Stakeholders and focus group participants expressed concerns for the sustainability of the current economic system. The current state of the economy in northern Cyprus is perceived to be in fundamental structural crisis, beyond cyclical problems associated with the wider global financial and economic crises of recent years. Public sector finances, subsidized by Turkey, have been facing unprecedented challenges. Turkish Cypriot stakeholders referred to the effects of international isolation and concomitant dependency on Turkey as significant structural factors sustaining the system. The general view was that a settlement to the Cyprus problem could contribute to economic prosperity and stability by connecting the Turkish Cypriots to the international financial and economic systems. Young people in particular articulated the hope that a settlement would deliver more job opportunities. For their part, many Greek Cypriot participants agreed.

“CYPRUS HAS A PROMINENT GEOGRAPHICAL LOCATION AND A GOOD CLIMATE. PROVIDED THAT CLIMATE CHANGE DOES NOT AFFECT US GREATLY, THE FUTURE OF CYPRUS WILL BEAR MUCH BETTER DAYS IN TERMS OF ECONOMIC PROSPERITY IF WE ACT TOGETHER.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Synergy between the two economies following reunification would also result in a more prosperous Cyprus argues one of our stakeholders. Certainty and cooperation would generate an atmosphere conducive to attract more foreign investors, which would in turn bring capital and employment opportunities to all people, especially where there was less political uncertainty regarding Cyprus.

“AN IMPORTANT ELEMENT THAT WAS ALWAYS AN OBSTACLE FOR INVESTING IN CYPRUS, ALWAYS A BIG QUESTION-MARK, WAS THAT, IF TOMORROW I BUY A PLOT OF LAND, OR FAMAGUSTA BECOMES ACCESSIBLE, OR WAR BREAKS OUT, HOW WILL I HAVE A RETURN ON MY

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INVESTMENTS? THIS MAJOR DETERRENT WILL NO LONGER EXIST, BECAUSE THE POLITICAL DANGER WOULD NO LONGER EXIST, WHICH IS A SIGNIFICANT DANGER WHEN IT COMES TO THE GREATER DEVELOPMENT OF THE ECONOMY”

ANDREAS VYRAS – CYPRUS YOUTH BOARD

There was general consensus on this benefit of a settlement.

“ONE OF THE MOST IMPORTANT ELEMENTS THAT THE AGREEMENT WILL BRING TO US WILL BE THE FACT THAT NONE OF THE CYPRIOTS WILL HAVE WORRIES ABOUT THE FUTURE. PEOPLE WILL BE IN A POSITION TO MAKE THEIR INVESTMENT MUCH MORE FREELY. I FORESEE THAT REPATRIATION TO CYPRUS WILL BRING THE LIFE STANDARD TO A BETTER POSITION.”

SAMI DAYIOGLU – MORFU-LEFKA CITRUS GROWERS ASSOCIATION

Similarly, Cyprus would also prove more competitive on a sectoral basis, attracting more tourists, for instance as there will be more varied options for activities and destinations for visitors than either community alone can offer. Tourists will easily be able to travel from the northern part of Cyprus to the southern part and see everything that Cyprus has to offer in a much easier way, and touristic synergies and cooperation with regional neighbours could also be explored.

“I BELIEVE THAT AN OPPORTUNITY WILL ARISE FOR GREATER DEVELOPMENT, NOT ONLY OF TOURISM BUT ALSO FOR THE OVERALL PROSPERITY OF CYPRUS. ”

MICHALAKIS LOIZIDES – ‘NEW CENTURY’ TRIKOMO CLUB

Related to this, a settlement would allow for a reunified Cyprus to exploit potential reserves of natural gas and oil that according to seismologists may be in abundance off the island’s shores. Currently, due to the Cyprus problem, Turkey does not recognize Cyprus’ claimed exclusive economic zones (EEZs).

“IT IS SAID THAT THERE IS OIL IN THE ZONE OF THE ISLAND. WHAT IS NOW HAPPENING IS THAT NONE OF THE SIDES AGREES ON WHO HAS HAD THE UPPER HAND IN THE PROCEDURE, AND ON WHO IS GOING TO TAKE ADVANTAGE OF IT WHEREAS IN REALITY IF THESE RESOURCES ACTUALLY EXIST THE WHOLE ISLAND WHICH A

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COMMON ISLAND FOR TURKISH AND GREEK
CYPRIOTS SHOULD BE GAINING FROM IT.”

MICHALAKIS LOIZIDES – ‘NEW CENTURY’
TRIKOMO CLUB

In addition, Cypriots would not hesitate to invest in the domestic economy if the future was more certain. . Another stakeholder agrees saying that the current situation is stressful is in terms of professional and business activities. Someone might open up a business this year based on a certain set of expectations, but then “next year they open up Varosha and that business here will be adversely affected”, he explained. Thus, “with a settlement we will have more stability.”

“The cake to be shared will be larger after a settlement and we will all benefit from it,” argues another stakeholder.

“MOST ANALYSTS SAY THAT A SOLUTION IS GOING
TO BENEFIT CYPRUS IN THE LONG-TERM AND
THAT DESPITE SOME INITIAL DECLINE IT WILL
VERY QUICKLY RISE TO A HIGH LEVEL. IT IS ONLY
THOSE PEOPLE THAT HAVE A POLITICAL AGENDA
AGAINST A SOLUTION THAT TELL PEOPLE THAT IT
WILL HARM OUR ECONOMY.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

“A large amount of human capital that is currently spent in the production of negative and backwards propaganda is going to be freed up to pursue more productive activities,” says one stakeholder. The stakeholder provided the example of diplomatic forces: instead of being concerned with how to make positive alliances internationally, “they are constantly concerned with rebutting the other communities’ statements and trying to convince the international community that we are in the right and Turkish Cypriots are in the wrong.”

One stakeholder believes that Cypriots will be able to see beyond their ethnic division when it comes to business ventures that will benefit both. He believes that there is scope for cooperation in many areas and that in fact a lot of business deals would have already been made if it was possible.

“CYPRIOTS HAVE IT IN THEM TO BE
ENTREPRENEURIAL AND ACTIVE IN BUSINESS SO
THROUGH A SOLUTION AND THE COOPERATION
BETWEEN MEMBERS OF THE TWO COMMUNITIES
WE WILL SEE GREAT BENEFITS AND GROWTH OF
OUR ECONOMY.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Another stakeholder mentioned that trade with Turkey would also benefit Cyprus and the region greatly. Beyond this, however, the broader theme of economic synergies that

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may otherwise lead to gain in trade or income was not developed in panel deliberations.¹⁵

“THE TURKISH-CYPRIOT COMMUNITY OPENS, FOR THE GREEK-CYPRIOT COMMUNITY, THE ROUTE TO THE TURKISH MARKET, WHICH IS A VAST MARKET. IT IS DEVELOPING AND VERY PROMISING. AND CYPRUS IS IDEALLY POSITIONED TO BE THE BRIDGE FOR TURKEY’S EUROPEAN UNION TRANSACTIONS.”

ANASTASIOS ANTONIOU -- ADVOCATE

¹⁵ The potential for macroeconomic convergences and gains in trade have been analyzed in a series of reports published by the PRIO Cyprus Centre. The most recent report on the topic is “*The day after III: The Cyprus peace dividend for Turkey and Greece*”, by Ozlem Oguz Cilsal, Praxoula Antoniadou Kyriacou and Fiona Mullen PRIO Cyprus Centre Paper 1/20 (<http://www.prio.no/upload/The%20day%20after%20III.pdf>).

ECONOMIC CONVERGENCE AND ASYMMETRY BETWEEN THE TWO SIDES

The Greek Cypriot economy is far more developed than its Turkish Cypriot counterpart, whether measured in terms of GDP per capita or through other conventional yardsticks. Thus, reunification presumes the likelihood of successful macro-economic convergence. In recent years there is some evidence that despite the failure of the 2004 reunification referenda, the income gap has been slowly closing (i.e. there is partial labor market convergence) with investments in northern Cyprus and the EU's mandate to prepare for reunification by contributing to the development and competitiveness of the Turkish Cypriot economy.¹⁶ However, the gap remains significant.

For some stakeholders, it is this economic disparity that looms larger than any concerns regarding the governance chapter.

"I DON'T HAVE ANY WORRIES ABOUT THE ADMINISTRATIVE ISSUES. I DON'T BELIEVE THAT WE WILL MAKE A CONCESSION REGARDING SOVEREIGNTY. FROM MY POINT OF VIEW, THE FUNDAMENTAL ISSUE IS ECONOMIC."

BENGÜ ŞONYA – DEMOCRAT PARTY

The Greek Cypriot economic system is much more structured, with a stronger private sector and competition policies. GDP per income is twice as much in the southern part of Cyprus than it is in the northern part. The Greek Cypriot labour market is more attractive to Turkish Cypriots since wages are also higher. In addition, Cyprus has been an EU member state since 2004 and the GC companies have already adapted themselves to doing business in an EU regulated environment.

On the other hand the Turkish Cypriot economy mostly revolves around the public sector with a weak private and financial sector. There is very limited contact with the European market, often in the form of imports. This situation creates concerns for both communities. Moreover, Turkish Cypriots attribute much of the disparity to the Cyprus problem whereby the Turkish Cypriot isolation serves to deter investment and trade.

Greek Cypriots tend to worry that being more the economically advantageous partner they will have to bear the costs of reunification/convergence. Even if the international community offers some funds to cover some major costs - such as for those related to compensation for properties that may not be restituted - it will not be sufficient to bring the Turkish Cypriot economy on par with the Greek Cypriot economy. Hence, they worry that for the two economies to converge economic growth in the Greek Cypriot economy might suffer while subsidizing the Turkish Cypriot economy.

¹⁶ Besim, M., "Macroeconomic Convergence in Cyprus" Presented at *Economic Convergence and a Cyprus Settlement* seminar organized by European Institute, London School of Economics, London, 6 February 2007.

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This consequence manifests itself as a distributional concern in fiscal federalism. One stakeholder said that “Cypriots must seriously consider the cost of a solution and who will bear it. No one has so far guaranteed to cover the cost of a reunification, so we cannot enter such an undefined agreement.” This is also a concern considering the international financial crisis, he said. Thus, we note the risk associated with convergence must be undersigned by international actors to allay some of the fears of our stakeholders.

“IT IS AS EQUALLY A BIG MISTAKE AS NOT WANTING A SOLUTION TO GO FOR A SOLUTION THAT WE DON’T KNOW WITH WHAT FUNDS WE ARE GOING TO BE ABLE TO MAKE IT WORK BECAUSE WE ARE LIVING IN A VERY DIFFICULT FINANCIAL ENVIRONMENT. IF WE DO, WE RISK RUINING WHAT WE HAVE CREATED HERE IN OUR COMMUNITY, WHICH IS AN ECONOMICALLY STRONG STATE. SO WE NEED TO KNOW FROM THE BEGINNING WHAT FUNDS WE NEED TO FINANCE THE SETTLEMENT AND WHERE THEY ARE GOING TO COME FROM.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Greek Cypriots worry that they will be called to pay for the damage of 1974. They consider themselves to be a victim in 1974, and potentially victimized yet again by having to carry the financial burden of a solution. This is perceived to be unfair and unjust.

Turkish Cypriots on the other hand are worried that in case of a settlement the discrepancies between the two communities will lead to Greek Cypriot domination of the (capital) market forcing the weaker Turkish Cypriot economic players and businesses out of the market. This suggests that instead of focusing on potential synergies, many participants consider that the market will favor Greek Cypriot businesses in general.

“TURKISH CYPRIOTS AND GREEK CYPRIOTS WILL BE PARTNERS IN THE CASE OF A SETTLEMENT. THERE IS A CLEAR DISCREPANCY BETWEEN THE TWO SIDES. POPULATIONS ARE DIFFERENT, COMPETENCES ON EACH SIDE DO NOT MATCH AND ECONOMIES ARE DIFFERENT. THIS SCARES ME...”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

A stakeholder thinks that Turkish Cypriot institutions are not ready for reunification and this will lead to disappointments and mistrust towards a settlement. “Who is going to take the blame of political, economic and social shocks that will be experienced by the Turkish Cypriot community after a settlement?” he asks. Some stakeholders suggest

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derogations and protective measures for a transitional period in order to protect the Turkish Cypriot economy.

“WE WILL FACE DIFFICULTIES IN ENTERING INTO A NEW STRUCTURE WITH OUR CURRENT STRUCTURE. THE GREEK SIDE’S POLITICAL RECOGNITION BRINGS HER AN ECONOMIC ADVANTAGE. THE GREEK SIDE HAS A CONSIDERABLE AMOUNT OF CAPITAL AND CASH ACCUMULATED IN THE BANKS THROUGHOUT THE YEARS. BECAUSE OF THIS CASH, THEIR ECONOMIC STRUCTURE IS STRONG. CONSEQUENTLY, IN THIS STRUCTURE, PRECAUTIONS OUGHT TO BE TAKEN TO PROTECT OUR PEOPLE AND ENTREPRENEURS.”

BENGÜ ŞONYA – DEMOCRAT PARTY

Turkish Cypriots are also worried that Greek Cypriots will discriminate against Turkish producers and service providers after a settlement. One panel participant argues that whereas Turkish Cypriots evidently do not hesitate to shop in the south Greek Cypriots are reluctant to do likewise in the north. This stakeholder considered that the same pattern would hold in the future, hence Greek Cypriots would refrain from conducting business with Turkish Cypriots with the result being Turkish Cypriot businesses falling to the wayside.

There was some disagreement on this point where some other participants argued that people conduct economic transactions based on their interests and economic value rather than on the ethnic background of their consumers or suppliers.

“PERSONALLY, I PRACTICE A PROFESSION. I WISH TO BE ABLE TO PRACTICE IT, AND FOR THE MARKET IN WHICH I CAN OPERATE TO INCLUDE THE OTHER COMMUNITY. THE SETTLEMENT WILL BRING THIS ABOUT. IT CANNOT DO OTHERWISE. THERE CANNOT BE A LIMIT, EXCEPT MAYBE IN A TRANSITIONAL PERIOD. BUT ON A PERMANENT BASIS, THERE CANNOT BE A LIMIT TO FREEDOM OF MOVEMENT, TO THE FREE SALE OF GOODS, TO THE PROVISION OF SERVICES, TO THE FREEDOM OF CAPITAL. THESE ARE ALL EMBODIED IN THE EUROPEAN PROJECT. THEY WILL BE APPLIED ON AN ISLAND-WIDE SCALE”

ANASTASIOS ANTONIOU – ADVOCATE

During panel discussions it became evident that economic relations would not be limited to intra-island trade and investments, but there was also an underexplored regional factor. In the event of a settlement, economic relations between a reunified Cyprus and

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Turkey would also develop. During the panel discussion some time was devoted to Turkey's economic power.

"Turkish companies and financial institutions will most likely come to Cyprus and buy everything" comments a stakeholder, "should we also worried that Turkish Capital will buy us out? This is probably what will happen in the end, the market will not be either Turkish Cypriot or Greek Cypriot; it will be predominantly Turkish."

Based on the foregoing, it would be unwise for the negotiating sides and third parties to consider macroeconomic convergences in absence of the distributional concerns expressed, since at the level of daily life there are no guarantees that the transition to EU norms of liberal economics will not complicate the political dimension where potential 'losers' of economic exchange push for protectionist policy citing ethnicity as a factor.

SOCIAL DYNAMICS

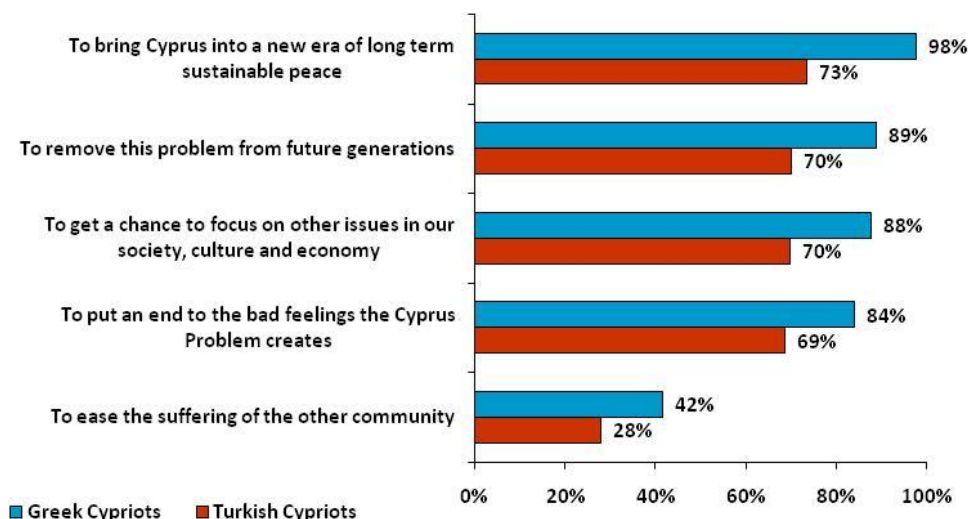
Something neglected at Track 1 level negotiations are the social dynamics associated with a settlement. Naturally, some of these dynamics are inherent to the negotiation framework, insofar as envisioned territorial adjustments, for instance, would serve to geographically displace persons. Yet, it is not only the more tangible forms of social change that is at stake. Some of the hopes and fears have to do with the overall outlook of society.

Social dynamics have been affected in recent years following the opening of crossings since 2003. Since then, people have had opportunities to cross and the result is interaction of various degrees of intensity. In some instances co-existence issues have become evident. For example, disagreements about the nature of the English School – whether it is a school that merely provides English language instruction or is a multicultural institution – have become salient since many Turkish Cypriots have enrolled. This is but one example of the new social terrain that would have to be navigated should the situation in Cyprus move in the direction of a settlement, directly affecting the daily lives of people.

However, it is not the inter-communal relations that seem to come to the mind when stakeholders were asked about social relations in the future. Rather, the greatest hope linked with a settlement is societal progress. Many participants from either community lamented what they saw as the pernicious effects of the Cyprus problem in dominating social discourses. For instance, some Greek Cypriot participants expressed the view that the result of the dominant discourses was to subjugate other issues, rendering society xenophobic and conservative. A positive externality of a settlement would be to unleash progressive forces and allow the agenda to shift toward new areas inducing an open society. Polling demonstrates that alongside a hope for peace, people are also motivated by the potential for positive social change.

Figure 18: Motivating Factors – Peace

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Whereas there is a yearning for peace in both communities, seen as an opportunity to move the agenda on to other matters affecting the respective communities, empathy remains a relatively scarce commodity.

For more pragmatic reasons, many Turkish Cypriots associate a settlement with a process of institutional reform. Whereas some contend that accession to the European Union is not a panacea to maladministration, there is a general consensus that as an anchor in the process of reform it remains indispensable.

On the other hand, there remain significant concerns regarding the effects of reunification on the social fabric. Whereas Greek Cypriots are, generally speaking and in comparison with Turkish Cypriots, less likely to be affected by a settlement in their daily lives, we note considerable hesitancy to embark on a project marked with significant uncertainties. We note that the source of many anxieties has its roots in mutual mistrust, but also has to do with divergent views on what 'reunification' would entail.

Naturally, these different visions of the future are inevitable since a potential settlement remains, in some aspects, hypothetical or contingent on an array of factors. However, another cause of divergence is distinct visions of the past. We note that regarding inter-communal relations, many Greek Cypriot participants considered Turkish Cypriot fears to be exaggerated, possibly with a view to justifying segregation if not secession. Some Turkish Cypriots, on the other hand, expressed scepticism regarding Greek Cypriot 'rosy memories' of peaceful coexistence with Turkish Cypriots. This, in turn, affects discourses on coexistence in a future settlement. Mistrust, if not misperception, can be discerned from views of the other community. For instance, Turkish Cypriots who claim to be personally open to coexistence maintain that this is not true of the Greek Cypriot community and that Greek Cypriots remain unprepared for reintegrated society.

Much depends on what is meant by coexistence. Participants views varied depending on the subject matter, be it discussion of residency in a common neighbourhood or sharing the government (polity). Anecdotally, we note that some Greek Cypriot focus group participants mentioned intermarriage with Turkish Cypriots as a potential parental concern in a reunified Cyprus. Interestingly, this was a concern once expressed by Mehmet Ali Talat, the former Turkish Cypriot leader, who is otherwise favourably disposed to a federal settlement. Thus, much depends on the type and degree of integration envisioned by respective participants.

One salient issue is how to navigate and negotiate complex identities. Most people in Cyprus are evidently comfortable with hybrid identities, as substantiated by survey data

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that demonstrate that most people in Cyprus identify themselves as either Greek Cypriot or Turkish Cypriot, as opposed to more exclusive 'national' or 'ethnic' identities. The question is whether it is possible to cultivate a civic identity robust enough to sustain a new polity. Here we note that an exclusive 'Cypriot' identity is very much a minority identity among Turkish Cypriots, and to a lesser extent among Greek Cypriots.

Beyond the inter-communal identity issue is the concern expressed regarding other categories of people in Cyprus. The issue of settlers emerges in this context where Greek Cypriot participants expressed fears that given demographic trends they risked being 'overrun' by incoming people of apparently different 'culture'. On the other hand, some participants acknowledged that the status quo was also unstable, entailing the threat that the Green Line could evolve into an external border between southern Cyprus and Turkey if Greek Cypriots were not prepared to conclude a settlement soon. Some Turkish Cypriot participants also expressed fears of 'communal extinction' stemming from demographic shifts in the northern part of the island. Thus, the problem of settler integration, both in the context of a settlement but also in the present, emerged as an area of concern.

Considering the social dimension almost all our stakeholders mentioned the social impact a settlement will have on their lives. They also shared their hopes and their fears of the impact of a non-settlement scenario.

It is not surprising that Turkish Cypriots expressed more willingness to see changes in the status quo than Greek Cypriots did since they are generally not satisfied with their lives. Having more to lose, tangibly and in the form of shared sovereignty, change and uncertainty tend to worry Greek Cypriots more.

Interviews with our stakeholders and discussions in the focus groups revealed that people are not very clear on what a bi-communal, bi-zonal federation means, especially in terms of social integration. Will there be common neighbourhoods or segregation? Some visualise ghettos of the other community within their community and oppose that idea. A recommendation would be to have a public campaign explaining what exactly bi-zonality and bi-communality would mean in the Cyprus context.

INTER-COMMUNAL RELATIONS

An obstacle in inter-communal relations is perceptions of the 'other' community. Generalizations about the other community are common; the cumulation of varying interpretations of past events coupled with orientations toward the current status quo. Turkish Cypriots generally hold the belief that Greek Cypriots do not consider them to be equal partners, but rather as an untrustworthy society comprised of lazy individuals who seek a share in wealth created by Greek Cypriots. "We are regarded to be Cypriots, but not to the same degree as they are," argues one of our stakeholders. This induces an inferiority complex among the Turkish Cypriots as they realise that they are not 'accepted' by the larger community.

"GREEK CYPRIOTS LOOK DOWN AT US. THEY GAZE AT US AS THEIR CONSTRUCTION WORKERS OR HOUSE CLEANERS. THEY DO ACCEPT US AS CYPRIOTS BUT NOT AS CYPRIOT AS THEY ARE."

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Although these views were expressed by several Turkish Cypriot stakeholders in the interviews, by contrast Greek Cypriots do not usually view inter-communal relations to be a major issue. One Greek Cypriot participant suggested that this discourse reflected the insecurities of Turkish Cypriots. Although he did not doubt the existence and persistence of fears, he considered them to be exaggerated and asserted that these insecurities were injected in the political dialogue to "gain things." Similar to other Greek Cypriot participants, he argued that "we were living together in the past with no problems, we can live together again."

“ONE BENEFIT OF A SETTLEMENT IS THAT WE WILL FINALLY CULTIVATE A SENSE OF COEXISTENCE AND COOPERATION BETWEEN COMMUNITIES IN CYPRUS AND WE WILL LIVE IN A MULTICULTURAL STATE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Most Greek Cypriot participants were sanguine on the prognosis for a reintegrated society. While acknowledging that there would be problems after years of segregation, the majority remained confident that the issues were not insurmountable, thus coexistence would not prove problematic.

“THERE ARE A NUMBER OF THINGS THAT UNITE US WITH TURKISH-CYPRIOTS, WE HAVE A COMMON MENTALITY, A COMMON CULTURE WHICH CAME AS AN EFFECT OF HUNDREDS OF YEARS OF PEACEFUL COEXISTENCE. THE FACT THAT I WILL HAVE THE CHANCE TO LIVE NEXT TO, WORK TOGETHER AND HAVE CONTACT WITH MY COMPATRIOTS IS ANOTHER MAJOR BENEFIT. THERE CURRENT RACIAL DISTINCTION WHICH I CONSIDER UNACCEPTABLE WILL EXIST NO MORE.”

ANDREAS VYRAS — CYPRUS YOUTH BOARD

By contrast, most Turkish Cypriot participants, either in interviews or during panels, did not share the perception of a harmonious past punctuated by years of separation since 1974. Most expressed ‘bitter memories’, arguing that these made them hesitant about trusting the other community.

“WE DON’T WANT TO RELIVE THE BITTER DAYS AGAIN, WE DON’T WANT TO GO BACK TO THE OLD DAYS, IT WILL BE BETTER FOR EVERYONE TO LIVE IN THEIR SOVEREIGN AREA AND MEANTIME WE JOIN THE EU. PEOPLE SHOULD BE FREE TO TRAVEL FROM ONE SIDE TO ANOTHER BUT WE SHOULD NOT LIVE MIXED.”

ERTAN ERSAN – FAMILIES OF MARTYS
ASSOCIATION

One participant during the inter-communal stakeholder panel discussion commented on these different perceptions pointing to “gaps”, and “missing bridges in the history”, even intra-communally, within the collective memory of communities. “They may prefer to forget some experiences and reinforce others” he contended. Apparently Turkish

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Cypriots tend to remember the bitter ones better, while Greek Cypriots kept only good moments in their memories.¹⁷

Another participant commented that both processes – of emphasizing or suppressing particular histories - occurred simultaneously. Moreover, these ‘truths’ were not mutually exclusive. “The idea of either saying that we are so different and we can never live together, or the idea that we always lived in harmony – this will not get us anywhere because all of this is true” she argues. “People were living in harmony when people started drifting apart because some of the people amongst the society started getting various ideas about what they ideally wanted to do in terms of politics.” She thinks we need to understand why incidents in the past happened in order to prevent them from happening again in the future. “We have to be sensitive to the other side’s approach to the problem and fill the gaps instead of brushing it aside and ignoring, because we don’t like it.”

“GREEK CYPRIOTS REALLY NEED TO UNDERSTAND, WHY TURKISH CYPRIOTS CONSIDER 1974 LIBERATION. AT THE SAME TIME TURKISH CYPRIOTS SHOULD UNDERSTAND THAT IS WAS A TRAGEDY FOR THE GREEK CYPRIOTS, WHAT HAPPENED IN 1974.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

A young Turkish Cypriot participant on the stakeholder panel complained that Greek Cypriots of his age “do not even realise that there are Turkish Cypriots living in Cyprus” and he wondered “why their parents have not transferred these good memories of coexistence to their children?”, thus questioning the authenticity of claims of harmonious relations prior to partition

Some of the stakeholders reflected on these differences, and some concluded that domestic (i.e. intra-communal) politics and media played an insidious role on cultivating prejudices. Assumptions regarding past events and traumas, the separation over the years, were all filtered through antagonistic political systems and media.¹⁸ This mistrust surfaces time and again in the panels, irrespective of the topic under discussion. This issue needs to be addressed urgently as many stakeholders point out, and confidence-building measures should be implemented immediately.

¹⁷ The discussion is reminiscent of Vamik Volkan’s well known ‘chosen traumas’ thesis. See <http://www.vamikvolkan.com/Transgenerational-Transmissions-and-Chosen-Traumas.php>.

¹⁸ For an analysis of media and the Cyprus problem see “*Media Narratives, Politics and the Cyprus Problem*” by Christophoros Christophorou, Sanem Sahin and Synthia Pavlou PRIO Report 1/2010 (<http://www.prio.no/Cyprus/Publications/>).

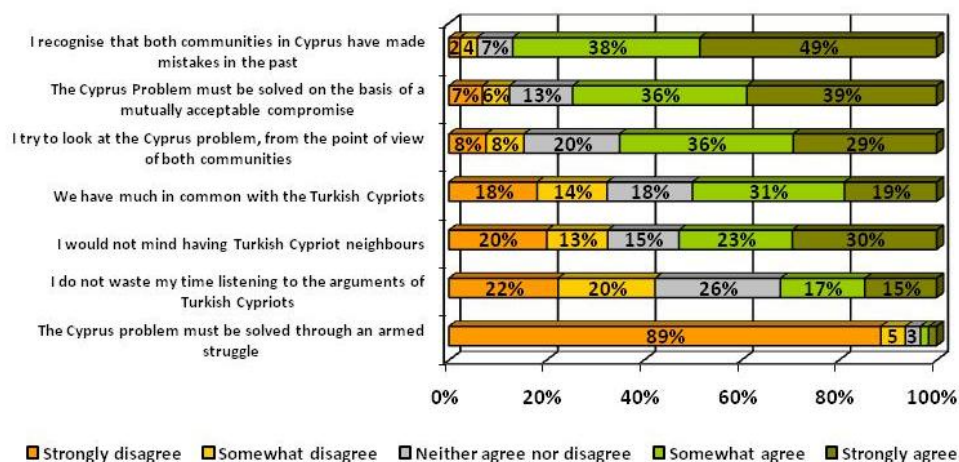
COEXISTENCE (IN A POTENTIALLY REINTEGRATED SOCIETY)

The notion of coexistence is distinct from inter-communal relations in that the latter is understood to refer to the political relations between the two communities, whereas coexistence is related to sharing the same space, especially in terms of residence in multicultural neighbourhoods.

NEIGHBORS

When we look at polling data we see that both communities are divided on the question of coexistence, with the Greek Cypriots relatively more open to the idea of having Turkish Cypriot neighbours. A majority of Greek Cypriots (53%) agree with having Turkish Cypriot neighbours. Still, a significant 33% are opposed while another 15% claim to be neutral. Turkish Cypriots are more evenly divided on the question with 34% in favor, but the tendency is to oppose mixed neighbourhoods (38%). A further 28% of Turkish Cypriots claim to be ambivalent.

Figure 19A: Perspectives on Reconciliation (Greek Cypriots)

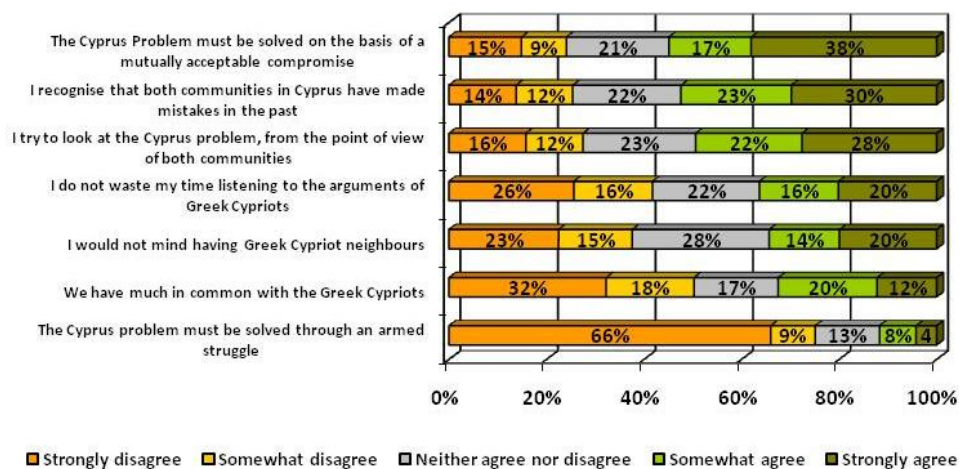


A very strong majority of Greek Cypriots recognizes that the Cyprus Problem must be solved through a mutually acceptable compromise. A smaller majority additionally acknowledges that they would not mind

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having Turkish Cypriots as neighbours. Finally, the notion of using violence as a means for achieving political goals is abhorred by the vast majority of the Greek Cypriot community.

Figure 19B: Perspectives on Reconciliation (Turkish Cypriots)



A majority of Turkish Cypriots believes that the Cyprus Problem must be solved on the basis of a mutually acceptable compromise. Having said that, opinions are divided regarding the desirability of co-existence with Greek Cypriots in the context of day-to-day life. The use of violence as a means for achieving political goals is opposed by a strong majority of Turkish Cypriots.

In the event that a bi-communal, bi-zonal federal settlement is achieved, most of the Greek Cypriot focus group participants said they looked forward to living in mixed neighbourhoods, where Turkish Cypriots and Greek Cypriots live together as neighbors in close proximity. They claimed that should the two communities live in mixed areas it would be easier to avoid conflicts and furthermore they will have more interaction that will lead to a mutual appreciation.

“FROM MY OWN PERSONAL EXPERIENCE I HAVE SEEN THAT PEOPLE SHYLY WARM TO EACH OTHER AND EVENTUALLY STOP THINKING ABOUT THEIR DIFFERENCES IN A NEGATIVE WAY BUT AS SOMETHING THAT CAN BE CELEBRATED. CHILDREN IN PARTICULAR HAVE NO PROBLEM COEXISTING WITH CHILDREN FROM DIFFERENT RACIAL AND ETHNIC BACKGROUNDS AND WE CAN SEE THAT EVERY DAY IN OUR OWN SCHOOLS.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

These Greek Cypriot participants were of the view that if the Turkish Cypriots live in secluded “ghettos” this would hark back to the circumstances between 1964 and 1974 and might contribute to a repetition of inter-communal hostilities. One participant concluded that “if they live in ghetto communities and feel secluded they will react adversely and it is more difficult to control criminal or violent behaviour.”

“IF YOU DON’T HAVE IN PLACE CERTAIN SAFEGUARDS, CERTAIN CLAUSES, WITHIN ANY

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KIND OF AGREEMENT, AND SPECIFICALLY WITHIN ANY FORM OF SOLUTION, WHICH WOULD PREVENT BOTH PARTIES FROM REGRESSING TO THEIR ANIMAL INSTINCTS, OR RESORTING TO INAPPROPRIATE MEANS, TRUST IN ITSELF HAS A TENDENCY TO BE INSUFFICIENT.”

ACHILLES EMILIANIDES – ADVOCATE / ACADEMIC

That said, other Greek Cypriot participants preferred that Turkish Cypriots live in specific ghetto areas and opposed the idea of them living in the same neighbourhoods with Greek Cypriots. Participants of this view also tended to oppose a bi-communal, bi-zonal federal settlement in principle.

Some stakeholders are concerned with escalating nationalism on both sides of the island. The good atmosphere of peace and friendship that was created by the opening of checkpoints in 2003 has dissipated. Since then “Turkish Cypriots moved away from Greek Cypriots after starting having contacts with them” explains a Turkish Cypriot stakeholder.

“WE CREATED A DREAM OF CO-HABITATION IN THE EU MEMBER CYPRUS IN 2003-2004. AFTER HAVING CONTACTS WITH THE OTHER SIDE WE REALISED THAT IT WAS JUST A DREAM, THEY ARE NOT TREATING US THE WAY WE THOUGHT THEY WOULD.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Mistrust and misunderstanding surface even when stakeholders express positive sentiments regarding coexistence. Specifically, Greek Cypriot views that consider the role of the European Union in normalizing communal relations are treated with trepidation by Turkish Cypriot participants who consider this a step toward dreaded ‘minority status’.

For instance, one Greek Cypriot stakeholder said that he viewed coexistence with Turkish Cypriots in the same light as he saw coexistence with other European citizens, with Maronites, Armenians and Latins in Cyprus, and that he did not consider that there should be problems between the two communities. Another stakeholder said that coexistence with Turkish Cypriots should be seen in with reference to Europe – in the context of our European existence we must learn to be more accepting towards others. Yet another stakeholder also expressed optimism and mentioned that “we can see that most Greek Cypriots view individual Turkish Cypriots as non-threatening, and they do not have a problem with them.”

Such views, instead of assuaging Turkish Cypriot concerns, sometimes have the opposite effect. One Turkish Cypriot stakeholder complained that he thought Greek Cypriots “did not bother to get to know” the other community as they always considered Turkish Cypriots to be a minority and non-threatening. The image they have of Turkish Cypriots does not coincide with “the reality” that Turkish Cypriots were apparently more than that.

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With respect to coexistence, as compared to their Greek Cypriot counterparts, Turkish Cypriot focus group participants were more hesitant to live together with Greek Cypriots. They tended to see the long years of separation as a hindrance to living together. Despite our poll results indicating the opposite, some participants said they believed that although Turkish Cypriots would be more open to living together, Greek Cypriots might not be welcoming towards Turkish Cypriots. Furthermore, some participants claimed that Greek Cypriots tended to “dominate” or “act like the master”, something at odds with a multicultural society. This might create problems for the future, they argued.

Another objection raised against the idea of living together was related to “the fact that we have not dealt with the traumas of the past.” History is taught differently on both sides and since the traumas are still hidden within the subconscious of both communities, it might be hard to successfully integrate the two communities. Also associated with the point raised above, one participant argued that there is a need for a transition period where the two communities “get to know each other again.” It was added that perhaps after this transition period it would be possible for the two communities to live together.

“WE HAVE LIVED APART FOR SO LONG THAT I WORRY ABOUT HOW WE ARE GOING TO START LIVING TOGETHER AFTER OUR HISTORY OF CONFLICT AND THE CLIMATE OF DIFFERENCE THAT HAS BEEN CREATED IN THE LAST 35 YEARS. HOW ARE CERTAIN SEGMENTS OF SOCIETY THAT ARE NATIONALISTIC AND EXTREMIST GOING TO REACT TO THIS COEXISTENCE?”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Of interest to note here is that although Turkish Cypriot participants said they were positive about the idea of living together with Greek Cypriots, they did not think their community or (more so) the Greek Cypriot community was ready for this.

Another noteworthy issue was some particular considerations of a few stakeholders and focus group participants towards coexistence that went beyond neighbors, entailing greater degrees of intimacy. Some associated the idea of co-existence with cross-marriages, something they found threatening. One stakeholder expressed surprise that some focus group participants were concerned about this, considering that there were not many cross-marriages in the past prior to geographic partitioning. The stakeholder said that it is, on the face of it, rather unusual that the matter came up persistently when participants discussed about the theme of co-existence. “Of course you can have such a preference but why is this so important?” she questioned.

“This is directly related to how people see a solution” commented another participant. Views of a solution vary with those seeing a solution akin to a ‘rational’ business partnership versus those who liken it to a ‘marriage’. In many federations people do not ‘get married’ but there is a degree of cooperation between the administrative units, one stakeholder explained. Thus, intermarriage reveals itself to be a metaphor for integration overall. “The person raising such an intermarriage issue probably had a very integrated way of looking at a solution; she must have viewed it not simply as an administrative issue but she probably envisaged that the communities would be more

Solving the Cyprus Problem: Hopes and Fears

fully integrated. For some people it's not as such." In other words not everyone anticipates full societal integration and related externalities.

Another participant associated this concern with intermarriage to immigration and argued that Greek Cypriot parents have gained experience with migrants over time, where marriages between locals and migrants are occurring. People may think marriage is a natural outcome of having proximity which will happen between Greek Cypriots and Turkish Cypriots with greater frequency following a settlement.

The stakeholder went on to explain that Greek Cypriots are very attached to their identity. He went on to claim that the issue was also related to religion. As an example he stated that Greek Cypriots do not like their relatives getting married to (Cypriot) Armenians, because they are not Greek Orthodox. Since social life in Greek Cypriot/Orthodox society revolves around religious events, multi-faith marriages become a challenge.

Regarding the concern about deeper integration some participants remained unswayed: "We have to live on this island together. We did it in the past, we are still living here and we shall be living on this island in the future. So making this an issue is just an excuse, it has got no relevance."

IDENTITY, COMMONALITY, DIVERISTY AND DIFFERNCE

In Cyprus political identities are ascribed by way of the 1960 power-sharing constitution. Prior to that, the Ottoman millet system similarly vested political rights in ethnic communities. Any discussion of identity inevitably grapples with this legacy. Contemplating a future where identities are negotiated in daily life interactions is complex, since there are different views on whether identities are communal and fixed or individual and in flux.

The conventional alternative to communal identity is a national 'Cypriot' identity. Many advocate this as the basis of 'solidarity' in the face of the threat perceived from differences. In the pages below, we outline the deliberations on this alternative.

Interestingly discussions on the matter of identity did not delve into the complexities of multiculturalism as an alternative model for dealing with difference and diversity. This theme was raised in the context of societal advancement, where some participants expressed hope that government policies could be developed in ways that promote tolerance.

'CYPRIOT' IDENTITY': CIVIC AND ETHNIC LOYALTIES

During discussion of identity in daily life, some stakeholders mentioned that they hoped that with a solution the "identity crisis" that they perceive in Cypriot society will be resolved.

"MANY CYPRIOTS ARE SUFFERING FROM AN IDENTITY CRISIS THAT IS CAUSED BY THIS UNCERTAINTY THAT HAS PLAGUED CYPRUS SINCE 1974. TODAY WE ARE CITIZENS OF THE REPUBLIC OF CYPRUS, TOMORROW WE WILL BE CITIZENS OF WHAT STATE? WE ARE GREEK CYPRIOTS AND TURKISH CYPRIOTS, BUT TO WHAT EXTENT ARE WE GREEK OR TURK OR CYPRIOT?"

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

These Greek Cypriot stakeholders mentioned that people feel uncomfortable identifying themselves as 'Cypriots', because so much focus is being placed on the fact that they are also Greek. Also, because of the 35-year stalemate, a new "Cypriot" identity has not been created.

"FINALLY WITH A SOLUTION WE WILL CREATE AN
IDEA OF WHAT IT MEANS TO BE A CYPRIOT."

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

One stakeholder envisages that with a solution, Greek Cypriots and Turkish Cypriots will slowly start forging a distinct identity for themselves that will be "purely Cypriot and significantly differentiated from both Greek and Turkish" national identities. Stakeholders mentioned that in terms of lifestyle, at least, they did not see major differences between Greek and Turkish Cypriots, and that "we are more alike than many people believe." Indeed, some project participants were sentimental regarding contacts across the ethnic divide, expressing feelings of kinship and familiarity.

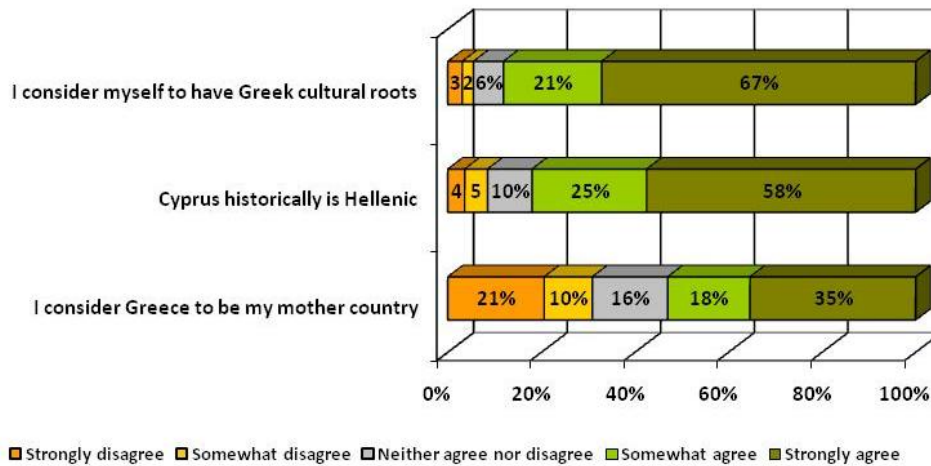
PRESENTLY I AM IN TOUCH WITH AN ARTIST, HIS
NAME IS HAMBIS TSANGARIS AND HE IS A VERY
IMPORTANT ARTIST FOR CYPRUS AND,
CURRENTLY HE HAS A PRINTMAKING MUSEUM IN
THE SOUTH. MY FATHER VISITED HIS VILLAGE
(PLATANISKEIA) IN THE SOUTH AFTER THE
BORDERS WERE OPENED. HE MET THIS MAN,
WHEN HE TOLD MY FATHER THAT HE IS AN
ARTIST MY FATHER TOLD HIM THAT I AM ALSO
INTERESTED IN ART AND STUDYING IN TURKEY...
WHEN I TRAVELLED TO CYPRUS FOR HOLIDAY IN
THE SUMMER I CONTACTED TO HAMBIS AND MET
HIM. IT WAS VERY INTERESTING, I STILL FEEL
VERY MUCH MOVED; WE HAD NOT KNOWN EACH
OTHER BEFORE WE MET BUT WE BOTH FELT AS IF
WE HAVE KNOWN EACH OTHER FOR AGES.

PEMBE GAZILER – BI-COMMUNAL TANGO
ACTIVITIES ORGINIZER

That said, polls demonstrate that ethnic identities associated with the legacies of Hellenic and Turkish culture still resonate with the broader public.

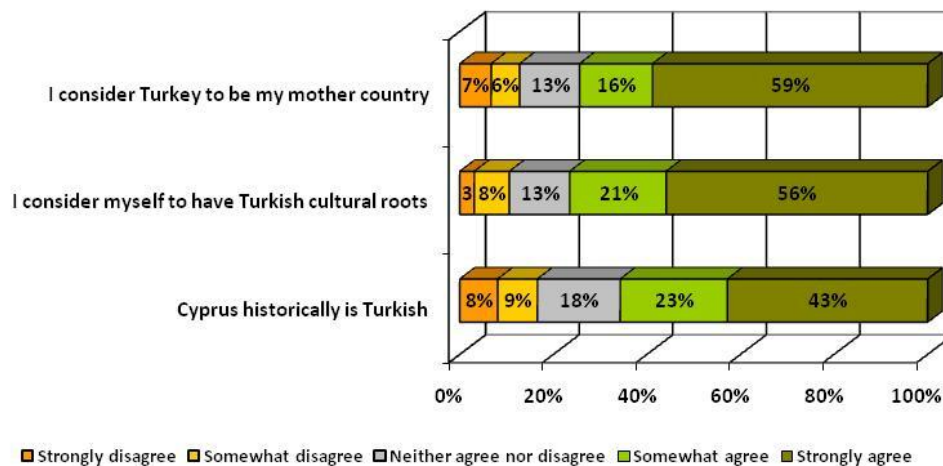
Figure 20A: National and Cultural Identity (Greek Cypriots)

Solving the Cyprus Problem: Hopes and Fears



Greek Cypriots still tend to identify strongly with their Greek cultural roots, but many of them have now abandoned the notion of "Greece as mother country".

Figure 20B: National and Cultural Identity (Turkish Cypriots)



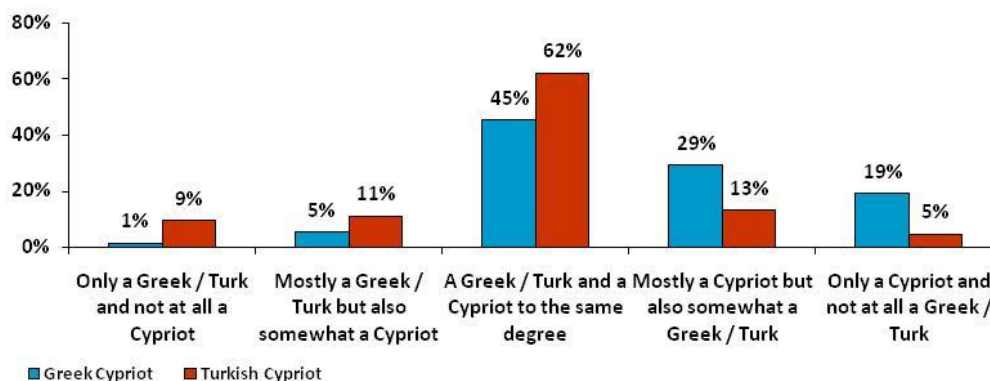
Turkish Cypriots still remain loyal to the notion of "Turkey as motherland", at least to the extent that a majority of them acknowledges having Turkish cultural roots.

Despite this, one stakeholder held the hope that there could be a process of "creating a Cypriot nation where both communities will share power, face their problems and solve

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them together.” This would constitute an exercise of “joint self-determination.” It is noteworthy that this conceptualization of self-determination is similar to the origins of the Republic of Cyprus in 1960. However, unlike in the 1960s, ‘Cypriots’, so conceived, will break free from “chauvinistic ideas and will act in solidarity” at all times. They will call themselves “Cypriots” without any reference to their ethnic backgrounds. The stakeholder, thus, promotes an integrationist model for political identity.

Figure 21: Managing contested identities



Greek Cypriots are equally divided between those who consider themselves more Cypriot than Greek and those who consider themselves Greek and Cypriot to the same degree while few consider themselves to be more Greek than Cypriot. Turkish Cypriots present a more uniform picture, with a clear majority considering themselves to be Cypriot and Turkish to the same degree, and about equal minorities considering themselves, on the one hand, to be more Cypriot than Turkish, and on the other hand, more Turkish than Cypriot.

However, the forging of such an identity would take considerable effort when we analyze how Greek Cypriots and Turkish Cypriots currently identify themselves.

Another stakeholder argued that this can come through a “unified struggle and with an understanding that each community’s first ally is the other community. Turkish Cypriots and Greek Cypriots wishing to live together should fight side by side against those wanting to ruin such an existence” he adds. In other words, here again we encounter an emphasis on solidarity over diversity as the remedy for the ethnic divide.

Continuing with this logic, the stakeholder explained that issues having the potential to lead to a conflict should be minimized to start with. The more ‘Cypriots’ act together and get closer, the less will be the possibility of a conflict. “This is a long process which will eventually lead to the dissociation of the communities within each other and the creation of a Cypriot nation” explain one stakeholder.

“TURKISH CYPRIOTS WILL TURN TO GREEK CYPRIOTS FOR HELP NOT TO TURKEY AND IN DIFFICULT TIMES GREEK CYPRIOTS WILL SEEK TURKISH CYPRIOTS’ SOLIDARITY RATHER THAN THAT OF GREECE.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Solving the Cyprus Problem: Hopes and Fears

Whereas some Turkish Cypriot stakeholder panel participants were sympathetic to the notion of integration, most were not sanguine and considered the ethnic division regarding identity to be ‘natural’.

The discussions implied that integration remained important to Greek Cypriots as a safeguard against partition, whereas Turkish Cypriots conceived of it as a means to their own subordination to the majority segment in society.

Interestingly the alternative of multiculturalism only featured later in discussion on government policy designed to accommodate various societal demands and expectations for welfare. Thus hybridity and identity were not discussed suggesting significantly ‘modern’ (i.e. conventional) applications of identity.¹⁹ Moreover, distinctions between national and civic identities were not drawn.

DEMOGRAPHICS

Beyond the issue of how to deal with inter-communal identity, participants discussed how changing demographics affect relations in Cyprus. Not surprisingly, many Greek Cypriot panel participants discussed the issue of settlers from Turkey. Related were concerns that immigrants from many other parts of the globe posit the risk that Cyprus would be ‘overrun’. Turkish Cypriots, for their part, also express concerns regarding demographics, often in existential terms. Some participants suggested that demographic trends may lead to the ‘extinction’ of the Turkish Cypriot community. In the pages below the report traces discussions on demographic categories.

YOUTH

Stakeholder panel participants discussed the perceived problem with younger generations whose orientation towards elements of the Cyprus problem varied with older generations. This, according to many stakeholders, was deemed problematic insofar as the youth are apparently less motivated for a settlement.

Other studies have dealt with the phenomenon exclusively focusing on the youth cohort as a demographic.²⁰

“I AM CONCERNED ABOUT THE COMMITMENT OF THE YOUNGER GENERATION FOR A SOLUTION TO THE CYPRUS PROBLEM, THEIR COMMITMENT TO PEACEFUL COEXISTENCE WITH TURKISH CYPRIOTS, THEIR COMMITMENT TOWARDS THE NEED TO PRESERVE THE RIGHTS OF THEIR PARENTS THAT ARE BEING BREACHED SINCE 1974.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Some Greek Cypriot stakeholders expressed concerns about Greek Cypriot youth. As one stakeholder put it “they [youth] simply do not care about the Cyprus Problem. If a

¹⁹ For an analysis of identity politics see Constantinou, Costas M. “Aporias of Identity: Bicomunalism, Hybridity and the ‘Cyprus Problem’”, *Cooperation and Conflict* 42(3): 247–27.

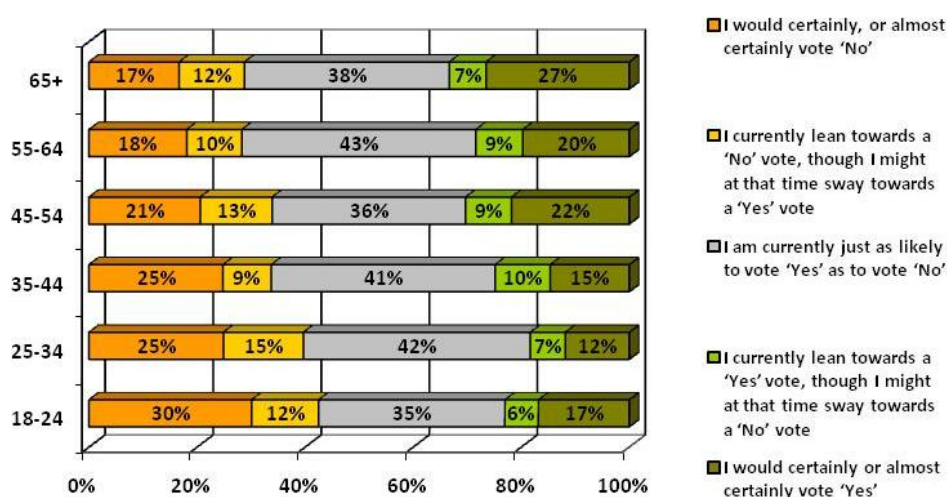
²⁰ See UNDP’s “Youth in Cyprus” Report (2009) at <http://hdr.undp.org/en/reports/nationalreports/europethecis/cyprus/name,19663,en.html>.

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solution is not found soon the next generation will not have the same desire for a settlement with the Turkish Cypriots and any hope for a reunification of Cyprus will be lost forever”.

Poll results corroborate this concern articulated by our stakeholders indicating that younger Greek Cypriots are more likely to reject a settlement plan than older cohorts.

Figure 22A: Intended Vote in a Future Referendum by Age Group (Greek Cypriots)



Younger Greek Cypriots are more likely to display an intention to vote No in a future referendum, though even in their case a majority is open to the possibility of voting Yes. The oldest Greek Cypriots, age 65+, are most likely to display an intention to vote Yes in a future referendum.

“Young people do not have the same experience of coexistence with Turkish Cypriots and most of them have had very minimal or no contact at all with members of the other community” explained a stakeholder. This makes them both suspicious and uninterested in working together for a unified Cyprus. Also, arguments to the effect that it is better for Cyprus to be unified in the long term do not convince these young people because they have been reared in “very comfortable” and generally prosperous environments.

Even if the next generation of politicians pushes for a settlement to reunify Cyprus, any plan put to referendum is unlikely to attract the public’s enthusiasm, said one stakeholder. One stakeholder said that the youth’s lack of interest in the Cyprus problem can be understood in the wider context of the youth’s rejection of political life in Cyprus. The constant talk about the Cyprus problem, the perception of corruption and self-interest, are to blame said the stakeholder.

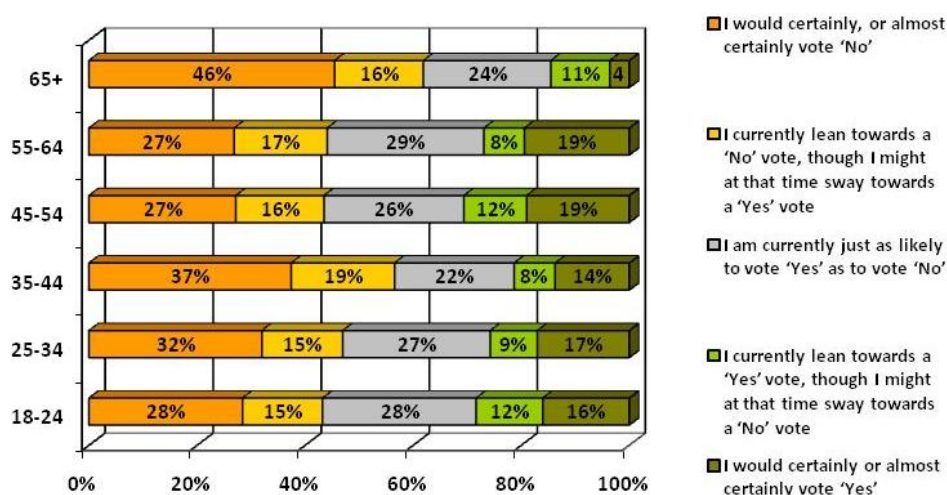
Turkish Cypriots also hold the same view regarding Greek Cypriot youth. They believe that young Greek Cypriots are more nationalistic and harsher towards them as a community. Turkish Cypriots also attributes this to the fact that the younger generation never had the experience of living together, but also to the Greek Cypriots’ general and public policies towards Turkish Cypriots, as well as to the role of public education and history books in particular. “We changed our history books and made them less nationalistic and more objective, whereas Greek Cypriot children grow up with hatred” commented a Turkish Cypriot stakeholder.²¹

²¹ For an analysis of history and pedagogy in Cyprus see “History Education in Divided Cyprus: A Comparison of Greek Cypriot and Turkish Cypriot Schoolbooks on the ‘History of Cyprus’”, by Yiannis Papadakis PRIO Cyprus Centre Report 2/2008 (<http://www.prio.no/Cyprus/Publications/>).

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Noteworthy is that by contrast to their counterparts, the Turkish Cypriot youth were very much politicized in favour of reunification in the run up to the referendum in 2004 on the UN blueprint. However, the experience of disappointment since then reflects in diminishing levels of support for a settlement among Turkish Cypriot youth as well.

Figure 22B: Intended Vote in a Future Referendum by Age Group (Turkish Cypriots)



Among Turkish Cypriots, the oldest individuals, age 65+, are displaying the strongest trend towards a No vote. The younger age groups, aged 18 – 24 and 25 – 34, and the middle age groups, 45 – 54 and 55 – 64 are displaying a comparative openness to the possibility of voting Yes.

Poll figures suggest that Turkish Cypriot youth remain more enthusiastic than older generations, although in all age groups there is a clear trend towards voting 'No' in a future referendum

EMIGRATION (AND BRAIN DRAIN)

Part of the hope that Turkish Cypriot youth ascribed to a solution was a sustainable future. The flip side of this is fear of emigration in the event a settlement cannot be reached. Thus a recurring theme among project participants, particularly among Turkish Cypriot participants, was emigration.²² In fact, since both communities have experienced emigration, participants are able to draw on historical comparisons.

"It is estimated that there are more Turkish Cypriots living abroad than there are residing in Cyprus" said one stakeholder. "They migrated in 1960s and 1970s in masses. Young individuals studying abroad, especially young men have not been returning in the past ten years."

"WE STARTED SENDING MORE STUDENTS TO EUROPE AFTER CYPRUS' MEMBERSHIP. THEY WILL NOT COME BACK EVER. WE WILL FACE ANOTHER WAVE OF MIGRATION SOON, IF THE PROBLEM IS NOT RESOLVED."

²² For an empirical study regarding Turkish Cypriot demographics see "Is the Turkish Cypriot Population Shrinking? An Overview of the Ethno-Demography of Cyprus in the Light of the Preliminary Results of the 2006 Turkish Census", by Mete Hatay, PRIO Cyprus Centre Report 2/2007.

<http://www.prio.no/Cyprus/Publications/>.

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Some stakeholders worry that another wave of emigration will be triggered when lingering hope in a settlement is finally extinguished. “Living in a country where there is no democracy does not make sense to a young intellectual,” argued a stakeholder. “Those staying here will be a few wealthy individuals that will employ migrants and rent them their property. We went through outward migration in the past; it stopped to some degree with an expectation of a settlement, but when there is none, people will start leaving the country in groups.”

Noteworthy is that non-settlement scenarios also concern Greek Cypriots with respect to the prospects of younger generations. Fear of emigration is not an exclusively Turkish Cypriot concern.

“THE BAD OUTCOMES OF PARTITION ARE TERRIFYING. HALF OF CYPRIOTS WOULD EMIGRATE. ESPECIALLY THE YOUNG PEOPLE WILL ACQUIRE THE FEELING THAT THEY HAVE NO FUTURE (AT LEAST NOT THE FUTURE THEY THINK THEY NOW HAVE).

I THINK OUR GRANDCHILDREN WILL JUST TAKE THE FIRST AIRPLANE AVAILABLE AND LEAVE THE COUNTRY. WHAT WILL HAPPEN IF WE LOSE OUR YOUTH?

THE POPULATION WILL THUS START TO DWINDLE. LIFE WILL NOT BE THE SAME; THERE WILL BE A NUMBER OF FACTORS WHICH WILL LEAD TO A REDUCTION IN THE WAGES OF THE PEOPLE AND A REDUCTION IN THE CURRENT STANDARD OF LIVING.”

LELLOS DEMETRIADES – FORMER MAYOR OF NICOSIA

TURKS OR TURKISH CYPRIOTS?

The settlers issue is also one of the thorniest aspects of the Cyprus Problem. While one side wants all settlers to be repatriated to Turkey (as illegal aliens who arrived on the island in contravention to international law), the other side’s position is for all to remain (as naturalized citizens of a reunified state). On the face of it, it is not easy to reconcile these positions, so stakeholders deliberated on the different approaches.

Turkish Cypriots mostly agree that those fulfilling pre-determined criteria should remain in Cyprus as residents and under further specified conditions be entitled to Cypriot citizenship. People that immigrated as early as 1974 have been living in the northern part of Cyprus for the past 35 years. Their children were born and raised in Cyprus. Such people consider Cyprus their homeland and they do not have direct links

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or primary residences in Turkey. Identities have also been affected with many professing patriotism in Cyprus.

Almost all Turkish Cypriots agree that the aforementioned should stay in Cyprus, while they tend to consider that others who arrived in more recent years as well as those residing illegally (i.e. in violation of ‘TRNC’ laws) should return after a settlement. The only condition some participants put forward were ‘ceilings’ to be kept at such levels that demographic changes would not be able to influence the political will of Turkish Cypriots.

“THOSE THAT SATISFY SOME CRITERIA; HAVE BEEN RESIDING LEGALLY IN CYPRUS FOR MANY YEARS, PAID THEIR TAXES AND FULFILLED THEIR CITIZENSHIP RESPONSIBILITIES SHOULD STAY IN CYPRUS REGARDLESS OF THEIR ETHNIC BACKGROUND.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Some settlers also agree with this viewpoint. Among the stakeholders were persons originally from Turkey. They complained about the uncertainty regarding their status and explained that they are not happy with the fact that this issue has been widely discussed for years and yet they face great uncertainties regarding their future status in Cyprus. They also do not like to be continually singled out as the hindering factor of a settlement.

This apparent consensus on naturalizing persons based on certain criteria clashed with the argument that these persons were settlers from Turkey, thus any immigration was in contravention of international law. “What should be the guiding principle in dealing with the settler population?” asked a Greek Cypriot stakeholder.

“SHOULD WE THINK ABOUT THE CHILDREN OF SETTLERS WHO HAVE LIVED HERE THEIR WHOLE LIVES AND CONSIDER CYPRUS THEIR HOME? OR SHOULD WE FOLLOW INTERNATIONAL PRINCIPLES THAT STATE THAT SETTLING IS A WAR CRIME AND MUST BE REVERSED? I BELIEVE THAT WE MUST INSIST ON THE FACT THAT SETTLING IS A WAR CRIME.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

The interviewees considered that if a settlement is not found in the near future, the resulting “demographic problem” will eventually affect the Greek Cypriots as well as the Turkish Cypriots. “As the negotiations have stalled we witness the arrival of many more settlers in Cyprus” argues another stakeholder, “but if the status quo remains we are going to go through a crisis.” A Greek Cypriot fear relating to settlers is that their increasing population might at some point lead to “overpopulation of a small stretch of land” and that they might, in the future, “attempt to capture more of the island to satisfy the needs of their community,” said one stakeholder.

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Another problem is the demographic change that is being carried out “methodically” by Turkey with the systematic “importation” of settlers from Turkey, argues another Greek Cypriot stakeholder. Participants believe that, if conditions remain as they are now and the settlers continue to multiply and Turkish Cypriots migrate abroad, “we will essentially end up having a border with Turkey in the long-term future,” something that Greek Cypriots do not desire.

Many Turkish Cypriots are also worried about this ‘import’ of settlers. The immigrants are more pious and in some ways ‘different’. Thus, a couple stakeholders expressed the concern that the Turkish Cypriots face potential “communal extinction” if the influx of Turkish migrants is not curtailed.

“THESE PEOPLE ARE NEITHER TURKS, NOR CYPRIOTS. THEY ARE STUCK IN BETWEEN TWO CULTURES. THEY ARE HUMAN BEINGS, THEY ALSO HAVE RIGHTS, BUT IT’S ALSO TRUE THAT THE QUALITY OF OUR LIVES IS DETERIORATING DAY BY DAY. THERE IS NO END TO THIS, THE GLASS IS FULL AND OVERFLOWING, BUT THEY ARE STILL COMING. WE CANNOT STOP IT. IT’S NOT POSSIBLE TO EDUCATE, DEVELOP THOSE ARRIVING EITHER AS THEY ARE MORE IN NUMBER. WE ARE IN MINORITY IN OUR OWN COUNTRY!”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

If there is no settlement in the near future, some Turkish Cypriots fear that the Turkish Cypriot community will fade away and the current inhabitants of the northern part of Cyprus will be essentially stuck with two choices; being assimilated by the dominant Turkish culture that will put more pressure on their life styles as a result of growing Turkish population, or migrating to other countries including the Republic of Cyprus. Some will migrate to Turkey where there are more job opportunities; some will pursue a better life and claim their EU citizenship rights in a Member State.

“I AM ANNOYED BY THE FACT THAT I MAY BE FORCED TO COVER MY HEAD BY 2015. I WILL BE SURROUNDED BY TURKISH MIGRANTS. ALL TURKISH CYPRIOTS WILL BE ABLE TO FIT IN A PHOTO FRAME IN FIVE YEARS TIME IN CASE OF A NONSETTLEMENT. I DO NOT ACCEPT TO LIVE UNDER THESE CONDITIONS; I TOO WILL BE LOOKING FOR A COUNTRY TO MIGRATE.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Significantly, this concern regarding ‘extinction’ has ideological overtones, since many Turkish Cypriots express concerns with the policies of the current government in Turkey which has its origins in political Islam. Political culture among Turkish Cypriots

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remains decidedly secular, but there is concern that religion is encroaching on the daily lives of Turkish Cypriots.

SOCIETAL ADVANCEMENT

A number of stakeholders mentioned as very important the fact that after a solution, Greek Cypriots will be able to finally concentrate on the general advancement of their society. These stakeholders believe that the development of Greek Cypriot society has been stunted by the exclusive focus on the Cyprus problem for the past 35 years. They think that “there are important parts of our life that we and our government do not pay enough attention to, because of the Cyprus Problem.”

“A VIABLE AND SECURE SOLUTION TO THE
CYPRUS PROBLEM WILL HAVE A POSITIVE IMPACT
ON THE PSYCHOLOGY OF CYPRIOTS AND THEIR
RELATIONSHIP TO THEIR SOCIETY. A HAPPIER
CITIZEN IS A BETTER MEMBER OF SOCIETY, MORE
CREATIVE AND MORE PRODUCTIVE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Some participants claimed that Greek Cypriot society is characterised by “deep conservatism, racism, xenophobia and nationalism” and also that people are suspicious and untrusting, and unwilling to think “outside the box.” They believe this is “ruining our society” and it needs to change soon, especially now that Cyprus is in the European Union and the influx of both Europeans and migrants from third countries is increasing. “Our society is going to continue to be racist, xenophobic and conservative and will make no progress if the Cyprus Problem is not settled soon,” say two Greek Cypriot stakeholders.

Another Greek Cypriot stakeholder thinks that in the case of a non-settlement the society will continue to live in paranoia regarding how to prevent the Turkish Cypriots from having their own internationally recognized state, thus “we are going to continue to see everything through the nationalistic lens, our conservatism will continue, important societal values will continue to be demoted in importance just so we can have nationalistic politics.”

“WE WILL CONTINUE TO HAVE THIS MENTALITY
THAT WE HAVE BEEN WRONGED, THAT WE ARE
ALWAYS UNDER SIEGE AND IN A PERMANENT
DEFENSIVE STATE, THAT EVERYONE WANTS TO
RUIN US AND WE NEED TO PROTECT OURSELVES;
WHICH MAKES US CONSERVATIVE AND
INTROVERTED AND REGRESSIVE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

These stakeholders expect that there will be cultural advancement in Cyprus following a solution, in line with a generally more open-minded, flourishing society.

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Another benefit for society according to two stakeholders is that it will become more tolerant and multicultural and that the government will have to reflect this. “Finally our concern will be our future and not our survival,” commented one stakeholder.

“SOCIETY HAS DEALT WITH THE CYPRUS PROBLEM SOLELY IN ELECTION PERIODS AND ONLY CONSIDERED SUBJECTS WHICH WERE SUBJECTED – BY OTHERS – FOR DISCUSSION, NAMELY THE RHETORIC OF THE RETURN OF REFUGEES TO THEIR HOUSES, THE RHETORIC OF JUSTIFICATION, THE MISSING, AND SO FORTH. THESE ARE REAL PROBLEMS, BUT NOT ONES WHICH TAP INTO DAILY REALITY ANY MORE.”

ANASTASIOS ANTONIOU – ADVOCATE

Greek Cypriots expect societal advancement as a result of having more time and energy to deal with things apart from the Cyprus Problem, as well as a shift in the governmental policies. This is considered to be a byproduct of the settlement rather than a direct consequence of it.

On the other hand, the Turkish Cypriots participants were primarily motivated by more pragmatic considerations related to the need for ‘good governance’. For many Turkish Cypriots a settlement will directly result in societal advancement since it will be followed by the adoption of the European Union’s *acquis communautaire*, which they believe will lead to better planning, proper regulations, a well-functioning administrative system, rule of law, and democracy. “Current discriminatory and outdated laws will be replaced with modern democratic regulations and European values will be promoted after a settlement,” was the expectation of a Turkish Cypriot stakeholder.

That said, some Turkish Cypriot participants were hopeful regarding less tangible issues as well. Social and cultural life will also benefit from a settlement as international isolation has immense effects in these areas as well. Individuals will seek to engage in differing activities moving upwards the Maslow²³ pyramid after their basic security needs are met with a settlement. They will have “more time and energy to attend cultural activities” argues a stakeholder. Professional sports will develop and individuals will have more opportunities to express and further themselves in arts and culture rather than seeking material gratification through “fancy cars and large houses”. As a result, currently experienced “degeneration” and a concomitant state of despair will be replaced with an atmosphere where creating and celebrating different values are encouraged and valued hopes another participant.

“I DREAM OF A SYSTEM BUILT BY CITIZENS THAT ARE CONSIDERATE, THINK AND WORK AROUND A PLAN FOR THEIR COMMON FUTURE.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

²³ Maslow’s hierarchy of needs indicates that you can only move to aesthetic needs after satisfying basic security needs. See http://en.wikipedia.org/wiki/Maslow%27s_hierarchy_of_needs.

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Art will be appreciated more and become an internal part of the education system; galleries in every city will be opened to exhibit visual arts created by Cypriots.

The European Values Study²⁴ shows that happiness is higher in nations characterized by rule of law, freedom, civil society, cultural diversity and modernity (schooling, technology, urbanization). Together with material comfort, these factors explain almost all differences in happiness across nations. With a settlement, Turkish Cypriots hope to talk about their well-being, happiness, life satisfaction and locus of control in their everyday life rather than mentioning their disappointment, frustration, degeneration, despair and the danger of communal extinction in every possible opportunity.

There will be less tension between migrants and Cypriots and active citizenship will flourish. Citizens of an EU member, reunited Cyprus will be more environmentally conscious and will develop a sense of social responsibility.

“I SEE, AS A FIRST STEP, NOT A SOLUTION, BUT A POLITICAL SETTLEMENT. THE REAL SOLUTION WILL COME FROM THE PROCESS FOLLOWING THE SETTLEMENT THAT ENDS THE POLITICAL PROBLEM. IT WILL BE THEN THAT THE FOUNDATION WILL EMERGE. THE SIGNATURE TO AN AGREEMENT WILL GIVE US THE CHANCE TO HAVE THE STRUGGLE ON THE RIGHT FOUNDATION. AFTERWARDS THINGS WILL GET BETTER THROUGH THE SKILLS OF THE TWO COMMUNITIES.”

ALI EREL – CYPRUS EU ASSOCIATION

However, it is important to note that some interviewees underlined that this process will take time and it will not happen in the near future. Nevertheless, they would like to see their country starting to pave the way to this best case scenario with an immediate settlement of the Cyprus Problem. There are also others warning that the settlement is no magic wand and will not straighten everywhere it touches.

“A SETTLEMENT WILL ONLY GIVE US A BASIS TO BUILD OUR COUNTRY, WHAT WE DO WITH IT WILL DEPEND ON US. WE CAN BE LIKE SWEDEN OR LIKE ITALY.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

“It’s true that the European laws and regulations will bring about a framework where ‘respect for human dignity, liberty, democracy, equality, the rule of law, and respect for human rights’ will be the values to be celebrated and furthered. However, how far we go with these values will again be up to us” argues a stakeholder.

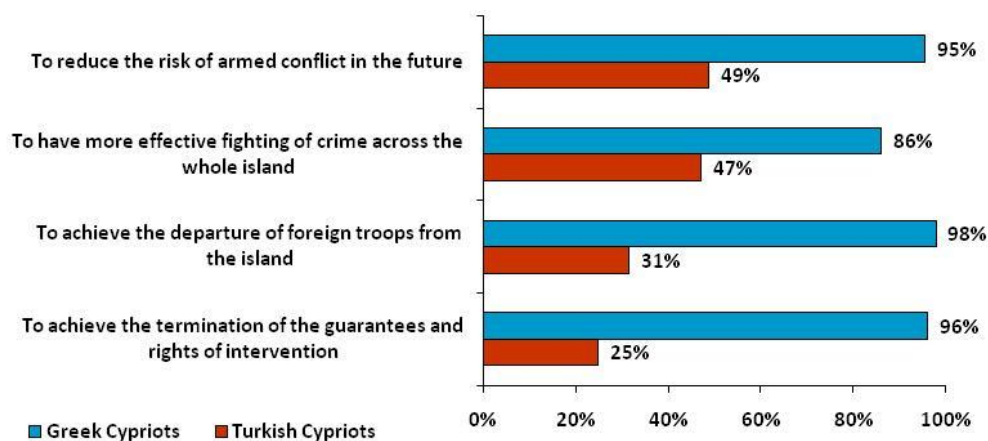
²⁴ See <http://www.europeanvaluesstudy.eu/evs/research/themes/life/>

SECURITY

Security is among the most contentious of the dossiers in the Cyprus problem negotiations. This is an area where politicians and voters views are congruent. In the pages below we note that many Greek Cypriots associate peace and security with sovereign control. On the other hand, Turkish Cypriots tend to emphasize the need to maintain external guarantorship of any settlement.

Most people in Cyprus hope for peace and stability, or what some would refer to as a 'peace dividend'. Shared hopes expressed between Greek Cypriot and Turkish Cypriot stakeholders also relate to demilitarization, with the caveat that this is a more prevalently expressed hope amongst Greek Cypriots. Thus, Turkish Cypriots are less enthusiastic overall regarding demilitarization and the potential for long term peace. Not surprisingly the matter of demilitarization is highly politicized, where the Turkish Cypriots argue that any redeployment of troops (as well as related territorial adjustments affecting Varosha) is contingent on arriving at a comprehensive settlement to all outstanding dossiers. This contrasts with the Greek Cypriot view, echoed by the European Parliament that withdrawals should commence immediately (in accordance with UN Security Council Resolution 550 of 1984).²⁵

Figure 23: Motivating factors - Security



Greek Cypriots associate a settlement with a new security regime that will enhance their sense of security. Turkish Cypriots do not consider changes in security provisions to be a motivating factor for a settlement.

Many stakeholders and focus group participants considered peace, stability and harmonious relations to be major benefits of a settlement. This sentiment is linked to the further hope that co-existence would prove unproblematic and that relations

²⁵ See <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2010-0025+0+DOC+XML+V0//EN>.

Solving the Cyprus Problem: Hopes and Fears

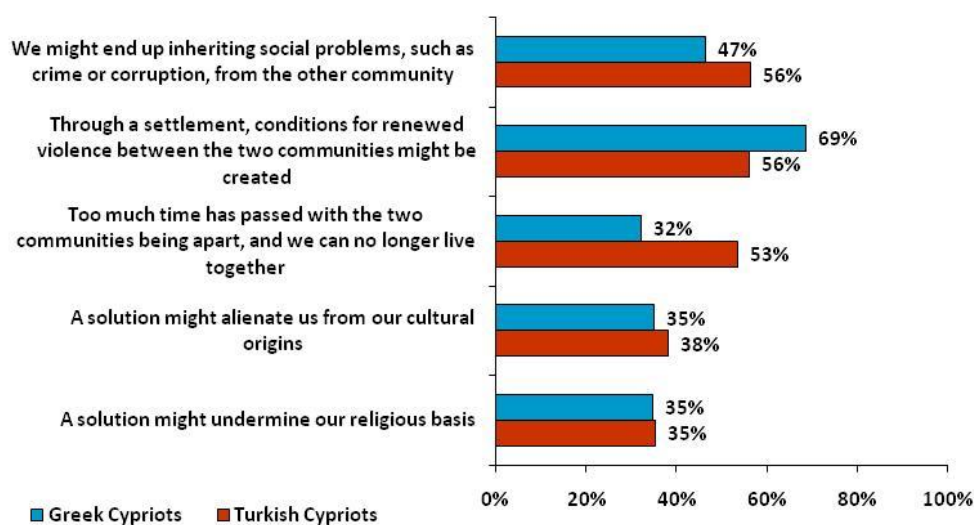
between the communities and their respective constituent states would be largely harmonious.

Thus, we note the relationship between external and internal security issues.²⁶ As we see in the pages below, many fears are based on this linkage, where internal disputes could escalate into inter-communal warring triggering international responses and intervention.

On the fear side of the ledger we note the concerns that economic and structural asymmetries will be the basis of distributional conflicts, something Turkish Cypriots in particular tended to articulate. Greek Cypriots, for their part, expressed concerns that such differences could be exploited and lead to broader conflict. Thus, participants expressed the view that economic protectionism could contribute to conflict, apparently despite European Union regulations.

Moreover, we note mistrust of authorities of the other side, thus in the context of bi-zonality many focus group participants and stakeholders expressed hesitation to relocate and reside under the administration of the other community. Thus we note a relationship between the exercise of the right to return and security. Many displaced Greek Cypriots mention security concerns as deterring them from returning to homes that will remain under Turkish Cypriot administration. For their part, some Turkish Cypriots are prone to advocate segregation as the basis of 'peace', maintaining that Greek Cypriots "should not live among" them.

Figure 24: Constraining Factors – Alienation and cultural fear



Both communities fear the prospect of renewed conflict between them in case a settlement is reached, while there are also concerns that social problems might be inherited from the other community. Turkish Cypriots additionally fear that the two communities have grown too far apart and that they can no longer live together. Neither community is expressing anxiety over a possible erosion of cultural/religious identity through a settlement.

Participants agreed that another threat or source of potential conflict may come in the form of 'extremists' whose activities may serve to ferment mistrust and even inter-communal violence through escalation. Sources of extremism, in turn, vary, but the

²⁶ For commentary on threat perceptions see "Cyprus: A Note on Security Guarantees and Threat Perceptions." Pinar Tank. *The Turkish Yearbook of International Relations*. XXXV (2004): 169-76.

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participants indicated concerns that ideology and a lack of genuine reconciliation may continue to serve as fuel for inter-communal conflicts. In short, there may be a number of potential internal 'fifth column' adversaries that conspire against the settlement. Some Greek Cypriot participants expressed the view that incompatibilities with settlers from Turkey in terms of interests, culture, or economic relations could constitute a threat to peace. Whatever the source, it is noteworthy that our polls demonstrate that, if anything, Greek Cypriots seem to be more deterred by the threat of renewed inter-communal violence than their counterparts.

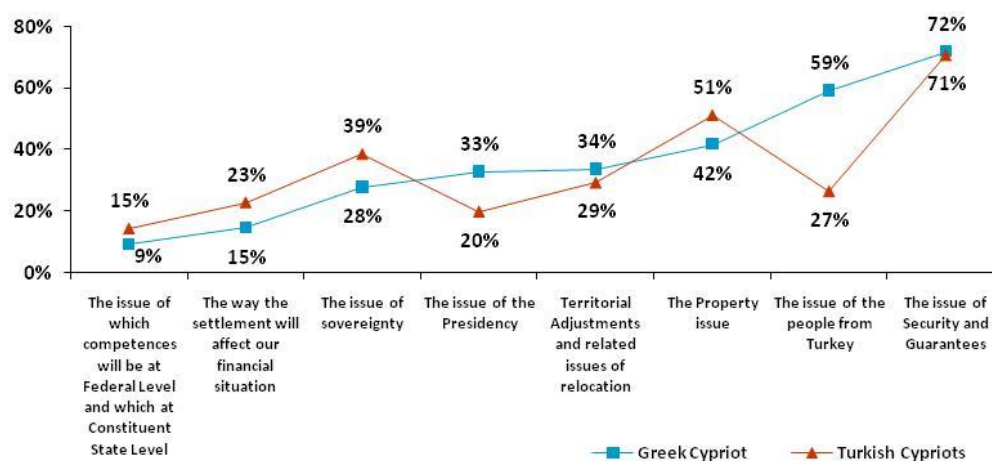
Given these fears, Turkish Cypriot participants tend to emphasize the need to retain Turkey's role in Cyprus, emanating from the Treaty of Guarantee. To many Turkish Cypriots, the Turkish army remains an effective deterrent to Greek Cypriots who they conceive as a threat. By contrast, Greek Cypriots consider that external guarantees are unacceptable. Turkey remains a threat to Greek Cypriots. These views can be understood in the context of the trauma of the events of 1974.

Thus, we note that a zero-sum mentality prevails regarding security arrangements in Cyprus. Efforts to bridge the views in a stakeholder panel dedicated to the topic of security demonstrated the difficulty in establishing convergences. One method of linking the future of guarantees to the eventual accession of Turkey to the European Union (a proposal that has featured in the past at the level of Track 1 negotiations) is tenuous, since Turkey's own accession course remains uncertain and since this is a mid to long term outcome the future tends to be discounted. Moreover, there remain significantly different interpretations of legality regarding the status of guarantees and guarantor powers in Cyprus.

PEACE AND STABILITY

As demonstrated above, many people polled suggest that enhancing security motivates them in favour of a settlement. Our surveys also suggest the salience of security where it is prioritized over other issues.

Figure 25: Negotiating priorities of the wider public



Greek Cypriots and Turkish Cypriots tend to perceive similarly the priority areas where the negotiations should be focusing. Specifically, both communities give first priority to the Security and Guarantees dossier, second priority to issues of Property and Territory, while third priority is given to Constitutional and Governance issues. The only dossier where the prioritization between the two communities significantly differs is the issue of the people from Turkey, which is seen as a priority by a majority of Greek Cypriots - actually their second priority after Security and Guarantees - but is only seen as a priority by one quarter of Turkish Cypriots.

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For many Greek Cypriot stakeholder panel participants security is associated with sovereignty, territorial integrity, and integration.

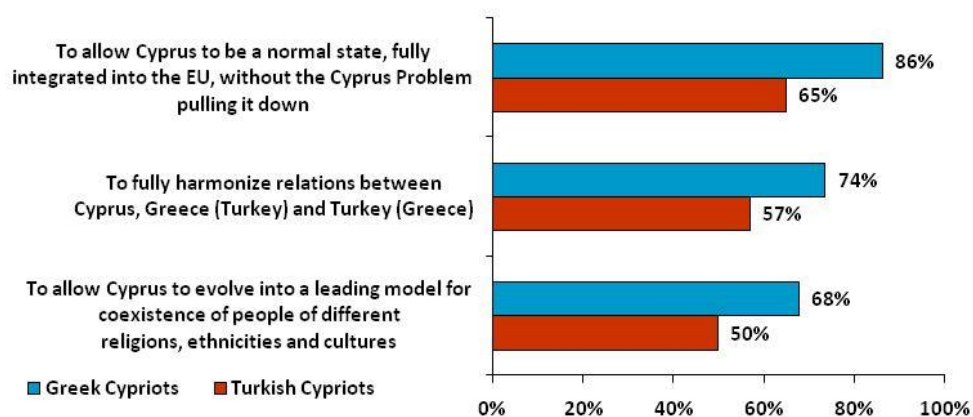
“ONE UNIFIED CYPRIOT STATE THAT PROVIDES EQUAL RIGHTS TO ALL CITIZENS, A STATE THAT ENSURES ONE SOVEREIGNTY, A STATE THAT ENSURES ONE NATIONALITY, A STATE THAT ENSURES TERRITORIAL SECURITY CAN ONLY BE GOOD FOR CYPRUS AND ALL CYPRIOTS.”

“FINALLY WE WILL HAVE SOME STABILITY IN OUR LIFE AND OUR FUTURE BECAUSE NOW WE LIVE IN A STATE OF PERSISTENT UNCERTAINTY. WE DON’T KNOW WHAT IS GOING TO HAPPEN TOMORROW. IN CASE OF A SOLUTION WE WILL FINALLY HAVE A SOLID BASIS ON WHICH TO BUILD OUR LIVES.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

One stakeholder mentioned also that peace in Cyprus could contribute to the stability of the region as a whole. Stakeholders added that a settlement would also remove a major burden off the shoulders of the European Union, which, in the context of the unresolved Cyprus problem, must reconcile its internal rules with its external relations and security policies. The general idea of a new role for Cyprus in the region and the world is shared by the general public where Greek Cypriot respondents to poll questions strongly supported transformation. Turkish Cypriots, to lesser degrees, share this orientation.

Figure 26: Motivating Factors - Cyprus in the world



Most people are motivated by the potential for regional and international harmony. This perspective is more pronounced among Greek Cypriots.

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The flip side to security hopes are fears associated with non-settlement. One Greek Cypriot stakeholder mentioned that security is not only a fear associated with concerns regarding the creation of a federal state, but equally of great concern in case of no settlement.

“IF THE STATUS QUO IS MAINTAINED IN THE LONG TERM, WE DON’T KNOW HOW THINGS WILL TURN OUT IN THE FUTURE, ESPECIALLY AS WE ARE LESS POWERFUL THAN TURKEY.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

This view was echoed by other Greek Cypriot participants who saw in the current status quo the seeds of potential conflict in the future.

“WITH THE UNCONTROLLED INFLUX OF SETTLERS AND THE CONTINUOUS INCREASE OF POPULATION IN THE OCCUPIED AREA, I THINK MAYBE THERE WILL BE A TIME, THIS LARGE INCREASE OF POPULATION, THIS LARGE TENSION THAT WILL CONTINUE TO EXIST WITH THE PRESENCE OF THOUSANDS OF TROOPS, FROM BOTH SIDES, FEW METERS DISTANCE, THIS MAY LEAD TO NEW WAR, TO A NEW UNCERTAINTY, THROUGH WHICH WE MAY LOSE WHAT WE HAVE TODAY.”

ANDREAS VYRAS – CYPRUS YOUTH BOARD

In individual interviews, a number of Turkish Cypriot stakeholders expressed the hope that people in the island could co-exist in peace and harmony. Some Turkish Cypriots hoped to see a future where Cypriots, inclusive of members of either community, should feel secure throughout the island irrespective of the zone or the administration.

“PEOPLE DON’T BELIEVE IN WARS; ENGAGING IN FIGHTS ANYMORE. THEY DON’T BELIEVE THAT PROBLEMS, CONFLICTS CAN BE RESOLVED BY WAR ANYMORE. THEY BELIEVE THAT PROBLEMS AND CONFLICTS CAN BE RESOLVED WITH PEACEFUL METHODS. THIS IS A VERY IMPORTANT ASSET FOR THE TWO LEADERS CONDUCTING THE NEGOTIATIONS. THIS IS AN IMPORTANT FINDING, WHICH LEGITIMIZES THE ONGOING NEGOTIATION PROCESS.”

AHMET SOZEN – ‘CYPRUS 2015’ PROJECT CO-DIRECTOR

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Borders would be used to determine administrative boundaries rather than to divide people. However, this would be a process taking time; it will not come as a direct consequence of a settlement and it would depend on how willing Greek and Turkish Cypriots are to create such a harmonious co-habitation.

One Turkish Cypriot interviewee argued that Greek Cypriots being the majority on the island would have to shoulder more responsibility in securing and maintaining such an order. Such an arrangement would place particular responsibilities on the larger community. The state, and by extension Greek Cypriots as the majority, would have to continually protect the rights of Turkish Cypriots and make sure that there is no discrimination against them in any context.

When this issue was subsequently discussed during the panel meetings, one stakeholder said that it was baffling that other stakeholders would talk about peace and harmony after a solution, because it is certain that a post-solution Cyprus would entail many problems in implementation.

DEMILITARIZATION AND EXTERNAL GUARANTORS

Demilitarization is among the most significant factors motivating Greek Cypriots in favour of a settlement. Turkish Cypriot views are somewhat nuanced. While a number of Turkish Cypriot stakeholder panel participants shared enthusiasm for demilitarization with their Greek Cypriot counterparts, polling suggests that remain uneasy with a significant minority rejecting all forms of demilitarization or troop redeployment.

DEMILITARIZATION

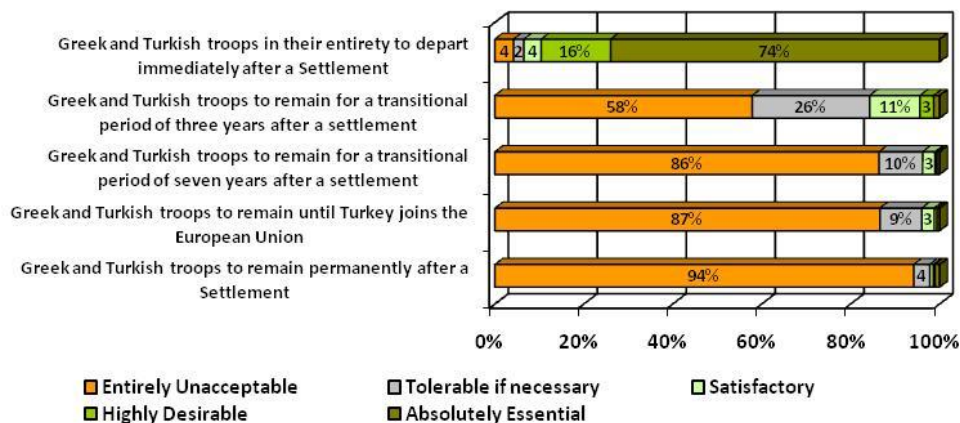
Greek Cypriot stakeholders depicted de-militarisation as a major benefit of a solution. They explained that they felt unsafe with having so many soldiers in Cyprus and they hoped that in a solution “no armies” will remain on the island.

“ONE OF THE MOST IMPORTANT ASPECTS FOR ME IS DEMILITARIZATION, THE FACT THAT THERE WILL BE NO ARMY ANYMORE, OR AT LEAST NOT A LOT OF ARMY.”

ELLADA EVANGELOU – ‘ROOFTOP’ THEATRE GROUP

Figure 27A: Timetables for Troop Withdrawal (Greek Cypriots)

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Greek Cypriots reject any notion of delayed troop departure for Turkish and Greek troops while in contrast they deem the immediate departure of all Turkish and Greek troops to be absolutely essential. Rejection levels, however, are lower in cases where a brief transition period is proposed.

Greek Cypriot focus group participants emphasized that they had traumatic experiences stemming from the events of 1974 and therefore they would never agree to a plan that might put their children in a similar position as they had found themselves in 35 years ago. This implies that a settlement package must satisfy Greek Cypriot threat perceptions in such a way that people believe that a settlement is actually safer than the status quo.

One stakeholder mentioned that he thought other Greek Cypriots feel insecure with having such a strong Turkish contingent on Cyprus and that they do not want to go on living like this. Expressing caution, he went on the state that “a failed peace agreement from the negotiations is going to make this situation even worse, and in the long term it might essentially bring the Turkish border to Nicosia.”

“THE DE-MILITARISATION OF OUR SOCIETIES IS GOING TO BE ONE MAJOR BENEFIT OF A SETTLEMENT.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

This is echoed by some Turkish Cypriot stakeholders who say that following a solution there will be “no need for any army on this island.” From this standpoint peace will prevail and Cypriots will not need any outsider referees to stop them from fighting with each other. A joint police force will be sufficient to help keep the order and a joint army may be established to protect all Cypriots from external attacks.

“I WANT TO LIVE IN A UNITED COUNTRY WITH NO SOCIAL OR POLITICAL TENSIONS. I DON’T WANT TO SEE ANY SOLDIERS AROUND ME ANYMORE, I WANT A DEMILITARIZED ISLAND.”

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

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Another stakeholder mentioned that keeping the Greek Cypriot army is very costly to the state and that those funds would be better spent on development projects around Cyprus. He believes that a solution will bring very many new employment opportunities for Cypriots and is thus not concerned about the breakup of the armies in Cyprus.

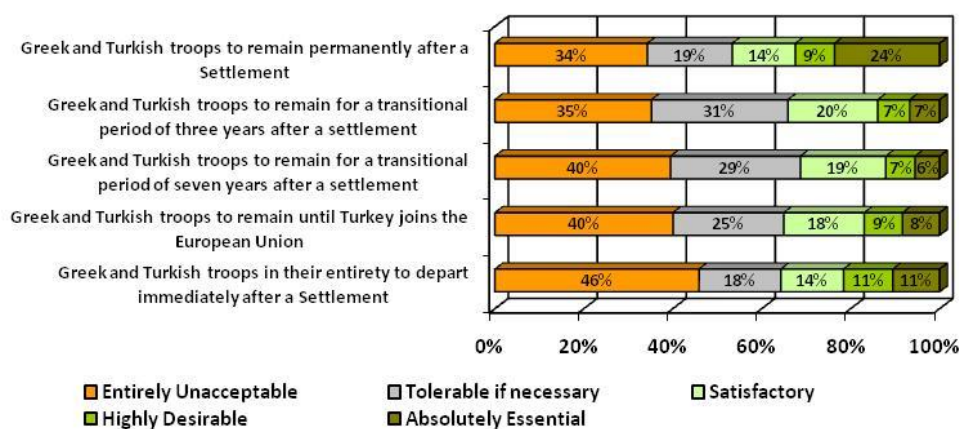
One stakeholder mentioned that they would much rather their child did not have to go to the army because they disagree with the principle of war and military, and they hope that a solution is found until they come to the age of conscription.

“THE PROBLEM WITH REACHING A SETTLEMENT
IS THAT IF THE FEDERAL STATE FAILS IN THE
COMING YEARS THE CONSEQUENCES WILL BE
COMPLETELY DESTRUCTIVE FOR CYPRUS.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Greek Cypriot focus group participants also saw demilitarisation as a major advantage of a settlement; some even consider it to be the primary benefit of a settlement. Participants in the Greek Cypriot focus group stated that they would prefer that all armies currently stationed leave Cyprus; Turkish, Greek, British as well as the local armies.

Figure 27B: Timetables for Troop Withdrawal (Turkish Cypriots)



Turkish Cypriots, in contrast, seem willing to tolerate various models of transition, though in fact all related options are controversial to one segment or other of the Turkish Cypriot community. There doesn't seem to be

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a solution to this matter, which would involve a symmetrical presence or withdrawal of Turkish and Greek troops, which would simultaneously satisfy a majority of Turkish Cypriots.

On the other hand, many Turkish Cypriot stakeholders also consider the Turkish military vital as a deterrent should a settlement package fail in implementation, hence the issue of demilitarization is bundled with that of external guarantees and the role that guarantors play in Cyprus.

VIEWS ON THE TREATY OF GUARANTEE AND INTERVENTION RIGHTS

The real lack of consensus during stakeholder panel deliberations revolved around what certain international treaties, protocols or other agreements really mean. One participant claimed, for example, that Protocol no. 3 of the EU Accession Treaty on the British Sovereign Base Areas (SBAs) guarantees the presence of SBAs in Cyprus; another participant was quick to contradict this interpretation asserting that all that Protocol 3 does is to exclude the SBAs from the *acquis communautaire*. A few minutes were spent by various members of the panel debating this issue.

Another Greek Cypriot panel participant said that Turkish guarantees cannot be accepted because it is against international law for one country to have the right to intervene in another sovereign country. To this a Turkish Cypriot participant replied that the Treaty of Guarantee was itself an international agreement, and irrespective of other sources of international law it is a valid treaty. A debate about this issue also ensued.

“GUARANTEES ARE A REAL PROBLEM BECAUSE THEY GIVE TO A THIRD PARTY RIGHT OF INTERVENTION IN ANOTHER’S GEOGRAPHIC AND JURISDICTIONAL SPACE.”

ANASTASIOS ANTONIOU – ADVOCATE

Another Greek Cypriot participant agreed with the Turkish Cypriot participant’s assessment that the Treaty of Guarantee is an international Treaty, but claimed that the issue of military intervention and the subsequent presence of Turkish troops on the island are not as clear from a legal standpoint. From this perspective, it is not the guarantee system per se that is problematic but the scope of intervention foreseen.

A solution that maintains Turkey’s rights to intervene in Cypriot affairs via the Treaty of Guarantee is considered by Greek Cypriots to be dangerous and unacceptable because it puts Greek Cypriot survival in the future at risk. Thus, for many Greek Cypriots it is portrayed as an existential issue.

“The Greek Cypriot public is carrying a trauma that comes from Turkey’s intervention in 1974, so it is impossible for them to accept that they would put themselves at such a risk again,” said one stakeholder.

Stakeholders consider that it is possible that there will be disagreements between Greek and Turkish Cypriots after a solution. They consider that this is to be expected and that the two communities should find a way to solve their problems when that happens. However, some fear that if Turkey maintains its right to intervene it is possible that the slightest trouble could be a pretext for another disaster in Cyprus. Greek Cypriot participants expressed concern that this may envelop the entire island rather than divide it.

“WE DO NOT KNOW TO WHAT LENGTHS TURKEY WILL GO TO SECURE ITS INTERESTS IN CYPRUS OR HOW REGIONAL POLITICS WILL DEVELOP IN THE FUTURE. SO, IT IS OUR RESPONSIBILITY TO ENSURE OUR OWN SURVIVAL AS CYPRIOTS IN THE FUTURE, BY INSISTING ON A FUNCTIONAL AND VIABLE FORM OF FEDERAL GOVERNMENT FREE OF INTERVENTION RIGHTS BY ANY THIRD COUNTRY.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Turkish Cypriot participants were cognizant that from the Greek Cypriot point of view security remains problematic where Turkey retains intervention rights, but some maintained that the threat of intervention could continue de facto, regardless of the Treaty of Guarantee.

“EVERY TIME THERE IS SOME POPULAR TERMINOLOGY, AND BOTH SIDES IMPOSE (ON) EACH OTHER PLAYING A POWER GAME AND AS CYPRIOTS WE ARE THE TOOLS. OK, CAN WE SOLVE THIS PROBLEM? OK IF WE DECIDE TO CANCEL THE GUARANTEES, DOES ANYBODY GUARANTEE THAT TURKEY WILL NOT INTERVENE, IF SHE DECIDES TO DO SO?”

MURAT KANATLI – NEW CYPRUS PARTY

Realism in turn, is offensive to many Greek Cypriots who have put faith in the institutions of the European Union to buffer the disparity in power.

“THAT’S A VERY REALIST ARGUMENT, SORRY. BUT THE FACT THAT TURKEY IS POWERFUL ENOUGH TO INTERVENE DOES NOT MEAN THAT GREEK CYPRIOTS OR ANY OTHER NATION HAS TO ACCEPT SOME THINGS.”

CONSTANTINOS ADAMIDES – RESEARCHER

However, Turkish Cypriots tend to also see that Turkey’s role is congruent with their own security needs. This reveals a serious strategic division that cannot be easily bridged where the strategic interests of Turkey and the Turkish Cypriots contradict those of the Greek Cypriots.

“IF WE ARE GOING TO CREATE A FEDERATION, THE POINT YOU HAVE TO EMPATHISE, OR HAVE SYMPATHY, IS THE NEED OF TURKISH CYPRIOTS.

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IT IS NOT A DEMAND OF TURKEY, THAT'S THE POINT WE HAVE TO UNDERSTAND."

ERHAN ERCIN – WORKING GROUP ON EU MATTERS

Some Turkish Cypriot stakeholder panel participants argued that the possibility of armed conflict as a result of inter-communal tensions is a real danger. Some were concerned that Turkish Cypriots would not be able to defend themselves in such a case and they would like Turkish army to stay on the island. One view was that the physical presence of the army decreases the probability of such a conflict by effectively deterring the other side.

"WE HAVE TO ACCEPT OUR MISTAKES AND UNDERSTAND EACH OTHER'S CONCERNS. IT'S TRUE THAT GREEK CYPRIOTS ATTEMPTED TO CLEANSE THE ISLAND FROM TURKISH CYPRIOTS. THEY HAVE TO ACCEPT THIS AND RESPECT OUR SECURITY CONCERNS."

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Similarly, some Turkish Cypriots claim that Greek Cypriots have been accumulating arms over the years and that they are preparing to 'attack' Turkish Cypriots as soon as the Turkish army leaves the island. One stakeholder argued that the Turkish army is the only guarantee of peace on the island and the "attempt of genocide of 1960s may be repeated" if they depart and redeploy to Turkey. "[The Turkish military] should stay here until Turkey becomes an EU member state" he continues. "We will feel safer then."

Independent of EU accession, some Turkish Cypriots go even further, arguing that any military withdrawal will lead to conflict.

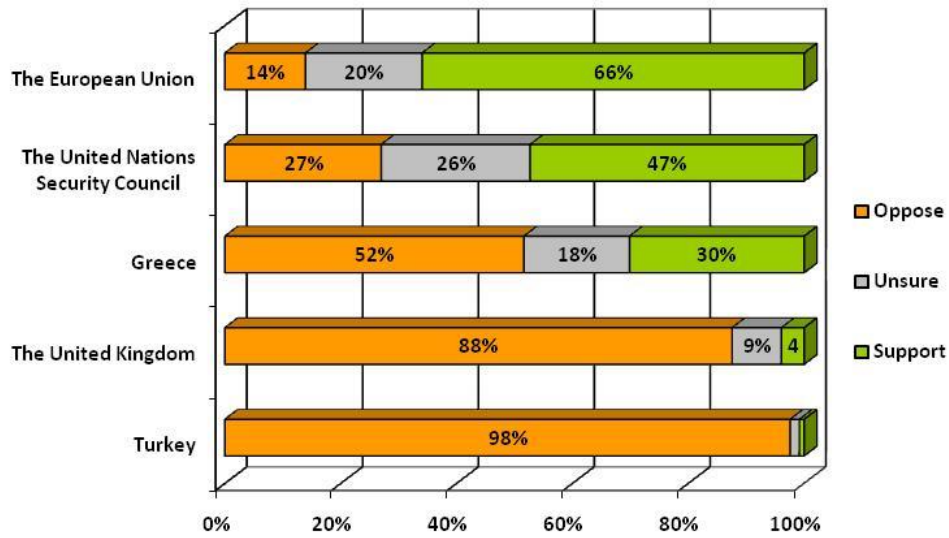
"WE HAVE WORRIES BECAUSE IF TURKISH ARMY WITHDRAWS FROM THE ISLAND, ACCORDING TO OUR APPRAISAL, GREEKS WILL ATTACK US AGAIN BEFORE ANY SETTLEMENT IS REACHED. WE DON'T LIKE WAR BECAUSE THIS SIDE IS FULL OF SORROWFUL PEOPLE. WE HATE WAR."

ERTAN ERSAN – FAMILIES OF MARTYS ASSOCIATION

Given the lack of consensus among stakeholders, a reflection on public opinion is warranted.

Figure 28A: Evaluating Potential Guarantors (Greek Cypriots)

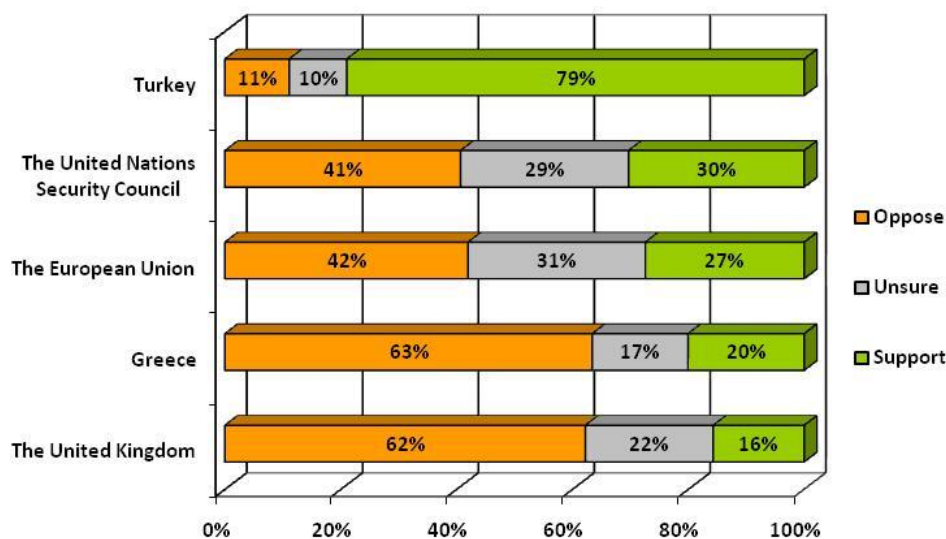
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In evaluating potential guarantors of a settlement, Greek Cypriots strongly reject the United Kingdom and Turkey, while also tending to reject a potential role for Greece. In contrast, there is tolerance for a possible UN Security Council role and strong support for an EU role in guaranteeing the settlement.

Figure 28B: Evaluating Potential Guarantors (Turkish Cypriots)

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Turkish Cypriots strongly prefer a role for Turkey in guaranteeing a settlement but not for the other two historic guarantors, the United Kingdom or Greece. As for the UN Security Council, Turkish Cypriots exhibit ambivalence over its possible role, while the same ambivalence is exhibited regarding a possible role for the EU.

Considering the results of the first Cyprus 2015 poll, it is clear that the issue of Turkey's status as a guarantor power in a solution is ultimately a zero-sum game: 98% of Greek Cypriots find Turkish guarantees unacceptable, while at least 79% of Turkish Cypriots support it.

“WHAT DO YOU DO WITH THE TURKISH GUARANTEES? IF WE DON'T SOLVE THAT WE DON'T SOLVE ANYTHING, IF WE DON'T FIND THE COMMON GROUND; BECAUSE WE FOUND IN ALL OUR POLLS IN SIX YEARS THAT THE TWO COMMUNITIES ARE HEAD-ON ON THAT ISSUE.”

ALEXANDROS LORDOS – ‘CYPRUS 2015’ RESEARCH CO-DIRECTOR

The stakeholder panel meetings did not produce new ideas on how to overcome the zero-sum game prevalent in the security and guarantees dossier. Despite the extensive presentation of the two opposing views and request that participants try to conceive of third ways, we see that Turkish Cypriot participants generally attempted to accommodate guarantees in their recommendations while Greek Cypriots ruled this out of hand.

For example, whereas one panel participant suggested that guarantees should remain until Turkey's accession to the EU, other participants claimed this was unfeasible as there was no guarantee Turkey will join the EU in the near term, if ever. Thus, linkages could not be made given uncertainty. One participant insisted that Greek Cypriots have to “understand and accept” the Turkish Cypriot's need to feel secure and allow for guarantees.

The preceding debate suggests that some Turkish Cypriots are simply unwilling to accept anything less than Turkish guarantees. Greek Cypriot participants countered that Turkish Cypriots should also try to respect and understand the 98% of Greek Cypriots who reject Turkey's role as a guarantor. One Greek Cypriot participant argued that

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guarantees were anachronistic saying that “it is absurd to even talk about Guarantees in this day and age.”

The divide regarding security would appear to be fundamental. Greek Cypriots are unable to understand why Turkish Cypriots would feel insecure in the event of a settlement, considering they have the backing of Turkey anyway. Turkish Cypriots fail to appreciate how the military intervention and division of the island in 1974 has caused great fear of Turkey within the Greek Cypriot community.

However, some participants expressed cynicism regarding the authenticity of positions on security.

“COULD WE ALSO SAY THAT SOME OF THESE VIEWS WERE CULTIVATED FROM THE POLITICAL LEADERSHIP IN EACH SIDE, AND THE EXPECTATIONS THE POLITICAL LEADERSHIP CREATES?”

TURKISH CYPRIOT STAKEHOLDER PANEL PARTICIPANT

Echoing this some stakeholders suggested that security arguments have become rhetorical tools for antagonists on the island.

“BUT THIS FEAR WAS ALWAYS THERE. WHEN YOU LOOK AT 1950S AND 1960S THAT ANTICIPATION OF VIOLENCE WAS ALREADY THERE. IT WAS ALWAYS USED IN THE DISCOURSES OF THAT TIME.”

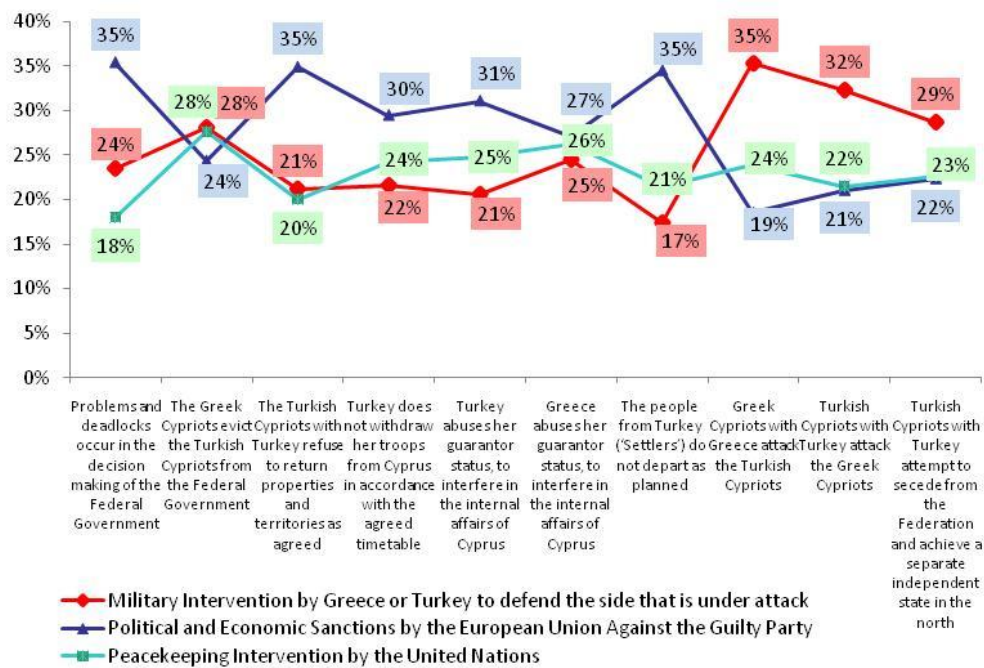
METE HATAY – PRIO CYPRUS CENTRE

On the issue of security and guarantees, polling data²⁷ suggests that depending on specific threat scenarios, guarantor preferences among Greek-Cypriots and Turkish-Cypriots may vary. Regardless of the threat, Greek Cypriots reject military intervention by Greece in support of the Greek Cypriots or by Turkey in support of the Turkish Cypriots. They accept both an EU intervention through political and economic sanctions, and a UN Peacekeeping Intervention, while there is a trend to prefer the EU in cases of governance crisis scenarios, and the UN in cases of implementation related scenarios. Turkish Cypriots prefer the intervention of Greece or Turkey only in cases of military threat. Otherwise, and in cases where the threat involves a crisis in the functioning of the state or the non-implementation of the agreement, they tend to prefer the intervention of the EU over the military intervention of Greece or Turkey.

²⁷ From: Lordos A, Kaymak E & Tocci N (2009) "A People's Peace in Cyprus", Brussels: Centre for European Policy Studies

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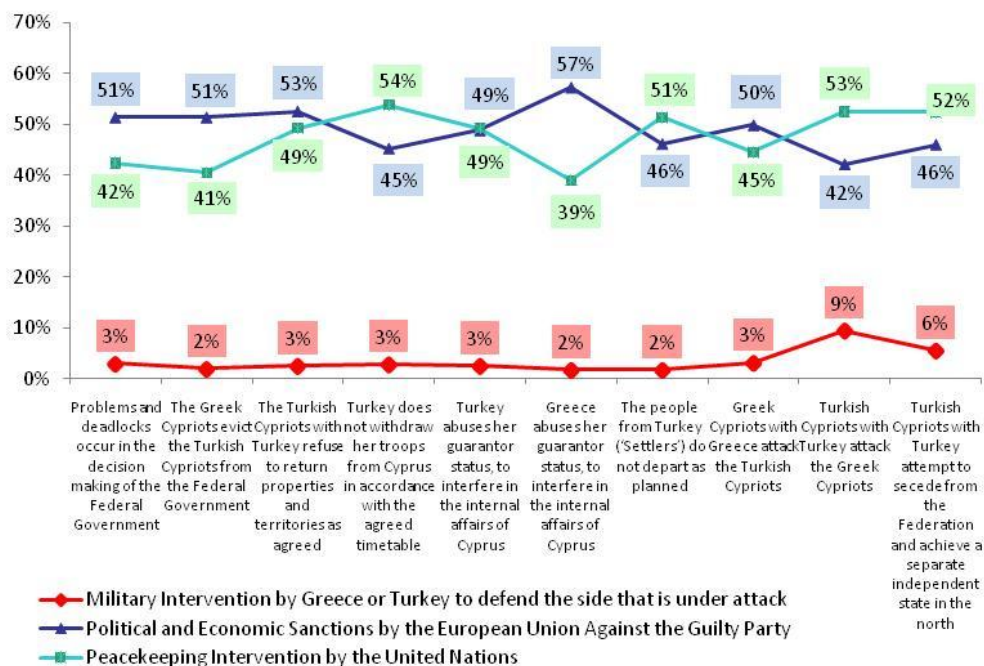
Figure 29A: Alternative Intervention Forms (Turkish Cypriots)



Turkish Cypriots prefer the intervention of Greece or Turkey only in cases of military threat. Otherwise, and in cases where the threat involves a crisis in the functioning of the state or the non-implementation of the agreement, they tend to prefer the intervention of the EU and not the military intervention of Greece or Turkey.

From: Lordos A, Kaymak E & Tocci N (2009) "A People's Peace in Cyprus", Brussels: Centre for European Policy Studies

Figure 29B: Alternative Intervention Forms (Greek Cypriots)



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Regardless of the threat, Greek Cypriots reject military intervention by Greece in support of the Greek Cypriots or by Turkey in support of the Turkish Cypriots. They accept both an EU intervention through political and economic sanctions, and a UN Peacekeeping Intervention, while there is a trend to prefer the EU in cases of governance crisis scenarios, and the UN in cases of implementation related scenarios.

From: Lordos A, Kaymak E & Tocci N (2009) "A People's Peace in Cyprus", Brussels: Centre for European Policy Studies

An interesting question is whether past experiences of violence affect discourses today. What can be done to overcome the apparent security dilemma that reinforces and reproduces itself? The panel participants were cognizant that independent of the formal guarantees, much work would be needed to produce an environment where people trusted one another and authorities in their daily lives.

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Discussions among stakeholder panel participants also focused on internal security matters, aside from the external issues addressed in the section above. Many participants made the link between the internal and external dimensions of security.

SECURITY IN DAILY LIFE

A considerable proportion of the Turkish Cypriot stakeholders were concerned that the economic and structural discrepancies, property and relocation issues, or governance problems could lead to tensions between members of two communities.

“CAN YOU IMAGINE A TURKISH CYPRIOT ANIMAL PRODUCT NOT BEING ABLE TO BE SOLD IN THE GREEK CYPRIOT MARKET? WE CANNOT CONVINC ANYBODY THAT THIS IS BECAUSE OF HYGIENIC REGULATIONS OF THE EU. THE FARMER WILL BELIEVE THAT THE GREEK CYPRIOTS DO NOT WANT HIS/HER PRODUCE. THIS WILL LEAD TO TENSIONS BETWEEN THE TWO COMMUNITIES.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Greek Cypriot stakeholders and focus group participants also express similar fears, namely that relatively trivial problems in society could be blown out of proportion and escalated into large scale violence.

Focus group participants from both communities also explained that to them a feeling of security or insecurity also relates to crime, the role of the police, immigration, road safety, illicit drugs, and the like. Greek Cypriot displaced persons also placed significant importance on a sense of post-settlement security should they return to their original homes and villages. In fact, a feeling of security in daily life is a prerequisite for return. The participants said that they would like to see Greek speaking Cypriots in the local police forces and local municipalities, just to feel like there will be someone there who can understand what they are saying and ‘will be on their side’ in case of any trouble.

Whereas some participants mentioned that living among other Greek Cypriots in the Turkish Cypriot constituent state would make them feel more secure, while others dismissed this idea as it was supposedly reminiscent of ‘living in a ghetto.’

SECURITY AND INTERCOMMUNAL TRUST

There was consensus in the stakeholder panel meeting on security that more trust is needed between the two communities for a solution to be sustainable.

“I WANT A COUNTRY WHERE CYPRIOTS LIVE AS CLOSELY AS POSSIBLE AND EXIST IN HARMONY.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

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One panel participant argued that only through the development of inter-communal trust could future external interventions be averted. By contrast, an annulment of the Treaty of Guarantee would not effectively deter intervention. Intervention, he argued, can only be averted if inter-communal trust and relations are cultivated.

“IS THERE EVER ANY REAL GUARANTEE THAT ANOTHER COUNTRY CANNOT INTERVENE IN CYPRUS? SO CAN WE SOLVE THIS BY CANCELLING THE GUARANTEE TREATY? LIKE THEN WE ARE GOING TO BE SECURE FROM TURKEY? WHY? DOES THE EU HAVE ITS OWN ARMY? THE MAIN ISSUE IS THAT WE NEED TO BUILD THE TRUST BETWEEN THE PEOPLE. WE CANNOT PREVENT A WAR AND WE CANNOT PREVENT ARMED CONFLICT FROM TURKEY BY BRINGING MORE ARMS TO CYPRUS. WE CAN ONLY SOLVE IT BY DEVELOPING TRUST BETWEEN THE COMMUNITIES, THE PEOPLE. OTHER THAN THAT YOU CANNOT GUARANTEE ANYTHING FOR ANYBODY.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

While other panel participants agreed that more trust is needed, some rejected the notion that Cyprus or other sovereign countries should succumb to the balance of power and accept foreign guarantees, hence opening themselves to intervention.

The issue of guarantees apparently transcends the questions of intervention and trust. One Greek Cypriot participant argued that “you can never really trust anybody so that is why we put in place legal frameworks,” even in our private lives:

“...FAMILIES BREAK UP BECAUSE OF MONEY FOR EXAMPLE. IT’S THAT SIMPLE. SO TRUST IS NOT ENOUGH... I’M NOT CONCERNED ABOUT FEELINGS. WHAT I AM CONCERNED ABOUT IS HOW THIS SOLUTION GUARANTEES THAT IRRESPECTIVE OF HOW PEOPLE FEEL IN 5 YEARS OR 10 YEARS THERE WILL BE A FRAMEWORK THAT ALLOWS THEM TO COOPERATE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

EXTREMISTS AND OTHER POTENTIAL SOURCES OF CONFLICT

Another concern is with the potential role of ‘extremists’ on both sides of the island. “There are parties on each side whose interest lies with conflict and clashes in Cyprus”

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argued a Turkish Cypriot stakeholder. “These people will try to make the new state of affairs collapse. We have to keep this in mind and do not let them escalate a minor event into a communal strife.”

Would tensions created by individual disputes lead to an armed inter-communal conflict in Cyprus? A significant number of stakeholders say “yes”. They agree that within such an atmosphere of chauvinism and aggressiveness, it is very easy to turn a small spark into a large fire. Conflict may be regional or island-wide; in any event, it is definitely possible and a cause for concern. “It happened 40-45 years ago, it may happen again, we need to be prepared for it” explained one of the concerned stakeholders. He also warns against those that may cause troubles towards their own community so as to blame the other and escalate violence.

Stakeholders mentioned that they are concerned about extremist elements destabilising the federation after a solution.

“OF COURSE I EXPECT THAT WE WILL HAVE SOME PROBLEMS AND DISPUTES. BUT MY ONLY REAL CONCERN AFTER A SETTLEMENT IS EXTREMIST ELEMENTS IN BOTH OUR SOCIETIES ATTEMPTING TO DESTABILISE THE PEACE AT EVERY EXCUSE BY CAUSING VIOLENCE AND FEAR. AS CITIZENS OF THE FEDERAL STATE IT WILL BE THE RESPONSIBILITY OF ALL OF US TO THINK ABOUT HOW TO CONTAIN THESE ELEMENTS.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

The media is thought to have a responsibility to keep extremists out of the public arena. One stakeholder said that only a very small minority of citizens hold extremist views but that the media “always give too much coverage of” their activities, misrepresenting the state of the relationship between the two communities and in effect breeding more hatred.

One stakeholder saw the issue of extremists differently, saying that this is a “fear they have in case no settlement is found.” The participant believed that if progress is not made toward a settlement “extreme nationalists and rejectionists” will spread fear and anxiety among citizens, exacerbating latent inter-communal mistrust. It is noteworthy that stakeholder panel participants tended to distance themselves from ‘extremists’ who were presented as influential ‘others’ who are capable of affecting citizenry.

Stakeholder panel participants delved into the matter of the role of extremists propagating fear and mistrust. A Turkish Cypriot participant hypothesized that the ground was fertile for extremists due to ‘absent histories’ in Greek Cypriot and Turkish Cypriot narratives. As a result, ordinary citizens somehow feel no responsibility for inter-communal violence committed in Cyprus, particularly between 1960 and 1974.

A Greek Cypriot participant objected to this line of argument, noting that the reason things are missing from the history is because it is not the people, but others that write the history.

Another Turkish Cypriot participant intervened, explaining that it is certain segments of society that pushed the ideological agenda of enosis and taksim and insisted on these ideologies. Eventually these spread in society for ideological reasons, not sociological

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reasons, since Greek and Turkish Cypriots actually did not dislike one other to a great extent.

The stakeholder continued:

“BUT THE TROUBLE IS THAT WE STILL HAVE PROBLEMS IN OUR THINKING AND WE TEND TO NOT HAVE A REALISTIC IDEA OF UNDERSTANDING OUR SITUATION. IS THERE INSENSITIVITY, FOR EXAMPLE ON MY PART, TOWARDS SEEING THE RIGHTS OF THE OTHER PEOPLE? AM I REALLY OBSESSED WITH MY OWN RIGHTS?”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

A younger participant questioned the notion that ideology played an independent role in inter-communal conflict. He asked how if the two communities lived together in peace “as many say”, how previous generations failed to pass on this sentiment to the next generation? In challenging the authenticity of the argument that privileges ideology the participant argued for more rigorous understanding of what happened and unfolded in the past.

SETTLERS

Finally, regarding the security dimension, one noteworthy consideration is the threat perception articulated by Greek Cypriot focus group participants regarding ‘settlers’ as a category. Settlers were thought to constitute a threat to Greek Cypriot security. Consequently, the participants argued that as many settlers as possible should be repatriated to Turkey following a settlement.

They considered settlers to have a completely ‘different culture’, to be educated to “hate Greeks” and that in general they are unlike Turkish Cypriots who, when compared to mainland Turks, are considered to be more ‘Cypriot’ and more alike Greek Cypriots. This assessment may or may not be based on experience; hence more deliberation would be required.²⁸

Beyond perceived cultural attributes, Greek Cypriot focus group participants also suggested that the settlers’ financial situation would constitute a cause of problems, assuming that most of them live in poverty and would thus be more susceptible to committing crime.

²⁸ For an analysis of the political integration of ‘settlers’ see “Beyond numbers: An Inquiry into the Political Integration of the Turkish ‘Settlers’ in Northern Cyprus”, by Mete Hatay, PRIO Cyprus Centre report 4/2005 (<http://www.prio.no/Cyprus/Publications/>).

PROPERTY

Property is among the most intimate and substantive issues, since it affects many people directly.²⁹ Reconciling the rights and needs of different groups in relation to property ownership and usage may not, in and of itself, untie the Gordian knot in Cyprus, but it is widely assumed that successfully resolving disputes over property will contribute significantly to an overall settlement deal.

Property is also a relatively dynamic element in the 'frozen' Cyprus conflict. In recent years developments on the legal front, especially in the form of European Court of Human Rights (ECHR) rulings, have prompted all affected parties to reconsider their options. One tangible effect has been the establishment of an Immovable Properties Board by the Turkish Cypriot authorities.

Two significant issues emerged from the discussions on affected properties in Cyprus: principle and equity. On the one hand, we note differences on whether (or not) to compromise on positions of principle for the sake of a settlement. On the other hand, we note more pragmatic deliberation on equity (i.e. how to value affected properties for the purposes of compensation as a remedy) and costs associated with a resolution of affected properties.

In general, displaced Greek Cypriots, who in turn are dispossessed owners, hope to be reinstated with their homes (and properties) and are not keen on compromising on this as a matter of principle.

“FOR SURE THE ARRANGEMENT HAS TO BE SUCH THAT THE REFUGEE DOES NOT FEEL UNJUSTLY TRATED AND THE OWNER OF THE PROPERTY, NOT THE USER, SHOULD HAVE THE RIGHT OF CHOICE.”

ANDREAS VYRAS – CYPRUS YOUTH BOARD

By contrast, Turkish Cypriots generally hope for a settlement that will entail practical provisions that in many cases would privilege current users of properties. Turkish Cypriots are also concerned that changes in the existing (de facto) property regime in the North could undermine bi-zonality and the integrity of the Turkish Cypriot polity, or constituent state as it has been conceived in negotiations. Some Turkish Cypriots associate property with this broader theme of economic viability and competition.

²⁹ For an analysis of the politics of property in Cyprus see Gurel, Ayla and Ozersay, Kudret (2006) "Cyprus and the politics of property", *Mediterranean Politics* 11:3 pp. 349-369. Also see Ayla Gurel and Kudret Ozersay, 'Property and Human Rights in Cyprus: The European Court of Human Rights as a Platform of Political Struggle', *Middle Eastern Studies* 44(2):291-32.

“WE LIVE ON AN ISLAND; YOU MAY BRING WATER, ELECTRICITY, CIVILIZATION, MONEY, POPULATION TO AN ISLAND, BUT ONE THING YOU CANNOT BRING: LAND. IN THE YEARS AHEAD, THE GREATEST RIVALRY BETWEEN NORTH AND SOUTH WILL BE LAND. BECAUSE IF YOU HAVE SUFFICIENT LAND YOU CAN BRING IMMIGRANTS, IF YOUR LAND IS SUITABLE YOU CAN PRACTICE AGRICULTURE ON IT, EXPERIENCE DEVELOPMENT AND DEVELOP TOURISM. IN THAT REGARD, IN THE FUTURE LAND WILL BE THE MOST IMPORTANT FACTOR IN DETERMINING WHICH SIDE, NORTH OR SOUTH, WILL BE MORE POWERFUL AND PROSPEROUS. THEREFORE, THE PROPERTY ISSUE IS VERY IMPORTANT.”

HASAN SUNGUR – EMPLOYERS UNION

We note that positions on principle may also relate to equity concerns. For instance, some Greek Cypriot participants expressed the view that Turkish Cypriot displaced persons got ‘too much land’ (or were overcompensated) in the north after 1974 in exchange for what they apparently left behind in the south. Turkish Cypriots, for their part, claim that disruptions resulting from large scale restitution could adversely affect their economic fortunes.

Continuing on the theme of equity - and given that various categories of properties will possibly be subject to exchange or compensation in lieu of physical restitution - we explored the degree to and conditions under which displaced persons and property owners are open to alternatives. In the pages below, the report also analyzes current user views on property and bi-zonality.

REFLECTION ON PROPERTY: WHAT IS THE ISSUE?

Stakeholder panel participants deliberated the essence of the property problem. Is property best conceived as a matter of principle – where all displaced persons are reinstated with homes and properties – which must be satisfied above all else? Or is property the means of securing sufficient funding to compensate displaced persons with affected properties? As such, is the goal to find such an arrangement as to satisfy enough people in anticipation of a referendum?

Some suggested that funding was the ultimate issue. One Turkish Cypriot stakeholder, for example, said that verifying sources of funding was a prerequisite to any settlement, quite independent from considerations of principle. Without adequate funding a settlement that required significant amounts of compensation would not be viable. Polling data suggests that this is a concern expressed by a majority of Turkish Cypriots.

Against this, some Greek Cypriot stakeholders argued that a plan that does not recognize the right of the original owner to have the first say as to what becomes of their property after a solution will not be endorsed in a referendum, so the focus should shift toward the matter of legitimacy over funding.

Several Greek Cypriot stakeholder panel participants argued that the ideal solution is for everyone to accept that they will have to allow the original owner to reclaim their property. One Greek Cypriot stakeholder, who is himself living in a Turkish Cypriot property, said that he was ready to move out of the home if the original owner wants it back, and they expect to be treated in the same manner.

Several Greek Cypriot stakeholders mentioned that compensation is something that they are willing to consider only if firstly their right of ownership and control of their home is recognised. Meanwhile the stakeholders said that they understood the humanitarian and human rights issues that arise out of the property issue, and that they would not want to “throw anyone in the streets just so I can go back into my house.” However, most remained firm in their opinion that alternative properties should be made available for those Turkish Cypriots that are living in Greek Cypriots homes when the Greek Cypriot owner wants to return.

“BOTH COMMUNITIES DO HAVE SOME HUMAN RIGHTS. THOSE WHO LEFT THEIR OWN PROPERTY AND MOVED TO THE OTHER SIDE, THEY DO HAVE HUMAN RIGHTS ON THE ORIGINAL PROPERTY, BUT, OTHER GROUP OF PEOPLE WHO MOVED IN THOSE PROPERTIES ALSO HAVE SOME RIGHTS BECAUSE THEY HAVE BEEN LIVING THERE ON THOSE PROPERTIES, MORE THAN 30 YEARS; SO THESE TWO THINGS NEED TO BE BALANCED.”

LAYIK TOPCAN – TOWN PLANNER

Whereas the Greek Cypriot and Turkish Cypriot views seem unrelated, in fact they are. Given that many Turkish Cypriots presume that a settlement will entail compensation as opposed to large scale reinstatement, the inclination is to consider funding, whereas many Greek Cypriots consider that reinstatement does not entail financial burdens.

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As we can see, Greek and Turkish Cypriots see the property problem in very different terms. Greek Cypriot displaced persons who lost their homes and properties still have a desire to return there, feeling victimised and believing that it is wrong to accept anything less than full restitution for all their properties.

“MY HOPE WOULD BE THAT WITHIN THIS FRAMEWORK OF THE SOLUTION THAT IS BEING SOUGHT THAT I WOULD BE GIVEN THE FREEDOM OF CHOICE TO BE ABLE TO CO-EXIST TOGETHER WITH MY TURKISH-CYPRIOT COUNTRYMEN.”

ANDREAS LORDOS – ARCHITECT

Turkish Cypriot displaced persons tend to consider that it is actually better to forget about the past because the current situation - where Turkish Cypriots are concentrated together under their own administration - is better than the past.

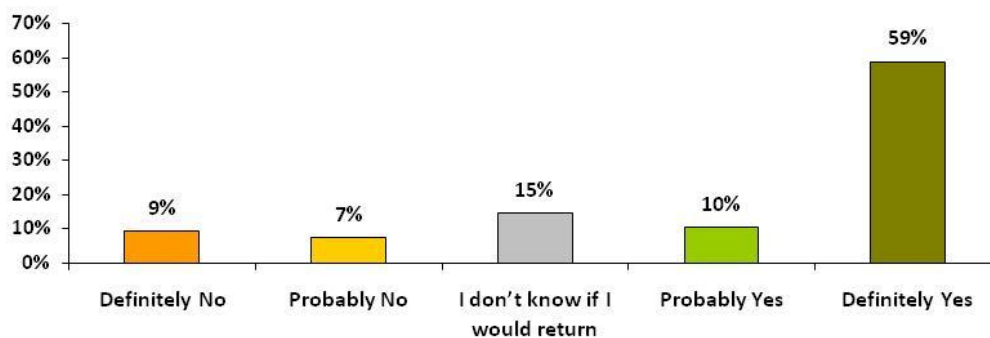
“WE DO HAVE THE FEAR AS TURKISH CYPRIOTS THAT IF MOST OF THE PROPERTY ON THE TURKISH SIDE WILL BE REINSTATED BACK TO THE GREEK ORIGINAL OWNER, THAT WE MAY LOSE THE COUNTRY, THE TURKISH TERRITORY.”

LAYIK TOPCAN – TOWN PLANNER

In a poll conducted by Cyprus 2015 in November 2009, 59% of displaced Greek Cypriots surveyed claimed that they would return to their homes under a solution if they are under Greek Cypriot administration. Against this, 64% indicated that they had no intention of returning if the property remained under Turkish Cypriot administration.

The poll results corroborate the hypothesis that Turkish Cypriots tend not to harbour much nostalgia for the past, whereas Greek Cypriot displaced persons are far more likely to express that they have positive memories of their lives in their former homes.

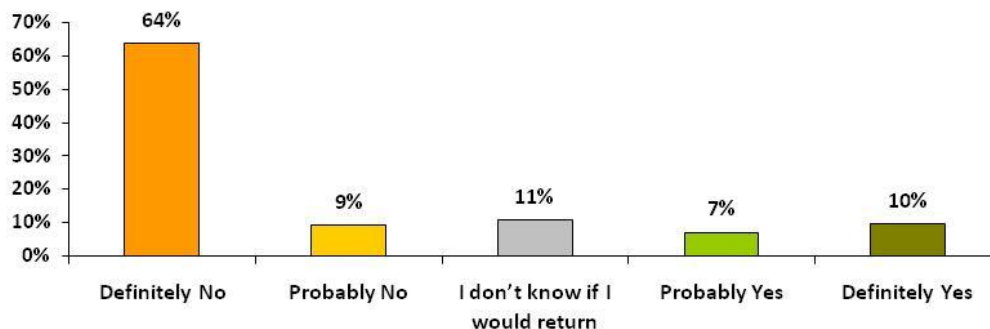
Figure 30: Willingness to return under Greek Cypriot administration (Greek Cypriots)



Greek Cypriot displaced persons display a strong willingness to return to their original home, assuming that it is returned under Greek Cypriot administration.

Figure 31: Willingness to return under Turkish Cypriot administration (Greek Cypriots)

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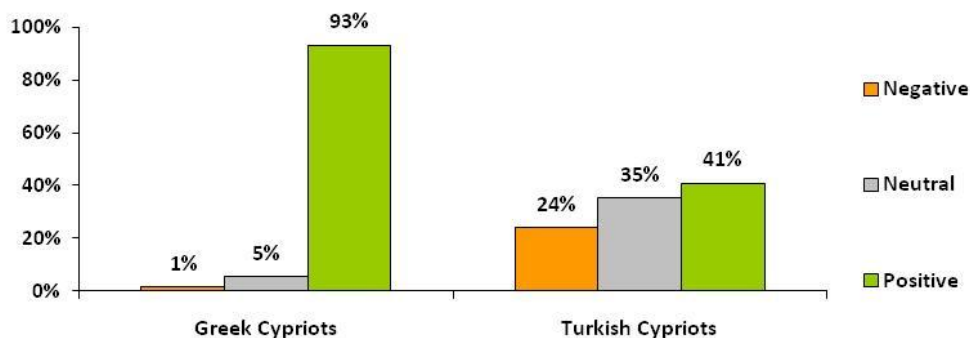


In contrast, the great majority of Greek Cypriot displaced persons declare that they would not be interested to return to their original home, if it is returned under Turkish Cypriot administration.

The idea that memories play a huge role in the property discussion also arises from quantitative poll data and focus group deliberations. 76% of Greek Cypriot displaced people said that residential homes must definitely be given back to the original owner and not remain with their current user. Only 14% of Turkish Cypriots shared the sentiment. The Greek Cypriot focus groups revealed that people want their homes back as it is a bridge to their past, from which they feel disconnected all these years because of the imposed physical separation. Many of the participants cannot contemplate a different settlement to the problem.

The figures below also helps to illustrate the difference in approach between the two communities – we see many more Turkish Cypriots saying that they will opt for compensation, renting of their property, establishing a business on it or exchanging it than Greek Cypriots. This in turn shows that Turkish Cypriots are more likely to want to remain where they are located now than Greek Cypriots. Moreover, Greek Cypriots are far more likely to be motivated for a solution when considering the right of return.

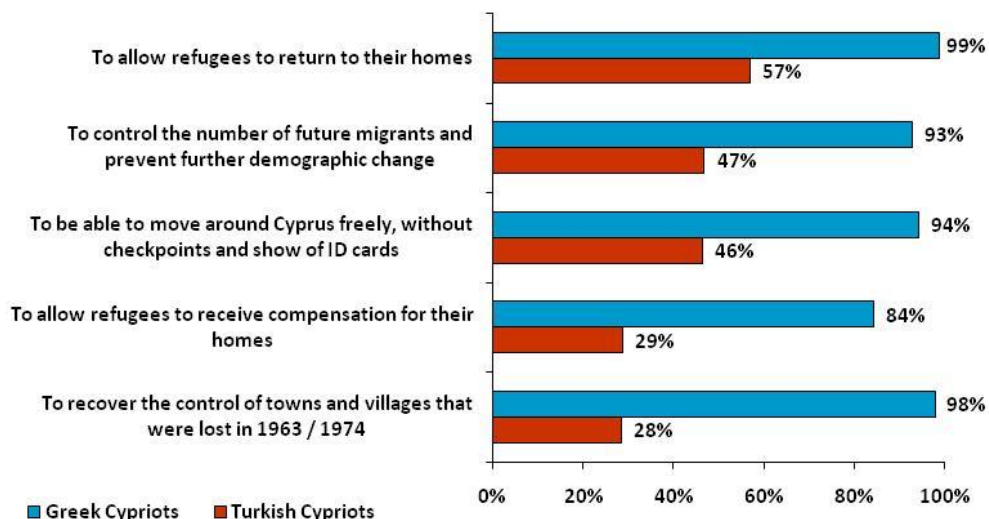
Figure 32: Quality of memories



Among Greek Cypriots, memories of life at their original home are almost uniformly viewed as very positive, whereas among Turkish Cypriots different groups report positive, neutral or negative memories of life at their original home.

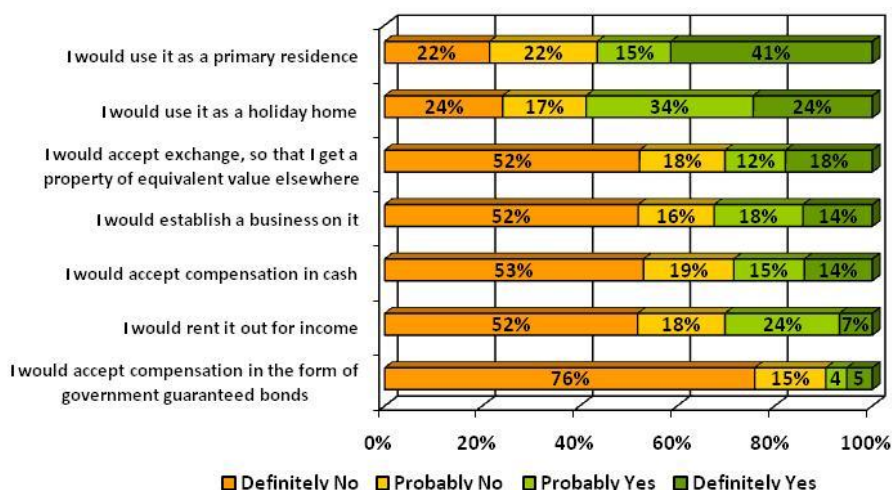
Figure 33: Motivating Factors – Reintegration, Refugees and Migration

Solving the Cyprus Problem: Hopes and Fears



This set of factors generally motivate Greek Cypriots, since they affect the rights of displaced persons. However, as this tends to undermine bizonality, Turkish Cypriots are less enthusiastic.

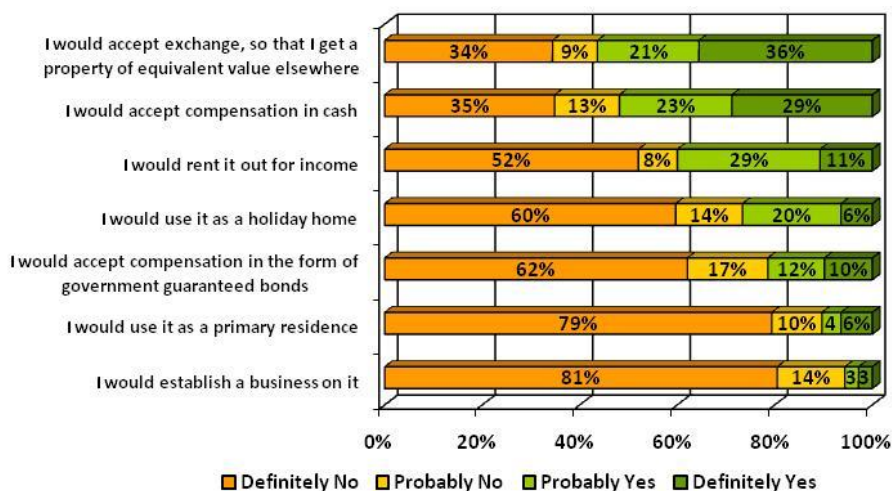
Figure 34A: Options for properties to be returned under Greek Cypriot administration (Greek Cypriots)



In the case of return under Greek Cypriot administration, 55% of displaced Greek Cypriots say they would consider utilising their property personally, whether as a primary residence or as a holiday home, while options related to using the property for income generation (renting it out, establishing a business on it) are considered acceptable by 30% of displaced Greek Cypriots.

From: Psaltis, C., Pachoulides, C & Lytras, E (in preparation). Representations of History and Intergroup Relations in Cyprus. Association for Historical Dialogue and Research, Nicosia, Cyprus

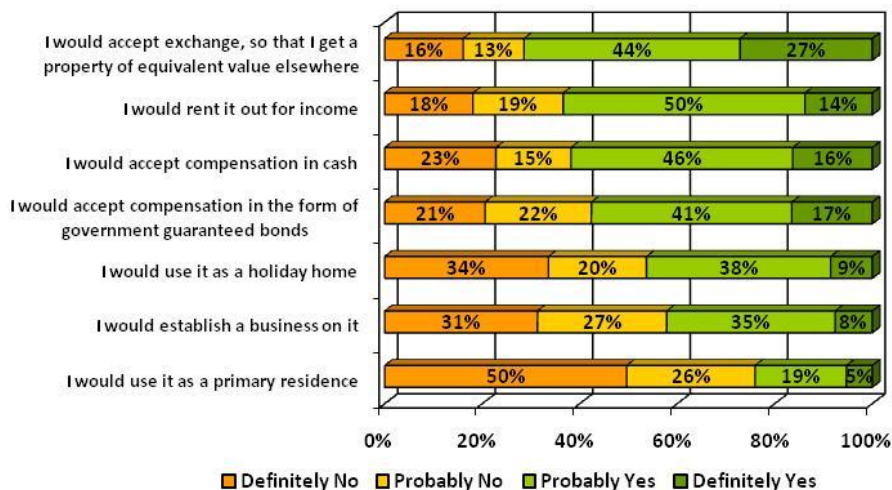
Figure 34B: Options for properties to be returned under Turkish Cypriot administration (Greek Cypriots)



In contrast, for properties that are to be returned under Turkish Cypriot administration the options that predominate among Greek Cypriot displaced persons are, firstly, exchange to get a property of equivalent value elsewhere, secondly, compensation in cash, and thirdly, rental of the property for income generation. About one in four displaced Greek Cypriots say that they would use their property as a holiday home, while only 10% appear to be interested in using their property as a primary residence.

From: Psaltis, C., Pachoulides, C & Lytras, E (in preparation). Representations of History and Intergroup Relations in Cyprus. Association for Historical Dialogue and Research, Nicosia, Cyprus

Figure 34C: Options for properties to be returned under Greek Cypriot administration (Turkish Cypriots)



Quite against the flow of familiar stereotypes, a greater proportion of Turkish Cypriots would be interested to return under Greek Cypriot administration than Greek Cypriots under Turkish Cypriot administration! Specifically, almost half of displaced Turkish Cypriots would consider using their original residence in the south as a holiday home, while one in four Turkish Cypriots would be further willing to use their property in the south as a primary residence. Still, the predominant options for the majority of displaced Turkish Cypriots are, as expected, exchange, rental, and compensation in cash.

From: Psaltis, C., Pachoulides, C & Lytras, E (in preparation). Representations of History and Intergroup Relations in Cyprus. Association for Historical Dialogue and Research, Nicosia, Cyprus

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Stakeholder panel participants remarked that 'official' discourses were affecting politics regarding the property issue. Specifically, refugee association discourses that developed over the course of more than 35 years emphasized the unrestricted return of displaced persons to their former homes. Participants also referred to the apparent neglect of political leaders to prepare citizens through realistic expectations regarding what could be achieved through a political settlement.

One Turkish Cypriot panel participant argued that looking at memories was insufficient, since perceptions of the future probably mattered more. The participant was eager to know what Greek Cypriot displaced persons remember of the Turkish Cypriots in their villages and how they imagine coexistence in the future. There were varied responses.

One participant said that he did not remember very much as he was only 10 years old when in 1963 the Turkish Cypriots left their village. Another answered this question by saying "it is true that we did some bad things to Turkish Cypriots." Two others thought that the question was intended to induce some kind of "apology" from the Greek Cypriots about events that occurred in the 1960-1974 era, and stated afterwards that they prefer to forget the past and move on to a better future with Turkish Cypriots. However, the Turkish Cypriot participant considered that a frank discussion is necessary if we are to build solid foundations for a common future.

These divergent ways of thinking about the past and about coexistence underpinned the property discussion. On the one hand, Greek Cypriots were passionate about their previous life while often unwilling to recognize past difficulties and what they could mean for the future; Turkish Cypriots were focused on their way of life after 1974 while also being generally unwilling to accommodate Greek Cypriots' desire to return to their properties.

“WHEN WE LOOK AT THE FINDINGS OF THE PUBLIC OPINION SURVEY ON PROPERTY, WE SEE THAT, IN THE CASE OF A SETTLEMENT, IN BOTH COMMUNITIES THERE ARE THOSE WHO WISH TO RE-SETTLE IN THE OTHER COMMUNITY AND THOSE WHO DO NOT. THEREFORE, THE PROPERTY ARRANGEMENTS SHOULD SATISFY AND FACILITATE BOTH CHOICES.”

SPYROS CHRISTOU – ‘CYPRUS 2015’ PROJECT CO-DIRECTOR

During the panel discussion, Turkish Cypriot participants spent some time trying to understand Greek Cypriot attachment to former homes. In probing the matter, one participant raised the question as to whether Greek Cypriots, if they had a choice, would choose a newly built home in their old village, or their old house that is probably in poor condition. Greek Cypriot participants expressed their attachment to their homes. Participants also discussed how the heirs of displaced persons with affected properties will behave, suggesting the need for research on generational differences.

RESTITUTION VERSUS EXCHANGE AND COMPENSATION: ALTERNATIVE
FORMS OF LEGAL REMEDY

Illustrative of the importance of property in the Cyprus settlement is the importance that Greek Cypriot stakeholders impart on the dossier. Property restitution is among their greatest hopes associated with a solution. Linked to this is the hope that the settlement would enable internally displaced persons to go back to the homes that they abandoned following the events of 1974.

One Greek Cypriot stakeholder mentioned that, as a refugee, he and other dispossessed owners do not accept that they will not have their properties physically reinstated to them. They consider property ownership to be a fundamental human right that cannot be breached (i.e. *jus cogens* or a peremptory norm). They consider that a solution must be found especially to solve this problem, so that they can return to the places they consider their home land or birthright.

Another stakeholder mentioned that a solution would bring some justice to displaced persons, “who have been through the most difficult times both emotionally and financially but have not been treated fairly” both in relation to Turkish Cypriots but also non-refugee Greek Cypriots.

From their point of view Turkish Cypriot stakeholders consider property to be the thorniest issue of the Cyprus problem and hope that it will be resolved without creating too much tension between the two communities. Some Turkish Cypriot stakeholders tried to introduce the notion of criteria to determine circumstances by which to determine how to handle particular properties. They addressed two aspects of the property issue. On the one hand Greek Cypriots demand their lawful right to their property. On the other, Turkish Cypriots had to somehow start a new life and support

Solving the Cyprus Problem: Hopes and Fears

themselves economically over the past forty years. They lived in these properties and at times exchanged and used them to generate income. Turkish Cypriot stakeholders were interested in discussing categories of properties and suggested that under certain circumstances current users should be given equal consideration with dispossessed owners. For instance, if a property was used for housing and was substantially improved for that purpose, the current user should have first right of refusal to the property argued one stakeholder.

“THERE IS A SOCIAL FABRIC CREATED AROUND THESE PROPERTIES OVER YEARS. THUS, A BALANCED APPROACH SHOULD BE EMPLOYED TO RESPECT THE RIGHTS OF ORIGINAL OWNER AND THE CURRENT USER’S AT THE SAME TIME. WHILE IT’S NOT POSSIBLE TO GLOBALLY EXCHANGE PROPERTY, IT’S NOT POSSIBLE TO FULLY REINSTATE THEM.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANTS

Against this, some Greek Cypriot displaced people consider that Turkish Cypriots have benefited “too much” from the property arrangement. One stakeholder said that he knew of many families of Turkish Cypriots where all the members were able to settle into Greek Cypriot homes and live in relative luxury compared to what they would have been entitled to if the war and events of 1974 had never happened. The same person went on to explain that in the case of his family the exact opposite occurred, whereby they had to abandon numerous properties and move into one small Turkish Cypriot house in order to survive. For them, he concluded, it was unthinkable that their right to the ownership of all their properties would be curtailed.

Greek Cypriot focus group participants, however, said that if major alterations have been made to their property then it would be difficult to sort out that situation, emotionally as well as financially, and so in these cases it does make more sense for there to be an exchange or compensation. So we can see some flexibility in some cases.

A few Greek Cypriot participants consider the issue of property in the broader context of the need for a settlement, whereby the overarching need for a settlement takes centre stage.

“THE FACT THAT REFUGEES WILL NOT RETURN TO THEIR HOMES IS, FOR ME, INDEED A GREAT INJUSTICE. AND PEOPLE FROM BOTH COMMUNITIES WILL NOT RETURN TO THEIR HOMES - THIS IS A FACT. BUT IT’S THE SMALLEST PRICE TO PAY FOR BUILDING A NEW CYPRUS.”

ELLADA EVANGELOU – ‘ROOFTOP’ THEATRE
GROUP

PROPERTY VALUATIONS AND WHO WILL PAY?

A major discussion among stakeholder panel participants related to where the funds for property compensation would come from.

There are different approaches to how the property issue it should be settled within the Turkish Cypriot community. Some consider property to be the 'TRNC state's' problem and expect the administration to somehow compensate current users, since it was the administration that distributed the properties and repeatedly encouraged investment on Greek Cypriot property. Some others are hopeful that the international community will fund the costs of settling the property issue and compensate Greek Cypriot original owners without touching the rights of Turkish Cypriot users.

Panel participants considered the question of funds, and all agreed that it is unlikely that sufficient funds will be made available to compensate owners sufficiently for properties that will not be subject to reinstatement. Moreover, "even if we did, we cannot release so much funds in the economy at once as it will cause problems" opined one stakeholder.

One Greek Cypriot stakeholder argued the merits of encouraging exchanges of properties over compensation. He advocated the development of financial incentives to facilitate such exchanges. For example, a system could be constructed where if someone were to opt for compensation then they would get less than market value. By contrast, if they opted for exchange they would get market value or more. When this suggestion was put to the Greek Cypriot refugees on the panel, participants were intrigued by the idea and did not reject it outright suggesting that there is flexibility on their part.

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Panel participants also discussed the issue of the valuation of properties. On the one hand there is the issue of the new valuation of these properties versus their value before 1974. Here, panellists addressed the problem of how to appraise “fair market value”?

The problem of ascertaining values also had to do with legacies. One panel participant mentioned that where one property in Paphos that used to be a field was then turned into tourist area, another was turned into forestry area – what do you do in this case? Or where a village has been deserted or the area turned into a quarry? In such cases a particular property would have lost value. What is the remedy?

Focus group participants from both sides expressed concern regarding how their properties will be valued. Public authorities were expected to provide clarity and to provide sufficient safeguards so as to secure the support of displaced persons for a potential settlement deal.

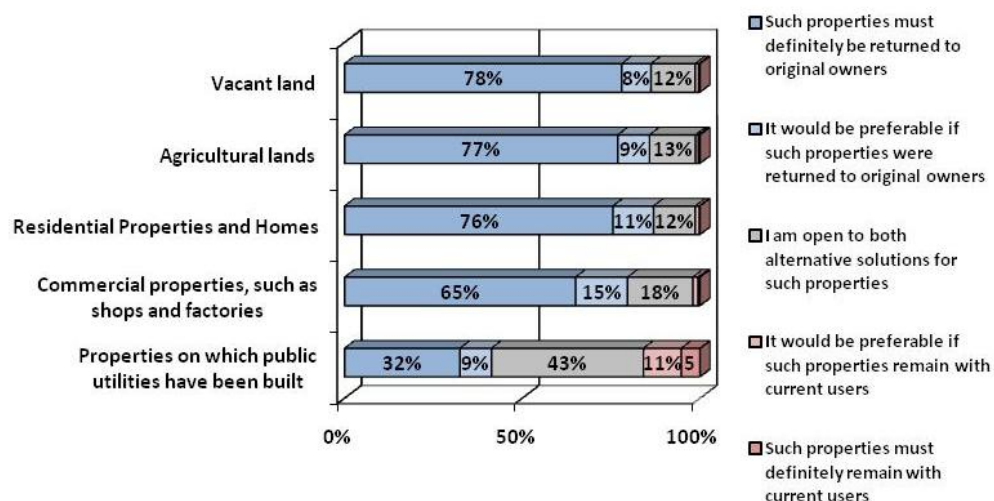
Some Turkish Cypriot focus group participants said that they are willing to pay the difference in value that there might be between their property and the one they are using, in order to remain in the one they are using now.

DIFFERENT CATEGORIES OF PROPERTIES

In general there is no real consensus among members of each community about what should happen with affected properties. The question remains, however, whether there may be some understanding regarding the fate of specific categories of properties.

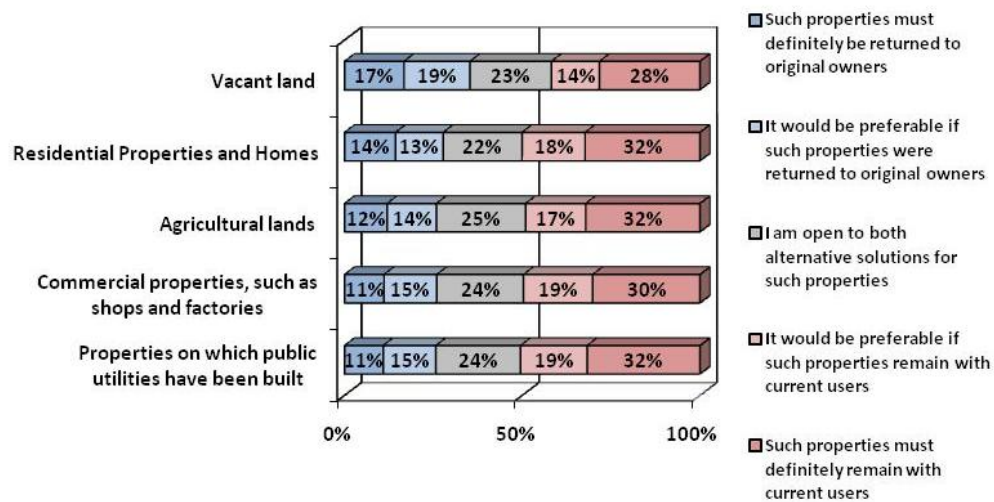
Polling data suggests that Greek Cypriots are only willing to express flexibility in cases where a property is currently used as a public utility. Turkish Cypriot responses are more varied, but in general the responses favour current users.

Figure 35A: Restitution or Compensation (Greek Cypriots)



Seen as a trend, about 80% of Greek Cypriots favor priority being given to original owners, about 20% are open to both types of solution, while there are almost none who favor priority being given to current users. Beyond this overall trend, however, some differentiations can be discerned on the basis of property type. Specifically, Greek Cypriots are willing to show comparatively more flexibility (i.e. possibly accept priority being granted to current users) in cases where public utilities have been built, and in cases of properties being used for commercial purposes or industrial production.

Figure 35B: Restitution or Compensation (Turkish Cypriots)



Seen as a trend, about 50% of Turkish Cypriots prefer that current users should have priority over disputed properties, about 25% are open to both types of solution, and about 25% prefer that priority should be given to original owners. Beyond this overall trend, however, some differentiations can be discerned on the basis of property type. Specifically, Turkish Cypriots in turn are willing to show comparatively more flexibility (i.e. possibly accept priority being given to original owners) in cases of land that is vacant and unused.

Greek Cypriot stakeholders generally held that the classification of different types of properties raises suspicions that the Greek Cypriot negotiating team may be induced to negotiate based on types of property and this may lead to subsequent attempts by the government to persuade displaced people to forgo their rights.

“I THINK CLASSIFYING PROPERTIES WILL NOT HELP SOLVE THE PROBLEM. WHAT THE RESULT WILL BE IS THAT THEY ARE GOING TO PUSH ON US THE IDEA THAT THIS IS A GOOD SOLUTION TO THE PROBLEM, WHILE FORGETTING ABOUT OUR DEMAND THAT ALL PROPERTIES MUST BE RETURNED TO THEIR ORIGINAL OWNER.”

GREEK CYPRIOT STAKEHOLDER PANEL PARTICIPANT

DISCRIMINATION

One stakeholder said that he was concerned that the result of the negotiations might be a “negative solution” devoid of recognition for those people in Cyprus whose human rights were violated over the previous 50 years. Such a solution would “write off human rights for the sake of a political settlement.” In the context of property in the Cyprus settlement talks, derogations from EU norms may be discriminatory and in contravention of human rights conventions.

“THIS SOLUTION WILL COME OUT OF POLITICAL
NEED AND NOT OUT OF RESPECT AND
ACKNOWLEDGMENT OF THE UNLAWFUL
INFRINGEMENT OF THE HUMAN RIGHTS OF
MEMBERS OF BOTH COMMUNITIES. ESSENTIALLY
LEGALITY WILL NOT BE RESTORED.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

Two stakeholders mentioned that following from this there might be a problem with the management of the affected properties issue. One stakeholder expressed concern for potential inequities arising. For instance, different sets of dispossessed owners could receive different remedies, some of which are more or less favourable. Other stakeholders suggested that cases where people were not satisfied with the remedy could serve as the basis of destabilizing the settlement.

“WE MUST CONSIDER WHAT A SOLUTION THAT
DOES NOT ENSURE THE RIGHT OF EVERY
REFUGEE TO MANAGE THEIR OWN PROPERTY
COULD CAUSE. IF A SOLUTION DOES NOT ALLOW
EACH REFUGEE THE RIGHT TO DETERMINE WHAT
WILL HAPPEN TO THEIR PROPERTY WHAT WILL
HAPPEN TO THOSE THAT CANNOT?”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

The stakeholder says that many refugees might be convinced today of the need to accept just any settlement, even if it to their detriment when it comes to their property. However we must consider that there might come a time when these refugees are in financial difficulty and they realise that they did not have the freedom to utilise their property as they might have liked. The stakeholder expressed worries that this might cause regret and insecurity among this population and subsequently unsettle the peace.

In the meantime, the property problem grows by the day, in the form of exchanges and development of property.

“THE CONSTRUCTION ON GREEK CYPRIOT LAND
WILL CONTINUE.”

GREEK CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

In the case of no solution, “the rampant construction will continue on Greek Cypriot lands, ruining the environment and making the place unrecognisable,” fears one stakeholder.

“ALREADY WE CAN SEE SO MANY DEVELOPMENTS
BUILT ALONG THE COASTS IN THE NORTH, MANY
OF WHICH ARE STILL EMPTY AS FOREIGNERS ARE
NO LONGER BUYING THEM UP AS MUST AS THEY
WERE BEFORE DUE TO THE ORAMS CASE AND THE
INTERNATIONAL FINANCIAL CRISIS.”

TURKISH CYPRIOT STAKEHOLDER PANEL
PARTICIPANT

This is not just generally bad for the environment, maintained one stakeholder, but will also further complicate the property issue and make it impossible to return the majority of properties to their Greek Cypriot owners in the event of a future settlement agreement.

CONCLUSIONS AND RECOMMENDATIONS

This report outlined the various hopes and fears that people express regarding a settlement in Cyprus. Crucially, the tension between the desire for a solution and low expectations draws attention to the need to encourage people to participate in the peace process, such that their concerns can be taken on board in the formal negotiations and beyond.

“WHEN WE ASK PEOPLE IN BOTH COMMUNITIES WHETHER THEY WANT OR DESIRE A COMPREHENSIVE SETTLEMENT TO BE REACHED AS A RESULT OF THE CURRENT NEGOTIATION PROCESS, A HIGH RATIO OF PEOPLE ON BOTH SIDES SAY THAT THEY DESIRE THIS. THAT IS TO SAY, PEOPLE MAY LARGELY SEEM TO HAVE LOST THEIR HOPE, BUT THEY STILL HAVE A HIGH DESIRE FOR A COMPREHENSIVE SETTLEMENT. IN CYPRUS, BOTH COMMUNITIES STILL HAVE A GREAT DESIRE FOR THE SOLUTION OF THE CYPRUS PROBLEM.”

AHMET SOZEN – ‘CYPRUS 2015’ PROJECT CO-DIRECTOR

Not surprisingly, on some substantive issues gaps cannot be neatly bridged. However, there is scope for action and public demand for its facilitation. Below we outline some of these areas where improvements are possible. Interwoven throughout the report has been the theme of mistrust. Participants in this study were cognizant of the delays in the implementation of various technical level confidence building measures, and generally expressed concern that mistrust may hinder progress towards a settlement, if not subsequently serve to obstruct the implementation of any mutually agreed blueprint. Given the various fears associated with a settlement package that subsequently fails, as well as concerns regarding non-settlement scenarios, recommendations relate to the means of increasing trust between the sides and members of the respective communities.

Following up on this, specific policy recommendations emerged from interviews with stakeholders. The following are selected policy recommendations for dealing with the ‘gap of trust’ between the two communities – derived from interviews with stakeholders, including Track 1 representatives of the respective negotiation teams, political party leaders/representatives, and other prominent societal figures.

“ONE OF THE MOST CRUCIAL MATTERS THAT WILL COME UP IN THE CASE OF REUNIFICATION IS THE PREPARATION OF ORDINARY CITIZENS FOR THE SOCIAL CONDITIONS THAT WILL PREVAIL IN THEIR DAILY LIVES. BY EXTENT, THE CURRENT

DEFICIT OF CONTACT AND TRUST BETWEEN THE
TWO COMMUNITIES WILL NEED TO BE
REMEDIED.”

SPYROS CHRISTOU – ‘CYPRUS 2015’ PROJECT CO-
DIRECTOR

With respect to confidence building mechanisms (CBMs), various stakeholders advocated the implementation of the twenty something CBMs produced in the technical committees in 2008 under the auspices of the two leaders, in relation to cultural heritage, crime and criminal matters, health, environment and crisis management. With respect to criminal activity across the Green Line, police co-operation for criminal investigations was suggested (something that the leaders have agreed to more recently in 2010). The net effect of the implementation of these measures would demonstrate to citizens that the sides do intend to cooperate and engage in constructive, mutually beneficial activities. This, in turn, would signal that cooperation at other levels was condoned and that citizens would stand to benefit from engaging in collaborations across the divide with a view to a sustainable future. Failure to realize the CBMs would prove to be a setback reaffirming concerns that even technical level issues are subject to politicization and contestation. Moreover, citizens would understand that they face political risks, hence costs, in their own initiatives. This would serve to deter and inhibit cooperative behaviours.

Regarding past acts, some stakeholders wished to explore the establishment of a variation of a truth and reconciliation commission to investigate past events with a view to mutual forgiveness and reconciliation.³⁰ Currently efforts in this area are restricted to the mandate of the Committee for Missing Persons in Cyprus that does not provide for reparations, closure or reconciliation. As part of the reconciliation process, it was argued that mutual official apologies might be offered by the leaderships of the two communities for past mistakes. Mutual apologies would serve to open up discursive space in Cyprus, where previously discussion of atrocities was decidedly censored. The admission that respective sides were culpable would allow individuals to reflect that their suffering is acknowledged. While this may not be retributive justice, it allows for restorative justice, and paves the way for societal level reconciliation. Moreover, acknowledging responsibility for past acts signifies accountability for the future. It also serves to demystify conflict and allows for the mainstreaming of peace-building initiatives with a view to developing mechanisms for the prevention and management of conflict.

Most stakeholders concur that the opening of additional crossing points would be a positive development, helping normalize relations between the communities. However, the crossings themselves could be further simplified, limiting the bureaucratic formalities at crossing points that deter some people from crossing, either for reasons of convenience, or more often, due to political connotations associated with ‘visa’ procedures crossing to the north. Should crossings be less laden with political overtones, cooperative activities could increase in such a way as to sustain a peace process and help people retain a desire to strive for a settlement.

³⁰ For consideration of reconciliation possibilities see “Prospects of Reconciliation, Co-Existence and Forgiveness in Cyprus in the Post-Referendum Period”, by Aris Sitas, Dilek Latif, Natasa Loizou. PRIO Cyprus Centre Report 4/2. Also see Erol Kaymak, “Does Cyprus Need a Truth and Reconciliation Commission?”, *Cyprus Review*, Vol. 19, No.1, Spring 2007, pp. 71-89, (ISSN: 1015-2881).

Solving the Cyprus Problem: Hopes and Fears

On the cultural front, stakeholders were eager to see that the Cyprus problem not hold up cooperation. A specific recommendation was for the Greek Cypriot leadership to allow Turkish Cypriot universities to become part of the Bologna process. In a similar vein, many advocated joint educational projects promoting reconciliation. It was in fact argued by a Greek Cypriot stakeholder that education had always been a communal competence, even under the 1960 constitution, therefore acknowledging now a measure of autonomy for Turkish Cypriot universities should not be any more problematic - from a Greek Cypriot point of view - than the acknowledgment which already takes place of Turkish Cypriot municipal authorities

In theory cooperation over cultural affairs is least problematic, yet in practice cultural issues are often politicized, as they are bound with other issues in the Cyprus problem. Regarding Turkish Cypriot universities, Greek Cypriots have argued that the development of campuses has come at the expense of Greek Cypriot property owners. Universities also emerge as an economic and demographic issue, given the reliance of foreign national students from abroad, including Turkey. All of this said, cooperation in higher education could pay dividends in the form of greater technical level cooperation through research institutes. The implementation of projects, in turn, would help socialize a new generation of people with positive experiences and know-how in preparation for a new state of affairs. Whereas political authority is required for cooperation in some areas, it bears noting that there are examples of divided societies where the European Union has been implementing programs. In the case of Cyprus the EU has been actively engaged in the process of reconciliation, particularly through its aid regulation.³¹

It is also worth noting that cooperation in cultural realms need not be monitored by states. Indeed, in higher education there are multiple examples of quality assurance (i.e. accrediting) associations. The onus could be on private sector actors to consider alternative means of cooperation. Our participants were also generally open to the introduction of language courses in educational curricula to enhance cultural awareness and economic exchange. Participants were concerned and aware that youth in particular represented a disenfranchised cohort and that this was a problem that required the dedication of policies and resources. For better mutual understanding, participants advocated inter-communal media cooperation. In a context of divided societies, one remedy may be an emphasis on participatory communication. The European Union encourages and provides for Community Media (as distinguished from public and commercial media), which may have utility in Cyprus in order to ensure media pluralism.³²

Regarding economic affairs, some stakeholders advocated the establishment of an EU framework for the registration of joint business ventures between members of the two communities. In lieu of the proposed Direct Trade Regulation with the Turkish Cypriots, some stakeholders thought that it might be possible to expand the scope of the existing Green Line regulation, so that imported goods, from EU countries or from Turkey, can also cross the Green Line and be sold in the other community, effectively achieving customs union between all trading parties. The outstanding problem here is the vehicle to allow for greater degrees of economic exchange, given the grandstanding that has affected relations between the sides over EU initiatives to offer direct trade relations with the Turkish Cypriots. Levels of trade through the Green Line Regulation may have risen since the inception, but remain low and cannot, without a further political breakthrough, serve the ends that some stakeholders advocate.

³¹ See Council Regulation (EC) No 389/2006 of 27 February 2006. For details on implementation see http://ec.europa.eu/enlargement/turkish_cypriot_community/aid_implementation_en.htm

³² See European Parliament resolution of 25 September 2008 on Community Media in Europe (2008/2011(INI)), <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+20080925+ITEMS+DOC+XML+V0//EN&language=EN>

Solving the Cyprus Problem: Hopes and Fears

Participants generally converged on the idea that economic activity in a post-settlement Cyprus could help secure a 'peace dividend' to be shared. However, business transactions would require certainty, something apparently not readily achievable absent a comprehensive settlement on the island. Moreover, participants expressed concerns regarding the costs of a settlement stemming from the aggregate compensation that may be paid as a result of affected properties in Cyprus. Thus, there was unanimity on the perceived need for international funding or underwriting of a settlement deal. Whereas participants agree on this, there is need to consider the costs of a settlement with expectations that international funding may be decidedly limited. However, even if amounts would not meet practical needs of implementation, post-settlement Cyprus would benefit symbolically from the commitment of European partners and other allies who have a stake in a successful polity and economy in Cyprus.

Reflections on the need for certainty and functional cooperation were not limited to economic affairs. Many participants expressed concerns regarding governance and power sharing in a post-settlement Cyprus. During deliberations on governance, many stakeholder panel participants agreed that any settlement should include deadlock resolution mechanisms, given the likelihood that political obstacles may prove problematic and cause crises. This report cannot hope to grapple with the complexities of alternative systems of deadlock resolution, as these are areas of constitutional engineering and require specialized knowledge in order to customize ideas for the particular context.

In other areas of governance, finding points of convergence proved more difficult. Stakeholder panel participants were keenly aware that some of the elements of a federal, power sharing system in Cyprus may prove problematic and controversial. Thus, beyond the general UN parameters that have shaped negotiations for decades, there remain significant inter-communal differences on constitutional features of a future settlement. For instance, whereas some participants supported 'cross-voting' in principle, the general view was that such a mechanism should include thresholds sufficient to ameliorate mutual fears regarding the consequences that type of system could have on representativeness. Given that this is an element of the negotiations that may be subject to further negotiation (since the sides have not formally closed the governance and power sharing chapter) there is utility in discussing how electoral systems could be designed to limit concerns regarding representation.

Regarding properties, as the report demonstrates, there is little in the way of concrete policy recommendations. Interviews conducted with stakeholders reveal that some are keen to see the implementation of a moratorium on construction activities over Greek Cypriot properties in the north and Turkish Cypriot properties in the south. Yet, this is contested by Turkish Cypriots who are keen to see economic growth and consider property development an essential factor. Clearly property remains one of the bigger obstacles to a peace settlement. This report is based on deliberations prior to the 2010 round of negotiations dedicated to the property dossier, so it cannot address the strengths and weaknesses of the respective positions adopted by the sides. However, further work through the Cyprus 2015 project aims to shed light on public opinion and property issues.

Given the framework of the European Union, however, some interviewees expressed their desire that the principle be acknowledged that in the context of a settlement human rights and the basic values of the European Union will prevail all over Cyprus. This is a sentiment that will find adherents in the European Union, but with the caveat that a settlement could have (transitional) provisions endorsed by European partners in order to accommodate the terms of a settlement. Hence the debate on the implementation of European norms in a post-settlement Cyprus are very much alive and in need of negotiation. This also relates to the contentious issue of security where it proved difficult to identify significant convergences. That said, there is great need to investigate gaps in this dossier more thoroughly in the context of research and dialogue processes that include all relevant stakeholders, on the island and beyond.

Solving the Cyprus Problem: Hopes and Fears

Should the negotiations succeed and lead to simultaneous referenda, our participants/stakeholders agreed that the sides would be best served in synchronizing and working on constructive public information campaigns to build confidence in the implementation of a settlement package. Bearing in mind the divisive nature of the previous experience of simultaneous referenda in 2004, it is folly to discount the sociological and political impact of a further setback. The rejection of a UN blueprint in 2004 meant that relations between the sides were strained and comprehensive settlement talks did not reconvene for another four years. Much of the mistrust between the communities, if not the sides, is related to diverging views of the other community's intentions. Working together in a public information campaign would allow for fine tuning of messages that were designed to forge cooperative coalitions across the ethnic divide in a way that could never be achieved if the respective communities decide to campaign on the merits (or lack thereof) of an agreement solely from a communal standpoint.

Participants also reflected on scenarios where a settlement package proves elusive. Some were open to the implementation of an interim agreement. The problem is the scope and perceived impact of specific interim models. For instance, it is conceivable that the sides produce an interim agreement outlining the agreed parameters as well as various convergences thus far achieved in the negotiations. However, such agreements would not necessarily affect daily life in Cyprus, since the consequence of such a development would be to extend the duration of the negotiations. Thus, given the international context where Turkey's accession talks with the EU have been affected by the Cyprus problem, there is recognition among stakeholders that the status quo remains problematic, with or without significant progress in the formal dossiers under negotiation in the comprehensive settlement talks. Thus, stakeholders considered how facts on the ground might change in coming months.

More problematic (and controversial) are the various scenarios that may be lumped together as part and parcel to a 'Plan B'. A number of stakeholders were reluctant to engage in this sort of 'deal making'. For instance, some Turkish Cypriot stakeholders argued that the lifting of all isolations over the Turkish Cypriot community should not be linked to other factors. Moreover, some Turkish Cypriots argued in favour of Republic of Cyprus officially recognizing the 'TRNC', unrealistic as that may be. Similarly, some Greek Cypriot stakeholders held the hope for Turkey to officially recognize the Republic of Cyprus. Turkey, they argued, should meet its obligations to extend customs union.

Significantly, the negotiations aiming at a comprehensive settlement deal often meander into discussions of interim deals, especially those that link the fate of the fenced area of Varosha to the isolation of the Turkish Cypriots. This is often linked to Turkey's own obligations to extend custom union to Cyprus under the terms of the Ankara Protocol, thus potentially 'unfreezing' blocked chapters in Turkey-EU accession negotiations. Whereas this 'plan B' is often treated as a confidence building measure (CBM) it harbours the threat that focus on such options will preclude substantive negotiations and thus eclipse a settlement in the near to medium term.

Thus Greek Cypriot stakeholder panel participants tended to cite the hope that Turkey would open its ports and airports to Greek Cypriot ships and aircraft. On this matter of linkages, stakeholders are divided on whether control of the fenced area of Varosha should change hands through transfer to Greek Cypriot authorities. Alternatives to territorial adjustments that were discussed included the opening of the fenced area of Varosha as an inter-communal area under either the auspices of the UN or EU. Similarly, there is some variance on the question of the implementation of the EU proposed Direct Trade Regulation, either directly or in return for a deal regarding Varosha. In lieu of the Direct Trade Regulation is the idea that the Famagusta port be opened to trade with EU member states, but there remains the question of authority, in this case the degree to which the EU would supervise (thus the role of the Greek Cypriots via EU institutions). Most Turkish Cypriot stakeholders are of the view that a deal on Famagusta port is insufficient and that it would be much preferable to open all ports, including airports currently in the northern part of Cyprus for trade and direct flights to EU member states.

Solving the Cyprus Problem: Hopes and Fears

The reason Turkish Cypriots make this consideration is acknowledgment that direct trade would not lead to an explosion in exports, since the Turkish Cypriot economy is not particularly competitive in agriculture or manufacturing. Where the Turkish Cypriots would benefit is in the form of direct air links so that tourism and related areas could develop. This in turn raises concerns among Greek Cypriots that Turkish Cypriots would no longer opt for a settlement thereafter. In fact, this is a mutual suspicion, since Turkish Cypriots also view Varosha in a similar light with respect to Greek Cypriot incentives where should Varosha be opened to Greek Cypriot political control, the benefits of further anticipated gains would be outweighed by the perceived costs of reunification and power sharing.

Despite the limitations of interim deals, some stakeholder panel participants recommend that these individual elements be formally linked in the form of package proposals so as to break the impasse. Arriving at a package deal may prove as formidable as concluding the comprehensive negotiations. However, many of the elements listed above may be beyond the scope of unilateral action, hence brinkmanship remains a very real risk in the absence of a package that serves the interests of all affected parties. Stakeholder panel participants also developed tentative ideas regarding security arrangements in lieu of an overall settlement. Whereas disarmament is linked with a comprehensive settlement, stakeholders are inclined to consider whether a mutual accommodation can be achieved in the interim. To facilitate this, some stakeholders considered the viability of a disengagement strategy where troops in close proximity to one another in the buffer zone disengage. Greek Cypriot stakeholders tended to express the view that a withdrawal of a symbolic number of Turkish troops could serve as a goodwill gesture. Against this, other stakeholders considered it more realistic for there to be a simultaneous withdrawal of a segment of Turkish and Greek forces, and even UNFICYP forces in tandem. Others considered how such demilitarization could also be inclusive of the British military from the Sovereign Base Areas. The utility in considering such moves is to limit the fallout that may occur following a failed round of negotiations, especially considering the potential for new strategic alignments in the geopolitical realm, where Turkey enjoys greater freedom in its foreign policy and where Britain retains sovereign bases. Whereas it may be difficult to achieve security cooperation in a climate of political stalemate, some stakeholders consider it a worthy cause.

The various recommendations above do not constitute consensus among participants, but reflect their contributions, individually and through deliberation. Thus, the report is meant as a guide and reference for further discussion of the themes and suggestions developed. The Cyprus 2015 Executive Committee is grateful for the voluntarism and commitment of all participants who shared with the researchers their hopes and fears regarding the future. We hope this report captures the concerns of those who have contributed and that it serves as the basis of further deliberation.