

REASSESSING THE PROSPECTS FOR A SOLUTION OF THE CYPRUS PROBLEM

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There is no doubt that following the April 26, 2015 electoral victory and the rise of Mustafa Akinci as the new Turkish Cypriot leader efforts toward the resolution of the Cyprus problem have raised high expectations. Nevertheless, it is important to be pragmatic and not underestimate potential difficulties. Within this framework it is essential to revisit and reassess the major aspects of the problem. For the resolution of the problem it is essential to achieve consensus on the following issues:

- 1) Constitutional Issues - There are serious disagreements between the two sides. The Greek Cypriot position is that the bizonal bicomunal federation and the new partnership will evolve as an outcome of the transformation of the Republic of Cyprus which is recognised by all countries except Turkey. The Turkish Cypriot position is that the new partnership will involve a new state entity which will be created by two equal and sovereign constituent states. Obviously the issues involved go well beyond semantics.
- 2) Governance – Greek Cypriots stress the importance of a unified state, society, economy and common institutions. Turkish Cypriot positions revolve around entrenching a new state of affairs based on ethno-communal lines. Bridging this gap would be difficult given that the positions reflect two opposing philosophies. Furthermore, while the Turkish Cypriot positions are nearer to a confederation or at best to a very loose federation, the Greek Cypriots have in mind a bizonal, bicomunal federal arrangement with a rather strong government. It should be stressed that President Anastasiades himself may be willing to engage into a serious discussion for further decentralization provided that he is satisfied on other domains such as the territorial and the property issue.
- 3) Property Issues – Greek Cypriots stress the primacy of the legal owner of properties while the Turkish Cypriots insist on giving priority to the current user. It is also essential to note that *de facto* there will be several categories of properties.

Furthermore, the Turkish Cypriot position underlines that current users who will have to abandon/return property should be compensated. Given that Greek Cypriots who will not return to their properties will be also compensated the cost of the settlement will rise substantially. It should be also noted that some Greek Cypriot

refugees have sold their properties in the northern part of Cyprus at relatively low prices in recent years primarily due to the economic crisis.

- 4) The Three Fundamental Freedoms – Freedom to own property, freedom of settlement and freedom of movement (throughout the island). The two sides agree on the freedom of movement but in relation to the other two freedoms there are some complications. The Turkish Cypriots insist on strict bizonality clauses which imply that the freedom to own property and to settle throughout the island are compromised. The new Turkish Cypriot leader Mustafa Akinci may be willing to be flexible on this issue if he is satisfied on other domains including the further advancement of political equality. The Greek Cypriot positions are in line with the European *acquis communautaire*. The Turkish Cypriots insist on derogations from EU legal framework on these issues. Another relevant concern for the Greek Cypriots is that it is inconceivable for the illegal settlers to enjoy the fundamental freedoms as it may endanger the demographic structure of Cyprus.
- 5) Security Issues – The Turkish Cypriots insist on having Turkey as a guarantor power in accordance with the arrangements of the 1960 constitution. The Greek Cypriots believe that the system of guarantees has been part of the problem and also see it as an anachronistic arrangement. In essence, the system of guarantor powers and the presence of foreign troops will lead to a protectorate rather than an equitable member state of the EU. At this stage there are various ideas on the security issue; from the involvement of NATO to that of the Security Council of the UN.
- 6) Settlers – The Greek Cypriots consider the issue to be political although they recognize that it also entails a humanitarian dimension. They also believe that most settlers should be repatriated. In addition, Greek Cypriots see the Turkish policy of colonialism as an attempt of Ankara to change the demographic character of the island and consequently a security issue. The Turkish Cypriot side insists that the settlers who are citizens of the "TRNC" will not be repatriated.
- 7) Territorial Issue – The Greek Cypriot side envisions the return of territory in a way that most Greek Cypriot refugees would be resettled under Greek Cypriot administration. It remains to be seen what the Turkish Cypriot side would be prepared to agree on. Over time it was assumed that the return of territory would convince Greek Cypriots to make concessions on other vital domains.

We should be reminded that several plans which have been submitted overtime suggested that the Greek Cypriot constituent/component state should have under its administration 70,2% of the territory and the Turkish Cypriot constituent/component one 29,8%.

- 8) Economy – Although in principle both sides understand the importance of an integrated economy the clauses of bizonality may create serious problems. Moreover, it may be difficult for a bizonal, bicomunal federal Cyprus, with three government structures, to function effectively in the Eurozone. Likewise, it will require a tremendous effort to regulate and streamline accordingly the banking system in the occupied northern part of Cyprus.

It is also important to stress that the effective administration of several functions including social security, energy, water, health, may require a strong federal government. Nevertheless, this way of thinking does not seem to prevail in the negotiations. The focus seems to be on a loose form of a federal arrangement which also includes elements of confederation.

Last but not least it is essential to understand that it is more important to take into consideration the requirements for a contemporary state rather than the political expediencies of the past and the strategic considerations of Turkey. Likewise, it is important that the debate moves beyond ethnocommunal lines and indeed focus on the creation of a minimum common list of objectives, if not an agenda. Moreover, for any settlement to be viable foreign interventions should be limited if not eliminated.