

Turkey and the Cyprus Dispute: Pitfalls and Opportunities*

■ *by Assist. Prof. Dr. Tarık Oğuzlu***

As the Cyprus dispute continues to damage Turkey's relations with the European Union, Turkey urgently needs to define its strategy in case the ongoing inter-communal talks on the island fail to produce a comprehensive settlement soon. Both the prospects of Turkey's membership in the EU and the institutional relationship between the EU and NATO will be at risk so long as the stalemate on the island continues. How should Turkey behave in response to EU's demand that Ankara opens its ports and airports to Greek Cypriot vessels and aircrafts? How should one read the emerging Turkish position that the talks on the island cannot last forever and the two communities should reach a settlement by the spring of 2010? What can (should) the international community do in order to facilitate the final solution? Are there enough reasons on the ground to suggest that a final settlement regarding the island is just around the corner? These are timely questions and require urgent responses.

The Cyprus dispute continues to occupy a place on the agenda of Turkey's foreign policy, since the continuation of the deadlock on the island slows down Turkey's European aspirations and impairs the institutional relationship between the EU and NATO. Turkey's decision to close its ports and airports to Greek Cypriot vessels and aircraft until the time the EU keeps it promises of easing the trade sanctions on

* An earlier version of this article was published in SETAV Policy Brief, No. 36, November 2009.

** Academic member of Department of International Relations in Bilkent University. The author can be reached at oguzlu@bilkent.edu.tr.

the Turkish Republic of Northern Cyprus, led the EU to partially suspend the accession negotiations on eight chapters in December 2006. Ankara holds that the adoption of the Additional Protocol in July 2005 does not imply that Turkey recognizes the Republic of Cyprus as the only sovereign authority on the island.¹ On the other hand, the EU expects Turkey to implement the Additional Protocol to the Association Agreement and normalize its relations with the Republic of Cyprus as soon as possible.² From the EU's perspective, Turkey is under an obligation to extend its Customs Union with the EU to the island.

While this particular issue is still dividing the parties concerned, the two communities on the island began a negotiation process in late 2008 aimed at reaching a comprehensive settlement. Assuming that the parties on the island reach a settlement soon, Cyprus will likely drop out as an obstacle to Turkey's EU membership process. That said, it is important to ascertain the possibility of the latest inter-communal negotiations to result in a comprehensive settlement. More important is to formulate Turkey's policies in case the talks fail to produce a desired outcome.

Developments since 2004

In referendums held in April 2004, sixty-four percent of Turkish Cypriots voted for the Annan Plan, whereas the overwhelming majority of Greek Cypriots vetoed it. This has led to the emergence of the idea that the real impediment to the solution of the dispute was not the Turkish side, as has heretofore been vociferously argued by the Greek Cypriots, but the intransigent Greek Cypriot position on the unification of the island under a strong federal structure.³ Despite the fact that the international community, most notably the European Union, has not done anything concrete to help ease the pain of the Turkish Cypriots since then, the Turkish side has for the first time begun to gain the moral high ground in international arenas. Numerous reports published by the United National Secretary General make it very clear that the Turkish Cypriots do no longer deserve to be punished because of their cooperative stance on the Annan Plan.⁴ In line with this emerging understanding, it has gradually become difficult to keep the *status quo* on the island.

1 The declaration Turkey announced on 29 July 2005 can be reached at http://www.mfa.gov.tr/turkiye_nin-kibris_la-ilgili-deklarasyonu_-29-temmuz-2005.tr.mfa.

2 The declaration the EU announced in response to Turkey's declaration in July can be reached at <http://www.auswaertiges-amt.de/diplo/en/Europa/Erweiterung/TuerkeiErklaerung.pdf>.

3 *Turkey in Europe Breaking the Vicious Circle*, the Independent Commission on Turkey, September 2009, pp. 17-20. Also see *Kıbrıs: Bölünme Sürecini Durdurmak*, International Crisis Group Report, 190, 10 January 2008, p. 4.

4 For example, see the Report of the Secretary-General on his mission of good offices in Cyprus, released on 28 May 2004. The Secretary General states that "(...) The decision of the Turkish Cypriots is to be welcomed. The Turkish Cypriot leadership and Turkey have made clear their respect for the wish of the Turkish Cypriots to reunify in a bi-communal, bizonal federation. The Turkish Cypriot vote has undone any rationale for pressuring and isolating them. I would hope that the members of the Council can give a strong lead to all States to cooperate both bilaterally and in international bodies, to eliminate unnecessary restrictions and barriers that have the effect of isolating the Turkish Cypriots and impeding their development (...)"

TURKEY AND THE CYPRUS DISPUTE: PITFALLS AND OPPORTUNITIES

Following the Greek Cypriot accession to the EU, calls for settlement have once again intensified. Turkey has been particularly interested in seeing that the conflict no longer casts a shadow on its accession process with the Union. To this end, Turkey has in the recent past proposed some new initiatives for solution.⁵ On the other hand, the Greek Cypriot administration has wanted to dispel the perception that Nicosia holds the primary responsibility for the failure of attempts to reunite the island and sees EU membership from an instrumental perspective with a view to extracting as many concessions as possible from Turkey and the TRNC.

The first concrete attempt at leading the way to a settlement in the post-Annan Plan era was the so-called ‘July 2006’ process, which began with the meeting of the two communal leaders, Mehmet Ali Talat and Tasos Papadopoulos. Despite the fact that the two leaders decided to set in motion a comprehensive negotiation process soon, nothing came out of it. For such intense negotiations to begin, observers had to wait to see that Dimitris Christofias won the presidential elections against Tasos Papadopoulos in February 2008.

Following the election of Christofias to the Greek Cypriot Presidency, the two leaders came together on March 21st and decided to start a process that would result in a comprehensive settlement. Negotiations started on 3 September 2008 with the common understanding that the final text would be put to public referendums. Negotiations are still conducted in four different issue areas: territory, security, property and governance. In addition to numerous confidence-building measures adopted through this process,⁶ the leaders have also “reaffirmed their commitment to 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

However, a comprehensive settlement looks far from being achieved soon, mainly because there are still strong disagreements among the parties concerning the status of Turkish armed forces on the island, the continuation of Turkey’s guarantor status, the administrative structure of the new state, the internal boundaries of the constituent states, the property rights, the number of Greek Cypriots who would settle in the north of island following the settlement, etc. Both sides still assume that time is on their side.

5 For example, Turkey announced an action plan in January 2006 with a view to contributing to the lifting of all restrictions on the two communities of the island. One can reach the text of the action plan to this effect at <http://www.mfa.gov.tr/data/DISPOLITIKA/KIBRIS/S-2006-48-Ingilizce.pdf>.

6 One can see the numerous measures agreed by Mehmet Ali Talat and Dimitris Christofias as part of CBM in the following text <http://www.cyprus.gov.cy/moi/pio/nsfr/All/A789E091192303C8C2257494003DC183/5file/26-280708.doc>.

7 Christofias – Talat meeting, Joint Statement - 23/05/2008 <http://www.mfa.gov.cy/mfa/mfa2006.nsf/All/EFE2ADBC7F4092EBC225745500288A96?OpenDocument>.

While the Turkish Cypriots do still favor a loose bi-zonal/bi-communal federal arrangement in which they would be able to experience politically equal relations with the more populous Greek Cypriots, the Greek Cypriots do not appear to have given up their goal of seeing the island united under a strong federal government in which the Turkish Cypriots would have enhanced minority status at best. While the Turkish Cypriots seem to agree that they might have to give up their existing state in the name of a new state, possibly called the United Cyprus Republic, that would come into existence following a final settlement, the Greek Cypriots want to see that the existing Republic of Cyprus continues to exist as a sovereign entity yet the Turkish Cypriots be incorporated into the administrative structure through agreed arrangements.

Public opinion in both communities is also highly pessimistic about the possibility of reaching a comprehensive settlement soon and seems to believe that endless talks would finally lead to the recognition of the current *status quo* as the final solution. Some recent polls indicate that what the Turkish Cypriots understand by solution does radically differ from what the Greek Cypriots understand by solution. Public perceptions on the details of any final agreement vary significantly across the communities.⁸

The Role of External Actors

Today, it is neither the United Nations nor the United States that could play the most influential third party role in the solution process of the Cyprus dispute. It is the European Union. Two reasons for this stand out. First, the Greek Cypriot administration would not likely agree to Turkey's membership so long as the *status quo* on the island remains unchanged. Second, Turkey would not likely feel encouraged to take further steps on the solution process unless the prospects of its accession to the EU increase credibly.⁹

Besides, the continuation of the deadlock on the island hampers the institutional cooperation between the EU and NATO, particularly within the framework of the Berlin Plus arrangements. Under the current terms of agreement between the EU and NATO, Cyprus is not allowed to take part in meetings between these two and Turkey does not allow the EU to have access to NATO's military capabilities in non-Berlin Plus contingencies.¹⁰ While Turkey thinks that all institutional

⁸ See Alexandros LONDROS, Erol KAYMAK and Nathalie TOCCI. 2009. *A People's Peace in Cyprus Testing Public Opinion on the Options for A Comprehensive Settlement*. Brussels: Center for European Policy Studies. The writers conducted numerous polls on the island in order to measure the extent to which two people of the island converge on the fundamentals of any comprehensive peace settlement, particularly concerning security, property, governance, rights and freedoms, territory and settlers. The results reveal that two sides hold highly diverging positions on these issues.

⁹ This dilemma is well noted by David HANNAY in his briefing note on Cyprus. David HANNAY. 2009. *Cyprus: The Cost of Failure*. London: Center for European Reform.

¹⁰ For a comprehensive summary of the dispute see Sinan ULGEN. *The Evolving EU, NATO and Turkey Relationship: Implications for Transatlantic Security*. Istanbul: Center for Economics and Foreign Policy Studies, Discussion Paper Series, 2008, Number 2.

relationships between the EU and NATO should be based on the Berlin Plus arrangements, the EU counter-argues that the institutional relationship between the two institutions cannot solely be defined on the basis of the Berlin Plus arrangements. In the eyes of the EU, Turkey should not object to the idea that Cyprus becomes a part of the institutional relationship between the EU and NATO even though Cyprus is not a part of NATO's Partnership for Peace Initiative. In response to Turkey's blocking of Cyprus's participation in such meetings, Cyprus vetoes Turkey's participation in the European Defense Agency as well as signing any security agreement with the EU. So long as the Cyprus dispute remains unresolved, the EU will not be able to secure NATO's military protection in Afghanistan and Kosovo.

Looking from Turkey's perspective, there exists a dilemma. On the one hand, Turkey aspires to join the EU but on the other denies the EU the right to have access to NATO's capabilities. Turkey is quite discontent with the EU's decision to exclude itself from the decision-making process in the realm of European Security and Defense Policy. This appears to have led Ankara to conclude that as long as the prospects of accession to the EU are low, Ankara would rather see its veto power within NATO as a bargaining chip in EU-NATO relations. The way Turkey acts on this issue suggests that Turkey does not believe that the EU would soon let Turkey in. The irony is that the longer Turkey appears to be blocking EU-NATO cooperation, the more reluctant the EU becomes towards the idea of Turkish accession.

Turkey's position on this issue has lately become difficult to maintain given that the current Obama administration has now developed a more favorable approach to EU-NATO cooperation and strengthening of the ESDP than its predecessor.¹¹ The assumption on the part of the Obama administration is that a more capable EU would help NATO relieve some of its responsibilities in Europe and Europe's peripheries. The change in US position on this issue might pressure the parties to reach a settlement on the island as soon as possible.

Against the panoply of such problems, one wonders if the EU would demonstrate strong leadership in the resolution of the Cyprus dispute. However, the signals coming from Brussels are not so encouraging as to lead the parties to change their incentive matrixes. First, despite the fact that the European Union promised to ease the trade sanctions on the Turkish Cypriots if the latter would vote for the Annan Plan, the EU has thus far fallen short of keeping its promises. In this, the EU membership of the Greek Cypriot Administration appears to have played the key role. However, one should also make it clear that many EU members have simply found it easy to hide behind the Greek Cyp-

11 Pierre-Henri D'ARGENSON, 2009, "The Future of European Defense Policy", *Survival*, 51:5, pp. 143-154, 149.

riots to mask their unwillingness to reward the Turkish Cypriots and facilitate Turkey's accession process. The continuation of the stalemate on the island has been mentioned in many EU documents as one of the major obstacles before Turkey's accession.¹² Turkey and the Turkish Cypriots adopted a cooperative stance but they have been held hostage to Greek Cypriots machinations inside the Union.

Second, the EU is suffering from the latest enlargement round and member states are still far away from ironing out their differences on the institutional make-up of the Union as well as the future direction of the integration process. The Irish have just approved the Lisbon Treaty. It will take a long time to see what kind of an international actor the EU will turn out to be in the aftermath of the Lisbon Treaty.¹³

Third, the Europeans find it now difficult to spend some time on the problems arising from the continuation of the Cyprus dispute while they have been very much involved in the process of mitigating the negative consequences of the latest financial crisis on their economies.

The most the EU could do in this process would be to absorb any final settlement into the EU community law. Due to the Greek Cypriot membership in the EU, the latter would unlikely develop a neutral solution proposal and ask the parties to accept it. High level visits from EU member states to the island, including the north part of the island, might offer a boost to the inter-communal talks. Assuming that the EU would not be able to fully implement the Direct Trade Regulation, which foresees the possibility that Turkish Cypriot goods are directly exported to European markets, due to the Greek Cypriot veto, the EU would be well advised to increase the amount of financial aid to the north of island as well as cover the possible costs of final settlement. Worth mentioning in this context is the growing realization inside the EU that the membership of the Republic of Cyprus before the settlement of the Cyprus dispute has been a strategic mistake. It would have certainly been a better if the EU had asked the Greek Cypriots to first get rid of their territorial problems. Such a move on the part of the EU would have allayed Turkey's concerns that the EU could never play a credible third party role.

Another actor that can possibly play an important role in this context is the United States. However, the impact of US involvement will be mainly limited to the shaping of incentives of the parties concerned. The United States has thus far made it very clear that a possible solu-

12 The latest of such documents is the EU Commission Yearly Progress Report on Turkey, which was released on 14 October 2009. Please see pp. 31-32.

13 Lisbon Treaty is important because it demonstrates the resolve of the EU members to reform the EU's institutional structures in such a way that the EU could now act efficiently and with one voice and play a global power role after the latest enlargement processes. It is important that the EU soon develops a global strategic vision that values Turkey's cooperation and eventual accession. Hoping that the Lisbon arrangements lead to such an outcome soon, then the EU will likely intensify its efforts to contribute to a final settlement on the island. A strategically myopic EU, devoid of capabilities to play a global power role, will likely remain as an effective third party on the solution of the dispute.

tion of the problem should be looked for within the framework suggested by the United Nations and supported by the European Union. As long as the parties agree on a mutually satisfactory arrangement and this is endorsed by the EU, the US would likely support it.

That said, the recent developments in Turkey's relations with the United States suggest that the United States will find it hard to support any settlement that would seriously compromise Turkey's key concerns on the island. Given that bilateral relations have recently improved, particularly following the coming to power of President Obama in Washington, none of the parties would tolerate any downward spiral in this process due to a crisis on Cyprus. With the Obama Administration replacing the Bush administration, the US has come closer to Turkey's views on many issues concerning the war on terrorism and regional politics in the Middle East. Of particular points to note in this context are the increasing need on the part of the US administration to secure Turkey's cooperation on Iran, the withdrawal of American soldiers from Iraq safely, the establishment of stable Iraq in the post-American period, the transmission of gas and oil to the western markets, the success of the NATO-led war in Afghanistan, etc.

Besides, American companies do now want to get involved in oil excavation business in the Eastern Mediterranean region.¹⁴ This puts a pressure on the US government to nudge the parties to reach a settlement as soon as possible. So long as the parties in and around the island continue to quarrel over the sharing of the natural resources of the Eastern Mediterranean region, this area will remain closed to investment. Given that Turkey has now become a key energy hub in the Eastern Mediterranean region, playing a vital role for the easing of the EU's dependency on the Russian oil and gas resources, one can expect that neither the EU nor the US would risk Turkey's cooperation on this issue by wholeheartedly supporting the Greek Cypriot claims to the ownership of raw materials in the Eastern Mediterranean region.

Turkey's Options and prospects for the future

Looking from Turkey's perspective, one point is quiet clear – given that the possibility of the Greek Cypriot Administration to come closer to Turkey's understanding of what an optimum solution¹⁵ would look like is very low, the best course of action to follow on Turkey's part would be to take the lead in the settlement process within the well-established UN parameters. That Turkey backed the Annan Plan back in 2004 has been quite telling in this regard. The international community not only applauded Turkey's cooperative stance but also seri-

¹⁴ <http://www.gpotcenter.org/dosyalar/Press%20Scan%2012-6-2009.pdf>, particularly pages 10-12 are important.

¹⁵ In Turkey's view the optimum solution would become the establishment of a bi-zonal/bi-communal loose federal arrangement respecting the political equality of the Turkish Cypriots with Greek Cypriots as well as the continuation of Turkey's guarantorship rights emanating from the 1960 Agreements.

ously began wondering if the real impediment before any long-lasting solution in the island could be the Greek Cypriots.

Adopting a proactive stance on the solution of the dispute would bring Turkey, *inter alia*, two fundamental benefits. One would be that this would boost Turkey's EU membership process. This would also likely encourage the Greek government to support Turkey's EU membership process and put a pressure on the Greek Cypriots administration not to sabotage improving Turkish-Greek relations within the EU framework. Even though being a guarantor country of the 1960 arrangements, Greece's profile on the Cyprus dispute has been low for a long time. Since the time Greece's policies in the 1970s led to Turkey's military operation in 1974, Greece's policy has become to support Greek Cypriots' claims, whatever they are. Reflecting a sense of guilt, Greece has held the line that 'Cyprus decides and Greece supports.' This policy has come under strong challenges over the last decade, as the possibility of the Greek Cypriot intransigence to seriously impair Turkish-Greek rapprochement has increased. Since Greece has begun to see Turkey's Europeanization process to be in its own national interests, successive Greek governments have urged the Greek Cypriots to come to a final settlement with Turkish Cypriots soon.¹⁶ Therefore, the Greek support to the Annan Plan should be seen as model of how Greece will likely behave in the years to come.

Second, Turkey will be able to hold the moral high ground in the international community by signaling that she is the party which sincerely and persistently longs for a final settlement. Proactively supporting the settlement on the island will also be in line with the new Turkish foreign policy that aims at strengthening Turkey's capability to play a regional/global leadership role. If Turkey wants to increase its sphere of influence in its region, in accordance with its emerging soft/civilian power identity, it would have to get rid of the 'Cyprus burden.' Cyprus is one of the soft bellies of Turkey. Neither the dynamics of Turkey's relations with the European Union nor Turkey's regional aspirations would tolerate the ongoing situation.

That any final solution would more or less resemble the letter and spirit of the defunct Annan Plan, Turkey and the Turkish Cypriots would be well advised to focus on the main points of the settlement rather than quarreling with the Greek Cypriots on each and every detail of the whole package. As long as the bi-zonal/bi-communal nature of the state administration on the one hand and the continuation of Turkey's guarantorship rights emanating from the 1960 treaties on the other were to be respected, Turkey should adopt a more flexible stance during the give-and-take process.

¹⁶ For the differences between Greek and Greek Cypriot policies towards Turkey's EU accession process see Ker-Lindsay, James. 2007. "The Policies of Greece and Cyprus towards Turkey's EU Accession," *Turkish Studies*, 8:1, pp. 71-83.

Turkey would not need to fear that her interests on the island would be seriously compromised by any solution given that her rising international profile has now been much appreciated by key global actors. As long as Turkey and the European Union cooperate on as many issue areas as possible, particularly concerning the transmission of the natural resources of the Caspian region to the European markets, the European Union would not want to risk this process by fully backing the Greek Cypriots in the name of membership solidarity.

The increase in Turkey's self-confidence has recently struck observers when Turkish Prime Minister Erdogan delivered his speech in the UN General Assembly in September. He said that Turkey would no longer tolerate endless talks on the island. Such messages are similar to those of Ahmet Davutoglu, the current Turkish Foreign Minister. Turkey will now do her best to help achieve a final settlement on the island by the spring of next year. The Greek Cypriots should not be allowed to derail or procrastinate on the negotiation process in the hope that Turkey's resolve on the issue would finally break down so long as Turkey's determination to join the EU exists. Erdogan made it very clear that if no solution came into existence by then, Turkey would intensify her efforts to make sure that the independence of the Turkish Republic of Northern Cyprus be recognized by the international community. Erdogan appears to think that Turkey is now at a better position than ever to convince a quite number of states to recognize the TRNC as a sovereign country in case the talks bear no fruit.

The dynamics of internal politics in the Turkish Republic of Northern Cyprus also dictate the need to reach a final settlement soon. If current negotiations fail, it is likely that a more nationalist/rightist candidate than the current President Mehmet Ali Talat will win the presidential elections in spring 2010. It is well known that the right supports a con-federal solution on the island at best. Nobody at home and abroad would be in a position to legitimately hold President Talat responsible for the failure of the ongoing negotiation process, because the political movement Talat leads has so far proved to be the most ardent supporter of any solution that might potentially come into existence through a deal with the Greek Cypriots within the well-established UN parameters.

Assuming that the Greek Cypriots will again veto any comprehensive solution in referendum, the international community will no longer find it easy to object to the Turkish claim that the Turkish Republic of Northern Cyprus deserves sovereignty status.

To conclude, it is worth mentioning that the European Commission in its yearly report on Turkey, which was announced on October 14, 2009, only notes that Turkey has failed to implement the Additional

Protocol to the Association Agreement and normalize its relations with the Republic of Cyprus. The Commission does not however propose any further measure to punish Turkey for its 'non-cooperation' since December 2006. It is important to note that this particular position of the EU Commission on Cyprus goes hand in hand with the observation of the same commission that Turkish foreign policy has now been to a significant extent become Europeanized. The EU simply applauds Turkey's contribution to regional security and stability.