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Electoral Blow to the Reunification of Cyprus (ARI)

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Theme: The defeat of Mehmet Ali Talat in the presidential election of 18 April in the internationally unrecognised Turkish Republic of Northern Cyprus (TRNC) and the victory of Dervish Eroglu, the Prime Minister, dealt a potentially severe blow to the chances of reunifying Cyprus, the only divided country in Europe.

Summary: Talat was more disposed to reach an agreement for a unified state than Eroglu, who, at least in public, favours separate states. But his 70 rounds of talks over two years with Demetris Christofias, the Greek Cypriot leader and President of the Republic of Cyprus, did not produce a comprehensive settlement. Cyprus has been split into Greek and Turkish Cypriot communities since Turkey's invasion in 1974 in response to intercommunal strife and a military coup backed by the junta ruling Greece at the time (see Figure 1). The Cyprus issue has a direct bearing on Turkey's ailing bid to become a full EU member.

Figure 1. Cyprus



Source: BBC.

Analysis: The negotiations between Talat and Christofias were widely regarded as a unique window of opportunity for reunification as both leaders were on a similar ideological wavelength and were viewed as more pragmatic than their predecessors.¹ But their 70 meetings produced little apparent progress. Few details were announced as they were held under the philosophy of 'no agreement until everything is agreed'. The talks ended on 30 March because of the election in the Turkish Republic of Northern Cyprus (TRNC). Opinion polls, before the election, showed Eroglu winning. In the event, it was a significant victory for him as he avoided a run-off by winning just over 50% of the vote in

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¹ For a fuller explanation see the author's Working Paper at

www.realinstitutoelcano.org/wps/wcm/connect/3c9f84004070dea5a95cbf5e01ac4adf/WP61-2009_Cyprus_Opportunity_Reunification.pdf?MOD=AJPERES&CACHEID=3c9f84004070dea5a95cbf5e01ac4adf.

the first round. Talat received 42.8% and the rest of the votes were divided among the other candidates.

Turkish Cypriots voted massively in favour of a UN-arranged reunification deal in 2004, the Annan Plan, but it was rejected overwhelmingly by Greek Cypriots just days before Cyprus joined the EU. The EU *acquis* do not apply in the TRNC in the north of the island. Talat's heavy defeat would thus appear to be at odds with the wishes of Turkish Cypriots. The issue, however, is much more complex and is more to do with internal politics than attitudes towards the state of the negotiations, which were getting nowhere anyway, although he did not deliver a settlement. Talat's defeat reflects several factors: his failure to ease the TRNC's economic isolation through direct access to European markets, particularly frustrating for the younger generation simmering with resentment at the lack of opportunities; a two-year recession (jobless rate of 15%); a style of government viewed in some quarters as rather arrogant and authoritative and a demographic trend working against reunification as an increasing proportion of the population of around 270,000 of northern Cyprus consists of mainland Turks who have settled on the island and oppose a settlement because it would involve the deportation of many of them.

The 18 April election was regarded in the international community as a kind of unofficial deadline for a settlement because of the possibility that the more hardline Eroglu, whose National Unity Party won the April 2009 parliamentary election in the TRNC, might defeat Talat. The Greek Cypriots never took this unofficial deadline very seriously. Christofias did nothing, at least publicly, to enhance Talat's chances of winning (for example, by issuing a substantive statement on the progress made), either because he was fearful of being accused of interfering in the internal politics of the TRNC, was not prepared to face down his opponents in his coalition government, or because he found the prospect of Eroglu's victory politically convenient as it might lessen the chances of a settlement and the Turkish Cypriots would then be blamed for the collapse of negotiations and the lack of a solution. Another reason is that it is popularly believed, even among the Greek Cypriot elite, that Turkey has the omnipotence to dictate the outcome of Turkish Cypriot elections, regardless of the opinion polls. Thus, the argument goes, if Turkey wanted a solution, it would make sure Talat won. This view is naive as for all its faults the TRNC does have free elections.

Talat and Christofias were reportedly fairly close to agreement on the entire governance chapter. They had agreed to work toward a 'bi-zonal, bi-communal federation with political equality as defined by relevant UN Security Council resolutions, a federal government with a single international personality, as well as a Turkish Cypriot Constituent State and a Greek Cypriot Constituent State of equal status'. In the run-up to the election there was speculation that the two leaders were preparing quite a detailed document, in which they would list the areas on which they agreed. On governance, the headings were: legislature, judiciary, federal competences, federal public service, federal offences, federal police, cooperation between the constituent states and the federal government and external affairs (where there were a couple of things outstanding). On EU matters the headings were: a Ministry of EU Affairs, permanent representation at the EU, procedure for determination of positions (how to decide on EU-related policies), procedure for implementation of the *acquis*, infringement procedure and participation in EU institutions. On economy matters, there were around 26 mini-headings which covered, *inter alia*, the central bank, capital market regulation, taxation, federal budget, state aid, debt service, social security and pensions. But they did not produce the document. After their last meeting on 30 March, the two sides issued a weaker statement which declared merely

that there had been 'important progress', although it did at least sanction Talat to elaborate on the details.

The Greek Cypriots rather shocked the Turkish Cypriots by insisting late in the day (just a few days before the last meeting on 30 March) that if they did issue the joint statement then Christofias would have to get the agreement of the National Council (the group of party leaders who advise on the Cyprus problem). The National Council was not due to meet until 7 April, which was too late for Talat who was by then already campaigning. And in any case, the National Council would never have approved the document because it has parties who do not want to compromise, particularly the Democratic Party (Diko). The only party that could back Christofias was the more pro-solution opposition party, Democratic Rally (Disy), but they were miffed that he had not been consulting them and so they were not guaranteed to help him either.

Both sides blame the other for the failure to reach a comprehensive settlement in an endless game that has been going on for decades. Since about last October, whenever the sides made good progress on any issue, the Greek Cypriots put on the brakes. They waited three weeks after *Ban Ki-moon*, the UN Secretary General, visited Cyprus before having another meeting; they never went back to economy matters when they got close to agreeing on things in February; they stopped talking about property last year as soon as a tiny bit of progress had been made, etc. Of course, the Turkish Cypriots have a lot more to gain from a settlement than the Greek Cypriots who view, more now than at the time of the 2004 referendum, that any solution will be a zero sum game, with them picking up the cost. The Greek Cypriots feel that the Turkish Cypriots should be making the most concessions as, in their view, they are the cause of the problem.

Spain, which holds the current rotating EU Presidency, did its best to bring the two sides together. Miguel Ángel Moratinos, who knows Cyprus well as he was based there while he was the EU's Special Representative for the Middle East peace process between 1996 and 2003, acted as a honest broker over the last four months. He spoke to all sides as well as to Turkey, with whom Spain has a very good relationship. Madrid actively supports Turkey's bid to become a full member of the EU. Spain and Turkey are co-sponsors of the UN-backed 'Alliance of Civilisations' initiative and since last year Turkey has joined the small group of countries (France, Germany Italy, Morocco, Poland and Portugal) with whom Madrid has an annual summit. This year's summit was held in March during Spain's EU Presidency and not after it, as will happen for the other countries. This gesture raised the visibility of Spain's support for Turkey and was much appreciated by Prime Minister Recep Tayyip Erdogan of Turkey who was accompanied by 10 of his ministers, the largest number brought with him on a foreign trip. Hard on the heels of the Spain-Turkey summit was a visit to Madrid by Talat, at the invitation of the Spanish Foreign Ministry. His public meeting was hosted by the Elcano Royal Institute. This was the first time Talat had been invited to an EU country while it held the EU Presidency (Talat was received by the Swedish Foreign Minister but in New York, not in Sweden). And in order to be fair to the Greek Cypriot side, Moratinos also took advantage of a visit to Madrid by Alexis Galanos, the Mayor of the ghost town of Famagusta, and met with him. Famagusta was Cyprus's main tourist resort until the 1974 invasion and since then has been occupied by Turkish troops. Galanos inaugurated an exhibition of photos of the deserted town, with its empty hotels, apartment blocks and shops. Moratinos did the best he could, but Spain has no leverage over Cyprus, nor does the European Community which confirms, six years after the last referendum on the issue, that it was probably a mistake to let a divided Cyprus enter the EU.

Having done nothing to favour Talat's re-election, the Greek Cypriot government said the vote result would cause 'serious problems' for the reunification talks. What happens now? Eroglu's rhetoric of 'equal, sovereign' peoples suggests he favours two separate states not the formula of a bizonal, bicomunal federation. During his campaign, he promised his supporters he would resist any deal that allowed Greek Cypriots to return to their homes in the north from which they fled in 1974, or require the expulsion of Turkish settlers. His views are not that far from those of the octogenarian nationalist politician Rauf Denktas, the founding President of the TRNC, who bowed out of politics in 2005, to the relief of Ankara, when Talat was elected President. Denktas is still active behind the scene. Eroglu says he will continue the negotiating process. Talat and Christofias produced 31 so-called joint papers outlining the main areas of agreement. Because these papers were never officially published, Eroglu can question them one by one, even while appearing to negotiate. The Greek Cypriots say they are not prepared to start negotiations from zero. Eroglu could drag his feet until the autumn, by which time preparations for parliamentary elections in Turkey will have started and, in the face of nationalist opposition, the government could find it harder to make concessions.

Eroglu has no option but to continue to talk because of Ankara's EU membership aspirations, the growing frustration of the international community (the UN peacekeeping force has been guarding the Green Line which partitions the island for decades and has more urgent priorities) and pressure at home to improve conditions by opening the economy to the outside world. Even though they are technically EU citizens, Turkish Cypriots cannot directly trade with the EU. But for subsidies from Ankara of around US\$500 million a year, the TRNC economy would sink.

A reunification settlement is vital for Turkey's EU membership bid. As long as Cyprus remains divided, Greek Cypriots will veto Turkish accession. As it is, 18 of the 35 EU accession negotiating chapters are blocked mainly because of the Cyprus issue, eight of them since December 2006 by the EU Council because of Ankara's refusal to open up its ports and airports to Greek Cypriot traffic and recognise the Republic of Cyprus, a member of the club that Turkey wants to join. Ankara is not budging until something is done about direct trade between the TRNC and the EU. A direct trade regulation was first suggested by the European Council in April 2004 as a sweetener for Turkish Cypriots voting 'yes' in the referendum that month on a reunification deal. Two-thirds of them voted in favour, but the Greek Cypriots, 76% of whom voted against the plan, even though it was backed by the UN, the US, Turkey and the EU itself, blocked it one month later after they joined the EU. As the International Crisis Group points out, direct trade now has a chance of moving forward as the new Lisbon Treaty gives the European Parliament a co-decision role in trade agreements.² The measure was re-introduced to the European Parliament on 1 March and will be under consideration in the coming months, though it is far from certain that it would be approved. Greek Cypriot MEPs are already working to stop any new trade regulation going through and those countries, such as France and Germany, whose governments are against Turkey's EU membership and want it to have a second-class 'privileged partnership', are unlikely to do anything to smooth Ankara's path. The Cyprus issue is a convenient one for hiding deeper hostility to Turkey's EU membership.

Direct trade is not an alternative for a comprehensive settlement on reunification, but it would turn around Turkish Cypriot opinion, increasingly disillusioned about reunification

² See <http://www.crisisgroup.org/home/index.cfm?id=5908&l=4>.

ever happening and feeling let down by the international community. It would also make Ankara open its ports to Greek Cypriot ships and aircraft, as it is obliged to do so under the Customs Union it signed with the EU in 2005. Egemen Bağış, Turkey's Chief EU Negotiator, said on 25 March that 'if the EU implements the regulation, we will open our ports'. This, in turn, would lead the EU to lift its block on eight of the chapters, thus giving a boost to Turkey's ailing EU membership bid. Since opening negotiations in October 2005, Turkey has opened only 12 chapters and closed one because of the sluggish reform at home, the Cyprus situation, and reservations by France. There are no legal obstacles against lifting the ban on direct trade as it would not go against UN Security Council resolutions 541 (1983) and 550 (1984), as Kofi Annan, the former US Secretary General, stated in his report to the Security Council after the 2004 referendum.³ The *de facto* policy of isolation of the TRNC is mainly a political choice. The Cyprus conflict also complicates decision making on defence issues between the EU and NATO, of which Turkey is a member.

Lastly, the international community cannot be expected to continue to put in time, effort and resources *ad infinitum*. If reunification talks fail and the international community decides it has had enough, the only solution would be a formally negotiated partition, which includes recognition for the TRNC and a settlement of the property issue but which does not have to deal with the thorny issues of power-sharing. However, this would mean both sides accepting defeat and effectively pulling the plug on Turkey's EU membership, and this situation has not yet been reached.

Conclusion: An opportunity was missed during Talat's presidency. Whether it was the last one depends on the political will of Eroglu and how far Christofias is prepared to go. No one envisages a solution in the near or even distant future unless there is a major breakthrough, particularly on the direct trade issue.

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³ See

http://www.tesev.org.tr/UD_OBJS/PDF/DPT/KBRS/YYN/REV3%20kibris%20sorunu%2009%2006%2008.pdf.

Appendix: Cyprus Timeline

1571-1878	Cyprus under Ottoman rule.
1878	Cyprus leased by the Ottoman Empire to the UK.
1914	Cyprus annexed by Britain following Turkey's alignment with Germany in World War I.
1923	Under the Treaty of Lausanne Turkey relinquishes all rights to Cyprus.
1925	Cyprus declared a British crown colony.
1931	First Greek Cypriot uprising against British rule.
1950	Makarios III elected archbishop of Cyprus. Plebiscite organised by him shows 96% support in favour of union with Greece.
1954	Greece brings the issue of self-determination for Cyprus to the UN General Assembly.
1955-59	Greek Cypriot armed struggle against colonial rule and for union with Greece led by EOKA (National Organisation of Cypriot Fighters).
1958	Turkish Resistance Organisation (TMT) kills left-wing Turkish Cypriots.
1960	Cyprus granted independence from the UK, guaranteed by the UK, Greece and Turkey.
1963	Constitutional order breaks down, and Turkish Cypriots withdraw from or are scared out of government, never to return. Greek Cypriot attacks on Turkish Cypriots trigger intercommunal violence. Archbishop Makarios submits proposals for amendments to the constitution which are rejected by the Turkish side.
1964	UN deploys peacekeepers to head off the threat of a Turkish invasion after Dr Fazil Kuchguk, the Vice-president, says he is in favour of partition. Turkish air attacks on Cyprus.
1965	Galo Plaza, UN mediator, publishes a report recommending ways of safeguarding Turkish Cypriot minority rights and rejecting the idea of separation between ethnic groups. The Turkish government rejects mediation.
1967	Military coup in Greece.
1974	July: Makarios (re-elected President in 1968 and 1973) demands withdrawal of Greek officers from Cyprus. 15 July: coup against Makarios organised by the Greek junta. 20 July: Turkish troops invade and occupy the northern third of the island. More than 200,000 Greek Cypriots flee south; about 80,000 Turkish Cypriots later move north. Europe and the US impose political and military sanctions against Turkey.
1975	Turkish Federated State of Cyprus declared in the area occupied by Turkish troops. Declaration condemned by the UN Security Council.
1977	First High-Level Agreement between Makarios and Turkish leader Rauf Denktaş lays out basis for bicommunal, bizonal and federal solution.
1983	September: collapse of peace effort by UN Secretary-General Pérez de Cuellar. November: Turkish Cypriots unilaterally declare independence as Turkish Republic of Northern Cyprus, recognised only by Turkey.
1992-93	Rise and fall of UN Secretary General Boutros Boutros-Ghali's 'set of ideas'.
1998	Accession negotiations between Cyprus and the EU begin.
2001	November: Turkey threatens to annex the Turkish-occupied areas of Cyprus if the EU admits the Republic of Cyprus as a full member before a settlement is reached.
2003	Denktaş lifts a 28-year ban on travel by Cypriots to and from the north. February: Tassos Papadopoulos elected Greek-Cypriot President. December: after advances by pro-solution Turkish Cypriot parties in election, Mehmet Ali Talat's Republican Turkish Party forms a new government and, with support of a pro-solution government in Turkey, becomes negotiator for a settlement.
2004	24 April: six years in the making, settlement plan sponsored by UN Secretary General Kofi Annan submitted to twin referendums. Accepted by 65% of Turkish Cypriots, rejected by 76% of Greek Cypriots. 1 May: the Republic of Cyprus enters EU as a divided island. The Turkish Republic of Northern Cyprus is excluded from the benefits of EU membership as the <i>acquis communautaire</i> , the body of legislation guiding EU policy, do not apply there.
2005	April: Talat elected Turkish-Cypriot President.
2006	Papadopoulos and Talat begin new UN-mediated contacts on a settlement, which soon stall. The EU summit in December suspended eight of the chapters Turkey was negotiating for its accession to the EU because of Ankara's failure to implement the 2005 Additional Protocol to the Customs Union committing it to open its ports and airports to Greek-Cypriot shipping and aviation.

2008	<p>17 February: candidates promising compromise lead Greek-Cypriot presidential elections, won by Demetris Christofias of the nominally communist Akel party.</p> <p>21 March: first meeting between Christofias and Talat inaugurates new peace talks.</p> <p>April: reunification of Ledra Street, divided since 1964, in Nicosia as part of a package of UN-backed confidence-building measures, allowing people to cross from one side to the other.</p> <p>23 May: Christofias and Talat announce agreement that the reunified federation will have two constituent states and a single international identity.</p> <p>3 September: Christofias and Talat start first round of negotiations, meet 40 times over 11 months.</p>
2009	<p>20 April: the pro-independent National Unity Party (UBP) defeats the pro-reunification Republican Turkish Party (CTP) in parliamentary elections, winning 26 seats against the CTP's 19.</p> <p>10 September: Second round of UN-facilitated negotiations starts.</p> <p>December: EU heads of state and government (European Council) to review Turkey's failure to open its ports and airports to Greek-Cypriot shipping and aviation.</p>
2010	<p>April: presidential election in the Turkish Republic of Northern Cyprus. Talat loses to the more hardline Dervish Eroglu, the prime minister and leader of the UBP, after two years of negotiations with Christofias.</p>

Source: Cyprus: *A Contemporary Problem in Historical Perspective*, by Van Coufoudakis, the International Crisis Group and publications of the Republic of Cyprus.