

THE UNDERLYING ASSUMPTIONS, STRUCTURE AND PROSPECTS OF THE NEGOTIATING PROCESS FOR A CYPRUS SETTLEMENT

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Introduction

One of the peculiarities of the Cyprus problem is that the principal parties to the problem – the Greek Cypriots and the Turkish Cypriots under their respective leaders – have different conceptions of what exactly the problem consists in, how it arose, and what would be a proper and just way of settling it.

The Greek Cypriots in their large majority believe that the central core of the problem is the wrong done to them by the Turkish military operations of July-August 1974 and the continued Turkish control of the northern part of the island. For them, therefore, a settlement to the Cyprus problem – a *just* settlement – involves righting that wrong, in other words undoing as far as possible the results of what they regard as the Turkish aggression, ensuring the restoration of the independence and territorial integrity of the Republic of Cyprus and the rights of the Cypriot people; and further, the creation of guarantees against similar Turkish aggression in future. This is the view that has been taken since 1974 by every Greek Cypriot leader and almost every politician in the community. From this view there flow the Greek Cypriot political demands for what they consider to be a just settlement to the Cyprus problem. It is important to appreciate that in putting forward these demands, the Greek Cypriots have had political and diplomatic support from Greece, sometimes strong, sometimes not so strong, but almost never entirely unqualified.

The other principal party to the problem are the Turkish Cypriot people, backed by Turkey – or perhaps one should say, the Turkish government, fronted by the Turkish Cypriot political leadership, which in turn expresses the beliefs of the Turkish Cypriots. By and large, the Turkish Cypriots and the Republic of Turkey which defends, controls, guides and funds the Turkish

Cypriot state, take the view that the Cyprus problem was not caused in 1974, but at least as far back as the intercommunal hostilities of 1963-64, when Greek Cypriots sought to change the bicomunal political order established by the independence constitution of 1960, and impose on the Turkish Cypriot community, if necessary by force of arms, a minority status, as a prelude to uniting Cyprus with Greece. For the joint Turkish/Turkish Cypriot side there is no way of returning to the situation as it existed in 1974, or indeed even 1963, and they will not agree to start withdrawing Turkish troops unless a new and very particular constitutional order – what is referred to in shorthand as a ‘bizonal bicomunal federation’ – is created through negotiations and endorsed by international agreements. A federation of this type would provide the Turkish Cypriots with guarantees for their security, political equality with the Greek Cypriot community, an autonomous constituent state for each of the communities, effective share in any government that they will recognize as possessing international personality and the capacity of representing the whole of Cyprus in the international arena. These conditions were effectively secured by the UN Plan presented on 31 March 2004 by the Secretary-General Kofi Annan, the plan known as Annan V, which the Turkish Cypriots approved in the referendum of 24 April 2004 by 64.9% of the vote. This is, of course, the very Plan which the Greek Cypriots, at the urging of their leader President Tassos Papadopoulos, rejected by a majority of 75.83% on the same date in a parallel referendum, and which they most probably still consider unfair and unworkable at the beginning of 2008.

Greek Cypriot leaders have used their exclusive control of the internationally recognized Republic of Cyprus to try to secure in various international organizations of which they have been members – the UN Security Council, the Commonwealth, and a number of European bodies – resolutions that favour their interests. Such resolutions as have been passed are not for the most part entirely pro-Greek, if only because the long-standing exclusion of Turkish Cypriots from the government undermines the Cyprus government’s moral claim to represent *the* people of Cyprus. Besides, Turkish Cypriots have been able, partly through the influence of Turkey, to find friends in many international organizations, such as the UN, the European Union and more especially the Organisation of the Islamic Conference. Be that as it may, Greek Cypriots have long realized that no power, group of powers, or international organizations are willing to take effective action against Turkey to induce it to withdraw its troops in advance of a negotiated settlement. Again, Turkish Cypriots understand that no international organization, and no country other than Turkey – no influential country in any case – are going to recognize the

Turkish Republic of Northern Cyprus or de-recognize the Republic of Cyprus. So it is clear to both sides that *if* a settlement is to be achieved in Cyprus which is acceptable to the principal parties, it can only be achieved through *negotiations*, rather than war or arbitration.

The main purpose of this paper is to show why it is that the negotiations that have taken place between the leaders of the two Cypriot communities, either in face-to-face talks or through the mediation of UN officials (the so-called ‘proximity talks’), have not yet produced a negotiated settlement..

The main body of the paper falls into four sections.

Section I goes into some detail into the question of how each of the two sides to the Cyprus problem perceive the character and causes of the Cyprus problem, and therefore what it needs to obtain from the *other* side in a free or uncoerced negotiation to secure a package of elements that meets its requirements for a just, or perhaps *a not intolerably unjust*, settlement. The various series of negotiations which the two parties pursued under the auspices of successive UN Secretaries General between the aftermath of the military operations of 1974 and the framing of the fifth and final version of the UN Plan for a Cyprus settlement (known as Annan V) in 2004 is based on certain assumptions which it is important to identify and appreciate as they determine the structure of the negotiating process.

Section II of the paper presents an abstract model for the type of negotiation used in the search for a Cyprus settlement (one aspect of which is the ‘give-and-take’ feature), a model which lays bare the formal features of the process.

Section III returns to the differences between the Greek and Turkish sides and applies to the negotiating process the model presented earlier. One consequence of this exercise is to explain how *given the structure of the negotiating process*, the fact that each of the negotiating parties places inordinate value or expresses obsessive attachment to certain elements under its control (its current ‘assets’) and is unwilling or very reluctant to give them up to the opposite side which wants and needs them, makes any progress towards an agreed outcome very difficult to achieve, if not impossible.

Finally, Section IV provides a brief discussion of post-referendums developments and considers briefly the choice between the Greek Cypriot people in the coming presidential election of February 2008.

Section I: Greek and Turkish Cypriot aims in settlement negotiations

It has to be appreciated that Greek Cypriots have never been happy to negotiate with the Turkish side for a compromise settlement in Cyprus. As many Greek Cypriot politicians have declared repeatedly, the essence of the Cyprus problem was that in 1974 Turkey invaded an independent and sovereign state and has continued to occupy it and to increase its *de facto* population by illegal immigration. The solution of the problem is not, or should not be, a matter of negotiations between the victim and the guilty invader (much less with the Turkish Cypriot leader who is nothing but the invader's puppet) aimed at a mutually acceptable, and so a compromise solution; it should be a matter of the international community matching its commitment to international law with a sufficiently strong will to secure its compliance, if necessary by strong sanctions or even force against Turkey. For the Greek Cypriots a just solution of the Cyprus problem, a *really* just solution, would be one which cancelled *all* the effects of a supremely illegal act, the Turkish invasion and occupation, which restores Cyprus to the *status quo ante*. Most Greek Cypriots reasoned in some such way as the following:

- (1) The Turkish invasion brought 35-40,000 Turkish troops to the island. So *all* these troops should leave Cyprus as soon as possible.
- (2) Following the invasion, Turkey sent many thousands of illegal settlers to Turkish-occupied North Cyprus, who by the beginning of 2008 formed the bulk of the population in 'the occupied areas' (settlers together with their offspring are estimated to be about 200,000 people). So all settlers and their offspring (with the possible exception of those who have married Turkish Cypriots) should be sent back to Turkey.
- (3) All Greek Cypriots who lived in the north until 1974 and were forced to flee in the wake of the Turkish military operations should be able (together with their offspring) to return to their former homes in the North and take possession of their properties under conditions of safety.
- (4) The Turkish occupation of the North breached the human rights of Greek Cypriots (and, it was sometimes added, Turkish Cypriots). All Cypriots, whatever their ethnic character and heritage, should be able to enjoy the whole range of the universally acknowledged human

rights and fundamental freedoms, including the three freedoms of movement, settlement and property ownership over the whole island. (Greek Cypriots have long been convinced that the three freedoms are firmly and unqualifiedly entrenched in the Treaty of Rome and the European *acquis communautaire*, and they get annoyed when anyone suggests to them that the EU does accept derogations from the *acquis*.)

- (5) Turkey invoked the Treaty of Guarantee to invade and bring disaster to Cyprus. In future Cyprus must have credible international guarantees for its security, independence and sovereignty against external aggression, and such guarantees should prohibit any unilateral right of intervention by any particular country, especially Turkey.
- (6) The division of the island should be ended, and the Republic of Cyprus should be reunited, and its independence should be restored, under a new democratic constitution embracing both Greek and Turkish Cypriots. (A bizonal bicomunal federation is not part of the Greek Cypriot conception of what a truly just settlement would be like.)

All these wrongs can be righted, all the injustices can be removed and a lawful and fair state of affairs can be restored in Cyprus, if only the Turkish side could agree, or could be made to agree, to remove all its troops and illegal immigrants from the Northern part of Cyprus and so relinquish its control over what is now occupied territory. What Greek Cypriots want is for the Turkish side to give back what it took illegally in 1974. This *is* the Greek Cypriot point of view. However, Turkish Cypriots consider that the presence of the Turkish troops controlling and defending a compact Turkish Cypriot community whose number have been beefed up by continuous immigration from Turkey, all living in a continuous and unbroken stretch of land constitutes their main assets, as they guarantee their physical security and give them a strong position from which to negotiate the terms of a peaceful settlement to the Cyprus problem. The Greek Cypriots may want to nullify the results of the military operations of 1974, but if that happened, where would that leave the Turkish Cypriots? To put the matter another way: If the conditions which reflect the Greek Cypriot conception of a *just* settlement were to be realized, would the result not be the creation of a state of affairs which resembled the situation in the island as it existed in 1964-74, when the Greek Cypriots controlled all the offices in the Republic of Cyprus while the Turkish Cypriots lived under Greek Cypriot rule or cramped in a large number of enclaves under conditions of unfreedom and material privation? Is *that* what Greek Cypriots call a just settlement?

To this question Greek Cypriot would not want to give an affirmative reply. Most Greek Cypriots understand that a government formed by a president elected solely by the Greek Cypriots and a Council of Ministers chosen among the Greek Cypriot citizenry, a House of Representatives made up of Greek Cypriots elected by Greek Cypriots, and generally a system of state institutions staffed by Greek Cypriots and serving mostly Greek Cypriots has no constitutional or moral authority over the Turkish Cypriot community. Greek Cypriot politicians have never ever conceded that the constitutional system under which they have operated since December 1963 (the independence constitution of 1960 suitably amended following the ‘departure’ of the Turkish Cypriots from the organs of the Republic) is *insufficiently* democratic or legitimate in consequence of the absence of Turkish Cypriot officials. However, most of them realize, or half-realize, that any future settlement which has the support of both communities will have to include a constitutional order which provides for a more than proportionate participation of Turkish Cypriot officials, and indeed, Turkish Cypriot officials endowed with veto powers and other special privileges. This envisioned state of affairs deviates from what most Greek Cypriots consider to be a just settlement. To put the point another way, although Greek Cypriots generally see the exclusive control of the institutions of the Republic of Cyprus as posing no special problem for the legitimacy of the Republic, or indeed for the Republic’s claim to be the only legitimate state on the island and to have *de jure* authority over the whole island (minus the British Sovereign bases), nevertheless they realize and accept that they can plausibly demand the restoration of Cyprus’s independence and unity, and the Greek Cypriot people’s rights on the island only if they are willing to concede that Greek Cypriot officials should share power and responsibility in all the institutions of a re-united Republic with Turkish Cypriots officials on some basis that reflects that the Turkish Cypriot community is not a mere minority in the Republic. Greek Cypriots acknowledge with various degrees of reluctance that the most important political asset in their possession – the internationally recognized Republic – and also their most important material asset – a strong economy providing Greek Cypriots with high living standards – both have to be shared on the basis of principles that need to be agreed upon with the Turkish side in the very negotiations in which the restoration of the unity of the island and the rights of their community are to be decided.

Indeed, the basis of the negotiations already contain a big concession by the Greek Cypriots. Back in February 1977 the then President of the Cyprus Republic Archbishop Makarios, in his first post-partition meeting with the Turkish Cypriot leader, Rauf Denktash, bowed to the

inevitability of accepting that Cyprus should become a bizonal (termed 'bicomunal' at the time) federation, one part of which would be administered by the Greek Cypriot community and the other by the Turkish Cypriot community. This point was later confirmed by his successors in the presidency of the Republic Spyros Kyprianou (1977-88), George Vassiliou (1988-93), Glafkos Clerides (1993-2003), and most recently Tassos Papadopoulos (2003-). Further, all UN proposals for a peaceful settlement of the Cyprus problem adopted the principle that in the federal republic of the future, the two communities would be *politically equal*, and various mechanisms were suggested to make it impossible for one community to impose its will on the other. However, most Greek Cypriot politicians and ordinary citizens still seem to feel that in a really *just* settlement, the Turkish Cypriot community which in 1974 amounted to 18% of the settled, legal population of the island as opposed to 80% of the Greek Cypriot population, ought not have such constitutional powers as to be able, if it so chooses, to frustrate the will of the Greek Cypriot majority on matters that concern the security of the country, economic development, fiscal policy, and foreign and European policy, especially now that Cyprus was a member of the EU.

As I have just suggested, the Greek Cypriot community has two main assets which Turkish Cypriots covet and want a share of, namely (a) an internationally recognized state, a Republic possessed of international legitimacy and a voice in many international bodies of which it is a member such as the UN and the European Union, and (b) a strong economy supporting high living standards for most people. These are the very the things which the Turkish Cypriot community lacks, needs and wishes to obtain.

It might be that the Turkish Cypriot community would *ideally* want to get international recognition for its own state, the self-declared Turkish Republic of Northern Cyprus, reasoning that once this happened it would end the isolation of the Turkish Cypriot people from the rest of the world, get a good share of the tourist trade enjoyed by the Greek Cypriot community and in due course obtain foreign earnings which could provide them with the basis for a strong economy. However, the UN, the EU and many individual countries have made it clear to the Turkish Cypriots that they will never get *de jure* recognition for the TRNC. So an internationally recognized status could be achieved by the Turkish Cypriot community only through their amalgamation with the Greek Cypriot community in an internationally recognized federation. Rauf Denktash, the one and only paramount leader the Turkish Cypriot community had from

1973 until May 2005, articulated the common Turkish Cypriot/Turkish line by arguing that as there existed in Cyprus two separate, independent and democratic states, the Greek Cypriot state recognized by the international community except Turkey and the TRNC recognized by Turkey, the principal matters requiring negotiation were (a) mutual recognition of these states on the basis of absolute equality, and then (b) the delineation of the border between the two states (which would result in an unspecified amount of territory being handed by the TRNC over to the Greek Cypriot state), and (c) the formation of the loose link between them which could handle, again under conditions of equality, a limited set of matters of joint concern, including foreign relations. The common Turkish Cypriot/Turkish position was predicated on the wish to preserve the advantages created for Turkish Cypriots as a result of the Turkish invasion, including safeguarding their security, the preponderance of the 'Turkishness' of the North by denying Greek Cypriots the use of the homes and properties they may have lost in 1974, as well as the general right to own property and establish residence in the North.

Given the distance between the two sides and the absence of any coercive force on any of the sides, it has long appeared difficult to see *how* the gap could be bridged in any uncoerced negotiations. Kurt Waldheim, Javier Perez de Cuellar, Boutros Boutros-Ghali and more recently Kofi Annan tried to encourage the two sides to yield more to each other, and the thaw in relations between Greece and Turkey since the late 1990s encouraged international statesmen to pay visits to Athens and Ankara to persuade them to prevail upon 'their' respective kith and kin in Cyprus to try to respond more positively and generously to the other side.

Greek Cypriot politicians themselves, and more widely politically influential opinion leaders and ordinary citizens, were from time to time divided in their views of how far to deviate or back down from the principles which they all agreed constituted the *really* just solution to the Cyprus problem for the sake of a negotiated settlement. A number of Greek Cypriot politicians realized that they could not ever get 100 per cent of what they wanted for their constituency, but they insisted that they were unwilling to abandon too many of their rights and interests a settlement involving sharing power in the internationally recognized republic. If they were to agree to a package for a bizonal bicomunal federation (already an unfair concession extracted from Makarios in 1977), they had to have (to put the point very roughly) 90 per cent or 80 per cent of the elements listed above which constitute a just settlement. A sell-out would simply be humiliating and unacceptable. They thought that it would be much better to use the advantage

provided by their possession of an internationally recognized state to fight in the international arena for the realization of their rights, than settle for the paltry benefits offered by the Turkish side in exchange of settlement involving the sharing of the internationally recognized state and a strong economy.

This '90 percenter' group of Greek Cypriot politicians (as we may call them, without taking the term too seriously) were considered to be unrealistic by another group of Greek Cypriot politicians, in as much as the former (including the DEKO party first under Spyros Kyprianou and later Tassos Papadopoulos, the social democratic EDEK party led first by Vassos Lyssarides and currently Yiannakis Omirou, EVROKO and a number of other political groups) insisted on objectives which the Greek Cypriot community and state lacked the diplomatic and political resources to achieve. The second group argued that if the Cyprus problem remained unsolved long enough, the *de facto* division of the island will be cemented and accepted by the world, beginning with a number of Islamic states. Once the TRNC began to receive recognition from foreign countries, Turkish/Turkish Cypriot side would have even less incentive to make any concessions on territory, let alone on the rights and freedoms of Greek Cypriots who lost their homes and properties in the North. In the light of this analysis, the second group argued that the Greek Cypriot side should be willing to settle, reluctantly to be sure, for a bizonal federal settlement that gave their community 70 or 60 per cent of the elements of a really just solution (for example, maybe small contingents of Turkish and Greek troops could remain on the island, and perhaps not all Greek Cypriot refugees would be able to return to their former homes and properties in what would remain a Turkish-dominated federated state. This second group of politicians, the '70 percenters' as may be called – including the right wing Democratic Rally led first by Glafkos Clerides and currently by Nicos Anastasiades, the left-wing AKEL (at least until 2004), and the United Democrats – thought of themselves as moderates or realists, and considered the 90 percenters to be maximalists or anti-realistic. The 90 percenters often accused 70 percenters as being unpatriotic and defeatists, while the latter retorted that the former group had their heads in the clouds.

However, as long as the Turkish Cypriots under Rauf Denktash were unwilling to trade the sharing of power with the Greek Cypriots in a federal republic with substantial concessions to the latter on the issues of territorial adjustments, the restoration of lost properties and the right to residence that were enough to satisfy even the realist or moderate or '70 percenter' group, this

group and the maximalist or '90 percenter' group made common cause in blaming Rauf Denkash and his Turkish masters of intransigence. However, when proposals or informal ideas were presented to the two communities for a compromise settlement by UN Secretaries General – as happened with Kurt Waldheim in 1981, Javier Perez de Cuellar in 1984-86 and Boutros Ghali in 1992 – unpleasant disagreements broke out in the Greek Cypriot community between maximalist politicians and the moderates.

In the 30 years between the Turkish invasion and partition of the island and the referendums of 24 April 2004 all Greek Cypriot presidents, helped by Greece, negotiated with the Turkish Cypriot leader Rauf Denkash and indirectly the Turkish government under the auspices of the United Nations. All series of negotiations failed to produce an agreed compromise settlement giving the advantages of power-sharing in an internationally recognized state for the Turkish Cypriots and the advantages of the restoration of a sufficient proportion of Greek Cypriot rights and interests.

Looking at the negotiations for a Cyprus settlement which were held at various periods between 1975 and 2004, we can discern a certain structure, which itself reflected a number of underlying assumptions. These assumptions include the following:

1. Each of the two negotiating sides aims to obtain for itself through an agreed settlement what it perceives to be its rights and legitimate interests. In 1974 the Greek side lost to the Turks a considerable range of 'goods' (lands, homes and other properties, rights, absence of massive Turkish military control etc) and want these goods to be restored to them. The Turkish side does not appear to feel bad about using the lands and properties in the North or enjoying the safety provided by Turkish troops – they are one of the two communities in Cyprus and consider all these 'goods' as their rightful economic and security 'assets' – and their major goal is to obtain a share in the internationally recognized government as an equal community so they can obtain for themselves international legitimacy and opportunities to advance their economy through foreign investment, foreign trade, tourism and so on. Greek Cypriots regard themselves as the community that forms the four-fifths of the legal population of Cyprus, and as such they consider their legitimate government and state, as well as their sophisticated economy for which they had to work so hard to recreate after 1974, to be their

rightful ‘assets’; so they resent the fact that the Turkish Cypriots and their friends dispute what is rightfully theirs.

2. Given the beliefs and historical understanding that forms the context in which each community operates, none of them is seriously concerned to ensure a state of affairs which may be regarded by each of the two sides as good and fair *for both of them*. Each side pursues its advantage, knowing that the other side is going to pursue its own advantage. In each community leading politicians express resentment when some of their own people suggest that the other community has experienced undeserved suffering and that some of its claims are fair and just.
3. Each side believes that their vital and rightful interests require that some at least of the economic, political and security assets which are *de facto* under its exclusive control which the other side wants *should remain under its control*. Consequently, some of the aspects of the *de facto* should be maintained through the projected federation. For example, many Greek Cypriots do not want to see the dissolution of the Republic of Cyprus and its replacement by a brand new state, and many Turkish Cypriots do not want to see the North ever to lose its preponderant Turkish population and culture.

In light of the preceding assumptions it can be said that in the negotiations what one side tries to acquire is what the other side considers to be its existing assets, and *vice versa*. So the achievement of one side’s targets is regarded as the loss of the other side’s assets. This view suggests that any negotiations between the two sides has, roughly speaking, the structure of a zero-sum game.

The last point may be made a little more accurate by comparing two kinds of negotiations by a man and a woman who wish to marry aiming to frame a pre-nuptial agreement which will indicate their respective financial and practical contributions to the relationship, the household they will set up and the upbringing and care of any children they may produce. The first case is that of a man and a woman who love each other, and would like have a loving and tender relationship characterized by commitment to and support for each other and any children they may have, and equal division of the benefits and the responsibilities of the union. The idea, here, is that both partners believe that the more they give to their relationship, the better their union

will be, and the more they could get out of it in terms of their happiness and welfare. The second case is that of a man and a woman who were once married, the marriage failed and they divorced in acrimony and recriminations; however, as they have great difficulties in living apart (for example, she took sole possession of the house and custody of the children, but he got control of their joint business and pushed her out), they decide to explore the possibility of getting married again, even though they do not love each other. So they work on a detailed pre-nuptial agreement under which each partner will get for themselves as much as possible of the joint assets of the family, leaving to joint control as little as it is necessary for them to become a family again.

It is clear that the negotiations between the Greek and Turkish Cypriots leaders for a Cyprus settlement are, in spirit and intention, more like the second kind of pre-nuptial agreement than the first kind. There are quite a number of Greek Cypriots and Turkish Cypriots who have good and loving friends in the other community; but these are a minority in both communities and their attitudes and sentiments do not affect the way their leaders conduct the negotiations.

Section II: The double optimum model for the achievement of a negotiated outcome

I now propose to present a model for the kind negotiating process used by Greek and Turkish Cypriot leaders to reach a political settlement in Cyprus. The model which is framed in light of careful, but otherwise quite commonsensical reflection on activities of bilateral negotiations or bargaining in which each of the two parties aims to obtain something which it lacks, wants and values from the other party which possesses it, in exchange of something it already has and the other party wants. The main characteristics of this familiar kind of process can be found in many different situations, such as two stamp collectors agreeing to exchange stamps from their respective collections, or the owner of an old cottage on a large parcel of land and a building developer making a contract according to which the former hands over his property to the latter who wants to demolish the cottage and build an apartment building on it and in return when the building is completed the latter passes on to the former the ownership of a number of apartments. I call my model for the negotiating process (for reasons that will become clear in due course) *the double optimum model for the achievement of a negotiated outcome*.

I should say immediately that any attempt to produce a formal model to cover a complex and varied set of social activities is bound to result in a considerable degree of 'idealisation'. Only

the most general features of the activity are highlighted in abstraction from the circumstances in which the negotiations take place, the personalities and motives of the negotiators, the importance which the outcome holds for one or other of the negotiators and other specifics. This need not be a weakness of my model, since its purpose is to bring to clear focus the character of the fundamental features of the negotiating activity and their basic interconnections; in other words, the structure of the activity.

Let us begin, then. Imagine that two persons whom I shall call Primus and Secundus are engaged in negotiations. (What I say about persons applies *mutatis mutandis* to corporate entities such as governments, firms, nations which are represented in negotiations by duly designated representatives.) Primus has in his possession or under his control a certain set of things of value which I will call his 'assets' (this could include money and material objects or the capacity to provide services and other benefits), and these things may be symbolized as the set {A, B, C, D}. Similarly, another person called Secundus has in his possession a different set of valuable things or assets which may be represented by {W, X, Y, Z}. Primus and Secundus enter into negotiations as each of them (i) wants one or more of the other's assets, and (ii) is willing to give one or more of his own assets to the other in exchange for what he wants to get from him. For example, it maybe that

- Primus wants from Secundus certain assets in the latter's possession, specifically W, Y and Z. In this case, W, Y and Z may be called 'the elements wanted by Primus')
- Secundus wants from Primus certain other objects which are Primus's assets, namely, A, B and C.

Here we can say that the sum of assets in possession of one or other of the negotiating sides actually wanted by the other party, i.e. the composite set {W, Y, Z, A, B and C} constitute 'the scope of the negotiation'. Each of the six elements is the subject of demands by one or other of the negotiators, which the possessor of the element might decide to exchange for something he wants, or else keep it in his possession.

In typical cases, Primus would ideally like to obtain elements W, Y and Z without having to offer anything in exchange any of his own assets, without having to pay any price, without having to incur any costs; but he knows that in the absence of coercion he will not succeed in

persuading Secundus to part with any of his assets, unless he himself gives Secundus some of his own assets which Secundus wants. What Primus has to give Secundus to persuade him to hand over one or more of W, Y or Z may be called for convenience ‘the price offered’.

Clearly, it is not to be assumed that any of the two negotiators is willing to part with *each and every one* of his assets in order to obtain one or more assets from the other side. If Primus considers A to be simply too important for him to concede or hand it over as a price for what he wants (e.g. if he perceives it as constituting his vital interest), he will declare it as unconcedable or non-negotiable. Again Primus may be reluctant to part with B, but he may be willing to give it up, if the other side gives him what he wants badly. (Thus a stamp collector may treasure one of his stamps, but he may reluctantly agree to hand it over to another collector in exchange of another stamp which is equally or more valuable for him as he needs it to complete a ‘set’ in his collection.) Similarly Secundus might say take the view that he may consider trading Y and Z for what he wants to obtain from Primus, but there is no way he is going to negotiate away his vital asset W. Thus the assets one has, as indeed the elements one wants to obtain from another, are normally ordered in terms of importance for one’s welfare, security, sense of dignity and self-respect, interests, future plans, or just sentimental attachment and so on. It would be wrong to suppose that the degree of value a person attaches to one of his assets can always be given a rational justification. A man may be unwilling to part with a piece of family heirloom or the photograph of his parents for any amount of money.

Let us consider that the negotiations between Primus and Secundus proceed for some time, during the course of which Primus refuses to give up his asset A and Secundus refuses to give up his own asset W. In the circumstances, elements A and W are not going to form part of any negotiated outcome. However, each of the negotiators is willing to give up some of his assets; so through a series of moves and counter-moves a particular package deal emerges on the negotiating horizon. The package, which I will symbolize by the letter ‘P’ has the following elements:

Package deal P:

Primus offers Secundus assets B and C and asks in exchange for Y and Z
Secundus offers Primus assets Y and Z and asks in exchange for B and C

Once P is formulated and put on the table, it will have to be assessed by Primus and Secundus *separately*. Each of them will ask himself (and perhaps his advisers, those he represents and so on) if his interests, wants, desires, plans etc make it ‘a good deal’, which it is worth his while to accept. Specifically,

- Primus has to consider whether he is in some sense *better off* accepting or agreeing to P – which means he will have the changed set {A, D, Y Z} – than remaining in the default situation in which he is in possession of his original assets {A, B, C, D}.
- Secundus for his part has to consider whether he is in some sense *better off* accepting or agreeing to P – which leaves him with assets {W, X, B C} – than staying put in the default situation in which he keeps his original assets {W, X, Y, Z}.

The process by which a negotiator assesses P by comparing it to the default situation is not something that can be formalized easily. The notion of ‘being better off’ does not lend itself to analysis in general terms. As I have suggested, a particular case may have its own peculiarities and a half-hidden background of the negotiator’s wishes, attachments, vulnerabilities, eccentricities and other individual characteristics. For example, a person may have got too attached to the old, smelly, cold cottage in the suburbs in which he was born and lived all his life, and refuses to hand it over to a property developer in exchange of a couple of large apartments with many modern conveniences and luxuries in the city center. People sometimes talk about ‘the devil they know’ and ‘the fear of the unknown’. Some people love innovations and new challenges, and others prefer to continue in the good old ways. Even a rational comparison between the default position and the envisioned negotiating package is not a pure and simple case of exercising cold reason and suppressing sentiment and desire.

However, if each of Primus and Secundus decide *individually* that they are in some sense they are better off under P than under their respective default situations, then the rational move for them to make is to endorse P and conclude the agreement, even though it (naturally) does not give them everything they would have ‘ideally’ wanted. The main idea, here, is that for the package deal to be agreed upon, each of the negotiators must judge that *he himself* obtains from it the best part of what he wants for the lowest, or at least an affordable, price or cost. His own comparison between assets obtained and assets handed over shows him that he hit a kind of

optimum. In fact if there is an agreement on package P, it is because the package in question represent for each of Primus and Secundus his own individual optimum. Thus the simple model I have sketched for the achievement of a negotiated outcome may be called *the double optimum model of a negotiated outcome*.

This model can be amended to take into account a small variation to the case considered. Let us suppose that while Primus considers the ‘give’ and ‘take’ aspects of package P, he learns that Secundus is under pressure to give up W (e.g. hand over his cottage to the bank to cover a relatively small loan), on top of Y and Z, and that the pressure is likely to increase to an unbearable degree before long. In the light of this information Primus may decide to call the deal off, and hold out until Secundus’s negotiating stance gets weaker. If that happens, then new negotiations may start which could lead in time to a new package deal Q which is as follows:

Package deal Q:

Primus offers Secundus assets B and C and asks in exchange W, as well as Y and Z

Secundus offers Primus assets W, as well as Y and Z and asks in exchange B, C

Conversely, Secundus may obtain the information that his asset Y will gain in value within a year, and so he calls off package deal P. His intention is to start a new round of negotiations with Primus when he (Secundus) feels the value of his assets have gone up and so he can demand from Primus more elements in exchange for W, Y and Z.

Thus when a new deal Q is considered by the two negotiators, each of them will build into his calculations *a time factor*, and more specifically an (inevitably speculative and risky) view of how much the relative values of the assets wanted and the price paid in return will vary. When the time factor is taken into account, the double optimum model for the achievement of a negotiated outcome (including a settlement to a political problem) takes the form of a judgment on the part of each negotiator that a particular package deal that emerges from the bargain offers the best part of the assets wanted for the lowest price *in the foreseeable future*. It is plain that for the package deal to be clinched, both negotiators must individually reach the view *at the same time* that the package leaves the better off by comparison to the default situation.

Section III: Application of the double optimum model to the reasoning of the two sides in assessing the Annan Plan on the eve of the 24 April 2004 referendums

Over a period of nearly a quarter of a century, successive UN Secretaries General tried to persuade the two communities to reach a compromise settlement on Cyprus by presenting ideas or draft plans themselves which embodied various suggestions for a compromise. Kurt Waldheim presented his 'Evaluation' paper in 1981, Javier Perez de Cuellar presented a set of 'Indicators' in 1983 which he followed up with three draft agreements (1985-86), Boutros Boutros-Ghali formulated a 'Set of Ideas' in 1992, and Kofi Annan and his team framed five successive versions of a Plan between November 2002 and March 2004. Throughout this period, the Turkish Cypriot negotiator was Rauf Denktaş who was generally regarded – certainly by Greek Cypriots and also many foreign diplomats – as 'intransigent' in his attitudes towards the negotiations. He appeared to have his own personal agenda which included securing for the Turkish Cypriots the status of a sovereign people with their own democratic state, and insisting that the Greek Cypriots should have the same kind of status themselves. The idea was that once the two communities were declared to possess sovereignty, they could then negotiate the details for setting up a joint umbrella organisation, a loose confederal link or something of the kind, to handle foreign relations, currency and a few other matters. In exchange for formalizing the separateness of the Turkish Cypriot state, he was willing to agree to the return of the modern city of Varosha (or part of it) and some more territory which had come since 1974 under the control of the Turkish army. He never appeared to be willing to discuss with sympathy and understanding the claims of Greek Cypriot refugees to return to their former homes and properties, or to agree to the departure of mainland Turkish immigrants, or the departure of the Turkish troops in their entirety. Despite his unwillingness to agree to the creating a unified federal state in Cyprus, a *conventional* federation in which there would be freedom of movement, settlement and property ownership for all Cypriots throughout the island, he did appear willing to sign two of the three draft agreements prepared by Perez de Cuellar (there is some evidence that the Turkish government had put pressure on him to do so). Why were the opportunities for a settlement missed?

The key was that the Greek Cypriot negotiator at the time was President Spyros Kyprianou, who belonged to the school of maximalist '90 percenter' politicians. Kyprianou, perhaps naturally but

unrealistically, wanted to secure the right of return of all Greek Cypriot refugees under conditions of safety, which certainly meant the departure of all Turkish troops. At that time Kyprianou was strongly criticized by a number of moderate and realist politicians like the '70 percenter' Glafkos Clerides and his party Democratic Rally (or DESY), senior political figures in left-wing AKEL, former Foreign Minister Nicos Rolandis and others. Kyprianou, however, received support from Lyssarides of social democratic EDEK and Tassos Papadopoulos who at the time had a miniscule party and poor personal relations with Kyprianou. Maybe Denktash knew that as long as the Greek Cypriot side was represented by '90 percenter' politicians, he could afford to appear willing to reach a compromise settlement, since what the UN considered to be a fair and honorable compromise would be rejected by the latter as giving back to the Greek community too little of what they had lost in 1974, and asking them to accept the Turkish Cypriot community is equal partners in a federation.

In 1988 Kyprianou lost the presidential election to a businessman without political experience, George Vassiliou, who had to learn fast what's what. He was not by temperament soft or timid in defending the rights of Greek Cypriot refugees, but he had no illusions about winning back all that had been lost to Greek Cypriots in 1974. Already much time had been wasted in rhetorical exchanges between the two sides, and the only chance for securing the departure of the Turkish troops from Cyprus was a comprehensive UN-sponsored settlement, and the UN could only support a compromise which would leave the Turkish Cypriot community in a position of control of their own territory in the North. In January 1989 Vassiliou succeeded in getting all Greek Cypriot political parties to work together and produce a joint statement of the Greek Cypriot position on the main aspects of a Cyprus settlement. This was no mean achievement, given the differences between the '90 percenters' and the '70 percenters' in the community. For example, the paper accepted that the Turkish Cypriot canton or state in the future federation will have a 'substantial Turkish Cypriot majority', but (not unnaturally) it remained silent on whether the Greek Cypriot side was willing to accept any limitations or 'ceilings' on the number of Greek Cypriot refugees who could be allowed to return to their former homes and properties. Vassiliou wanted to give out the message that the Greek Cypriot side was open for meaningful and sincere negotiations, but he did not want it to start reducing his demands in the absence of reciprocal concessions by the other side. Vassiliou's eventual reward was the production by Boutros Ghali of the 'Set of Ideas' which covered in broad terms all the main aspects of a possible settlement and – most importantly – included a map indicating the territorial adjustments in favour of the

Greek Cypriot community which including the whole of Varosha and Morphou. Vassiliou accepted the 'Set of Ideas', "subject to any improvements that may be made for the benefit of the Greek and Turkish Cypriot communities". However, the appearance of the 'Set of Ideas' happened towards the end of Vassiliou's term of office, and when a new presidential election took place in February 1993, Vassiliou lost to Glafkos Clerides who had hastily stitched together an alliance with former president Spyros Kyprianou. Clerides won the election by a whisker, he cast off the 'Set of Ideas', and promised to negotiate a better settlement with Denktash, which would be based on the High Level Agreements and draw on some of the suggestions in the 'Set of Ideas'.

Clerides was a realist, an able and experienced negotiator, and he had known Denktash for many years. Yet Clerides could not do much, since he was reluctant to lose the maximalist Kyprianou's support by making concessions to Denktash at the time when the latter was not willing to give up any of his assets unless he *first* secured sovereign status, or alternatively the right of self-determination for the Turkish Cypriot people. Clerides was not going to give up the sovereign character of the Republic of Cyprus, the main asset his side possessed, in exchange of nothing beyond an assurance that the Turkish side could hand over to the Greek side some unspecified benefits.

One important development that took place in 1990 was the submission of an application by the Republic of Cyprus to the European Union for full membership. The application was made by Vassiliou, but the Clerides government put a lot of pep and energy into the effort. Greek Cypriot politicians and diplomats invented the slogan 'The start of accession negotiations between Cyprus and EU will be a catalyst for a Cyprus settlement'. Within a few years, a number of prominent European statesmen and EU officials appeared to buy into this idea. They appeared to reason that since the two sides to the Cyprus problem are not willing to satisfy each other's demands – Denktash would not give the Greek Cypriot side unhindered freedom of movement, settlement and ownership, or the departure of all mainland Turkish troops and immigrants, Clerides would not agree to a confederation between two sovereign states – maybe the EU could give the Greek Cypriots the accession which they wanted passionately, and in return the Greek Cypriot could accept a settlement which would satisfy only 70 or 60 per cent of what they would ideally like. This crude idea was never expressed in so many words, but Sir David (later Lord) Hannay, Britain's Special Representative on Cyprus, made it clear in many speeches and

interviews that the Security Council and the EU were both hoping that Cyprus-EU accession negotiations could be held in parallel with intercommunal talks for a Cyprus settlement, and at some point the two processes would meet and become intertwined. This view was accepted at some point by US diplomats who wanted to see the solution to the Cyprus problem, the improvement Greek-Turkish relations, and the opening up of Turkey's own prospects of joining the EU. Thus Cyprus-EU talks began in 1998, soon after Clerides won his second term of office. Indeed, it is not a coincidence that some time after it became clear that Cyprus had all qualification for entering the EU and in due course it would become a full member, Denktash himself proposed to Clerides to start negotiations for a Cyprus settlement, under UN auspices, with a view to finding a settlement for Cyprus. Clerides indicated on many occasions that while he believed all refugees should have the formal rights to return to their former homes and properties in the North, he personally did not expect all refugees to want to return to their former homes. He also said that he did not believe the central government in the federation should be strong (a proposition held dear by the '90 percenters'), but on the contrary it should be weak and only capable of dealing with a limited range of subjects so as to reduce areas of disagreement between the two communities. This was interpreted as a concession to the Turkish point of view which preferred a confederation to a proper federal structure for Cyprus.

As the Cyprus-EU negotiations were reaching a successful conclusion, the UN Secretary General thought there was enough progress in the proximity talks between Clerides and Denktash to justify the framing of what came to be known as the Annan Plan. The first version was presented in November 2002, soon after the new Turkish government of the Justice and Development Party (AKP) came to power, and a second version followed soon afterwards. Denktash did not like the Plan one bit, and not unnaturally neither did many Greek Cypriots. However, most Greek Cypriot politicians took the line that the Plan could not be dismissed or rejected outright – that would put them in a bad light with international and European statesmen since it would contradict the assurances that Clerides gave the EU that he was going to be reasonable and moderate, if Cyprus was invited to join the EU. So the Greek Cypriot reaction to the Annan Plan was that it was a basis for further negotiations. However, Clerides's term of office was coming to an end. In the presidential elections of February 2003, Clerides stood again promising that if elected he would stay in power for just 16 months to oversee the improvement and final endorsement of the Annan Plan. However, the election was won by Tassos Papadopoulos with the support of moderate AKEL and a number of parties and groups of the '90 percenter' school

of thought. Papadopoulos had a reputation of a clever, but intransigent and maximalist politician who declared that the Annan Plan could not be accepted as it stood, and in any case he had the will and the ability to negotiate a better deal within the parameters of the Plan.

In fact no negotiations took place in the first year of Papadopoulos's term of office. However, in December 2003 the Turkish Cypriot parliamentary elections produced a new government in the TRNC which was headed by the leader of the Republican Turkish Party Mehmet Ali Talat and in which the Democratic Party, led by Denktash's son Serdar, participated as coalition partner. Papadopoulos asked Kofi Annan to make one last effort to solve the Cyprus problem before Cyprus's accession to the EU, fixed for 1 May 2004.

Papadopoulos believed and hoped that any moves to resume negotiations for a Cyprus settlement would be sabotaged by Denktash with the support of the Turkish government, and this would draw international opprobrium on the Turkish side. This high-risk tactic did not work the way it as anticipated, as the Turkish side agreed to the resumption of talks, and Kofi Annan induced the two sides to accept his arbitration for any points on which agreement proved impossible. Since little, if any real negotiations took place, Kofi Annan felt justified to act as arbiter and write into the new version of his Plan his own provisions. The fifth and final version of the Plan was unveiled on 31 March 2004, one month before Cyprus's EU accession. Within a short time the two Cypriot communities would have to familiarize themselves with the main provisions of the Plan and organize parallel referendums in which each community would endorse or reject the Plan.

President Papadopoulos, his government, his political allies and much of the political establishment, as well as most ordinary Greek Cypriot citizens, judged that the Annan V gave them too little of what was their due and they wanted *back* from the Turkish side. For example, the refugees could only have back one-third of what they still considered to be their homes and properties and receive various forms of compensation for the rest. The Turkish troops would leave in stages over several years; and even at the end of this period a symbolic force of soldiers from Turkey and Greece would stay indefinitely. So, of all the things they had lost in 1974 as a result of the 'Turkish invasion', they would only get only a part back. And they would have to pay an intolerable price for that: the Republic of Cyprus ('their' republic) with a considerable history of involvement in world affairs, membership in international organizations and relations

with many foreign states, would disappear and be replaced by the 'United Cyprus Republic', a new creature in which the two communities would be co-founders. Papadopoulos believed that if things in the new state went wrong some time in future and the Turkish Cypriot community withdrew its co-operation, the United Cyprus Republic would collapse and the Greek Cypriots would find themselves without a recognized state. In fact Papadopoulos was probably the first Cypriot politician who attached supreme importance to the *continued existence* of the Republic of Cyprus. For him the maintenance of the Republic was an asset which he would not trade for anything the other side might be willing to offer.

Following the presentation of the Annan Plan, a noisy and ill-tempered discussion broke out among Greek Cypriots. Papadopoulos made a dramatic address to the Greek Cypriot people on 7 April 2004 in which he produced a biased analysis of the pros and cons of accepting the Plan, many points of which were amplified and propagated by his spokesmen, allies and supporters.

The main idea was that the Greek Cypriot side was asked to give everything immediately, whereas the other side would deliver its goods over a period of months and years. For example, if the Plan was endorsed in the double referendums, the Republic of Cyprus would immediately cease to exist, the Greek Cypriot leader and the Turkish Cypriot leader would automatically become co-Presidents of the new common state of the United Republic of Cyprus until new elections were held for the federal government and parliament. However, the Greek Cypriots were not meant to get any benefits back for some months, the properties issue would probably remain unsolved for an indefinite period of time, and the Turkish Army would not leave for another 14-18 years, and even then not completely. And what would happen if at some point the Turkish Army refused to leave? What if the Turkish Cypriots and Turks inhabiting properties in areas meant to be returned to Greek Cypriots simply decided to stay put. What if the Turkish authorities went back on their word and refused to repatriate the mainland Turkish settlers. How could the Greek Cypriot leaders protest to the United Nations or any other suitable international bodies, if Turkish Cypriot officials used their new constitutional privileges to block any such action? For Greek Cypriots to be asked to share control of the new state with Turkish Cypriots might have been a painful necessity in the best of times; but to accept an arrangement whereby the two Turkish members of the Presidential Council could veto the decisions of the four Greek Cypriot members at the time when there were Turkish troops and settlers in Cyprus constituted a grave danger for Greek Cypriot security and other vital interests.

Further, both President Papadopoulos and his allies made much of the economic aspects of the Annan V package, indicating that the economic burden of the compensation for the properties which would *not* be returned to their original owners, and for the development of the Turkish Cypriot economy and society would be shouldered mainly by the more prosperous Greek Cypriot community. (Some people, including the Bishop of Paphos, went further and argued that a revitalized tourist sector in the North would harm tourists and hotel interests in the South.) Thus power-sharing on the basis of political equality was too high a price for Greek Cypriots to pay (especially by comparison to the very partial satisfaction of their demands on the Turkish side). During the referendum campaign much was made by opponents of the Plan of the economic harm which reunification under the terms of the Plan would bring to the Greek community. Thus the majority of Greek Cypriots thought that the implementation of the Annan Plan – and more especially any partial implementation – would leave them much worse off than the default situation.

The formal accession of the Republic of Cyprus in the European Union which was due to occur a few days after the referendum, on 1 May 2004, was thought by Greek Cypriots to launch them into a new era of enhanced security and diplomatic influence which they could exploit to their own advantage at the time when Turkey was asking to start accession negotiations with the EU. In fact many of President Papadopoulos's allies were arguing in public that Turkey would not be allowed to get a date for the start of accession talks with the EU, unless it committed itself *to the EU* to carrying out a series of actions which would herald the start of a civilized relation with the Republic of Cyprus. Most Greek Cypriots thought that by holding out against the pressures of the 'Anglo-Americans' to accept the proposed settlement, they would be able to obtain before long many more benefits from Turkey (e.g. the quicker withdrawal of the Turkish troops and settlers, and better arrangements for Greek Cypriot properties) for a smaller cost incurred (not *complete* and universally applicable political equality).

Let us now look briefly at the motivation and reasoning of the Turkish Cypriots who voted in favour of the Annan Plan by a majority of 64.9%. Most of them appeared to have been influenced by the following consideration:

1. Their default situation had both positive assets and difficulties. The positive elements included the fact that they felt entirely secure from Greek Cypriot designs (real and imagined), and in any case after the opening of the checkpoints on 23 April 2003 many of them ventured South of the Green Line and many Greek Cypriots went to the North without any incidents. As long as the Turkish Cypriots felt their security would remain unaffected, they were willing to contemplate changes on the ground, including the yielding of some territory to the Greek Cypriots. The Annan Plan provided for the presence of the Turkish troops for another 8-14 years and for continuing Turkish guarantees; these were deemed to be sufficient safeguards for of their security. Their problems flowing from their unrecognized status and their weak economy would be alleviated as the settlement meant that (a) they would obtain participation and partnership status in the internationally recognized United Republic of Cyprus and (b) the economic assistance they had a right to expect from the EU after many years of isolation would be considerable, and such assistance could help develop the economic infrastructure and more especially tourist facilities.
2. The cost they had to pay for the benefits derived from the Plan mainly consisted in the reduction of the territory under their control and the requirement that thousands of Turkish Cypriots would have to be relocated in other towns and villages within the Turkish component state or return to their former homes in the South and live under Greek Cypriot rule and its laws. Given that the Turkish Cypriot community would not lose to any significant extent its coherence and compactness in the North of Cyprus, plainly many thought the cost incurred was small by comparison to the benefits wanted. The loss of unrecognized TRNC independence compared well with the achievement of effective participation in the United Cyprus Republic.
3. The Turkish Cypriots thought that if they were kept out of the EU when the Republic of Cyprus joined it, they would be missing an opportunity to share in the expected opportunities for increased economic prosperity. Some may have feared that once Turkey started negotiations for EU accession and came under pressure from the Greek Cypriots and Greece, Turkey might be forced to make to many concessions. The timing of the referendum and the content of the Annan Plan jointly provided the optimum balance of advantage over disadvantage.

Given that a necessary condition for the adoption of the Annan Plan was that both communities should endorse it by majority in the parallel referendums, the Greek Cypriot rejection meant that the Cyprus problem remained unresolved. Thus the opportunity to bring an end to the long-festering problem under a plan over which no substantial group in either community was enthusiastic over, but which could have brought a new chapter in the history of Cyprus, was lost.

Soon after the Greek Cypriot referendum rejected the Annan Plan, and the Republic of Cyprus joined the EU as a Greek-dominated but divided state, President Papadopoulos and his advisers adopted a strategy which aimed at strengthening over time the diplomatic clout of the Republic of Cyprus vis-à-vis Turkey. This strategy amounted to securing support among as many EU member-states to create pressure on Ankara to concede a series of demands by the Republic of Cyprus which constituted requisites for a new, fairer and (as Greek Cypriots are fond of saying) 'viable' settlement package. This strategy appeared to be based on some such reasoning as the following. Turkey's request for a date to start accession talks with the EU would be discussed by the European Council meeting in Brussels in December 2004. It was well-known that the Turkish Prime Minister Tayyip Recep Erdogan and his government, the Turkish business and industrial class, and many other sections of Turkish society, were very keen to get a date. Could this keenness mean that the Turkish government would be prepared to pay a relatively high price for the date, such as to undertake to withdraw its troops and mainland settlers sooner rather than later? For Turkey to receive the date, all 25 EU member-states had to give their consent. One dissent would amount to a binding veto on any proposal favourable to Turkey. Could the Republic of Cyprus use its power of veto? President Papadopoulos appeared to toy with the idea, and he certainly talked about the possibility even before Cyprus's formal accession in May 2004.

Later, following talks with officials of Greece and some other EU countries, he told the Greek Cypriot public that "The right to veto is not to be used by small countries." (One thing that must have weighed on his mind was that the Greek Prime Minister Kostas Karamanlis had made it clear to him that Greece was going to support Turkey's accession process and he hoped that Cyprus would do the same. If Cyprus clashed with its closer ally over policy on Turkish accession, its isolation would be apparent to all.) Would any big EU powers be willing to threaten the use of veto, so that Turkey might be forced to start considering paying a price? France and Germany were not very happy with Turkey's request for an early day for commencing accession talks, but they were unwilling to anger their Turkish friends. Besides,

Britain, Italy, Sweden and several smaller countries, with some prompting from the United States, decided to support a date for Turkey, and the Greek Cypriots knew it.

In October 2004 President Papadopoulos addressed the UN General Assembly and said among other things that Cyprus was willing to support Turkey's European course, provided that Turkey behaved like a European state. He added that he wanted direct talks with the Turkish government to sort out their differences. Thus Papadopoulos tried to introduce himself as a factor in the EU decision-making process. Turkey ignored him. A few days later the European Commission brought out its report in which it recommended that as Turkey had already made considerable process in meeting the Copenhagen criteria, it should be given a date to start talks. Greek Cypriots were shocked to see that Turkey had no enemies in Europe who could then band together with Cyprus. The Cyprus problem, although still unsolved, had lost its urgency for European governments. You could occupy the territory of an EU member-state and still be counted by the Europeans as a democratic country.

Late in the day, the Cyprus government decided to submit a memorandum to the European Commission setting out a list of demands which Turkey should undertake to comply with before it could be given a date. This document dated 11 October 2004 demanded from Turkey to do the following things as a condition of Cyprus not standing on the way to Turkish European ambitions:

1. Turkey should recognize the Republic of Cyprus.
2. Turkey should promptly sign the adaptation protocol to the Ankara Agreement for extending the terms of the Customs Union to take account of the accession of the ten new Member States.
3. Turkey should abolish all restrictive measures against vessels of Cypriot interest or other Community vessels that approach its ports.
4. Turkey should lift its prohibition on Cyprus-registered aircraft from using internationally-approved air corridors over Turkey.
5. Turkey should cease to veto Cyprus' accession to a number of Regional and International Organizations.
6. Turkey should allow the unimpeded exercise of freedom of expression of its people, especially concerning Turkey's policies on Cyprus.

7. Turkey should end the military occupation of Cyprus and the EU should support the earliest demilitarisation of the island with the full withdrawal of the occupation troops.
8. The EU must support new efforts, under the auspices of the UN Secretary General, “to resolve the problem through an equitable, comprehensive, viable and mutually acceptable settlement, consistent with the fundamental values and principles of Europe” with the constructive cooperation of Turkey.
9. Turkey should return the town of Varosha to its lawful inhabitants; introduce a moratorium on the influx from its territory into the occupied part of Cyprus of Turkish settlers and the facilitation of their repatriation; and introduce a moratorium on all construction activities not having the consent of the lawful property owners in the occupied areas.

As it happened, the Cyprus government – its credibility badly bruised among disappointed European statesmen – failed miserably to induce the EU to take up the Greek Cypriot cause and impose a dilemma on Turkey in the form: “Either you agree to Cyprus’s conditions, or else you will not get your date for accession talks!” President Papadopoulos had no leverage or other means of persuading Turkey’s influential friends in Europe to induce the Turkish government to accept the list of conditions set by the Cyprus government, except for part of the second condition. On 17 December 2004, at the Brussels EU summit, Turkey was given its date, 3 October 2005, after the Turkish Prime Minister Erdogan promised that before then his government would sign the protocol of adaptation of the Ankara Agreement, taking account of the accession of the ten new EU member states, including Cyprus. The Turkish government in fact refused to open its ports, airports and air corridors to Cyprus shipping and aircraft until after a Cyprus settlement.

Curiously, this strengthened the credibility of President Papadopoulos among Greek Cypriots. His scepticism over Turkey’s good faith, and his belief in the unwisdom of trusting Turkey to carry out its international commitments, was now shared by even more Greek Cypriots. Thank Heavens, many Greek Cypriots thought, that the Republic of Cyprus was still in existence, it had not been dissolved and replaced by the United Republic of Cyprus of which the two communities would be equal co-founders. So Greek Cypriot leaders and diplomats still had an important asset, an independent voice and the ability to protest and argue in the international arena!

Section IV: Developments after the referendums

Despite Papadopoulos's complete failure, during the years that followed the referendum, to exploit Cyprus's membership of the EU in order to deliver a better settlement for the Greek Cypriots than the arrangements envisaged by Annan V, there was no evidence that the majority of Greek Cypriots who voted 'No' regretted their decision. There were certainly no widespread demands for the return of the Plan, no street demonstrations or petitions to the UN to give Greek Cypriots another chance to vote for it. Several explanations may be suggested for this: (1) Many Greek Cypriots continue to attach greater value in having a government which is completely theirs, and independent of the influence of Turkish Cypriot politicians (always regarded Ankara's puppets), than in gaining back Varosha, Morphou, and the other areas which would have formed part of the Greek Cypriot component state. (2) Many Greek Cypriots may still be hoping that Turkey will be worn down in the next few years by Greek Cypriot pressure during the course of EU-Turkish accession talks and agree to the renegotiation of a settlement providing more benefits demanded and/or a lower price to pay. (3) Greek Cypriots could be thinking that if the settlement is not going to rid them, quickly and fully, of the Turkish military presence and the settlers in the North, then the prospect of their regaining possession of one-third of their properties in the North (and giving up some valuable properties in the South which are owned by Turkish Cypriots) is not such a good deal after all. If these suggestions are correct, it follows that Greek Cypriots would only accept a settlement which provided for the removal of all Turkish troops and all or the great majority of settlers, and the restoration of the rights of movement, settlement and ownership to all Cypriots; and even then, they would be reluctant to share the powers of the state on the basis of complete political equality. The question is why expect that the Turkish side should ever agree to this. So that Turkey can join the EU? But Greek Cypriot read regularly in their own press that several influential European countries are against Turkey becoming a full EU member for economic and cultural/religious reasons.

There may have been certain significant changes in Greek Cypriot perceptions and sentiments regarding the Turkish Cypriot community. For example, in April 2006, the Cyprus Broadcasting Corporation published a poll about Greek Cypriot attitudes towards a number of political issues. One question asked people would they would react if "they had to chose whether to live together with the Turkish Cypriots or separately", 48% of the respondents said they would like to live

separately and only 45% said they would chose to live with Turkish Cypriots. The figures make a striking comparison with poll results taken in 2002, the year before the opening of the checkpoints, when Turkish Cypriots were demonstrating against the presence of the Turkish army; and that time more than 67% of Greek Cypriots expressed the wish to together live with Turkish Cypriots. The 2006 results are puzzling, especially as one of the reasons President Papadopoulos gave for recommending a 'No' vote in the referendum was that the Annan Plan did not safeguard sufficiently the unity of Cyprus. Nevertheless, President Papadopoulos himself received support for his leadership from 64% of the respondents. This is again paradoxical, given that Papadopoulos's strategy for achieving a better plan for Cyprus which enhances the unity of Cypriot society, the economy, institutions and territory is based on creating pressure on Turkey during its accession process to the EU, which, incidentally, 66% of Greek Cypriots are opposed to. So, there appeared to be a degree of confusion in Greek Cypriot attitudes towards their own leader and their neighbours in the North.

There is also evidence that a considerable proportion of the Turkish Cypriots who voted 'Yes' at the April 2004 referendum have gone cold on the idea of joining the Greek Cypriots in a partnership state. Left-wing Turkish Cypriots are disappointed by the 'soft rejectionist' line taken by AKEL in the referendum, and they are not keen to have dealing with the Republic of Cyprus whose leader Papadopoulos has consistently refused to enter into substantive negotiations with the Turkish Cypriot leader Mehmet Ali Talat. The growing tendency of Turkish Cypriots to seek a future in separation from Greek Cypriots is supported by considerable sums of money invested by Turkish and European companies in the construction industry for holiday homes built on Greek Cypriot properties for sale or rent to foreigners. A prosperous future for them independently of Greek Cypriots begins to seem a distinct possibility, and the new Turkish Cypriot cry to the EU "Help lift our isolation!" is meant to ask support for the creation of direct commercial, air and sea links with foreign countries which would expand their exports and especially the tourist traffic. Resistance to this demand by the Republic of Cyprus has been so far fairly effective, but a side-effect of this is increased Turkish Cypriot bitterness.

An interesting development – more interesting for politicians and political commentators than ordinary Cypriots – was that on 8 July 2006 Papadopoulos and Talat met in Nicosia for the first time since Burgenstock in the presence of UN Under Secretary General Ibrahim Gambari. The purpose of the meeting was not to discuss the substance of the Cyprus problem, but first, to

reiterate that this *status quo* in Cyprus was unacceptable and that both sides sought a bizonal, bicomunal federation, and second and more significantly to establish a new procedure to prepare the ground for substantive negotiations for a Cyprus settlement. The procedure provided that the two sides would jointly set up (1) four technical committees to discuss matters of day-to-day concern, and (2) a number of working groups to discuss all issues pertaining to the basic aspects of the Cyprus problem which either or both of the two sides wished to bring up, and to produce ideas and suggestions which the two leaders could use when they met in due course. No reference to the Annan Plan was made in the so-called Gambari Agreement, and this fact was represented by Papadopoulos and his allies as a considerable success, in that the Plan was now thought to have been laid to rest.

Over the next few months, the Greek Cypriot side proposed that the working groups discuss a large number of issues – according to some press reports, more than 120 in number – covering all major aspects of a Cyprus settlement, and including matters which in the weeks following the abortive referendums Papadopoulos appeared to be saying that he would not re-open. The wish of the Greek Cypriot side to seek a fundamental revision of the Annan Plan may be illustrated by its proposal that a working group should study the constitutional systems in all federal states within the EU and it should determine which was best suited to serve as a model for the new Cypriot state! A number of Greek Cypriot opposition politicians and political commentators pointed out that Papadopoulos's aim was to nullify the Annan Plan by getting the Turkish Cypriot side to negotiate from scratch a new political settlement. If that aim were to succeed, no Cyprus settlement could be achieved in the foreseeable future. In fact Greek Cypriot commentators often say that Papadopoulos aims to play it long and seek a solution to the Cyprus problem in the distant future.

Again the Greek Cypriot side proposed that the technical committee on humanitarian matters should discuss “the problems arising from the exploitation of Greek-owned properties by people other than their legal owners”, hoping against hope that the Turkish side would agree to a moratorium on building and development activities on Greek properties in the North, without being offered any advantage in return. Nobody was surprised that the Turkish Cypriot side refused to rise to the bait. Thus the Greek Cypriot people may have kept full control of their government and economy, but they were reduced to helpless onlookers to the rapid and irrevocable development of their properties in the Famagusta area, Kyrenia District and in and

around Morphou by Turkish companies and immigrant building workers. When they voted against the Annan Plan, few could have anticipated that they created the circumstances which helped unleash what Greek Cypriot media call ‘a building orgasm’.

The Turkish Cypriot side showed no inclination to be caught up in any fundamental renegotiation of a Cyprus settlement. They wanted to retain and if possible strengthen the advantages given them by the Annan Plan, and so they proposed the discussion of about 20 issues, all of which were meant to advance the autonomy of the two component states in any future federation. Indeed, they had an interest in keeping the Annan Plan in public view, especially as the Security Council and various influential governments did give the Gambari agreement lukewarm support. Talat never intended the Annan Plan to be replaced by the Gambari Agreement, and in April 2007 he wrote to the new UN Secretary General Ban Ki Moon accusing the Greek Cypriot side of using the Gambari process as an opportunity to achieve various objectives other than a comprehensive settlement; in particular the extraction of one-sided concessions from Turkey and the Turkish Cypriots.

At around this time Ioannis Kasoulides, a prominent member of the opposition Democratic Rally (DESY) party and former Minister of Foreign Affairs in the Clerides government, indicated his intention of putting himself forward as candidate for the presidential election due to be held on 17 February 2008. Kasoulides had long criticized Papadopoulos for his do-nothing policy and his poor diplomatic record in relation to the Cyprus problem which permitted the cementing of the *de facto* partition of the island. More worrying for Papadopoulos, there were rumblings of discontent among the cadres and senior figures in AKEL, his partners in the last elections. AKEL did not believe that Papadopoulos’s refusal to become engaged in negotiations with the Turkish side on the basis of the Annan Plan served the interests of the Greek Cypriots or the cause of reunification to which they had long been committed. In the months after the referendum, AKEL made it clear that Annan V could still form the basis of a comprehensive settlement to the Cyprus problem, once it was supplemented by certain provisions designed to enhance the security of the two communities and by a machinery to ensure the implementation of the Plan. Papadopoulos found himself on the defensive and through his spokesmen and allies he charged his accusers of “granting indulgences to Turkey” (a charming metaphor used by ‘90 percenter’ politicians and journalists against those Greek Cypriots who refuse to put *all* the blame on the Turkish side), a country which not only invaded and occupied North Cyprus, but now is refusing

to abide by the terms of the Gambari Agreement. From Papadopoulos's point of view, any resumption of substantial talks without sufficient preparation would inevitably bring to the fore the Annan Plan, which was anathema to him and the other '90 percenter' politicians.

On 5 September 2007 Papadopoulos and Talat met again in the residence of UN Special Representative in Nicosia Michael Moller to review the Gambari Agreement. Papadopoulos tried to persuade Talat to take seriously the Gambari process and authorize his officials to start work in earnest. Talat tried to take the high ground and proposed that the process should be accelerated by initiating preliminary work by officials – such as the creation of working groups the deal with the basic aspects of the Cyprus problem, plus relations with the EU – in order to prepare within a two-month period the groundwork for substantive negotiations between the two leaders, resulting in a comprehensive settlement by the end of 2008. However, his proposal was turned down by Papadopoulos, who objected to any attempt to impose a time limit on preparatory work and insisted that comprehensive negotiations could not begin until the technical committees and working groups had framed solutions to the issues that currently divide the two sides. Later, speaking on television Papadopoulos claimed that the Turkish side lacked the political will to implement the Gambari Agreement (naturally!), and that Talat tried to change, rather than speed up, the Gambari process and to limit any discussion of day-to-day issues. Thus the meeting led to nothing but the usual recriminations which Greek and Turkish Cypriot people had learned to expect in such circumstances.

In the Autumn of 2007 the presidential campaign in the Republic of Cyprus went into top gear and statements by the three main candidates, together with discussions in the media among their respective supporters, appeared to re-sensitise a proportion of the Greek Cypriot public to the political situation. In the absence of negotiations, the UN and the EU lost the active interest they once had on a Cyprus settlement. In the institutions of the EU, such as the European Commission and the European Parliament the talk now was about how to help the Turkish Cypriots – whose community, like North Cyprus itself, was part of the EU – to get closer to the EU. Rapid economic developments in the North and increased immigration from Turkey could mean that in a few years' time North Cyprus will become a 'Little Turkey', possibly recognized by a few Islamic states, and 'acknowledged' as a distinct country with its own network of foreign commercial and economic relations, much like Taiwan. Was it not stated by none other than George Lillikas, Papadopoulos's former Minister for Trade and Industry and later Foreign

Affairs, and since summer 2007 co-ordinator of the president's re-election campaign, that the way things were going, by the year 2010 there would not be any unused or undeveloped Greek Cypriot properties in the North? So, some people reasoned, isn't it better to go back to the negotiating table to see whether half a loaf may after all be available, before that too disappears? Perhaps the map contained in the Annan Plan, which indicates territorial adjustments in favour of the Greek Cypriot community, may still be on the table and could serve as the basis of a fairer division of territory between the two communities. As for political equality between the two communities and component states, this is not regarded a fair arrangement for most Greek Cypriots – but can it be avoided? How? Politicians of the '70 percenter' school of thought, together with small groups of people who actually *are* friends with Turkish Cypriots and *want* to see the reconciliation of the communities, now have the options of voting for Kasoulides or Christofias in the elections of February 2008.

On the eve of the presidential election a succession of polls recording voting intentions suggest that among the three main candidates (out of a field of 12), Papadopoulos is slightly ahead of the other candidates at about 30-32% of the sample, Christofias follows at 29-30.5% and Kasoulides comes third at 28-30%. The undecided are estimated to be about 10% of the electorate, but when they go to the polls, their votes will probably be distributed among the main candidates. The general expectation is that none of the candidates will get the required 50% + 1 of the valid votes cast on Sunday 17 February 2008, and so there will have to be a run-off between the two strongest candidates on the following Sunday 24 February 2008. If the Papadopoulos and Christofias are candidates on the second Sunday, the Greek Cypriot people will have a choice between a maximalist politician and a moderate one who believes in the need for renewed negotiations and reconciliation with the Turkish Cypriots. However, Kasoulides's supporters may find it hard to give their vote to left-winger who rose to prominence as a Moscow-trained communist cadre, even if Kasoulides himself and the DESY leadership form an alliance with AKEL for the purpose of pursuing a negotiated settlement with the Turkish side. Again, if Papadopoulos and Kasoulides go to the second round, AKEL supporters may find it difficult to vote for the candidate of the right-wing party, unless perhaps Kasoulides offers to share governmental power with them and agree to an action plan aimed at a settlement. If, however, the final contest is between Christofias and Kasoulides – a distinct possibility – then Papadopoulos, his allies and supporters will be able to negotiate their support with the candidate who is most convincing in his assurances that he will not negotiate outside the Gambari process.

The Greek Cypriot people are at a cross-road and they have to make a difficult choice: it is either standing firm, and indeed standing still, on the default position, retaining the Greekness of the Republic of Cyprus, the stability of a strong economy supporting a high standard of living for Greek Cypriots, and the empty rhetoric about 'struggle' and 'justice'; or else negotiating the creation of a bizonal, bicomunal federal republic with their long-standing Turkish Cypriot neighbours, and sharing with them on the basis of equality the powers and responsibilities of the new republic, as well as benefits of a flourishing economy. If the latter course is taken, the great challenge for Greek Cypriots is to make friends not just with the Turkish Cypriots, but also with the Turkish people beyond the northern coast of the island.

However, there is no reason to think that the Turkish side will be softer and more accommodating to a realist Greek Cypriot president than it was to a realist Vassiliou or a moderate Clerides. The Turkish Cypriot community is politically and economically stronger in 2008 than it had been during earlier attempts to solve the Cyprus problem. Just like Papadopoulos was stalling on the negotiating process in the period before and after the referendum hoping that in due course, with Cyprus in the EU and Turkey knocking at the door, the difference in diplomatic clout between the two countries would be reduced and the Greek Cypriots could get more advantages for a lower price, so Talat and Ankara may be reasoning that if in the near future the TRNC receives recognition by some Islamic countries and achieves direct trade and transport links with EU states, the Greek Cypriot side may get very worried and agree to a confederal union in which only Varosha will be returned to them but not the newly developed Morphou. The double optimum model for the achievement of a negotiated outcome requires that in any successful negotiation the two sides need to create a package involving the exchange of assets which both of them *individually, but simultaneously* judge to leave them on balance better than their respective default situations.