Barkey and Gordon

Avoiding a Cyprus Crisis

The resumption of negotiations between the Greek Cypriot and Turkish Cypriot leaders has led to renewed hopes that the divided island of Cyprus can be reunified ahead of its likely invitation to join the European Union (EU) in December 2002. In fact, however, there is no guarantee that the renewed talks will produce a deal. Americans and other interested observers should support the process and encourage the leaders to compromise. But they should also be prepared for a scenario in which the parties cannot overcome their differences and the EU extends an invitation to join that would only apply to the Greek portion of the island.

Accession to the EU by only the Greek portion of Cyprus—strongly opposed by Turkey—could raise tensions on the island, set back the recent progress in Greek-Turkish cooperation, and undermine Turkey's difficult but steady evolution toward Europe at a time when the development of a democratic and stable Turkey is more important than ever. To prevent such a crisis, some Americans may be tempted to oppose Cyprus's accession or to seek to impose a specific settlement plan, but neither approach would work. Instead, the United States should persuade the parties not to close any doors if the Greek portion of Cyprus joins the EU and to link a future Cyprus settlement to Turkey's own EU membership. Regional cooperation could thus go on in the short term; in the longer run, a comprehensive Cyprus settlement would become possible as Turkey itself is integrated into Europe.

Renewed Hopes and Enduring Obstacles

Since February 2002, the leaders of the two parts of the long-divided island of Cyprus—Greek Cypriot leader Glafcos Clerides and Turkish Cypriot leader Rauf Denktash—have been meeting regularly in UN offices at the Nicosia airport to discuss a possible reunification of the island. After more than six months during which no bilateral meetings took place at all—Denktash walked out of the UN sponsored "proximity talks" in November 2000—the resumption of face-to-face meetings between these long-time adversaries has been welcomed around the world. Many see it as a sign that after twenty-eight years of division and mutual recrimination, the two Cypriot communities might be prepared to get back together.

That the talks have resumed now is no coincidence. Cyprus is on the verge of completing its membership negotiations with the EU and is expected to be invited to join at the end of 2002. While

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Options for

the EU has said that it would prefer to see a Cyprus settlement before that deadline, a settlement is not a prerequisite for admission. In other words, if no deal is reached before the EU's Copenhagen summit in December, all of Cyprus would be technically invited into the EU, but, in effect, EU rules would only apply to the Greek-controlled southern 63 percent of the island. The ticking clock creates an incentive for both sides to reach a deal: Denktash will have to compromise now if he wants to avoid EU accession for only the Greek Cypriots, and Clerides will have to compromise now if he is to avoid what could become the permanent division of the island. Outside observers should hope that the new dynamic injected into the Cyprus negotiations by the EU membership process proves to be enough to produce the settlement that has become so elusive. A deal on Cyprus would generate much goodwill in the region, facilitate continued Greece-Turkey rapprochement, improve Turkey's own EU prospects, and greatly enhance the island's economic development, particularly in the Turkish north. For all the renewed hopes, however, it must be recognized that the two sides are still very far apart on almost all the key issues. The Turkish Cypriots continue to insist on the recognition of two separate, if loosely united, states, a continued Turkish military presence, and the right to hold on to much of the land and property they occupied at the time of the 1974 Turkish military intervention. The Greek Cypriots, on the other hand, insist on unification within a federation, the right to reclaim lost property in the north, a significant extension of the Greek Cypriot zone, and ultimately, the full demilitarization of the island.

It is difficult to see how all these differences will be overcome in the near future, not least because neither side seems to feel any pressure to make concessions, despite the looming deadlines. The Greek Cypriots are confident—probably for good reason—that they will be invited to join the EU in December 2002 whether there is a Cyprus settlement or not. They know their proposals are more acceptable to the international community than those of the Turkish side; and they have strong political leverage, through an active lobby in Washington and Greece's membership in the EU. A presidential election scheduled for February 2003, and the need to ratify any deal through a referendum, strictly limits the types of painful concessions the Greek Cypriot leadership may feel it can accept.

However, the Turkish Cypriots do not seem likely to make major sacrifices to reach a deal. Secure in their backing from Turkey, and having always placed security and sovereignty concerns above economic issues, they do not appear overly concerned about the prospect of Greek Cyprus joining the EU without them. They also seem to believe that the increased strategic importance of Turkey following the September 11 terrorist attacks and the U.S. need for Turkish assistance in any military operation against Iraq provides them with additional

U.S. Diplomacy

bargaining chips that can be deployed at a critical juncture. Indeed, many Turkish Cypriots and mainland Turks continue to believe (probably wrongly) that the United States will step in at the last-minute to make sure that the Cyprus EU accession does not take place. There is ample ground for suspecting that Denktash initiated the renewed talks more to avoid being blamed for

blocking negotiations than in order to reach a settlement. For most Turkish Cypriots, the Cyprus problem was "settled" in 1974.

This is not to say that there is no chance for a deal. Greek Cypriot leaders genuinely seem to want to see a reunified island before EU accession and may be prepared A deal on Cyprus would generate much goodwill in the region, facilitate continued Greece-Turkey rapprochement, improve Turkey's own EU prospects, and greatly enhance the island's economic development.

to make some concessions on autonomy and territorial adjustments to reach one. And the Turkish side knows that isolation is badly hurting northern Cyprus's small (and shrinking) native population. Given all the obstacles to a deal, however, outside observers would be gravely mistaken to assume that a political settlement will spare them from the difficulty of dealing with a Cyprus EU accession crisis at the end of this year.

U.S. Policy Options

In the absence of a political settlement, Cyprus's EU accession could have very negative consequences for the entire eastern Mediterranean region and beyond. Turkey, which argues that Cyprus's EU application is illegal and has long opposed Cyprus joining the EU before Turkey itself does so, has said it would react strongly and negatively to the accession of a divided island, including possibly resorting to "annexation," or incorporation of the northern part of the island into Turkey. A resentful Turkey could take other measures, such as reinforcing its military presence on the island, kicking out UN peacekeepers, or even provoking tensions with military flyovers in order to undermine Greek Cyprus's vital tourist industry. Such steps would doubtless provoke sharp responses from the EU and make continued Turkey-EU cooperation in other areas extremely difficult. A Turkey-EU clash over Cyprus's accession could increase intercommunal tensions on the island, reverse much of the progress that has recently been made in relations between Greece and Turkey, and alienate Turkey from Europe and the West.

The United States has a strong interest in preventing such developments. While the EU holds most of the cards related to the Cyprus question (namely control of the EU accession timetable and various economic incentives), Washington has significant influence with all the involved

parties. Given the stakes, even as U.S. policymakers rightly focus on more pressing foreign policy problems like terrorism and the Middle East, they should not fail to devote attention to an issue that could have serious repercussions far beyond Cyprus. What is really at stake is the future of stability in southeastern Europe and Turkey's relationship with Europe and the West.

What Can the United States Do?

How can the U.S. help avoid a new Cyprus clash? Four possible policy options seem plausible, of which the last—short-term damage limitation combined with linking a Cyprus deal to Turkey's EU membership in the long run—seems most promising:

Option #1: Oppose Cyprus's EU Accession One option, which many Turks hope to persuade their supporters in the United States to adopt, would be for Washington to step in and try to dissuade the EU from extending membership to Cyprus this year. If Cyprus's EU accession really risks alienating Turkey, the argument runs, the United States should try to prevent it. In its statement at the December 1999 Helsinki summit, noting that a political settlement was not a prerequisite to Cyprus's accession, the EU noted that "all relevant factors" should be considered in the decision on whether to proceed. According to this logic, since a crisis with Turkey at a time when that country's strategic relevance is so high is clearly a "relevant factor," the EU should be told to keep Cyprus waiting until the dispute is resolved. The Turks also have an arguable legal case that Cyprus's EU accession is illegal, based on the provision in the 1960 Treaty of Guarantee (signed by the Republic of Cyprus, Greece, Turkey and the United Kingdom) that Cyprus may not participate in a political or economic union with any other state.

While tempting as a way to avoid the potential consequences of the accession of a divided Cyprus, such a U.S. policy approach would ultimately prove counterproductive. An American attempt to block Cyprus's accession would mean reversing the long-standing bipartisan position that Turkey should not have veto power over Cyprus's right to join the EU; it would remove pressure on the Turkish side to accept a political settlement; it would strengthen hardliners in the domestic politics of all the involved parties; and it would lead to Greece's certain veto of EU—and possibly even NATO—enlargement, now scheduled to take place by 2004. That would not only undercut America's own clear interests but would create a major crisis at a time when transatlantic tensions on other issues are already high. Perhaps even more important, an American attempt to persuade the EU to block Cyprus's accession would almost certainly not succeed. For better or for worse, EU leaders seem to have decided that

Cyprus is going to join the EU whether there is a settlement or not, and no member-state appears prepared to veto Cypriot accession on Washington's behalf.

Option #2: Present a U.S. Plan A second U.S. policy option would be to come forward with a specific American settlement plan. If no progress is made over the summer, U.S. policymakers may well wake up in the fall, realize that important NATO and EU summits are looming (in November and December 2002), and conclude they must take forceful action on the Cyprus problem before it interferes with other strategic priorities. The Bush administration could, for example, send a tough, top-level negotiator to the island, who would seek to pressure the parties to compromise. Since this would have to be coordinated with the EU and UN, the negotiations could even take the form of an international summit like the one held in Dayton to settle the Bosnian conflict. The logic of such an approach would be that only intensive outside diplomatic pressure, combined with a very precise international plan, will produce a deal. It may seem tempting as a way to avert a potential crisis, but it has significant risks.

While an international plan might be welcomed by the Greek side (which could expect support for its concept of a federal state), the Turkish side would be deeply skeptical. Any joint U.S./EU proposal would be unlikely to satisfy the fundamental Turkish insistence on a settlement involving two sovereign peoples and states (and if it did, the Greek side would never accept it). The Americans and Europeans would also find it very difficult to accommodate the Turkish side's refusal to accept the right of return for Greek Cypriot refugees, which they fear would overwhelm the Turks demographically and economically in the long run.

A heavy-handed approach could also produce a backlash in Turkey, especially at a time when elections could be approaching. American pressure could embolden anti-EU hardliners, including some in the military, who have long argued that the EU has never had any intention of admitting Turkey but has wanted Ankara to abandon the Turkish Cypriots. Divisions over Europe and the Cyprus issue could even break up Turkey's current governing coalition, which, given the present weakness of all the establishment parties, could lead to a victory by Islamist parties that the military would oppose. Such developments would not only make the Cyprus deal impossible, but would undermine Turkey's already fragile political stability and complicate its relations with the West.

Option #3: Link a Cyprus Deal to the Start of Turkey-EU Accession Talks Another option—supported by many pro-European intellectuals and government officials in Turkey—would be for the United States to encourage the EU to offer Turkey a date for the start of its own EU accession negotiations in exchange for a deal on Cyprus. Turkey has long resented the fact that the EU offered Turkey candidacy status only reluctantly and under American pressure. This has led many Turks to conclude that the offer was not sincere, and that Turkey will in fact never be allowed into

the EU. A concrete date for starting accession negotiations—for example by 2004, when many of the other candidates are expected to join the EU—would go far to change these perceptions. Even if the start of negotiations were made contingent on prior Turkish satisfaction of the "Copenhagen Criteria" (EU standards on issues like democracy and human rights), the announcement of a date could strengthen Turkey's pro-EU constituency and undermine the position of Turkish Euro-skeptics and Cyprus hardliners. Moreover, at a time when the Turkish economy is trying to recover from a severe financial crisis, a date for the start of accession talks, no matter how distant the actual accession might be, is likely to be perceived as a significant vote of confidence in the Turkish economy. The offer of a date in exchange for a Cyprus settlement would significantly raise the stakes for Denktash, who does not want to be blamed for blocking Turkey's effort to join the EU.

There are problems with this approach, however. Most importantly, Washington would find it difficult to successfully persuade the EU to give Turkey the date it seeks. Brussels does not want to depart from its traditional process whereby accession negotiations begin when the Copenhagen Criteria are met, and not the other way around. The resurgence of the right in recent European elections this year, combined with growing European concerns about southern immigration waves, makes it even less likely that European leaders will want to make near-term overtures to Turkey. A return in the September 2002 elections of the German right, long opposed to Turkey's EU membership, would make a starting date for negotiations even less likely. Even beyond the fact that the EU might not agree, there is a real risk that accepting accession negotiations with Turkey with the sole purpose of avoiding a Cyprus crisis would only raise false expectations in Turkey about near-term EU membership and lead to a new set of disappointments down the road.

Option #4: Link a Cyprus Deal to Turkey's Eventual EU Accession A fourth—and the most practical—option for the United States if an early Cyprus settlement cannot be reached is to seek to minimize diplomatic damage in the short term while setting out the conditions for the long-term transformation of the Cyprus issue. This means viewing the accession of only the Greek part of Cyprus not as the end of a process but as a first step toward the eventual accession of the rest of the island as well, which could happen when Turkey itself joins the EU. The biggest problem with the EU's regional accession process is the fact that the timetables for Cyprus and Turkey are so different. With Turkey's accession so distant, Ankara has little incentive to press for Turkish Cypriot concessions as a means of facilitating its own EU entry. Turkish Cypriots, moreover, are unwilling to accept a deal on the island or EU entry so long as their Turkish protector is excluded. Deferring a comprehensive Cyprus solution until the time when Turkey's accession is possible deals with both of these major problems. By holding out the prospect of an eventual comprehensive solution, it also

gives the EU, Greece, and Cyprus an incentive to avoid a crisis in the short term and to promote Turkey's eventual EU accession.

The United States should focus initially on minimizing the damage from a divided Cyprus's accession and keeping regional cooperation on track. This would mean encouraging both sides to avoid the tit-for-tat recriminations to which they might be inclined. Instead of denouncing the Turkish Cypriots and Turkey, Greece and the Greek Cypriots would explicitly state that the door

to a Cyprus settlement and Turkey's EU entry remains open and that they look forward to working toward that goal. The EU would bolster this message in its accession document, which would acknowledge Turkey's ongoing progress toward meeting EU membership criteria (as the EU did at its December 2001 summit in

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Laeken, Belgium). If the Greek Cypriots refused to show such magnanimity, Washington would remind them that they would be writing off any prospect for a future Cyprus deal, and buying themselves a tense relationship with Turkey that could not possibly be in their interest.

The United States and Europe would also need to persuade Turkey not to carry out its threats to incorporate northern Cyprus into Turkey or take other provocative measures, which Washington would feel obliged to denounce in the UN Security Council and which could provoke even harsher measures from the U.S. Congress or EU Parliament. Turkey would instead have to acknowledge the reality that the ultimate settlement of the Cyprus conflict will require territorial concessions and acceptance of Cyprus as a loosely united entity. To bolster their cooperation while a long-term Cyprus solution is pursued, Greece and Turkey should commit to further progress in their ongoing economic and diplomatic rapprochement.

Deferring a Cyprus settlement until Turkey can join the EU would reassure Turkish Cypriots, who understandably worry about their fate within an EU that would not include Turkey as a counterweight to Greece and the Greek Cypriots. It would not only give Turkey an added incentive to continue down the European path, but it would give Greece and the Greek Cypriots an incentive to promote Turkey's EU membership—with all the positive benefits for Turkish society, democracy, and relations with its neighbors that this would entail. The EU should make clear that the requirement to meet the Copenhagen Criteria applies as much to northern Cyprus as it does to Turkey, while seeking ways to lift economic restrictions on the north to promote its integration into Cyprus and Europe. A more confident and prosperous Turkish Cypriot

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community is more likely to put aside its worries about being "swallowed up" by the richer and more numerous Greeks.

An agreement by the two Cypriot communities to live together in a binational state that would join the EU in 2004 remains the best solution to the Cyprus problem. But in diplomacy, optimal solutions are rarely available. Deferring the unification of Cyprus until Turkey is also in a position to join the Union is far preferable to the regional crisis that, in the absence of intense American engagement, will almost certainly occur.

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