

Cyprus and the EU: Dispute Resolution as an International Public Good?

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RÉSUMÉ

Cet article utilise le concept de « bien public international » afin de résoudre les conflits. L'auteur évalue aussi les causes et les conséquences d'une implication accrue de l'UE dans la solution de la question chypriote. Il esquisse les conditions, qui permettraient à l'UE de produire, en général, des biens régionaux publics, et, de résoudre en particulier, le problème de Chypre. A l'évidence l'UE a progressivement pris le rôle de faiseur de solution, qui encouragerait les parties à contribuer à l'établissement de celle-ci. Car les Etats membres ont des politiques convergentes sur Chypre, et l'Etat chypriote est devenu acceptable tant pour les Chypriotes grecs que pour les Chypriotes turcs. La volonté des gouvernements de Grèce, de Turquie, de Chypre, de se conformer aux règles de l'UE s'est accrue du fait du futur statut d'Etat membre de ce pays-ci.

ABSTRACT

This article applies the concept of international public goods to conflict resolution, with a view to assess the causes and likely consequences of the European Union's increased involvement in the Cyprus problem. It identifies the conditions under which the EU could facilitate the production of regional public goods in general, the resolution of the Cyprus problem in particular. The existing evidence suggests that the EU has gradually assumed the role of a rule setter that would induce the parties to contribute to the resolution of the Cyprus problem as: (i) EU member states' Cyprus policies have become convergent; (ii) the establishment of a Cypriot state has become incentive-compatible for both Greek and Turkish-Cypriots; and (iii) the Greek, Turkish, and Cypriot governments' willingness to comply with EU rules has increased as a result of either EU membership or prospect thereof.

Introduction

This article examines the extent to which the European Union has been able to contribute to the resolution of the Cyprus problem after

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the Turkish military intervention of 1974. In it the resolution of the Cyprus problem is conceptualized as an international public good. As is well known, a pure public good, once available, can be enjoyed by any 'consumer' without necessarily reducing the amount available to others. Therefore, a public good provides a good approximation to the resolution of a conflict that would benefit all parties involved.¹ Yet, the problem with public goods is that their supply tends to be lower than optimum because of free-riding as a collective action problem. Consequently, a public authority is required to ensure that the relevant parties contribute towards the cost of supplying the public goods.

This conceptualization poses two questions: (i) under what conditions can the EU emerge as a 'rule-setter' that would facilitate the production of international public goods in general? (ii) has the EU been able to act as a 'rule-setter' that would facilitate the resolution of the Cyprus issue?

Existing evidence suggests that the EU failed to play a significant role in resolving the Cyprus problem not only in 1974, but also throughout the 1970s and 1980s.² Nevertheless, developments in the 1990s have indicated that the EU began to be involved more actively in the Cyprus problem. This policy change followed the membership applications of Turkey in 1987 and Cyprus in 1990. The significance of these developments were anticipated by the United Nations, when it stated in 1989 that Cyprus' EU membership should be considered as a new context in which settlement of the Cyprus problem could be pursued more effectively. This observation suggests that the EU can emerge as a rule-setter that makes the resolution of the Cyprus problem (as a specific international public good) more feasible.

If this be the case, I argue that three conditions must be satisfied: (i) EU member states' Cyprus policy must become more convergent; (ii) the establishment of an independent Cypriot state must be 'incentive-compatible' for both Greek- and Turkish-Cypriots; and (iii) the Greek, Turkish, and Cypriot governments' willingness to comply with EU

rules must increase. Accordingly, the article is organized in three sections.

The first section derives the necessary conditions for the emergence of the EU as rule-setter capable of facilitating the production of international public goods in general and the resolution of the Cyprus problem in particular. Section 2 examines the 1960-80 period with a view to understanding why the EU failed to play a significant role in resolving the Cyprus problem after 1974. I suggest that this failure stemmed from (i) divergence of member state policies on Cyprus; and (ii) incentive-incompatibility of the Cypriot state for Greek- and Turkish-Cypriot communities. Section 3 examines the 1981-89 period, during which the EU's Cyprus policy became more active. That dynamism was associated with two developments in 1981: the accession of Greece to the Union and the following denouncement of enosis by the Greek-Cypriot political establishment.

Section four examines the 1990-2002 period, during which the EU emerged as a significant rule-setter able to reward or sanction all relevant actors thus facilitating a solution of the Cyprus problem. This policy took concrete shape with the 1995 gambit that linked Turkey's customs union and Cyprus membership. The logic of this gambit remained the same, but the conditionality was upgraded in the Helsinki summit decision of 1999 from the customs union to Turkey's EU membership. Finally, the conclusion will highlight the main findings.

Dispute Resolution as an International Public Good

The economic theory of public goods is based on two observations concerning the characteristics of a public good: non-excludability and non-rivalry in consumption.³ Non-excludability implies that once a public good is available it can be consumed by everybody even if those consuming the public good fail to contribute to the cost of its supply.

Because of the 'free-ride' problem, the public good may be either unavailable or its supply, less than optimal. Non-rivalry, on the other hand, implies that consumption of the public good by one party does not reduce the amount available to other parties. Therefore, the case for exclusion appears weak and the free-riding problem is exacerbated.

Essentially, the problem of producing public goods is one of financing. This problem could be resolved if the community benefiting from the public good agreed on financing rules that make the supply of the good possible. It is tempting to think that the solution to the financing problem within national jurisdictions is relatively easy. After all, the legitimate government can calculate and impose the tax necessary for the supply of the public good. However, even if this is done, we face a new problem – namely ensuring that the supply of public good (hence the level of taxation) is optimal. The supply of the public good will be optimal only if the *sum of societal marginal benefits* equals the *societal marginal cost* of producing the public good.

Let us make a comparison between public and private goods. Given that private goods are excludable, the condition of optimality may be stated as follows: the marginal benefit of the *consumer at the margin* must be equal to the marginal cost of the producer. It is relatively easy to calculate the marginal benefit of the consumer at the margin by increasing the cost of the good marginally. As long as there is a marginal consumer prepared to bear the extra cost, the quantity of the good, hence its cost can continue to be increased. This process leads to an increase in the total number of consumers benefiting from the private good. Only when the marginal cost of the private good exceeds the marginal benefit of the consumer at the margin does the demand for the private good cease and, therefore, the supply of the good stops.

In the case of public goods, however, what matters is the *aggregate* marginal benefits of all individuals. Therefore, under government provision, we are faced with a new problem: establishing the true benefit of the public good for each member of the community.

Irrespective of the type of tax to be levied; i.e., irrespective of whether the tax is lump sum or proportional to income or progressive, there will always be individuals who either under- or over-state the benefits that they derive from the public good. Those who are likely to derive large benefits relative to the cost over-state the expected benefits of the public good; those who are likely to bear a high proportion of the cost tend to under-state the expected benefits. As a result, interest aggregation yields biased results and the optimality condition; i.e., the equality between *societal marginal cost* and *societal marginal benefit*, can be satisfied only by chance. Therefore, the optimal supply of public good within a national jurisdiction requires that two conditions be satisfied: (i) there must be an incentive/sanction package, e.g. rules, that would induce the individuals to reveal their true preferences for the public good; and (ii) there must also be rules that force the government to set the marginal tax, or the marginal social cost, equal to the revealed marginal social benefit.

Let us suppose the public good in question is the resolution of a conflict between two communities, Greek-Cypriots and Turkish-Cypriots after the *de facto* division in 1974. The resolution of the conflict is beneficial for each community because in the absence of resolution, war is likely to break out and the two communities would remain unable to exploit the benefits of mutually-beneficial exchange. We know that the resolution of the conflict; i.e., the production of the public good, is possible only if two communities contribute towards the cost of settlement; i.e., if the two communities are prepared to make concessions relative to their original positions. In this scenario, we are faced with a typical public good problem – albeit with added difficulties. One added difficulty is the absence of a ‘public authority’ that can impose rules forcing both communities to reveal their true preferences for settlement. The other is the involvement of ‘motherlands’ — Greece and Turkey — in the conflict.

One alternative is to empower the United Nations to assume the role of rule-setter. There are obvious advantages to this alternative: the

UN possesses a certain degree of legitimacy and has significant experience in conflict resolution. In addition, both Greece and Turkey are UN members. The disadvantages of choosing the UN, however, are also significant: the efficiency of UN decision-making is undermined by power politics. Furthermore, UN decisions are not necessarily binding. In addition, there is a problem of positive or negative spill-over effects of the settlement, which are distributed unevenly among UN members. Therefore, two problems may be expected: (i) only those UN members with significant gains and losses will take an activist stance and push for a decision involving settlement or *status quo*; (ii) the probability of securing an agreement on a binding decision remains low because the number of players is high.

The other option is to empower the European Union (EU) as a rule-setter that would induce Greek- and Turkish-Cypriots to contribute towards the cost of settlement. The advantages of empowering the EU as a rule-setter may be deduced from the disadvantages of the UN alternative. First of all, the EU is less driven by power politics.⁴ Second, the number of players is small. Third, in areas within EU competence, decisions have a binding effect on EU member states as well as associates. There are two disadvantages to the EU option. First, the EU is a regional bloc that may not have the legitimacy enjoyed by the UN. This problem, however, is ameliorated to some extent because, until 1981, Greece and Turkey were associate countries with the prospect of membership; and both Cypriot communities can be expected to gain from the association agreements and membership.⁵

The second disadvantage is that the EU lacks competence in the area of foreign and security policy, within which the Cyprus problem falls. Although lack of competence reduces the probability of a common EU position, the association link with the parties involved and eventual membership may enable the EU to engage in what can be described as 'joint production'. In other words, the EU's special position *vis-à-vis* the parties to the Cyprus problem can enable the

Union to link the production of the public good; i.e., resolution of the Cyprus problem, with the production of excludable private goods, i.e., EU membership of the relevant parties or upgrading their links with the EU. This special position should enable the EU to: (i) 'induce' the parties to reveal their true preferences for a settlement; and (ii) 'penalize' the party that tends to free ride. In addition, the deepening of European integration can be expected to induce further foreign and security policy convergence among EU member-states. This convergence reduces the cost of adopting common positions and, thereby, increases the EU's ability to determine the optimal concessions by each community.

The above analysis requires that three conditions be satisfied: (i) EU member states' Cyprus policy must become more convergent; and (ii) the settlement and the establishment of a Cypriot state must be incentive-compatible for both Greek and Turkish-Cypriots; and (iii) the Greek, Turkish, and Cypriot governments' willingness to comply with EU rules must increase. The absence of any of these conditions will reduce the probability of resolving the Cyprus problem. If condition (i) is not satisfied, the EU will remain unable to set the necessary rules because intra-EU agreement will be either impossible or non-credible. If condition (ii) is not satisfied, the EU will not get involved because it will be obvious that the community for which the settlement is not incentive-compatible will ignore the EU rules. Finally, if condition (iii) is not satisfied either the Cypriot communities or the 'motherlands' will discount the benefits of the relations with EU more heavily than the benefits of complying with EU rules and, thereby, contributing to the resolution of the Cyprus problem. In what follows, I will examine the extent to which these conditions could be satisfied and, thereby, the EU was able to emerge as a significant rule-setter that would facilitate the solution of the Cyprus problem.

Incentive-Incompatibility of the Cypriot State, the 1974 Crisis and EU In-activity

It may be argued that the determining factor in the 1974 crisis was the incentive-incompatibility of the Cypriot state for both communities. This problem seemed evident given the shift of centrifugal loyalties of Greek- and Turkish-Cypriots away from the Cypriot state towards the mainland Greek and Turkish states. For example, upon election as Archbishop of the Greek-Cypriots in 1950, Makarios took oath that he 'shall never waiver' from the policy of 'annexing Cyprus to mother Greece.'⁶ Even after independence, Makarios stated that "... no Greek ... can ever believe that I would wish to work for the creation of a Cypriot national awareness. The Agreements have created a State but not a Nation."⁷ Statements made by the Turkish-Cypriot leadership were not much different. The vice-president of the Cypriot state and the leader of the Turkish-Cypriot community, Dr Fazil Küçük, stated on December 31, 1963 that the 'Cyprus Constitution is dead' with no possibility of the Turkish and Greek communities' living together on the Island. Asked whether his statement implied partition of the Island between Greece and Turkey, his reply was succinct: "call it partition if you like".⁸

As a result, Cyprus remained divided not only vertically along socio-economic lines, but also horizontally along ethnic and religious loyalties. The functioning of the state established in 1960 essentially came to an end by 1964 when the Turkish-Cypriot leadership pulled out of the central government. Ironically, disintegration of the united Cypriot state increased the premium that the Greek-Cypriot élite placed on 'statehood'. This required de-emphasising *enosis* even if not rejecting it. The Turkish-Cypriot élite also began to marshal popular support for the argument that a separate state (in Cyprus or in Turkey) was required to protect them against the Greek-Cypriots. As a result, state-building in Cyprus acquired a new dimension with an ethno-centric state as the ultimate means through which ethno-religious identities could be asserted and the collective good of security could

be enjoyed. Although this increased the ability of the political élites to legitimize their status as defenders of their communities' interests, it also set in motion a societal penetration of the state, be it existing or in the making. Societal penetration of the state meant the process of state-building became more sensitive to parochial demands and less able to address the issue of public goods benefiting both communities.

In addition, attempts by the Greek-Cypriot leadership to revive and consolidate a Cypriot state were fraught with difficulties. On the one hand, the commitment to *enosis* was undermining the viability of the Cypriot state. On the other hand, giving up *enosis* was an impossible option because of the societal penetration of the Cypriot state as well as opposition from Greece. Therefore, the Greek-Cypriot political élite, under Makarios' leadership, pursued a two-track strategy: (i) emphasising the legitimacy of the Cypriot state which they had denounced before 1960; and (ii) preparing the Greek as well as Greek-Cypriot public opinion for a delay in *enosis* until 'the time was right'. Instruments to be used were close relations with the Non-Aligned Movement (NAM) and exploitation of the East-West rivalry. This strategy, however, alienated not only NATO and Turkish-Cypriots, but also the pro-*enosis* forces in Cyprus as well as in Greece.

As is well known, alienation of the pro-*enosis* forces provided the main reason for the Sampson coup, which ousted the Makarios regime and precipitated the Turkish military intervention in July 1974. The alienation reached its climax in early July when Makarios wrote to General Gizikis, head of the Greek Junta, an open letter stating that there had been reliable indications that Greece was supporting the EOKA-B (the armed organisation fighting for *enosis*) to overthrow his regime since 1971; that Athens supplied money and advice to the opposition press supporting the EOKA-B; that various attempts to assassinate him were directed from Greece; and that Greek officers in the Cypriot National Guard were involved in all these activities. In addition, Makarios gave an indication about the rift between his approach and that of the Junta to *enosis*: although the Cypriot state

could be abolished in the event of *enosis*, it must be strengthened as long as this option was not feasible. He also made it clear that he was not "... an appointed prefect or locum tenens of the Greek government in Cyprus, but an elected leader of a large section of Hellenism" and should be treated by Greece accordingly.⁹

The alienation of NATO, whether justified or not, was evident from the American hostility towards Makarios' orientation towards the NAM and his friendly relations with the Soviet Union. Since the early 1970s, the US had been describing Makarios as the 'Castro of the Mediterranean' and did not view his overthrow with much concern.¹⁰ Washington's main concern was to avoid escalation of the crisis into an armed conflict between Turkey and Greece (two NATO members). Such an incident would undermine the strategy of containing the Soviet Union. For Turkey and Turkish-Cypriots, the consolidation of the Cypriot state was an anathema anyway.

Under these conditions, the European Union was bound to pursue a detached involvement in the Cyprus problem despite the fact that, in 1974, Greece, Turkey and Cyprus were all linked to the EU with association agreements. The EU, including the United Kingdom who held sovereign rights to 3% of the Island and had military bases, was in favour of an independent Cypriot state under Makarios. However, the European commitment to defend the Cypriot state's independence was less than complete under normal conditions and mostly lacking when required to face high levels of risk. This tendency could be seen clearly in statements by the British Foreign Secretary to the House of Commons Select Committee. According to Mr. Callaghan, British bases on the Island had become 'more of a NATO interest' than when the British first went there. Also, British power and influence in the Middle East were replaced by those of the United States. In addition, the Westminster had to take into account NATO interests even after Turkey's intervention because the withdrawal of Greece from the military command under the Junta "... placed a very high premium on the Turkish role in the eastern flank of NATO."¹¹

Given that these factors forced the UK, the only EU member state with a military presence on the Island plus a right to intervene, to abstain from an active intervention into the Cyprus problem, it was natural that the EU, an entity suffering from a yawning gap between the foreign policy role it was expected to play and the means it had at its disposal, should be even more reluctant to assume an active role. The tendency of the EU to adopt a policy of detached involvement in the Cyprus problem was both a result and reflection of the non-transparency of the foreign policy issues that have generated the power-capability gap described by Hill.¹² As a foreign policy issue, the Cyprus problem was even less transparent because the incentive-incompatibility of the Cypriot state for Turkish-Cypriots and Turkey. This helps explain why EU activism during and in the immediate aftermath of the 1974 crisis had to be short-lived.¹³

The short-lived activism was based on two elements of consensus among EU member states. One element was the common goal of avoiding further escalation of the Cyprus crisis into an armed conflict between Turkey and Greece. This was in line with NATO and US preferences, which were shaped not by concerns about the desirability of the Cypriot state but by concerns about containment of the Soviet Union. The other element was the attachment to the independence and territorial integrity of the Island and the reinstatement of the 'constitutional order', which meant the return of Makarios as the legitimate president of Cyprus. This approach was divergent from that of the US, which was prepared even to recognise the Sampson regime provided that it did not push for *enosis*. The EU's approach on this issue was an outcome of the negotiations in the European Political Cooperation (EPC). This intra-EU consensus first announced on 20 July 1974 by the French Ambassador to the United Nations.¹⁴

Despite Turkey's military intervention, all the EU could do was to block the delivery of 5,000 tonnes of food assistance which had been decided previously.¹⁵ At the EPC level, all that could be done was to remind the parties of the fact that their association with the EU could

be affected if they did not refrain from provocative actions. Because this threat was not spelled out in detail and no credible measure could be taken against Turkey's military intervention, Turkey went ahead with the implementation of its strategy. Therefore, the cease-fire agreed on July 22, 1974 under American pressure proved to be only an interregnum during which Turkish troops continued to advance, thus paving the way for the second intervention on August 14, 1974.¹⁶

After the second military intervention, European policy on Cyprus bore the mark of the lowest common denominator, determined by the divergence among member state policies. This was evident in the European Parliamentary Commission meeting of September 16, 1974, which reflected a clear move towards a detached EU involvement in the Cyprus problem. The EPC declaration adopted in this meeting reaffirmed EU commitment to the independence and territorial integrity of Cyprus, but also made it clear that the EU's role would be limited to the encouragement of inter-communal talks.¹⁷

Reliance on inter-communal talks without significant EU input continued throughout the 1980s, as was reflected in a number of EPC statements at the UN General Assembly.¹⁸ EU support for the UN-sponsored talks, however, was a problematic policy even with respect to the narrow objective it aimed to achieve. The policy could neither induce the parties to hold inter-communal talks, nor could it penalize a party defecting from the talks. In other words, this strategy was backed with neither a package of incentives nor credible threats. In fact, the EU rejected a 1975 European Parliament proposal calling for an economic aid package tied to resolution of the Cyprus problem. A similar tendency became evident with respect to the imposition of sanctions. Although a House of Commons Select Committee recommended in 1976 that the EU should impose sanctions against Turkey and revise the association agreement, its recommendation fell upon deaf ears.

The reason for the EU's detached involvement since 1974 was due to the absence of condition (i) and only fractional satisfaction of

conditions (ii) and (iii) indicated above. Condition (i) was not satisfied because EU member states' Cyprus policy was divergent.¹⁹ Condition (ii) was only fractionally satisfied because the establishment of a Cypriot state became incentive-compatible only for Greek-Cypriots. Finally, condition (iii) was only fractionally satisfied too because, even though Greece signalled some willingness to comply with EU rules by applying for membership, this willingness did not apply to the Cyprus problem. In fact, Greece's membership bid was mainly inspired by the perceived opportunity of influencing EU rules in favour of the Greek and Greek-Cypriot positions rather than willingness to comply with a common EU policy on Cyprus. In addition, Turkey's willingness to comply with EU rules was even more questionable. As a result, there was little or no scope for the EU to emerge as an effective rule-setter that would facilitate resolution of the Cyprus problem.

Seeds of Change? 1981-1989

Given EU in-activism, Turkey and the Turkish-Cypriot leadership began to take further steps to consolidate the *de facto* division. The EU's signal in 1976 that the accession of Greece would not lead to the 'Europeanisation' of the Greco-Turkish conflict made these steps more probable.²⁰ As a result, the Turkish Federated State of Cyprus was upgraded into an independent state, the Turkish Republic of Northern Cyprus (TRNC) in November 1983. A referendum on the constitution of the TRNC was held in May 1985, and presidential elections took place in June of the same year.

True, the EU expressed its disapproval of these developments. For example, on November 16, 1983, the EPC called upon all interested parties not to recognise the TRNC.²¹ Also, the UK called for a Security Council meeting and supported the Security Council resolution of November 18, 1983, which deplored the 'purported secession of part of the Republic of Cyprus' and called upon all states

not to recognise the TRNC.²² In 1985, the EPC reiterated the EU's non-recognition of the Turkish Republic of Northern Cyprus and criticised the referendum as well as the presidential elections held in the Republic.²³ These initiatives, however, did not lead to any change in the Turkish and Turkish-Cypriot policy of consolidating the TRNC. In other words, neither Turkey nor the Turkish-Cypriot leadership was prepared to accept the EU as rule-setter for the resolution of the Cyprus problem.

Yet, the accession of Greece in 1981 increased the probability that the EU will eventually emerge as a rule-setter. Why? In a word, Greece was now bound by a common EU principle that territorial disputes should be resolved peacefully. The reason was thus not that Greece was able to force the EU to adopt a more critical stance against Turkey and the Turkish-Cypriot leadership. Of course, since 1981, the Greek government and Greek members of parliament have consistently raised the issue of Cyprus at various levels within the EU. Until late 1988, however, these attempts remained ineffective in terms of either influencing the EU's stance on Cyprus or blocking the normalization of Europe-Turkey relations. The EU's Cyprus policy continued to be characterized by in-activism and EU-Turkey relations were normalized despite Greek opposition.

In other words, Greek membership induced the EU to 'Europeanize' the Cyprus problem not because it enabled Greece to push the EU into an activist stance, but because it made *enosis* a redundant option and, thereby, enhanced the viability of the Cypriot state. This paradox has been ignored not only by Turkish policy-makers who have been only too keen to criticise the EU for giving in to Greek pressure, but also by students of EU-Turkey relations who have rightly detected a trend towards EU activism on Cyprus following the accession of Greece in 1981.²⁴ What is missing in such accounts, however, is the fact that the scope for consolidating the Cypriot state and integrating it within the EU was increased as *enosis* became a less likely option after 1981. The reason why *enosis* became

a less feasible option lay in the unpleasant fact that the annexation of Cyprus would be tantamount to violating the sovereignty of an associated country by a member state. In other words, the cost *enosis* has increased after the accession of Greece in 1981. As a result, the pro-*enosis* camps in Greece and Cyprus were weakened and the scope for resolving the *enosis*/independence dilemma that had haunted the Greek-Cypriot leadership since the early 1950s was increased. It was not surprising to observe that the first action of the Greek-Cypriot leadership after the accession of Greece was to renounce *enosis* as a future goal in November 1981.

This change of attitude towards *enosis* rather than the Greek pressure forced the European Union to gradually increase its involvement in the Cyprus problem from 1981-87. Abandonment of the *enosis* option meant that an independent Cypriot state became fully incentive-compatible for the Greek-Cypriots. It also meant that Greece would not jeopardize its EU membership for an aim (*enosis*) that had already become practically impossible to achieve after 1974. Expressed differently, both Greece and the Cypriot government signalled their willingness to accept the EU as a rule-setter — even though this acceptance was facilitated by the perceived opportunity to influence EU rules from within. It was against this background that the EU began to explore ways through which the risks associated with closer integration of Cyprus could be reduced. The first step in this direction was taken in July 1983, when the EU Council, after prolonged intra-EU negotiations, decided to upgrade the EU-Cyprus association with an additional protocol. The additional protocol granted partial concessions for agricultural and industrial products originating in Cyprus. The protocol was then extended from 1984 to 1987, when the EU-Cyprus customs union (CU) agreement was signed. The CU agreement provided for a gradual removal of tariff and non-tariff barriers by Cyprus at a rate of 9% per year in return for preferential EU treatment for 43 agricultural products and tariff-free entry for industrial products, provided that Cyprus complied with rules of origin. As a result, Cyprus became the most favoured country *vis-à-vis*

the EU when compared with other associated countries, including Turkey.²⁵

Despite these changes, Turkish policy on Cyprus continued to be based on the assumption that Turkey's significance as a bulwark against the Soviet Union would prevent the EU from taking an active and critical stance. For example, in 1987, the Turkish foreign minister stated that Turkey's relations with the West were based on reality and not choice. He added that these relations did not involve trade-offs on Cyprus: 'Turkey has no intention of paying any political price for full membership, especially on issues of national interest.'²⁶ Here was a telling indicator of the 'realist' logic that shaped Turkey's policy on Cyprus as an 'issue of national interest'. More significantly, however, it was also an indicator of the extent to which Turkey discounted its relations with the EU more heavily than making concessions on Cyprus. Put differently, Turkey was signalling that it was not willing to accept the EU as a rule-setter with respect to the Cyprus problem.

This signal was picked up correctly in the report of the Foreign Affairs Committee of the UK House of Commons in 1987. According to the Committee, Turkey had placed itself into an awkward position. Not only had the country violated the rule of law in dispute resolution, but it had also become less able to secure support for its objective; i.e., a *de facto* partition of Cyprus. Therefore, the Committee recommended that the EU should make it absolutely clear to Turkey that reactivating the association as well as any further consideration of Turkey's membership application (1987) would be frozen until significant efforts were made towards a settlement in Cyprus.²⁷ Although the European Union did not take up this recommendation, the stage was now set for it to adopt a more activist policy.

In fact, the EU indicated on a number of occasions in 1989 that the Cyprus problem would be a stumbling block for Turkey's membership. In its Opinion on Turkey's application dated December 1989, the Commission stated for the first time that the Cyprus problem, together with the dispute between Turkey and Greece, was

affecting the EU-Turkey Association negatively.²⁸ In an Internal Working Document leaked to the press, the Commission went beyond diplomatic wording and held Turkey responsible for the occupation of half of Cyprus since 1974; for "... blocking all efforts for reunification"; and for intending to create an 'independent vassal state.'²⁹ The EP president also stated during his visit to Cyprus at the beginning of December 1989 that 'one of the conditions for full normalization' of EU-Turkey relations would be the end of Turkish occupation.³⁰

The EU as a Rule-Setter on Cyprus? the 1990s and Beyond

As a result of the developments examined above, it became evident in the late 1980s that the EU was moving towards a more active involvement in the Cyprus problem. One factor that accelerated this move was the application of Cyprus for membership in 1990. It is true that the Greek-Cypriot leadership had been interested in establishing formal relations with the EU since early 1960s, when Britain made the first attempt to join the EU. The Cypriot government set in motion a gradual process that led to the Association Agreement of 1972 and a customs union in 1987. Those attempts, however, remained economic in nature. In addition, the EU was delaying the deepening of the relations by arguing that the political situation on the Island was limiting the scope for upgrading the EU-Cyprus association agreement.³¹

As indicated above, Greek accession in 1981 represented a watershed enabling Greek-Cypriot leadership to redefine its approach to the European Union. Towards the end of the 1980s, the European orientation of the Greek-Cypriot leadership began to be marked by a political dimension in addition to the essentially economic concerns of the 1970s. The election of Mr. Vassiliou on a pro-EU manifesto signalled the beginning of a new policy geared towards membership.³² Underlying this orientation was the expectation that closer links with

the EU would enable the Greek-Cypriot leadership to exert more pressure on Turkey; and a Cyprus within the EU could induce the Turkish-Cypriot leadership to discount the security considerations in return for economic gains.

These considerations could be detected in statements made by the Greek-Cypriot leadership at various platforms. For example, in his speech on the occasion of the membership application, Mr. Vassiliou stated that the accession of Cyprus 'will provide the best possible guarantee of the political future of the country and that of all Cypriots in conditions of stability and security.'³³ Similar statements were made repeatedly both by the president and other officials of the Cypriot government.³⁴ As a result, the EU found itself in a position where an opening towards Cyprus was both feasible and necessary. It was feasible because, after Greece, the Cypriot government was now willing to accept the EU as a possible rule-setter for the resolution of the Cyprus problem. It was also necessary because a solution to the Cyprus problem would reduce the risk of negative spill-over from an associated yet *de facto* divided country.

As the EU began to adopt an activist stance, Turkey's Cyprus policy became less compatible with a federal settlement. The twist in Turkish policy became evident in June 1989, when the Turkish-Cypriot leadership rejected the federal solution on the grounds that a federation would not ensure the security and equality of the Turkish-Cypriot community. The Turkish-Cypriot leadership withdrew from the UN-sponsored talks, arguing that the solution must involve two separate states connected with a weak confederal link. The President, Mr. Denktash, also secured a TRNC Assembly decision in August 1989, which 'instructed' him not to participate in future talks as long as 'confederation' was not accepted as a basis for negotiations.³⁵ This development signalled clearly that Turkey would step up the campaign for consolidating the TRNC as a separate state. Given that the EU was then supporting a federal Cypriot state, this policy also signalled that Turkey was not prepared to play in accordance with EU rules.

From 1990-92, the EU took a number of steps indicating that it was now willing to act as a rule-setter on the Cyprus problem. This role was not envisaged to constitute an alternative to the UN, but to break the deadlock in the UN-led negotiations. This would be achieved by signalling to Turkey that upgrading EU-Turkey relations was inextricably linked to Turkey's contribution to the Cyprus problem.³⁶ In other words, the EU was indicating that it would stop the supply of some private goods (i.e., a customs union with Turkey or Turkey's EU membership prospect) if Turkey fails to contribute towards the cost of supplying the public good; namely, resolution of the Cyprus problem. The joint-production strategy was evident from the EU's positive response to Cyprus' membership application. In May 1993, the Commissioner for external political relations, Mr. Van den Broek indicated that the Commission's opinion on Cyprus' application would confirm the country's 'European credentials.'³⁷ Indeed, a month later, in June 1993, the Commission published its Opinion and stated that, as far as the Greek-Cypriot part of the Island was concerned, Cyprus was capable of complying with the *acquis communautaire*. Although the Opinion did not recommend a start for the accession negotiations, it made it clear that the Cypriot government would not be 'punished' as long as it continued to favour a solution to the Cyprus problem. The Commission proposed that the situation should be reviewed in January 1995, taking into account 'the positions adopted by each party'.³⁸

In July 1993, Mr. Van den Broek conceded that the division of Cyprus could pose some risks for the EU. Nonetheless, he stated that Turkey, as the party blocking settlement, should not be able to determine the EU's decision. Therefore, the EU could negotiate with Greek-Cypriots even if a solution could not be found by January 1995.³⁹ This was confirmed by the Council when it instructed the Commission to open 'substantive talks with the government of Cyprus to prepare for the accession negotiations that would follow.'⁴⁰

The January 1995 review led the Commission to send a brief communication to the Council, in which 'considerable importance is

attached to the announcement of a timetable setting a date for opening of accession negotiations'. The Commission was of the view that the EU must 'back up its commitment with clear messages to the various parties' and 'ensure that it is in a position to support the UN efforts effectively'. This strategy would involve linking the conclusion of EU-Turkey customs union agreement with the opening of EU-Cyprus accession negotiations.⁴¹ Between February and March 1995, Greece tried to minimise the opening towards Turkey and maximise the probability of a firm date for EU-Cyprus accession negotiations. However, Greece eventually relaxed its position concerning financial aid to Turkey in return for a firmer EU commitment to start accession negotiations with Cyprus after the intergovernmental conference in 1996.⁴²

Partly under Greek pressure and partly as a signal to Turkey that the latter could not mortgage the EU's policy on Cyprus, the EU Council decided on 6 March 1995 to link the EU-Turkey customs union with the start of EU-Cyprus accession negotiations. According to this linkage, Greece would lift its veto on the EU's financial assistance to Turkey; Turkey would upgrade its relations with the EU; and Cyprus would be given the green light for membership by starting the accession negotiations six months after the end of the Intergovernmental Conference.⁴³ The EU would gain by (i) getting the EU-Turkey customs union off the ground subject to EP approval, and (ii) signalling to Turkey as well as the Turkish-Cypriot leadership that it would be in their interest to co-operate on the settlement of the Cyprus problem. However, the linkage was so badly designed that its component concerning the settlement of the Cyprus issue failed instantly. The Turkish foreign minister stated on March 6, 1995, day on which the customs union agreement was signed, that Turkey would integrate northern Cyprus if the EU decided to take Cyprus, in whole or in part, as a member. He also argued that Cyprus' membership was impossible before Turkey, as a guarantor power, could accede to the EU.⁴⁴

A similar challenge to the linkage was made by the Greek-Cypriot leadership in March 1996, when the EU reminded Greece that attempts to block financial aid to Turkey might affect the negotiations on Cyprus' accession. The Cypriot foreign minister was quick to reject this interpretation and argued that Cyprus 'cannot be called upon to pay for the consequences' of the Greco-Turkish dispute.⁴⁵ So, one year after the package had been designed, it appeared as if the EU's linkage policy was about to fail.⁴⁶ The 'public good' approach to dispute settlement, however, enables us to put the whole process into a perspective. It is true that the EU's gambit has not secured a solution to the Cyprus problem. That is mainly because Turkey and the Turkish-Cypriot leadership have opted to discount their relations with the EU (i.e., the private good that the EU could produce) more heavily than the benefits of the settlement as a public good. As long as this position continues, the EU cannot ensure that the public good is available.

In other words, the conditions (i) - (iii) derived in section 1 are still not fully satisfied. Although an intra-EU consensus has emerged and the Greek/Greek-Cypriot leaders were prepared to accept the EU as rule setter, Turkey and the Turkish-Cypriot leadership were not prepared to view the EU in the same way. Therefore, the EU could not still enforce the production of the public good (i.e., the resolution of the Cyprus problem). What is also important, however, is that the EU has now become the only actor that could increase the probability of the resolution by linking the production of 'private' and 'public' goods. This position is not available to any other actor (for example, the UN, the US, or any other country) because the parties to the Cyprus problem are not linked to any of them with a set of arrangements that constitute a framework for a 'community of interest'. Therefore, as long as Turkey continues to attach some significance to its relations with the EU, the latter will continue to constitute the most influential 'broker' that could force Turkey to agree to a bi-zonal, bi-communal settlement.

This conclusion becomes even more relevant after the Helsinki summit decision of 1999. The Helsinki Summit went some way towards strengthening the EU's role as rule-setter with respect to the Cyprus problem. First, it confirmed that Turkey is a candidate for membership. Secondly, it signalled that the EU is willing to share the burden of convergence by setting up an accession partnership and enabling Turkey to participate in relevant EU programmes (paragraph 12). In other words, the EU defined the 'private' good that Turkey is likely to enjoy if the outstanding issues in EU-Turkey relations can be resolved to the satisfaction of the EU.⁴⁷

Against these EU commitments, the Helsinki summit required Turkey (and other candidates) to fulfil two major obligations. One is the satisfaction of Copenhagen criteria that were designed in 1993 to ensure the candidates' convergence towards EU norms in the economic and political spheres. The other is the resolution of outstanding border issues and other disputes in accordance with the United Nations Charter or, failing that, to bring the dispute to the International Court of Justice. Progress towards meeting these requirements will be reviewed at the end of 2004 (paragraph 4). Another result of the Helsinki summit was the declaration that political settlement of the Cyprus problem would not be a precondition for an EU decision on Cyprus' membership.⁴⁸ *Inter alia*, the significance of these conditions is that they clarified the 'contribution' that Turkey must make towards the cost of resolving the Cyprus problem.

Turkey's reaction to the Helsinki decision was negative. In fact, the Turkish government agreed to embrace the Helsinki decision only in the last minute when EU officials as well as the US president assured the Turkish prime-minister that the review date of 2004 is a 'review date' and not a deadline. Once Turkey's co-operation was secured, the EU took the expected next step and set the conditional date for Turkey's accession negotiations as 2004, the review date for the settlement of disputes (including Cyprus) in accordance with

international law. In other words, Turkey will find itself in square one at the end of 2004. The EU (even without Greek veto) cannot be expected to start accession negotiations with Turkey when the latter and the TRNC appear to be blocking the solution of the Cyprus problem. That is why Turkey, not surprisingly, reacted to the Copenhagen summit decision negatively in the same way as it had reacted to the Helsinki decision in 1999.

Turkey's negative reaction to the Copenhagen summit decision was determined by two factors. For one, Turkey wanted an earlier and firm date for the start of accession negotiations in order to avoid the review at the end of 2004. This concern has been confirmed by a statement of the foreign minister of the new (Justice and Development Party - AKP) government. Mr Yakis told the Turkish press that the offer formulated by Germany and France, i.e., a conditional date for the end of 2004, could "*cause a lot of problems for Turkey because of the 1999 Helsinki document.*" (Emphasis added). Therefore, Turkey wanted accession negotiations to start earlier, for example, on the basis of a European Council decision in Thessaloniki in 2003.⁴⁹

Given these developments, we can safely argue that the EU is now the only effective rule-setter that could force Turkey to contribute to the solution of the Cyprus problem. Whether Turkey will cooperate or not depends on the Turkish military's stance vis-à-vis the new Turkish government in general and its assessment of the 'security' interest in northern Cyprus. This question is difficult to answer at this juncture, but it can be argued that the answer lies in the military's response to two developments.

In the November 2002 elections, the Development and Justice Party (AKP) secured a comfortable majority on the basis of an election manifesto that pledged an anti-*status quo* approach to foreign policy issues (including Cyprus and Greco-Turkish relations). This was a significant development because, for the first time in Turkey's history, foreign policy objectives were articulated through a bottom-up process and the policy content signalled some divergence from the existing

policies that had been a constant given for mainstream parties of the left as well as the right. Therefore, the November elections unleashed a dynamic that could work in favour of progress on Cyprus as well as Greco-Turkish disputes and, thereby, increase the probability of Turkey's EU membership.

Thus far the military's reaction to the new government was compatible with minimum requirements of a democratic regime. Yet, there are still some doubts about the extent to which the government will be allowed to implement its policies as reflected in its election manifesto. The military have refrained from entering into open confrontation with the government, but they have been very active behind the scenes and forced the government to water down its policy commitments – especially with respect to the Cyprus problem. As Birand has observed, the new government 'thunders but fails to deliver.'⁵⁰ The failure to deliver is due not only to inexperience but also to military's pressure. That is why, for example, the foreign minister had to accept that the government could not repeal the parliamentary decision on the integration of North Cyprus with Turkey. The foreign minister's explanation for this anomaly confirms the existence of severe military pressure on the government. According to foreign minister, the decision was taken by the parliament and it would require a new parliamentary decision to be repealed.⁵¹ The question then is obvious: why has the government, given its comfortable majority in the parliament, not announced that this decision is now defunct that it has to be repealed.

The second development is the increased societal dissent in Northern Cyprus. After the change of government in Turkey, Turkish-Cypriots began to raise their voice against Denktash's recalcitrant policies. The 'voice' option was not feasible before because of the monopoly power that Denktash and his entourage enjoyed with the support of the Turkish military. Aware of the differences between the new Turkish government and the Turkish military, Turkish Cypriots took to the streets and staged the first large demonstration on

November 27, 2002. This was followed by an even larger demonstration on January 14, 2003, in which one-third of the population in North Cyprus took part. The demands were clear and straightforward: resolution of the Cyprus problem on the basis of the most recent UN plan, and accession to the EU.

Open societal dissent raised the question as to whether Turkish military presence in North Cyprus can be legitimised in the future. The Turkish press reflected these concerns by referring to intelligence reports warning of ‘dangerous divisions’ within North Cypriot society.⁵² The Turkish military’s reaction to these developments was marked with two conflicting tendencies. On the one hand, they forced the government to tone down its policy announcements and declare that Turkey’s Cyprus policy remains essentially the same. On the other hand, there are some indications that the military has begun to devise a new strategy, which currently seems to be in favour of protracted bilateral negotiations rather than rejecting the new UN plan (the Annan Plan) altogether. In fact, there have been some suggestions that the Turkish military could eventually come to acknowledge that the Cyprus problem is now Turkey’s problem, and that the “solution has to come from outside [of Cyprus]”.⁵³

Conclusions

The evidence discussed above demonstrates clearly how the concept of ‘international public goods’ can provide useful insights into our understanding of the Cyprus problem and the contribution that the EU could make towards its solution. Specifically, we can argue that the absence of solution for the last three decades has been due to the absence of conditions that could enable a public authority to set rules that would alter the policy choices of the actors involved. Because of its unique position, the EU has proved the most likely contender for such a status. This unique position implies that the EU can combine the production of excludable ‘private goods’ (i.e., association

agreements, customs union agreements and membership) with 'public goods' such as the resolution of the Cyprus problem. The EU has indeed become gradually involved in such 'joint production'. As a result, it first secured Greek and Greek-Cypriot acceptance to play with EU rules. This meant the abandonment of *enosis* in 1981, the acceptance of the EU-Turkey customs union in 1995, the acceptance of Turkey's candidate status in 1999, the acceptance of the recent UN plan as a basis for solution. As a result, the EU's ability to engage Turkey and the Turkish-Cypriot into the solution of the Cyprus problem has increased.

This gradual EU activism was underpinned by the satisfaction of some conditions: (i) the evolution of the Cypriot state towards an incentive-compatible arrangement for the Greek-Cypriots; (ii) the convergence of EU member states' Cyprus policy; and (iii) eventual acceptance by Greece and the Greek-Cypriot leadership of the EU as a rule-setter that could impose sanctions on free riders. What remains unsatisfied is the condition that Turkey and the Turkish-Cypriot leadership must also view the EU in the same way. In other words, both Turkey and the Turkish-Cypriot leadership must also be prepared to trade off the benefits of the private good (i.e., EU membership) against the perceived cost of contributing to a bi-zonal, bi-communal solution along the lines suggested in the most recent UN plan. Whether or not Turkey and the Turkish-Cypriot leadership would engage in such a trade-off would depend on the Turkish military's reactions to the new government in Turkey and increased societal dissent in Northern Cyprus.

NOTES

1. My conceptualization was inspired by the recent debate on global and regional public goods, which characterizes peace, economic well-being, social justice and environmental sustainability as international public goods. See I. Kaul, I. Grunberg and M. A. Stern (eds.), *Global*

Public Goods: International Cooperation in the 21st Century, New York and Oxford: Oxford University Press, 1999. On the geographical classification of public goods, see T. Sandler, 'Global and Regional Public Goods: A Prognosis for Collective Action', *Fiscal Studies*, vol. 19, no. 3, pp. 221-247.

2. See, for example, P. Tsakaloyannis, 'The European Community and the Greek-Turkish Dispute', *Journal of Common Market Studies*, vol. 19, no. 1 (1980), pp. 35-54; C. Stephanou and C. Tsardanidis, 'The EC Factor in Greece-Turkey-Cyprus Triangle', in D. Constatas (ed.), *The Greek-Turkish Conflict in the 1990s: Domestic and External Influences*, London: Macmillan, 1991, pp. 207-230.

3. The classical contribution to the theory of public good is by P. Samuelson, 'Social Indifference Curves', *Quarterly Journal of Economics*, vol. 70, 1956, pp. 1-22. An accessible textbook treatment is in R. Boadway and N. Bruce, *Welfare Economics*, Oxford: Basil Blackwell, 1984. For a literature review, see W. Oakland, 'The Theory of Public Goods' in A. Auerbach and M. Feldstein (eds.), *Handbook of Public Economics*, Amsterdam: North Holland, 1987, pp. 485-535. The analysis in section 1 draws heavily on these sources.

4. This assumption is based on the absence of a common foreign and security policy and not on benevolence of the EU. Foreign and security policy is more likely to be driven by power-political considerations due to its non-transparent nature.

5. We assume association with the EU and EU membership for all parties because the preference for these links with the EU are already revealed in the association agreements.

6. In N. M. Ertekün, *In Search of a Negotiated Cyprus Settlement*, Nicosia, Ulus Matbaacilik, 1981, p. 3.

7. Published in *Cyprus Mail*, 28.3.1963, quoted in Ertekün, *In Search of a Negotiated Settlement (op. cit.)*, p. 8.

8. Quoted in Republic of Cyprus, Press and Information Office, *The Cyprus Problem*, Nicosia, Zavallis Press, 1984, pp. 10-11.
9. For the full text of the letter, see N. M. Ertekün, *In Search of a Negotiated Settlement* (*op. cit.*), pp. 243-246.
10. On this, see H. Laipson, 'United States Policy Towards Greece and Cyprus since 1974', D. Constatas (ed.), *The Greek-Turkish Conflict in the 1990s: Domestic and External Influences*, (*op. cit.*), p. 165.
11. House of Commons Select Committee on Cyprus, 'Examination of Witnesses', Doc. No. 331, *Parliamentary Papers*, vol. 17, London: HMSO, (1976), pp. 63-64.
12. C. Hill, 'The Capability-Expectations Gap, or Conceptualising Europe's International Role', *Journal of Common Market Studies*, vol. 31, no. 3 (1993), pp. 305-329.
13. On this, see M. Uğur, *The European Union and Turkey: An Anchor/Credibility Dilemma*, Aldershot: Ashgate, 1999, pp. 168-174.
14. Quoted in C. Tsardanidis, *The Politics of EEC-Cyprus Association Agreement: 1972-82* (Unpublished PhD Dissertation, University of London, London School of Economics (1983), p. 219.
15. *The Economist*, 3.8.1974, p. 45.
16. On this, see P. Tsakaloyannis, 'The European Community and the Greek-Turkish Dispute', (*op. cit.*), pp. 35-54. See also, M. A. Birand, *30 Sicak Gun (Thirty Hot Days)*, Ankara: Milliyet Publications (1984), p. 232.
17. *Agence Europe*, 18.9.1974, p. 3.
18. The common themes in this strategy were: (i) respect for UN resolutions affirming the independence, sovereignty and territorial integrity of Cyprus; and (ii) adherence to inter-communal talks as the most promising way of finding a solution. See, for example, the Italian

foreign minister's statement at the UN General Assembly on 24 September 1975 (Verbatim Service, 24.9.1975); the Danish foreign affairs minister's statement on 15 January 1976 (Danish Embassy Press Release, London, 15.1.1976); the Irish foreign minister's statement on 26 September 1979; Lord Carrington's statement on 22 September 1981 in Euroconsult Ltd, *Cyprus and the European Community*, Nicosia, 1991, pp. 127-128.

19. This was evident from the voting pattern of EU member states on UN resolutions on Cyprus. See, M. Ugur, *The European Union and Turkey*, (*op. cit.*), p. 177.

20. *Agence Europe*, 5.3.1976, p. 8, and 10.3.1976, p. 6.

21. Euroconsult Ltd. *Cyprus and the European Community* (*op. cit.*), p. 125.

22. Republic of Cyprus, Press and Information office, *Resolutions Adopted by the UN on the Cyprus Problem*, Nicosia: 1991, pp. 85-86.

23. Euroconsult Ltd. *Cyprus and the European Community*, (*op. cit.*), pp. 125-126.

24. For arguments that the accession of Greece has contributed to the deterioration of EU-Turkey relations, see N. Kohlhasse, 'The Greco-Turkish Conflict from a European Community Perspective', *The World Today*, vol. 37, no. 4 (1981), pp. 128-131; and R. Meinardus, 'Third-Party Involvement in Greek-Turkish Disputes' in D. Constatas, *The Greek-Turkish Conflict in the 1990s*, (*op. cit.*), pp. 161-162.

25. Euroconsult Ltd., *Cyprus and the European Community*, (*op. cit.*), p. 61.

26. This is from Mr. Halefoglu's speech of 8 July 1987 at the Royal Institute of International Affairs, (Mimeograph).

27. House of Commons Foreign Affairs Committee, *Third Report on Cyprus*, London, HMSO, 1987, p. xxxv.

28. Commission of the EC, *Opinion on Turkey's Request for Accession to the Community*, SEC(89)2290/final, Brussels: 1989.
29. *Agence Europe*, 2.12.1989, p. 8.
30. *Agence Europe*, 20.4.1989, p. 3.
31. On this, see C. Tsardanidis, *The Politics of EEC-Cyprus Association Agreement: 1972-82 (op. cit.)*.
32. Republic of Cyprus, Press and Information office, *Press Release*, 29.11.1989.
33. *Cyprus Bulletin*, 4.7.1990, p. 4.
34. For Mr. Vassiliou's speech to the Royal Institute of International Affairs in London, see *Agence Europe*, 3.3.1989, p. 3. For the foreign minister's speech to the Institute of Directors on 29 November 1989, see Republic of Cyprus, Press and Information Office, *Press Release*, no. 14, 29.11.1989. Finally, for Vassiliou's welcoming statement to the EU's first Ambassador to Cyprus, see *Cyprus News*, no. 12, May 1990, p. 1.
35. *Agence Europe*, 19/20.6.1989, p. 17; and 24.8.1989, p. 2.
36. For a review of these steps, see M. Ugur, *The European and Turkey (op. cit.)*, pp. 186-188.
37. *Agence Europe*, 10/11.5.1993, pp. 9-10.
38. Commission of the EC, *Opinion on the Application by the Republic of Cyprus for Membership*, COM(93)313/final, Brussels: 1993.
39. *Agence Europe*, 1.7.1993, pp. 7-8.
40. *Agence Europe*, 4/5.10.1993, p. 7.
41. Commission of the EU, 'Communication to the Council on Reconsideration of the Question of Cyprus Accession to the E.U.', CAB XI/9/95-EN Rev.2, (February 1995).

42. *Agence Europe*, 27/28.2.1995, p. 4.

43. For the Council decision of 6 March 1995, and the preceding developments, see *Agence Europe*, 8.2.1995, p. 6; 13/14/2/1995, p. 5; 15.2.1995, p. 10; 27/28.2.1995, p. 4; 4.3.1995, p. 4; and 8.3.1995, p. 5.

44. *Agence Europe*, 8.3.1995, p. 5.

45. *Agence Europe*, 8.3.1996, p. 8.

46. In fact, in 1998, I was of the view that this was not surprising 'because the linkage was established in an attempt to please the parties involved rather than to supply a coherent and transparent framework of incentives and sanctions' that would increase feasibility of the solution to the Cyprus problem. See, M. Uğur, *The European Union and Turkey*, (*op. cit.*), p. 192. What changed in 1999 was the EU's acceptance of Turkey's candidate status – a step towards the establishment of the package of incentives and sanctions that the EU could deploy to increase the probability of Turkey's contribution to the solution.

47. European Council, Helsinki European Council Conclusions, Press Release no: 00300/99, 11 December 1999, Brussels.

48. European Council, Helsinki European Council Conclusions, (*Loc. Cit.*).

49. *Radikal* (Turkish daily), 9.12.2002.

50. *Turkish Daily News*, 4.2.2003.

51. *Radikal* (Turkish daily), 8.1.2003.

52. *Hürriyet* (Turkish daily), 24.1.2003.

53. Murat Yetkin, in *Radikal* (Turkish daily), 19.12.2002.