

Introduction

It was on 24 September 1994 when the author of this script had the honour of participating in a high ranking International Conference in Limassol. The Minister of Foreign Affairs addressed the seminar, "Cyprus' Course to the European Union. The Political and Economic Problems of an Applicant State". Party leaders of all relevant political forces in Cyprus and scholars convened to discuss what the consequences would be of the formal application for EU membership made by the Government of the Republic of Cyprus on 3 June 1990. The Commission, in its opinion provided on 30 June 1993, had argued that Cyprus' integration with the community "implies a peaceful, balanced and lasting settlement of the Cyprus question". The Council confirmed the Commission's Avis on 30 June 1993, and the European Council concluded in June 1994 that Cyprus would be included in the next round of enlargement. This was the background when the debates in the conference started. Over and above this, two questions had to be answered: What would the consequences of EU membership be for Cyprus and what would the implications be for the EU? It was not surprising that the chances to settle the intercommunal dispute were the focal point in nearly all statements. But it should be made clear that other relevant issues came to the fore as well. Some discussants argued that bad experiences regarding the association agreement with the European Community of 1962 made it clear that Cyprus' membership would benefit the EU more than the island. The balance of trade was taken to substantiate this argument and this assumption was countered by authorities from the Ministry of Finance: As far as the Maastricht Criteria indicated at the time, the economy of Cyprus was assessed as competitive *vis-a-vis* EU member states. Cyprus' budget and public deficit were below the criteria set by the Maastricht Treaty and interest rates also met the conditions. The Cyprus Pound was already bound to the ECU, but the rate of inflation exceeded the benchmark. Positive assumptions were based on the high rates of growth since 1974, which endorsed the Cyprus "economic miracle". So far the conference had good cause to look ahead optimistically as far as the Government controlled area was concerned. The economy of the Republic of Cyprus was competitive to a great extent. But this was not the case in the northern part of the island, where the economy lagged behind. Shortcomings were identified in the Republic of Cyprus with respect to offshore enterprises, dependence on tourism and harmonisation with EU standards. Viewed from today's perspective the debates during the conference proved to be well founded. Cyprus managed the challenge of competitiveness when it became a member of the EU in 2004 and introduced the Euro in 2008.

In the course of the conference the debate about the Cyprus problem gave fewer grounds for optimism. There was consensus among the Greek Cypriot participants that the principle of the legitimacy of the Republic of Cyprus had to be secured through negotiations with the EU. Whether EU membership could serve as a catalyst to solve the political problem was deliberated much more. Later, during dialogue on the Annan Plan, politicians representing the Government

were sceptical that EU accession could function in that way. Others were more positive as the *acquis communautaire* could safeguard elementary rights as well as security. At that time it was challenging to evaluate Cyprus' future in the EU in light of four alternative scenarios. The first one, "settlement of the conflict before EU accession", was perceived by some discussants as the optimum but least probable version. The second scenario, understood as "competence-mixture in a weak federation" because it was designed by the UN Secretary-General in his "Set of Ideas", was criticised on two accounts: firstly, it was doubted that principles of democratic and efficient governance would be secured, and secondly, criticism was raised as to Cyprus' ability to take over its responsibilities as a member of the EU. A third scenario, "two Cypriot states in the EU", was not even a topic for academic discussion as it contravened international law and relevant decisions of the UN. The last scenario was modelled along the German experiences of reunification: The Republic would enter the EU first and the northern part would be included later. It was anticipated that this version implied a great deal of risk, but gave signs of hope as well. This scenario, as we know today, came nearer to reality than any other. The whole of the Republic of Cyprus joined the EU in 2004 and the *acquis* was suspended in the north. The Cyprus question still has to be settled. Another opportunity to do this is given by the ongoing intercommunal negotiations.

The second part of this edition is dedicated to some reflections on five years of membership of the Republic of Cyprus in the European Union. Five years after Cyprus joined the EU, the academic agenda has been reorganised to some extent. Economic competitiveness, stability of the currency, participation in EU decision making, rearranging foreign and security policy, striving for a just and durable solution of the intercommunal division – all these issues are still of importance. An additional theoretical and methodological approach has, however, become more prominent: this is the phenomenon of Europeanisation. All member states are confronted with different impacts from the EU's policies, decisions, financial redistribution, legal acts, and "ways of doing things" which are adapted or rejected by the receivers. On the other hand member states are also creators of Europeanisation impacts when they participate in decision making on an EU level. It seems logical, therefore, that two articles in this volume address Europeanisation aspects directly and two papers address the long-standing debate of conflict settlement but broach it in light of the changed environment of Cyprus' membership in the EU. It becomes evident that new aspects are revealed, but there is still much to do. There seems to be consensus that Cyprus membership has decisively helped in the improvement and modernisation of various aspects of Cypriot life. But as far as the Cyprus problem is concerned, Europeanisation has either failed or has only been partially adopted by both sides. The catalytic role of the European Union for a settlement has not been forthcoming. Both Greek and Turkish Cypriots – for very different reasons – are disappointed by the role of the European Union within the Cyprus dispute since 2004.

The section, which reflects on five years of EU membership, begins with an article by the guest editor. He questions whether conflict settlement can be promoted by the process of

Europeanisation, and in so doing the experiences of the failed unification and reconciliation plan of Kofi Annan are recalled. As Europeanisation tends to become a catch-all term, an innovative concept of the “Hexagon of Conflict Settlement” is introduced which is also used to analyse the current process of negotiations between the leaders of both communities. The prospect of success in the current process of negotiations – according to this concept – is dependent on two factors set against a backdrop of experiences with the Annan Plan: firstly, President Christofias must succeed in changing his compatriots’ and the Greek-Cypriot media’s negative attitude towards compromise and concession into one of positive thinking by means of a massive publicity campaign. Secondly, in Turkey, not only the government but also the military and the diplomats must support the results of the negotiations.

Costas Melakopides prefers a different and more normative approach when he discusses the role of the EU in the Cyprus Question. Describing the EU as a normative power he identifies an *ethical acquis* which has been established by the EU over the years when the EU made public statements on the Cyprus problem. As the Annan Plan, in the perception of the author, served the strategic interests of the US, the UK, Turkey, and the needs of the Turkish Cypriots, the EU should actually promote its essential normative principles. This could best be achieved by imposing sanctions on Turkey as it still occupies parts of Cyprus territory. Irrespective of the actual process of intercommunal negotiations the EU should insist on the speedy withdrawal of Turkish troops, the departure of settlers, put a stop to the construction of houses on Greek Cypriot properties in the northern area and demand the recognition of the Republic of Cyprus by Turkey. What others might expect as a result of negotiations, is understood by the author, to be a precondition for such a process.

The concept of Europeanisation is elaborated in the paper written by Christina Ioannou and Giorgos Kentas when they analyse the labour sector in Cyprus. It is argued that the process of Europeanisation followed an instrumental logic that furnished a consciously promoted national strategy of EU accession. Three expectations have been embraced within the “national mission” to become an EU member: The Cyprus problem should become Europeanised and the EU should be involved in the solution process; Cyprus’ negotiating position *vis-à-vis* Turkey should be improved; and finally the Greek-Cypriot and the Turkish-Cypriot communities should benefit from EU membership. As Cyprus has a deep-rooted tradition of corporatism the Europeanisation of the labour sector is made easier.

Erol Kaymak concludes the section with a more sceptical outlook. He argues that the EU might still work as a carrot for the Turkish Cypriots but it has less and less to offer to Turkey, and for this reason the chances for a settlement of the Cyprus problem in 2010 are perceived as being bleak. As the EU sends negative signals, Turkey promotes itself as a regional power which does not acknowledge an obligation to make any concession to the EU and to withdraw its troops unilaterally from the island or to open its ports to the Republic of Cyprus. The expectations of the Turkish Cypriots have not been met since Cyprus joined the EU. Direct trade has neither been

established nor have funds been made available to support civil society or intercommunal cooperation. Additionally, poor economic performance in northern Cyprus strengthens reliance on Turkish subsidies. As a result elections in April 2010 may bolster political forces which are less interested to conclude the actual process of negotiations successfully. The above may lead Turkey to promote the international recognition of Turkish Cypriots who themselves could demand “self-determination” drawing on the Kosovo experience as inspiration. In this event the expectation to settle the Cyprus problem by Europeanisation would have failed.

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