

8th July 2006: The Unappreciated Breakthrough

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When Mr. Ibrahim Gambari, Under-Secretary General of the United Nations for political affairs, visited Cyprus last July, most observers implicitly assumed it would lead to nothing. Most likely, it was assumed, Mr. Gambari would simply return to New York with yet another 'Report to the Security Council regarding Cyprus', 'highlighting once more the absence of progress and exhorting the parties to engage in dialogue.' At that time, it was actually thought unlikely that the two leaders would even get to meet in a three-way conference with Mr. Gambari. The prospect that the two leaders would not just meet, but actually utilise such a meeting in order to pave the way for Comprehensive Settlement negotiations, sounded outlandish at best.

On the 8th July, following a meeting of the two leaders with Mr. Gambari at the residence of Michael Moller, it became apparent that all these assumptions and predictions were wrong. For the first time in twenty-nine years, the leaders of the two Cypriot communities shook hands and actually agreed on a set of principles regarding a number of vital issues. Nevertheless, despite this surprising development, the 'breakthrough' did not cause much excitement, neither among the diplomatic nor among the academic and journalistic communities. The dominant pessimism of the times, it would seem, forced its own gloomy narrative on this political development as well. "It's just a political trick", commentators argued, "all sides needed to buy time and appear as if they are making progress, but deep down their intentions are not sincere". The issue was left at that, and the various 'Cyprus experts' closed shop and left for their summer holidays. Outside the narrow circle of individuals and institutions which have been actively involved in putting this agreement to practice, the whole issue was soon dismissed, 'archived' and forgotten.

And for all that, if one examines the content of the agreement without allowing 'Cyprus Problem Fatigue' to influence his or her judgement, the significance of the agreement is not difficult to discern. At one level, the specific terms of the agreement were a way to break the post-Annan Plan deadlock by re-affirming and re-agreeing the fundamental framework for bicomunal negotiations. On a deeper level, the terms of the agreement have important implications as to the methodology through which a Comprehensive Settlement will henceforth be pursued. Neither of these aspects of the agreement were chance developments. In fact, the specific

terms of the agreement reflect all the painful experiences which the UN and the two sides learned from, through the whole process leading up to the Annan Plan, the ill-fated referendums of April 2004, and the aftermath of that failure.

The first issue which the 8th July agreement deals with is the matter of what type of solution the two sides are seeking. Specifically, the agreement affirms that the two sides are seeking a solution according to the framework of “a bizonal bicomunal federation, with political equality, in accordance with relevant security council resolutions”. Cynics are arguing that this statement adds nothing new; that this framework was already agreed upon in the high level agreements of 1977 and 1979; and furthermore, that this statement is actually a setback insofar as it “ignores all the progress that was made in recent years, in making the transition from basic principles long ago agreed to a comprehensive peace plan in the form and shape of the Annan Plan”. And yet; the true significance of this statement cannot be understood without reference to the very negative political climate which both sides found themselves in after the failure of the April 2004 referendum.

Among the Greek Cypriots, during the immediate post-referendum period, any type of reference to the Annan Plan would cause the majority of politicians and public opinion to cringe. While segments of the international community and the Turkish-Cypriot side may have continued referring to the Annan Plan in good faith – insofar as they saw it as a good example of what a federal solution would ‘look like’ in the case of Cyprus – the Greek Cypriots could not bring themselves to separate the essence of federalism from the various weak aspects which in their evaluation existed in the specific plan. Therefore, the mere suggestion that the Annan Plan should form the basis of a new round of negotiations would be met with defensiveness, not surprisingly, given that many Greek Cypriots saw the Annan Plan as a gestalt – an integrated whole – with various unacceptable elements inextricably blended in as opposed to seeing it as a basic template for a future federal settlement which could be worked upon and improved.

In an equally problematic manner, Turkish Cypriots perceived the Greek-Cypriot rejection of the Annan Plan as a generic rejection of federalism, and specifically as a rejection of the fundamental principle of political equality. On the whole, Turkish Cypriots either did not understand or did not believe Greek-Cypriot explanations of their own ‘No’ vote. It was felt that Greek-Cypriot expressed concerns over security, or over functionality, or over the application of human rights, were ‘mere excuses’ which the Greek-Cypriot leadership was using in order to ‘reject the Annan Plan in a face saving manner’, while pursuing a hidden agenda of shifting the basis of negotiations away from federalism and towards what many at the time called a ‘European’ solution in which Turkish Cypriots ‘would become a minority within a Greek-Cypriot-dominated unitary state.’

In combination, the underlying attitudes of the two communities worked together to form a powerful vicious circle, wherein the mere mention of the Annan Plan would throw Greek Cypriots into a state of paranoid suspicion, eliciting from them a vociferous rejection, which in turn would throw Turkish Cypriots into a state of bitter resentment of “Greek-Cypriot intransigence”. Clearly, the label of the Annan Plan, with all the complex symbolism it had accreted in previous years, had unfortunately become a burdensome liability which was standing in the way of a comprehensive settlement; the solution being pursued required a new name, which both sides could agree to, and which would form the basis of a common language within which a new round of negotiations would take place. This new name, holding the promise of a new common language, has been in existence since the 8th July last year. Both sides have now committed themselves that what they are seeking is “a bizonal bicomunal federation, with political equality, in accordance with relevant security council resolutions”; a statement which contains important concessions from both sides, while at the same time securing their fundamental and valid concerns.

For Greek Cypriots, the agreed statement is a concession insofar as it blocks out any future possibility of abandoning federalism and political equality in favour of a unitary and ‘European’ solution based on simple majority rule. At the same time, the agreed statement secures Greek-Cypriot interests insofar as it allows for flexibility in negotiating a federal solution, without having the specific template of the Annan Plan impose itself as the basis of a, limited in scope, future give-and-take. Similarly, for Turkish Cypriots the statement is a concession insofar as they are letting go of the Annan Plan, which for them represented an acceptable and balanced compromise, agreeing instead to pursue a fresh round of negotiations with an open agenda and potentially unpredictable results. And yet, the agreed statement does include important safeguards meant to re-assure the Turkish Cypriots that negotiations will not veer towards an unacceptable direction: Not only is bizonality and bicomunality re-affirmed, but furthermore the principle of political equality is confirmed to a greater extent than even in the high level agreements of 1977 and 1979.

The agreed statement, in other words, can best be interpreted as the result of a very prudent and careful analysis on behalf of the UN of the post-referendum situation in Cyprus. It should also be interpreted as an indicator of goodwill on behalf of the leaderships of the two communities, both of whom illustrated sufficient qualities of statesmanship in order to let go of their entrenched positions – for or against the Annan Plan – and agree to a new common position which holds promise of bringing the negotiations back on track.

Even so, the statement regarding the type of settlement being pursued was merely an introductory aspect of the 8th July agreement, meant to unravel the

confusion and mutual suspicion which came to dominate Cypriot politics in the aftermath of the April 2004 referendums. The greatest innovation inherent in the 8th July agreement was in fact not the statement concerning the type of settlement being pursued, important though it was, but rather the agreement concerning the method and process through which comprehensive settlement negotiations would henceforth take place. On this matter, the 8th July agreement brought to the forefront a totally new negotiating philosophy, one never before attempted in the case of Cyprus.

The first process-related innovation inherent in the 8th July agreement has to do with the agenda of bicomunal discussions. Historically, efforts of the UN to assist Cypriots have tended to oscillate between two extreme positions. Either the whole focus would be on 'agreeing the terms of a Comprehensive Settlement', as was the case during the development of the Ghali Set of Ideas and in the development of the Annan Plan, or in contrast the focus would totally shift towards confidence building measures (CBMs) and matters of day-to-day co-operation between the two communities – as was the case during the development of the 1994 'package of CBMs'. And yet, both extremes have in the past proven to be problematic. Whenever Comprehensive Settlement negotiations have been exclusively pursued – ostensibly to 'cut through the chase by focusing on the essentials' – the result has been high profile failure due to the fundamental mistrust of the two sides. And similarly, whenever the focus turned to CBMs – in order to 'improve the climate so that Comprehensive Settlement negotiations could take place in the future' – the process would eventually be regretted as a 'waste of valuable time which could have been more profitably used', while the proposed CBMs themselves would tend to lose their steam due to the lack of a clear end-game on which they could be grafted.

The 8th July agreement, for the first time, suggests that CBMs and Comprehensive Settlement negotiations could and should take place in tandem. In fact, the agreed process forms an organic whole, wherein each aspect of the negotiations would support the other and lend it credibility. Specifically, agreement on CBMs and issues of day-to-day co-operation would help reduce some of the suspicions which typically cause the two sides to up their ante during Comprehensive Settlement negotiations. At the same time, the fact that discussions of CBMs will be taking place within an overall climate of Comprehensive Settlement negotiations will reduce fears that 'agreeing on CBMs will ultimately lead to an unacceptable end-game'. Any success in one of the two spheres may have a knock-on effect onto the other sphere, leading to multiple gains perhaps in a short period of time.

The specific agenda of the various working groups and technical committees that are being proposed is certainly ambitious in scope. Within the category of

‘substantive issues’, such issues will be brought forward as Security, Property Rights, Territorial Issues, Governance, EU Matters, Citizenship and Immigration, and the future Economy of a Federal Cyprus. Within the category of ‘daily issues’, the matters which will be discussed include co-operation on matters of Crime, Health Issues, Water and Energy Management, Trade and Economic Co-operation between the two communities, Protection of Cultural Heritage, Road Safety, and the Environment. In other words, the implementation of the 8th July agreement will involve both ‘future-talk’, in which the vision of a united Cyprus will be conceived, but also ‘present-talk’, through which the two communities can experience a sense of pragmatic and tangible progress while also learning first-hand the potential value of power sharing and bicomunal co-operation.

Another important change in philosophy that has become evident through the 8th July agreement, involves the locus of control during the process of bicomunal negotiations. In prior rounds of negotiations – most notably in the process leading up to the Annan Plan – the substance of the Cyprus Issue was essentially discussed between the two leaders only, with the UN acting as arbitrator and deadlock-breaker whenever the two leaders found it difficult to agree on a certain issue. While committee work was also involved in earlier efforts, this was mostly limited to secondary technical issues, which were thought to be comparatively ‘non-political’ and therefore did not directly impact on the bargain being sought between the leaders of the two communities. This time, however, and in accordance with the 8th July agreement, the ‘hot issues’ themselves will be discussed in expert bicomunal working groups as well. Without negating the level of leadership, the expert working groups will make a first attempt to bridge the gap on substance between the two communities. Only if they fail to resolve the issues will these be brought up to the level of the leaders. Similarly, if the two leaders fail to resolve a certain issue which they themselves are negotiating, this will neither be the end of the road nor will it require ‘UN deadlock-breaking’, since the issue can be taken back to the working groups in order for them to generate new alternatives for the two leaders to consider.

This new emphasis on committee work is once again a development based on prior experiences: During the Annan Plan process, the only aspect of bicomunal negotiations which was successful was the work taking place in the various technical committees. Within a matter of months, the Annan Plan committees managed to agree on thousands of pages of federal legislation. During this same period, the political process in which the two leaders were the primary actors produced nothing but a persistent deadlock. With this in mind, it is no surprise that the UN decided to upgrade the role of working groups in the upcoming round of negotiations, so that for the first time ever they will be deeply involved with the essence of the problem, no less so than the two leaders. Many are pointing out that

this process is not really a UN innovation, insofar as it represents the process by which the European Union reaches its decisions: At first, issues are dealt with on a level of permanent representatives, then if needed the issues are taken up to the level of foreign ministers, and then, only if necessary, matters are discussed and resolved by the leaders themselves. Through this simple yet powerful method the European Union manages to operate with the agreement and consent of twenty-seven different parties. By comparison, in the case of Cyprus – where it is only two communities that are asked to come in agreement – we can expect that a similar process of multi-layered negotiations will produce surprisingly rapid results.

Having analysed the positive elements of the 8th July agreement, some qualifications and reservations are in order.

Firstly, it is important that the technical committees and working groups be allowed to freely explore the issues and brainstorm alternative solutions. While regular coordination between the committee members and their respective leaderships is both essential and desirable, at the same time it is important that the committee members should not be burdened down by excessively strict instructions as to what should or should not be said; such that would destroy group dynamics and quench creativity. After all, the responsibility for final decisions belongs with the two leaders, who are the ultimate owners of the process; it is they who stand to gain if the committees and working groups produce original and yet workable ideas to deal with issues that have been deadlocked for a number of years.

Secondly, an effective method needs to be devised whereby the wider public will be consulted over the proposed solutions, before final decisions are made. This need is particularly urgent for those issues which are experienced as personally relevant by significant proportions of the population, such as the Property Issue, Security, and the Economic Conditions that would prevail after a Comprehensive Settlement. Ignoring the public – Greek Cypriot or Turkish Cypriot – at this preparatory stage, is tantamount to asking for trouble further down the road, when the public will be asked to vote over any new plan which might arise out of this process.

As of January 2007, six months after the 8th July agreement, the technical committees and working groups had not yet been convened. This in itself is a disturbing fact, which suggests that maybe it is not just outside observers who fail to realise the true potential of this process, but also, perhaps, some of the main actors as well. It is a known fact that fear tends to be a more powerful determinant of human behaviour than hope. The Turkish-Cypriot side tends to fear that “the process will just drag on, becoming an academic talking shop, and at the same time Greek Cypriots will be pursuing a different agenda at the EU level”. The Greek-

Cypriot side fears that “Turkish Cypriots will only be interested in the ‘daily issues’ aspect of the agreement while blocking any progress on substantive issues, thus abusing the process to bring about a normalisation of relations between two separate states, as opposed to a Comprehensive Settlement” – and both sides tend to interpret the fearful behaviour of the other as further evidence of ill-will and an aggressive stance, thus enhancing their own fear-induced behaviour.

In the final analysis, the only way to put these fears to rest – either by confirming their validity and declaring a disappointing deadlock or by denying them as fantasies and moving forward towards a settlement – is to actually implement the process and see first-hand how the other side manages its presence at the negotiating table. In the same manner that the signing of the 8th July agreement was received by many as an unexpected development and an intriguing surprise, so the actual implementation of the agreement, along with the very real progress which it might lead to, may prove to be an equally surprising development.