

THE PLACEMENT OF CYPRUS' EMBASSIES: THE INFLUENCE OF REALPOLITIK AND CULTURE

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Abstract

Countries have to make decisions as to where to invest in diplomatic representations. Diplomatic representations are especially important for small countries, as they frequently lack military and economic power to influence the world in their favour and often have limited means. In this study, the author looks into how Cyprus decides to allocate its resources to send diplomatic representation to countries. The author performs a logistical regression on 149 countries and finds that there is evidence that Cyprus allocates resources to maximise its influence on the most powerful countries and EU member states, allocates resources to other countries in the Middle East region, and seeks to invest in relationship building with fellow Christian Orthodox countries. However, the findings do not support the notion that building relationships with Commonwealth states is a priority.

Introduction

Where does a country with limited financial resources strategically "invest" in the game of world politics? International relations is a game in which each country is thrown but it needs to invest its resources wisely in order to maximise returns from investments. Embassies and the placement of embassies represent unilateral investments in dyadic relationships with the host country. Embassies are intended to build bridges with the host country so as to influence the host country's policies in favour of the embassy's home country. But not all countries can afford the resources to send embassies to every country in the world. Therefore, these countries must invest strategically. In this paper, I will investigate how Cyprus invests its resources and explore the logic of the investments.

Cyprus, although a country with a small population and a small economy with

limited resources, faces unlimited demands from the international arena. Like any state, Cyprus must develop relations with other countries to achieve political objectives and to support economic growth. Unlike a major power, it cannot afford to administer embassies in nearly every country in the world. In the following section, I will illustrate that there are several arguments for why Cyprus should allocate scarce resources in the conduct of its foreign policy. Then, I will test these propositions to see if Cyprus allocates these resources consistently with the arguments. The conclusion will illustrate what has been learned about Cyprus foreign policy and which questions are raised for future research.

Realist Concerns, Geography, and Cultural Ties

There are different reasons for why a country chooses to allocate scarce resources and here we will explore the various reasons why Cyprus values a relationship with another state. Some of the reasons why Cyprus values relationships with other states are rooted in realpolitik concerns while others are based upon cultural links. Below we will explore the possible reasons why Cyprus favours building a relationship with one state over another before we put these propositions to the empirical test.

The first, and arguably the most important reason that Cyprus may value a relationship with another state is that it is useful in the resolution of the Cyprus Problem. The Cyprus Problem is a major concern for the government of Cyprus, as anyone familiar with the research on the country must know. Indeed, much of the literature written about Cyprus and its politics is centred on how to solve the Cyprus Problem (see for example Richmond, 1998 and Theophanous, 1996). When considering which countries will be most useful in solving the Cyprus Problem, it is apparent that the most powerful countries in the international system would be most helpful as they have the power to sway the outcomes in the international system. For example, it seems unlikely that Paraguay could influence Turkey to negotiate a settlement in favour of the Government of Cyprus, while the USA could. Therefore, we expect that the state of Cyprus would have a bias in favour of currying favour with the most powerful countries in the system to attain its goal of a settlement of the Cyprus Problem.

The second reason, which is closely linked with the first, is entry into the European Union. One of the main goals of Cyprus in the past few years has been to enter the European Union. This has been closely linked with the settlement of the Cyprus Problem, as it is assumed that the European Union will provide a framework in which the peace and security of the Republic of Cyprus may be assured (Joseph, 1997a, p. 126 and Joseph, 1997b, p. 114). Therefore, it seems that the Republic invests in building strong relationships with members of the European Union to

achieve the goal of attaining membership in the community. If this logic guides Cyprus foreign policy, one can expect to find that European Union states are more likely than other states to host an embassy from Cyprus.

The third reason that Cyprus values a relationship with another country is proximity. As a player in the Middle East it is necessary for Cyprus to seek representation in countries in the region. The reason for this is that Cyprus has gained from having healthy relationships with all the countries in the region with the exception of Turkey. In addition, the geopolitical principle suggests that interests generally decay over distance, when all else is taken equally. If there are regional concerns in the development of relations with other states, we expect the Republic to have a bias towards developing relationships with other Middle Eastern countries.

The fourth reason that Cyprus values a relationship with another country has to do with cultural influences. One of the strongest cultural influences in Cyprus is its religion (about 78% of the population of the country is Orthodox). There has been a great deal of literature in International Relations dealing with the influence of culture upon the conduct of foreign relations. Mazrui (1990) and Huntington (1997) are at the forefront of the movement that stresses that cultural influences shape the way that leaders perceive other countries as being likely allies or likely enemies in the conduct of international affairs. If culture plays a role in the conduct of foreign policy for the Government of Cyprus, one would expect that its foreign policy would favour relationships with other countries which have populations that are largely Orthodox.

The fifth reason Cyprus may value a relationship with another country is shared experience under British tutelage. Cyprus is a member of the Commonwealth and has therefore dedicated itself to building relationships with other countries that have also gone through similar experiences as part of the British Empire. These countries have certain cultural similarities that may facilitate cooperation and favourable relations between the countries. For example, in many of the countries, English is widely spoken either as a unifying language (as in India) or as the language of the educated elite (as in Bangladesh). Such a shared historical experience may facilitate cooperation while slight impediments may occur when dealing with other types of countries, such as those that are members of the Francophonie. Therefore, if the shared historical experience within the British Empire does play an influence in the conduct of Cyprus foreign policy, we would expect the state to favour building relationships with other Commonwealth states.

Data and the Tests

To test which considerations play a role in the allocation of resources for Cyprus,

we need to define and operationalise concepts. After we have defined and operationalised the relevant concepts, we will perform the appropriate tests to indicate which of the influences on Cyprus foreign policy appear to be systematic. Table One summarises how the concepts have been operationalised in the analysis.

Embassies as Investments

The dependent variable for this analysis is a unilateral investment in a dyadic relationship with another country. The concept of investments is operationalised with the presence or absence of an embassy in a country. We assume that placing an embassy in a country indicates that the Republic of Cyprus values the relationship with the country. This is denoted by a dummy variable in the analysis with "1" representing a state with an embassy from the Republic of Cyprus and "0" representing a state without an embassy from the Republic of Cyprus. The information gathered refers to embassies operating in 1999. The countries in which the Republic of Cyprus has an embassy are Australia, Austria, Belgium, Bulgaria, China, the Czech Republic, Egypt, France, Finland, Germany, Greece, Holland, Hungary, India, Iran, Ireland, Israel, Italy, Kenya, Libya, Mexico, Russia, Spain, Sweden, Syria, the United Kingdom, the USA, and Yugoslavia.

Table One
Concepts, Operationalisation, and Hypothesised Relationships

Concept	Measure	Hypothesised Relationship with Dependent Variable
Power	GNP logged	Positive
EU member	EU member (dummy variable)	Positive
Regional players	Middle East or North African country (dummy variable)	Positive
Orthodox Population	Per cent of population adhering to Orthodox Christianity	Positive
Commonwealth member	Commonwealth member (dummy variable)	Positive

Independent Variables

I. Power

The most apparent reason that embassies are placed in particular countries is that they are used to influence international affairs in favour of Cyprus. The best investments will be with countries that are most powerful. There are many ways to operationalise power as a concept. In this analysis, we use GNP as an indicator of power. It has been defended as a useful measure of power in the international arena (see Organski and Kugler, 1981) and data availability makes it more comprehensive than the major rival measure (the Capability Index by the Correlates of War Project). The data in this analysis are derived from figures in UNICEF's 1996 Progress of Nations report and they are reported in US dollars. According to this data, the most powerful countries in the world (in descending order) are the USA, Japan, Germany, France, Italy, the UK, China, and Canada. The least powerful by this measure in the sample are Guinea-Bissau and Eritrea. This variable has been logged because the GNP of the USA and Japan would otherwise drive the findings – the GNP of the USA is more than three times the GNP of Germany. We expect that countries with larger GNPs are more likely to have embassies than those with smaller GNPs.

II. EU

The other major consideration dealing with Cyprus foreign policy is the EU question. For this purpose, we use a dummy variable to indicate whether states are EU members. The EU members (in 1999) are denoted with a dummy variable with "1" representing members in the EU and "0" representing non-members. We would expect that countries which are EU members would be more likely to host embassies from the Republic of Cyprus than those which are not members.

III. Middle East Region

Another reason why a country values relationships with the other country is proximity. We have operationalised the concept of "Middle East Region" by placing a dummy variable to denote the geographical region in which Cyprus is located, the Middle East. Therefore, a "1" denotes all those countries that are designated as being Middle Eastern and North African. We would expect those states that are in the Middle East to be more likely to have an embassy than those which are not in the region.

IV. Christian Orthodoxy

One of the chief elements of the culture of the population of Cyprus is its religion, Christian Orthodoxy. For this analysis, countries are measured at the ratio level for the percentage of the population adhering to the Orthodox faith (including Coptics). The data come from the CIA's WorldFactbook. Some adjustments had to be made to the data, as the data for Estonia, Latvia, Lithuania, Russia, and the Ukraine were not given. Therefore, we assumed that all Russians in these countries were Orthodox, and that the Ukraine is as "Orthodox" as Russia (80%). The alternative to this was to denote Orthodoxy with a dummy variable and much valuable information would be lost. Moldova, Greece, and Armenia are the most "Orthodox" countries in this analysis, each having a population that is over 90 per cent "Orthodox". Bulgaria, the Ukraine, and the Russian Federation are not far behind. Therefore, if Cyprus is guided by its religion in the making of its foreign policy, there should be a systematic bias in favour of the most "Orthodox" countries.

V. British Commonwealth

One of the most enduring legacies in Cyprus is the British colonial period. For this analysis, we denote the membership in the Commonwealth with a dummy variable as we have for many of the variables above. The members (in 1999) are denoted with a dummy variable with "1" representing membership (even if membership was suspended) and "0" representing non-members. We would expect that members in the Commonwealth would be more likely to have an embassy from Cyprus than non-members.

Findings

To analyse the data we ran a standard logistical regression with Cyprus embassies as the dependent variable with the five independent variables. A form of Maximum Likelihood Estimation (MLE) procedure was necessary to properly analyse the data because the dependent variable is dichotomous. There were 149 countries in the analysis. Countries with a population of fewer than one million persons were not included in the analysis. Furthermore, Turkey was removed from the analysis because it is seen as a special case, due to the occupation of the northern part of the island by Turkish troops.

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The model seems to work well at first glance, as the output in Table Two shows. The model is statistically significant, with a Chi-square that is significant at less than the .01 significance level. The constant is also significant at less than the .01 significance level. In addition, the five independent variables were able to build a model that can classify 87 per cent of the data for the dependent variable.

Table Two
Allocation of Cyprus Embassies Logistic Regressions
(Standard Errors)

Variable	Coefficients	R
LogGNP	.80*** (.197)	.32
EU	3.12*** (.967)	.24
Middle East	2.16*** (.856)	.18
Orthodox	.03** (.013)	.16
Commonwealth	.94 (.888)	.00
Constant	-11.34*** (2.41)	
Chi-square	66.545***	
-2 Log-likelihood (null)	143.99	
-2 Log-likelihood (full)	77.45	
N	149	

*p<.10, **p<.05, ***<.01 (1-tail)

Table Two (a)
Prediction Success of Logistic Analysis of Allocation

		Predicted Values		
		0	1	Total
Actual values	0	115	6	121
	1	13	15	28
		128	21	149

In the model in Table Two, we see that most of the independent variables work as we had hypothesised and are statistically significant. The only exception is the independent variable denoting the Commonwealth. It is in the hypothesised direction but clearly not statistically significant. The most powerful explanatory variable is logged GNP, our operationalisation of power. The output from the regression shows that as power increases, there should be an increase in the probability of having an embassy in a particular country. Moreover, it should be noted that the variable for power is the variable that is best correlated with the dependent variable (its correlation coefficient is .32).

The other independent variables also work in the direction postulated and at a statistically significant level with the exception of the dummy variable denoting Commonwealth membership. The findings show that if the host country is an EU member state, the probability of hosting an embassy from the Republic of Cyprus goes up statistically. In addition, the probability of hosting an embassy goes up if the country is in the Middle East. Apart from the political and geographical indicators, it seems that it is more probable that a country will host an embassy from Cyprus if its population is "Orthodox". The findings, however, do not confirm that Commonwealth status increases the probability of hosting a Cyprus embassy.

Conclusions and Future Research

The regression shows us that there is evidence that Cyprus invests in relationships with powerful players in the international arena, EU member states, and other Middle Eastern countries. There is also evidence that the Christian Orthodox culture has influenced the decisions as to where to invest in diplomacy and build strong bilateral relations. However, there is no evidence that relationships with fellow Commonwealth members are favoured above others.

One could be sceptical of the findings regarding the impact of Christian Orthodoxy because the findings may well be an artifact of the Cold War. Indeed, it is the countries with high proportions of their populations who are adherents of Orthodoxy that were members of the Soviet Bloc not too long ago. Therefore, the findings may be driven less by cultural predilections than the historical politics of Cyprus during the days of the Cold War in which the Republic tried to maintain warm ties with those states in the East and the West.

The findings do support the historical fact that Cyprus has been a reluctant member of the Commonwealth. Indeed, Cyprus long ago entered into the Commonwealth but with a lack of consensus among political leaders regarding how essential the Commonwealth is for the Republic. When considered from the realist perspective, investing in relationships with many Commonwealth countries is a great

waste of resources. For example, the expected return from investing in an embassy in Cameroon is quite small, while investing in an embassy in a European Union member state or a major power could be an investment in resources that might ultimately lead to solution of the Cyprus Problem.

Although the model has properly classified almost 90 per cent of the cases, there are some cases that remain enigmatic. For example, Kenya and Mexico are countries with embassies from the Republic of Cyprus that seem difficult to explain using such a Rational Actor Model. Although the model we have used seems to be quite good at explaining the phenomenon under study, a few anomalies raise the question as to whether another theoretical framework could or should be used to study the phenomenon. It may be that additional information should be gathered in order to explain the allocation of resources from other perspectives. For example, it may be necessary to know how the Foreign Ministry filters its information when allocating resources and which players hold key positions in the allocation process, as Allison and Zelikow (1998) would suggest in using either an Organisational Behaviour Model or a Governmental Politics Model. From such a model we could perhaps explain the embassy in Kenya because of the connection that President Makarios had with the country. At any rate, the model used in this analysis meets the criteria of a good scientific model in that it is generalisable, parsimonious, and has strong predictive powers.

Other anomalous cases are much easier to explain. For example, Japan and Canada are both powerful countries as we have measured them, but they do not have embassies from the Republic of Cyprus. It is likely that these two countries do not have embassies because decision-makers in Nicosia conceptualise power from a realist perspective. As we have operationalised power, Canada and Japan are powerful even though neither has a significant military apparatus. Decision-makers in Nicosia probably focus on military rather than economic power.

Future research should look at how the leadership in Cyprus thinks of distance and geo-politics. It may well be that the leadership, while being quite "European" in outlook, may think of geo-politics and distance as measured not in geographic distance but flight time. Therefore, distance may be more likely conceptualised as ease of travel rather than in terms of geographic proximity. Proximity, then, may be determined by commercial factors, such as tourism (the main source of income). Therefore, tourism may influence how the leadership in Nicosia thinks of space and geo-politics

To conclude, this first systematic analysis of the allocation of Cyprus' resources in foreign policy has shown that Cyprus invests in its relationships in a way that is consistent with its foreign policy goals. The leadership understands power politics

and acts in such a way to promote the interests of Cyprus with the most powerful players in the system, EU members, and other Middle Eastern countries. However, culture probably does play a role, as the investments in relationships with "Orthodox" countries indicate. Interestingly, while the British influence permeates the society, the Commonwealth as a foreign policy goal remains largely a commitment on paper.

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