



In Depth

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ANNAN PLAN V

This second issue of "In Depth" is devoted to the Annan Plan and the efforts being made for the solution of the Cyprus problem before May 1st 2004. This Plan has been the cause of intense concern among the Cypriot people who are torn between, on the one hand, their strong desire for a solution to the Cyprus problem and, on the other hand, their perception that the Plan in its completed form does not meet even the minimum of their expectations.

Indeed, the Annan Plan includes numerous vague and intricate provisions, many of which put the Greek-Cypriot side in a very disadvantageous position. The plan includes serious derogations from the EU *acquis communautaire* and from human rights, creates a dysfunctional state and maintains rights of intervention in

Cyprus by foreign powers. However, some positive elements are also included, such as the return of land and refugees. It would be reasonable to assume that these provisions as well as the prospective reconstruction will prove to be very positive elements for the economy. The vital question, however, is whether these few (albeit important) advantages are enough to counterbalance the innumerable disadvantages of the Plan including those in the area of the economy.

It is clear to all that the economy will be of decisive importance for the day after the solution – any solution. In the Annan Plan V bizonality is further enhanced in accordance with the demands of the Turkish side and despite the fact that this constitutes a blow against the functionality and the



viability of the state.

Additionally, the Annan Plan V includes provisions that in essence dissolve the Republic of Cyprus, turning it into a second-class state dependent in many respects on foreign powers, with Turkey in a dominant position. Such a plan would create many more problems than it aspires to solve.

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TOWARD A NEW DIKTAT?

As this issue goes to press, the future of the Republic of Cyprus hangs in the balance. At Burgenstock, in Switzerland, another 1959 Zurich style conference ended with an imposed plan that will be put to simultaneous referendum (on April 24). The difference, this time, is that the Republic of Cyprus has had an independent, albeit troubled, existence of almost 44 years and, on May

1, Cyprus will become a member of the EU.

As a non-Cypriot who, over the last four decades, worked hard to protect and promote the independence, sovereignty, unity and territorial integrity of the Republic and the rights of all its citizens, I am deeply troubled by this development. I have always advocated and believed in a peaceful, viable and functional solution of the Cy-

prus problem. The Annan Plan as finalized at Burgenstock makes a mockery of the *acquis communautaire*, the resolutions of the UN Security Council, European and American Law decisions and international law. Under this Plan, Cypriots will become second class citizens in the EU and in their own country. This is simply unacceptable.

Cyprus will become an EU member on May 1, with or

without a solution of its political problem. A solution after May 1 will protect better the rights of all Cypriots, Greek and Turkish. While opposing schemes that will destroy the Republic of Cyprus, we must also focus on the day after the accession of Cyprus to the EU.

Professor Van Coufoudakis,
Rector of Intercollege



THE ANNAN PLAN V AND THE ECONOMY

“By not accepting the Annan Plan V, the Greek Cypriots ensure the continuation of the Republic of Cyprus and create prospects for a better solution of the Cyprus problem after May 1, 2004”



Undoubtedly the economic dimension of any solution to the Cyprus problem will be of critical importance. All these years this axiom had not been adequately assessed by the Cypriot political leadership as well as by third parties, including the UN. Therefore, it should not surprise us that the economic structure, in the broader sense of the term, that could result if the Annan Plan is implemented, is, to say the least, inadequate and problematic. It is obvious that the Annan Plan has not incorporated fundamental principles for the smooth and efficient functioning of a modern state. It should be remembered that, by definition, economic performance is influenced decisively by the economic structure of a state. In its turn, the economic structure is influenced by the constitutional structure. The constitutional provisions of the Annan Plan create huge problems for the economic structure and, consequently, for the econ-

omy, with unpredictable consequences.

Under the Annan Plan V, the Republic of Cyprus, which successfully conducted the EU accession negotiations, is replaced by the “United Cyprus Republic” – which will *de facto* not operate under an integrated, comprehensive and sufficient legal and institutional framework. As if this was not enough, problems may also arise because of political considerations. In this regard it should be stressed that the “United Cyprus Republic” is the outcome of an indirect mutual recognition between the Republic of Cyprus and the “TRNC”.

Furthermore, the three-headed state proposed by the Annan Plan will, by definition, lead to the further increase of public spending. Already, the Republic of Cyprus that operates as a unitary state, currently has a fiscal deficit of around 6% of the GDP and a national debt of around 103% of the GDP (including the intragovernmental debt). Also,

government spending exceeds 40% of the GDP. It is evident that the implementation of the Annan Plan V would bring about a further deterioration of these indicators with adverse consequences for the economy.

By not accepting the Annan Plan V, the Greek Cypriots ensure the continuation of the Republic of Cyprus and create prospects for a better solution of the Cyprus problem after May 1, 2004 (when the Republic of Cyprus becomes a member of the EU). Considering that by rejecting the Annan Plan they are also rejecting the notion of Turkey (a non-member of the EU) continuing as a guarantor power of a member country of the EU, the Greek Cypriots would in essence be protecting the interests and the credibility of the EU.

Andreas Theophanous

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SECURITY ASPECTS OF THE ANNAN PLAN V

The Annan Plan builds a peculiar and particularly problematic security and guarantees regime in Cyprus. It is problematic because it is incompatible with the security architecture being developed in the European Union for the last fifty years. While in the EU a unified security system is being built, the Annan Plan leaves Cyprus out of the planning of the Common Foreign and Security Policy (C.F.S.P.) and the European Security and Defense Policy (E.S.D.P.), the two top initiatives developed by the EU in the international system. In particular, it is provided that the independence, security and constitutional order of the new Cypriot state and its two constituent states will fall under the control of three guarantor powers, namely Turkey, Britain and Greece. Cyprus will not be able to decide on issues of its own foreign policy, and, more specifically, on issues of security and defense, without them being previously approved by Turkey. As a new member state of the EU, Cyprus is being

placed under the guardianship of Turkey, until the date Turkey accedes to the EU.

The paradox of the provisions of the Annan Plan on security is that they concede to Turkey – a non-member state of the EU – the right to maintain troops in Cyprus as well as the right of intervention. One wonders how it is possible that Turkey, a non-member state of the EU, that in the past conducted a military invasion to Cyprus, should retain all these rights, when Cyprus is acceding to the EU. How can a state be considered sovereign, if it does not have the right to defend itself, a right enjoyed by all other states in the world?

The provisions of the Annan Plan regarding demilitarization fulfill to a great extent the wishes of the Turkish-Cypriot side and do not take into account at all the positions of the Greek-Cypriot side for complete demilitarization. When the proposal of the Greek-Cypriot side for demilitarization was put

on the table, it provided that:

- the National Guard as well as Turkish Cypriot military organizations of the pseudo-



state should be disbanded,

- Turkish occupation troops and all non-Cypriot troops and elements, including the illegal immigrants should withdraw,

- the right of intervention of Turkey should be abolished, and,

- a military force either of the UN or the EU should guarantee the security of Cyprus.

In conclusion, therefore, it should be

stressed that through the Annan Plan Cyprus will not be demilitarized but, on the contrary, will remain in effect under the strate-

gic control of Turkey. This is an absurdity, considering that 1) the Cyprus problem in its current phase was created because of the Turkish invasion and 2) Cyprus will accede to the EU on May 1st.

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CYNICISM AND SINCERITY: VYING FOR THE EUROPEAN HEART



The process of reinventing Europe is driven by bureaucrats and politicians with a long experience in statecraft and the cynicism of political compromise. So far the success of the European enterprise has been founded upon their ability to accommodate such cynicism with the search for high democratic and moral principle. It is this accommodation that has been at the heart of the process of European Unification.

Europeans have been able to set high goals for their common endeavor while at the same time striking those Faustian bargains that have enabled the process to continue. The political background of the Cypriot candidacy has been part of such a bargain. The linkage of Cyprus accession to Turkish candidacy has brought Europeans close to the fine line that they are forced to tread.

Unique among the other accession countries, Cyprus faces the hurdle of having to heal its gaping inter-ethnic wound. A task not made easy by the involvement of a host of external factors. Yet the test for the Greek and Turkish Cypriots, must be the same as with all other EU hopefuls, including Turkey, at least in one respect. They too must demonstrate the depth of their commitment to the European Ideal, and their ability for political compromise.

Yet there are limits to cynicism! It should be inconceivable to allow any candidate country to use the accession process to further its own nationalist agenda. Especially where its purposes are unrelated to the accomplishment of the European enterprise and where the attainment of such purposes would involve compromises

that would ultimately subvert the concept of a strong and United Europe. There should be no special dispensations for countries whose record in democracy and the protection of individual and group-rights is below the highest European standard. There can be no special arrangements to ensure the survival of ultra-nationalist institutions and constitutional arrangements that accommodate militarist tendencies and pervert the essence of democracy. Nor can the right of the state ever be given priority over the fundamental human rights of its citizenry.

Suppression of national minorities, denial of their right to express their interests and concerns in their own national tongue, unrepentant military aggression against neighbors or national minorities, as well as a cynical use of the very process of accession have little place in the context of constructing a New Europe. Supporting national and regional hegemonic interests, and artificially propping up foreign regimes are goals unrelated to the attainment of the European Ideal.

Cyprus must not be sacrificed to geo-strategic cynicism. Most Greek

and Turkish Cypriots have demonstrated their sincere belief in the European ideals and at the same time have shown that they understand the sacrifices that are part of the Devil's bargain. It is now for Europe to maintain the delicate balance between idealism and the cynicism of political compromise.

Turkey should not be encouraged to expect that the rules will be bent to accommodate its own accession. And if the admission of the Turkish Cypriots is to serve as a precursor and a test for Turkey's full accession, then it becomes more important for Ankara to show that it fully accepts and shares European principles and ideals.

In the context of constructing a brave new Europe, it is important that commitment and sincerity not be sacrificed to cynicism. After all, sincerity and commitment mark the path that leads to the high moral ground upon which the European Enterprise has chosen to lay its own foundation.

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EVENTS ORGANIZED BY THE RESEARCH AND DEVELOPMENT CENTER – INTERCOLLEGE

The Research and Development Center – Intercollege has organized a number of important events during the last two months.

- A round table discussion entitled “The Cyprus Problem and Prospective Developments” was organized on February 5, 2004. Mr Costas Themistocleous, General Secretary of the United Democrats (ΕΔΗ) Party and former Minister of Agriculture, Dr Christos Iacovou, Assistant Professor of Middle Eastern and Turkish Studies in the Department of International Relations at Intercollege, and Professor Van Coufoudakis, Rector of Intercollege and Professor of Political Science, elaborated their views on the prospects for a settlement.

- A two-day International Conference on “Democracy and Democratization: A Comparative Assessment” was organized on February 20 and 21, 2004. Significant presentations were made by top academics, researchers and analysts from the US, Germany, Greece, Iraq, Israel, Russia, Iran and Cyprus.

- A book entitled “The 1960 Treaties on Cyprus and Selected Subsequent Acts”, edited by Nicholas Makris, was the theme of a book presentation held by the Center on March 4, 2004.

- In the mountain village of Agros on March 13, 2004, an event entitled “Towards Sustainable Development” was organized

The Research and Development Center - Intercollege has established itself as a pioneering and innovative think-tank through the quality of its work and its contribution to Cypriot society. The Center has sought to advance research, to contribute to the study and analysis of important economic, political, social and environmental issues of concern to both Cyprus and the wider region of the Eastern Mediterranean and to promote policy-oriented thinking. Within this context particular emphasis is placed on the Cyprus problem, the Cypriot economy, Greco-Turkish relations, the Eastern Mediterranean, as well as European Union issues and relations between Cyprus and the Union in particular.

Relying on the support of friends and associates both in Cyprus and abroad, the Research and Development Center - Intercollege will seek to broaden the scope of its activities and enhance its contribution.



in the framework of the research program “Sustainable Development of Mountainous Areas and Agenda 21”.

- A conference on “The Cyprus Problem in a Critical Phase” was held on March 15, 2004. The speakers were Mr Alekos Markides, Former Attorney General of the Republic of Cyprus, Mr Vassos Lysarides, Honorary President of the Socialist Party EDEK, and Professor Andreas Theophanous, Director General of the Research and Development Center – Intercollege.

- An important lecture by the Turkish Cypriot Assistant Professor of Interna-

tional Relations Mehmet Hasgüler on “The Cyprus Problem in the Domestic Politics of Turkey” was organized on March 29, 2004. It was attended by Greek Cypriots, Turkish Cypriots and foreigners.

Finally, a conference on “The Cyprus Problem in a Critical Phase”, which was the second part of a series of conferences under the same title, was organized on 30 March 2004. The speakers in this event were Mr Nicos Katsourides, Parliamentary Representative of AKEL Party, Mr Andreas Angelides, MP of DIKO Party and Mr Nicos Peristianis, Sociologist, Intercollege.