

Heated Transformation of a Frozen Conflict: Jumpstarting a Process in a Changing Island

On a scorching July day six years ago, Cypriots received the news from the Alpine village of Crans Montana that yet another ‘last chance’ to solve the Cyprus Problem had failed. Amidst reciprocal accusations of intransigence, the two Cypriot leaders at the time, Nicos Anastasiades and Mustafa Akıncı, returned in a sulk to the island and only reluctantly engaged in further talks. Since then, attempts to restart negotiations have gone nowhere, particularly after Akıncı lost a 2020 election to the candidate supported by the Turkish government, Ersin Tatar, a leader espousing a more populist, nationalist narrative, who is content to endorse Turkey’s positions. Doing that bidding has included a lot of rhetoric about gaining international recognition for the island’s north, and refusing to participate in reunification negotiations without such acknowledgment.

This dormant conflict, then, seems these days to be in a deep freeze, characterized by a total lack of activity. While nothing is happening at the international level, however, much has taken place on the ground over the past six years. The north, especially, is the site of multiple *faits accomplis* that are transforming its economy and society at a dizzying pace. Cypriots who support peace are these days faced with new and irreversible facts on the ground that are pushing the island ever closer to an irrevocable division.

Brief Points:

- In the six years since Crans Montana, not much has happened at the international level regarding the Cyprus Problem. However, in the absence of negotiations much has taken place on the ground.
- The north, especially, is the site of multiple *faits accomplis* that are transforming its economy and society.
- This policy brief outlines the cost of the international community’s relative disengagement with Cyprus since Crans Montana.
- It also recommends multiple steps to transform the current stalemate through a productive incremental approach.

This policy brief outlines the cost of the international community's disengagement with Cyprus since Crans Montana. In the wake of the negotiations' collapse, the two sides have adopted polarized and polarizing positions, while in the intervening years international actors have been busy addressing more globally significant issues, such as the Covid-19 pandemic and the war in Ukraine. Nevertheless, it is argued here that the international community cannot afford to turn a blind eye to the situation that is emerging in north Cyprus, a situation that will have a significant impact not only in Cyprus but also in the region, and beyond. The final section suggests ways to jumpstart a negotiation process by creatively utilizing the very transformations that are changing the island.

Facts on the ground

In 2019, barely 18 months after the Crans Montana talks collapsed, the Greek Cypriot side shut the checkpoints in response to the spread of the Covid-19 virus. By early March 2020, Cypriots on both sides of the divide were sheltering in place, and almost a year and a half passed before crossings returned to something resembling pre-Covid levels. By that time, the Turkish economy was in the throes of crisis, with the lira falling dramatically. Turkish and foreign investors began to join Greek Cypriot shoppers in seeing the island's north as the region's bargain basement.

Suddenly, the number of property developers in the island's north multiplied, and villas and apartment complexes began to mushroom exponentially, particularly in popular tourist areas such as the Trikomo/Iskele and Kyrenia regions. In order to meet the needs of new buyers, furniture showrooms, garden centres, car dealerships, and supermarkets began to open in every village, usually employing foreign workers and students. The north's economy enjoyed another influx of cash from Greek Cypriots, who were crossing to shop, buy petrol, eat at restaurants, and gamble at the north's casinos. In only the first six months of 2022, three million people visited the island's north, Greek Cypriots comprising a third of that number. More than half a million visitors hailed from forty different countries, while around 1.5 million were Turkish nationals. It should be clear from these numbers that despite north Cyprus's diplomatic isolation and non-recognition as a state, it still welcomes tourists, shoppers, students, and workers in large numbers. Moreover, many of these are making long-term investments in the island's north in ways that are transforming it.

The regions of Kyrenia and Trikomo, the latter just north of Famagusta, have been the areas most affected by construction and investment. Recently, the Turkish Cypriot mayor of Kyrenia complained on social media that the city had reached a population of 150,000 and could not manage

the infrastructure problems, such as sewage, traffic, and medical access, caused by this population explosion.¹ Even if this figure is somewhat exaggerated, we know that there are currently 32,000 households in Kyrenia proper—while prior to 1974 there were only 1200. More recently, we see that in 2018 the Kyrenia region reported 37,000 domiciles, but that by 2022 that number had swelled to 47,000. Similarly, while the Trikomo region had around 13,000 domiciles in 2018, by 2022 there were 5000 more.² A quick look at the north's main aggregate property website shows that in these two regions alone there are 5000 off-plan homes currently on the market.

Greek Cypriots from these areas have begun to share on social media photos of the massive changes in these regions, aiming to emphasise how, for instance, enormous apartment complexes with hundreds of units built side-by-side in Trikomo have become irreversible facts on the ground that directly affect a potential resolution of the Cyprus Problem.³ Along with creating *faits accomplis* regarding property and territory, however, this construction boom and the property market that it has spurred have also changed the social and environmental character of the island's north. In 2018, around 5000 foreigners bought property in the north. In 2023, however, the primary sales representative for one of the island's largest construction companies (and whose investments focus largely on Trikomo) told reporters that they sold more than 90% of their properties to foreigners.⁴

While in the past the north's property market was primarily oriented to Western Europeans who were looking for summer homes, many of the new buyers are Russian, Central Asian (especially Kazakh), Iranian, and Israeli. Moreover, many of these new customers are purchasing property in order to settle permanently on the island. According to the primary school teachers' union, KTÖS, around ten percent of the children currently in public primary schools in the north entered without knowledge of Turkish.⁵ These new residents, then, are not the retired couples who in the past would visit for several months a year but are entire extended families, with children and often grandparents, who have moved to the island not just for the weather but also to escape problems in their home countries.

These new permanent residents are in addition to the transient population of students and workers from Turkey and other third countries. Along with construction, universities are also a main motor of the north Cyprus economy, and between 2017 and 2023 the number of university students grew from 70,000 to 110,000. Around 30,000 of these are from African countries, while others hail from Iran, Pakistan, and various Arab countries of the region.⁶ The growth in student numbers has also given momentum to the property boom, as more and more developers build

student housing, which Turkish Cypriots often buy and rent out. Students are also a main source of cheap labour, and it is very common to find third country nationals, especially from Africa, who arrived in the island as students and were sucked into an exploitative labour market.

In the past six years, then, the economy of the island's north has exploded, as foreign investors have begun to disregard its unrecognized status. Indeed, the general position of many people in the real estate and construction sectors appears to be that more building is better, because it makes the division increasingly irreversible. This is an about-face from the north Cyprus government's previous positions, which tended to anticipate property and territorial rearrangements in the event of a solution. For instance, Turkish Cypriot negotiators and politicians have, in the past, tended to assume that in the event of a federation the north Cyprus statelet would need to shrink from its current 38% of the island's territory to around 28%. There was also an assumption that the closed city of Varosha, kept as a bargaining chip, would ultimately be traded to the south.

The 2020 unilateral opening of Varosha, however, showed that the current Turkish Cypriot leadership, along with their Turkish counterparts, are thinking instead of other possibilities for Varosha, including developing it as a new 'Las Vegas on the beach.' Less spectacular but similarly consequential developments are the opening of the new Ercan/Tymbou Airport and plans for social housing to be built along the border in Zodeia and Derinia.⁷ The new airport is supposedly the largest in the island, and its opening was an opportunity for Turkish President Erdoğan to fly directly on a private plane from the United Arab Emirates and to announce plans for direct flights from friendly countries. The social housing is significant because it will provide homes for needy families in areas that otherwise were expected to be part of a territorial adjustment agreement.

The general atmosphere, then, is a return to the nationalist positions of the 1990s, when Turkish Cypriot leader Rauf Denktaş refused to give even a millimeter of territory. These hardened positions are producing escalating tensions, as seen in the August 2023 clash in the Pyla/Pile buffer zone between workers constructing a road at the behest of the Turkish Cypriot government and United Nations troops protecting the neutrality of the territory.⁸ Such hardened positions are also in parallel to a complete reshaping of the social, geographical, and environmental character of the north. A flood of both transient and permanent residents from Europe, Africa, and the Middle East is coming to live in new cities taking shape in environmentally fragile regions, where infrastructure is vastly insufficient. In the absence of cooperation with partners in the south, the physical and environmental consequences will ultimately

affect the island as a whole. Moreover, trying to solve those problems makes the Turkish Cypriot political leadership increasingly dependent on Turkey. For instance, in addition to the freshwater undersea pipeline that was inaugurated in 2015, the Turkish Cypriot government is now in discussion to bring much-needed electricity via undersea pipeline from Anatolia.⁹ The need for new roads, water, electricity, and other infrastructure produces further obedience to the political demands of the Turkish state.

Building Peace from Facts on the Ground?

Under these new circumstances, what are the chances for a negotiated settlement? The new facts on the ground that are emerging apace make a settlement both urgent and perplexing. How can one bring negotiators to the table when new regional and global contingencies are making the north's non-recognition increasingly less important for some actors, and even desirable for others?

As we saw with the 2003 easing of movement restrictions, unilateral *faits accomplis* can acquire their own momentum. For this reason, negotiations will now need to take account of irreversible facts on the ground, such as the new cities arising on the north coast or the opening of the new Ercan/Tymbou Airport. We know from many previous rounds of talks that negotiating a comprehensive solution is a lengthy process, during which the solution of many everyday problems is postponed. Even the start of such a lengthy process is unlikely to alter the speed of change in the island's north.

It is time for the international community to heed the call of many Cypriots over the past decades and to abandon the one-size-fits-all comprehensive solution model. It is time to take seriously a step-by-step solution, which will also empower negotiators to address urgent problems sooner rather than later. A step-by-step solution is not a watered-down solution but a realistic one that will create its own facts on the ground and, thereby, a foundation for further negotiation.

In particular, there are four opportunities for negotiation that, while they are limited in scope, can potentially produce lasting and radiating consequences:

- Authorize Varosha to be opened under UN control so that refugees can return. This would enable the settlement of 30,000 property cases of Greek Cypriot refugees.
- Varosha's opening under UN control should be linked to easing the isolation of Turkish Cypriots, which in any case has been promised by the European Union since the Annan Plan referendum vote of 2004. In particular, the EU promised direct trade with Europe, which would be possible if the new Ercan/Tymbou Airport were opened to international flights under UN control. If the Turkish

Cypriot government still wishes to retain some control over the airport, there could be two terminals, one of which would only be for flights to Turkey. The same logic could be applied to other ports, which might have one international port under UN control and one that opened to Turkey. Opening ports in this way would also enable Turkey to fulfil its obligations under the Ankara Agreement and open its ports to Greek Cypriot flights and ships. This may be expected to bring regional collaboration.

- The exploding student numbers cited above point to universities in the north as an important economic sector. It is a sector, however, that is only loosely controlled and where quality is questionable. Allowing north Cyprus's universities to join the Bologna Agreement would ensure that they are monitored and do not become sources of human trafficking, as they have been in the past. Because education is a competence of the communities under the Treaty of Establishment, this would not be contrary to the founding principles of the Republic of Cyprus.
- Ensure that north Cyprus is fully incorporated into the European Green Deal and its action projects. This will ensure controls and monitoring of the environmental impact of the construction and related sectors in the island's north. This will benefit the entire island, which is naturally and inevitably linked.

These four points will not only address urgent social and environmental transformation in north Cyprus but will also create interdependency with partners in the island's south. Only that kind of interdependency can break the dependency that north Cyprus has on its patron state, Turkey. It will also provide acknowledgment of Turkish Cypriots as political actors—something that is necessary as it will also hold them to account.

These would be only the first steps *in* a settlement, rather than *towards* a settlement. Encouraging such steps lays the foundation for further steps by creating new realities. Taking such steps would enable a piecemeal or package solution, one in which each step would build on the other. This is in contrast to the comprehensive solution's precarious Jenga puzzle, in which one wrongly placed piece can cause the entire structure to collapse.

Despite the rhetoric of the Turkish Cypriot nationalist leadership, and also despite the dark picture painted in this policy brief, the time is right for another try. The misgivings of negotiators on both sides can be overcome by a return to the Guterres Framework. And following the recent Turkish election, the government there has signaled a desire to move closer to the EU in the context of regional instability. Paying attention to realities on the ground rather than ignoring them can give new impetus and urgency to a process that has waited too long.

Endnotes

- ¹ <https://www.kibrispostasi.com/c86-GIRNE/n480815-murat-senkul-normalde-almamiz-gereken-devlet-katkisinin-yarisini-bile-alamiyoruz>
- ² These figures are taken from the numbers of working electricity meters in these regions, as reported on the Electricity Board's website: <https://www.kibtek.com/wp-content/uploads/Statistikler/Yillik%20Bölgesel%20Tüketici%20Adetleri%202007-2022.pdf>
- ³ <https://www.havadiskibris.com/kktcde-insaat-sektorundeki-gelismeler-rum-basininda/>
- ⁴ <https://www.yeniduzen.com/long-beachte-talep-cok-evlerin-alicisi-yabancilar-160353h.htm>; see also <https://cyprus-mail.com/2023/08/27/property-sales-in-north-going-unchecked/>

- ⁵ <https://www.kibrispostasi.com/c91-EGITIM/n472494-burak-mavis-yabanci-ogrencilerin-egitimi-ile-ilgili-ciddi-bir-bosluk-var>
- ⁶ <http://eohd.mebnet.net/?q=node/1578>
- ⁷ <https://www.yeniduzen.com/derinyadaki-sosyal-konut-projesi-tc-kokenli-genc-cifflere-yonelik-160393h.htm>
- ⁸ <https://cyprus-mail.com/2023/08/20/our-view-pyla-attack-a-challenge-to-status-quo/>
- ⁹ <https://www.yeniduzen.com/asrin-projeleri-20783yy.htm>

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THE PROJECT

Political Culture in Unrecognized States:

This project explores the similarities in the practice of politics in unrecognized states. Unrecognized states are bodies that perform government functions, while remaining unrecognized and "illegal" in the international arena. This puts them in a liminal position, having all the trappings of states, without being recognized as such. His research explores the effects of this liminality on political culture, or the way that politics is practiced in these states. The project especially examines the relations between unrecognized states and their "patrons" - Turkey in the case of northern Cyprus, Russia in the cases of states such as Abkhazia and Transnistria - and how the necessity for a patron state affects the way that domestic politics is conducted.

PRIO

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