

# Displacement in Cyprus

Consequences of Civil  
and Military Strife

Report 7

Envisioning a Future: Towards a  
Property Settlement in Cyprus

Proceedings of the PCC Conference  
30 September 2011 (Nicosia)

Edited by  
Nicos Trimikliniotis  
Bozena Sojka



## About the editors

**Nicos Trimikliniotis** is an interdisciplinary scholar working in the fields of sociology and law. He is, since 2008, senior research consultant at PRIO Cyprus Centre. Also he is Associate Professor of Law and Sociology at the University of Nicosia and honorary research associate of the University of Cape Town, South Africa. He has researched widely on human rights, discrimination, migration, gender, reconciliation, ethnic conflict and racism, constitutional, education and labour issues and has published several articles in books and journals. His latest work include: *Beyond a Divided Cyprus: A State and Society in Transformation*, co-authored and co-edited with Umut Bozkurt (Palgrave MacMillan, 2012); and *Η Διαλεκτική του Έθνους-Κράτους και το Καθεστώς Εξαίρεσης: Κοινωνιολογικές και Συνταγματικές Μελέτες για την Ευρω-Κυπριακή Συγκυρία και το Εθνικό Ζήτημα* [The Nation-State Dialectic and the State of Exception] (Savalas, Athens, 2010). E-mail: nicostrim@gmail.com

**Bozena Sojka** is a Doctoral candidate at Swansea University and a Research Associate at the Centre for Migration Policy Research (CMPR). She did an internship with PRIO Cyprus Centre during the end of 2011.

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## **Peace Research Institute Oslo (PRIO)**

Hausmanns gate 7

PO Box 9229 Oslo

NO-0134 OSLO, Norway

Tel. +47 22 54 77 00

Fax +47 22 54 77 01

Email: [info@prio.no](mailto:info@prio.no)

Web: [www.prio.no](http://www.prio.no)



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## SUMMARY

The conference took place on 30th September 2011 at the Home for Cooperation in Nicosia's Buffer Zone and the topic was property issues within the context of displacement in Cyprus.

The conference started with a welcome word from Gregory Reichberg, Director of PRIO Cyprus Centre. Shortly after the introductory comments, he also presented the launch of PRIO Cyprus Centre's project website 'Displacement in Cyprus: Mapping the Consequences of Civil and Military Strife' which is an information resource for civil society and the broader international community as well as for journalists and researchers interested in the Cyprus Issue.

This introduction was followed by two sessions. The first dealt with **framing the property issues** which was followed by second part of the conference where **models for property settlements** were discussed.

The conference was jointly funded by the European Union and UNDP-ACT. It was a part of the project 'Dialogue for Trust Building and Reconciliation'. This project itself is funded by European Union and implemented by PRIO.

### **Framing the property issue: the experiences of displacement**

This session began with setting the context for the displacement and property issues in Cyprus by Ayla Gürel and Nicos Trimikliniotis. Ayla Gürel presented the history of displacement in Cyprus from the 1960s to events of 1974. After describing the basic facts and figures, she stated that property issues in divided Cyprus are complex and far from simple to solve. She argued that the most important question which should be addressed is 'how can the two Cypriot sides be persuaded to accept such a solution?' This was followed by a talk by Nicos Trimikliniotis, for whom the complexity of the displacement and settlement issue in Cyprus calls for a framework of seeking practical, workable and mutually agreeable and fair solutions, something possible with good will.

Mete Hatay and Symeon Matsis discussed the consequences of displacement in both sides of the island and potential solutions for the issues surrounding it. Both agreed that transparent policies could help but at the same time they noted that the implementation of these will be more difficult because of already existing public debates. Hatay traced Turkish Cypriot displacement from the late 1950s, to 1963-64 and 1974. He presented the complexities and the various policy responses to the forced migration and displacement in the three periods, and concluded with the post-1974 situation and the current policy regime, which is governed by



various instruments. Matsis dealt with the post-August 1974 situation, which he described as 'a planners nightmare', given that economic activity collapsed by one-third, partly because of the withdrawal of Turkish Cypriots and 47% reduction in gainful employment - from 253,000 in 1973 to 135,000 in 1975. The result was the creation of a massive unemployment problem, which for the second half of 1974 was measured at 29.6% of the economically active population, as well as loss of productive resources in all sectors, particularly heavy in tourism, agriculture, mining and transport in what was then a closely integrated economy. The displacement of thousands of (160,000) persons meant the excessive dependence of people on the state to provide means of subsistence. He presented the variety of implemented policies emphasizing the radical change in fiscal policy, which became Keynesian, expansionary with very high deficits financed from foreign borrowing. This contrasted with the conservative fiscal policies pursued from 1960-1973 characterized by fiscal surpluses and very low government debt. The government pursued expansionary economic policies, implemented large housing programmes, provided incentives to the unemployed, and expanded educational and health policies. He concluded that we can learn from examining the policies in different fields implemented after 1974.

Policies were flexible through adoption of radical new measures, which could be abandoned when circumstances changed.

- The country has the collective experience to formulate and implement appropriate policies.
- There must be flexibility to reinvent these policies if and when they are needed because of a solution.
- There must be capacity to implement policies to meet housing demands for those to be displaced and move to areas administered by one or the other constituent government.
- Be in a position to implement both economic and social policies to meet a different set of circumstances.
- Implementation will be more difficult because of already existing public debts.

Then the documentary movie 'Still' by Alana Kakoyiannis was shown, which reflects on the notion of 'home' for Greek and Turkish Cypriots.

## **Life stories and memories of people involved in displacement and settlement**

The next session included the presentation of life stories by Rebecca Bryant and Olga Demetriou. This part of the event concentrated on memories of people involved in displacement and settlement. It showed that analysing the complicated ways in which these people think about their displacement allows us helped to assess the situation in depth and offered insights into potential solutions.

Demetriou examined the Greek Cypriot narratives based on their experience with violence, displacement and the longing to return. Her presentation concentrated on the factors that

affect the diversity of displacement experience and the ways in which it is recounted, such as location, class, gender, ethnicity, age at displacement, relation to properties post-displacement, circumstances of displacement, etc.

In an overview of the sample of fifteen interviews examined in-depth, Demetriou commented on the significance of hearing the voices of the displaced that are not so often included in the recounting of 'the refugee experience' – the inclusion of life stories from members of minority groups such as Armenians, Maronites, and Latins, is a case in point.

Equally important, she noted, is the attention to the stories of those who have been exposed to the media and public scrutiny due to their displacement experience, as, for example, the litigants on property cases heard before local courts and the ECtHR, who may recount this experience differently to the ways in which the media presents them.

Bryant presented the story as narrated by a sample of 30 life history interviews with persons now resident in Morphou/Güzelyurt, Kyrenia/Girne, and Yialousa/Yenierenköy. These places were chosen both because of the populations currently resident there and also because they would probably be differently affected by a property solution. By showing the complicated and often contradictory ways in which persons think about their displacement and property, life histories give us different insights into potential solutions than does a survey. The difference in property values north and south today plays a significant role in the ways that TCs are thinking about possible political solutions. She concluded with the following general observations:

- Attention to generational differences shows us that TC approaches to the places that they left behind are more complex than 'forgetting' or 'remembering'. While the now middle-aged generation is often nostalgic for a place they hardly remember, their parents 'remember in order to forget'. Youth today show none of the 'postmemory' prevalent amongst children of GC IDPs.
- Although party affiliation plays an important role in perceptions of the past and future, even those leftists who tend to have more regular contact with Greek Cypriots today express concern that Turkish Cypriots should not be displaced again in the event of a solution.

**The findings from focus groups on experiences of displacement and property-related concerns and expectations** were described by Ayla Gürel, Christalla Yakinthou and Nicos Trimikliniotis with the agreement that there are common feelings of 'fatigue about the past' and 'cynicism about the peace processes' among both Greek and Turkish Cypriots.

This was also commented on by Ahmet Sözen, who expressed his hopes and fears regarding a property solution in the near future [which was listed in the Cyprus 2015 Project.] He highlighted that people share a concern for equity and for the valuations of properties in the future and thinks that the status quo is not sustainable and impossible at present. Sözen's presentation of the findings focused on people's hopes and fears regarding a property settlement in case of non-solution of the Cyprus problem as well as in case of a federal solution (based on the established UN parameters). He noted that positions of *principle* on the property



issue tend to obstruct constructive dialogue on how to resolve the matter of affected properties. Interestingly, he underscored that ultimately people share a concern for *equity* and for the *valuations* of properties in the context of a settlement that would involve some properties being exchanged or compensated (in addition to restitution). However, time is running out, as the property problem grows by the day in the form of exchanges and development of property among Turkish Cypriots. He considered that this is not just generally bad for the environment, as maintained by one stakeholder, but will also further complicate the property issue and make it impossible to return the majority of properties to their Greek Cypriot owners in the event of a future settlement agreement.

### **Current state of the property negotiations**

This was followed by Erol Kaymak and Alexandros Lordos, who discussed the current state of the property question and various proposals of the two sides on the negotiation table. They presented the main arguments, obstacles and stumbling points in the negotiations which illustrate the complexity and difficulty of the property question in Cyprus. A workable solution is possible but the necessary good will by both sides is needed to match the needs and concerns of Greek Cypriots and Turkish Cypriots, both displaced persons and current users in a future settlement.

In his presentation, Erol Kaymak outlined the current status of the ongoing negotiations in the property dossier. The sides had converged on the need to determine distinct categories of properties. Moreover, there was also convergence regarding the need for a variety of remedies, including reinstatement, compensation, and exchange. The sides also agree in principle on the need to establish institutions, including a property commission and a property court for appeals. However, the sides remained fundamentally at odds regarding criteria to determine outcomes. Accordingly, the Greek Cypriot position remains that original/ dispossessed owner must decide on the fate of the property. Against this, the Turkish Cypriot position favors objective criteria for determining the fate of (different categories of) properties. In either case, ultimate decisions would be processed by an autonomous property commission. However, the sides disagree on the authority to be vested. Divergences remain on who would decide the fate of the affected property and on what basis. The Greek Cypriot position is that dispossessed owners must be able to decide, whereas the Turkish Cypriot side prefers objective criteria to be established that would guide the commission in making determinations. The Turkish Cypriot concern is that the Greek Cypriot position would potentially undermine bizonality (i.e., 'a clear majority of property ownership and population'), since the implication might be that many dispossessed owners opt for reinstatement. Recent ECHR decisions suggest that the interests of current users should be balanced with ownership rights (i.e., the notion of 'competing rights'). Hence, the Turkish Cypriot position envisions (limited) reinstatement of properties to original owners. Just as the sides have not agreed on criteria, similarly there is no agreement on any 'caps' on reinstatement. Despite these differences, the sides

continued to explore the means of compensation in the event of a settlement. Potentially the sides could converge on a formula that links compensation to the value of property at the point of sale. The Greek Cypriot side envisions public debt issued by the property commission while implying that current users also contribute. Compensation payments would be linked to the value of property over time. The Turkish Cypriot side elaborated a 'Guaranteed Financial Entitlement' (GFE) that would be payable and guaranteed by the Turkish Cypriot constituent state. Through the government it would be possible to collect funds to pay the GFEs from current users who gain title entailing a hybrid form of property and capital gains tax, where tax is linked to value. On the matter of exchange, less convergence is evident. The Turkish side put forward a unique, but somewhat controversial proposal, to establish a Property Development Corporation (PDC). The PDC would develop 'adversely affected property'. The model is based on the practice of 'urban transformation' (i.e., grand improvement plans) implemented in a variety of countries. The Turkish Cypriots say this is to ensure fair basis for exchange, since many Turkish Cypriot properties that remain are relatively low in value. The Turkish Cypriot side contends that urban transformation would serve to release 'trapped value'. The Turkish Cypriot side contends that many of the affected properties are 'structurally depressed', since the values (of the Turkish Cypriot properties in the south) are mostly due to zoning and the guardian laws that preempted development. By contrast, affected Greek Cypriot properties in north are developed (and benefit from newer infrastructure). So far, the Greek Cypriot side has not rejected urban transformation outright, since it may make exchange more attractive. The two sides have spent as much energy trying to convince the mediators of the merits of their respective positions as they have strived to convince one another. Mediators seem to think territory and property issues can be linked; something the Greek Cypriot side has recommended. It is assumed that Greek Cypriots might accept less property reinstatement (in the Turkish Cypriot constituent state) in return for more territory. The Greek Cypriot side asks for 100,000 (out of 162,000 displaced persons) to be allowed to return as a result of territorial adjustment. These figures imply indirect negotiations regarding the Karpass/Karpaz peninsula. However, as of the conference, the sides had not discussed numbers or maps (supposedly to be left to the final 'give and take' stage of the formal round of negotiations). Kaymak concluded by reflecting on the potential for reconciling the two positions. He noted that some experts and mediators suggest a model of 'hierarchy' whereby owners and current users, as opposed to properties, are categorized (which is the logic of the ECHR actually; determining how to resolve competing interests). Thus, it is assumed that living displaced persons might be high in the hierarchy (thus among those to exercise first right of refusal). Similar ranking categories could be made among current users and competing rights assessed in a matrix. Ultimately any agreement would require approval in referenda, so the particular model must satisfy the majority and be deemed equitable.

## Property challenges ahead: finance, markets and costs

Fiona Mullen discussed the property challenge ahead which could be divided into the following areas: the current state of the real estate market; scenarios for financing needs; compensation cost, which consists of three valuation scenarios; the resettlement cost which consists of four scenarios. She concluded with some thoughts on dealing with the challenges:

- Big gap between expectations and payouts
- Compensation costs range €8bn-€19bn
- Rehousing costs could range €1bn-€2.5bn
- Even €9bn is 45% of GDP
- Big spending or borrowing needs careful management in a eurozone economy
- Financiers will demand a 'story'

The next panel deal dealt with the issue of **Resettlement, sustainable development, and planning**. Speakers included Pavlos Loizou, Nicos Trimikliniotis and Hans K. Lingsom; it was followed by a lively debate.

Pavlos Loizou addressed the question of the dilemmas regarding planning and regeneration as a means to an end. He considered that regeneration and sustainability essentially mean the creation of communities, not construction; regeneration needs to stem from the interaction with the community, in order to develop trust; and trust will result in increased community cohesion, whose absence will lead to failure. He concluded that discussions should therefore be about use and people as we cannot look at property separately from the wider economy, or from society as a whole. He proposed that a national plan be drafted and that we look to others who were successful for ideas.

Nicos Trimikliniotis presented the paper on "Development and sustainability - A vision for the future", based on a paper co-authored by Ioakimoglou, Pantelides and Trimikliniotis. He addressed the question of development and sustainability from a perspective which draws on ideas about the subject from different countries, but he emphasised that at the same time this must be properly grounded in the socio-economic and historical context of Cyprus. Otherwise it runs the risk of introducing great ideas, innovative and inspiring, as they have been developed and successfully applied in other contexts, but may result in abysmal failure when 'planted' in Cyprus. The challenge of questioning and re-thinking the models of economic development we have on either side of the dividing line in Cyprus is considerable. Considering the current context of negotiations for a political settlement, there is the additional challenge of how to integrate the principles and institutional framework of sustainable development in the parameters of a solution to the Cyprus problem and how relevant such sustainable development principles might be to aspects of the settlement such as economic governance or the property question. Even though the direction for a sustainable model of economic development might be considered a difficult task, it is important at least to start thinking towards this objective. A political settlement in Cyprus should not be seen as a set of political and legal arrangements which 'solve the problem'. It should rather be considered as the beginning for rebuilding society.

The final speaker was Hans K. Lingsom, who spoke about Fornebu, in Norway, and the experience of transforming an airport to a new city. From the outset key issues had to be resolved by ensuring that ownership of airport grounds was to be shared by the public and private entities on the location, which was all within the Municipality of Baerum – 5 miles from the city center of Oslo. The size of airport was 340 hectares (3.4 square km), out of which originally 54 % was under state ownership and 46 % was owned by the City of Oslo. The Municipality of Baerum had no ownership – but it had the planning authority and was the provider of social infrastructure. Coordination between the owners was very problematic. The strategy of the State was to sell the land to partially finance a new airport in another location, whilst the strategy of the City of Oslo was to sell the land when the planning was completed. The main technical/green infrastructure was to build 200 mill euro (landowners). The State/Oslo sold the planned areas to a developer for 400 mill euro. The social infrastructure in the 1st phase was to build schools, etc., which cost 150 mill euro (municipality). The developer sold the project to another company and made a profit 300 mill euro. The assumption was at the outset there are several or many landowners with autonomous interests and so there were various models considered for financing: Model 1: Landowners selling land to developer before starting planning; Model 2: Selling land after planning but before development; Model 3: (a) Owners stick together through planning and development, each with a share corresponding to the size of the lot they own. (b) Make agreement with financial institutions/developers. (c) Value of land and dividends from development is paid out successively through development process – or in the end.

All power points are available on the website *Displacement in Cyprus: consequences of civil and military strife* at <http://www.prio-cyprus-displacement.net/default.asp?id=776>

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# WELCOME

## Greg Reichberg, Director of the PRIO Cyprus Centre

**G**ood morning everyone. I am Greg Reichberg, Director of the PRIO Cyprus Centre. On behalf of the Centre I welcome you to the conference and thank you for taking time out of your busy schedules to be here.

The PRIO Cyprus Centre (PCC) is a bi-communal organization committed to research, policy formulation, and dialogue. Officially founded in 2005 (but with roots in Cyprus going back to 1997), the Centre is a subsidiary of the Peace Research Institute Oslo. PRIO is an independent, international and interdisciplinary organization whose overarching purpose is to conduct research on the conditions for peaceful relations between states, groups and people. PRIO celebrated its 50th anniversary two years ago. The Cyprus Centre constitutes the only branch office of PRIO. The Centre has always worked on the basis that it does not advocate any specific policy.

This conference takes place within the broader context of a complex property issue. As we all know, the question of disputed properties stands at the heart of the Cyprus problem. The property issue exists because of the population displacements which occurred in Cyprus beginning in 1963 and then again, on a much larger scale, in 1974. Displacement had many effects; among other things it produced widespread trauma and disrupted the social fabric of communities. It also upset property relations throughout the island. The effects of displacement continue to this day. In the first part of today's program, this morning, we will explore how displacement was experienced by Cypriots, and what policy responses on both sides of the island were implemented to deal with its consequences. The second part, this afternoon, will be forward looking. Taking as its starting point the terms of a property settlement which have been proposed by the negotiation teams of the two sides, we will proceed to examine the current state of the property market in Cyprus and what this means for a possible settlement. Afterwards a panel of experts, each of whom has experience in projects relating to sustainable development, will discuss the challenges, but also the considerable potentialities, for sustainable development in Cyprus.

This conference is at the confluence of two PRIO Cyprus Centre initiatives. First there is our research project on displacement and the Cyprus property issue, "Dialogue for Trust building and Reconciliation", which has been ongoing for the last 18 months. Funded by a generous grant from the European Union, this project involves several components, including design of a website, mono-communal focus groups, bi-communal workshops, a compilation of laws

enacted in Cyprus as a result of displacement, and an international conference on the property issue that was held in Brussels last year. Several publications will issue from this project. Some of the key findings from this project will be presented here this morning. The website will be launched today; I will tell you about it in a moment.

This event is also an outgrowth of a conference which PCC organized last July in London, "A Sustainable Property Settlement for Cyprus: Models for Development and Financing". Funded by the Foreign Ministries of Norway, Sweden and Germany, as well as UNDP-Act, this was a closed conference that brought together the negotiation teams of the two sides, Greek Cypriot and Turkish Cypriot, large property owners, financiers and developers, as well as Cypriot and international experts on finance and development. Some of the key issues that were discussed in London will be explored here, in this forum open to members of Cypriot civil society, north and south.

The guiding idea behind the London conference, and which will likewise guide this afternoon's program, is that any property settlement will have a significant influence on the economic and social life of the island. Moreover, to be implementable, any settlement will have to arsenal the developmental potentialities of the island's communities. While efforts toward a property settlement can cause hope and fear, as Cypriots reflect on how they may stand to gain or lose; it is also essential to see how any settlement will necessarily require a vision for what Cyprus can be as an undivided island, how the island's potential can be developed and channeled in constructive ways. International capital will be attracted to the island in the wake of a solution only if there is a coherent vision for the island's future, 'a story that can be sold', but more importantly, Cypriots will have a real stake in this process only if you take ownership of this vision, give careful thought to it and craft it yourselves: not to be told what it is but to model it yourselves. For this reason this conference will culminate in a set of parallel break-break up groups this afternoon. I urge you to participate in these groups, to deliberate with your fellow Cypriots and members of the international community who are here, and to make your voice heard. In order to help us set up three or four groups, I ask that you register for this afternoon session by putting a check next to your name on the registration list which is posted in this room or in the entrance area.

Before unveiling our new website, I would also like to express my appreciation for those who have generously supported this conference: the United Nations Development Programme – Action for Cooperation and Trust (UNDP-ACT), and the European Union's funding initiative Cypriot Civil Society in Action.

## **Website**

The website "Displacement in Cyprus: consequences of civil and military strife" is intended to be a resource for civil society and the broader international community, journalists, and researchers. It will eventually be tri-lingual, English, Turkish, and Greek, although it will take some time before all the translations are in place. This is a long-term project that will be



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enhanced in the years to come. We welcome your feedback and ideas: so once you have been able to explore the site online, please contact us with your thoughts.

The website includes an Interactive map leading to detailed information on how displacement affected villages and towns throughout Cyprus. Over 400 are now on the map.

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# DISPLACEMENT IN CYPRUS AND THE PROPERTY ISSUE

**Ayla Gurel**

**D**uring the 1963–64 period, it is estimated that around 25,000 Turkish Cypriots (one-quarter of the Turkish Cypriot population at that time), and 700 Greek Cypriots (including 500 Armenians) were displaced. Most of these people were still displaced when the events of 1974 struck, leading to the present *de facto* division of Cyprus into a Turkish Cypriot-controlled north and a Greek Cypriot-controlled south.

Division had long-term drastic consequences. Large-scale displacement upset the lives of many local communities and led to restrictions as regards Cypriot individuals' freedom to travel and settle throughout the island and exercise property rights. Nearly all of the 162,000 GC inhabitants of the area to the north of the divide fled or moved to the south. Similarly almost all of the estimated 48,000 TCs then living in the south moved to take refuge in the north. These population transfers rendered the two parts of the island in effect ethnically homogenised. Until April 2003, travel between north and south was virtually impossible for Cypriots.

In 1974, with such a high proportion of the population having been displaced and thus having lost their homes and properties, a huge humanitarian problem emerged. The situation in the south was obviously more dire, given the overcrowding caused by the sudden influx of so many displaced persons and scarcity of resources available for accommodating them. For the TCs, on the other hand, the move was from confinement in enclaves to – what they regarded as – freedom in the northern one-third of the island. The main challenge in the north was to organise efficient and productive utilisation of abundant property and resources left behind by the GCs – a task hampered by the insufficient size of the TC population.

In the elapsed period of over three decades the displaced persons in both parts of the island have been accommodated and have largely adapted to their new environments. However, claims related to their lost homes and properties have been unsettled until now.

As regards proportions of land left behind by GCs and TCs in the two parts of the island, there is no set of figures accepted by both sides. The discrepancy between the two sides' figures is quite considerable. However, what seems undisputed is that more than half of the total land in the north is GC property, and that TC property left in the south is as much as about a third of what the GCs left in the north.

The property issue is probably the most complicated item on the agenda of the current negotiations for a Cyprus settlement. A major difficulty here stems from disagreements between

the two sides which can be traced to the fundamental political conflict between them and, in particular, to their very different perceptions of the causes of the 1974 division.

From about 1977 onwards, the ostensibly mutually accepted objective of the negotiations has been to create a federation that will engender the island's *reunification on a bizonal basis*. However, the negotiating parties have yet to agree on what 'reunification' and 'bizonality' should actually entail. Moreover, while reunification is the GC side's primary concern, what really matters to the TC side is bizonality. 'Reunification on a bizonal basis' is clearly a compromise formula attempting to reconcile the two sides' incompatible views of the present division.

In the TC view, division came as the inevitable consequence of the progressive segregation of the two communities since at least 1963 caused, very largely, by GC and Greek aggression. In the secure zone created in the north after 1974 the TCs can live as masters of their own homes and away from threats of GC domination. This situation is the basis – albeit after some territorial adjustments – of what TCs understand by a bizonal solution. Hence they insist that under a settlement the exercise of property rights by displaced persons should be restricted in order not to upset too much the present settlement patterns of the two communities.

In contrast, the GCs generally think of the Cyprus problem as having started in 1974 as a result of what they see as Turkey's unprincipled invasion of a substantial part of their country. They see the subsequent *faits accomplis* of this act as threats to the survival of Cypriot Hellenism in its ancestral lands and the unity of its historical space. Thus the TC conception of bizonality is unacceptable to the GCs. For them this is perpetuation of division, a situation which must be resisted and reversed as much as possible. In line with this position, the GC side emphasizes the application throughout the island of freedom of movement and settlement and property rights as a crucial element of a solution. Thus on the property issue the GC side demands full respect for basic human rights, including displaced persons' right to repossess and return to their properties irrespective of any bizonal arrangements.

Apart from this incompatibility of political goals, social and economic considerations as well as legal and normative prerequisites also pose serious challenges to a property settlement. After the division, the TCs generally presumed that the two communities were now separated permanently and that each community should organise 'its own internal structure in its own area'. In the north, this implied construction of a new social and economic environment; a process in which, given the landownership figures mentioned above, the TCs had no alternative but to rely extensively on property left by GCs. Accordingly, agreement was sought with the GC side to deal with reciprocal property claims through a formula of global exchange of TC properties in the south and GC properties in the north and collective compensation. The idea, although always rejected by the GCs, has until recently formed the basis of the TC policies concerning properties of displaced GCs. Since 1974, a series of measures and laws has been put in place that allowed the allocation of GC properties – initially only for use but later also with ownership rights – to displaced TCs and various other categories of citizens and public and private bodies in the north. In this way, these properties gradually became part of the social and economic fabric of the north. Within the north's legal system,

most GC property is now under new ownership (private or public) and can be inherited, mortgaged, traded, including being sold to foreigners, and developed for private or public use.

Contrary to all this, the GC view has been that the present division of the island is temporary. It will end once an agreement is reached dismantling the 'unlawful' TC state. Any settlement agreement must also ensure that all displaced persons from either community have the right to have their properties reinstated. Yet, notwithstanding the position that all GC and TC property belong to the original, i.e., pre-1974, owners, the GC government also adopted legal measures allowing allocation or lease of TC properties in the south to GC displaced persons, or to the government, local authorities and public benefit organisations. Transfer of title to another person is explicitly ruled out, but compulsory acquisition or sale of TC property is exceptionally allowed if deemed beneficial for the owner or necessary in the public interest. However, the legislation in force prevents TC owners from claiming their properties or any relevant compensation or other payment otherwise due to them until after a comprehensive settlement. As a result of these practices, since 1974 much TC property has been modified through 'development and productive use' – both for private and public purposes, the latter including building refugee housing estates and various forms of infrastructure. Needless to say, in the future full restitution of such property to pre-1974 owners is quite unlikely.

Meanwhile, since the 1990s hundreds of property-related cases have been piling up before the ECtHR. Most of these are GC applications against Turkey concerning property in the north, except for a small number of more recent applications against the RoC by TC owners of property in the south. I can't go into any detail about the implications for a property settlement of the numerous Court judgments issued to this day. And, needless to say, the ECtHR rulings have not produced an answer as to how the Cypriot property dispute may ultimately be resolved. However, they did lay down some minimum guidelines that any negotiated property settlement compatible with the European Convention on Human Rights would be expected to satisfy.

The property issue in divided Cyprus is multifaceted, with vital human, legal and normative dimensions. But its real complexity is due to the fact that it is inextricable from the two sides' perceptions of what is politically at stake in Cyprus. In a settlement involving transition from the present long-term *de facto* separation to 'bizonal reunification', dealing with this issue obviously requires a pragmatic compromise approach. The question is: how can the two Cypriot sides be persuaded to accept such a solution? The answer, as we know, is not easy.

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# FRAMING THE SETTLEMENT AND PROPERTY QUESTION IN CYPRUS

Nicos Trimikliniotis

The issue we are dealing here with is *displacement and property*, a subject not confined to property relations or the so-called property question, which merely aims to sort out the property's ownership by addressing questions around ownership and the rights to the land. It is of course absolutely essential that the rights to the land are properly addressed for settlement in the Cyprus problem. However, beneath what is often defined as the 'official positions' there are assumptions made about some aggregated and essentialised notions about the two major ethnic communities as if they are homogenous, unified and all in agreement which need to be sorted out. It often misguidedly assumed that there is a zero-sum game between the Greek Cypriot position and the Turkish Cypriot position, as the final 'summing up' of the two positions is supposed to be taking place in the course of the official negotiations taking place. What we hope to present here is that there is a much more complex and fluid political, legal, social, economic and cultural reality.

We must first de-construct what is assumed to be the 'ethnicized position' of each side. In other words, here we must stop assuming that there is an automatic ethnic common denominator. That's the starting point that we have to understand. In this way we will be able to understand the complexity of the matters at stake and then be able to propose formulas to resolve the conflict. This is a far more interesting, effective and constructive approach that would reconstruct the notions of property relations, social relations, on the basis of the universal, communal, group/collective, individual rights. I think this is the broad framework within which we can read and understand the property settlements in Cyprus.

Let's go back and look at the idea of the question of 'settlement' and 'accommodation'. The notions of settlement and accommodation essentially deal with addressing the needs and concerns of *displaced persons* so we need to look at the very issue of *displacement*. The moment of the expulsion, of the forced migration, reflects a history of tensions, pain and suffering. The loss of the *home*, the *place*, the *community* is broader than the loss of property as such. It is not coincidental that in legal cases or in political cases each one of the above (i.e., *home*, *place*, *community* and *property*) is quantified separately and differently. Of course putting a price on pain, loss and suffering is itself highly problematic and contentious as it is reducing human experience to a monetary level. Such social and personal experience can hardly be truly compensated in monetary terms given the personal, psychological and social

suffering and traumas people carry for the rest of their lives. Even courts, when they are assessing losses and damages, go into a lot of detail on the basis of this very complex picture. What is perceived at the moment, in the moment of expulsion, *the escape*, is an experience which is recorded as a transpersonal life story--- but is never fully appreciated by others. This is more evident when the story of what is perceived at the moment is connected to the loss of loved ones or personal injury or captivity or all these terrible feelings, terrifying feelings, during the war and afterwards. So, displacement is not a momentary thing that happened in the past and is finished and over; rather it can only be perceived as a process that lasts a long time after the moment of forced removal and escape. Coping on a daily basis, the desperate effort to rebuild, to piece together a fragmented and disjointed life is hard, if possible at all. Memories can be haunting, dealing with the past is extremely difficult and looking into the future is many times a very painful process. Each personal story is a fragment of the larger picture that we cannot fully grasp; we can only get some sense of it if we try very hard to do so.

So if we look at policies of temporary and long-term measures adopted to relieve displaced persons, to make their lives more tolerable, to resettle them, pending the solution, we need to seriously rethink matters. Of course the stories here are very different, depending on the historic moment to which we are referring. I think that the innovation of this project is that we are presenting here a story that attempts to take a longer-term and multi-dimensional view that goes back to the late fifties and extends to the present. The displacement of the late 1950s was a result of the conflict; displacement and forced migration in the sixties and seventies are all interconnected stories. And, I think it is a very important innovation that has to come out in order to understand the full story of the resettlement. At the times of displacement those in charge of devising policies in response to displacement perceived this essentially as crisis management: seeking quick, effective and urgent solutions to deal with the temporary need, until a longer-term solution is to be found. Of course the policies adopted by each side were very much based on their own perspective, political priorities, ideologies and socio-economic capacities and I think the outline of the perspectives of two sides shows *what the problem was about, how they view the resolution in terms of what they wanted to achieve and what they expect to be the outcome of any resolution*. As we all know by now, the problem is lasting far longer than it was originally expected and the continuation of the status quo is proving to be much more resilient and at the same time pregnant with all sorts of new problems, issues and knock-on effects.

This is why the legal and the social realities are neither fixed, nor certain. Regulating the issue of displacement involves dealing with the massive and very diverse bodies of policies, law and regulations. This is interconnected to all social and economic aspects of integrating masses of people into the society, rebuilding or building communities anew and developing networks, systems and social assistance regimes. It is a very difficult and contradictory process.

Ayla Gurel rightly referred to the differences the two sides present in the figures; however, matters become more complicated as the differences are not confined to the figures but extend to *names* of the villages. We know how this highly controversial policy of name-



changing by the regime in the north after the invasion and occupation was perceived as signalling a radical and permanent break from the old status quo towards the new status quo by Turkey. The notion was to 'cleanse' the past and the 'new order' would have purely Turkish names of villages, etc. Greek-Cypriots, particularly displaced persons, feel very strongly offended by this policy.

After the name changes in the north, one would expect Greek-Cypriot policy-makers to preserve and protect the names of villages, both Greek Cypriot and Turkish Cypriot would. It seems that the Cypriot authorities have kept this for the Turkish Cypriot villages, the mosques etc., but not for Greek Cypriot villages. It is thus interesting that there was controversy over name changes in the southern part of the country under the control of the Republic of Cyprus. In fact, one of the major difficulties that we are facing today is not just that the names of villages have been changed by the Turkish side but the changes that have been made by Greek Cypriot side as a result of an effort to cleanse the language. For instance, no Greek Cypriot today in his right mind would use the 'official' name 'Lakia' for the village of 'Lachia'; they wouldn't say 'Aglangia' for 'Aglanja': the 'official' changes made to 'cleanse' and 'Hellenize' the names of the villages are considered to be absurd and reflect a kind of social 'language war' between the 'Helleno-centrics' and 'Cypro-centrics'. A similar debate is taking place in the north amongst Turkish Cypriots over attempts to 'cleanse' spoken Turkish. It also reminds us of the social aspects of the conflict over language that took place throughout the nineteenth century between the 'Katharevousa' and 'demotic' languages in Greece. The so-called official village names are faced with the social reality where the people simply ignore the 'official' names and use the names in their spoken social reality. It is a fascinating story that illustrates the need for policy-makers respond to the social reality rather than attempt to engineer from above, on the basis of their own ethnically or nationalistically motivated linguistic 'aesthetics': policies need to be practical and respond to the social reality and actual needs.

So I have spoken about the fact that matters become more complex when we are trying to resolve the displacement question as a core subject of a Cyprus problem. I won't outline the broader political context as regards the displacement and property chapter in the current negotiations. I don't think I can go into more details at this point. However, having said this, I think it is possible to resolve the displacement and property problem, if there is a political will and five simple preconditions. What are these?

Firstly, we have to learn from the past and learn from other experiences. Learning is a very important part of the process. This requires that we disaggregate ethnic collective attributes and assumptions and examine more closely what the actual situation is on the ground.

Secondly, see the connections. Sometimes we don't dare to see, or admit the necessary connections. We don't dare to admit and state how things are interconnected. For instance, the property question is obviously connected to the territorial question; as such the two must be discussed together.

Thirdly, we need to address the fundamental needs of the people through legal and policy instruments. The outer premises of the agreements are actually in there. We will talk

about how both sides need to negotiate. The point is to find a balance of rights between the owner and the user of the land so that we can move forward.

Fourthly, we need to find practical and mutually agreeable solutions which work.

And last but not least, the property settlement must be the part of the wider vision for a reunited country, for the federal reunification of the country which is sustainable and lasting.

The report can be ordered from:  
PRIO Cyprus Centre  
P.O.Box 25157, 1307 Nicosia, Cyprus  
Tel: +357 22 456555/4  
[priocypruscentre@cytanet.com.cy](mailto:priocypruscentre@cytanet.com.cy)



The conference took place on 30th September 2011 at the Home for Cooperation in Nicosia's Buffer Zone and the topic was property issues within the context of displacement in Cyprus. The conference started with a welcome word from Gregory Reichberg, Director of PRIO Cyprus Centre. Shortly after the introductory comments, he also presented the launch of PRIO Cyprus Centre's project website 'Displacement in Cyprus: Mapping the Consequences of Civil and Military Strife' which is an information resource for civil society and the broader international community as well as for journalists and researchers interested in the Cyprus Issue. This introduction was followed by two sessions. The first dealt with framing the property issues which was followed by second part of the conference where models for property settlements were discussed.

The report can be ordered from:  
PRIO Cyprus Centre  
P.O.Box 25157, 1307 Nicosia, Cyprus  
Tel: +357 22 456555/4  
prioctypruscentre@cytanet.com.cy

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