**On Success and Failure: Hydrocarbons and the Cyprus Mediation Process**

UN backed Cyprus negotiations have been suspended unilaterally by the Republic of Cyprus, after Turkish seismic exploration vessel Barbaros entered into the self-declared EEZ of Republic of Cyprus. The past four decades have seen the futile mediation attempts in Cyprus conflict. Each time the negotiations were halted, collapsed or failed. Now the mediators are challenged not only by convincing the sides to make concessions during the negotiations but also with the task of de-escalating the present conflict and bringing mainly the Greek Cypriots to the table.

I have two main questions in my mind: 1.Why would the parties in Cyprus agree to come back to the negotiating table? 2. Which factors would lead the parties to sign an agreement in Cyprus? Each side might have different reasons but “Readiness” of the sides can assist us in explaining both processes. Then, what are the variables of readiness? I can note that the most significant one is motivation. Motivation derives from a) a sense that conflict is unwinnable b) a sense that the conflict generates unacceptable costs or risks. The main aim of starting a negotiation and willing to concession-making is to produce something better than the results you can obtain without negotiating. If best alternative to a negotiate settlement (BATNA) of the sides to the conflict is better than any solution, sides will not see any need to negotiate. Accordingly the key strategy of the third party and the international community is to bring the sides to a fair level of readiness (with the leverages that they can use) meaning to alter the BATNAs. So the success of the mediation process is directly related to both to the control of BATNAs and the readiness. However this control becomes very difficult in the case of asymmetric conflicts (where one enjoys the benefits of being recognized internationally and the other one is not). The third party can use number of mechanisms for such asymmetric sides. To motivate the weaker side is easier than the stronger side. Thus the pressure can be formulated for the sides differently. The stronger side should feel the costs and the risks with the pressure of the third parties. But at the same time there should be a mutually perceived way out. Mediators tried to fit these elements and intervene in Cyprus by the beginning of 2000s to some extent.

Up to 2004 referendum, the third parties, UN together with EU and US believed that the potential EU membership of Cyprus would create a sense of pressure to create enough motivation to make concessions to end the conflict. But it was unsuccessful to bring an end to the conflict. The big mistake of the mechanism was that when in December 1999, the EU Council delinked the membership and the requirement of the settlement of the conflict. How did the Greek Cypriot side read that? It meant the continuation of the conflict does not generate unacceptable costs and risks. No change in their BATNA, left their motivation and their readiness at a very low level for a change. The level of their readiness became very low- curtailing their concession making but left them on the table. The Turkish Cypriots being the weaker side (having no BATNA) increased their levels of readiness. Unequal readiness of the sides prevented the agreement. But the blame goes not on the Cypriots only but the third party inefficiency as well. This period of mediation in Cyprus, offers broad potential for the third parties/international community/mediators for the underlying factors for failure and success in peace making in the world.

Now the mediator in Cyprus is challenged not only by initiating, carrying on the negotiation but the hydro-carbon issue. Natural gas must be used as an incentive to the Greek Cypriots for the solution of the Cyprus problem not other way round. In order to balance the readiness of the sides for a negotiated settlement an incentive that can be used exists now. Giving the carrot like in 1999 to the Greek Cypriots will not resolve but bring partition of the island. Now the ball is in the hands of the international community. The problem of natural reserves may provide a window of opportunity for the readiness of the sides if right interventions done by the mediators and the third parties.

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