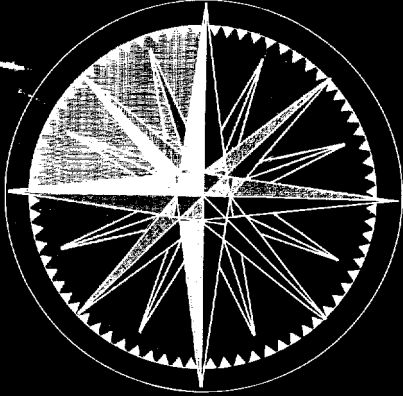


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CYPRUS: A STATUS REPORT

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CENTRAL INTELLIGENCE AGENCY
DIRECTORATE OF INTELLIGENCE

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CYPRUS: A STATUS REPORT

A tense quiet prevails on Cyprus two and one half years after the eruption of hostilities which resulted in the separation of the Greek and Turkish communities. A permanent solution still is not in sight. The Greek Cypriots have firm control, and President and Archbishop Makarios retains his position of dominance in the struggle. He is presently having difficulties with the government of Greece, however, over control of the Cyprus national guard.

In the past few months the position of the government of Turkey has hardened. A recent aide-memoire to the US and UK reflects Ankara's resolve to improve conditions in the Turkish Cypriot community and insists on the continued presence of the UN peace force on the island. The condition of the Turkish Cypriots is decidedly less favorable than that of the relatively prosperous Greek community, but probably less severe than the Turkish note claims.

The economy has held up relatively well during the trouble, but will be seriously affected if a political accommodation is not found within the next few years. The UN force is performing its peacekeeping mission well, and a failure to renew its mandate --expiring next month--would probably be followed by a resumption of hostilities.

Wide Divergence of Views

The lack of political movement on the Cyprus issue is largely due to the wide divergence between the positions of the Turkish Government and the governments of Cyprus and Greece. Progress has also been blocked during the past year by a weak government in Greece, a new government in Turkey burdened with domestic problems, a pro - Greek Cypriot UN resolution last December calling for Cyprus' right of sovereignty and freedom from outside interference, and the joint

Greek-Cypriot rededication in early February to Cyprus' eventual enosis (union) with Greece.

The last development brought a hardening of Turkey's public stand. There is no evidence that the Turks are willing to give in on any of the points on which they have long insisted: no unilateral annexation by Greece, the continued existence of two communities, no domination of one community by the other, and the participation of both communities in the administration of the island.

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Turkey expressed its frustration over Cyprus in its 19 April aide-memoire to the US and the UK. Ankara strongly stated its view that the Turkish Cypriot community could not endure indefinitely the Greek Cypriot pressures and harassments and what Ankara called the resulting "economic plight" of the Cypriot Turks. Ankara went on to say that it had decided to ensure the removal of all the restrictions "within the shortest possible time." The Turks correctly assessed the apparent strategy of President Makarios, who is using a so-called "peace offensive" to allow "time" to erode the position of the Turkish Cypriots and eventually give him unilateral control. It also pointed out the important role played by the United Nations Peace Force in Cyprus (UNFICYP) and threatened to send Turkish troops to the island if the force should be removed.

Ankara's claims of deplorable living conditions in the Turkish Cypriot community were probably calculated to spark US, UK, and UN interest in getting the problem off dead center and, although well taken, are probably exaggerated. However, the allegations do raise questions as to the actual conditions obtaining for both communities on the island.

Greek Cypriot Domination

Much to the chagrin of all the other parties to the dispute, including the Greek Government, President Makarios dominates all aspects of the struggle, both

domestic and international. His firm hold on the island is shown by his extreme popularity with the Greek Cypriot community, which comprises about four fifths of the island's population of around 600,000. His most significant, but as yet ineffective, opponent is General George Grivas, the legendary hero of the Cypriot struggle against the British between 1955 and 1959 and now the commander of Cyprus' armed forces. Makarios has all but directed Greece's Cyprus policy since December 1963. His struggle with Grivas over the control of the island's military affairs recently added a look of crisis to Greece's already disarrayed political scene. His tactics have frustrated the Turks and Turkish Cypriots, who have been unable to stem the steady, creeping expansion of Greek Cypriot control over almost all aspects of life on the island.

On 30 November 1963, Makarios issued a 13-point proposal suggesting significant amendments to the Cypriot constitution drawn up under the London-Zurich agreements in 1959 and under which Cyprus began its limited independence from the UK in August 1960. Makarios stated the proposal was intended to "facilitate the smooth functioning of the state and to remove the causes of intercommunal friction." The Turkish Cypriots rejected the proposals out of hand and less than a month later the fighting started.

In summary, Makarios wanted to abolish the veto right of the

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island's Greek Cypriot president and Turkish Cypriot vice president and unify other executive authority. He wanted to end the constitutional requirement that issues before the House of Representatives could be passed only if approved by a majority of both the Greek and Turkish members. His plans also called for alterations to other administrative, municipal, and judicial functions of the government. In December 1965 the House of Representatives with, of course, only Greek Cypriot members participating in the quorum, passed a law which culminated in the adoption of all Makarios' original "13 points," either by statute or by executive authority.

This process of slicing away at the Turkish Cypriot constitutional authority, resulting in a de facto Greek Cypriot majority rule, has been virtually unimpeded by the Turkish Cypriots. Both the Turkish Cypriots and the Government of Turkey could only protest these "unconstitutional actions." The refusal of the Turkish Cypriots to participate in the proceedings of the House of Representatives and other governmental functions has merely played into the hands of the wily archbishop and has lent credibility to his complaint about Turkish Cypriot "insurgent" tactics.

Makarios' "peace offensive" has not achieved his ultimate objective of loosening the hold of the Turkish leadership to the point where the Turkish Cypriot rank and file would accept Greek

Cypriot rule. However, it has achieved for Makarios a degree of control which enables him to negotiate from strength.

Makarios vs. Grivas

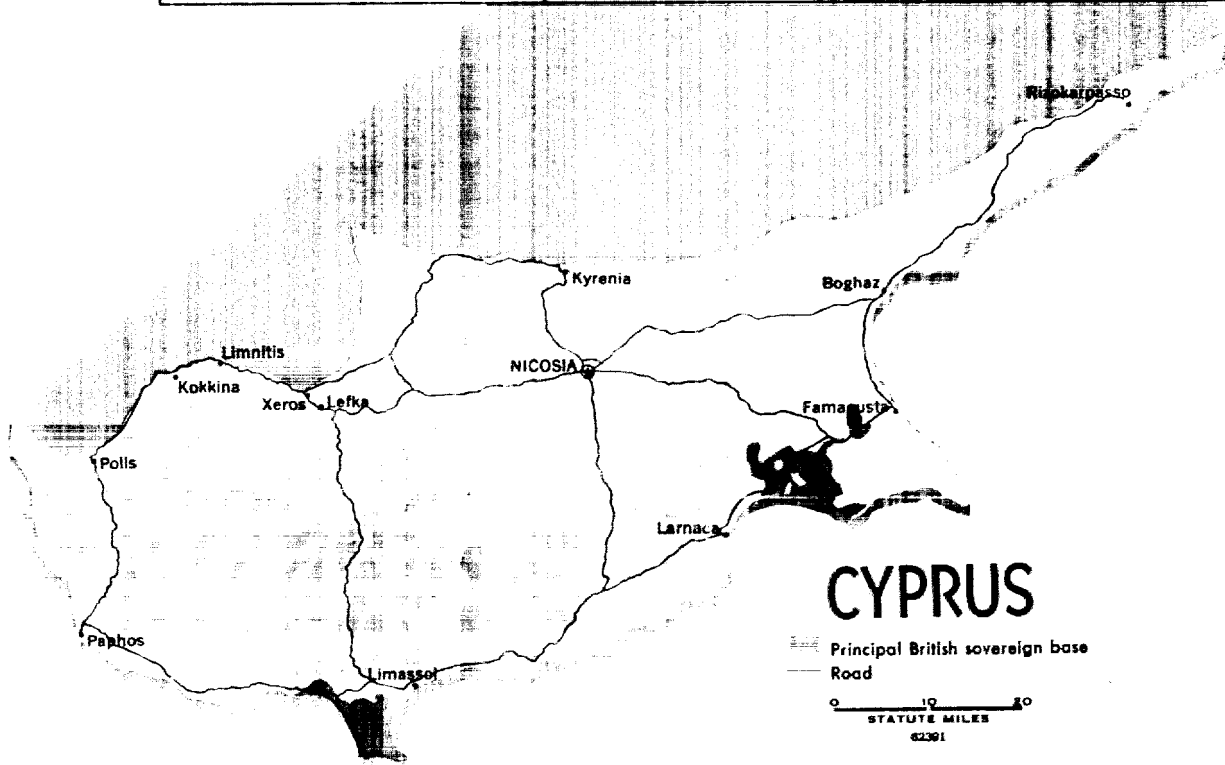
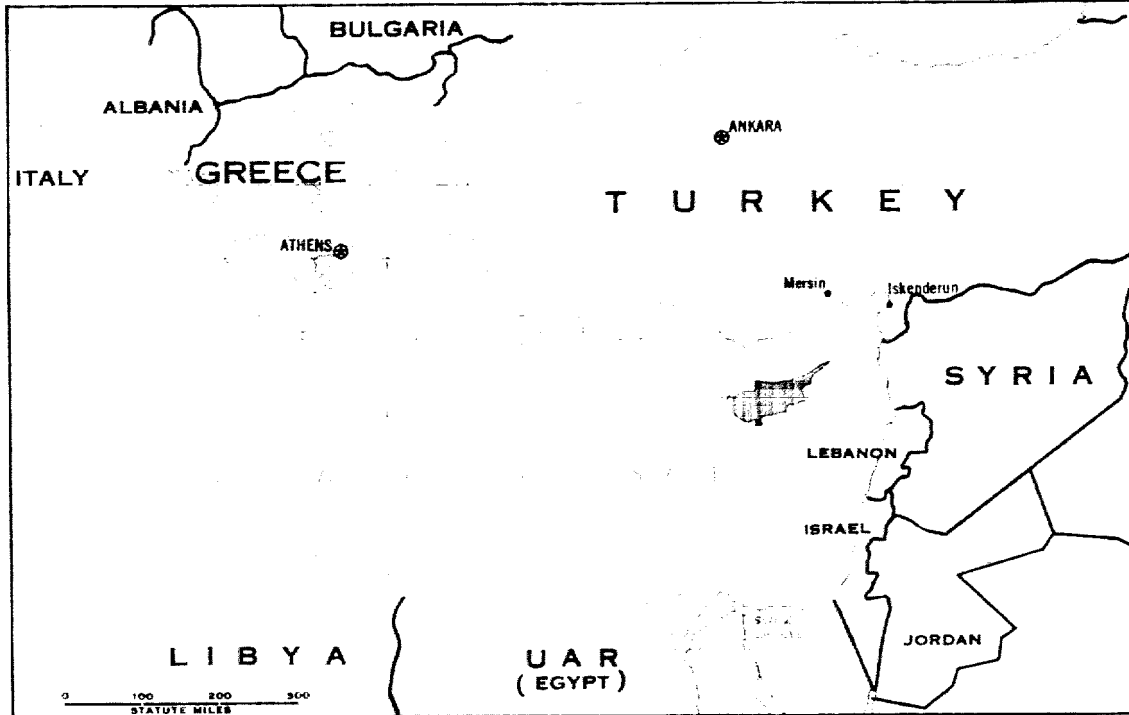
Grivas and Makarios have long been at odds over the best way to deal with the Turkish Cypriots and with the island's Communists, who represent its largest and best organized political grouping. Grivas has favored a harder line than Makarios in handling the Turks and has often threatened to "drive them into the sea." He also feels that Makarios' acceptance of Communist support betrays the eventual goal of enosis, since the party could never genuinely support union with anti-Communist Greece.

The most recent manifestation of the Makarios-Grivas dispute concerns the general's future in Cyprus and has involved the embattled government of Premier Stephanopoulos in Greece. During talks with the Greek Government in early February, Makarios apparently was led to believe that the government of Cyprus would be given increased authority in the determination of the island's defense policies generally and at least partial control of the national guard, the island's principal defense force.

However, Grivas, upon returning from talks in Athens in late February, publicly stated that he took his orders only from Athens. To Makarios this was clear evidence that the

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government of Greece had reneged on its agreement. Essentially, Makarios would like to appoint a Greek general of his own choice as commander of the Cypriot-manned national guard with the approval of the Greek National Defense General Staff and thereby relegate Grivas to the position of "coordinator" of military affairs with command authority over the national guard only during a state of war.

In early March an attempt by Makarios to supplant Grivas was rebuked by the Greek Government. The effort eventually caused the resignation on 11 April of Greek Foreign Minister Tsirimokos, who supported Makarios. Greek refusal to grant Makarios' request is probably based on the desire of many Greek politicians to use Grivas as a means of keeping Makarios in line. Makarios bitterly resents this kind of Greek control, however, and he will probably continue his efforts to get rid of Grivas.

The Turkish Cypriot "Plight"

In its aide-memoire, Turkey emphasized that steps must be taken to improve the deplorable conditions in the Turkish Cypriot community. The failure to "normalize" the situation and a continuation of Greek Cypriot pressure are "tantamount to a new fait accompli based on the time element to which the Turkish Government will not resign itself."

Ankara demanded suppression of Makarios' list of the so-called "strategic items" which are barred to the Turkish Cypriots and called

for the removal of all other economic restrictions. The Turks also demanded the right to distribute freely relief items from Turkey and insisted on the cessation of roadblocks and other harassments to allow freedom of movement for the Turkish Cypriot population.

Most of the Turkish Cypriots lead a difficult existence, and it must be especially frustrating for those who see the Greek Cypriots enjoying a relatively normal, prosperous life.

The Turkish Cypriots living under the most difficult conditions are the approximately 20,000 "refugees" displaced by the fighting. Most of these live in the Turkish quarter of Nicosia and in villages along the Nicosia-Kyrenia road. There are probably another 20,000 who depend on relief supplies and funds. Most of the assistance comes from Turkey, which is reportedly sending aid at a current rate of \$11.2 million a year.

Most of the refugees have been resettled in "adequate" housing, except possibly 1,500 now living in tents. The majority of the latter live in the Kokinna-Limnitis-Paphos areas where the living conditions are truly miserable. Nevertheless, the International Red Cross says that the Turkish Cypriots are not in poor enough condition to be classified as refugees by Red Cross standards.

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The government has a housing reconstruction program to repair the damage done during the fighting, but it has begun only in one area near Nicosia and the progress is exceedingly and probably deliberately slow. Most of the improvements are due to the efforts of the Turkish Cypriots themselves. In those cases where houses have been repaired by the government, most of the owners are afraid to defy their leaders' orders and leave the enclaves to return to their homes.

The Turkish chargé in Nicosia told a British Embassy official that nearly all of the refugees are better off now than when they left their home villages, and a Turkish Foreign Ministry official stated after a recent trip to the island that the Turkish Cypriots suffer more from psychological problems than from economic privation. In short, the situation is difficult, but much of the suffering results from fear of an uncertain future.

The Greek Cypriot authorities have officially offered no significant concession to meet the Turkish demand for lifting the ban on the supply of "strategic items" to the Turkish Cypriots. However, smuggling and black market operations supply the Turkish community with some of the banned items--such as certain petroleum products, cement, lumber, and other building materials. Purchases of gasoline, fertilizer, seed, agricultural

spare parts, and other consumer goods are complicated largely by the Turkish community's own bureaucratic problems and limited purchasing power. There is no food problem.

Greek Cypriot authorities have countenanced a slow increase in the freedom of movement of the Turkish Cypriots since 1964, but the number of unnecessary roadblocks and other harassments, which have recently been extended to include Turkish Embassy personnel, remains high. However, the Turkish/Cypriot leadership closely controls the movement of its own people and also does not allow the Greeks to travel uncontrolled in the Turkish Cypriot enclaves.

In general, most reports indicate that the majority of Turkish Cypriots are not too badly persecuted, despite Ankara's statements to the contrary. Conditions are unlikely to become markedly better so long as the two communities on the island remain in what has become a suspended civil war. In addition, the Turkish Cypriots themselves follow a policy of enforced separation which would seem to rule out much progress toward the "normalization" demanded by Ankara. They have thus achieved a desired de facto partition which would be lost if they again begin to participate in the affairs of government and in a program of reciprocal freedom of movement.

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The Economy

The over-all economy of the island had held up well during the disengagement. However, the political strains have caused distortions in the usual economic patterns. Both local and foreign capital has been reluctant to venture into long-term investment, and development plans have been cut back because of military necessity. Much of the Turkish Cypriot population has, of course, become economically inactive and dependent upon external aid.

The failure to come to a political accommodation within the next few years to allow a normal economic expansion could have more serious effects on the economy. By 1970 it is expected that the UK will be spending only about half its 1965 expenditure of about \$46,4 million. The US-owned Cyprus Mines Corporation, whose copper exports have provided about half the country's foreign exchange in the last decade, will have practically depleted its ore reserves by 1972. Tourism is a good potential source of foreign exchange, but a clear-cut political settlement will be necessary for its proper development.

Military Forces on the Island

One of the "ultimatums" contained in the Turkish aide-memoire was that the UNFICYP must remain on the island to help maintain the truce that has existed since September 1964 and to oversee implementation of the Turkish demands. The Turks

threatened that if UNFICYP should be withdrawn before an agreed settlement, they would fill the vacuum by matching the approximately 8,500 "illegal" Greek forces now on the island with Turkish troops.

The UN force is presently made up of military units from Austria, Canada, Denmark, Finland, Ireland, Sweden, and the United Kingdom, and police units from Australia, Austria, Denmark, New Zealand, and Sweden. The generally peaceful conditions prevailing since the fall of 1964 have allowed reductions of approximately 2,000 men to a present level of around 4,500 through cuts in administrative personnel and in manned outposts and checkpoints.

The UNFICYP's present mandate extends until 26 June and seems likely to be renewed for at least another three months, but reluctance of the UN members to furnish the funds and troops without some positive movement toward settlement will make future extension problematical.

Most observers agree that a force of at least 4,500 men is necessary to prevent a resumption of hostilities. A token observer force would probably prove to be ineffective as long as the hostile elements remain in their current almost head-to-head proximity.

In addition to the approximately 30,000 Greek Cypriot national guardsmen and irregulars, there are about 8,500 Greek troops on the island, not including the 950-man contingent authorized

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by the London-Zurich agreements. As many as 2,000 of the Greek mainland forces may be integrated into the national guard as commanders, instructors, and technicians. Others are in separate Hellenic Army units. The national guard is probably poorly trained and disciplined. In addition to far outnumbering the Turkish Cypriot forces, the Greeks have the advantage of tank and artillery support.

Offensively, the Greeks could probably overrun the Turkish enclaves within 48 hours, but this would draw immediate military intervention from the Turkish mainland. The Greek Cypriot defensive capability would depend somewhat on the nature of the attack, but the defensive forces would probably make any invasion a costly operation.

There are an estimated 10,000-15,000 Turkish Cypriot fighters and an undetermined number, perhaps 1,000, of regular Turkish Army personnel on the island, not including the 650-man authorized contingent. Many of the fighters are students who had been enrolled in schools in England and Turkey before the hostilities started and later

returned to the island to join in the struggle. A group of about 400 of these students from the besieged enclave of Kokinna were allowed to return to their studies in Turkey early this year.

Outnumbered about 3 to 1 and badly outgunned, the Turkish Cypriots have little offensive capability without outside assistance. Defensively, they probably could hold out indefinitely in some areas, but most of their enclaves would be completely sealed off in a matter of hours.

In addition to the approximately 1,000 troops serving in the UN force, the British have about 4,000 ground troops and 6,000 air force personnel quartered in the British sovereign areas under the London-Zurich agreements.

Prospects

There seems little chance for a solution in the near future. Greek-Turkish bilateral talks are now scheduled to begin in early June, but the possibility of real progress appears slim.

In recent weeks, both in their aide-memoire and through their display of military preparedness on their southern coast, the Turks have shown a new determination to improve the lot of

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the Turkish Cypriots and preserve what they regard as their rights in the dispute. The weak government of Greece's Premier Stephanopoulos seems in no position to make substantial concessions.

It is unlikely that the Turks will soon intervene mili-

tarily without some new Greek Cypriot provocation. However, Turkey is worried by Makarios' tactic of allowing time to erode the Turkish Cypriot morale. If the archbishop fails to make some move to meet Turkish demands, the two sides may again be placed on a collision course.

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