The impact of “policy paradigms” on energy security issues in protracted conflict environments: the case of Cyprus

Introduction

Cyprus has since the 1960s become the battleground between Cypriots of Greek and Turkish origin. After the fall of the Berlin Wall, Nicosia is the last divided capital in the world, with a green line between the self-declared “Turkish Republic of Northern Cyprus” in the north\(^1\) and the remaining territory of the Republic of Cyprus (RoC)\(^2\) in the Greek Cypriot southern part – excluding the British Sovereign Bases in Akrotiri and Dhekelia. At the time of writing, the current leaders of the two sides, along with a host of international officials, have gathered in the Peace Palace of Geneva in order to negotiate the termination of a partition that has lasted for 43 years. Formally the negotiations involve property, governance – including a rotating presidency – the economy, territory and security guarantees. At this stage, it seems that both leaders have agreed to omit any substantive discussion of a particularly thorny issue - the gas reserves detected off the southern side of the island.

Why have the Cypriot leaders left this issue off the negotiation agenda? This very question highlights the societal relevance of the paper. A potential energy boom around Cyprus could spur on a deal between the historic competitors. Nevertheless, this has not been the case, so far, at least.

The author decided to intensively attend the debate and to figure out the main arguments that the opinion-makers in Cyprus have “injected” into this energy debate. What are the main stakes they attach to the future monetization of the gas reserves? Which economic, domestic, geopolitical and socio-psychological factors encourage the cooperation between the competing sides and which ones sustain the current impasse? The research question we want to address is: what are the main policy-paradigms that guide the opinion-leaders throughout energy security matters within protracted conflict environments? Using Cyprus as our single case study, the paper will deliberately follow an inductively oriented qualitative approach in order to create conceptual definitions out of rudimentary “working ideas” that involve “protracted conflict environment”, “energy security” and stakes in “decision-making”.

\(^1\) Recognized only by Turkey, although no official document – in our knowledge at least - on behalf of the Turkish Republic seems to officially prove this recognition,

\(^2\) Internationally recognized by all members of the UN except for Turkey
To this effect, we will divide this paper into three distinct sections: the theoretical, the ontological and the methodological. The theoretical section will be divided into three parts. In the first part we will touch upon the concept of “policy-paradigm” in order to illustrate the driving forces that motivate or inspire the policy-makers and opinion leaders to deal with a problem in one way or another. In the second part we will delineate the notion of energy security and forge theoretical linkages between the concepts of policy paradigm and energy security. We will make use of the work of Correlje and van der Linde (2006), which has succinctly depicted this interplay via their presentation of two contrasting storylines: “markets and institutions” and “regions and empire”. For the purpose of this article, the two storylines are identified as our contrasting policy-paradigms on energy security. Through their interaction, we seek to explore how they drive the debate on energy security within the realm of a conflict environment. In the last part of the theoretical section, we will shed some light on the very notion of “protracted conflict”.

In the second section, we will outline the ontological considerations that should be attached to this topic. In order to explore which discourses are involved in the abovementioned storylines, it is important to comprehend the historical, legal, exploratory and economic frameworks in which they are embedded. This section is divided into two parts. We start with the historical particularities that characterize the Cyprus question and project into a protracted conflict. In the second part, we will describe how the seeds of the energy debate were sown. We will initially describe the role of gas in global politics. Afterwards, we will drag the discussion in the Eastern Mediterranean. What is the amount of the proven and estimated gas reserves in the region? How have the delimitation zones in the Eastern Mediterranean been formulated? On which grounds are Turkey and the Turkish-Cypriots disputing the legal status quo? Which companies have been involved in the extraction and production of these reserves so far? These ontological dimensions cannot be neglected if we want to get a holistic picture of the energy debate.

We will then move to the methodological section that aims at exploring which discourses, embedded into the one or the other policy-paradigms, fuel the energy discussion concerning the Island. This section will be divided into four parts. In the first part, we will put forward the reason the author selected grounded theory for his approach. In the second part, we will elucidate the rationale behind choosing qualitative interviewing in order to generate data by collecting the opinions of grassroots’ academics, energy businessmen, policy-makers and policy advisors. In the third part of this section, we will engage in what is known as “political discourse analysis”\(^3\) in order to identify through a bottom-up approach –moving from isolated observations to more

\(^3\) The modality of the whole procedure will be described into detail in the methodological section.
abstract concepts- the quintessential aspects of the political discourses attached to the two paradigms. Finally, in the last part we will analyze the results and conclusions from this categorization.

**Theoretical section**

In this section, we will examine the concept of “policy-paradigm” and “energy security”. We will also seek to establish theoretical linkages between them and throw some light on the notion of protracted conflict.

**Policy Paradigm**

In order to perceive and simplify complex realities, every policy-maker has to resort to his own “cognitive map” of politics, which in the vocabulary of Nathan Leites (1951) and Alexander George (1969) is called “operational code” (George 1969: 197). A good understanding of the actor’s beliefs facilitates the researcher in his attempt to clarify the general criteria, the stakes that leaders set out in order to assess the arising political opportunities within such conflict environments, to estimate the costs and risks associated with them and to make utility calculations (ibid: 200).

For the sake of their calculations, they may use encoded experience. According to Weir and Skocpol (1985), the goals that leaders go after at any moment in time, are influenced by “policy legacies” or “meaningful reactions to previous policies”, conflicts and crises. Due to the lessons deduced from these experiences, they cultivate what Heclo (1974) calls a “policy learning process” which deliberately endeavors to “adjust the goals or techniques of policy in the light of past experience and new information” (Hall 1990: 7). The ‘learning processes’ drive the policy makers to customarily operate within a context of ideas and standards which specify not only the objectives of their policy reactions towards problems, but also the very notion of the problem they are assigned to tackle (Karakasis 2013: 227). This system of ideas facilitates the implementation of the policy making process, not just by serving as road map, but by providing discourse schemas that actors adopt in order to make their own road maps comprehensive, convincing and legitimate to their constituents (Campbell, 1998: 381).

Peter Hall (1990) has named this very system as “policy paradigm”. It implies a set of cognitive and moral maps that orients an actor within a policy sphere and functions as a tool for the actors involved in policy making to identify problems, specify and prioritize their interests and goals (Bleich, 2002). In the words of Carson (2004: 38), a “policy paradigm is a cognitive model shared by a particular community of actors, which facilitates problem solving”.

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Considering the ambiguity about the energy security debate on the Island, a better appreciation of policy paradigms is anticipated to more adequately explain the stakes behind the energy security discourses. Paradigms are seen here as crucial variables in determining policy choices (Hogan & Howlett 2015: 7; Baumgartner 2013: 239) due to the uncertainty over the basic workings of energy policy in a country without particular experience in this field.

**Energy Security and Policy Paradigm**

We will turn our attention to the other “buzzword” of this article which is energy security and try to theoretically link it to policy paradigm.

Energy security appears, at first glance, as an abstract and vague concern, hard to pin down. The *IEA* \(^4\) defines it as “the uninterrupted availability of energy sources at an affordable price”. Conceptions of energy security might vary in institutional perspectives, national styles, geology, geography, and time (Sovacool and Brown 2010: 80). The modern version of energy as a security concern firstly appeared on the radar in the dawn of the nineteenth century, when the “mechanization of warfare accelerated the energy requirements for coal-powered warships and vehicles (ibid.).” For most of the 20th century, these concerns were almost exclusively associated with oil and coal supply. World War I and World War II starkly highlighted the prominence of oil and coal in high politics (Yergin 2009: 773). In the 70s’ these concerns had reached their peak when Western society, almost in its entirety, struggled to overcome the economically disastrous implications of the 1973-74 and 1979-80 oil crises.

At the start of the 21st century, widespread concerns are expressed again about the security of oil supply. Multiple factors opened the Pandora box of the European anxieties with respect to its energy supplies: the instability in some oil-exporting nations as the turmoil of Arab Spring swept over much of North Africa and part of the Middle East in 2011 and 2012; the rise of jihadist terrorism in the same region; additionally, the revival of resource-nationalism and geopolitical rivalries-manifested through the three Ukrainian crises (2006, 2009, 2014) and the subsequent cut-off of Russian gas supplies to Europe (Yergin 2012: 267).

We should stress, though, that energy security entails something more than countering the wide variety of threats. It also mirrors the relations among nations, the modality of their interaction, and the impact of energy on their overall national security. A country’s ability to access energy supplies and the ways in which it uses energy, determine, to a great extent, the state of its national

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security (Shaffer 2009). Thus, it is important to examine the interaction between politics and energy.

**Forging theoretical linkages between energy security and policy paradigm**

The paper deliberately will draw on the work of Correlje and van der Linde (2006) because it concisely illustrates the interdependence of politics and energy through the presentation of two storylines: “markets and institutions” and “regions and empire”.

In the first storyline, inspired by the premises of the neoliberal economic system (Winrow 2016: 434), the writers imagine a continuous cooperation in international political and economic institutions, supporting, as well, a constant development of the multilateral system that governs international relations (Correlje and van der Linde 2006: 533). Their approach implies further liberalization of the markets that facilitates growth in the international flow of goods, persons and capital. These flows are coordinated by “market forces”. This means that the energy companies are motivated by expectations of profit, whilst the business logic prevails upon political expediencies and geopolitical calculations.

The other storyline, dominated by a neorealist perspective, signals the break-up of the international system into competing blocks, which may engage in rivalry over the control of energy resources and markets (ibid: 536; Winrow 2016: 434). In this context, neo-realist views gain prominence. It includes, essentially, a division of the global economic system into countries and regions, on the basis of ideology, religion and (geo)political arguments (ibid: 536) and domestic calculations. National and security concerns or conflicts outweigh the business logic and the potential international economic integration. Energy companies -restrained by the rationale followed in these regions- have to pay attention to the national security perspectives of the actors involved.

How these storylines are manifested in the energy debate on the Island is what we want to find out. We assume that both rationales inspire the policy-makers and opinion-leaders in the formulation of their energy security strategy. This begs the question of how they actually communicate them. Caroline Kuzemko (2014) embarked upon a similar initiative in her endeavor to highlight the role of ideas as key explanatory variables in the power relations between EU and Russia on energy security matters. She identified the ability of ideas to be influential in energy policy while setting forth which ideas become relevant through their interaction with concepts of power, legitimacy and identity (ibid.).
The above narrated storylines, framed from now on as our contrasting policy-paradigms, will inform us on the rationale guiding the opinion-leaders in setting forth their policy suggestions. We have to identify stakes and considerations that the policy-makers and opinion-leaders inject into their energy security discourses. How are the above described policy-paradigms operationalized in their statements?

The question gains currency if we consider that these two paradigms contradict each other in the predicament of a conflict environment. It is illuminating to figure out how they actually unfold within a framework characterized by the legacies of conflict, mutual distrust and antagonism. The following part will explore the notion of the protracted conflict.

**Protracted Conflict Environments**

A small segment of relationships mired in conflicts becomes protracted reaching the point of seeming intractability. They get self-sustaining and, thus, detrimental, displaying marked resistance to any intervention, even when they encounter rational considerations that would apparently defuse the animosities at work (Vallacher et al 2010: 262).

Protracted conflicts share typical characteristics that provide for their infrastructure: multi-ethnic cleavages on the one hand and distributive injustice on the other (Azar 1986: 28). Starting from the first one, Azar puts forward two factors, external and domestic, that are responsible for the rise of politically active multi-ethnic societies. In the first case, he pays special reference to the colonial legacy and explains that the “application of the principle of ‘divide and rule’ by colonialists produces a unique political landscape in many parts of the world where, either a state artificially incorporates a multitude of communal groups, or a nation becomes divided into two or more states” (Azar 1990: 7). In the second case, he points to a historical pattern of rivalry and contest among communal groups. He mentions that multi-communal societies are characterized by a disarticulation between the official state and society as a whole. Under these circumstances, the state is usually dominated by a single communal group, not responsive to the needs of other groups in the society, which vary from wants of security (individual and communal physical survival) to exigencies of access to social institutions (Azar 1990: 7).

This leads us to distributive injustice as the second characteristic. This concept, which includes denial of needs plus the experience of humiliation, involves the negation of identity as well (Ellis 2006: 29). These intangible psychological factors, dealing with identity, are deep seated in the lives and ontological being of those concerned, meaning the grassroots, in personal traumas along with collective indignities born in the past, while functioning as engines of current confrontations.
(Rothman 2012: iii). One first order social identity is ethnicity, which evolves around including, believing and recognizing one’s membership in a group with common national origins. When social conditions become controversial or uncertain, it crops up as an important theme with psychological properties and discursive resources which have the potential to culminate into violence (Crawford 2008: 11).

**Ontological considerations**

After having provided the features and underlying issues that characterize protracted conflicts, we narrow down to the Cyprus conflict. By narrating the historical background of this conflict, readers will identify many elements examined in the lines above. Then we move to the energy debate after examining the role of gas (which is one of our points of reference) in global politics.

**Geographical and historical background of the conflict**

Being situated in the Eastern Basin of the Mediterranean Sea, the island of Cyprus possesses a central position in the global politics due to its location at the juncture of Eurasia with Africa (Karakasis 2015). Turkey is the closest neighbor being almost 50 miles north of the island, while Syria and Lebanon are approximately 70 miles to its eastern side (CLA Factbook). Other neighboring territories include Egypt to the south (240 miles) and Israel to the southeast (124 miles). To the west, the nearest Greek Dodecanesian island, Castelorizo, is 170 miles away, while its distance from the Greek mainland is more than 497 miles (ibid.). It is positioned on the sea lane of the great maritime highway which links the Mediterranean Sea along with its two sea gates, the Suez and Bab al-Mandab, to the Indian Ocean (Leigh J. & P. Vucovic 22.12.2011). The perceived strategic importance of Cyprus has made it, over the centuries, “a piece of geopolitical real estate *par excellence*” and “a cat’s-paw and marshaling yard of Great Power diplomacy” (Mallinson 2010: 1-2).

Cyprus has, thus, historically witnessed the invasion, the establishment and the interaction of all the ancient civilizations of pre-history and proto-history projecting it into a “crossroad of civilizations”. Hellenic tribes (Arcadians, Achaeans and Mycenaeans, the Ptolemy dynasty) - settled in Cyprus contributing to the formulation of the Hellenic character of the Island. During the Romans’ era and through the establishment of the Apostolic Church of Cyprus, its Christian Orthodox was formulated. Between 1571 and 1878 the Ottoman Empire ruled over Cyprus, playing a catalytic role in forging the Turkish Cypriot identity.
The divide and rule policy of the British Administration- The seeds for “enosis” and “taksim”

In 1878, at the culmination of the Great Eastern Crisis and in fear of an eventual Russian expansion into its territories, the Ottoman rule over Cyprus substantially ended. Sultan Abdul Hamit II decided to cede the administration of the Island to the British authorities in exchange for formal guarantees to protect the integrity of the Ottoman borders from Russian expansionist aspirations. Even from the first year of the British occupation, various discontents awakened “philhellenic aspirations” in certain urban circles. The claim for “enosis” was fundamentally an extension of the 19th century Greek irredentist nationalism and “subsequent struggles to incorporate Greek speaking regions of the old Ottoman Empire into the Modern Greek state” (Stavrou 2009:7). On the other side, the Turkish Cypriots considered the Island part of the Ottoman territory.

British diplomacy -well-known for its pragmatism and flexibility- took advantage of this ideological controversy and sowed, somehow, the seeds of a “divide and rule” policy. The British introduced the Cypriot Constitution in 1882 and established the Legislative Council, which would be composed of 18 members, 6 appointed ex officio and 12 elected by the Christian (9 members) and Muslim (3 members) populations on the Island (Kizilyurek 2009: 30). Given the severe disagreements between Greek- and Turkish-Cypriots about the proportional criteria according to which they would represent their constituencies, the British decided to organize the administration in such a way that the number of Muslim and the appointed ex officio would be equal to the number of Christians. They wanted, thus, to establish the administration on the basis of British-Muslim cooperation as well as the ideological and political dispute between the two sides (Kizilyurek 2009: 30).

The British administration introduced reforms that, on the one side, improved the living standards on the Island (schools, infrastructure, telecommunication etc) but, on the other, unwittingly aided the proliferation of “enosis” (Stavrou 2009: 11). It inserted new laws challenging the traditional authority of the autocephalous Church of Cyprus. The British authorities deprived it of the right to collect of taxes and sought (unsuccessfully) to detach education from its aegis. These initiatives alienated the Church from the colonial governmental apparatus and led it to resume its role as an “advocate of Greek nationalism and enosis” (ibid.).

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5 It first manifested itself as a consequence of the 1821 Greek revolution but it was swiftly suppressed and did not manage to establish itself until the very moment British arrived at the Island.

6 Which under the Millet System of the Ottoman Empire was not only the spiritual head of the Greek Cypriots (Rum Kibris) as Orthodox Christians (Rum Millet) but also the Civil Head of the Greek ethnos (millet bashi)
In 1914, at the outbreak of the First World War and after the Ottomans’ decision to align their forces with the opponents -the Central Powers- of the Entente, the British annexed the territory de jure. Greek Cypriots envisaged in this evolution the avenues for the realization of their “enosis” aspirations. In 1931 these aspirations boiled over with a spontaneous rebellion against the British rule, leaving Government House in flames (Anderson 2008). As a response, the British administration suspended the colony’s Constitution and decreed any agitations related to “enosis” punishable (ibid). In 1949 the Church mobilized mass popular support for “enosis”. A ‘plebiscite’ was conducted in churches throughout the Island in January 1950 and 96% of the participants supported the union with Greece. On the other side, Turkish Cypriots, who had already formulated KATAK7 in 1943, organized demonstrations against these aspirations (Interview Kizilyurek 20.11.2014). They came to embrace partition, “taksim”, as the main goal of the Turkish Cypriot nationalism in order to counterbalance the Greek-Cypriot claim for “enosis”.

Greece’s initiatives to project the Cyprus issue into the agenda of the 9th session of the General Assembly in the UN (1954) fell short of its objective to mobilize international support for the “enosis” cause. Great Britain unveiled its concerns that a potential internationalization of the issue by the Greeks, without first informing the Turkish government, would flare up the Turkey’s fears that Greece was setting up a territorial claim on the Island. This gave the British an ally in the UN (Turkey), on the one side, and raised the claims to self-determination, from the Turkish-Cypriot side, on the other. As a result, the first Turkish involvement in the Cypriot state of affairs after 1878 revitalized the Turkish Cypriot nationalistic sentiments for “taksim”.

In 1955, after the failure of protracted negotiations between the Island’s new governor, Field Marshal Sir John Harding and Archbishop Makarios III8, attributed mainly to the ambiguous term of a “broad” measure of self-government promised by the British side- an outbreak of anti-British military activities by Greek-Cypriots’ joining EOKA’s banner took place (Spyridakis 1974: 177). The British undertook a more intensive campaign to exterminate EOKA and Makarios was exiled to The Seychelles on 9.3.1956. Given the explosive situation in the island, Great Britain initiated a Tripartite Conference (Greece, Turkey, UK) in London to determine the Island’s political future but no solution was reached. It remained, however, significant since, on the one hand, it officially marked the beginning of the active participation of Turkey in the Cyprus question and, on the other, the minority status of the Turkish Cypriots got upgraded into

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7 Kıbrıs Adası; Türk Azınlık Kurumu The Association of the Turkish Minority of the Island of Cyprus
8 On the 1st of April 1955 EOKA—a Greek acronymic meaning for “National Organization of Cypriot Fighters”- under the leadership of the retired Colonel George Grivas (operating under the pseudonym Digenis—a Byzantine legendary hero) declared that the Cyprus revolution had begun (Spyridakis 1974: 176)
a community status (Blay 1981: 80). Greece and Turkey, Greek Cypriots and Turkish Cypriots became the main actors in the dispute while the UK assumed the role of an arbiter among them. This explains how the British diplomacy of “divide and rule” was once again applied.

After intense haggling and negotiations, a series of international accords - concluded in Zurich and London agreements in 1959 and 1960- gave birth to the Republic of Cyprus (RoC). It was conceived as a bi-communal state where power would be shared between its two constituent communities: the Greek-Cypriots and the Turkish-Cypriots (Ker-Lindsay 2011). In its very infancy, the newly-founded state was not the beloved child of its Greek-Cypriot and Turkish-Cypriot inhabitants since it cropped up as the accidental offspring of violent conflicts during the 1950s. The multiple checks and balances included within these accords, inhibited the functional operation of the Constitution. The amendments submitted by the President Archbishop Makarios III in 1963 encountered Turkish and Turkish-Cypriot rejection resulting in a constitutional deadlock accompanied by violent clashes between the two communities. British troops intervened by establishing the buffer zone marked by a 'green line' between the two camps, and thereby paving the way for the UN peacekeeping mission in 1964. The continuous frictions between the two parties encouraged UN mediation in order to restore situation back to normality. To this effect, the then Secretary General (SG), offered his “good offices” - an old diplomatic institution- facilitating dialogue between the disputants (ibid).

The 1974 events and their aftermath

The political turmoil in Greece - culminating in the establishment of the military regime in 1967- and the inter-communal tensions in November 1967 (bombing of villages and forces by both sides) brought the negotiations to an impasse. In May 1968 the dialogue was resumed for almost six years, but terminated in the summer of 1974. A coup d'état against Macharios III, engineered - among others- by the then Greek military dictatorship, was followed by the Turkish military invasion, which altered the demographic structure of the RoC and resulted in a massive social dislocation of both Greek- and Turkish Cypriots. Turkish forces occupied 37% of the Island and since then have kept around 35,000 troops on it. Turkish officials justified their military intervention (which they have called a “peace operation”) upon security considerations and started bringing settlers from the Turkish mainland to the Island in order to bolster the population of the north. In the light of these events, the Security Council (SC) passed several resolutions calling unsuccessfully for a ceasefire, an immediate termination of the foreign military intervention and the withdrawal of all the forces except for those, whose presence was authorized by the accords.
Nevertheless, after the de facto division, a parallel administration, which the Turkish Cypriots had been running in the decade 1964-1974 evolved into a “self-governing” status in the north. SG Waldheim re-launched the framework of good offices in order to overcome the impasse. The idea of a bi-zonal bi-communal federation, as the outcome of the Denktash-Makarios’ communal talks, has been accepted as the blueprint for a solution since 1977. Nonetheless, successive leaders have not shared a common view of the legal and political consequences that this very solution implies. In 1983, the Turkish Cypriots declared their independence, a development that the SC has condemned via successive resolutions. Despite the innumerable UN mediations, the efforts of the international community to bring about a solution have proved ineffectual. The most integrated international effort through the UN sponsored Annan Plan, was rejected by the Greek-Cypriots after having been put to a referendum in 2004. The RoC got admitted to the EU without a settlement, making Turkish and Turkish-Cypriots question EU’s reliability as an impartial broker in the Cyprus issue. Hence, the negotiations have gone back and forth and have failed, so far, in reaching a peaceful settlement.

How is the situation nowadays? On the south there is the Republic of Cyprus, administered by the Greek-Cypriots, member of the EU and the UN and, in general, a functioning, prosperous and well-governed democratic state with one of the highest levels of GDP per capita. However, their economy tipped into recession in 2009 as the ongoing global financial crisis and the resulting low demand hit their main economic pillars, the tourism and construction sectors (CIA Factbook). An overextended banking sector with excessive exposure to Greek debt added to the contraction. After numerous downgrades of its credit rating, RoC lost access to international capital markets in May 2011. In July 2012, RoC became the fifth euro-zone government to request an economic bailout program from the "Troika". On the north, there is the self-declared “TRNC” not recognized by any state of the international community (except for Turkey) -as the outcome of consecutive SC resolutions- dealing with an embargo put on its ports and heavily relying on Turkish military and economic support. Its economy is dominated by the services sector, which includes the public sector, trade, tourism, and education (ibid).

In the paragraphs above we delineated the historical background of the conflict by setting forth those events that have consolidated the de facto division on the island and the protracted character

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9 Composed of the European Commission, European Central Bank and the International Monetary Fund. After the election of President Nikos ANASTASIADIS in February 2013, Cyprus reached an agreement with the Troika on a bailout that resulted in losses on uninsured bank deposits triggering a two-week bank closure and the imposition of capital controls that remained partially in place until April 2015 (CIA Factbook).
of the conflict. Within this context, we will lay out the opening of a new chapter, which is the energy debate.

The ontological framework of the energy debate around the Island: exploratory, legal and economic parameters
We will concentrate now on the recent gas developments around the Island. Firstly, we have to present certain ontological considerations with respect to the role of natural gas (NG) in global politics. The reason for our placing emphasis on natural gas is that the gas reserves detected off the southern side of the Island constitute the point of reference in our analysis. We will narrow the discussion down to the regional realities of the Eastern Mediterranean, by placing Cyprus at the forefront.

The 1973 Arab oil embargo amplified the impetus for the increasing role of gas in the energy supply. The shortages and spiking prices as the outcome of the embargo encouraged many countries to diversify away from the Middle East oil and shifted gas from a cluster of regional markets into a global marketplace (Barne et al 2006: 8). Although gas plays a prominent role in global energy markets, it cannot be considered as a global commodity in its own right, especially if we compare it to oil. NG is produced, transported, and traded through regional, fragmented markets (Saz Carranza & Vandendriessche 2015). It is difficult to transport it and requires a network to be delivered (through a pipeline or a regasification plant). It relies on a system of logistics and transportation which is fixed and much less flexible than the existing ones for oil. Except for North America, where deregulated hub pricing reigns, the majority of NG pricing worldwide is long term and linked to oil prices. These long-term, oil indexed contracts, which typically include take-or-pay clauses\(^\text{10}\) provide a boost to immature markets, because their reliability safeguards the infrastructure investments required for NG trade (ibid.).

These properties make NG inherently geopolitical. The above described infrastructure is extremely costly to build and conditioned upon long-run horizons as well as a predictable geopolitical and economic context that will enable investors to “sink their capital and knowledge” (Barnes et al 2006: 3). Due to the state-regulated sphere, within which the gas market is operating, governments, by contrast with the oil market, are urged to play a larger role in the NG trade (Schaffer 2013: 114-115). Thus, states, in choosing routes to export their commodities and import their energy supplies, naturally consider and promote the political ramifications of various route options (ibid.).

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\(^{10}\) Which means specifying a minimum, pre-set volume of gas per year that the buyer will pay for at the contract price, regardless of whether the volume is consumed or not.
The way this has been displayed around Cyprus will be explained in the following section.

**The case in the Eastern Mediterranean: exploratory, legal and economic context**

Much of the hydrocarbons in the Eastern Mediterranean have gone undiscovered because the resources lie in the seabed under very deep waters.\(^{11}\) These depths exceed two km in some locations and made drilling in the area a difficult, risky and expensive business. Mr. Rolandis, Former Minister of Energy, notified me that the oil tycoons were aware of their existence since the 1980s. His actual words were: “On August 4, 1980, Ambrose -the delegate of Standard Oil of Indiana and ARAMCO- paid visit in my office and mentioned that the two companies he was representing, expressed their interest to drill in the seabed south of Cyprus” (Interview with Rolandis 11.12.2015). He stressed that according to their surveys and estimates there are some quantities of natural gas and oil. He mentioned that Greek-Cypriots were informed from sources of ROC’s Embassy’s Public Relations office in Washington that Ambrose had already approached the Turkish Embassy on the same issue in order to scan the Turkish reactions towards the initiation of drilling in the Greek-Cypriot seabed. Mr. Rolandis concluded: “according to what we heard, Turkish authorities warned that if Greek-Cypriots launch drilling, then Turks will repeat what they did in 1974” (ibid).

At the dawn of the 21st century, recent technological advances, accompanied by high international oil prices, prompted new exploration initiatives. The rapid advances in micro-processing made the analysis of vastly more data possible and facilitated geophysicists in greatly improving their interpretation of underground structures and, consequently, exploration success (Yergin 2011: 40). These technological advances had an enormous impact on the energy developments around Cyprus as well. In March 2010, the U.S Geological Survey estimated a mean of 122 trillion cubic feet of recoverable gas in the seabed of Levant Basin Province, located along and off the coast of Syria, Lebanon, Israel, and the Gaza Strip, extending westward into Cypriot waters (see Picture 1: Levant Basin: Oil & gas finds).

\(^{11}\) Known in the industry as “ultra-deep-water”.

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After having proclaimed its EEZ and signed delimitation agreements with Egypt (2003), Lebanon (2007) and Israel (2010), RoC demarcated the outer limits of a 51 km² exploration area and carved it into 13 blocks (Picture 2: 13 blocks as divided by RoC). The agreement with Israel marked the beginning of an increasing collaboration between the two, an initiative joined by Greece as well. The Israeli and Greek Navies joined forces conducting joint-drills in the region. This trilateral collaboration was given an extra impetus after the Gaza flotilla raid incident in May 2010 and the deterioration of the relations between Israel and Turkey. Collaborations of a similar nature between Egypt, Cyprus and Greece were also noticeable during that period.

In 2007, RoC launched its first international tender for three-year gas exploration licenses offering 11 out of 13 blocks, but only three small to medium-sized companies made bids (Ker-Lindsay 2011). Larger international companies did not demonstrate interest, because they anticipated political and legal difficulties concerning this area and searched for easier access to other opportunities around the globe. Hence, the government of RoC awarded only one license in October 2008 to the small-sized Noble Energy that had already been operating offshore Israel. The need to come up with energy resources became even more imperative in July 2011, when the Island was hit by the Mari explosion, the worst peacetime military accident ever recorded there.

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12 The flotilla, organized by the Free Gaza Movement and the Turkish Foundation for Human Rights and Freedoms and Humanitarian Relief (İHH), was carrying humanitarian aid and construction materials in order to break the Israeli blockade of the Gaza Strip. Israel reacted through a military operation against six civilian ships of the "Gaza Freedom Flotilla" in international waters of the Mediterranean Sea. During this operation nine activists were killed in one of the six ships, the Mavi Marmara Ship.

13 98 containers of explosives, stored for 2½ years in the Evangelos Florakis Naval Base self-detonated and killed 13 people, injured 62, damaged the Island's largest power station designed to supply over half of Cyprus' electricity. As an immediate consequence of the incident, much of the Island had been deprived of electric power (Athanasiou 11.7.2011)
After multiple seismic surveys of Noble, the first exploratory drilling unfolded in Block 12 in September 2011. Two months later, the company indicated a 5-8 tcf natural gas deposit in deep waters. This discovery, albeit of small importance, triggered a significant interest in a second offshore licensing round in February 2012 with the participation of 15 bidders, including bigger international oil companies and gas traders. The Italian ENI, the French Total and the Korean Kogas were accredited with the exploration of six more blocks (2,3,9,6,8,11). In December 2016 a third licensing round took place and a consortium between the American giant Exxon Mobil and Qatar Petroleum won the bid to launch drilling in one more block (10).

Turkey, one of the guarantor powers on the Island, fiercely objected to all actions taken by the RoC with regard to its EEZ claims and offshore hydrocarbons development (Gurel & Le Cornu 2014: 18). Turkish and Turkish Cypriot officials argued that any unilateral Greek Cypriot action in this field, before a settlement is reached, does not only ignore the legitimate rights of Turkish Cypriots, but also establishes a fait accompli that prejudices the terms of a prospective arrangement on sovereignty issues to the disadvantage of the Turkish Cypriots. On 21 September 2011 and as a reaction to the launch of the exploratory drilling by the RoC government, the Turkish Cypriots signed a continental shelf delimitation agreement with Turkey. The contributing parts drew a boundary line between the northern coast of Cyprus and the southern coast of Turkey in the Mediterranean Sea. In doing so, Turkish Cypriots and Turks dispatched a seismic vessel, Piri Reis, and issued licenses to TPAO to conduct a three-dimensional seismic research along with onshore and offshore drillings around the recently traced maritime borders between them. A couple of years later, in October 2014, a Turkish navigational warning notified mariners that Turkey would soon repeat its seismic surveys in sea areas encroaching on Cyprus’s EEZ. This action urged the Greek Cypriot leader to pull out of the ongoing reunification talks. In the meantime the drilling
has been stalled and is about to re-launch in April 2017. Furthermore, the election of a new Turkish-Cypriot leader (26.4.2015), Mustafa Akinci, who has declared his political determination for a settlement on the Island, has given the talks renewed momentum.

Having laid out the historical, exploratory, legal, economic and political framework within which the energy game unfolds, we will go on with highlighting the stakes that the opinion-leaders and policy-makers attach to it. In other words, we have to see how the “policy-paradigms” – conceptualized above- are “operationalized” in the Cypriot case.

**The methodological section- Grounded Theory**

The paper will deliberately follow an inductively oriented qualitative approach in order to create conceptual definitions out of rudimentary “working ideas” about protracted conflict environments, energy security and policy paradigm in the case of Cyprus. The specific type of inductive theorizing the project embarks upon, is grounded theory, which includes the progressive identification and integration of categories of meanings from data. The central categories in our case are the policy-paradigms set forth in the theoretical framework.

The researcher collects data and analyzes them simultaneously from the preliminary stages of his research. This has been the case for the author in 2014, when he first visited the island of Cyprus in order to gain some understanding on the energy developments there. He started with certain sensitizing concepts in mind (protracted conflict environment, energy security, policy paradigm) and picked a number of opinion makers –he deemed useful- to elicit proper information- and formed preliminary interviewing questions to open up these areas (Charmaz 2011: 2).

**Qualitative Interviewing**

Qualitative interviewing projects provide an open-ended, in depth-exploration of such an aspect about which the interviewees hold substantial experience, often accompanied by considerable insights (Chatmaz 2011:3). This approach to data gathering allows one to see political life in the round, from all angles (Rubin & Rubin 2012: 4). The author examines the complexity of the real world by exploring multiple perspectives towards the energy security issue in a protracted conflict environment, exemplified by the Cyprus case.

**The sample of the interviewees**

In this context, he talked to people coming from the energy business area, to academics with expertise in the history of the Cyprus conflict, policy advisors, former accredited negotiators in resolving the conflict, as well as former ministers of Foreign Affairs and Energy. These
participants were asked to tell their story in order to facilitate the construction of the dataset about the above mentioned sensitizing concepts.

With respect to the RoC, the author interviewed key figures in chronological order, as shown in Table 1:

<table>
<thead>
<tr>
<th>Name of the interviewee</th>
<th>Professional Affiliation-Expertise</th>
<th>Date of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Nikos Moudouros</td>
<td>member of the Geostrategic Council of the RoC and adviser to the former President of the RoC, Dimitris Christofias (2008-2013) on Turkish and Turkish Cypriot issues</td>
<td>18.11.2014</td>
</tr>
<tr>
<td>Pr. Andreas Theophanous</td>
<td>Director of the Cyprus Center for European and International Affairs and Ex Economic Advisor to Georgios Vasiliou, former President of the RoC (September 1990-February 1993).</td>
<td>19.11.2014</td>
</tr>
<tr>
<td>Dr. Constantinos Adamides</td>
<td>Assistant Professor of International Relations at the University of Nicosia, member of the Geostrategic Council of the RoC</td>
<td>30.11.2015</td>
</tr>
<tr>
<td>Dr. Tziarras</td>
<td>Associate Lecturer at UCLAN with expertise in Turkish politics and foreign policy</td>
<td>3.12.2015</td>
</tr>
<tr>
<td>Dr. Charles Ellinas</td>
<td>CEO of Cyprus-based energy consultancy e-CNH and former CEO for the Cypriot National Hydrocarbon Company (KRETYK)</td>
<td>4.12.2015</td>
</tr>
<tr>
<td>Nikos Rolandis</td>
<td>- Former Minister of Foreign Affairs (1978-1983) and Minister Commerce, Industry and Tourism in the coalition-government formed up by the late President Clerides - pioneer in setting the offshore oil and gas reserves of Cyprus in the political agenda.</td>
<td>11.12.2015</td>
</tr>
</tbody>
</table>

With respect to the Turkish-Cypriot side, he approached the persons depicted in Table 2.

<table>
<thead>
<tr>
<th>Name of the interviewee</th>
<th>Professional Affiliation-Expertise</th>
<th>Date of interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr. Ayla Gürel</td>
<td>Senior Research Consultant of PRIO</td>
<td>11.11.2014</td>
</tr>
<tr>
<td>Pr. Ahmet Sozen</td>
<td>Chair of the Department of Political Science and International</td>
<td>17.11.2014</td>
</tr>
</tbody>
</table>
Relations at Eastern Mediterranean University (EMU)- former member of the Turkish Cypriot team in the UN-led peace negotiations

Pr. Niyazi Kızılyürek
advisor to the RoC President Nicos Anastasiades on Turkish affairs in the Geostrategic Advisory Council, and Dean of the Faculty of Humanities in the University of Cyprus

Dr. Hayriye Kahveci
Analyst in energy politics

Pr. Kudret Özersay
former Turkish-Cypriot negotiator and founder of “The People’s Party”

The author approached also Dr. Tzimitras, Director of Peace Research Institute Olso (PRIO) Cyprus Centre, who has conducted numerous reports and organized several conferences in the Island and abroad around this energy debate (22.12.2015).

During the author’s interaction with the abovementioned experts, he asked them to set forth the stakes that the grassroots and international observers/analysts do not see. Rather than asking them contrived questions designed to elicit particular sorts of data, the author asked his interviewees “real questions”, which they were genuinely interested to answer. The content of these questions is indicated in Table 3. By putting together descriptions from separate interviewees, the author intends to create portraits of policy-paradigms driving the energy security debate in the context of a protracted conflict environment. By the collection of statements, he wants to highlight the very parameters involved in the Cypriot energy chessboard, varying from sociological, psychological and historical to geopolitical and geo-economic.

<table>
<thead>
<tr>
<th>Table 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of questions asked to the interviewees</strong></td>
</tr>
<tr>
<td><strong>Energy Security</strong></td>
</tr>
<tr>
<td>How they define energy security</td>
</tr>
<tr>
<td>What geopolitical and/or economic factors have to be examined</td>
</tr>
<tr>
<td>What is the role of the international (UN, USA, Russia, EU) and the regional (Israel, Egypt) actors in this respect</td>
</tr>
<tr>
<td>Which alternatives exist for the Greek-Cypriots to export their gas reserves</td>
</tr>
</tbody>
</table>
Political Discourse Analysis

In order to safeguard that his study will cover the quintessentially political aspects of the policy-paradigms, the author engages in what Seidel (1985) calls “political discourse analysis”. Discourses refer to communication practices that systematically construct our knowledge of reality. The aim is to map out what “truths” on energy security issues rise from the transcripts of the interviews and insert the concourse of opinions in one of the two policy-paradigms. Table 4 depicts the categories of the discourses attached to the two contrasting policy paradigms as they emerged after the collection of the statements.

<table>
<thead>
<tr>
<th>Table 4</th>
<th>The Contrasting Policy Paradigms</th>
</tr>
</thead>
<tbody>
<tr>
<td>“Markets and Institutions”</td>
<td>“Regions and Empire”</td>
</tr>
<tr>
<td>Export option to Turkey</td>
<td>Energy as a security issue</td>
</tr>
<tr>
<td>Export option to Egypt</td>
<td>The Geopolitical Chessboard:</td>
</tr>
<tr>
<td></td>
<td>i. The EEZ and the dispute in the Aegean</td>
</tr>
<tr>
<td></td>
<td>ii. The formation of triangles</td>
</tr>
<tr>
<td></td>
<td>iii. The role of the big players</td>
</tr>
<tr>
<td>The construction of LNG</td>
<td>Peace-negotiations, domestic politics and energy</td>
</tr>
<tr>
<td>Challenges for gas companies</td>
<td>The Legacies of the Conflict</td>
</tr>
<tr>
<td>Gas for peace</td>
<td></td>
</tr>
</tbody>
</table>

Discourses attached to the “Markets and Institutions” Policy Paradigm

After having conducted the discourse analysis, the author came up with five main discourses: “the export option to Turkey”, “the export option to Egypt”, “the construction of LNG”, “the challenges for the gas companies”, and “Gas for Peace”.

Export option to Turkey

The discourse that mostly appeared in the interviews is the export option from the Israeli gas field of Leviathan to Turkey through Cyprus. Various hypotheses were set forth. It is portrayed as the main viable option for the Greek-Cypriots if they want their gas to journey to Europe. The primary condition upon which this scenario could play out is the settlement of the Cyprus conflict. There are “Turkish companies lobbying” to construct this pipeline and Turkish diplomats were making these plans “without consulting the Turkish Cypriots.” The Turkish-Cypriot side remarked that if no settlement is reached, this potential pipeline “might not go through the RoC but through Karpaz”, which lies in the Turkish-Cypriot controlled northern side of the Island.

14 Implying probably Turcas Holding and Zorlu Group
Greek-Cypriots indicated the problematic repercussions that a pipeline to Turkey would have on the RoC. For them the unilateral dependency on Turkey spotlights the most serious concern. The counter-argument was that: “The Cypriots – Greek, Turkish doesn’t matter – as well as the two motherlands, are very successful in making things more complicated. Instead of having a very clear focus on solving problems, the emphasis is too much on the constraints.

Export to Egypt
Another discourse relates to the potential export of the gas reserves to Egypt that has two LNG termination plants at its disposal (Damietta and Idku). It was stressed though that companies will not invest in this option till the gas prices go up.

The construction of an LNG
The third discourse about this policy paradigm refers to the potential construction of LNG in the port of Vassilikos of Limassol. This option, if realized, would provide the Greek-Cypriots with a sense of flexibility in their export options. Nevertheless, it was stressed that Greek-Cypriots “under the current prices cannot take any advantage of their gas reserves because they lie offshore in ultra-deep waters”.

Challenges for the gas companies
This discourse succinctly explains the rationale as well as the obstacles that the companies have to surmount in their decision making on energy issues: waiting for the outcome for the reunification talks, Turkey’s opposition to drillings, difficulties of a bureaucratic character. Nevertheless, companies like TOTAL and ENI, for which Cyprus’ entitlement in the region is strong, still keep researching in Blocks 11,2,3,9, despite Turkey’s pressure.

Gas for peace
The last discourse regards the possibilities for energy to facilitate the conditions of a peaceful settlement on the Island. The Turkish-Cypriots stress the need to downplay the narrow national approach towards this issue and look at this in its “very regional dimension” in order to include more “stakeholders and their interests.” An idea set forth by the Greek-Cypriot side was for the Greek Cypriots to keep at the drilling activities, but under the supervision of an international authority, within which a Turkish Cypriot representative could also participate. The Turkish Cypriots would not participate in the management of these reserves but they could supervise the whole procedure joining an international banner. This proposal would include a disclaimer: whatever is agreed upon, the energy topic would not constitute a precedent for the other items of
the Cyprus question. The idea for an escrow account was also suggested and espoused by some of the Turkish-Cypriot interviewees on the condition to function as an investment bank.

As to the question whether the companies could contribute to the application of a neo-functional framework in order to enhance the cooperation between Greek-Cypriots and Turkish-Cypriots, some of the reactions of the Greek-Cypriot interviewees were that no company in the world would invest billions to bring about peace. They claimed that the presence of pipelines is just a reflection of peace or stability, not the other way round. One of the Turkish-Cypriot interviewees remarked that the presumption “that the Turkish Cypriots would prevent a decision from being taken, underlines another missing element in the Cyprus conflict; that is the federal culture.”

Appendix 1 presents in a summary all five discourses of the “Markets and Institutions” policy paradigm along with the related statements.

**Discourses attached to the “Regions and Empire” Policy Paradigm**

The paradigm “regions and empire” synthesizes the interplay among four main discourses: “energy as a security issue”, “Geopolitics in the Eastern Mediterranean” (divided into three further sub-categories), “Peace-negotiations, domestic politics and gas” and “the legacies of the conflict”.

**Energy as a security issue**

Here we place the emphasis on the role of “realpolitik” in the energy security debate. The respondents displayed neo-realist perspectives in the discussion. For some of the Greek-Cypriot interviewees, the whole stake in the speculations about a pipeline to Turkey is security: “opening the door to Turkey signals that the Greek-Cypriots question their sovereignty” even in the aftermath of a settlement. For them, “the national sovereignty of Cyprus should not be in jeopardy. Therefore, the Greek-Cypriots should be the ones making the decisions.” Turkish Cypriots, on their side, recall a resolution issued by the UNGA in 1962, «Permanent Sovereignty over Natural Resources», which attributes access rights not only to states, but also to people and nations.” Furthermore, they claim that Greek-Cypriots should not project the energy issue “into the existential question for the RoC, as if the RoC’s existence depends on talking about hydrocarbons with Turkish-Cypriots or not.”

**The Geopolitical Chessboard**

This discourse entails three sub-categories that are identified here as: “the EEZ and the Aegean dispute”, “the newly emerged triangles” and “the role of the big players”.

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21
i. The EEZ and the Aegean dispute

One of the Turkish-Cypriot interviewees laid out the legal parameters of the regional landscape: “There are twenty one indigenous states having shores at the Eastern Mediterranean, the majority of which does not have an EEZ, due to the nature of the Eastern Mediterranean.” The same person said that when “the RoC started to sign the EEZ, there was a giant sleeping for years and the Greek-Cypriots woke him up.” In this view, the stake was not only in the Eastern Mediterranean but in the Aegean Sea as well; “it was something that would not make Turkey and Greece step back.” The author was informed by one of the Greek-Cypriot interviewees that “at the time the RoC was signing a delimitation agreement with Egypt (in 2003), Greece asked both contributing parties to drag the western edge of their delimitation line to the East –approximately 10 kilometers- in order to prevent the rise of an issue between Greece and Turkey about Castellorizo”.

ii. The newly emerged triangles

Within this discourse the formation of the various cooperation schemas was discussed too. What is the nature of the triangles between Israel-Greece-Cyprus and Egypt-Greece-Cyprus? In the Greek-Cypriot view, these collaborations are oriented towards the right direction, which is the stability in the Eastern Mediterranean. The Greek-Cypriots hesitated to call them axes or alliances, although both the public and the media utilized these terms to frame the nature and modality of these relationships. The Greek-Cypriot interviewees notified the author that the Greek-Cypriot lack of experience and expertise “in securing their natural resources through coast-guard, navy and air-force” was the main driving force behind their initiative, given the unstable regional environment. In the Turkish-Cypriot view and due to the deterioration of Turkish-Israeli relations in the aftermath of the Mavi-Marmara incident, these triangles were perceived then in the light of “the enemy of my enemy is my friend”. Furthermore, they questioned the fundamentals of these triangles by raising the following aphorism: “From the Israeli point of view, it is good to have close relations with two EU members, but this does not mean that Israel is going to sacrifice its links with Turkey for this relationship”. Another opinion was that “the triangle between Greece-Israel and Cyprus matched the priorities of Liberman15, who wanted to counterbalance the losses that ensued after the dissolved cooperation with Turkey.”

15 The then Foreign Minister of Israel
iii. The role of the big players

The role of the big players could not be absent from the discussion. In February 2014, after several months of a stalemate in the negotiations, a Joint Declaration was signed by the Greek- and Turkish-Cypriot leaders (Anastasiades and Eroglu at that time), laying certain “ground-rules” upon which the then stalled peace talks aiming at the Island’s reunification could be revived (Karakasis 2015). This development did not come out of the blue. In the point of view of both the Turkish-Cypriots and Greek-Cypriots, “the US in the background played a very big role in making it happen” in order to “create an environment of cooperation” that would gradually stabilize the region. For both sides, the Americans want to clear the Cyprus question out of their way in order to restore their problematic relations with Turkey back to normality.

In this connection, Russia’s attitude should not be overlooked. Although Russians have established vested interests in the RoC, their non-participation in the whole energy debate (at least in an overt way) has raised eyebrows. Their involvement is conditioned mainly on a potential rapprochement between Israel and Turkey. Given the Russians’ ability to dock their vessels in the Greek-Cypriot ports, Greek- and Turkish-Cypriot interviewees agreed that an eventual change of the status quo might imperil Russia’s interests there. Same applies to the UK. For some of the Turkish-Cypriot respondents, the current status quo does not have a “hurting stalemate” effect on the British interests, since it embraces a level of stability, thereby enabling the UK to continue to use the sovereign bases, without any dispute.

Finally, for both sides, the EU cannot play any significant role either in the development of both the Cyprus conflict or in the future monetization of the gas reserves.

Peace-negotiations, domestic politics and energy

The next discourse is about the role that gas developments have played in the peace-negotiations. With respect to the modality of the negotiations per se, one of the Turkish-Cypriot interviewees accentuated the absence of Mutually Hurting Stalemate (MHS). Moving to the elucidation of any potential causality between gas developments and negotiations, one of the Greek-Cypriot respondents drew a sharp distinction, claiming that energy being portrayed as a sovereignty issue (see discourse above) might fuel the tensions and create a problem in parallel with the Cyprus conflict; hence, it should not be put on the negotiation table. He also said that if the cooperation “in the management of these resources were a solely bi-communal issue, a modus vivendi could have theoretically been reached”. Nevertheless, the difficulties crop up if the approval of Turkey to this is requested, he added. A different opinion is expressed by another Greek-Cypriot respondent: “without a meeting with the Turkish-Cypriots –not with Turkey- to discuss on the
energy issue, the Greek-Cypriots would find themselves under the “Damoclean sword” of Turkey.” According to a Turkish-Cypriot interviewee “the hydrocarbons’ issue should be put on the negotiations table, but the way it’s framed by the Greek-Cypriot side makes it impossible.”

Sacrificing the negotiations for the sake of energy politics constitutes another dimension associated with this discourse. This illustrates the role of domestic politics in both the negotiations process and the energy policy-making. In the view of some Greek-Cypriots, the countries in the whole Eastern Mediterranean region “approached the whole debate purely from a political point of view, prioritizing it over the business logic.” In the words of a Turkish-Cypriot interviewee, “the natural gas has been utilized for domestic consumption and not for real economic purposes.” A Turkish-Cypriot interviewee claimed that the AKEL government initiated the whole endeavor in order to restore its shaken image after the Mari events in 2011 and deflect the attention from the economic reforms needed. For the same respondent the 2011 seismic crisis was not a Turkish but a Turkish-Cypriot endeavor to drag the Greek-Cypriot exploration activities into a reciprocity question.

**Legacies of the conflict**

Having analyzed all the dimensions above, it is important to see through the lenses of the respondents how the historical background of the conflict might shape the future developments. One of the respondents stated that in the case of political-military conflicts, “energy, as such, has not been, so far, a factor contributive to their resolution” but rather used to evolve as “an essential chapter of the pre-existing conflict”. In this view, Cyprus could theoretically become an exceptional example of energy’s capacity to bring about peace, because “Cypriots deal with a manageable-dormant crisis” and “the incentives to resolve it drop day by day”.

This leads us to dig deeper and delineate, through our theoretical background on protracted conflicts, the very intangible psychological factors that sustain the conflict. Fear is the “buzzword” that animates the motivations of both sides. From the Greek-Cypriot point of view, due to the feelings of abasement they experienced in 1974, there is an honest, real and natural fear vis-à-vis Turkey in military terms. Furthermore, they are afraid that Turkish-Cypriots would be treated as the “Trojan horse” of Turkey. On the other side, the Turkish-Cypriots believe that the way Greek-Cypriots envisage to shape the new state, risks them becoming second class citizens, deprived of any right to intervene. These fears remain intact.

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16 As a sovereignty issue
Following this rationale, one of the Turkish-Cypriot respondents mentioned: “Cyprus is a space wherein resentment exists; a space in which people, communities and citizens feel underprivileged and deeply traumatized. Wherever resentment exists, the past never becomes a past.” That is why a topic irrelevant to the sources of the Cyprus question—like energy—is viewed by many of the respondents through the lenses of the pre-existing conflict and becomes another chapter of the latter. Fears were also expressed— in case of a non-successful conclusion of the ongoing negotiation process— for a potential division, permanent and legitimate.

**Conclusions**

Through what has been recorded in the previous pages, the author sought to establish the parameters that formulate the energy debate in relation to the island of Cyprus. To this effect, he used three sensitizing concepts—protracted conflict, energy security and policy paradigm—and collected data out of his interviews with policy-makers, analysts, energy affiliates and academics, conducted in 2014 and 2015, for the purpose of exploring how they actually work in real-life politics. He resorted to a bottom-up approach in sorting out the statements he deemed useful in his effort to generate certain theories that shed light on the dynamics that sustain the debate. This inductive theorizing helped him to actively listen to the concerns of the respondents and voice the stakes that should be taken into consideration.

The aim of this article was to highlight the very parameters framing the energy debate in a protracted conflict environment, as such is the case of Cyprus. He used the notion of “policy-paradigm” coined by Peter Hall in order to conceptualize all these different dimensions that loomed up out of the transcriptions of interviews. He drew upon the storylines of Correlje and van der Linde (2006) with the intent to classify the statements into two categories: “markets and institutions” and “regions and empire”.

In the first one, inspired by the neoliberal paradigm, economic-laden arguments with respect to the monetization of the gas reserves were prioritized. The stake here was to touch upon the business logic behind the debate as well as the “spill-over” effect they might have on a peaceful settlement. Consequently, he put extra emphasis on discourses like “export option to Turkey”, “export option to Egypt”, “construction of LNG”, “challenges for gas companies” and “gas for peace”. Turkey, under the circumstances that existed at that time was portrayed, as being economically, the only viable option for the Greek-Cypriots if they wanted their gas to journey to Europe. Politically, however, this option was conditioned on the need to discover more gas and, most importantly, on a peaceful settlement of the conflict. This led us to the second most
prominent discourse on how the neo-functional paradigm could be effective in the very realities of the Cyprus conflict. The idea of establishing a peace-fund that would operate as an investment bank in order to improve the infrastructure on the Island was suggested. Other aspects were also addressed. The political expediencies and the jumble of bureaucratic procedures on the Island were framed as the main challenges for the companies operating there, while the low gas prices and the small amount of gas reserves detected so far, apparently do not enable the construction of LNG. The export option to Egypt was also suggested, under the condition that the latter would not become energy self-sufficient in a couple of years.

In the second policy-paradigm, motivated by the “neorealist paradigm”, the political and geopolitical expediencies behind the energy discussion were highlighted. Recalling Thucydides, according to whom, fear, interest and honor are the main driving forces of the (human’s and) state’s behavior, the author wanted to explore how these intangible factors are displayed in the very particularities of the Cyprus conflict. The framing of “energy as a security issue”, the “geopolitical chessboard”, and the historical “legacies of the conflict” were the main discourses set forth in this policy-paradigm. Both sides asserted that the energy debate has been hijacked by domestic expediencies. From the Greek-Cypriot viewpoint, the decision-making on the future monetization of the gas reserves should remain in their hands; the resulting profits, however, could be shared by both sides. The Turkish-Cypriots disagree with this rationale and claimed that the issue should be put on the negotiation table. The Greek-Cypriots are afraid that this might fuel the existing tensions and create a new problem in parallel with the Cyprus conflict one. They also fear that this would not remain a bi-communal issue because the Turkish-Cypriots might act as “the Trojan Horse of Turkey”. The Greek-Cypriot side, after the 1974 events and the feeling of abasement it suffered, holds negative reflexes vis-à-vis Turkey’s intentions on the Island. Furthermore, both sides agreed that the maritime disputes around the island are linked to the diachronic dispute between Greece and Turkey in the Aegean. Finally, the psycho-milieu of resentment that surrounds the island, explains why the energy dispute was viewed from the angle and each side’s perceptions of the existing conflict.

We will close our conclusions pointing to the difficulties inherent in such research enterprise. Both the Cyprus conflict and the energy security issue are so convoluted that multiple factors might not gain the attention they probably merit. Through the presentation of these policy paradigms the author sought to lay out which contradictory tendencies are at play. One of these tendencies is more likely to prevail under certain conditions than the other. But under which conditions one tendency would actually dominate cannot be accurately predicted. Furthermore,
experience has shown that international politics are exposed to continuous change, because world affairs conceal surprises in store for everyone attempting to “read the future from his knowledge of the past and from signs of the present” (Morgenthau 1948: 7). For instance, we do not actually know whether and how a potential crisis between Turkey and the RoC or between Turkey and Greece might alter the power configuration in the area. The best an author could do in such a situation is to trace the different tendencies and the likelihoods attached to them.

The most formidable challenge confronting a scientific inquiry into the nature and ways of international politics is the ambiguity of the material the analyst has to deal with. Since the author does not participate in the negotiations that take place between the two sides behind closed doors, he cannot set out which actual “truths” motivate the debate. Time pressure and “personal chemistry” between the negotiators are non-verbal variables in the conclusion of a negotiation that cannot be easily put on paper.

This assumption points to a vast difference between the academic and the policy world. Diplomacy and negotiations in every political debate are not only science but art as well: they constitute a “practice enacted in and on the world, in real time and with actual consequences for the practitioner” (Pouliot 2010: 16). Seasoned diplomats are at pains to explain their craft in abstract terms, like commonsense -identified as the essence of diplomacy-, intelligence and tact (ibid). These concepts cannot be taught in books or articles through the help of formal schemes since they do not crop up from conscious deliberations. The essence and practicality of diplomacy and negotiations cannot be fully captured by detached and representational observation (ibid). This does justice to the very difficulties researchers encounter while dealing with such sensitive issues.
**Literature**


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## Appendix 1

### Discourses attached to the “Markets and Institutions” Policy Paradigm

<table>
<thead>
<tr>
<th>Discourses</th>
<th>Related Statements</th>
</tr>
</thead>
</table>
| **Export option to Turkey** | 1. “Greek Cypriots should keep the Turkish option open, if they want their gas to journey to Europe. The export to Turkey is a possibility and the economic argument has not been properly investigated.”  
2. “there is no doubt that the transportation of natural gas through Turkey is in financial terms a much more viable option than any other solution.”  
3. “RoC needs to detect more reserves, in order to establish the conditions of small degree of dependency or inter-dependency” between the RoC and Turkey.  
4. “If the single market we have is Turkey, then Turkey may dictate the prices.”  
5. “If Greek-Cypriots exported all of their current gas reserves to Turkey, these quantities would have meant nothing to Turkey. A contrario, for the Greek-Cypriots, these reserves constitute their whole exporting potential. This would establish the conditions of a unilateral dependency from Turkey.”  
6. “Turkish companies lobbying to construct this pipeline”  
7. “Turkish diplomats were making these plans “without consulting the Turkish Cypriots”  
8. A potential pipeline might not go through the RoC but through Karpaz”  
9. “The Cypriots – Greek, Turkish doesn't matter – as well as the two motherlands, are very successful in making things more complicated, instead of solving problems, simply because we are focusing too much on the constraints instead of having a very clear focus” |
| **Export option to Egypt** | 1. “one potential outlet for these reserves is Egypt that has two LNG termination plants at its disposal (Damietta and Idku), which are not operational at the moment, due to miscalculations of the Egyptian authorities.”  
2. “the option to export to Egypt is always there and it can be materialized if it makes rational sense. With the current price it does not. Companies will invest in this option till the gas prices go up. At this moment, they do not feel pressured to do so.”  
3. “If we hurry up – something that could eventually happen due to political reasons- we might manage to sell some gas to Egypt for 2 to 4 years, until we discover more gas and earn some money in order to invest into another block or pipeline.” |
| **Construction of LNG** | 1. “You do not know what kind of another country’s problems will be brought about tomorrow, as this has been the case for Ukraine and Russia; through an LNG you feel more flexible.”  
2. “Greek Cypriots under the current prices cannot take any advantage of their gas reserves because these reserves lie offshore, in ‘ultra-deep’ waters”  
3. “Flagging the construction of LNG terminal as the highest priority despite the technical difficulties should be attributed to political expediences on the Island.” |
| **Challenges for the gas companies** | 1.“For a vice-manager, sitting on a chair at the headquarters in Houston and viewing the globe from his map, a business sense in the whole debate is deemed essential. He cannot wait forever the solution of geopolitical problems within a region or countries’ raising strict domestic and environmental regulations.”  
2. “The companies here face a jumble of bureaucratic procedures in order to safeguard a corporate licensing; the oil companies need 16 distinct licensing rounds for technical reasons. Why should they get further involved?”  
3. “The problem here is that the hydrocarbons involved are not of an exceptional degree. That is a problem for their companies, especially for Noble. That is why they run for a fire escape.”  
4. “Noble, a small-sized company that does not include departments of business development, has a very limited turnover. That is why after a certain period of time, it was searching for a fire escape. It sold 30% of its shares to Delek and the rest to BG. It cannot endure competition, especially under these conditions, neither has the capacity to sit here and wait the outcome of the re-unification
5. “There may be companies that would not hesitate to confront Turkey. If you take the example of ENI and Total, if they want to make the decision to go, they will go because they think that Cyprus’ entitlement in this region is very strong. For Total and ENI, Blocks 11, 2, 3, 9 have growing challenges and they still keep researching although these blocks are disputed and the companies face threats from Turkey to stop.”

Gas for peace

1. “We should not look at it in a very myopic/narrow way, but we have to look at this in a very regional dimension so that we can also see the other stakeholders and their interests. We can see a lot of other alternative ways of solving this rather than focusing on a very narrow nationalistic way.”

2. “Energy could become a game changer, but the main prerequisite is a low degree of political securitization that will allow energy to reach the agenda and become manageable in both political as well as securitized terms.”

3. “Greek Cypriots can keep at the drilling activities, but under the supervision of an international authority, within which a Turkish Cypriot representative could also participate. The Turkish Cypriots would not participate in the management of these reserves but they could supervise the whole procedure joining an international banner.”

4. “This proposal would include a disclaimer; whatever agreed upon the energy topic does not constitute a precedent for the other items of the Cyprus question.”

5. “After the establishment of an escrow account, for every 100 dollars that the Greek Cypriots would earn, a proportion of this amount could be directed to the Turkish Cypriots. We can implement this proposal even without having reached a settlement.”

6. “Cypriots should establish a fund. Not like a bank, but investment bank. They could have a peace-fund for after peace reconstruction that will be used to introduce new things, for example fixing the traffic across the Island.”

7. No company in the world will invest billions to bring about peace; they do not care about it. The presence of pipelines is just a reflection of peace or stability, not the other way round.”

8. “No company in the world feels ready to invest millions or billions if it does not know whom it is dealing with. Who is putting the signature? The RoC signs now and its signature is abiding for the state. If the issue reaches the bi-communal level and every community has the right to exercise its veto, no company in the world would invest millions, if it had to face any form of obstructiveness.”

9. “The presumption that the Turkish Cypriots will prevent a decision from being taken, underlines another missing element in the Cyprus conflict; that is the federal culture.”
### Discourses attached to the “Regions and Empire” Policy Paradigm

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<tr>
<th>Discourses</th>
<th>Related Statements</th>
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<tr>
<td>Energy as security issue</td>
<td>1. “If you talk about energy, it is always the realist school that comes at play. It is the state’s safety at stake.”</td>
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<td>2. “The pipeline prospects will not be a trigger for peace. The presence of pipelines is just a reflection of peace or stability, not the other way round.”</td>
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<td>3. “Energy in our case is deeply securitized in a political level: screw the economics. Otherwise, things would have been easier: Greek-Cypriots would have agreed on the construction of a pipeline through Turkey and the story would have ended. The whole stake in the discussion about the gas pipeline to Turkey is security.”</td>
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<td>4. “Opening the door to Turkey signals that the Greek- Cypriots question their sovereignty: in cases where the political securitization has reached high levels, like the one between the RoC and Turkey, the possibilities for energy cooperation are low. To the contrary, energy issues might deteriorate political securitization.”</td>
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<td>5. “Many analysts think that if Greek-Cypriots do not make use of the Turkish option, they will lose a lot of money, especially in a period during which they need it.” Nevertheless, he stressed that the stakes are not economic, “you cannot assign a price to the political cost or to the political risk.”</td>
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<td>6. “The most important stake is the guarantee of the sovereignty of the RoC and of its rights. The national sovereignty of Cyprus should not be in jeopardy. Therefore, the Greek- Cypriots should be the ones making the decisions.”</td>
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<td>7. “Turkish Cypriots, on their side, recall a resolution issued by the UNGA in 1962, «Permanent Sovereignty over Natural Resources», which attributes access rights not only to states, but also to people and nations.”</td>
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<td>8. “Greek-Cypriots should not project the energy issue into the existential question for the RoC, as if the RoC’s existence depends on talking about hydrocarbons with Turkish Cypriots or not.”</td>
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### The Geopolitical Chessboard

| i. The EEZ and the Aegean Dispute                | 1. There are twenty one indigenous states having shores at the Eastern Mediterranean, the majority of which does not have an EEZ, due to the nature of the Eastern Mediterranean. |
|                                                 | 2. “When the RoC started to sign the EEZ, there was a giant sleeping for years and the Greek-Cypriots woke him up. The stake was not only in the Eastern Mediterranean but in the Aegean Sea as well; it was something that would not make Turkey and Greece step back.” |
| ii. The formation of triangles                  | 1. “The rationale driving the cooperation with Israel is that Greek-Cypriots had no experience in securing their natural resources through coast-guard, navy and air-force: how can you secure these resources within such an unstable regional environment?” |
|                                                 | 2. “The cooperation between the RoC, Greece and Israel has been perceived as following: “the enemy of my enemy is my friend.”” |
|                                                 | 3. “I believe that the trilateral agreements between Cyprus-Egypt-Greece and Cyprus-Israel-Greece are oriented towards the right direction, meaning the establishment of partnerships in Eastern Mediterranean. At this stage it would be an exaggeration to talk about axes or alliances.” |
|                                                 | 4. “The hyperbolic opinion ‘from now on, we are friends and partners with Israel’ corresponds to the Mediatic needs connected with Greek-Cypriots’ mentality that an external player is going to ‘save us’”. |
|                                                 | 5. “From Israeli point of view, it is good to have close relations with two EU members, but this does not mean that Israel is going to sacrifice its links with Turkey for this relationship.” |
|                                                 | 6. “The US in the background played a very big role in making it happen. Something might have been happening in the direction of creating an environment of cooperation. This was a priority for these people for whom stability in the Eastern Mediterranean is at stake.” |
## The role of the big players

2. “Russia has been conspicuously absent from the whole energy debate. If Israel approaches Turkey, then Russia will get involved.”

3. “RoC under the Greek-Cypriot administration is considered by Russia as its single ally—besides the Assad regime—in the region. Thus, the rapprochement between Israel and Turkey and the scenario of a settlement of the Cyprus conflict are not in Russia’s interest because, under these conditions, it would be extremely difficult for the latter to consolidate its naval dominance in the region.”

4. “The Turkish Cypriots feel betrayed after the Annan Plan, especially by the EU.”

5. “I do not believe that the 2013 Euro-group decisions on the Cyprus crisis were justified on solely economic grounds. Cyprus was negatively portrayed as a “headache-state”, as a “macho-state”, having rejected the Annan Plan and cultivated ties with Russia more than ‘it should do’.”

6. “The existing status quo embraces a level of stability and enables UK to continue to use the sovereign bases, without any dispute; the bases have been useful for the operations in Libya and in Syria now.”

7. “Gas is an important issue but not the main factor that prompts the negotiations. Negotiations are driven by geopolitics. The US and Europe want to clear the Cyprus question out of their way, to normalize their relationship with Turkey, while Syria is in between.”

## Peace negotiations, domestic politics and energy

1. “There is only one theory that I have experienced, fitting exactly in the case of Cyprus, apart from the unique character of Cyprus. That is the Mutually Hurting Stalemate (MHS) of Zartman. That is the ripeness theory, basically. That is related to the issue of energy.”

2. “I think the hydrocarbons’ issue should be put on the negotiations table, but the way it’s framed by the Greek-Cypriot side makes it impossible. Something needs to be changed there, because it’s clear that this is causing more and more problems and is creating big distrust.”

3. “Energy might further fuel the tensions and create a problem in parallel, the Cyprus conflict alike. The energy issue should not become a parallel problem to the Cyprus conflict.”

4. “If the cooperation in the management of these resources were a solely bi-communal issue, someone could claim that a *modus vivendi* could be reached. If the approval of Turkey—which is behind this—is requested, then what is to happen?”

5. “Without a meeting with the Turkish-Cypriots—not with Turkey— to discuss on the energy issue, the Greek-Cypriots would find themselves under the “Damoclean sword” of Turkey.”

6. “The problem in the case of Cyprus is that the conflict has been consolidated in a non-violent fashion; on the one side this is good because we face a soft crisis which is not fierce and does not determine the life of the constituents, but, on the other, this situation has been rooted in the consciousness of the people. Thus, the incentives to resolve the conflict...”
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<th>The legacies of the conflict</th>
<th>drop day by day, since it constitutes a manageable-dormant crisis.”</th>
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<td>3. “There is an honest, real and natural fear of Greek-Cypriots vis-à-vis Turkey in military terms and they are afraid that Turkish-Cypriots will be potentially treated as the “Trojan horse” of Turkey.</td>
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<td>4. The Turkish-Cypriots believe that the way Greek-Cypriots envisage to shape the new state, entails for them the risk to vigorously become second class citizens, deprived of any right to intervene, either on their behalf or on behalf of others (Turkey). These fears remain intact.”</td>
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<td>5. “Cyprus is a space wherein resentment exists; a space in which people, communities and citizens feel underprivileged and deeply traumatized. Wherever resentment exists, the past never becomes a past.”</td>
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<td>6. “I think that the future prospects on the Island depend on how the new peace process will end. If the latter is fruitless, then the idea of a permanent and legitimate division will prevail. A potential division, even permanent and legitimate, will not take anything out of the tensions and, if no previous settlement of the Cyprus issue is achieved, I am afraid that Cyprus will surely go through another war, whenever the latter unfolds.”</td>
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