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TELEGRAM NUMBER 673 OF 21 SEPTEMBER

INFO PRIORITY NICOSIA, ANKARA, ATHENS, WASHINGTON

CYPRUS: PRIME MINISTER'S MEETING WITH PRESIDENT KYPRIANOU

1. IN ORDER TO OBTAIN AT FIRST HAND HIS ASSESSMENT OF THE STATE OF PLAY ON THE CYPRUS NEGOTIATIONS IN ADVANCE OF MRS THATCHER'S LUNCH WITH KYPRIANOU ON 24 SEPTEMBER I ARRANGED TO CALL ON THE SECRETARY GENERAL LATE THIS AFTERNOON, 21 SEPTEMBER.
2. PEREZ DE CUELLAR WAS NOT OPTIMISTIC. ALTHOUGH HE HAD ACCEPTED A TREMENDOUS BURDEN ON HIS EVERY DAY SCHEDULE OVER THE LAST TWO WEEKS IN ORDER TO KEEP KYPRIANOU AND DENKTASH IN NEW YORK AND HAD BEEN EXTREMELY PATIENT IN LISTENING TO THEIR VIEWS SEVERAL TIMES OVER HE HAD TO ADMIT HONESTLY THAT PROGRESS HAD BEEN VERY SMALL. THEY BOTH AFFECTED TO HAVE MADE CONCESSIONS BUT THE REALITY WAS RATHER DIFFERENT. HIS EFFORTS WERE IN DANGER OF COLLAPSING BECAUSE OF THE UNWILLINGNESS OF EITHER SIDE TO PUT FORWARD REASONABLE, NEGOTIABLE POSITIONS. HE HOPED THAT THE NEXT MEETING IN OCTOBER (WHICH HE CONFIRMED WOULD BE AT THE SAME LEVEL) MIGHT PRODUCE SUFFICIENTLY CONCRETE RESULTS TO JUSTIFY HIS GOING TO CYPRUS BUT "SO FAR THERE IS NOT ENOUGH MEAT AND I DO NOT INTEND TO GO WITHOUT SOMETHING IN MY POCKET".
3. I ASKED WHETHER THERE WAS ANYTHING PARTICULAR THAT PEREZ DE CUELLAR WOULD LIKE MRS THATCHER TO SAY TO KYPRIANOU. HE SAID THAT HE WOULD LIKE KYPRIANOU TO FEEL UNDER UK PRESSURE TO SHOW FLEXIBILITY. IT WAS NO GOOD PRETENDING THAT OFFERING SOMETHING ALMOST IDENTICAL TO THE 1960 CONSTITUTION (TO WHICH ARCHBISHOP MAKARIOS HAD BEEN THE FIRST TO SEEK AMENDMENTS) AMOUNTED TO A TREMENDOUS CONCESSION. IN FACT IT WAS IN THE GREEK CYPRIOT INTEREST

MAKARIOS HAD BEEN THE FIRST TO SEEK AMENDMENTS) AMOUNTED TO A TREMENDOUS CONCESSION. IN FACT IT WAS IN THE GREEK CYPRIOT INTEREST TO SHOW FLEXIBILITY ON THE CONSTITUTION SINCE EVERY YEAR THEY WERE LOSING GROUND AND THE TRNC WAS BECOMING MORE AND MORE ROOTED.

IF HIS PRESENT EXERCISE FAILED IN A DRAMATIC WAY THE TURKISH CYPRIOTS WOULD START COLLECTING RECOGNITIONS AND UDI WOULD BECOME MORE AND MORE IRREVERSIBLE. THE PROBLEM WAS THAT KYPRIANOU WAS NOT A STRONG MAN. HE WAS AFRAID OF THE SMALLEST SHADOW AND OF COURSE OF PAPANDEOU WHO WAS MOST UNHELPFUL IN THE BACKGROUND.

4. SO FAR AS THE TURKISH CYPRIOTS WERE CONCERNED, PEREZ DE CUELLAR SAID THAT, ALTHOUGH HE WAS ABSOLUTELY NEUTRAL, HE DID THINK THAT THEY HAD MADE A CONCRETE CONCESSION BY AGREEING TO DISCUSS SOME ENLARGEMENT OF THE 'SIX AREAS' AND A PRESIDENTIAL/VICE-PRESIDENTIAL STRUCTURE RATHER THAN A FEDERAL COUNCIL. HE ACCEPTED THEIR CASE FOR ADEQUATE, NEGOTIABLE SAFEGUARDS TO PROTECT THE TURKISH CYPRIOT COMMUNITY THROUGH INTERNATIONAL GUARANTEES AND THROUGH APPROPRIATE REPRESENTATION IN THE LEGISLATURE AND EXECUTIVE (IT WAS 'REALLY A MOCKERY' THAT THE GREEK CYPRIOTS SHOULD SAY THAT THE PRESIDENT HAD TO BE ELECTED BY THE WHOLE COUNTRY). SYMBOLIC ARRANGEMENTS FOR TURKISH CYPRIOT INCLUSION IN CYPRUS' OVERSEAS REPRESENTATION WERE ALSO 'ONLY FAIR'. BUT CLEARLY DENKTASH'S CONCEPT OF 'EQUAL POLITICAL STATUS' WAS UNREASONABLE IF THIS MEANT A TOTAL VETO ON ALL THE ACTIONS OF THE LEGISLATIVE AND EXECUTIVE BRANCHES. THIS WOULD MAKE ANY CONSTITUTION UNWORKABLE. HE THOUGHT (WHICH HE SUBSEQUENTLY CORRECTED TO HOPED) THAT THIS WAS A NEGOTIATING POSITION. BUT IT WAS CLEAR THAT DENKTASH WANTED AS WEAK A CENTRAL GOVERNMENT AS POSSIBLE WITH TWO STRONG FEDERAL STRUCTURES. IF THE NEXT ROUND WAS TO MAKE PROGRESS DENKTASH WOULD HAVE CLARIFY HIS POSITION ON 'FURTHER TERRITORIAL ADJUSTMENTS' BEYOND THOSE IN THE 5 AUGUST 1981 MAP.

5. PEREZ DE CUELLAR ASKED THAT WE BRING PRESSURE TO BEAR ON THE TURKISH SIDE AS WELL AS ON THE GREEK SIDE. I SUGGESTED THAT THIS COULD ONLY BE DONE IN ANKARA AND ASKED WHAT ARRANGEMENTS HE WOULD USE WITH THE TURKS BEYOND THE CRUCIAL IMPORTANCE OF THEIR RELATIONSHIP WITH THE US AND UK. PEREZ DE CUELLAR SAID THAT THE TURKS HAD TO BE MADE TO REALISE THAT IT WAS NOT IN THEIR INTERESTS AS A EUROPEAN COUNTRY TO BE SO ISOLATED NOR IN THEIR DOMESTIC INTEREST TO CARRY SUCH A LARGE ECONOMIC BURDEN.

6. PEREZ DE CUELLAR SUMMED UP BY SAYING THAT THE TROUBLE WAS THAT BOTH GREEK CYPRIOTS AND TURKISH CYPRIOTS WERE RIGHT AND WRONG. IT IS CLEAR, THOUGH THAT HE BELIEVES THAT THE GREEK CYPRIOTS WILL HAVE TO SHOW GREATER FLEXIBILITY OVER THE CONSTITUTION BEFORE DENKTASH WILL BE PERSUADED TO SHOW GREATER FLEXIBILITY ON TERRITORY. I KNOW THAT HE WOULD GREATLY APPRECIATE ANY HELP THAT MRS THATCHER CAN GIVE HIM IN PERSUADING KYPRIANOU TO COME UP WITH NEGOTIABLE CONSTITUTIONAL PROPOSALS.

7. AS REQUESTED BY THE DEPARTMENT MIFT (NOT REPEATED) CONTAINS A SELF-STANDING BRIEF OF THE PRIME MINISTER ON THE BACKGROUND TO LATEST TALKS. MY SECOND IFT CONTAINS AN ACCOUNT OF MY CONVERSATION WITH THE CYPRIOT FOREIGN MINISTER AND SOME COMMENT.

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TO IMMEDIATE FCO

TELEGRAM NUMBER 874 OF 21 SEPTEMBER 1984

MIPT: CYPRUS: PRIME MINISTER'S MEETING WITH PRESIDENT KYPRIANOU

BACKGROUND

1. ON 6/7 AUGUST, THE SECRETARY-GENERAL, IN PURSUANCE OF HIS GOOD OFFICES MISSION, MET SEPARATELY WITH THE CYPRIOT FOREIGN MINISTER AND HIS TURKISH CYPRIOT COUNTERPART IN VIENNA WHERE HE PUT TO THEM A SET OF ORAL 'WORKING POINTS' AND INVITED THE TWO SIDES TO PROXIMITY TALKS.
2. THE 'WORKING POINTS' CALLED FOR:
 - (A) A RECOMMITMENT TO THE 1977 AND 1979 HIGH LEVEL AGREEMENTS BETWEEN THE TWO COMMUNITIES, AND A COMMITMENT TO THE ESTABLISHMENT OF A FEDERAL REPUBLIC WHICH WOULD BE 'BICOMMUNAL AS REGARDS THE FEDERAL CONSTITUTION AND BIZONAL AS REGARDS TERRITORY'.
 - (B) 3 SETS OF CONFIDENCE BUILDING MEASURES COMPRISING:
 - (I) GREEK-CYPRIOT RESETTLEMENT UNDER INTERIM UN ADMINISTRATION OF VAROSHA AND THE SIX ADDITIONAL AREAS DELINEATED ON THE TURKISH CYPRIOT MAP OF 5 AUGUST 1981;
 - (II) A MORATORIUM ON BOTH DOMESTIC AND INTERNATIONAL ACTIONS TENDING TO PREJUDICE THE SECRETARY-GENERAL'S EFFORTS;
 - (III) THE REOPENING OF NICOSIA AIRPORT UNDER UN AUSPICES.
 - (C) THE ESTABLISHMENT OF A TRANSITIONAL FEDERAL GOVERNMENT WITH A LIMITED NUMBER OF MINISTRIES, A TWO HOUSE LEGISLATURE WITH EQUAL REPRESENTATION FOR BOTH COMMUNITIES IN THE UPPER HOUSE, JOINT WORKING GROUPS TO PLAN THE INTEGRATION OF GOVERNMENTAL

JOINT WORKING GROUPS TO PLAN THE INTEGRATION OF GOVERNMENTAL FUNCTIONS.

(D) FURTHER TERRITORIAL ADJUSTMENTS (UNSPECIFIED)

(E) PROGRESS ON DEMILITARISATION OF THE REPUBLIC AND ON FREEDOMS OF MOVEMENT, SETTLEMENT AND PROPERTY.

3. THE TWO SIDES ACCEPTED THESE WORKING POINTS AS A BASIS FOR PROXIMITY TALKS AIMED AT WORKING TOWARDS A HIGH LEVEL MEETING BETWEEN THEIR TWO LEADERS.

4. THE PROXIMITY TALKS TOOK PLACE IN NEW YORK FROM 10 - 20 SEPTEMBER AND THE SECRETARY-GENERAL HAD A NUMBER OF SEPARATE SESSIONS WITH KYPRIANOU AND DENKTASH SEEKING THEIR DETAILED REACTIONS TO THE WORKING POINTS.

5. ACCORDING TO BRIEFING WE RECEIVED FROM THE UN SECRETARIAT, KYPRIANOU AND DENKTASH QUICKLY AGREED TO THE COMMITMENTS AT 2(A) ABOVE, BUT THEREAFTER MAJOR DIFFICULTIES AROSE AS THE TALKS GOT DOWN TO SUBSTANCE.

6. DENKTASH APARENTLY TOOK A HARD LINE ON BOTH CONSTITUTION AND TERRITORY. ON CONSTITUTION HE PRESSED FOR AN EQUALITY VIRTUALLY AMOUNTING TO GOVERNMENT ONLY BY CONSENSUS OF THE TWO COMMUNITIES. ON TERRITORY HE REFUSED TO CONSIDER GIVING ANYTHING MORE THAN SOME UNSPECIFIED ENLARGEMENT OF THE 'SIX' AREAS (IE. NO NEW AREAS AND NO ENLARGEMENT OF VAROSHA). HE ALSO SAID THAT THERE COULD BE NO WITHDRAWAL OF TURKISH TROOPS BEFORE THE ESTABLISHMENT OF A FEDERAL GOVERNMENT, AND SOUGHT THE RIGHT AT ANY STAGE TO REOCCUPY ANY TERRITORY HANDED OVER IF IN HIS VIEW THE GREEK CYPRIOTS WERE NOT KEEPING THEIR SIDE OF THE BARGAINING.

7. KYPRIANOU FOR HIS PART APPARENTLY SHOWED SOME FLEXIBILITY, NOTABLY IN ACCEPTING BIZONIALITY (THOUGH WITHOUT ACCEPTING THAT GREEK CYPRIOTS SHOULD NOT RETURN IN SUBSTANTIAL NUMBERS TO THE NORTH) AND THE ESTABLISHMENT OF A TRANSITIONAL FEDERAL GOVERNMENT AND IN NOT INSISTING ON IMMEDIATE TURKISH TROOP WITHDRAWAL. FOR THE REST HE LARGELY RESTATED KNOWN GREEK-CYPRIOT POSITIONS WHILE EXPLORING THE SECRETARY-GENERAL'S PROPOSALS, EG. ON NICOSIA AIRPORT, IN GREATER DETAIL.

8. THE SECRETARY-GENERAL PRESSED DENKTASH TO INDICATE SOME CONCESSIONS ON TERRITORY WHICH WOULD FACILITATE MATCHING GREEK-CYPRIOT CONCESSIONS ON CONSTITUTION. HE WAS UNSUCCESSFUL AND THE TALKS ENDED WITH NO PROGRESS ON THESE TWO FUNDAMENTAL ISSUES. THE SECRETARY-GENERAL HAS ASKED BOTH LEADERS TO DO 'SUBSTANTIVE HOMEWORK' BEFORE 15 OCTOBER WHEN THE TALKS RECONVENE, AND TO RETURN PREPARED TO GIVE HIM 'CONCRETE INDICATIONS OF POTENTIAL NEGOTIATING FLEXIBILITY' PARTICULARLY AS REGARDS TERRITORY AND THE EXECUTIVE. IN PUBLIC HE HAS DESCRIBED THE TALKS AS 'THOROUGH AND BUSINESSLIKE' WHILE HINTING CLEARLY AT THEIR LACK OF PROGRESS.

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TELEGRAM NUMBER 875 OF 21 SEPTEMBER 1984

AND TO PRIORITY NICOSIA, ATHENS, ANKARA, WASHINGTON

MY TELNO 873: TALKS WITH THE CYPRIOT FOREIGN MINISTER

1. I HAD AN INFORMAL DISCUSSION WITH IACOVOU TODAY, 21 SEPTEMBER. HE WILL BE STAYING HERE UNTIL OCTOBER 2 AND WILL NOT THEREFORE BE ACCOMPANYING KYPRIANOUT TO LONDON.
2. IACOVOU'S ACCOUNT OF THE TALKS NATURALLY CONCENTRATED ON DENKTASH'S INTRANSIGENCE. HE ADMITTED THAT DENKTASH HAD INDICATED THAT HE WOULD MAKE MARGINAL IMPROVEMENTS ON THE TERRITORIAL QUESTION. HOWEVER, IACOVOU STRONGLY DOUBTED THAT THESE WOULD AMOUNT TO ANYTHING SUBSTANTIAL. HE GAVE STRONG SUPPORT TO THE SECRETARY-GENERAL'S IDEA THAT THE TURKISH TERRITORIAL CONCESSIONS SHOULD BE MEASURED IN THE NUMBER OF GREEK-CYPRIOTS WHO COULD BE RE-SETTLED RATHER THAN IN TERMS OF THE PERCENTAGE OF LAND. THE LATTER WAS BASED ON THE OLD-FASHIONED IDEA THAT THE CYPRIOT ECONOMY WAS PREDOMINANTLY AGRICULTURAL. HE SAID THAT THE GREEK-CYPRIOTS WERE LOOKING FOR THE RE-SETTLEMENT OF ABOUT 100,000 OUT OF THE 160,000 ODD WHO HAD BEEN DISPLACED.
3. APART FROM THE TERRITORIAL QUESTION, THE OTHER TWO BIG ISSUES ACCORDING TO IACOVOU WERE THE LEGISLATIVE AND EXECUTIVE

ISSUES ACCORDING TO IACOVOU WERE THE LEGISLATIVE AND EXECUTIVE AUTHORITIES. EVERYTHING ELSE HE THOUGHT, INCLUDING THE WITHDRAWAL OF FOREIGN FORCES, WAS A SUBSIDIARY MATTER WHICH WOULD FALL INTO PLACE IF THE THREE MAIN ISSUES COULD BE SETTLED. HE INDICATED THAT THE GREEK-CYPRIOTS WERE WILLING TO MAKE FURTHER CONCESSIONS IN THE LEGISLATIVE AND EXECUTIVE FIELDS IN EXCHANGE FOR TURKISH CONCESSIONS ON TERRITORIAL ISSUES.

4. IACOVOU SAID DENKTASH HAD BEEN UNWILLING TO RESUME THE TALKS AS EARLY AS OCTOBER AND WAS SHOWING EVERY SIGN OF WANTING TO PROCRASTINATE. THE GREEKS ON THE OTHER HAND WANTED AN EARLY SETTLEMENT. DENKTASH WOULD MOVE ONLY IF ANKARA TOLD HIM TO.

5. I AM CONSCIOUS THAT THE ACCOUNT GIVEN TO ME BY THE SECRETARY-GENERAL HAS A DIFFERENT SLANT FROM THE DAILY BRIEFINGS WE HAVE RECEIVED FROM SHERRY. THE LATTER PUT THE MAIN BLAME FOR LACK OF PROGRESS ON DENKTASH WHEREAS THE SECRETARY-GENERAL WAS MORE EVEN-HANDED AND INDEED IF ANYTHING PUT THE MAIN BLAME ON KYPRIANOU. NEVERTHELESS MY FEELING IS THAT KYPRIANOU HAS AT LAST REALISED THAT TIME IS AGAINST HIM AND I BELIEVE HE MAY THEREFORE BE PERSUADED TO MAKE GREATER CONCESSIONS THAN HITHERTO ON CONSTITUTIONAL QUESTIONS, ESPECIALLY THE EXTENT TO WHICH EXECUTIVE AUTHORITY AND PUBLIC REPRESENTATION WOULD BE SHARED WITH THE TURKISH-CYPRIOTS. ANY INDICATION WHICH THE PRIME MINISTER COULD EXTRACT THAT THIS WAS SO WOULD OBVIOUSLY HELP GREATLY WITH ANY HIGH LEVEL APPROACHES WE MIGHT DECIDE TO MAKE IN ANKARA.

THOMSON

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