



# Presidential elections in Cyprus

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- **Nicos Anastasiades**, and his right-wing party Democratic Rally are likely to stay in power, in the Republic of Cyprus for a second five-year term. Opinion polls show the incumbent president securing re-election in a two-round poll. However, this would be possible only through an alliance in the second round. Otherwise, the success that opinion polls predict for him is at risk. His two main opponents, Nikolas Papadopoulos, supported by centre party DIKO and Stavros Malas, supported by communist AKEL, appear head to head, so, eventual alliances will remain unknown until the first-round results are announced.
- Economy displaced the Cyprus Problem as the central issue of the electoral campaign. Despite improvements, some effects of the crisis and critical issues still wait solutions. However, positions on the Cyprus Problem remain a major vote criterion.
- The outcome of the election may be a continuation of the present situation or mark a new era in internal politics and in Cyprus relations with the European Union and the international community. The course of efforts for a solution to the Cyprus Problem may enter a stalemate or negatively affected if Papadopoulos is elected and his proposals are promoted.
- At another level, the Republic, which exited the bail-out in March 2013, will remain under the post-programme surveillance of the IMF and the European Commission. On the relatively negative side, prospects related to hydrocarbons discovered south of the island are now surrounded by doubts because of low international prices and uncertainty as to their profitable exploitation.

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Presidential elections will take place on the 28<sup>th</sup> January 2018 in the Republic of Cyprus. Nine candidates, including the incumbent President Nicos Anastasiades, are contesting the elections, which take precedence over all other elections. Under the Republic's presidential system, a shift in power may take place only after the election of a new president. The new president will have to face serious challenges, in particular to sustain efforts aiming at a healthy economy and start paying back the debtors that provided assistance to Cyprus in 2013, in order to overcome a serious financial crisis. A renewal of efforts that may enable the revival of the talks on the Cyprus Issue with the Turkish Cypriot community that collapsed in July 2017, the handling of operations to exploit hydrocarbons found in the East Mediterranean, and other, domestic issues will be on the agenda of the new government.

The office of the President of the Republic features exceptional characteristics. Beyond being the supreme office, it is also connected with extraordinary powers. The 1960 Constitution established a bi-communal state designed to balance powers assigned to Greek Cypriots and Turkish Cypriots at the various levels of the State. Following the collapse of bi-communality and power sharing, the Republic has remained since 1963 in the hands of Greek Cypriots alone. Thus, the balance of power that was initially drawn across communities' lines shifted to the benefit of the executive power. The president appoints and dismisses ministers and is invested with executive powers related to the promulgation of laws and resolutions of the House of Representatives. He also has veto powers on specific issues. However, the main executive authority is the Council of Ministers, competent for "the general direction and control of the government of the Republic and the direction of general policy". Despite this duality, no conflicts or disagreements between them have ever been known, leaving also the impression that, informally, the president has the upper hand. Also, the powers that the president and the vice-president could exercise jointly or separately are fully assumed by the president, without the (balancing) veto powers of the vice-president.

The government needs no vote of confidence from the House of Representatives, while neither the president nor his ministers are accountable to or can be summoned by the parliament. Finally, securing a majority in the House of Representatives can only warrant the smooth functioning of the state and approval of the budget. The president cannot be impeached or removed; he can be prosecuted only for high treason and offenses involving dishonesty or moral turpitude through special procedures. All the above make of the president a kind of monarch, enabling him, once elected, to remain unobstructed in office for a whole five-year term.

The situation today differs dramatically from the respective period of 2013. At the time, the Republic's economy was facing collapse and, to save the country, soon after he assumed office, president Anastasiades signed (March 2013) a memorandum of understanding (MoU) with the IMF and the European Commission for financial assistance. The government committed itself to proceed with extensive reforms in efforts to overcome the crisis and regain the confidence of the markets. In the years that followed, the fiscal performance and economic indicators showed a remarkable recovery, with tourism, construction and internal consumption fuelling growth. Cyprus is since March 2017 in a post-programme surveillance by its debtors. Major challenges ahead for the candidate that will win the elections relate to extensive reforms, imposed in the MoU. They have either followed a sluggish pace or have been stalled and continue to pose high risks to the economy. The reform of the administration, the settlement of the issue of non-performing loans (NPL) and the shift of the economy to more sustainable sectors are on top of the agenda.

The management of the issue of hydrocarbons, discovered in the East Mediterranean would require the continuation of multilateral diplomacy activities with both regional and other partners. Important decisions are expected on whether findings are exploitable in terms of profitability and if 'yes' what solutions to opt for their extraction and transport.

Very closely linked to the above is the need for finding a solution to the Cyprus Issue that will on the one hand lead to the re-unification of the island and on the other hand ensure a secure environment. Peace and good relations with Turkey, which since 1974 controls with her army the northern part of the island, is a pre-requisite for exploiting hydrocarbons. Thus, finding ways to resume negotiations that were led to an impasse and collapsed in July 2017 should be a major target of the new president.

Finally, an eternal issue for every government awaits a solution. It relates to administration of internal affairs and, in particular, the need for effective measures to ensure meritocracy and combat corruption. These are considered as stumbling blocks to progress for the country and indirectly in the search of a solution to the Cyprus Problem.

### The political forces and the candidates

The party system is a multiparty one, with strong polarisation between left and right, mainly consolidated since the 1940s. Parties have a pervasive role in society, in a highly clientelist environment and with many cases of corruption brought before the courts. This eroded citizens' trust and confidence in them and has led to alienation from politics, including a surge of abstention rates, from around 12 (2006) to 33.5 (2016) percent in the parliamentary and from 10 (2008) to 21 percent in the presidential elections of 2013. This crisis of confidence is affecting mostly the four main parties, especially their mobilisation capacity and persuasion potential of their various proposals.

The oldest party is **the communist AKEL** (Ανορθωτικό Κόμμα Εργαζομένου Λαού - Progressive Party of the Working People) (f. 1941). It established and sustained its influence of around 32 percent on active support of labour struggles, strong organisational structures and party-controlled businesses. The party's vote share suffered significant losses since AKEL first assumed state offices (2001) and after governing from 2008-13. Its 'soft NO' in the referendum for a settlement in April 2004, which conflicted with its traditional positions

for a federal solution, the odds of power and the financial crisis, along with internal problems reduced its appeal to 25.7 percent in 2016.

AKEL opposed the candidacy of Archbishop Makarios in the first presidential elections (December 1959) by supporting the candidate of the traditional right. It subsequently supported and elected Makarios, Spyros Kyprianou (1983) and Tassos Papadopoulos (2003), while in 1988 it elected the businessman George Vassiliou to the presidency. After months-long search for a presidential candidate for 2018, it repeated its choice of 2013, with **Stavros Malas**, a geneticist scientist, 50. Malas actively supported the UN (Annan) Plan. His political itinerary included social democrats EDEK and the United Democrats, as well as AKEL, without succeeding in his bid to enter the parliament. He held the portfolio of Minister of Health in the Christofias government. After losing against Nicos Anastasiades and five years of relative silence, he re-emerged as a potential candidate and won AKEL's favour. He appears as the only non-professional politician, as the scientist, the promising non-corrupted candidate. His opponents say that as a minister in Christofias government he bears responsibility for the evils of the economic crisis that brought Cyprus to near collapse.

**DISY (Δημοκρατικός Συναγερμός-Democratic Rally)**, founded in 1976 by Glafcos Clerides from conservative right and nationalist elements, has developed as the most pro-European political force. The party's vote-share has been steady above 30%. It elected its founder Glafcos Clerides to the presidency of the Republic in 1993 (with the support of DIKO) and in 1998. Going against the crushing majority of its grassroots, it supported the Annan Plan in 2004. Under the strong leadership of Nicos Anastasiades since 1997 it managed to fix the pieces, recover and elect Anastasiades to the Presidency in 2013. The incumbent president entered the electoral campaign with the advantage that the spoils of power offer and his claim of success in managing the crisis. Conversely, some consider his handling of the Cyprus Problem and in particular the collapse of the negotiations in Crans Montana, in July 2017 as a failure and a major disappointment. In fact, following his elec-

tion and after one year of transactions with the Turkish Cypriot leadership, the two sides had resumed negotiations to solve the problem. Anastasiades' pro-solution discourse and rhetoric and the work they had achieved with Mustafa Akinci, Turkish Cypriot leader since May 2015, created very high expectations. Thanks to these expectations, many tended to ignore or forgive negative actions, such as clientelist behaviour, conflict with the state's independent officers and other. The handling of what had followed, sustained attacks by Anastasiades against the UN special representative and a confrontation with the UN in general, along with the blame game and a renewed nationalist rhetoric appear to have modified support for Anastasiades. Part of voters believe that if re-elected he may manage to do better and find a solution. Many others, however, disappointed, they have 'discovered' the flaws of Anastasiades' handling of internal issues, which increases their loss of faith and trust in him as a solution leader. They seem to shift their hopes and support to Stavros Malas, as more promising and trustful in the search for a solution and better governance.

**DIKO** (Δημοκρατικό Κόμμα - Democratic Party) founded also in 1976) has been in government for most of the time since the death of Makarios (1977). It governed with Spyros Kyprianou (1977-1988) and Tassos Papadopoulos (2003-2008) and in coalition with DISY (1993-1998) and with AKEL (2008-2011). DIKO's decision to ally with DISY in 2013 caused splits and disagreements, and Nicolas Papadopoulos resigned from his post of vice-president in January 2013. One year later, Papadopoulos won the leadership of DIKO and withdrew his party from the government. DIKO's position for a federal solution with the "correct content", near to a unitary state, led it to the rejection of the Annan Plan in 2004, considering a 'Yes' vote as an act of treason. Nicolas Papadopoulos, 44, proposed his candidacy and his party, Social Democrats EDEK, the Greens and a newly founded party Allileggyi -Solidarity agreed to support him. Their overall vote share in 2016 was 30%. Symmahia Politon - Citizens Alliance refused to join them and proposed its founder George Lillikas, instead, a candidate also in the 2013 elections.

**Social Democrats EDEK**, founded in 1969, by Dr Vassos Lyssarides, developed initially under the influence of Afro-Arab ideals and right -wing nationalist ideas before discovering European socialism in the 1980s. The party has over time combined nationalism on the Cyprus Problem with left and socialist ideas on social issues. It opposed the Annan Plan in 2004 and, recently, under a new leadership since 2016, it rejected the long-agreed bi-zonal bicomunal federation as a solution to the Cyprus Problem.

Contrary to DIKO and SD EDEK that suffered losses in the parliamentary elections of 2016, the smaller parties **Allileggyi** (Αλληλεγγύη - Solidarity), mainly issued from EVROKO (Ευρωπαϊκό Κόμμα - European Party), and the **Greens** (Οικολόγοι Περιβαλλοντιστές - Ecologists Environmentalists) broadened their influence. They both belong to those forces that have rejected the Annan Plan. Even though, like SD EDEK, they also oppose the bi-zonal bicomunal federation, the two parties support a candidate, Nicolas Papadopoulos, who has not abandoned it. Beyond the contradictions in their positions on the solution of the Cyprus Problem, the parties supporting Nicolas Papadopoulos lack a cohesive support themselves. To some extent their 2016 performance was founded on a vote of reaction to major parties because DISY and AKEL jointly rose the electoral threshold for parliamentary elections from 1.8 to 3.6%, a move seen as hostile to small parties. Papadopoulos presents himself as a young, first-time candidate in presidential elections, claiming to propose a new strategy and embodying change in power.

Efforts of the parties of the "in-between" camp, i.e. beyond AKEL and DISY for a common candidate, failed to convince George Lillikas, leader of **Symmahia Politon - Citizens Alliance** not to stand for election. However, several party officials deserted him and joined the supporters of Nicolas Papadopoulos. Lillikas, 57, member of the House of Representatives, followed an itinerary from the government of George Vassiliou (1988-1993), AKEL deputy (1996-2003) and minister in the government of Tassos Papadopoulos. He was the

candidate of SD EDEK, EVROKO and the Greens in 2013, supported also unofficially by sections of DIKO. Lillikas also rejected the Annan Plan and is opposing a bi-zonal federal solution.

A new political force has emerged in recent years, linked to the extreme right, neo-nazi formation of Golden Dawn in Greece. **ELAM**, (Εθνικό Λαϊκό Μέτωπο – National Popular Front) won 3.7 percent in 2016 and two seats in parliament. Even though it projects a softer face than Golden Dawn, it does not disguise in any way the fact that it is its local branch in Cyprus. ELAM's candidate, its president Christos Christou, is a close collaborator of Golden Dawn's leader, who enjoys his explicit support. The fact that some of ELAM's ideas have over time been diffused in other parties' proposals is on the one hand an obstacle to expand its support, while, on the other hand, it makes it easy for some to cross the line and support it.

Four other persons submitted their candidacy: Michalis Mina, as a leader of a formation labelled Organisation of Fighters for Justice, Haris Aristidou, an ideologist supporting Union with Greece, Andreas Eustratiou, a businessman and regular candidate in other elections as well, and Christakis Kapiliotis. Thus, nine candidates contest the elections, though the requirements for being a presidential candidate have been recently amended. The number of voters that must support a candidate passed from nine to a more challenging figure, 101 – one is the proposing citizen. No women candidates run in the present election.

## The campaign- Issues and objectives

The main features of the campaign do not differ from past elections. All candidates present proposals that touch upon a large number of issues with an emphasis on the economy in general. Specific sectors are also addressed, with a varying attention in each candidate's programme; they include employment, growth, social care, assistance to groups affected by the crisis. Other sectors, such as health, education, culture, immigration, the environment and others are also addressed, while positions on the Cyprus Problem and the main

parameters of a solution form a separate chapter. The approach adopted is mostly bureaucratic and managerial, or it is an amalgam of stereotypical phrases. In most cases they lack perspective and miss aspects such as planning, the strategy and means for achieving the proposed goals. Their overall impact or how various groups are affected is also missed. Attempts to discredit the opponents by referring to their past, views, behaviour or relations are an everyday phenomenon.

The range and the number of issues addressed by each candidate in their programmes differ considerably:

The electoral programme of **Nicos Anastasiades** is two-fold: In a short pamphlet, he presents the main challenges at the start of his presidency, followed by a description of actions in various sectors. The conclusion is that his government has ensured a solid present on which to found his vision for the future. His main programme, "the vision, the plan and the work of Nicos Anastasiades" sets six main goals. They are a solidly founded and growing economy, a new model of growth, a more just and modern digital state, a state caring for the citizen, the claim of an energy and geostrategic role for Cyprus and the pursuance of a solution that would lead to the re-unification of the country in a state that is independent and secure, a modern European state. The relevant chapters refer to actions of the government addressing specific issues and proposals or ideas for its future action. As in 2013, Anastasiades' main positions are a follow up on the party's main slogan in the previous (2016) parliamentary elections; 'Stable steps forward' points to actions that ensured a solid ground, so that the country heads to the future with confidence.

The country, he argues, had faced the challenges with the contribution of all groups in society and the people's sacrifices. This gained it back confidence, along with hope and good prospects for the future. Policies and actions on fiscal, banking and taxes matters have been accompanying by measures to alleviate the impact of the crisis on various groups. A new model of development aims at strengthening the traditional sectors of economic

activity and expanding it to new ones. The promotion of entrepreneurial innovation and support, the strengthening of competitiveness for attraction of investments assist and support this model. Reforms of the administration, of the judicial system, transparency and fight against corruption, along with the promotion of e-government would modernise the state. The chapter on social policies, which covers almost half of Anastasiades' programme, address a plurality of issues, including employment, health services, state care, education, family issues, the environment and other aspects of life. With initiatives already taken or planned that strengthen bonds and cooperation with neighbouring and other countries, the government expects to apply its plans for the management of hydrocarbons and enhance the country's defence.

Finally, Anastasiades describes in only two pages his work on the Cyprus Problem and says that his handling of the issue shifted the focus of negotiations on security and guarantees; he expects the resumption of negotiations after the elections aiming at a united Cyprus, modern, European and genuinely independent.

**Nicolas Papadopoulos** started his campaign by promoting the idea and the slogan of a new strategy 'for the Republic of Cyprus and the solution of the Cyprus Problem'. As the youngest of candidates (44), he adopted also the slogan 'with the power of our generation', targeting young voters. Papadopoulos' main slogan is 'Change, Reliability, Hope', claiming that he is the only candidate to bring change.

The new strategy is a 40-page document, half of which is criticisms of Anastasiades' positions, with the rest proposing a solution that warrants the continuation of the Republic of Cyprus; Measures proposed by Papadopoulos range from a change of the base of negotiations to withdrawal of proposals previously submitted by the Greek Cypriot side and a new negotiations approach. He further suggests drawing benefit from the hydrocarbons, fighting the upgrading of the Turkish Cypriot UDI, upgrading of the National Guard and even renegotiating the status of British bases on the island.

In addition, Papadopoulos makes proposals for restoring a modern welfare state, strengthening the economy and re-establishing the middle-class. In subsequent releases, he addressed specific issues, such as care for the elderly, protection of children's rights, support to displaced since 1974 persons, new policies for agriculture and energy, the rights of animals and other. He also promised to assist and pay back depositors and other groups who lost their money from the haircut of 2013. His proposals in each chapter are in the form of long lists of measures and ideas.

**Stavros Malas** presents his proposals under the main slogan "tomorrow unites us" with the title 'contract of hope and perspective'. He claims that they are feasible, while his programme expresses the novel for a different Cyprus, with the aim to address the needs of the large majority in society. He covers all major sectors of social and other life, including his vision about Cyprus; international relations should be founded on the promotion of peace, cooperation and solidarity, with respect of international law and the UN Charter. For Europe, he proposes to work for more social justice, more democracy and for peace and cooperation. His proposals on the Cyprus Problem are founded on the general lines of Greek Cypriot positions, for a bi-zonal bicomunal federal solution, based on UN resolutions, the *acquis communautaire* and the international law. In economy, a model of a more balanced economic development should seek sustainable growth founded on factors such as investment in R&D, incentives to high-tech companies to establish in Cyprus, tax incentives to decentralise activity and many other. More safeguards for labour rights and opposition to the privatisation of semi-government public law enterprises and action for a more human-centred and expanding cooperative movement are proposals that distinguish to some extent Stavros Malas from other candidates. In his programme, Stavros Malas puts special emphasis on the need for a democratic and humanistic education, for the promotion of life quality and respect for the environment; he promises to promote a society of equal rights for all people and groups, solidarity, and a more efficient state to the benefit of the people; a fight against corruption should warrant the rule of law.

Malas and AKEL criticise Anastasiades as unreliable, not delivering what he has promised or committed himself for. Though they consider the Turkish side responsible for the impasse on the Cyprus Problem, they also lay the blame on Nicos Anastasiades for the way he handles the issue; putting forward pre-conditions does not help the resumption of negotiations, they say. Despite the above criticisms, Malas' main emphasis during the campaign is on promoting his own proposals than accusing the opponent.

Malas presents himself as an independent candidate, though he announced his candidacy after failure of AKEL to nominate another candidate. Officials and cadres of AKEL form his campaign team and his positions do not differ from those of the party.

**George Lillikas** attempts to present his candidacy as a follow up of his good performance in 2013, when he received 25% of the vote. He is against bi-zonal bicomunal federal solution because it legalises the results of the Turkish invasion and occupation of part of the island. Lillikas' proposals cover a large number of issues, presented as daily public statements, with a central slogan "The safe choice" and "a changing Cyprus". Despite been supported by his own party alone, with key officials having deserted him, he insists that he would make the surprise.

**Christos Christou**, the candidate of extreme right ELAM, runs under the slogan "This land has a voice" and as the candidate that makes the difference. He uses the usual nationalist rhetoric of the extreme right, and presents proposals in the form of statements on social, economic and other issues under the guise of a formation that cares for the people (of Greek origin). Members and deputies of the Golden Dawn of Greece are present and address his public meetings. Messages from the leader of Golden Dawn are also read in the gatherings.

The rest of candidates present themselves as fighting against a corrupted establishment or seekers of publicity. Their potential is limited to securing several hundred votes.

## The scenarios

All opinion polls show consistently Anastasiades as the favourite of winning the election, which appears to be a two-round contest; intentions of vote show him gaining around 40 percent, well ahead of both Stavros Malas and Nicolas Papadopoulos. George Lillikas and Christos Christou are shown to secure up to five percent, in the first round. The scenarios for a second round, on February 4, i.e. one week after the first round, suggest an easier victory for Anastasiades against Malas than Papadopoulos; intentions of vote vary between opinion polls, with some showing a larger distance between the first and the second candidate. Similarly, some surveys show Papadopoulos winning the second place and advancing to the second round, while in others, Malas is ahead. So, who is likely to be Anastasiades' second round opponent? Large numbers of voters refuse to respond to pollsters, abstention rates may be high, and undecided voters are around 25%, which make a prediction based on opinion polls insecure. However, it seems that Stavros Malas has a better momentum, which increases his potential to win Papadopoulos, without this been guaranteed!

With regard to the final result, we must also be very cautious in predicting a winner; the dynamics of the ballot cannot be predicted before the first-round results and eventual alliances for the second round. Anastasiades seems as the most likely winner but the ballot cannot be seen as already decided. He would need to approach a first round share as high as near 45 percent in order to gain a momentum capable to confirm his chances to win.

## The impact of the outcome

The major challenge the winner of 2013 faced was the signature of the bailout and bail-in agreement to confront the economic crisis. What lays ahead for the candidate that will assume office as of 1<sup>st</sup> of March 2018 may on the one hand be less critical or urgent; on the other hand, he will face more than one challenges, relatively important. They include the continuation of reforms and other actions to fully gain back confidence in the economy and



ensuring its sustainability, the resumption of negotiations towards a resolution of the Cyprus Problem and managing the issue of exploitation of hydrocarbons in Cyprus' EEZ. A major challenge remains the modernisation of the administration, combating corruption and ensuring meritocracy.

If Anastasiades is elected, the good climate and understanding between Nicosia and Brussels as well as with other European capitals will continue. Close cooperation with open agendas is expected to be the main feature of relations between Cyprus and Europe. However, the very limited scope of proposals in his programme does not disclose more on any policies that his government would promote. This may mean that his action would be inscribed within the action of the European People's Party to which the president's party DISY belongs. Such a possibility leaves little room to guess any particular initiatives by the Republic of Cyprus in promoting a significant project.

An issue not addressed in Anastasiades' proposals, beyond a reference about developing relations with a number of countries, is relations with Russia, which affects relations with both Brussels and the United States, and the settlement of the Cyprus Problem. It is not clear whether the government will continue its policies of upgraded relations with Moscow, instead of USA as was the case until early 2016. The question is closely linked with the dependence of Cyprus economy on Russian deposits in the island's banks, but also to the extent such a dependence and close relations have an impact on efforts to solve the Cyprus Problem. It is a pertinent one because in recent months there have been public statements by Russian officials and the ambassador in Nicosia that could be considered as interference with the politics of Cyprus, remained without response by the government or political parties.

The government's response to commitments under the MoU and the economic crisis in general showed that Cyprus' potential was so far adequately exploited. However, policies and actions have been double-faced: While better enforcement of the laws, better planning and some discipline produced good results, critical issues have not

been properly and sufficiently addressed. This reflects contradictions and inconsistencies that are linked to a political will affected by expediency and propensity to prioritise partisan or other interests than sustainability and modernising the administration and the country. The government would need to follow key recommendations by the EU Commission and the IMF. If not, economic discipline will continue to suffer, in particular if good economic indicators allow more lassitude. Reforms will continue, with a slow pace and without touching in a decisive way on critical issues, such as privatisations and settlement of Non-performing loans (NPL). Though some cases of corruption have been brought before the courts and others may follow, the pace of procedures and silence reigning after some issues were made public, points to the need for action to prove genuine and strong will to eradicate corruption. Having so far no solid indications to the contrary, the president's and the executive' behaviour of entering into conflict with key independent officers, such as the attorney general and the auditor general, may continue. Favouritism, which has worn out the efficiency of the administration does not seem to be abandoned, and meritocracy would have to wait for some more time before being honoured! The above are strong hurdles towards modernisation and sustainability.

Intense activity for multilateral contacts and developing good relations and cooperation with mostly neighbouring countries on the issue of exploiting hydrocarbons is expected to continue and intensify. There is a good base for that, laid down by president Anastasiades. The major issue on the matter is how to balance antagonistic interests between the partners and existing enmities. Most important on this is Cyprus' relations with Turkey. Unless decisive steps lead to a solution of the Cyprus Problem, uneasy relations would threaten to compromise also the country's relations with others, such as Israel. While other countries of the region may prioritise their own, broader interests, Cyprus appears to put an emphasis on political or other sensitivities, which limit its potential and eventual cooperation. If findings of hydrocarbons are exploitable and prices ensure profitability, exploitation may not be feasible without peace and resolution of the Cyprus Problem.

If **Nicolas Papadopoulos wins**, some time will be needed until new government teams are set in place and policies are decided. Papadopoulos' party, DIKO, is by default in the Socialist group, which means not belonging to a European political family of its own. Relations with Brussels will need some time to develop and achieve a good understanding. His proposals for participation in "the core of efforts for the European Defence integration" and re-enforcement of relations with the other EU Mediterranean member countries are too generic to allow any assumption about potential actions. Conversely, more proposals target Turkey, such as suggesting the freezing of the process of opening new negotiation chapters, refusal to open negotiations for customs union, 'which will have a cost for Turkey', drastic cuts on pre-accession EU funding to Turkey, attempts to impose financial sanctions on Turkey if she attempts to make exploration for hydrocarbons in Cyprus' EEZ and inclusion in the EU-Turkey agreement of a clause for return to Turkey of refugees arriving to Cyprus. All these proposals may add more problems for the EU to deal with in connection with Turkey and add new issues on the already complex chapter of Turkey-EU relations.

In addition to the above, the proposal to "exploit the momentum of Brexit" and ask for the Military Bases that Britain kept in Cyprus under the 1960 Constitution of the Republic to be abolished would mean that a new item may be included in the negotiations for the Brexit.

General policies in the economy and other internal issues may not be affected to a significant extent, since many proposals are in the same direction of existing ones. It is true that some proposals may point to high costs; however, one may doubt whether they are feasible and if the answer to some is positive, their implementation may take time and spread the cost over a long period of time. Already, reactions against promises to pay damages to those that lost money from the bail-in and other causes and the fact that many proposals of Papadopoulos appear as mere wishes, not well thought or budgeted, may mean that work for adjustment to realities is necessary.

DIKO's tradition of clientelism and favouritism is likely to cancel promises for meritocracy, a pre-requisite for an efficient administration. As a result, progress in proceeding with reforms and privatisation of semi-governmental organisations may be slow or inadequate.

Proposals on the issue of hydrocarbons, such as taking measures against activities in Cyprus EEZ by others (implying Turkey), "clearly clarifying to Israel" that a Turkish-Israel gas pipe is affecting Cyprus' vital security interests, and transferring gas towards Egypt, and other, are indications of ignoring the complexity of the matter and market realities. More importantly, these are likely to heighten tensions than finding feasible solutions.

If **Malas is elected**, his team, his administration and relations in general and with Europe in particular would likely be affected by policies of AKEL and its respective group in the European Parliament. This would mean more discussions in reaching understanding and eventually policies that deviate from the line of the incumbent president. However, the constitutional privileges and prerogatives of the president on foreign affairs may be an important asset for Malas as president enabling him to promote initiatives and his policies. His positive vision of Europe, as a democratic, peaceful and cooperative union which works to the benefit of the working people, the youth and the fragile social groups, as well as of the 'correct' businessman, is accompanied with various proposals. Malas' priorities focussing on social justice, respect of human rights, Euro-Mediterranean and Euro-Asian cooperation may lead to a contribution of substance to the ongoing debates about the future of the Union. A drawback on this issue of relations with Europe may be his statement "to work for the termination of sanctions against Russia". This would in a certain way be a continuation of present policies of Cyprus, trying to have a kind of smooth relations with Russia, against Brussels' will to keep pressure on Moscow as a punishment for her policies.

Changes may be expected in policies on the hydrocarbons because the candidate suggests that a

comprehensive strategy on the issue is missing, pointing to the need to draw one. His programme contains generic proposals, which do not allow an overall assessment as to the direction of his (new) policies.

### Possible impact on efforts for a solution to the Cyprus Problem

After assuming office in March 2013, Nicos Anastasiades put forward terms and conditions for the resumption of the talks, which was made possible one year later. The good relationship developed with Mustafa Akinci, who was elected to the leadership of Turkish Cypriots in Spring 2015, and the progress the two leaders achieved in negotiations was without precedent. However, their failure and collapse in Crans Montana, in Switzerland was accompanied with bitter exchanges. Mutual trust suffered a serious blow, a culmination of other blows caused by a number of events in the months that preceded the July 2017 meeting. In addition, and beyond each side's eventual responsibilities for the outcome, a serious and lasting confrontation of Anastasiades with the UN's special representative and to some extent with the UNSG complicate the prospect for the resumption of talks after the elections.

The fact that the readiness of the UNSG to relaunch efforts for the resolution of the Cyprus Problem has not been translated into action yet, points to a lack of proper conditions. Nicos Anastasiades would need to confirm that he sets no prerequisites and that talks can start where they stopped. The will for a breakthrough needs a sustained effort without any forth and back movements on positions and raising new issues. In that effort, any conflictual or arrogant approach can only hinder possibilities for a breakthrough, in particular if the target is the UN special representative or the UN.

For negotiations to bear results, delicate handling is required, taking into account that time has made the Cyprus Problem more complicate. Thus, Nicos Anastasiades can succeed provided that he shows resilience in the pursuance of a solution and prove

wrong those saying that he does not hesitate to shift his stance or mitigate his positions in order to please some groups. More important is the need to make the decisive step if the occasion appears and an agreement is reached.

With regard to the Turkish side, the situation is not clear enough; we would need to see what the intentions in Ankara are and the room of action reserved to the Turkish Cypriot leader Mustafa Akinci; after the results of elections on 7 January 2018 only fragile coalitions can be formed. This may leave more space for action to Akinci than with a clear right-wing majority. Conversely, instability means more potential for interferences and control by Ankara. Thus, beyond what might be expected from Anastasiades, the will of Ankara and Mustafa Akinci will also define the prospects for meaningful and eventually fruitful negotiations.

With **Nicolas Papadopoulos elected**, implementation of the proposals of his new strategy is expected not only to upset the whole process accepted by the parties and followed for decades, but also to lead it to an impasse. On the one it is hard to see how to achieve a change of the base of the problem as a problem of Turkish invasion and occupation, the withdrawal of proposals submitted by Anastasiades and Christofias, a change to the negotiation process and the 'exploitation' of the advantage of being in the EU. On the other hand, even if we assume that the other side accepts some of the proposals, what will it ask in exchange, or what steps will it take to counter-balance them? In the past, similar positions or attempts to put forward terms and conditions, had led to a stalemate and prolonged impasse. Papadopoulos' proposal to extent debates on the Cyprus talks from the National Council in the House of Representatives and its committees may lead to endless monologues, reproducing the polarisation that reigns in the discussion on the Cyprus Problem. It is unclear what such debates may offer on the issue.

If **Stavros Malas** wins the election, there are indications of some changes in main policies from what we have witnessed since 2013. The candidate has little experience, while his electoral proposals

may not be considered as policy framework. Also, not having a team of his own appears as the opposite of George Vassiliou, elected in 1988 by AKEL. Vassiliou had the experience, personality and resources to govern and apply policies of his own, even against the policies of AKEL. Malas appears to merely follow AKEL and he is surrounded by a team almost exclusively of party cadres. In the case that he makes his own choice of a team, such a team would need time to coordinate and function properly, after setting its own policies. Naturally, to win the election he would need an alliance before the second round, which may mitigate AKEL's influence through the influence of allied forces; they might be EDEK and / or DIKO, even though Malas stated that he will not offer offices to opponents or their collaborators. This makes it even more difficult to predict what the exact team will be in place and what policies it will follow. In domestic politics, no majority in the House of Representatives could point to the need for compromises in order to promote government policies. On the handling of the Cyprus Problem, he may expect some support from DISY, which however could be visible only after he shapes a clear policy course of his own.

While the Cyprus Problem is considered as the most significant issue to address, we usually tend to ignore or underrate the importance of governance and internal politics on efforts towards a solution. Good governance on both sides of the dividing line in Cyprus could be a catalyst for a genuine search and proper implementation of a just solution. To the question on who of the candidates can better work and contribute to settle the Cyprus Problem, the answer is, the one who can fight effectively corruption and clientelism, the one who can promote genuine meritocracy and a broadening of democracy. These are the pre-requisites that can lead to a solution. As long as the aforementioned negative phenomena dominate politics and the society, it is hard to imagine that genuine will to find a just and viable solution is possible. And if, for any reason, a settlement is agreed, how implementation would be possible by two polities in which corruption and discrimination based on clientelism and favouritism wear out the efficiency of administration and fails the institu-

tions? Thus, from this perspective, none of the candidates can reach that stage of change in order to warrant a solution and its proper implementation.

## Conclusion

Though the challenges ahead for the president expected to assume office on March 1, 2018, appear less pressing and urgent like in 2013, important issues need be addressed. The resumption of talks for finding a solution of the Cyprus Problem may be considered as urgent in order to avoid further delay and consolidate the present stalemate. The Republic's presence and role within the European Union and in the world is also an important issue to address, because different perspectives and vision by the candidates may affect their substance and also Brussels' agenda on certain issues. Finally, the handling of the issue of hydrocarbons in East Mediterranean is likely to affect both the relations of Cyprus with neighbouring countries and with Turkey. A non-solution of the Cyprus Problem may compromise the potential to exploit any findings if tensions and a lack of security in the region persist.

A re-election of Nicos Anastasiades could mean that he may be able to agree to a resumption of negotiations on the Cyprus Problem. If agreed, a start from where the talks stopped and taking on board what has been achieved that far may contribute to a speedy progress. If a genuine commitment of the parties to a solution exists, this may lead to a settlement. Little may change from what we know today in relations with the European Union and international relations in general. Positive developments in connection to negotiations on the Cyprus Problem may assist in the handling of the issue of hydrocarbons, avoiding tensions with Turkey.

If the outcome of the elections means a change of government, many things are expected to change, with some delay in the starting point until the new teams are set and function. If Nicolas Papadopoulos wins and insists on his electoral proposals of 'a new strategy', the Cyprus Problem may enter a new and long stalemate. Engaging in a game of

high demands and eventual sanctions against Turkey, in connection also with its relations with the European Union, may mean tensions and more complications on dealings with Turkey. Cyprus can only depend on EU as a leverage against Turkey, a role that Brussels would not like to engage in. Similar problems of tensions and troubles may emerge in connection with the management of the issue of hydrocarbons in the region, where peace and security are basic requirements for the exploitation of any findings.

With Stavros Malas at the presidential palace, positive developments may be expected with a resumption of the talks on the Cyprus Problem, with some delay until teams are set in place. Some of his proposals on Europe may enrich the debate

on the future of EU, in particular with regard to its role for more social justice, to the benefit of workers and also entrepreneurship and human rights. In dealing with the issue of hydrocarbons we may expect some changes of approach. Strengthening of relations with the countries of the region may continue as at present, while plans and the approach on how exploitation of findings is done may be upset to some degree.

All the above are subject to changes depending on the final result of elections. The outcome will depend to a great extent on the alliances that will be formed after the results of the first round, but also on the performance of each candidate, in particular of Nicos Anastasiades in the first round.

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