The territorial dispute over Cyprus stems from the ethnic issues between the northern Turkish Cypriots and the southern Greek Cypriots. In 1914 Cyprus was annexed by the Royal Crown of Great Britain and the Ottomans lost control of the island. In 1955, after tensions rose from British rule, Greek Cypriots began a guerrilla war against British rule. The guerilla movement or the National Organization of Cypriot Combatants wanted unification with Greece. In 1960 Cyprus gained independence after Greek and Turkish communities reached an agreement on a constitution. The Treaty of Guarantee was also signed during this year. The signing parties of this treaty were the Republic of Cyprus, Greece, Turkey, and the United Kingdom of Great Britain and Northern Ireland.

The Treaty of Guarantee’s articles:

1. Article one bans Cyprus from participating in any political union or economic union with any other state.
2. Article two requires the other parties to guarantee the independence, territorial integrity, and security of Cyprus.
3. Article four authorizes the use of force to maintain the current state of affairs in Cyprus. The article also allowed the UK to retain sovereignty over two military bases.

Since 1974 Cyprus has been officially divided. This was caused by the Turkish invasion after Greek Cypriots attempted a military coup on the island which was backed by the Athens Government. The northern third of the Island became the Turkish Republic of Northern Cyprus.
in 1983. Northern Cyprus is officially recognized only by Turkey and Turkey keeps a military presence of 30,000 troops in the country.

U.N. sponsored negotiations between Northern Cyprus and Southern Cyprus failed and a peace plan was tabled in 2002. Soon after the peace plan was tabled the EU invited Cyprus to become a member (which is possible because Northern Cyprus is only recognized by Turkey). The prospect of unifying the country stalled in 2003 when leaders of the Turkish and Greek communities failed to pass the peace agreement.

In 2012 the economy of Cyprus began to falter due to extensive exposure to Greece’s collapsing economy. This troubled investors who come from Eastern Europe and Russia to invest their money in the banks on Cyprus. Cyprus was forced to ask for help from International lenders.

Questions to Consider:

1. Cyprus is facing economic collapse and being kicked out of the E.U. Could Cyprus operate independently without the need of the Euro?
2. Do any countries have legitimate claim to Cyprus?
3. Is unification of Northern Cyprus and Southern Greek Cypriot communities possible?
4. Should Turkey keep their troops in Northern Cyprus?

Sources:

2. http://books.google.com/books?id=x-S0yGcogwC&pg=PA90&q=the+territorial+dispute+over+cyprus&hl=en&sa=X&ei=_5rNUu_rHsWjKQeVqYCDg&ved=0CC8Q6AEwAA#v=onepage&q=the%20territorial%20dispute%20over%20cyprus&f=false