

Economic Interactions in a Divided Society: Turkish Cypriot and Greek Cypriot Relations in Cyprus¹

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Abstract

This research examines the economic endeavors of communities characterized by cultural diversity, shaped by historical processes that encompass various commonalities and tensions. This framework seeks to explore how economic relationships influence cultural dynamics and social connections. The research took place on the island of Cyprus, focusing on areas where Turkish and Greek communities exhibit different degrees of homogeneity. The main data comprises detailed interviews carried out with 125 participants. The results indicate that financial tools, which play a role in the global acknowledgment of Cyprus as a cohesive whole, have been reshaped through the viewpoints of the participants and are demonstrated to have a direct impact on the relationship between the two communities. Furthermore, the restricted engagement among neighboring communities that utilize comparable economic resources stands out as a significant finding.

Keywords: Economic relationship, Cultural Interaction, Cyprus, Turkish Cypriots, Greek Cypriots

1. Introduction

Throughout history, the journeys of individuals to unfamiliar territories have enabled the blending of cultures from various continents, ultimately resulting in the development of modern communities as we recognize them today (Bornstein, 2017). As societies have interacted and coexisted over time, this has led to both the blending of cultures and the emergence of fresh values and traditions. This process has led to the breakdown of ideas surrounding a singular language, identity, or culture, fostering the emergence of diverse cultural frameworks (Berry, 2008). As a result, communities have transformed into diverse entities where various cultural or ethnic groups live together within a common social and political system.

In diverse environments featuring various cultural setups, cultural interaction is unavoidable, and within this interaction, economic activities certainly hold considerable importance. The relationship between economic activities and the cultural tools of societies is profoundly interconnected. Culture influences economic behaviors, including consumer preferences, labor practices, and the organization of production and trade, by instilling its values, norms, and practices. On the other hand, economic frameworks and practices can likewise strengthen or, at certain moments, alter cultural trends as time progresses. This reciprocal connection illustrates that economic tools serve not just as means of financial transaction but also as avenues for cultural expression and preservation (Hesmondhalgh, 2012).

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The interplay of cultural and economic factors is acknowledged as a fundamental force that enhances connections and influences the relationships among diverse societies and individuals (Erataş et al., 2013). Understanding the cultural economy significantly involves exploring changes at the local level, which can be inconsistent, personal, and at times appear irrational or devoid of meaning (Banks et al., 2000). Individuals ascribe significance to objects, actions, and practices through the lens of social interactions. The interplay between economic interaction and socio-cultural dynamics is profound, with each element continuously reshaping the other. The interplay of social and cultural elements lays the groundwork for the development of cultural tools, which eventually become essential components of the economic framework. This process plays a significant role in shaping the economic landscape and influencing the social framework, simultaneously affecting the rituals, customs, and everyday behaviors of individuals, including their manner of dress and conversation (Amin & Thrift, 2007).

Understanding the dynamics of cultural economies and the role of cultural tools within this framework requires a consideration of the historical depth and complexity of these structures (Throsby, 2001). In situations where different cultures have lived alongside each other and engaged over long durations, the lines between power and submission frequently become unclear, and established hierarchies tend to lose their clarity (Bhabha, 2012). Such settings create an atmosphere where cultural expressions can achieve a certain balance, questioning the idea of distinct cultural dominance. This interaction highlights the importance of examining cultural economies not just as economic events but as processes intricately woven into historical and sociocultural contexts (Polanyi, 2002).

This study examines the economic practices of communities characterized by cultural diversity, shaped by their historical interactions. This framework seeks to explore how economic relationships influence cultural dynamics and social interactions. Understanding the dynamics of the cultural economy and the function of cultural instruments within its framework requires a careful examination of the historical depth and complexity of the relevant structures. In situations where cultures have lived alongside each other and engaged over long durations, the lines of power and submission frequently become indistinct, making conventional hierarchies harder to identify. Such settings create circumstances where cultural expressions find a certain balance, questioning the idea of a distinct cultural dominance. This interaction emphasizes the importance of examining cultural economies not just as financial occurrences but as intricately woven into historical and sociocultural contexts.

In accordance with the goals of the study, the island of Cyprus has been chosen as the research field. This island showcases a remarkable landscape where two communities, each with their own languages, nationalities, and religions, have lived together for many years, navigating their unique political and economic circumstances. The human landscape of the island offers considerable promise to uncover how economic instruments influence intercultural exchanges. This research, part of the TÜBİTAK-funded 1001 project titled "Acculturation on the Island of Cyprus and Determining the Impact of Turkey: Local Economic Relations, Cultural Economy, Consumption and Ritual Consumption" involved comprehensive interviews with 125 Turkish Cypriots and Greek Cypriots. This article aims to delve into how economic relationships shape cultural experiences and social interactions.

2. A Bridge Between Societies: Cultural Economy

The cultural economy represents a sector focused on the creation, production, distribution, and consumption of cultural goods and services, emphasizing their uniqueness as economic activities (De Beukelaer & Spence, 2019). Throsby (2001) describes the cultural economy as the merging of cultural value with economic activities, highlighting the role of cultural goods and services in fostering economic development while maintaining cultural identity. This includes a range of areas such as

cultural heritage, art, media, creative industries, and associated goods and products (Scott, 2000; Pratt, 1997). As cultural industries like art, media, tourism, recreation, and entertainment play an increasingly vital role in bolstering economic growth, the relationship between the consumption of signs, symbols, and the economy is becoming significant (Amin & Thrift, 2007). Thus, what we define as economic activities and objects is frequently influenced by elements from various economic fields as well as non-economic cultural traditions (Aitken, 2007). Consequently, the connection between culture and economy is explored through the concept of cultural economy. This area examines the ways in which cultural resources, including heritage locations, creative sectors, and cultural traditions, can be leveraged or utilized as instruments for social and economic advancement. Researchers contend that the cultural economy not only promotes creativity and innovation but also acts as a means for social cohesion and the construction of identity (Scott, 2000).

The concept of the cultural economy has emerged as an interdisciplinary field in academic discourse, examining the intersection of culture and economic systems (Scott, 2000; Bennet, 2024). As a multidisciplinary subject, cultural economy extends beyond its economic and geographical dimensions, interacting with fields such as sociology, media and communication studies, and urban planning (Kara, 2014; Hayes & Miletzky, 2024). This holistic approach underscores the complex interplay between culture and economic processes, highlighting the significance of cultural goods as both economic assets and carriers of social and cultural identity (Hesmondhalgh, 2012).

Cultural tools serve as the means through which a society conveys its values, knowledge, norms, beliefs, art, and traditions (Smith, 2006). These tools are present in both physical manifestations like artefacts, monuments, and written records, as well as in non-physical expressions such as oral traditions, rituals, and practices (Kurin, 2004). They act as essential components for safeguarding and upholding the cultural identity of a community, guaranteeing its persistence and development through the ages (Bedir, Tabakoğlu, 2021). Serving as vessels of shared memory and community unity, they significantly influence the identity of a society and its engagement in wider global interactions (İnce, 2010).

Economic tools in the cultural sector encompass various mechanisms, including subsidies, tax incentives, and grants, all designed to bolster cultural industries and safeguard heritage (Hesmondhalgh, 2012). Authorities and global entities frequently employ these tools to enhance cultural engagement, tackle disparities, and revitalize local economies. Public funding for the arts has demonstrated a connection to enhanced social capital and greater community involvement (Bille & Schulze, 2006). Moreover, cultural tourism, reinforced by the promotion of heritage sites and events, showcases the economic potential of cultural resources while fostering intercultural understanding (Richards, 2011).

Nonetheless, significant perspectives regarding the cultural economy beware against the commercialization of culture and its possible role in exacerbating social disparities. Zukin (1995) contends that the commercialization of culture frequently results in the marginalization of certain groups, placing profit above the integrity of cultural expression. This issue holds significant importance in societies that are divided or have experienced conflict, as the use of economic tools within the cultural sector has the potential to either unite or exacerbate divisions, contingent upon how they are structured and executed (Markusen & Schrock, 2006). As a result, the success of cultural policies hinges on their capacity to harmonize economic goals with the preservation and inclusion of cultural elements.

Cultural economic tools can serve as important mediators in fostering dialogue and enhancing mutual understanding within intergroup relations. Joint cultural projects and inter-community initiatives have been shown to diminish prejudices and foster trust among divided groups (Landry, 2000). These tools offer not just financial advantages but also play a significant role in fostering peace and promoting reconciliation initiatives. Consequently, the function of economic tools in

cultural exchanges extends beyond mere economic advancement and carries broader societal consequences, particularly in areas marked by cultural and political conflict (Çelik & Eminoğlu, 2022). The cultural economy and its associated tools form a vibrant area of exploration that connects economic principles, cultural strategies, and social progress.

3. Research Context: Cyprus

Cyprus has historically been a melting pot of diverse cultures, influenced by its strategic geographical location in the Eastern Mediterranean. It is the third-largest island in the region, strategically positioned at the crossroads of Europe, Asia, and Africa (Koday, 1998; Özmen, 2018).

The island's rich history spans over millennia, with influences from Greek, Roman, Byzantine, Ottoman, and British civilizations. Since gaining independence from British colonial rule in 1960, Cyprus has been characterized by its diverse cultural heritage, which reflects the coexistence of Greek Cypriot and Turkish Cypriot communities. The Republic of Cyprus is recognized as a sovereign state and is a member of the United Nations and the European Union since 2004 (Ker-Lindsay, 2011). The island's cultural landscape has been shaped significantly by the coexistence and tensions between Greek Cypriots and Turkish Cypriots. The colonial history under the Ottoman Empire (1571-1878) and later British rule (1878-1960) has added layers to this complexity (Souter, 1984). The influences of cultural exchange regarding Turkish and Greek identities can be observed from the establishment of the Ottoman Empire. During the reign of Sultan Mehmet the Conqueror, the nation system was established, leading to the formation of the Greek nation in 1454 as the first significant nation (Karpat, 1982: 145). In 1821, until the establishment of the Greek state, there was no change in the Greek Orthodox identity, but with the Greek state, people who belonged to the Greek nation gradually began to identify themselves with the Greek state. The educational policies of the Greek state in Anatolia have an important place in the formation of this situation (Anagnostopoulou, 2010). Since achieving independence in 1960 from British colonial rule, Cyprus has been distinguished by its rich cultural heritage, marked by the coexistence of Greek and Turkish communities. The Republic of Cyprus is acknowledged as a sovereign entity and has held membership in both the United Nations and the European Union since 2004 (Ker-Lindsay, 2011).

In spite of its profound cultural heritage, Cyprus has encountered enduring political and ethnic divisions. In 1974, following a military coup supported by the Greek junta and the ensuing Turkish military intervention, the island was partitioned into two primary areas: the Greek Cypriot south and the Turkish north (Güler, 2004). Established in 1983, the Turkish Republic of Northern Cyprus (TRNC) enjoys recognition solely from Turkey, whereas the Republic of Cyprus maintains its role as the island's representative on the international stage (Dodd, 2010). Despite ongoing reunification efforts facilitated by international organizations like the United Nations, a resolution remains elusive. The schism has inflicted profound wounds, manifesting not merely in the political realm but also permeating the economic and social domains. The economic development of Northern Cyprus has been significantly hindered by the imposition of economic embargoes and challenges related to international recognition.

Economic interaction is considered unavoidable, as the island's primary source of income is tourism (Liasidou, 2018), along with labor transitions, which require social interaction among different groups. The prolonged economic isolation of Turkish Cypriots for three decades, coupled with their reliance on brands produced in Turkey and the employment of Turkish labor in vital sectors like construction (Hatay & Bryant, 2011: 17-18), underscores the importance of exploring economic interactions. Conversely, several elements like Southern Cyprus' affiliation with the European Union and the use of the euro as currency enhance the appeal of working in Southern Cyprus for Turkish Cypriots, thereby boosting economic engagement between the communities. Consequently, there are also entities that create and uphold connections.

Today, Cyprus serves as a significant example for examining the dynamics of cultural interaction and intergroup relations within a politically nuanced framework. The bifurcated nature of the island has significantly shaped its economic policies, governance frameworks, and social interactions, fostering a distinctive context for examining the potential of economic tools to either connect or deepen cultural and intergroup disparities (Diez, 2002). The Cyprus conflict exemplifies the intricate challenges associated with national sovereignty, ethnic identity, and the pursuit of regional stability.

4. Research Methodology

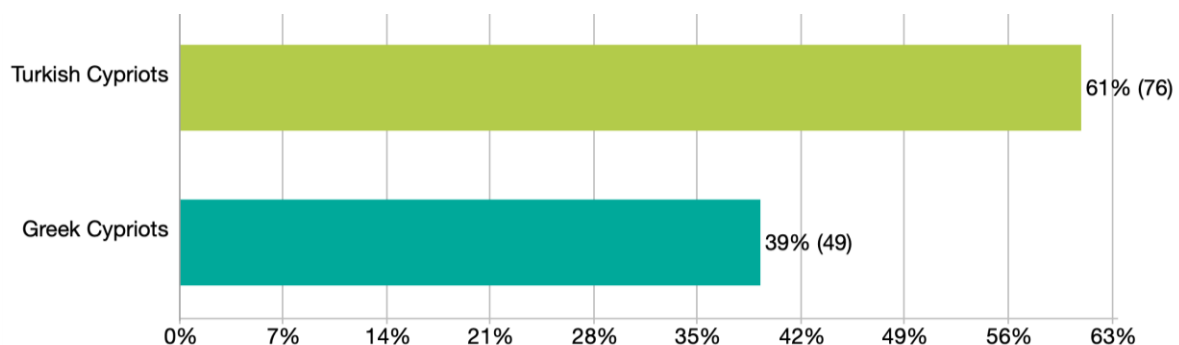
This study employs a qualitative research method characterized by a focus on meaning, interpretation, and a naturalistic approach, drawing on lived experiences, emotions, and facts (Creswell, 2021). The study employed a phenomenological design, focusing on uncovering the shared and universal meanings behind individual experiences (van Manen, 1990).

4.1. Sampling

The participants in this study include individuals from both the Turkish Cypriot and Greek Cypriot communities. Given the challenges in accessing the individuals that make up the study population and the lack of complete information regarding this population, a stratified and purposive sampling method was employed as the chosen sampling type (Higginbottom, 2004; Robinson, 2014). Besides age (Ritchie et al., 2013) and identification (Turkish-Greek), the uniformity and diversity of the geographical area of residence also influence the selection of the sample (refer to Robinson, 2014 for an in-depth discussion). The participants in the study were thoughtfully chosen to guarantee an even representation across different demographic groups, including gender, age, and social community affiliation. This method was implemented not just to guarantee representativeness but also to highlight the significance of diversity in cultural studies. Incorporating a variety of viewpoints is essential for grasping intricate social interactions.

The individuals who took part in the study were thoughtfully chosen to achieve a well-rounded representation across different demographic groups, such as gender, age, and social community ties. This method was crafted to ensure not just representativeness but also to highlight the significance of diversity in cultural studies, where incorporating various viewpoints is essential for grasping intricate social dynamics. The participant pool included 76 Turkish Cypriots and 39 Greek Cypriots (see Fig. 1), ensuring a significant representation of both communities and their distinct cultural backgrounds.

Figure 1. Participants' Communities



The gender distribution within the sample was nearly equal (see Fig. 2), ensuring that the experiences and viewpoints of both male and female participants were adequately represented. Furthermore, a similar balance was maintained across different age groups, enabling the exploration of intergenerational perspectives (see Fig. 3). By maintaining proportional representation across these key demographic variables, the study aligns with best practices in cultural research, which

emphasize the necessity of diverse and inclusive samples to capture the nuanced interplay of cultural, social, and individual factors. This diversity strengthens the study's capacity to offer meaningful insights into the complexities of the cultural phenomena under investigation.

Figure 2. Gender Distribution of the Participants

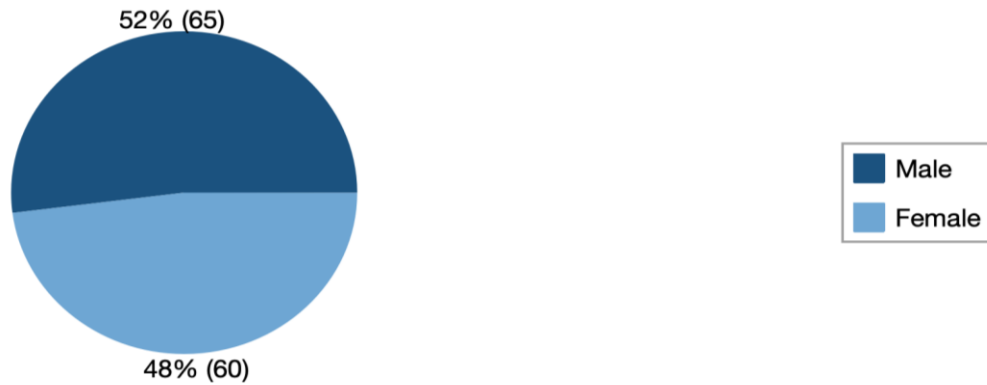
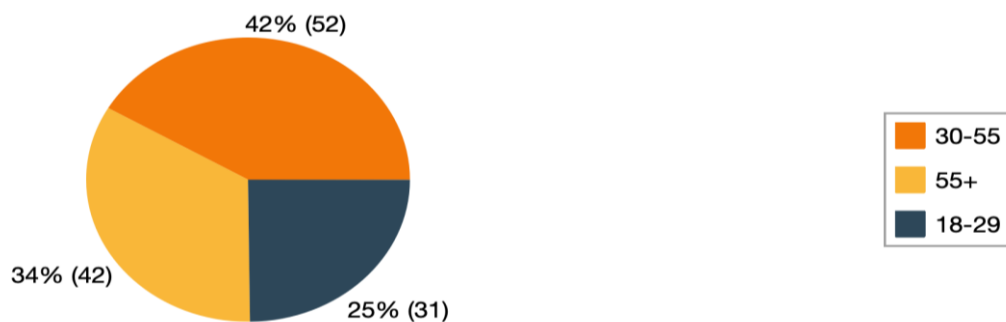


Figure 3. Age Groups of the Participants



4.2. Data Collection and Analysis

The data were collected through in-depth interviews. The selected interview technique facilitates a thorough exploration of individuals' beliefs, attitudes, and behaviors (Hossain, 2011). Semi-structured interviews serve as a valuable methodological tool that helps participants maintain focus more effectively than unstructured interviews. They can be integrated with other methods like participant observation and document analysis (Adams, 2015). This approach offers flexibility by adhering to a pre-designed guide or protocol, which provides a general structure centered around a core topic while still allowing for exploration and adaptability as the conversation unfolds (McIntosh & Morse, 2015; Magaldi & Berler, 2020).

While a clear agreement on the sample size in qualitative research remains elusive, recent discussions suggest that the size is influenced by the depth and quality of the qualitative data collected (Boddy 2016; Malterud et al. 2016). Qualitative research is distinct in that it does not seek to produce generalizable outcomes. Therefore, it is essential to specify the number of participants responding to the research question as part of the sample size. While observing a minimum of 10 individuals is common, the methodology suggests that the sample size should be defined throughout

the process. In essence, data collection should continue until saturation is achieved (Vasileiou et al., 2018; Gill, 2020).

The analysis of the interview transcriptions will employ both deductive and inductive coding methods in conjunction. The semi-structured format of the interviews allows for the identification of key themes prior to the fieldwork, facilitating the development of master codes during the coding process. The existence of primary codes, such as shopping fluidity and special day rituals, highlights the deductive nature of coding, demonstrating that theoretical knowledge is applied in the analysis of data. Conversely, the emergence of codes beneath the primary codes, stemming directly from the repeated expressions identified in the field study interviews, along with the patterns formed between these emerging codes, highlights the deductive nature of the coding process to be undertaken (Fereday & Cochrane, 2006).

5. Findings

5.1. Economic Activities of the Cypriots

Participants were asked about the primary economic activities of both their own community and the other community on the island (Greek Cypriots for Turkish Cypriots and Turkish Cypriots for Greek Cypriots). The responses are summarized in Table 1 and 2.

Table 1. What is the Main Economic Activity of Your Community?

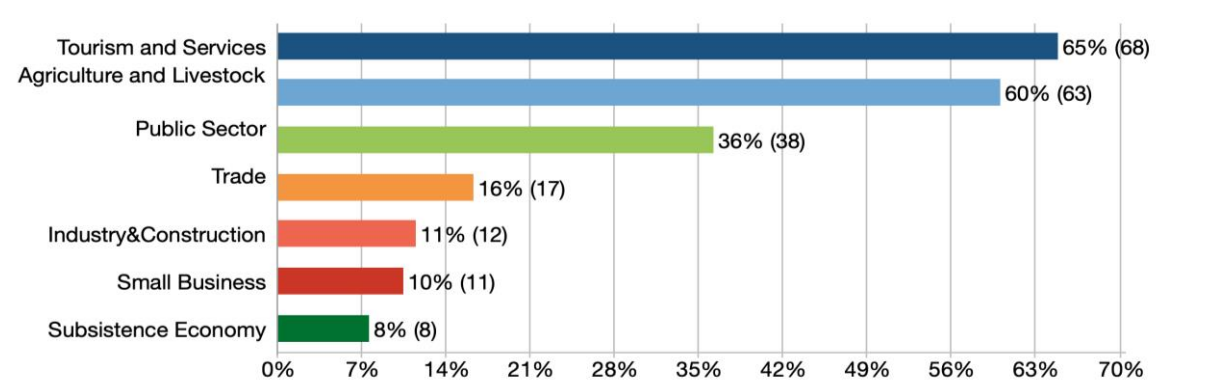
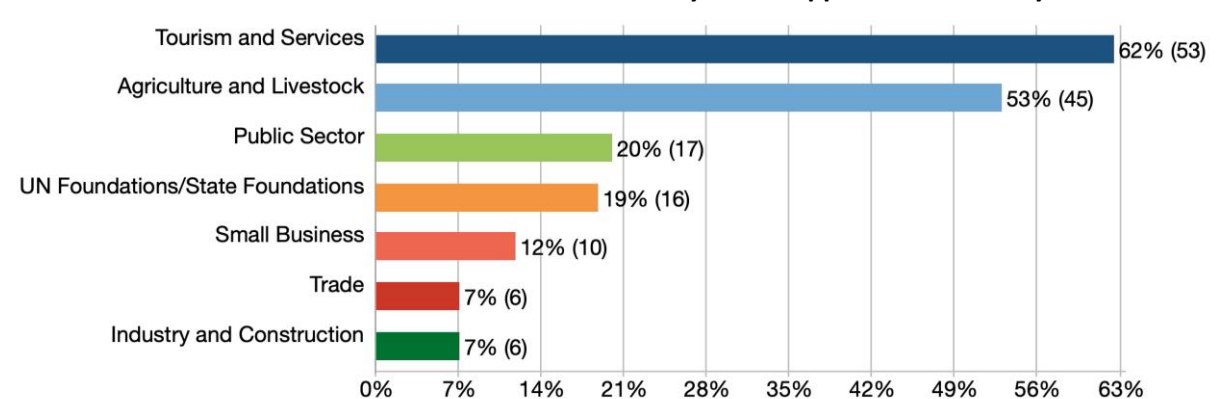
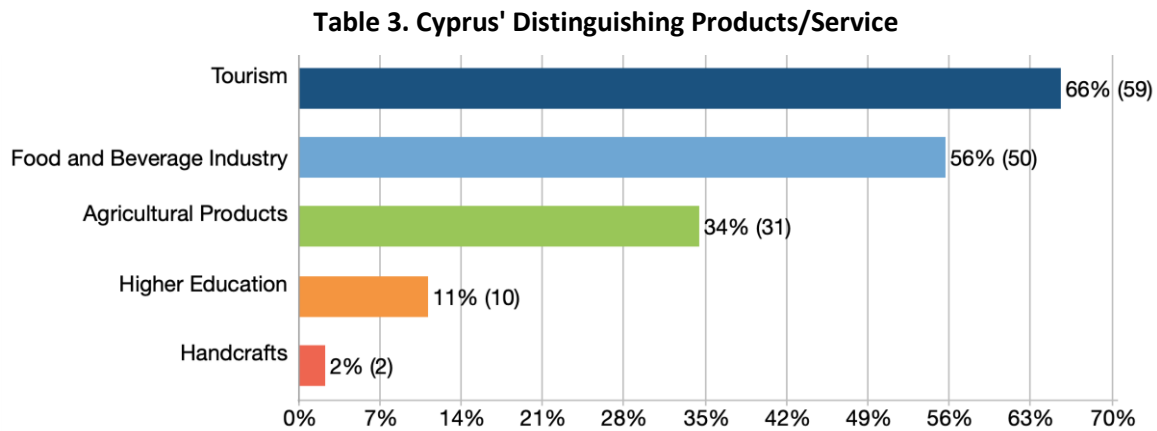


Table 2. What is the Main Economic Activity of the Opposite Community?



Both communities were noted to predominantly depend on various sectors including tourism and services, agriculture and livestock, public sector employment, trade, industry and construction, as well as small-scale craftsmanship. Tourism and services, as well as agriculture and livestock, emerged as the main contributors to economic income for both communities.

Participants identified tourism, food and beverage-related activities/products, and agricultural products as the core economic activities or products distinguishing Cyprus (see Table 3).



The participants hold distinct perspectives regarding the island's livelihood and its unique economic activities. The perception of education as a distinguishing service on the island indicates a notable sectoral transformation that has taken place. In the face of various economic and political challenges, university students are drawn to Northern Cyprus from Turkey and various other regions globally (Mavioglu, 2024: 4). The higher education institutions in Northern Cyprus have the capacity to accommodate over 50 thousand students (Tanova & Ajayi, 2016). The higher education sector plays a crucial role in fostering economic, educational, and political inclusion in Northern Cyprus (Mavioglu, 2024: 9). Therefore, while UN aid is a source of livelihood, it is not seen as a distinctive economic activity of the island. Education, in contrast, is not viewed as a means of earning a living but has evolved into a sector that sets the island apart.

Given Cyprus's widely recognized tourism potential, the emphasis on tourism by participants was not surprising:

“The economic activities that would ensure Cyprus is recognized as Cyprus are, as we mentioned, primarily tourism. More specifically, tourism and hotels in Cyprus contribute to the enrichment of the country. These developments began due to the geographical structure and favorable weather conditions. For instance, the beautiful sunny weather, the mild and sunny winters have facilitated advancements in hotel tourism, making a significant contribution to the economy.” (K 45, Male, 40, Greek Cypriot, Pile)

Moreover, the island’s higher education sector, which has gained significant attention from neighboring countries in recent years, was also highlighted in participant narratives. Specifically, 11% of participants stated that higher education is among the economic activities that set Cyprus apart. One participant elaborated on the role of universities in Cyprus’s economy, stating:

“There are so many students here. It is mostly the universities that have developed this place. There are a lot of universities. Is this a problem? I don’t think so. Because, as a small country, our capacity is limited to what we can do to strengthen our economy. And the universities here are excellent.” (K 16, Female, 30, Turkish Cypriot, Gazi Mağusa).

In the realm of food and drink, participants highlighted a variety of dishes and beverages that are distinctive to Cyprus. Halloumi, together with Garevulli, Çakistes, Gullirgiya, Şeftali Kebabı, and

Molahiya, is recognized as a notable traditional dish cherished by both communities in Cyprus. These items embody the island's culinary heritage and function as instruments of the cultural economy.

5.2. Challenges in Economic Activity

Alongside pinpointing the key economic activities and unique products of Cyprus, participants were also inquired about the significant challenges encountered in carrying out these economic activities. These challenges were organized into four primary categories: political, commercial, financial, and sectoral challenges.

As anticipated, the enduring political challenges that Cyprus has encountered on the global stage surfaced as the most referenced issues in relation to economic activities. In this context, the enforcement of embargoes and the associated matter of non-recognition were the most highlighted subjects (Günçavdi & Küçükçiftçi, 2009). Furthermore, issues like reliance on Turkey and shortcomings in local production were emphasized as major factors impacting economic performance.

In exploring the theme of political challenges within economic activities among Turkish Cypriot and Greek Cypriot participants, two significant observations come to light. Initially, Greek Cypriots point out the effects of embargoes, emphasizing their wider economic ramifications. In contrast, Turkish Cypriots tend to highlight Turkey's impact more often than their Greek Cypriot counterparts. The distinctions highlight the diverse viewpoints influenced by the unique historical and political backgrounds of each community. Furthermore, even if they are not directly impacted by the activities on the opposite side of the island, the communities show a keen awareness of the economic changes taking place there and often highlight the negative circumstances.

For instance, a Greek Cypriot participant reflected on the decline of traditional agricultural activities, stating:

"In the past, Greek Cypriots and Turkish Cypriots used to grow sesame here. And it was sold to the local buyer. Now, it's gone. Completely gone. Tobacco, too. This village used to produce the world's highest quality tobacco. After '74, embargoes came, and it ended." (K78, Female, 21, Greek Cypriot, Dipkarpaz).

The commercial challenges faced by the island's residents are closely tied to political issues. In this context, the effects of the embargo and the differing international political affiliations of the two sides of the island are viewed as significant factors contributing to these difficulties. Participants emphasize that Turkish Cypriots encounter challenges in participating in international trade because of the embargo placed on the Turkish Cypriot side. Consequently, when they seek to participate in this trade, they need to get through the Greek Cypriot side, leading to additional costs like exchange rate variations and intermediary charges. Moreover, individuals from the Turkish side have expressed concerns that the simplicity of trade is resulting in high-quality goods being directed to the Greek side, which complicates their ability to locate quality products within their own community. One participant illustrated the commercial challenges in economic life by highlighting various factors in the following manner:

"Ultimately, you end up selling to the Greek side. It's good for them because they get the goods at a lower price. It's also good for us because we sell it here at a higher price. I've observed something, though. Ever since the Green Line Regulation came into effect, the better-quality products go there. We can no longer find good quality products even if we're willing to pay for them. For example, there used to be something called "Cyprus potatoes," which were very starchy and had a unique taste. Those, for instance, are now going there. The fish caught in the open sea—I'm not talking about farmed fish—are also being sent there under the Green Line Regulation.

Most of what you eat in restaurants here is farmed fish, not open-sea fish. In fact, some restaurants even offer it as a second option. Yes, yes, because the better-quality products go there. Even with beef, for example, sometimes I can't find a good steak. Why? Because it either goes to the hotels or to the other side." (K41, Male, 44, Turkish Cypriot, Dipkarpaz).

In the context of financial challenges in economic activities, currency exchange rate disparities stand out as a significant issue. Turkish Cypriot participants emphasize the economic inequalities arising from these disparities between the two communities. One Turkish Cypriot participant highlighted this issue by sharing their personal experience:

"I can't think of much interaction, but I work at a market, and sometimes I have to work at the register. And I can clearly see the big financial difference between Turkish and Greek Cypriots. For instance, when a Greek Cypriot customer buys something, they pay quite easily without much concern. But when a Turkish Cypriot comes and buys just a few items, they often hit their financial limit." (K 6, Female, 20, Turkish Cypriot, Beyarmudu).

In the context of sectoral challenges, the issue of property sales to foreign buyers is frequently mentioned by participants. Turkish Cypriot participants, in particular, express concerns over the impact of this trend on the local real estate market. One participant remarked:

"They just took our land, Russians, Iranians. In this construction sector, they became like Pharaohs. They said, 'We've achieved wealth,' but at the end of the day, none of the houses were bought by Cypriots. It was Russians, Iranians, and if you talk about Filipinos or Pakistanis, you should see the square on a holiday. They got into a fight—15-20 people clashing—and there wasn't a single Cypriot there, not even a Turk." (K 135, Female, 25, Turkish Cypriot, Gazi Mağusa).

Similarly, Greek Cypriot participants highlight the challenges posed by rising housing costs driven by foreign investments. One participant shared their difficulties in finding affordable housing:

"Construction is a big sector in Cyprus—building houses, hotels, etc. When I wanted to buy a house in this area, I was renting and wanted to settle here. But I couldn't find a house that fits my budget. We're a young couple, both of us work, and we had some savings, but we couldn't find a house because every house in this area is built for people like Asians, Russians, or Iranians who come to Cyprus to buy property and gain EU citizenship. This type of migration to Cyprus affects prices; they're rising, and the situation is a complete mess. Living and housing conditions in Cyprus are terrible right now. We don't have affordable houses, nor affordable rentals. You see people in their 30s still living with their parents because they can't afford to move out. Rents are €700, but salaries are €1,000. It's madness." (K 82, Female, 40, Greek Cypriot, Pile).

The economic ties between Greek and Turkish Cypriots have experienced notable changes throughout history. The economic policies implemented after the division, including embargoes on Northern Cyprus, have highlighted the differences between the two communities. The gradual easing of border restrictions in 2003 created avenues for economic cooperation between communities, encouraging interdependence and informal cultural interactions.

Mutual dependence on industries such as tourism and agriculture highlight the connected economic paths of these communities. The presence of Turkish Cypriots in the southern region of the island

highlights the flexible economic approaches that foster intercommunal engagement, throughout political separations. These economic endeavors not only boost trade but also act as spots for cultural exchange, allowing communities to redefine their identities and views of one another.

5.3. Purchasing Goods Across Communities

Participants were asked about their perspectives on purchasing products from the other community. The motivations for engaging in or avoiding this activity were categorized into two groups: **pull factors** and **push factors**, as shown in Figure 5.

Figure 4. Factors of Buying Products from the Opposite Side



One of the key reasons highlighted by participants for acquiring goods or services from another community is the more affordable pricing of specific products or services available there. The difference in prices is especially clear in situations where currency exchange rates and tax policies vary greatly between the two communities, leading to significant motivation for shopping across community lines. Conversely, push factors mainly focus on the constraints present in the participants' own community, including insufficient stores, brands, or goods. Turkish Cypriots often find themselves compelled to look beyond their local areas due to the scarcity of stores or brands, leading them to explore options across the Green Line. On the other hand, Greek Cypriots are primarily driven by the financial advantages present on the Turkish Cypriot side, highlighting how economic disparities influence consumer choices.

This situation highlights the wider economic and social disparities that continue to exist between divided communities. Researchers examining economic interactions across borders in divided societies frequently highlight that these exchanges are mainly motivated by practical factors like price variations and the availability of products, rather than by ideological or cultural inclinations (Diez, 2002; Scott, 2000). In Cyprus, the lower fuel prices on the Turkish Cypriot side emerge as a significant attraction for Greek Cypriots, especially considering the increasing living expenses and fuel taxes in South Cyprus. In a similar vein, Turkish Cypriots encounter a distinct array of challenges, mainly associated with the restricted access to certain products or brands within their community, driving them to venture across the border for items like electronics or specialty foods.

When participants were asked whether purchasing goods or services from the other community elicited any reactions from their own community, the responses revealed a nuanced landscape. While some participants reported no significant reactions, others highlighted instances of disapproval, particularly in cases where economic interactions were perceived to threaten the interests of local businesses. Notably, some participants observed a diminishing trend in such reactions over time, suggesting a gradual normalization of cross-community exchanges. However, a

recurring issue raised by participants was the reaction from the Greek Cypriot side, particularly from gas station owners and government officials in South Cyprus, to Greek Cypriots purchasing cheaper fuel from the Turkish Cypriot side. As one Turkish Cypriot participant noted:

"I haven't personally encountered such reactions, but it's mostly about fuel. Many Greek Cypriots buy fuel from the Turkish side because it's cheaper, and certain Greek Cypriots, especially gas station owners, are quite upset about this. They lose business economically. As for Turkish Cypriots, I've never heard anyone complain about it." (K 30, Female, 28, Turkish Cypriot, Pile).

Participants were also asked to provide details about the specific items or services they purchased from the other community (see Figures 6 and 7). The findings indicate that fuel is the most frequently purchased item from the Turkish Cypriot side, primarily due to its lower price, which, as noted earlier, has sparked reactions from the Greek Cypriot side. On the other hand, products like pork and branded items—unavailable on the Turkish Cypriot side—are the most commonly purchased goods from the Greek Cypriot side. These purchasing patterns reveal how both pull and push factors interact to shape cross-community consumption, reflecting a blend of economic necessity, cultural preferences, and practical considerations.

The dynamics of such interactions also align with broader theoretical frameworks on cross-border exchanges in divided societies. For instance, Diez (2002) highlights that economic interactions in such contexts often serve as both a bridge and a barrier, facilitating practical cooperation while exposing underlying structural inequalities. Scott (2000) adds that economic asymmetries can exacerbate perceptions of inequality, potentially fueling social tensions if not managed effectively. In the case of Cyprus, the interplay between economic disparities, political sensitivities, and cultural preferences underscores the complex relationship between economic activities and societal divisions.

Participants were also asked about the specific items or services they purchased from the other community (see Figures 6 and 7). The findings indicate that fuel is the most frequently purchased item from the Turkish Cypriot side due to its lower price, which, as mentioned earlier, has sparked reactions from the Greek Cypriot side. On the other hand, products like pork and branded items—unavailable on the Turkish Cypriot side—are the most purchased goods from the Greek Cypriot side, reflecting the influence of push factors on these purchases.

Figure 5. Popular Items to Buy from Turkish Cypriots

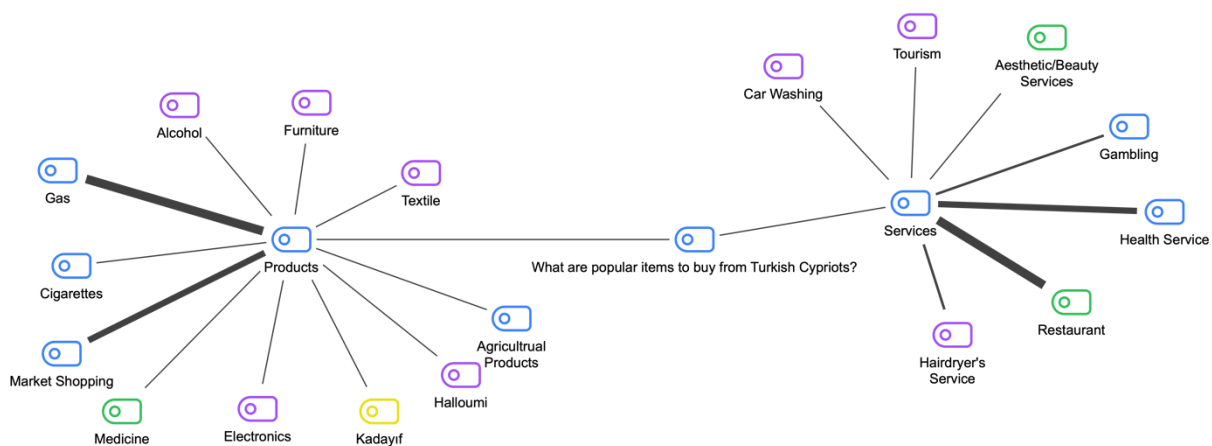
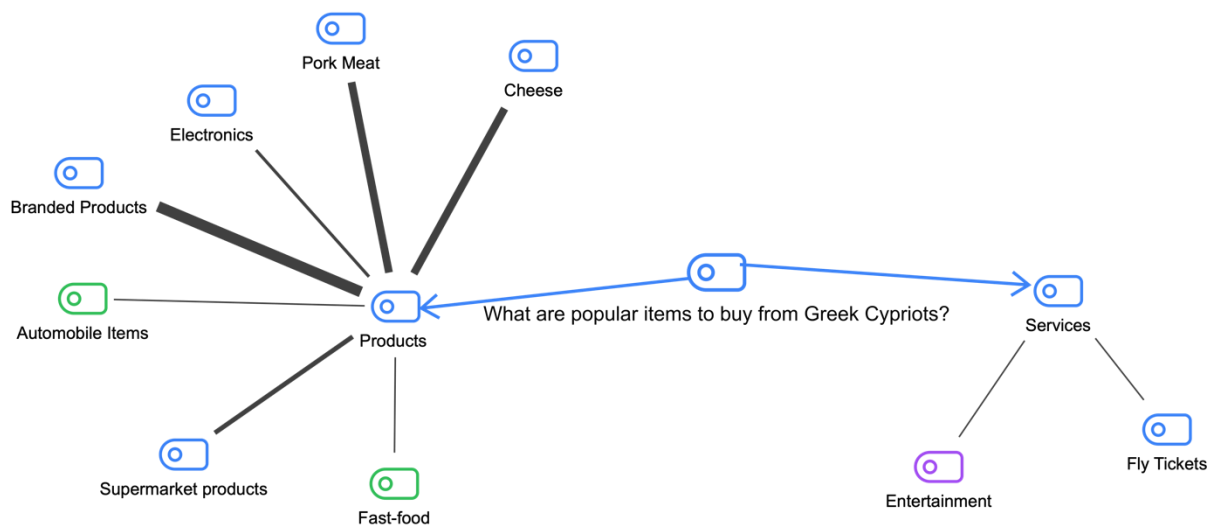


Figure 6. Popular Items to Buy from Greek Cypriots



"For example, there are things I buy. They are British brands that we don't have here. Instead of finding someone to bring them from the UK, we get them from that side." (K 18, Female, 48, Turkish Cypriot, Gazi Mağusa)

"Because of Because the gas prices were much lower." (K 24, Male, 49, Greek Cypriot, Nicosia)

"My opinion is that Turks usually go to the Greek side to eat things like McDonald's, which are not available on the Turkish side. I don't think they go specifically for brands, like to buy a certain brand from the Greek side. But what could they buy? In the malls (on the Greek side), they buy makeup brands that are not available in the TRNC. That's what I've heard they buy." (K 29, Female, 36, Turkish Cypriot, Pile)

"Yes, yes, the most popular thing is McDonald's. There are a lot of people, especially those crossing from Ledra, saying, 'Let's eat at McDonald's' or 'Let's go to Zara, Bershka, Pull&Bear.' This is already very common, especially among young people, like 'Let's cross to Ledra and go to Zara,' and so on." (K 31, Male, 21, Turkish Cypriot, Pile)

6. Discussion & Conclusion

The interplay between culture and economy in Cyprus reflects a complex relationship shaped by historical grievances, political realities, and shared aspirations. The cultural economy emerges as a promising domain to enhance intercommunal relations by leveraging shared heritage and collaborative opportunities. However, addressing barriers such as political mistrust and economic disparities remains crucial. The ongoing dispute over politics undermines the direct trade and financial connections between the two communities. The island's economy primarily relies on the service sector, and the state-controlled nature of the northern part complicates the establishment of stable connections (Laouris et al., 2015).

Tourism and agriculture stand out as the primary economic sectors, with education highlighted as a unique aspect of the island's economy. Assistance from the United Nations is noted as a contributor to income, yet it is not recognized as a unique economic endeavor of the island. While the embargo

on Northern Cyprus (Günçavdi & Küçükçiftçi, 2009) introduces various economic viewpoints, the responses from the participants indicate a consensus on the same economic sectors.

Societies engage in mutual interaction and exchange through complex economic mechanisms and frameworks, where the exchange of goods, services, and ideas transcends mere transactional relationships, forming deeper socio-cultural connections. These interactions, however, are not insulated from larger structural forces; they are significantly influenced by macro-level variables such as international politics and geopolitical dynamics. The way economic instruments operate and are perceived within societies is deeply shaped by these overarching forces, demonstrating the multifaceted nature of global-local interdependencies (Throsby, 2001; Diez, 2002).

This phenomenon underscores the profound interdependence between quotidian local dynamics and the broader macro-structural contexts in which they are embedded. For instance, trade practices, labor exchanges, and cross-border economic activities often reflect both the immediate needs of local populations and the larger political and economic frameworks governing those interactions. Such interdependencies illustrate how local economic decisions are often a microcosm of global political and economic realities, as local economic actors navigate the constraints and opportunities shaped by international policies, trade agreements, and political alliances (Scott, 2000).

Over time, the economic behavior of the Greek and Turkish Cypriot communities has clearly evolved, resulting in a transformation of the economic dynamics in Cyprus. This transformation is marked by a closer and more advantageous economic connection between the two communities, even in the face of legal, physical, and psychological obstacles (Apostolides et al., 2012). Following the opening of the borders in 2003, Turkish Cypriots from the North were able to travel freely to the South for work, which created employment opportunities and enhanced mutual economic relations (Giritli et al., 2014). The relationship structure, previously characterized in the literature as non-dependent (Doster, 2021), has now evolved into a dependent structure.

Moreover, economic activities are closely intertwined with the cultural instruments of societies, as culture often shapes the values, norms, and practices that underpin economic behavior. Cultural frameworks influence consumer preferences, labor practices, and even the organization of production and trade. Conversely, economic structures and activities also play a role in reinforcing and sometimes reshaping cultural patterns over time. This bidirectional relationship between culture and economy suggests that economic instruments are not only tools of financial exchange but also mechanisms of cultural expression and preservation (Hesmondhalgh, 2012). For example, the promotion of traditional crafts and local cuisines within tourism markets demonstrates how cultural instruments can be integrated into economic systems, enhancing both cultural visibility and economic viability.

Even in contexts where spatial and cultural commonalities appear to align with economic activities, political mechanisms often emerge as the defining element of distinction. These mechanisms play a critical role in delineating boundaries, influencing resource allocation, and mediating the interplay between shared cultural-economic frameworks and broader institutional structures. In divided societies, for instance, political decisions regarding border controls, trade policies, and governance frameworks often dictate the extent and nature of cross-community economic interactions. This highlights how political factors can override or reshape cultural and economic commonalities, introducing elements of conflict or cooperation into what might otherwise be seamless economic exchanges (Dodd, 2010).

Ultimately, the relationship between economic instruments, cultural dynamics, and political mechanisms reflects the complexity of human societies. Economic activities are not just functional processes but are deeply embedded in cultural narratives and political structures, shaping and being shaped by the contexts in which they operate. Recognizing this interconnectedness is essential for

understanding the nuances of societal interaction and the potential for fostering cooperation through economic and cultural means.

Future research could explore the role of cultural diplomacy and international collaborations in promoting reconciliation. Additionally, policymakers should consider incentivizing joint cultural and economic initiatives that celebrate the island's diversity while fostering sustainable development for both communities.

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