

THE IMPACT OF A TURKISH ENTRY IN THE EU

This essay firstly provides a brief overview of the history of Turkey-EU relations and then the most important consequences of an eventual Turkish accession to the EU. Within this framework, 5 pillars are discussed with regard to which the impact of an eventual Turkish membership might be most influential. The economic aspect which could be decisive for Turkey's EU membership will also be covered, in light of the economic impact of the recent enlargement of the EU.

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As a secular and democratic state in a less than secure geopolitical region, Turkey has no alternative other than to anchor itself to Europe. Relations between Europe and Turkey as well as mutual cultural exchanges have been present at the highest level for hundreds of years. For Europe, the Ottoman Empire used to be a bridge to the Orient. Now it is the Turkish Republic that plays this role. Whereas European culture received endless impulses from Ottoman culture, especially after the fall of Constantinople in 1453, the Turkish mind has always regarded progress as moving towards Europe. This move was legitimized by Turkish regimes as Western individual and social styles were defined as the most modern forms of state and economy. The orientalist approach of Europe, however, stressed mostly the contrasts between Turkey and Europe, especially after the siege of Vienna.

It must be noted that the influence of European thinking on Turkey is in many cases underestimated. In fact, Turkey was and is on a continuous path of integration with Europe. The national structures of Turkey – parliamentary-representative democracy, legal system, and administration - are, unlike other Islamic countries, heavily influenced by European values. The will to belong to Europe has been the determined goal of Turkish policy since Atatürk established the state in 1923. Orientation to the West is not just one of many options, but is rather an integral component of the secular republic and economic modernization.

The relations between the European Union and Turkey began with the Association Agreement in 1963. Further milestones were the membership application of Turkey in 1987, the upheavals in the international system in 1989/1990, the introduction of the Customs Union of the EU with Turkey in 1996 and finally the granting of candidate status by the European Council in Helsinki in 1999. Currently the relations are in a very important stage. At the end of 2004, the decision regarding the start of accession negotiations with Turkey will be on agenda.

The present article provides a brief overview of the history of Turkey-EU relations as well as the most important consequences of an eventual Turkish accession to the EU. Within this framework, 5 pillars will be discussed with regard to which the impact of eventual Turkish membership might be most influential. The economic aspect which could be decisive for Turkey's EU membership will also be covered, in light of the economic impact of the recent enlargement of the EU.

Turkey as a Candidate Country

Turkey received the official status of a candidate country to the European Union at the Helsinki Summit in December 1999.¹ By opening the way for eventual membership, candidate status has changed Turkey in a perceptible and sustainable way. Since March 2001, which is the date when the Turkish Cabinet finalized its National Program, substantial reforms have been made, marking a breakthrough in fulfilling the Copenhagen Political Criteria for membership: the abolition of capital punishment (death penalty), approval for education to be provided in native languages other than Turkish, as well as the approval of Kurdish or foreign-language broadcasting stations and TV programs.

Both the need for these reforms and the 2004 enlargement of the EU put pressure on Turkey to make progress towards securing its own prospects for membership. With the largest enlargement in EU history, the circumstances in Europe will change dramatically. This is also

¹ For more information about Helsinki European Council, 10-11 December 1999 see http://europa.eu.int/council/off/conclu/dec99/dec99_de.htm.

one reason why Turkey has increased its efforts to begin the accession negotiations as soon as possible. Each enlargement of the EC/EU, including the Greek and the Iberian stage (Spain and Portugal), has weakened Turkey's prospects for membership. The latest enlargement will most likely be an even a bigger burden because of its financial cost to the EU.

A further delay of the negotiation date in December 2004 would mean that accession negotiations would begin after the affiliation of the other candidate states, resulting in an even further decline in the general conditions for Turkey's membership. With the first round of the enlargement, ten new member states will enter the internal resources battle, leaving little room for further net-receivers. Even if Turkey is ensured that the new members will not have veto power regarding questions of enlargement, this does not guarantee that the views of the old members will remain the same after the enlargement. However, the Copenhagen decision clearly indicated definite prospect status. It is emphasized in paragraph 18 of the decision that Turkey is an eligible country and should join the European Union on the basis of the same criteria that is applied to the other candidate countries, so debate about whether Turkey is eligible or not in terms of cultural and geographical factors is clearly over.

An examination of the EU's policy regarding Turkey reveals that its ambivalent position. On the one hand, there exist commitments to a contract and common strategic interests. On the other hand, there are the objective comprehensible Copenhagen Criteria as well as emotional provisos against Turkish entry, such as Turkey's not being a part of the Christian Occident and its position as a borderland between Europe and Asia. Beyond these contradictions, one may add that there is no unity among EU member states in terms of what the future of Europe should look like and how its common foreign and security policy should be established.

In this respect, the possible role of Turkey in the Union is also undefined. The EU had not anticipated such a quick reform process. The EU carried out a policy where it tried to delay any decision as long as possible without discouraging Turkey from its membership efforts. Until now, it relied on the habitual carelessness of Turkey concerning the improvement of essential democratic and constitutional standards as well as the standards for human rights. With Erdoğan in the government, it seems that this policy of postponement is not possible anymore.

Mutual Perceptions

After the realization of the tasks which Turkey was obliged to perform with regard to the EU within the National Action Program, Turkey confidently expected to be given a date for the beginning of the accession negotiations. The hesitant reaction of the EU, which was caused by a lack of implementation of the reforms that were passed by the parliament only served to increase the current distrust felt by Turkey and left the impression that the EU does not act honestly and fairly. Moreover, the mention of opening negotiations with Croatia before Turkey fueled the fires of concern.² The fact that Romania and Bulgaria are on the way to conclude negotiations and join the EU is especially noted since in these countries, restrictions on freedom of expression still exist and the protection of minorities is insufficient. These were noted, along with the persisting problems with corruption, in the respective yearly Progress Reports.³ Since 1997, all twelve countries have been categorized by the EU as states fulfilling the Copenhagen Political Criteria. The perception that the EU treats Turkey like a stepchild is widespread in the country. This fear, accompanied by arguments that Turkey will not be treated fairly as a candidate country, persists. The underlying factors suspected of playing a

² "Croatia to join the EU," *Euobserver*, 16 June 2004, <http://www.euobserver.com/?aid=16672>

³ See EU-Commission's Regular Reports, 1998-2002, pp. 13ff.

role in this “unfairness” are the geographical location of Turkey, the security implications, the financial burden of an eventual Turkish membership, and the export of Turkish unemployment to the EU.

The Five Pillars of EU-Turkey Relations

What impact will Turkish membership have on the EU? The anticipated changes can be listed as five pillars; The balance of power in EU institutions, foreign trade, the common foreign and security policy, free movement of labor within the Union and the structure of the resources and expenses of the EU budget.

Representation of Turkey in EU Institutions

The conclusions of the Nice Summit of December 2000, and the agreed upon European Convention, which still awaits ratification, will finalize the structure of the enlarged EU.⁴ According to the decision made in Nice, if Turkey were a member, Turkey would be represented with 74 sitting members (like France, Great Britain and Italy), and have 29 votes in the EU Council (similar to Germany, France, Great Britain and Italy). Moreover, Turkey could send 1,000 – 1,500 bureaucrats to the European Commission and other institutions of the EU. As population size has gained significance with these new developments, Turkey’s power in the Council of the EU would be even stronger.⁵ Turkey, like all the other member states, will have the right to nominate a commissioner. The EU constitution foresees a decline in the number of commissioners after 2009. While it is not defined yet how this reduction will be achieved, it is clear that no member state will have more than one commissioner.

Customs Union

Turkish membership in the EU would not have a negative effect on the EU. First it is the EU that profits from the Customs Union. From 1996 onwards the active trade balance of the EU in its foreign trade with Turkey amounted to 60 billion USD.⁶ The Customs Union, which currently only applies to industrial goods, has to be expanded if Turkey joins the Union to include services and agriculture.

Freedom of Movement

The Association Agreement (AA) of 1964, the Additional Protocol of 1973 and several later decisions of the Association Council form the backbone of freedom of movement within the EU. Originally it was determined that freedom of movement should be introduced in stages between the end of the 12th and the 22nd consecutive year, after the AA takes effect. If Turkey is granted full membership, many EU states fear that freedom of movement could increase unemployment in Europe. Before the membership of Greece (1981), Spain and Portugal (1986) to the EC these worries also existed, however these fears did not materialize. In any case, Turkey has expressed several times its willingness to forgo the immediate right to freedom of movement for Turkish labor in case of membership.⁷ Ankara has proposed a transition period following the example of Greece, Portugal, Spain and Poland.

Effects on the EU-Budget

Calculations indicate that none of the new members can reach the sum received by Greece, Portugal, Ireland and Spain before 2004. The total sources transferred to Greece in 2003 was over 3 billion EUR. In relation to the population of Greece, the amount per person is 285 EUR. When considering the sources which are allocated to some of the new members the amount, per person, is as follows; Poland: 79.3 EUR, Hungary: 50.6 EUR.

⁴ For detailed conclusion of Nice Summit see http://europa.eu.int/council/off/conclu/dec2000/dec2000_de.htm.
For the text of the constitution see http://ue.eu.int/uedocs/cms_Data/docs/pressdata/en/misc/81243.pdf

⁵ Germany agreed to compromise on the number of votes in the voting system in the council.

⁶ Personal calculations based on the foreign trade statistics of the Office of Foreign Trade, Turkey.

⁷ *Rheinische Post*, 5 September 2003.

If Turkey had joined the EU in May 2004, its share would have been 90.6 EUR per person. This means that if Turkey had become a member in 2004, it would have paid 1.951 billion EUR to the EU budget. In return, it would have received 8.129 billion EUR from the EU budget. Therefore, Turkey's burden to the EU budget would have been 6.177 billion EUR in 2004. This in turn means that for every 1 EUR paid by Turkey it would receive 4.16 EUR back. In comparison to Latvia this is a difference of 0.82 EUR since for every 1 EUR paid in by Latvia it receives 4.98 EUR back, although the population of Latvia is relatively smaller than Turkey.

Turkey's contribution to the budget until the end of 2006 would be 5.2 billion EUR. Poland's would be 6.10 billion EUR. According to the Copenhagen financial framework including the period 2004-2006, the amount of resources that will be transferred to Poland will amount to 19.2 billion EUR.

The total cost of enlargement for the period 2004-2006 will be 39.13 billion EUR and the amount that will be paid by the EU 10 will be 14.76 billion EUR. Hence, this means that the net cost of the ten new members for the EU is 24.37 billion EUR. If Turkey had joined with the ten new countries, Turkey would have received 31.75 billion EUR. Hence Turkey's burden to the budget in the period 2004-2006 would be 26.5 billion EUR.

The numbers above are based on the fact that the structural and agricultural funds will not change between 2004-2006 and that the high payment to the ten member states will continue. In addition, the calculation considers the worst-case scenario with regard to Turkey's economic development. Therefore, the cost of Turkey's membership should be even less than the figures mentioned above.

The European Security and Defense Policy

The significance of Turkey as a bridge between Europe and Asia due to its strategically important location can hardly be overestimated. However, the rise of two opposite tendencies are being observed in recent years: On the one hand, with the end of the Cold War, the political and strategic significance of Turkey as a bulwark against a communist expansion decreased. On the other hand Turkey has emerged as a regional power in the Eastern Mediterranean and its importance has increased. In order to realize the European Common Foreign and Security policy (CFSP) and for the EU to maintain the security of its adjoining regions, Turkey's membership is indispensable. The development of a common European security policy would definitely be facilitated if Turkey did not sit between the "transatlantic chairs as a NATO-member without EU affiliation, Turkey's integration to the EU would primarily mean a fortification of the European position in the transatlantic pact. Also Turkey, as the only secular and democratic Islamic country in the region, can contribute to the conflict against international terrorism.

Turkey is one of the guarantors of the stability of the Black Sea region, balances Russia in the Caucasus, controls the strategically important connection from the Black Sea to the Mediterranean, and is still the pillar of NATO's south east defense system. Ultimately the countries surrounding Turkey supply 60 percent of the natural gas and petroleum demand of Europe. The importance of Turkey, with regard to security and defense policy, has been apparent in several crisis situations such as the September 11 attacks and the Iraq war. In consideration of the new political objective and the security concerns of the EU, Turkey is vital in terms of providing stability in the regions of the Eastern-Mediterranean, the Middle East and the Caucasus. Turkey's role as a bridge to the Islamic World is also noteworthy.

Conclusion

Analysis of the impact of an eventual Turkish membership demonstrates that the consequences for the EU would be less aggravating than often assumed. Furthermore, the issues which are problematic will effect the EU even if Turkey is not an EU member. The developments of the internal structures of the EU will determine much of Turkey's impact on the Union. The question of subventions and economic resources to be provided to new members could be especially decisive in Turkey's membership prospects. However, it is apparent that the changes in EU policies and structures, as well as changes taking place in Turkey need not to be factored into any analysis. The neglect of these dynamics will lead to miscalculations.