

EU-TURKEY RELATIONS

THE NATIONAL PROGRAM FOR A EUROPEAN FUTURE

Bahadır Kaleağası

The statements of the Helsinki European Council of December 1999 continue to serve as the guiding principles of the EU-Turkey relations: "Turkey is a candidate State destined to join the Union on the basis of the same criteria as applied to the other candidate States. Building on the existing European strategy, Turkey, like other candidate States, will benefit from a pre-accession strategy to stimulate and support its reforms."

Consequently, as a key feature of such a strategy, the European Commission finalized an Accession Partnership in November 2000. In a single framework, this document defines with respect to Turkey's accession to the European Union:

- The political and economic priorities in view of the Copenhagen criteria and the EU Member States' obligations, and
- The financial resources for assisting Turkey to implement these priorities.

The Accession Partnership addresses mainly the initiatives that need to be taken to comply with the EU standards and legislation as well as the broad ranging priorities in the political and economic fields. The priorities in the economic field are expected, in both Brussels and Ankara, to induce Turkey

to restructure her economy. The Partnership also asks for the swift implementation of the much-needed financial sector reforms. In the political field, the document emphasizes a number of far-reaching political reforms based on the Copenhagen political criteria. They include the enhancement of individual and cultural rights and the formal abolition of the death penalty, which has been subject to a moratorium since 1983.

When the EU Council of Ministers gave the final official approval to the Accession Partnership in March 2001, Enlargement Commissioner Günter Verheugen declared, "It is a road map for Turkey to comply with the criteria for accession to the European Union. Its adoption by the Union comes at a crucial moment in EU-Turkish relations. It is a clear sign of the Union's commitment towards Turkey. It will stimulate the reforms in Turkey not only in the political but also in the economic field." His emphasis on the timing refers to Turkey's financial crisis that destroyed the IMF-backed disinflation program and decreased the value of the Turkish currency nearly by a third.

One of the factual consequences of this crisis is that it unavoidably delays

Turkey's projections of reducing the inflation to a level that would be in compliance with the Maastricht criteria. Following the Turkish government's adoption of a new and comprehensive National Economic Program, the EU-Turkey Association Council of 26 June noted, as expected, that full implementation of the Program would bring macro-economic stability and at the same time reinforce Turkey's accession preparations. In an interview with the French periodical *Politique étrangère*, Economics Minister Kemal Derviş went further: "Why shouldn't Turkey be ready to join the Euro zone by 2005, before full-membership takes effect?"

Meanwhile, Turkey has proceeded to the next stage in the process by adopting the National Program for the Adoption of the Acquis, the 'acquis' being the existing body of EU legislation. In this document, Turkey elaborates on its different priorities in more detail and establishes an outline of steps to be taken for compliance with these priorities, including timetables for the adoption of legislation and the amount of investment needed. The Turkish Government presented this national

reform program consisting of 200 new pieces of legislation and amendments to the Turkish Parliament to be debated over the next four years. The first reaction of the opposition parties was relatively positive and endowed the program with nation-wide support.

On its turn, the European Commission welcomed Turkey's National Program by noting that a preliminary analysis suggested that further efforts would be required with respect to the political criteria, and the Cyprus issue would be discussed further in the framework of the political dialogue.

Slowly but progressively, Turkey is also learning to discuss the EU membership process in more concrete terms. Whereas the Turkish political establishment tends to lag behind in the path towards accession, the civil society reacts quickly to the evolving realities. NGOs, the business community, labor unions, universities and the media are highly likely to play leading roles in the new process.

In the EU circles, on the other hand, it is often emphasized that Turkey is a big country, in terms of both geography and population, and thus her integration is deemed to be difficult. At the Nice summit of December 2000, this approach implicitly informed the EU's decision not to include Turkey in the projections on the distribution of institutional seats by the year 2010. It is not necessary to be an expert political sociologist on Turkey to realize how such an exclusion would serve the interests of the euro-skeptics or anti-European groups in Turkey. Due to repetitious cases of exclusion, the essential question has so far remained unsolved in the minds of all parties concerned: "If, in the mid-term, Turkey fulfills all the requirements of

membership, will the EU be ready to admit her?" Or, as many in Turkey fear, "Will the EU start looking for ways to create new obstacles?"

The difficulties of the Turkish case, considered more demanding than the objective criteria of membership, are hardly ever detailed and substantiated with models and estimations. Yet, concrete figures on the impact of Turkey's membership to the EU budget are available. A research completed by the Centre for Turkish Studies in Germany calculated how the EU budget would be affected if Turkey were a member in 1998. The findings are noteworthy:

- If Turkey were a member in 1998, its contribution to the EU budget in 1998 would be around EUR 2.9 billion, and it would receive around EUR 10.4 billion.
- This means that for every euro transferred to the EU budget, Turkey would approximately receive EUR 3.58 in return.
- In 1998, this ratio was 4.68 for Greece, 3.73 for Portugal, 4.07 for Ireland, and 2.30 for Spain.

Moreover, as observed in all previous and actual cases, the accession process itself plays a very significant role in converging the candidate country's standards towards EU's economic average. It can therefore be foreseen that on the day when her membership takes effect, the question of Turkey's burden to the Union's budget will lose much of its relevance.

Another important fact to remember is the demographic realities of Turkey. Turkey is not bigger than the big EU countries. Her population is actually around 69 million and projected to grow until its stabilization at the level of around 85 million by 2025. However, in the intra-EU debates,

some politicians often refer to Turkey as "a Muslim country of 150 million people". Such misinformation, beyond its immediate purpose of pleasing the xenophobic fragments of the electorate in some countries, has the more severe impact of solidifying the centuries-old negative Turkish image in the Western European subconscious.

Demographic analyses do not only illustrate how scientifically unfounded the political debate on Turkey can be, but also point out to Turkey as a window of opportunity for Europe's future. Despite her economic ups and downs, Turkey remains the largest and most dynamic emerging market within EU's borders. Around one third of the Turkish population are below 15 years of age and over 70% live in urban areas. Furthermore, the long-term demographic perspectives indicate for Turkey an evolution towards the average European model.

The EU membership process is also expected to upgrade Turkey's human capital. A better democracy, new principles of economic governance, the rapidly growing information society and the reform of the educational system will contribute to Turkey's integration with Europe.

In this process, both parties have to act in synergy. On the one side, Turkey, with the National Program, has taken up the challenge of identifying her future with common European values and interests, and this has historic importance for the Turkish Republic. On the other side, the European Union should readjust its bleak view of Turkey and emphasize that it is engaged in this accession path, not because of potential problems, but in view of beneficial opportunities in economic and geo-strategic terms.

Dr. Bahadır Kaleağası is the TÜSAD Representative to the EU in Brussels.