

RETHINK EUROPE'S FUTURE :
ANALYZING NEW GEOPOLITICAL POSITIONING OF FRANCE AND GERMANY
AND THEIR IMPLICATIONS ON TURKEY'S EUROPEAN INTEGRATION PROCESS

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The conclusions presented in this paper are the result of research, and interviews conducted between the 26/02/2018 and the 02/03/2018, with figures of the EU-Turkish cooperation, whom I thank for their insight and documentation. However, the views and opinions expressed in this paper belong to the author and do not necessarily reflect the opinions or official positions of any interviewee or agency.

Turkey has a long history of commercial and political attempt at getting closer to Europe. The first commercial treaty conducted between Europe and Turkey dates back to the Seldjoukides in 1207¹, and its deep interest in the European Community has been expressed even before the Treaty of Rome came into effect². On the 31st July 1959, Turkey applied for an association to the European Economic Community, which led to the Ankara Agreement signed in September 1963. This was the beginning of Turkey's status: an economic privileged partnership with a perspective of integration, but leaving the latter as a possibility. The importance of economic relations between Europe and Turkey is not really called into question, however, the political grounds of their cooperation seem to have been shaken by recent events. The negotiations for Turkey's integration to the EU as a member-state now seem frozen, whereas, for Turkey, no other network of relations has the power to replace the European Union (EU). Most economic criteria are now met, Turkey's revenue per inhabitant is higher than Bulgaria's and Romania's, and integration negotiations started on the 3rd October 2005, on the basis of the assessment made by the EU, that Turkey met the political Copenhagen criteria.

¹ for more information, see the work of Robert Mantran

² Turkey's Prime Minister Adnan Menderas said in 1957 « Turkish Government wanted to participate in these organisations actively » quoted in [9] and [16]



Yet, the new geopolitical positioning of France and Germany is raising concerns about the true chances of this process to ever succeed. Political relations started to deteriorate when the political fight between the Justice and Development Party (AKP) and its opponents got more intense after 2005, the Cyprus question came in the spotlight as being an obstacle to Turkey's integration. Mrs. Merkel and M. Sarkozy, “rejected the prospect of Turkey's EU membership from an identity-centric perspective” [4], along with the public opinion in Europe. After the putsch attempt in Turkey, over the course of summer 2016, political leaders criticized President Erdogan more openly, invoking Human Rights infringement to suspend integration negotiations, of which many chapters had been left unopened. Thus, Turkey operated what was perceived as a geopolitical shift towards the Middle East, but we could argue that it mainly was about sending a message to the EU, that its lack of consistency is offending Turkey, and therefore that it will not wait for their good will [fig.1], but rather develop other alliances. What is at stake with Turkey's integration process, is designing a functional framework that would grant Turkey a defined status, and that is meaningful and has political components, allowing the EU to increase its geopolitical influence. As a matter of fact, the question of Turkey's integration has good chances to indicate Europe's strategic choice for the years to come.

Assessment of the current situation. Turkey's particular location, opening the Middle East, Western Africa, Russia, and the Caucasus is not forgotten but is rather perceived as a potential instability, and thus the EU seems to be wishing to turn Turkey into a vast borderland, being the second largest military force of NATO. The failure to integrate Turkey as a member-state is fueling ambiguity about the place of identity in the EU project. Recent political moves and their economic consequences have lead to a decrease of France's and Germany's influence on Turkey, after Turkey's liberalisation and a “golden age” of EU-Turkey relationship in the 2000's (Öniş 2008: 37,39), that was called a “miracle of the political conditionality” (Aşıkmeşe 2010: 139). The use of leverage on Turkey's government is rather attempted to be used as a "stick" than as a "carrot", whereas making the most of Turkey's interest in Europe could give positive results. It seems important that Europe starts with Turkey on a new basis of credibility, playing by transparent and fair rules, leaving negotiations open, in order to achieve positive political outcomes. This strategy supposes that the EU would be ready to integrate

Turkey if they met all the criteria. There is a feeling of frustration from Turkish political elite, about the delay and the compromised outcome of the integration process, since in the 2000's, "the [Turkish] establishment genuinely believed that, despite minor hiccups, Turkey already displayed the necessary prerequisites of membership" (Narbone and Tocci 2007: 236). Thus, the explanation factors seem quite simple: on the one hand, a doubt on the orientation that should be given to the EU project, on the other hand, a cultural and geographical, even maybe confessional rejection. On the EU side, there is also a fear of the weight of 80 millions of citizen in the European Parliament, an expansion exhaustion, and a loss of enthusiasm for the European project (e.g. rejection of the Constitutional Treaty by voters). In this case, the EU project could be, to stay as small as possible (after Brexit) and to create the political union some have been long asking for. But that seems to be a very difficult process, because of historical and intrinsic characteristics of the EU and is rather perceived as a threat to sovereignty by some European people and leaders, which paves the way to the rise of eurosceptic political forces within the EU. However, a political union is not the only option to secure the influence of the EU. The EU should also very seriously consider developing its economic power and alliances, in order to reinforce its impact on political matters. Leverage of economic or cultural nature could shape the political will, without requiring previous political agreement to create consensus. This is a long-term strategy: leaders change, economic and cultural relationships remain. Turkey would almost be a textbook case of using a country's interest for Europe as a leverage in order to push towards structural reforms, Human Rights protection and political crisis resolution, like with the Cyprus dead-end. This paper shall propose a series of concrete measures, and demonstrate how they could influence the political will of Turkey, and how further economic integration can also solve problems of political nature, as an example of the strategy of influence the EU could develop.

1. The Customs Union Agreement: ameliorating should not signify an abandon of EU membership perspective

In December 2016, Turkey was the 5th commercial partner of the EU for the commerce of goods. The value of bilateral goods trade has more than quadrupled since 1996, and the EU is the first commercial partner for Turkey. The Customs Union (CU) agreement was concluded more than 20 years ago and is clearly not suitable anymore. While it still brings advantages to both parties, it is



more profitable to the Union than to Turkey, since Turkey has to negotiate for itself the bilateral treaties signed by the EU, whilst having to apply it to Turkish exportations without reciprocal dispositions. Integrating to the CU the services, the building industry and the agro-food industry would undoubtedly boost the exchanges and bring new perspectives. Renegotiating the CU is not an original proposal, as the decision to modernize the CU has been announced in may 2015, but it is worthy to mention as one of the important upcoming negotiation points with Turkey, and which outcome could be very meaningful as for the future and status of the EU-Turkey relationship. Though, the eagerness of the EU to implement bilateral free trade agreements seems to be a way out of a negotiation dead-end, after the Doha Development Round, the flawed implementation of the institutional provisions of the Ankara agreement, and of course, the stalemate in the EU membership negotiations for Turkey. The choice to renegotiate the CU agreement, instead of completing the Turkish membership process seems, at first, to be indicating a choice of economic privileged partnership as the status of Turkey in the long run. However, it is quite clear that the advantages of such a cooperation, for both parties, are not even with the benefits of the structural reforms encouraged by the perspective of an EU full adhesion. Significant reforms are adopted by Turkey, even with the membership negotiations being frozen (e.g. the new Turkish Commercial Code of 2012, that is very similar to that of European laws, or the alignment on intellectual property laws). The outcome of a more balanced CU would be the rise of Turkey's GDP, dynamism brought to the western transitioning economies, and internationalization backing of SMEs. As a matter of fact, over the past 30 years, Turkey has been developing its economy and institutions, and it is quite clear that the help of the European Union is not needed. Leaving Turkey out now could be a strategic mistake, considering a 2050 horizon, given its development and geopolitical dynamics. We could see the renegotiation of the customs trade agreement as a way to show a will for fairer agreements with Turkey, waiting for more favorable political circumstances to further Turkey's membership process.

2. Engagement of European countries in the great projects launched by Turkey, through foreign investment

The Turkish government is launching great infrastructure projects, on a Private Public Partnership (PPP) model, especially for health and transport infrastructures. This allows Turkey to reinforce its

unavoidable position in the transportation of oil and gas to Europe, from producing countries in the Middle East, the Caucasus and Russia, which is a great factor of development. Turkey currently has one of the best logistic performance index, and is a regional hub located at less than 5 hours of flight to over 50 countries, which makes it a major energetic path, but also a worldwide platform of production and re-exportation, opening on a regional market of 1.5 billion people. By 2050, reports³ predict that Turkey will be the 11th world economy (GDP at Purchasing Power Parity), right after Germany and the UK, and before France. Opportunities for European companies are consequent, for example, the Meridian investment fund invested over 50 million USD in hospital complexes in Turkey, and as a result, put faith in the Turkish medical sector. Pieces and mechanic equipment was the sector concerning most importations by Turkey from the EU in 2016, meaning the European technologies are sought by Turkey to pursue its development. ALSTOM's and SIEMEN's participation in the call for tender concerning 96 high speed trains is a solid example of the opportunities Turkey represents, though the regional preference is a handicap. It would be abolished by an EU membership, but could also be part of a future agreement with the EU. At all events, participation in these projects would diversify the energy supply potential, thus reducing dependence to countries that do not collaborate with the EU as much as Turkey does. Green energies and supplying partnerships would also be very positive in this regard, for both parties. Although there have been positive events, Turkey needs its major economic partners like the EU and Germany [fig. 2] in particular⁴ to be more committed, in order to reach its economic goals. Ankara's government should be very sensitive to these arguments.

3. Promoting cultural exchanges and cooperation

This could be an important factor in operating a change in the idea that the cultural difference between Turkey and Europe could become a threat to cooperation in the long term. The role of the Bosphorus Institute in this respect is very important, and that of TÜSIAD as well, since they launch

³ The World in 2050, PwC, February 2017 <<https://www.pwc.com/gx/en/world-2050/assets/pwc-world-in-2050-summary-report-feb-2017.pdf>>

⁴ see Kemal Inat, 'Economic Relations between Turkey and Germany', *Insight Turkey*, Vol. 18, No. 1, (Winter 2016)



initiatives that reflect the sharing of European values. The creation of organizations from the civil society to promote the cultural exchanges with Europe should be encouraged. It is useful to remind that in the 2000's, opposition to reforms required by the EU was partly overcome thanks to pro-European organizations from the civil society (Kirişci 2005: 50, 54). Allowing Turkish citizens to travel Europe without a visa was mentioned at the time of the migrant deal, and this measure is definitely included in this policy recommendation, since the risk it conveys is quite minor (Europe is no longer an attractive place to live for the urban Turkish population), and it would send a very positive message, while allowing the intensification of cultural exchanges. These are important elements that may influence the public opinion, and therefore politics. Cooperating abroad should also be considered, for example through the Mediterranean Union, or associations like IPAMED (www.ipemed.coop/fr/), in countries where Turkey already has some infrastructures and where promoting development would correspond to the political priorities of France.

4. The priority: bringing to the EU agenda a new choice of strategy

Perhaps the most important part and the core nature of this policy recommendation is for the EU to address the question of Turkey's status, of how far it is ready to see the partnership go. One option is to decide that the EU seeks no further expansion for the moment, or even decides of cultural criteria and focuses on reforming its institutions, and attempting to create the conditions to strengthen the Union and have a common political will. Or, the EU may also decide that the best way to ensure its future development and geopolitical influence is to have allies such as Turkey, in which case, the Copenhagen criteria need to be applied without any "special treatment" (see the proposals to condition Turkey's membership to a referendum). If membership was offered to Turkey, there is little doubt that it would be enough of a motivation to solve the Cyprus question and to grant more rights to the press and to the political opposition. This would also allow the EU to benefit from more political credibility when intervening in the Middle East, because of Turkey's relations in the region. What is more, Turkey has proven a great efficiency in the implementation of the migrants deal, establishing itself as a crucial partner in tackling this complex issue that could overshadow Europe's future.



Conclusion. Reluctances to Turkey's integration were shown prior to the recent geopolitical positioning of France and Germany, in spite of a golden age of reforms in the 2000's. Now, the EU has a crucial choice to make about its future: either focusing on building a political union with its current members or expanding its influence with strategic partners, thereupon creating leverage that could provide the EU with innovative political solutions. Given the current lack of enthusiasm for the EU project, the first option could prove to be more hazardous.

In order to relaunch Turkey's integration process, the renegotiation of the CU will be a defining moment, but we could favour the membership perspective by influencing the public opinion and the economic networks, encouraging investment in Turkey's great projects, enhancing the economic interests of a closer collaboration for both parties, while encouraging cultural cooperation, as the European Union redefines its strategy.



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in particular : « For Turkey, given its current trade volume with Germany, it seems impossible for the Ankara government to meet its goal of being among the top ten economies of the world as per the 2023 vision. In order to achieve this objective, Turkey should have a total trade volume of at least 1 trillion U.S. dollars, and that would require a 100 billion U.S. dollars trade volume with its number one trade partner. In light of these calculations, the trade volume with Germany in 2015 is very low for Turkey, as well, although Germany remains Turkey's largest trade partner. »

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FIGURES

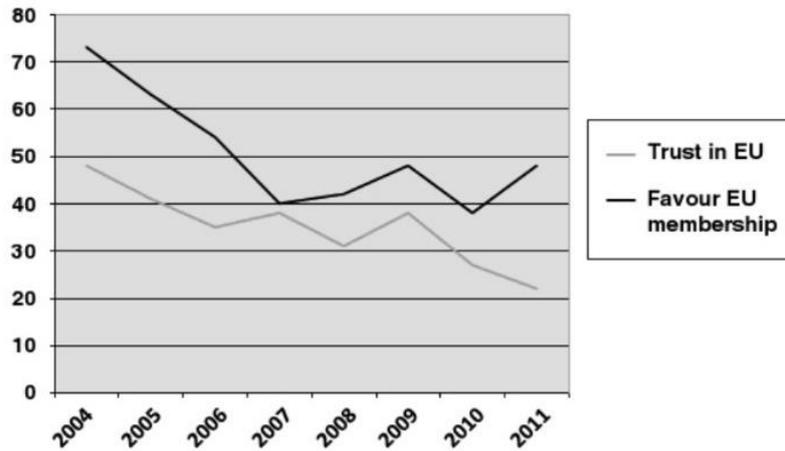


Figure 1 - Turkish public opinion on the EU

Sources: 'Trust in EU' from various Eurobarometer Surveys (http://ec.europa.eu/public_opinion/index_en.htm); 'Favour EU membership' from Transatlantic Trends by German Marshall Fund

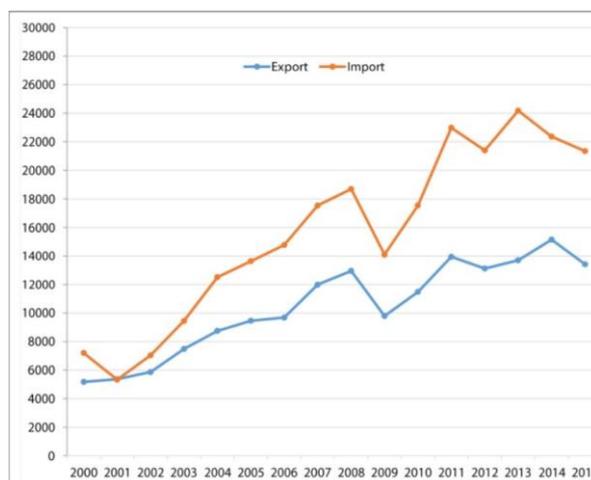


Figure 2 - Turkey's Trade with Germany 2000 - 2015 (Million \$)

Sources : data from the Turkish Statistical Institute (TUIK) compiled