

**Summary:** The euro crisis has emboldened Turkey, the EU's longest waiting candidate country. But in Brussels' greatest hour of need, Ankara remains eerily silent and distracted about the euro zone crisis and its own accession process. Turkey focuses on the "Arab Spring," not the "European Fall." The direction of relations between the EU and Turkey during this critical juncture could determine the future direction of Europe as a global or parochial power along with Turkey's own future.

## Eerie Silence about the Euro Zone Crisis *At its Peril, Turkey is Ignoring the European Fall in Favor of the Arab Spring*

by Joshua W. Walker

Only seven years after Greece joined the euro zone in 2001, the global financial crisis erupted in the United States and spread to Europe. Today, previously unthinkable scenarios have become common discussion points. The question now is whether the euro zone will disintegrate and what the consequences for the European Union would be. There is widespread concern among economists that a Greek exit from the euro zone will lead to serious, maybe catastrophic, consequences for the rest of Europe and the global economy. While Europe has been able to avoid disaster so far, the crisis has greatly humbled core constituencies while empowering key peripheral players, first among them Turkey, which has been on the doorstep of the EU longer than any other nation of Europe.

At the moment in which the foundations of the European Union are being questioned, Turkey's newfound swagger and emergence as a global actor has been both decried as arrogant and welcomed as a sign of a more engaged partner that could help to determine the future direction of Europe as a global actor. Yet, in the EU's darkest moment thus far, Turkey remains eerily silent about the euro

zone crisis, as well as its own accession process.

Newspaper columnists that used to write about every aspect of the accession process and EU decision-making with sensationalist headlines about ramifications for Turkey have turned their attention elsewhere. The most visible sign of the apathy and indifference of the Turkish government and public was the most recent EU Commission progress report on Turkey released last fall. In the past, it would have been one of the most significant international spotlights for Ankara, but now it has to compete with other "neighborhood" events such as the "Friends of Syria" or Iran nuclear negotiations. For the first time, the progress report generated almost no headlines other than the Turkish EU minister's colorful criticisms about Europe being like a camera that was out of focus that could not capture the dynamism of Turkey in a still frame. Unlike the potential Greek exit from the euro zone or events in Syria that continue to make headlines, Turkey's European dreams seem to be drifting into oblivion with little attention being paid on either side of the Mediterranean.

## Starting to Look Eastward

The unusual silence of the Turks is a symptom of a long-term trend. Rather than columnists debating the fate of Europe and the role that Turkey might play in it, more ink is used on domestic or Middle Eastern issues. There is a generally dismissive air whenever the euro zone crisis is mentioned. Cartoons of the Turkish prime minister joining an old man's club as the only dynamic and vigorous athlete illustrate the feeling that Europe's time has passed while Turkey's has come.

The Arab-Spring to Turkey's south has captured the imaginations of Turkish policymakers far more than the "European Fall" to its west and north. While there are many reasons for this, including the disposition of the current Turkish government in contrast to previous administrations, the greatest reason is Europe's own treatment of Turkey historically.

The shift from Ankara's obsession with Greece to Syria has been most noticeable throughout the euro crisis. Turkish Deputy Prime Minister Ali Babacan told news agencies in March: "Greece is a member of the EU yet it is the poorest member that lacks reform. Greece has no choice but to trade and invest more with Turkey. It is crucial for Turkish businessmen to invest in Greece. However, Greece is not an easy location for the business world."<sup>1</sup> Babacan's statement points to a recent trend in Turkey. Rather than building on the links with Greece that have traditionally driven Turkish foreign policy towards the West, Anatolian businessmen are increasingly focused on new opportunities in the Arab world that were previously unthinkable. Government policies such as visa-free travel and subsidized entourages of business, investment, and trade delegates on official travel by Turkey's leaders to these new markets have made Turkey a major player in a way it never was in Europe. While it is Europe's sixth largest economy, Turkey is the Middle East's largest economy and seems to prefer being the biggest fish in its neighborhood pond versus a smaller fish in its traditional ocean.

Since the beginning of the uprisings in Syria, Turkey has been cautiously weighing its options as it decides how to deal with President Bashar al-Assad's brutal crackdown and the ongoing humanitarian disaster unfolding in its own

backyard. Having claimed regional leadership for itself and announced a policy of "zero problems with neighbors," Ankara's lofty rhetoric has put Turkey in the international spotlight over Syria. The same cannot be said about the euro zone and its bailout debates. Turkey is a central player when it comes to the international response to the Syrian, but not to the euro zone crisis. This hierarchy influences the domestic debate and priorities. Turkey's leaders know that they cannot sit idly by as their neighbor disintegrates into civil or sectarian war, nor can they afford to intervene unilaterally. As an increasingly stable democracy with the same leader and government for more than ten years and three consecutive election victories, one might expect Turkey to naturally transform itself into a European spokesman for its neighborhood. But not so.

Turkey has positioned itself as being a regional mediator and "inspiration" for its fellow Middle Eastern neighbor that often benefits at the expense of the EU's cumbersome common foreign and security policy process. Ankara's abilities to strike quick deals with its neighbors and deliver on promises of "zero problems with neighbors" have made it a more attractive interlocutor for some regional powers than many European nations, which still carry imperial baggage. Despite having been an imperial power itself during the Ottoman Empire, Turkey has been able to portray itself as an enlightened model of development: it has not seeded its sovereignty to the EU while asserting power regionally and serving as a gateway to the European market at the same time.

## The Root of Turkey's Problem with Europe

With the EU accession process on life-support, Turks would be forgiven for labeling its European integration as a proverbial Turkish "snake's story," a prolonging unfulfilled

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<sup>1</sup> <http://ekonomi.milliyet.com.tr/babacan-turkiye-yunanistan-in-gelecegini-kurtaracak/ekonomi/ekonomidetay/22.03.2012/1518605/default.htm>

process. Large parts of the Turkish public, as well as many policymakers, are frustrated with Europe. Turkey has been waiting on the doorsteps of the European Union since the Turkish application to the European Economic Community (EEC) in 1959, shortly after the Greek application. In 1963, Turkey and the EEC signed the “Ankara Agreement” that established a three-phased customs union. In 1987, Turkish Prime Minister Turgut Ozal applied for full membership. In considering the application, the European Commission at the time underlined the need for comprehensive cooperation and facilitation of the Customs Union by 1995. In 2004, the EU decided to start accession negotiations with Turkey due to the reform package that the government of Recep Tayyip Erdoğan initiated. However, since then the accession negotiations have ground to a noticeable halt. So far, 13 chapters ranging from science and research, industry, consumer and health protection, to intellectual property law have been opened. However, the European Council halted negotiations on eight chapters that relate to Turkey’s restrictions regarding the Republic of Cyprus in 2006.<sup>2</sup>

Public opinion in both Europe and Turkey has followed this general trajectory. The *Eurobarometer Surveys* show that in 2004, 62 percent of Turks supported Turkey’s membership to the EU. However, as the accession negotiations slowed down, the approval rates also went down drastically. The 2011 Eurobarometer survey shows that only 45 percent of the Turkish public considers Turkey’s membership to the EU as “a good thing.” The more worrisome findings of the same survey is that in 2011, the percentage of survey participants who consider joining the EU as a “bad thing” jumped from 12 percent in 2004 to 26 percent in 2011.<sup>3</sup> Having once been thought of as the solution to Turkey’s many domestic problems, Europe is suffering from an image and perception problem in Turkey. It is impossible to quantify the role the euro zone crisis has played in these numbers. Yet, it is implausible to assume that Turkish perceptions have not been influenced by the crisis.

Although the official Turkish position remains supportive of Ankara’s accession to the EU, a loss of motivation from Turkish leadership is apparent. When the Justice and Development Party (AKP) came to power in November

<sup>2</sup> Turkey 2011 Progress Report

<sup>3</sup> [http://ec.europa.eu/public\\_opinion/cf/showchart\\_line.cfm?keyID=5&nationID=30,&startdate=2004.10&enddate=2009.11](http://ec.europa.eu/public_opinion/cf/showchart_line.cfm?keyID=5&nationID=30,&startdate=2004.10&enddate=2009.11)

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2002, many secular parts of society feared that the party would pursue a “hidden agenda” to gradually Islamize the Republic. However Erdoğan and his party became the most vocal advocates of accession to European Union while Ataturk’s party, the Republican People’s Party (CHP), as well as the Turkish army voiced opposition. In 2004, only two years after the Turkish elections, the EU decided to start accession negotiations with Turkey due to the reform package that the AKP had initiated. The EU thereby vindicated Erdoğan and handed him a major domestic victory.

Yet, the rift between Erdoğan and then French President Nicolas Sarkozy as well as German Chancellor Angela Merkel paralyzed Turkey’s relations with Europe. After the French Parliament passed a bill making it illegal to deny the massacre of Armenians in 1915 as genocide, Erdoğan warned Europe: “This is a racist and discriminatory approach; if you cannot see this, then you are deaf to the footsteps of fascism in Europe.”<sup>4</sup> Erdoğan’s emotional responses have frustrated many European leaders. Yet, President Gul still advocates and still seems to believe that the EU is vitally important for Turkey’s democratization and reform process. However, despite his position as the president, Gul’s influence in foreign policy has been in decline since the euro zone crisis. Given his more moderate disposition and rhetoric as head of state, as in other European countries, the more extreme nationalist and populist voices have drowned the President’s voice out.

### Turkey and Europe Still Need Each Other

The EU is no longer the sole driver of reform now that Turkey is coming of age as a regional power in the midst of the Arab Spring and euro zone crisis. Reform must come from within. Yet the EU is needed as an anchor. In fact, it is needed more now than ever before, especially in order to encourage the pro-reform grand coalition that the AKP succeeded in rallying in its first decade in office. This coalition is now in disarray and off course, as curtailments of

<sup>4</sup> <http://www.time.com/time/quotes/0,26174,2105255,00.html>

the freedom of the press, the shaky respect for rule of law in the conduct of the Ergenekon trial, the closure of the pro-Kurdish DTP, and continuing civil-military tensions show. Rather than being blinded by ambitions of grandeur, AKP-led Turkey should realize that the value it adds in the neighborhood largely hinges on its ongoing domestic transformation — a transformation the EU process still empowers. In addition, the EU mechanisms and support for strengthening key domestic institutions such as the judiciary, media, and military are now needed more than ever.

Even beyond domestic reforms, the link between Turkey's EU candidacy and its neighborhood policy cannot be underestimated. Ankara's ambition to be a regional leader is best captured by Arab perceptions of Turkey. The attractiveness of Turkey for Arab investors is directly associated with its ability to bridge markets because of links to the EU. This is especially important in times of uncertainty and crisis. A survey of Arab public opinion published in 2009 revealed that 64 percent of respondents believed Turkey's EU membership prospects made it an attractive partner for the Arab world.<sup>5</sup> In 2010, 57 percent of respondents felt EU accession would benefit Turkey's role in the Middle East.<sup>6</sup> This drop suggests that respondents are aware of Turkey's slowing EU accession process. However, the majority still believes that abandoning the EU would be detrimental to Turkey's long-term interests.

The EU continues to be Turkey's biggest trading partner. Bilateral trade in 2010 totaled €103 billion. Furthermore, almost 80 percent of foreign direct investment in Turkey comes from the European Union.<sup>7</sup> Reinvigorating Turkey's relations with Europe represents not only a key to economic success, but also the best guarantee that the country's domestic transformation will ultimately culminate in a standard of democracy that will make it a guiding light in the Middle East. The transatlantic anchor provided through NATO injects the Turkish military with the necessary confidence to embark upon and allow reforms in the

5 See TESEV polling in Meliha Altunisiik "Turkey: Arab Perspectives" TESEV Foreign Policy Analysis Series 11 2009, p. 25.

6 Ibid.

7 Turkey 2011 Progress Report

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country.<sup>8</sup> Therefore, in order to fulfill its Middle Eastern promise, Turkey's EU process must continue.

The alternative is not that Turkey will morph into an Islamic Republic as many alarmists charge. Turkey's historical and contemporary experiences, as well as economic, social, and religious make-up suggest that such fears are misplaced. However, as in many of its Arab neighbors — and more than a few of its EU counterparts — the lure of populist nationalism and streaks of intolerance are strong. The euro zone crisis has certainly emboldened and seemingly legitimized populists — in Turkey as well as in Europe. Today, the danger is more apparent that a Turkey with no EU prospects is coming to resemble an increasingly authoritarian Russia that also sits outside of the EU as a European regional power.

### Kick-Starting the Debate In Spite of the Euro Crisis

Discussions about "alternatives" to the EU were once all the rage in Ankara. Today these debates happen more often in Brussels and Washington. Turkey seems content to re-assert itself throughout its former Ottoman domains with a flexible attitude toward alliances and partnerships that would have been unthinkable less than five years ago. While convergence between Ankara and Washington has reached new heights as a result of the Arab Spring, the euro zone crisis has not brought the similar sense of purpose or urgency. If anything, the weakening of the EU has been welcomed by Turkey. It suits its own conception of a wider Europe that tilts more in favor of national sovereignty over supranational unity.

The EU accession process — which for now neither parties have an interest in suspending — should continue but be detached from strategic cooperation, without the wires being crossed. The European Commission-sponsored "positive agenda," proposed last year, already has sought

8 For more on this see Kemal Kirişci, Nathalie Tocci, and Joshua Walker. "Neighborhood Rediscovered: Turkey's Transatlantic Value in the Middle East." Brussels Forum Paper Series. March 2010.

to develop a Turkey-EU discussion in the areas in which progress is possible. But the mix of membership and non-membership goals means that even this modest strategic dialogue has never really taken off, let alone led to an agenda of action. It has been held hostage too long to the accession process that includes parochial veto players and the rhetorical flourishes of short-sighted politicians rather than statesmen on both sides. In a new framework built completely outside EU settings and with strong backing by the United States, strategic cooperation between Turkey and the EU could finally develop, shifting attention from bilateral difficulties to common goals in the midst of the euro zone crisis.

The EU can no longer be taken for granted in Turkey and political will is necessary to break out of the current status-quo. Ankara is unlikely to call off the accession negotiations, but it will continue to vigorously and confidently pursue economic and diplomatic relations with its neighbors, looking for opportunities to exert influence and reap commercial benefits. In this case, interdependence does not rule out conflict: a continued deadlock in accession negotiations might well inject a hefty dose of antagonism in the relationship and foment competition. One need not look further than Iran and Russia to understand the strategic stakes involved for the EU and Turkey. Therefore, a better framework should be established for a future partnership. To make interdependence work, the EU needs to engage Turkey.<sup>9</sup>

Re-affirming Turkey's value to Europe and Europe's value to Turkey in the midst of the euro crisis may be politically difficult. But it is strategically critical. Given that Turkey and the EU share a common neighborhood, not

just compatible strategic interests, a structured framework for cooperation beyond the accession process is critical to weathering the euro crisis without the casualty of Turkey's European aspirations. It must go beyond the security confines of the North Atlantic Treaty Organization or business realms of the customs union. Yet, it should not be as cumbersome as the longer-term project of EU membership. The dialogue ought to begin now. Otherwise, there is the risk of painful silence for the foreseeable future.

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#### About The EuroFuture Project

The German Marshall Fund of the United States understands the twin crisis in Europe and the United States to be a defining moment that will shape the transatlantic partnership and its interactions with the wider world for the long term. GMF's EuroFuture Project therefore aims to understand and explore the economic, governance and geo-strategic dimensions of the EuroCrisis from a transatlantic perspective. The Project addresses the impact, implications, and ripple effects of the crisis — in Europe, for the United States and the world.

GMF does this through a combination of initiatives on both sides of the Atlantic, including large and small convening, regional seminars, study tours, paper series, polling, briefings, and media interviews. The Project also integrates its work on the EuroCrisis into several of GMF's existing programs. The Project is led by Thomas Kleine-Brockhoff, Senior Transatlantic Fellow and Senior Director for Strategy. The group of GMF experts involved in the project consists of several Transatlantic Fellows as well as program staff on both sides of the Atlantic.

<sup>9</sup> See most recent ECFR report "What Does Turkey Think?" [http://www.ecfr.eu/page/-/ECFR35\\_TURKEYFINALFINAL.pdf](http://www.ecfr.eu/page/-/ECFR35_TURKEYFINALFINAL.pdf)