



TURKEY UPDATE

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THE TRAIN TO EUROPE STALLS

The European Union (EU) summit of December 14-15 was preceded by months of speculation about the likelihood of what the EU Commissioner for Enlargement, Olli Rehn, repeatedly characterized as a possible “train crash,” which would result from EU insistence on Turkey’s implementation of the Customs Union provisions it had signed in 2005 by opening its ports and airports to Greek Cypriot ships and aircraft and Turkish unwillingness to comply unless the EU eased the international embargo on the Turkish Cypriots. Consequently, the summit decision to formalize without serious debate the EU Commission recommendation adopted by the EU foreign ministers to suspend negotiations on ‘only’ 8 of the 34 remaining chapters – just one chapter was closed with great difficulty since the opening of negotiations in October 2005 – suggests that the feared accident has been avoided. Rehn and the British Foreign Secretary, Margaret Beckett, pointedly noted that the Turkish train had ‘stayed on track’ and their interpretation of the EU decision was reinforced by post-summit speculation that the EU might even proceed to negotiations on some of the non-suspended chapters while finally making concrete gestures to the Turkish Cypriots.

The Turkish government and its supporters in the EU, led by British Prime Minister Tony Blair who flew to Ankara immediately after the summit to underline his backing, not to mention the domestic and foreign investors who have taken full advantage of the economic recovery during the past four years in which the goal of EU membership seemed not just possible but attainable, are predictably endeavoring to minimize the negative implications of the EU decision. However, the coupling of the decision on partial suspension with a delay in the closure of any of the other chapters until Turkey abandons its current position on the airports as well as a request for additional reports by the EU Commission on the issue of compliance, has formally tied Turkey’s EU process to the Cyprus issue more than ever before. Given the failure of the sustained efforts by the Finnish presidency prior to the summit on this intractable problem, the long-standing Turkish rejection of such a linkage and the difficulties in the way of a move by the Justice and Development Party (JDP) government on this extremely sensitive issue as it prepares for presidential and parliamentary elections in 2007, it is clear that Turkey’s EU train may be stalled for the foreseeable future.

Opinion polls continue to show entrenched rejection of Turkish membership throughout Europe and more European leaders now seem inclined to voice their reluctance to tackle the immense questions relating to Turkey's accession that would, in effect, necessitate a redefinition of the EU. At the same time, there is a parallel disenchantment with the European dream on the part of a growing number of Turks. It is also likely that the potentially dangerous process of mutual estrangement will gather pace next year with the retirement of Tony Blair, the last remaining heavyweight champion in the EU of Turkish accession, and the inclination of Germany, which will assume the EU presidency in January, to respond to 'enlargement fatigue' by focusing on strengthening internal cohesion in the EU and emphasizing Chancellor Angela Merkel's stated preference for a privileged partnership for Turkey. It is worth noting that France, which has recently become a leading skeptic on Turkish membership, and Austria, which has long been a strident opponent, are both committed to submitting the question to a referendum at the end of a process which even the EU Commission President Jose Manuel Barroso recently suggested may stretch over two decades.

As the EU process slows down, attention will inevitably shift to the impact of the delay on Turkish domestic politics. After having tirelessly argued that there would be no interruption of Turkey's progress to accession because the EU recognized that it would "become a global actor only by admitting Turkey" and that this process was "too important to be sacrificed," Prime Minister Recep Tayyip Erdogan had bluntly claimed just before the EU summit that "Turkey had nothing to lose, the only loser would be the EU." True to form, Erdogan reacted to the partial suspension by accusing the EU of "a lack of vision" in choosing to focus on the Cyprus issue instead of on "the advantages Turkey would bring to the conduct of EU foreign policy." Nevertheless, he reaffirmed Turkey's commitment to the goal of membership and expressed confidence that the EU would ultimately correct its mistake.

While it is far from obvious whether the EU will incur tangible costs relating to its decision in the near future, it is difficult to say the same about the Turkish government. After all, immediately after the November 2002 elections, the new JDP government had decided to focus on EU accession. The pursuit of the long-cherished aim of membership in the European family of nations, backed by a majority of Turks, was of immense value to the JDP in achieving a wider domestic consensus far beyond its base of support, and in simultaneously consolidating its standing on the international stage. At the same time, its stewardship of the EU process – as well as of the IMF program it had also inherited from its predecessor – helped the JDP government to gain the confidence of the influential business community in Turkey and, even more importantly, previously skeptical foreign investors.

The JDP's recognition of the crucial connection between the two ongoing processes was underlined by the appointment of Ali Babacan as Chief Negotiator with the EU even as he continued to serve as Minister of State for the Economy. With sustained impressive growth, the attraction of sizeable long-term foreign direct investment for the first time as well as even greater amounts of short-term funds, a stable currency, continued low inflation and record levels in the Istanbul stock market, the JDP government seemed justified in claiming Turkey's immunity to the kind of economic shocks it had suffered in the past and in satisfying the EU's Maastricht economic criteria for membership.

However, if the EU accession process and the prospect of eventual EU membership were important components of the Turkish economic recovery as has been universally acknowledged, it is logical to ask

whether the stalling on the EU track could have the reverse impact on the Turkish economy. While the absence of an immediate reaction by the Turkish stock or currency markets to the news out of Brussels would appear to suggest that it may not, there will be growing recognition of the possible risks as the implications of the current impasse with the EU sink in. Although the IMF reaffirmed its confidence in the Turkish economy just before the EU summit by approving a \$1.1 billion disbursement following its latest review of the \$10 billion stand-by arrangement, significantly Erdogan chose yet again to caution against ‘negative’ comments on the EU process because of their possible impact on the economy.

Despite its typically confident public bravado, it is undeniable that being caught between the EU demands and the domestic imperatives of a pre-election period created an extremely uncomfortable situation for the Erdogan government. Ultimately the JDP calculated that the costs of being perceived by the increasingly nationalistic Turkish electorate as giving in to the EU on Cyprus – or on the requested revision of the Turkish penal code – to be greater than those that would be imposed by the EU for non-compliance. The apparent strategy of the JDP government is to maintain a low-gear engagement with the EU during 2007 in the expectation of being able to resume speed after what it hopes will be a trouble-free election of a new president by the JDP-dominated Turkish Grand National Assembly (TGNA) in April and a second electoral victory in November. However, Turkish political waters are rarely as smooth or as predictable as Turkish leaders wish them to be and the JDP’s journey through its shoals may have become more perilous.

The potential dangers were vividly underlined by the unusually harsh public comments by the increasingly assertive new Turkish Chief of Staff General Yasar Buyukanit on the government’s last minute attempt to avoid a clash with the EU. Although Erdogan had reacted to the announcement of the EU Commission recommendation for a partial suspension on November 29, by immediately branding them as “unacceptable” and by reaffirming his government’s unwillingness to budge on the airports and ports issue, he had nonetheless quietly informed the EU President, the Finnish Prime Minister Matti Vanhanen, in Ankara on December 1, that Turkey might be willing to open two ports to Greek Cypriot ships ‘unconditionally’ but with the expectation that the EU would then take steps to ease the embargo on the Turkish Cypriots. Despite the diplomatic bruising they had taken during their futile attempt to head off a confrontation on Cyprus, the Finns duly transmitted the offer to their EU partners as requested on December 7. However, the Turkish General Staff (TGS) decided to react even before the EU.

Buyukanit declared that the TGS had ‘not been consulted’ and, if it had been, would have rejected the idea as “a deviation from state policy.” Buyukanit also said that it was “wrong not to seek the opinion of an institution which had 40,000 soldiers in Cyprus.” His public missive against the government was quickly followed by a statement by President Ahmet Necdet Sezer, who has been a constant thorn in the side of the Erdogan government, that he had also not been consulted. Erdogan responded by saying that such tactical maneuvers were within the prerogative of the government and there was no need to constantly consult with the other institutions of state on diplomatic minutiae. While the spat dominated the headlines in Turkish newspapers, the last-minute offer – which produced a boomlet in the Turkish stock market – was summarily dismissed by the EU as an insufficient response to its requirements.

During his last visit to the United States at the end of September, Erdogan was asked at a meeting with Turkish Americans in New York whether Turkey would “once again wake up to the sound of tanks.” Erdogan said that those days were over because “Turkey was on the track to EU membership.” While it

would be a gross exaggeration to claim that the country, which has witnessed four coups in the past five decades, is once again on the verge of another interruption of the democratic process, it would be a mistake to ignore the increased risks of internal strife with the stalling of the EU process in a country prone to such problems. It is always difficult to proclaim with any degree of accuracy the end of a seemingly durable status quo in Turkish politics. However, with the focus inevitably shifting from the EU to domestic politics and the intensification of what is being characterized by the Turkish press as ‘the Cankaya war’ over the election of a new president in April, the dynamics are undeniably shifting.

Although there is no legal or constitutional impediment to the election of a new president by the JDP majority in the TGNA of Erdogan or one of his party colleagues indicated by him, the election is fraught with complications for the JDP. In addition to their presumed sensitivity over the symbolism of the ascendancy to the presidency of any individual with a wife who wears an Islamic headscarf, the voters who had not supported the JDP in the last election seem also to be concerned about the elimination of what has been an effective presidential barrier to the possible implementation of an allegedly ‘Islamist agenda’ by the ruling party. It remains to be seen if the other political parties, who are demanding early parliamentary elections to enable a new TGNA to choose Sezer’s replacement, will be able to muster a serious challenge to the JDP and its leader with the charismatic and populist touch that their own leaders lack after four years of mostly ineffective opposition or the TGS itself will find it necessary or prudent to participate in efforts to fill the void.

Without an active EU process to help sustain the internal consensus, the momentum on reforms and the economic recovery that have served the JDP government so well, Erdogan may be more concerned about 2007 than he is publicly indicating. As Erdogan surely recognizes, even if the JDP is able to negotiate the presidential test without serious complications, it is far from certain whether the party will be able to maintain its current clear lead in the polls with or without him at its head all the way to the parliamentary elections. With the recent slowing down of the rate of growth and continuing concerns over Turkey’s ability to manage its alarmingly high current accounts deficit, JDP success may ultimately depend on the reaction of the international financial community to the slowdown of the train to Europe and its domestic implications.

Although the United States is increasingly preoccupied with the Iraq war and its own domestic politics in the aftermath of the Democratic capture of Congress, both the Bush administration and the incoming Democratic leadership in Congress will inevitably have to face up to the implications of Turkey’s alienation from the EU. During the past decade and a half since the break up of the Soviet Union and the loss of the *raison d’etre* of the US-Turkish alliance, support for Turkish membership of the EU has been a constant component of US policy towards Turkey, even as the two countries lived through periodic disagreements, most notably when Turkey proved unwilling to allow its territory to be used at the outset of the Iraq war.

In addition to anchoring a strategically located ally firmly in the West, Turkey’s EU accession has also been perceived by the current US administration as a concrete demonstration of Western goodwill towards an increasingly skeptical Moslem world. If the current EU-Turkish estrangement does not prove to be transient and is accompanied by serious domestic tensions in Turkey, the United States may have to fashion a revised framework for a relationship with this important country sooner rather than later. Given the fact that Erdogan made a point of calling the US President to seek reaffirmation of US support for

Turkish membership just as the EU was moving towards its decision on Turkey and Buyukanit is due to make an official visit to Washington in February, the Turks themselves seem determined to keep Turkey on the American agenda.

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