

AN AWKWARD PARTNERSHIP:
TURKEY'S RELATIONS WITH THE EUROPEAN UNION IN
COMPARATIVE-HISTORICAL PERSPECTIVE

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Abstract

The article attempts to highlight the principal turning points in Turkey-EU relations in a comparative framework involving the Community's enlargement towards its southern and eastern periphery. Two sets of influences are identified as being critical in accounting for the ambiguities and oscillations in Turkey-EU relations. A basic dilemma for the European elites, which has been in evidence from the very beginning, is whether to treat Turkey as a natural "insider" or a significant "outsider". Turkey's domestic politics itself has constituted an important barrier to further deepening of Turkey-Community relations. A failure on the part of the Turkish political elites to fully understand the changing nature of the EU and the requirements of "deep integration" continue to pose problems for Turkey-EU relations in the current context.

I. INTRODUCTION

As the European Community evolved and experienced a process of deepening and widening over time, Turkey, more than any other country on the European periphery, posed grave challenges for the European integration process. Historically, the European elites have been rather apprehensive about Turkey's claims to be a full member of the Community right from the outset on the grounds of its size, its level of economic development and at a more fundamental level, its alleged European identity. More recently, concerns over the nature and quality of democratization have been added as another serious question mark concerning Turkey's credentials to become a member of the European Union. Indeed, from a European point of view, if Turkey had not been so insistent on full membership, relations would have evolved in a fairly straight-forward and non-problematic manner, since there has never been any doubt concerning Turkey's significance for the Community from a purely economic or security point of view. Turkey, as a Western-oriented, secular state with a large internal market and significant geostrategic position appeared to be a natural partner for the Community. The natural dilemma for the European elites, a dilemma which has been evident right from the beginning and has carried over to the present day, is whether to treat Turkey as a natural "insider" or an important "outsider" in the context of the on-going European integration project. Turkey's single-minded ambition to become a full-member of the EC/EU and the Union's desire to maintain an arm's length relationship with Turkey have helped to produce a difficult, tense and very often mutually disappointing relationship over the years.

The objective of the present paper is to highlight the principal turning points in Turkey-EU relations over a period of four decades, a process which has effectively been initiated in 1959 with Turkey's application for full membership of the Community leading up to the critical Helsinki Summit of December 1999, where Turkey has been accepted as a candidate country

for full EU membership. A central claim of the study is that Turkey–EU relations cannot be adequately understood simply on a bilateral basis without taking into consideration Europe’s evolving relations with other parts of its periphery in the course of the enlargement process. To be more precise, the southern enlargement process of the 1970s and the 1980s and the process of enlargement towards the east taking place during the 1990s are crucial to a proper understanding of recent Turkey–EU relations as well as Turkey’s increasing feelings of isolation and exclusion, reaching a climax during the critical interlude between the EU’s Luxembourg Summit of December 1997 and the Helsinki Summit of December 1999.

II. TURKEY AND THE COMMUNITY: THE INTERPLAY OF ECONOMICS, POLITICS AND CULTURE

To be able to capture the complexity and ambiguities surrounding the relations between Turkey and the Community over time, attention ought to be focused on distinct spheres of analysis involving the economic, political and cultural dimensions. A multi-layered investigation of this kind is also crucial to an understanding of why Turkey’s full-membership aspirations have been consistently resisted and postponed on the part of the Community. Such analysis is also necessary in terms of comprehending the claims on the Turkish part that it has been subjected to unfair treatment with respect to other applicants from the Southern and Eastern periphery of Europe.

The economic dimension has been a critical factor governing Turkey–EC/EU relations right from the outset, which is not surprising in the sense that the Community in the late 1950s and the early 1960s was far more a project of economic integration as opposed to a political or cultural entity. On the part of the Community, a fundamental concern over Turkey’s claims to be a full member rested on its population size (currently 65 million) and the underdevelopment of its economy. During the early stages of the relationship, a central concern was over the

ability of the Turkish industry to survive in an environment of free competition that the integration process would naturally entail. Fundamental question marks have also been raised concerning the disruption that would result and the conflicts that would be created by potential free mobility of labor in the form of mass migration of labor to the high wage economies of the European core. More recently, additional questions have been raised concerning the EU's ability to absorb a country of Turkey's size and level of development in terms of the burden imposed on the Community's budget and regional funds as well as the drastic revisions on the Common Agricultural Policy, which would become necessary in the process. Indeed, in spite of forty years of sustained economic growth and substantive industrialization, a significant development gap still persists. Turkey has managed to undertake far-reaching economic reforms in the 1980s and the 1990s, resulting in a transformation of the development model in the direction of an economy, which is far more open, competitive and integrated into the world market. Nonetheless, most commentators would agree that pervasive macroeconomic instability has not been fully overcome and the reform process is far from being completed. There is no doubt that a powerful case can be presented, and has been frequently presented in the Commission reports, that purely economic deficiencies would constitute a serious constraint for Turkey's full EU membership.

It would be misleading, however, to attach disproportionate weight to economic factors. After all, the Community has managed to integrate over fairly short periods of time three southern Mediterranean countries whose per capita incomes were substantially lower than the Western European averages at the time of their membership applications and their subsequent acceptance as full members of the Community. A similar process of eastern enlargement has been underway in the post-1990 era, a process designed to incorporate into the Union countries whose per capita incomes and levels of developments, whilst broadly similar to Turkey, are considerably below the standards of the European core. This

comparative observation clearly suggests or, at least has been interpreted by the Turkish political elite as an indication that considerations relating to culture and identity may ultimately be of greater significance in determining the course of Turkey–EU relations. “Secularization” and “Westernization” have been overriding goals of the Turkish modernization project instigated by the Kemalist political elite following the formation of the Republic in 1923. The westernization ideal, however, embodies longer and deeper historical roots in Turkey extending over a period of two centuries, going beyond into the pre-Republican Ottoman era. On the European side, the Treaty of Rome has clearly offered an avenue for enlargement of the Community beyond the original Six by making it possible for any country qualified as “European” to apply for full-membership in the future (1). Turkey’s desire to be part of the European project, however, has brought into the forefront deep issues concerning what constitutes “European” in the first place, where the “natural boundaries” of “Europe” precisely lie and whether it makes sense to absorb a country with a predominantly Muslim population into a community of Christians. Whilst, the economic dimension has always been on the surface of Turkey–EU relations, the culture and identity element has always been lurking in the background as a critical variable, complicating and frustrating the underlying relationship. Certainly, on the Turkish side, the sense of unfair treatment frequently expressed has been based on the conjecture that the Community has been far more willing to absorb new entrants from the southern or eastern periphery of Europe into the core of Europe on the grounds that these nations did not pose any obvious problems or threats for the common cultural entity or heritage of Europe in the same way as Turkey has. Stated somewhat differently, the Europeans have been far more receptive to the idea of incorporating Greece in the late 1970s or Poland in the 1990s to the orbit of the European project because these countries by definition appeared to be a natural part of the European order, whilst Turkey was a typical “outsider” or the “other” of the European integration project. Similar arguments can be advanced and have

indeed been advanced in the past drawing importance to the cultural factor in highlighting the dichotomy involved with respect to the Southern European trio and Turkey. A strong case has been developed for incorporating the comparatively backward Mediterranean countries into the Community as a means of strengthening and consolidating democracy in these countries whilst emphasizing weak democratic credentials as a barrier to entry in the Turkish case.

This brings us to the role of purely political factors in governing the course of Turkey-EU relations. It has always been the case that the qualification for EU membership necessitated a democratic government. Countries on the southern and eastern periphery of Europe could not qualify for full-membership for a long time simply because they failed to satisfy the fundamental political criterion. Yet, at the same time, the degree of emphasis placed by the “New Europe” on quality of democracy and performance with respect to human rights have increased markedly in the course of the 1980s and 1990s. This growing emphasis on quality of democratization has progressively emerged as the single dominant hallmark of European identity, posing a serious dilemma for Turkey’s aspirations to become a full EU member. Indeed, the restrictive nature of Turkish democracy has become the focal point of Turkey–EU relations in the most recent era, in line with the changing nature of the EU itself, overriding purely economic or cultural/identity-based considerations.

III. THE ANKARA AGREEMENT AND THE TERMS OF TURKEY’S ASSOCIATE MEMBERSHIP: SIMILARITIES AND CONTRASTS WITH GREECE

Turkey formally applied for Associate Membership of the European Economic Community in July 1959 shortly after the Greek application. An association agreement between Turkey and the European Economic Community was signed in 1963 two years after the conclusion of a similar association agreement with Greece. Hence, it would be fair to say that the two eastern Mediterranean rivals occupied broadly similar positions in the hierarchy of

Europe's external relations during the early 1960s. From the Community's point of view, both countries were important NATO partners, critical for western security interests in the Cold War context. The nature of the association agreements signed with the two countries are also broadly similar, although the agreement with Turkey is considered to be somewhat less generous than with Greece, reflecting concerns particularly in France and Italy about both economic and identity issues (2).

The Ankara Agreement, which became effective from December 1964 onwards, envisaged a stage by stage integration process culminating eventually with full membership of the Customs Union following the successful completion of the preparatory and the transitional stages. The agreement embodied a vague promise of full-membership of the Community at some undefined date provided that the appropriate conditions had been satisfied. The Agreement also envisaged a movement towards free mobility of labor between Turkey and the Community at some future date, an issue which has created considerable resentment and tension within the Community in the coming years and particularly from Germany, which has been historically the principal recipient of migrant labor from Turkey.

Looking back, three fundamental motives could be discerned in Turkey's application for associate membership status during this period. The first key consideration was essentially an identity issue. Closer relations with the emerging European Community seemed perfectly consistent with the fundamental goals of building and maintaining a secular, democratic and Western-oriented state. Closer relations with the EC would also help to diversify Turkey's external relations and reduce the country's overdependence on the United States. A second major consideration was to prevent Greece from taking unfair advantage in its subsequent bilateral relations with Turkey. The timing of Turkey's application for associate membership clearly highlights the importance attached to containing Greece as an objective in its own right.

Thirdly, the long-term benefits, which might be generated through closer interaction with a powerful economic union also proved to be a central guiding principle.

In retrospect, a defensive attitude was a dominant element in the minds of the Turkish political elite. Indeed, in both Greece and Turkey a consensus of opinion appeared to exist across the whole of the political spectrum, an opinion which the business community in the two societies strongly subscribed to, that premature trade liberalization and early exposure to strong competitive pressures from the EC would jeopardize domestic industrial development. Hence, the long transition periods envisaged by the association agreements –twenty-two years in the Turkish case extending from 1973 to 1995–were wholeheartedly accepted in the domestic policy circles of the two countries in the 1960s and the early 1970s (3).

The year 1973 marked the climax of Turkey's relations with the Community following the signing of the Additional Protocol, which implied a significant lowering of protectionist barriers in the EC for Turkish manufactured exports on a unilateral basis, with certain key exceptions such as textiles (4). It might be argued that in 1973 there was no fundamental discrepancy between the expectations of Turkish political elites and actual progress made in relations with the Community in line with the Ankara Agreement (5). One could go even further and argue that there appeared to be no substantive difference adopted by the Community towards its two major Mediterranean allies. There was no basic disagreement with the view that, given Turkey's level of industrial development at the time, entry into a full customs union would necessitate a considerable period of protectionism and adaptation. In any case, the eventual promise of a Customs Union through a legally binding Ankara Agreement was interpreted as being essentially the same as full membership in a Community which in the early stages of its development was a loosely structured economic entity involving a customs union and free mobility of labor.

IV. THE MID-1970S AS A CRITICAL TURNING POINT IN TURKEY-EC RELATIONS: THE MEDITERRANEAN ENLARGEMENT AND TURKEY'S SELF-EXCLUSION

The year 1974 proved to be a critical turning point in Turkey's relations with the European Community. It was also the beginning of a marked divergence in the fortunes of the two eastern Mediterranean powers, which had enjoyed broadly similar standing within the Community during the earlier era. The Turkish intervention in Cyprus in the summer of 1974 followed by the delegitimation and collapse of the military government in Greece, which had been in power since 1968, involved far-reaching changes in Turkish-Greek-EC relations. The new Greek government under the Premiership of Constantine Karamanlis applied for full-membership of the Community in 1975. Ultimately, the Greek application was motivated by political and security considerations as opposed to purely economic concerns. The new Greek government saw full-membership as a means of consolidating the nascent democratic regime in Greece and also as a way of containing the security threat from Turkey, which appeared to be particularly acute following the Cyprus intervention. It is interesting that the early reception of the Greek application within the Community was quite negative. The early commission reports on the Greek application have drawn attention not only to the weaknesses of the Greek economy but also, perhaps ironically, to the possible discrimination that Greek membership would entail for the other associate member, Turkey, whose relations with the Community had been on equal terms up to that point. Nonetheless, the negative attitude and lack of optimism were subsequently reversed as the European Council overruled the Commission's recommendation and decided to open negotiations for full-membership with Greece. The key argument in favor of this decision was that incorporation into the Community would help to consolidate the fragile democratic regime in Greece (6). Following the completion of a comparatively short transition period Greece was absorbed as the tenth member of the

Community in 1981. Indeed, the time period between Greece's application and actual accession as a full member proved to be much shorter than the time period which has taken Spain and Portugal to graduate to full member status in the Community.

From an historical point of view, one of the puzzles of the late 1970s is why Turkey has failed to apply for full membership of the EC at the same time as Greece, considering that one of the motives for Turkey's application for associate membership back in 1959 was precisely to counteract the initial strategic move on the part of Greece. In retrospect, a number of possible factors might be identified to explain the puzzle. Firstly, The Turkish policy makers appear to have underestimated the difficulties that Greece's inclusion in the Community would pose for the subsequent course of Turkey-EC relations. The anticipation was that Greece would be incorporated as a weak and peripheral member and its position would be quite marginal within the overall hierarchy of the Community. Furthermore, the Community itself would refrain from taking decisions against an important NATO power and, at any rate, the inclusion of Greece would not fundamentally alter the Community's basic stance towards Turkey. Secondly, the Turkish policy makers failed to anticipate the speed whereby the Greek application for full-membership would be realized, a position which appeared to be quite justified by the lack of enthusiasm and the absence of any real momentum during the initial phases of the Greek application. Thirdly, the Turkish political elites, again a reflection of the defensive attitude, which they had adopted towards the EC in economic terms, were reluctant to accelerate the pace of integration and to expose Turkish industry to unnecessary and premature competition. In retrospect, what they had in mind was to complete the time table which had been set to them by the Ankara Agreement and the subsequent Additional Protocol based on the understanding that Greece's peripheral presence as an insider would not jeopardize Turkey's direct economic links with the Community (7).

By the late 1970s, however, a certain change of position could be discerned on the Turkish side. There was growing concern in Turkey following once Greece's early accession to the Community became a serious possibility. Those concerns were intensified further as Spain and Portugal also emerged as serious contenders for inclusion in the Community after shedding off their authoritarian past (8). The idea of applying for full-membership gained increasing support in Turkey (9). Growing domestic political and economic instability, however, delayed the application process with the Islamist element in the ruling coalition government, the National Salvation Party (MSP), representing a significant obstacle in this context. Finally, the collapse of the democratic regime in Turkey in September 1980 put an end to any chance of possible full-membership in the foreseeable future.

Hence, one line of interpretation, which emerges from this comparative account, is that, Turkey, through its failure to apply for full-membership at the same time as Greece, missed a major opportunity. In other words, Turkey's exclusion from the Community at the time of its "southern enlargement" constituted a case of self-exclusion as opposed to exclusion by the Community itself. There is a certain element of truth in the conjecture that domestic political weaknesses and inaction on Turkey's part resulted in its exclusion during the early phase of EC enlargement beyond its natural core. But, at the same time, it is not unambiguously clear that an early application on Turkey's part would have resulted in an equally smooth and non-problematic accession as in the case of Greece, Portugal and Spain. Given Turkey's size, the identity issues involved and, on top of this, the negative reception of the Cyprus intervention in the West, it would have been very doubtful that an early application for Turkey would have created an equally favorable response in the Turkish case, as it has been the case for the three southern Mediterranean entrants.

IV. TURKEY'S ENCOUNTERS WITH THE NEW EUROPE IN THE POST-1980 ERA AND THE CUSTOMS UNION

The post-1980 era represents a period of radical transformation for both Turkey and the European Community with rather striking implications for their subsequent relations. In the Turkish case, the principal change was in the economic sphere. The heavily protected and inward-oriented economy of the 1960s and the 1970s was steadily transformed in the direction of a far more open and outward-oriented economy in the course of the 1980s and the 1990s (10). On the political front, the military interlude between 1980 and 1983 was followed by a stage-by-stage return to democratic government, a natural corollary of which was a marked improvement in relations with Europe. In order to capitalize on this favorable environment, Turkey, under the Premiership of Turgut Özal, applied for full-membership of the European Community. Turkey's attitude under Özal was no longer the timid and defensive attitude, which had characterized its approach to a potential customs union in the early 1960s or the 1970s. With a more open economy and substantially stronger industrial base, Turkey in late 1980s adopted a more positive approach towards the Community based on the notion of active participation and geared towards maximizing the opportunities provided by the Community (11). The outcome of the application, however, was a disappointment. Turkey's application was decisively rejected by the European Council on the grounds that Turkey had failed to satisfy both basic economic and political criteria for full-membership. It was also indicated that, in any event, another round of enlargement was not in the cards at least until 1993 (12). The recommendation, instead, was to activate the Customs Union, which had been on the agenda ever since the very first agreement of 1963.

A point which has not been fully recognized by the Turkish political elite is that Europe as it evolved from the "Community" to the "Union" was itself undergoing massive changes both on the economic and the political fronts. In the purely economic realm, significant steps

were being taken towards deepening and involving a far greater coordination of economic policies in a wide variety of policy areas leading towards the completion of the single market **(13)**. On the political front, the New Europe appeared to place much more emphasis on the quality of democracy and human rights **(14)**. The mere existence of representative democracy no longer sufficed as a qualification for full-membership. In other words, “deep integration” in Europe by the beginning of the 1990s had a fundamentally different meaning attached to it compared to Turkey’s first encounter with the Community back in the early 1960s.

Turkey’s relations with the New Europe were once again heavily shaped by the nature of its domestic politics in the course of the late 1980s and the 1990s. The Turkish democracy during the period faced two fundamental challenges in the form of Kurdish separatism and political Islam, challenges which appeared to pose serious threats to the territorial integrity and the secular character of the Kemalist state **(15)**. As the Customs Union became a reality by the end of 1995, the Europeans tended to place much more emphasis on political factors and the limitations of Turkish democracy, as opposed to earlier periods where the primary emphasis was always the development gap and the relative underdevelopment of the Turkish economy **(16)**.

Another factor, which complicated Turkey’s relations with the EU during the period, was the role of Greece as an active insider in Union politics. It became increasingly evident that EU membership had given Greece an important political edge over Turkey in their mutual rivalry and bilateral relations **(17)**. The unanimity principle on which the EU decision making process was based meant that Greece could single handedly bloc key decisions taken by the other eleven and subsequently fourteen members of the Community. A striking example of this was the blockage of the financial package, which would be made available to Turkey as part of the Customs Union **(18)**. Similarly, Greek approval for the Customs Union with Turkey could not only be obtained in return for accepting the candidacy of the Republic of Cyprus for the

EU, a decision which arguably complicated the attempts to find a satisfactory solution to the Cyprus dispute. Whilst, the veto power exercised by Greece is important in understanding the nature of Turkey–EU relations during the period, a problem of interpretation clearly exists which deserves serious investigation in its own right. To what extent was Greece itself responsible for key Community decisions taken with respect to Turkey or was it being used as a scapegoat by other dominant powers within the Community who basically subscribed to the decisions taken by the Union?

In any event, the realization of the Customs Union was an important step for Turkey in terms of moving towards a more competitive economy. Furthermore, the Customs Union was instrumental in the implementation of far-reaching regulatory reforms in the Turkish economy during the course of the 1990s, reforms which arguably could not have been implemented by the fragile coalition governments in power in the absence of such a powerful external anchor. Nonetheless, it is important to emphasize that the Customs Union for Turkey did not constitute an end in itself, but only a means to the ultimate goal of full-membership. Hence, the question of whether the Customs Union, in itself, made sound economic sense was not an issue which received serious attention given that it was seen only as a temporary, short-run transitional stage on the road to full-membership (19).

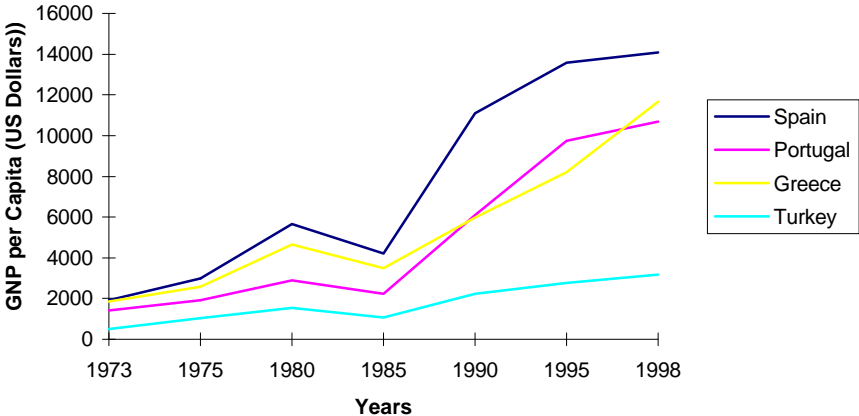
VI. TURKEY AND THE EASTERN ENLARGEMENT OF THE EU IN THE 1990s: YET ANOTHER ROUND OF ISOLATION AND EXCLUSION

In spite of the realization of the Customs Union, the late 1990s represented a period of isolation, exclusion and sense of disappointment in Turkey's relations with the EU. This perception of being isolated and excluded on Turkey's part reached a climax with the EU's Luxembourg Summit of December 1997 where Turkey was excluded from candidate status, at

a time when a number of Central and Eastern European countries emerged as serious contenders for full EU membership.

In retrospect, Turkey’s feeling of isolation and exclusion has been compounded by two major developments. Firstly, it became abundantly clear over time that the Mediterranean enlargement process of the EU had generated enormous benefits for Greece, Portugal and Spain in terms of both economic development and graduation from fragile to consolidated democracies over a comparatively short space of time. Spain, in particular, but also Greece and Portugal, if to a lesser extent, have benefited from the Community’s structural and regional funds and from the expansion of trade and inflows of foreign direct investment. Full EU membership has clearly created a virtuous cycle of stability, growth and democratic consolidation in all these three countries. The divergence in the per capita incomes of the Mediterranean trio and Turkey during the course of the 1980s and 1990s appeared to be a clear testimony to the costs of exclusion in the Turkish case (figure 1).

Figure 1: Divergence between Per Capita Incomes of the Mediterranean Trio and Turkey

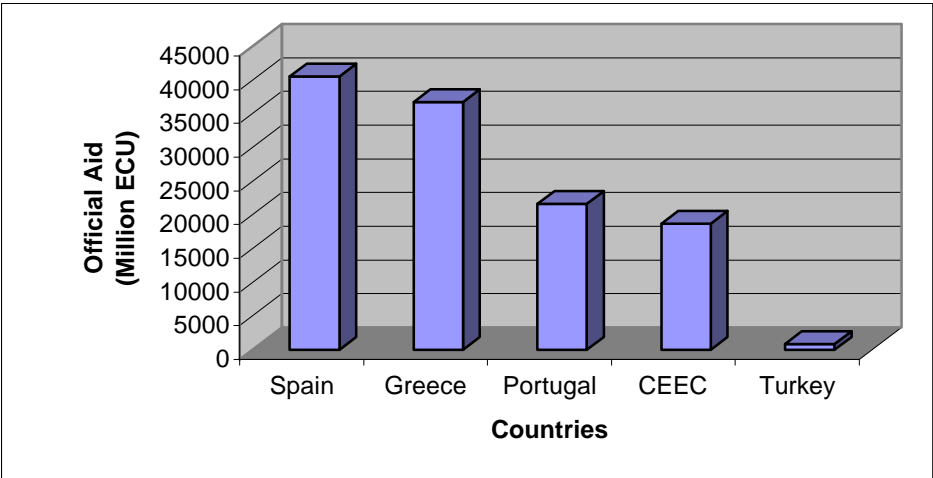


Sources: World Bank, *World Tables*, 1995, The Johns Hopkins University Press
World Bank, *World Development Report* 1997, 1999-2000, Oxford University Press

Furthermore, the size of the official Community transfer to the Mediterranean trio compared to the meagre resources promised to Turkey has also helped to aggravate the underlying perception of exclusion in the Turkish case (figure 2).

Figure 2: Contrasts in Official EU Assistance to Mediterranean Trio, Central and Eastern

Europe and Turkey



Source: Nurettin Bilici, *Avrupa Birliđi Mali Yardımları ve Türkiye*, Ankara: Akçađ Yayınları, 1997

- *The data presented covers the official aid figures until the end of 1995
- **The official aid to CEEC (Central and East European Countries) for the 1995-1999 period is allocated as 6693 million ECU as presented in the PHARE budget (see, <http://europa.eu.int/comm/enlargement/pas/phare/wip/index.htm>)

Secondly, the enlargement of the Community towards its eastern periphery during the 1990s to incorporate the post-Communist countries of Central and Eastern Europe played a decisive role in confirming Turkey’s apparent sense of marginalization (20). Clearly, these set of countries appeared to have broadly similar economic structures to Turkey and far more limited experience of democratic government. Once again, the enthusiasm displayed by the major European powers to absorb the Eastern periphery into its orbit as a means of consolidating democracy in these countries and the amount of resources channelled to the countries involved under the auspices of the PHARE program made a strong contrast with the

Turkish case where the Customs Union appeared to be a final step in the integration process, the quality of democracy emerging as a criterion to deny entry and even the limited financial resources promised not being made available in practice (21).

VII. THE HELSINKI SUMMIT OF DECEMBER 1999 IN PERSPECTIVE

The European Council Summit Meeting held in Helsinki during December 1999 represents yet another critical turning point in Turkey–EU relations (22). Following the disappointments of Luxembourg, Helsinki has provided a new lease of life for Turkey–EU relations, by offering explicit candidate status to Turkey, a decision which generated considerable optimism on Turkey’s part. A particularly striking and dramatic transformation in this context concerns the changing approach of Greece towards Turkey–EU earlier. As emphasized earlier, Greece, as a full-member of the Community since 1981, has been continuously posing problems for Turkey by capitalizing on the unanimity principle in the EU’s decision making process. Yet, towards the end of 1999 a radical change of attitude could be discerned in the sense that Greece adopted a strategy of active support for Turkey’s candidacy and eventual full-membership. This paradoxical development was probably based on a growing realization on Greece’s part that its vital security interests would not be properly served and an appropriate solution to the Cyprus dispute could be found if Turkey was left isolated and excluded from the Community. State somewhat differently, Greece increasingly visualized solution to its bilateral disputes with Turkey within the orbit of the Community and through EU incentives, pressure and discipline. On a positive note, the Turkish–Greek rapprochement has been a major landmark of the most recent era. The immediate effects of Helsinki were visible on the economic front. Closer relations with the EU and the announcement of Turkey’s candidacy contributed towards the creation of a favorable environment for the implementation of a major program of stabilization and public sector restructuring. Indeed, there are signs that

the chronic inflationary equilibrium, a characteristic of the Turkish economy for many years, is on the way to being dismantled.

A balanced perspective would suggest, however, that serious hurdles continue to exist on the road to Turkey's full EU membership. Whilst there are economic constraints to full-membership in the sense that serious and politically difficult economic reforms need to be implemented, the principal hurdles appear to be on the political and more specifically on the democratization front. Turkey's ability to meet the fundamental Copenhagen criteria requires equally fundamental changes in its domestic politics. To be more precise, a recognition of the rights of the Kurdish minority and an internationally acceptable solution to the Cyprus issue have been identified as central pre-requisites for full-membership, pre-requisites which pose serious challenges to the Turkish state and Turkey's domestic politics.

VIII. CONCLUDING OBSERVATIONS

In retrospect, the complexities, the ambiguities and disappointments surrounding Turkey–EU relations over time may be adequately explained by adopting two different levels of analysis. The first level of analysis concerns the dilemmas characterizing the EC/EU's approach to Turkey itself, a striking illustration of which has been Turkey's initial exclusion from the candidate status in Luxembourg in 1997 and its subsequent inclusion two years later at the Helsinki Summit of 1999. This apparent dilemma or contradictory behavior on the part of the EU may be explained in the following terms. For the EU, Turkey is an important country and a natural partner from an economic and security perspective. One would go further and argue that if Turkey had not been so insistent on full-membership status, relations between the two parties would have evolved in a relatively smooth and non-conflictual fashion (23). When full-membership of Turkey and, hence, "deep integration" is at stake, however, problems arise from the EU's point of view in relation to Turkey's size, identity and the nature of its political

regime which lends to the development of an arm's length relationship. This lukewarm attitude becomes particularly evident in comparative terms, when one takes into account the extraordinary degree of adaptability and flexibility that the Community or the Union has displayed in incorporating peripheral countries as part of its southern and on-going eastern enlargement processes. Arguably, a similar lukewarm attitude may also be discerned in the EU's somewhat insensitive approach towards Turkey's two key outstanding domestic problems, namely Kurdish separatism and the challenges posed by political Islam. Clearly, one may recognize an underlying dichotomy on the part of the EU itself, namely whether to treat Turkey as a natural "insider" or a major "outsider" in the enlargement process

A balanced interpretation, however, would also need to identify a second level of analysis. Turkey's domestic politics has been an important contributor to the underlying tensions surrounding Turkey-EU relations, both historically and in the current context. It was abundantly clear how Turkey's democratic deficits have prevented it from capitalizing on the process of southern enlargement in the late 1970s and the early 1980s. At present, domestic politics once again constrains Turkey's ability to undertake the kind of political reforms needed to satisfy the basic Copenhagen criteria which open the way to a relatively smooth graduation towards full-membership. There exists a certain inconsistency or dichotomy in the approach of the Turkish political or state elites to the issue of EU membership in the sense that they would like to obtain the benefits of full-membership without necessarily delegating any power, authority or sovereignty over what they consider to be purely domestic political issues to Brussels or the EU itself. Clearly, considering the post-Westphalian character of the EU, full-membership without delegating any real authority beyond the purely economic realm does not commend itself as a feasible or rational strategy. Hence, our prediction based on the discrepancies underlying the perceptions of the European and Turkish political elites is a rather protected and rocky path to Turkey's eventual full-membership.

Notes

1. Article 237 of the original Treaty of Rome, the Treaty Establishing the European Economic Community, opened with the statement that 'any European State may apply to become a Member of the Community'.
2. On the evolution of Turkey-EU relations see Birand, Mehmet Ali (2000), *Türkiye'nin Avrupa Macerası 1959-1999* (İstanbul: Milliyet Yayınları) and Tekeli, Ýlhan and Selim Ýlkin (1993), *Türkiye ve Avrupa Topluluđu* (Two volumes) (Ankara: Ümit Yayınları). Also relevant in this context are Kramer, Heinz (2000), *A Changing Turkey: A Challenge to Europe and the United States* (Washington D.C: The Brookings Institution Press) and Müftüler-Baç, Meltem (1997), *Turkey's Relations with A Changing Europe*, (Manchester: Manchester University Press). For the original text of 'Ankara Agreement' see, <http://www.mfa.gov.tr/grupa/ad/adc/mfa303.htm> (24.08.2000). Similarly, original text of the 'Additional Protocol' can be found at <http://www.mfa.gov.tr/grupa/ad/adab/Document2.pdf> (24.08.2000)
3. For a comprehensive analysis of the stage by stage process of integration envisaged by the Ankara Agreement leading up to the Customs Union see, Balkır, Canan (1998), "The Customs Union and Beyond" in Rittenberg, Libby, ed., *The Political Economy of Turkey in the Post-Soviet Era. Going West and Looking East?* (Westport Connecticut: Praeger), pp. 51-78.
4. As part of the Additional Protocol, by 1973, the EC had abolished all customs duties and quotas for Turkish manufactured products with the exceptions of textiles and clothing. On the details of the Additional Protocol see Balkır, Canan (1998), "The Customs Union and Beyond" in Rittenberg, Libby, ed., *The Political Economy of Turkey in the Post-Soviet Era. Going West and Looking East?* (Westport Connecticut: Praeger), pp. 51-78.

5. During the 1960s and 1970s the main source of contention among politicians, bureaucrats and businessmen in Turkey concerned the precise timing of the Customs Union. In retrospect, an underlying consensus could be detected involving both the right and left of the political spectrum that there ought to be a significant transition period before Turkish industry would become mature and be able to compete with the Community on equal terms. For a through documentation of the debates concerning Turkey-EC relations in domestic political and business circles in Turkey see, Tekeli, Ýlhan and Selim Ýlkin (1993), *Türkiye ve Avrupa Topluluđu*, Vol I, (Ankara: Ümit Yayýncýlýk).
6. On the dynamics of Greece's incorporation involving an initial lack of enthusiasm which is subsequently reversed see Tsoukalis, Loukas (1981), *The European Community and its Mediterranean Enlargement*, (London: George Allen and Unwin); Preston, Cristopher (1996) *Enlargement and Integration in the European Union*, (London: Routledge) and Tsalýcoglou, Iacovos (1995), *Negotiating for Entry. The Accession of Greece to the European Community*, (Aldershot: Dartmouth). On the negative attitude underlying the European Commission's approach to Greece's full membership see, Commission of the EC (1976), "Opinion on Greek Application for Membership". *Bulletin of the European Communities*, No. 2.
7. For an eloquent elaboration of the argument that the Turkish political elites, during the mid-1970s, have severely underestimated the problems which would be posed by Greece's full membership of the Community see Güvenç, Serhat (1998/1999), "Turkey's Changing Perception of Greece's Membership in the European Union: 1981-1998". *Turkish Review of Balkan Studies*, Annual, No. 4, pp. 103-130. Also relevant in this context is Eralp, Atila (1993), "Turkey and the European Community in the Changing Post-War International System" in Balkýr, Canan and Alan M. Williams, eds., *Turkey and Europe*, (London: Pinter Publishers), pp. 22-44.

8. On the "southern" or Mediterranean enlargement of the Community involving Spain and Portugal see, Tsoukalis, Loukas (1981), *The European Community and its Mediterranean Enlargement*, (London: George Allen and Unwin), Bideleux, Robert and Richard Taylor, eds. (1996), *European Integration and Disintegration: East and West*, (London: Routledge) and Preston, Christopher (1997), *Enlargement and Integration in the European Union*, (London: Routledge).
9. There was a growing realization on the part of the political elites in Turkey that there ought to be an application of full membership by the late 1970s. The process was delayed by the underlying political instability and weak coalition governments and finally collapsed following the military takeover of September 1980. For a full documentation of this process see Tekeli, Ýlhan and Selim Ýlkin (1993), *Türkiye ve Avrupa Topluluđu*, Vol I, (Ankara: Ümit Yayýncýlýk).
10. On the political economy of Turkey during the 1980s and the 1990s in the context of neoliberal economic reforms see, Öni°, Ziya (1998), *State and Market: The Political Economy of Turkey in Comparative Perspective*, (Ýstanbul: Bođaziçi University Press).
11. For a detailed documentation and analysis of events leading to Turkey's application for full membership of the Community under Özal's leadership see Tekeli, Ýlhan and Selim Ýlkin (1993), *Türkiye ve Avrupa Topluluđu*, Vol II, (Ankara: Ümit Yayýncýlýk).
12. On the arguments leading to a rejection of Turkey's application in 1987 both on economic and political grounds see, Commission of the European Communities, (1989), "Commission Opinion on Turkey's Request for Accession to the Community", Brussels, December 18, 1989.
13. On the economic aspects of "deep integration" in the "New Europe" involving a move towards a single market see, Tsoukalis, Loukas (1993), *The New European Economy. The Politics and Economics of Integration*, (New York: Oxford University Press) and

Moravcsik, Andrew (1998), *The Choice for Europe. Social Purpose and State Power from Messina to Maastricht*, (Ithaca and New York: Cornell University Press).

14. On the political dimensions of the New Europe in the 1980s and 1990s with a significantly greater emphasis on performance with respect to human rights see, Story, Jonathan, ed. (1993), *The New Europe. Politics, Government and the Economy since 1945*, (Oxford: Blackwell Press) and Nugent, Neill (1995), "Editorial: Redefining Europe", *Journal of Common Market Studies*, Vol. No. pp. 1-9.
15. For a critical analysis and overview of the "Kurdish problem" see, Barkey, Henri J and Graham E. Fuller (1998), *Turkey's Kurdish Question*, (Maryland: Rowman and Littlefield Publishers). On the nature of Islamism and its consequences in Turkey see, Ye'ılada, Birol A. (1999), "The Refah Party Phenomenon in Turkey" in Ye'ılada, Birol A., ed., *Comparative Political Parties and Political Elites*, (Ann Arbor: The University of Michigan Press)\ pp.123-150.
16. Commission Reports on Turkey before and after the Customs Union have continued to highlight Turkey's economic weaknesses, but placed more emphasis on the country's democratic deficits. See Commission of the European Communities, "Regular Report from the Commission on Progress towards Accession of Turkey", October 13, 1999 available at: http://europa.eu.int/comm/enlargement/turkey/rep_10_99/b14.htm; Commission of the European Communities, "Commission Opinion on Turkey's Request for Accession to the Community", Brussels, December 18, 1999 and European Commission, *Agenda 2000. For a Stronger and Wider Union*, Supplement 5/97. The Customs Union between EU and Turkey involved trade in manufactured products and excluded trade in agriculture and services. For the details of the Customs Union Agreement see, The Association Council, "Association between European Community and Turkey", Brussels, March 3, 1995.

17. For a valuable analysis highlighting and documenting the problems posed by Greece as an insider in the Community see, Güvenç, Serhat (1998/1999), "Turkey's Changing Perceptions of Greece's Membership in the European Union: 1981-1998". *Turkish Review of Balkan Studies*, Annual, Vol. 4, pp. 103-130. On the nature and origins of Turco-Greek conflict see, Conostas, Dimitri (1990), *The Greek-Turkish Conflict in the 1990s: Domestic and External Influences*, (New York: St. Martin's Press).
18. Financial assistance promised to Turkey as part of the Customs Union agreement from various Community sources over a period of five years amounted to ECU 1.5 billion. These resources could not be activated, however, due to the lack of unanimity in the European Council. Indeed, ever since the signing of the Ankara Agreement, Turkey has managed to obtain only ECU 827 million as financial aid from the Community. See Balkýr, Canan (1998), "The Customs Union and Beyond" in Rittenberg, Libby, ed., *The Political Economy of Turkey in the Post-Soviet Era. Looking West and Going East?*, (Westport Connecticut: Praeger), pp. 51-78.
19. The argument that the terms on which the customs union with the EU, established at the end of 1995 was not based on serious economic analysis is elaborated by Eder, Mine (1999), "Becoming Western: Turkey and the European Union" in Grugel, Jan and Will Hunt, eds., *Regionalism Across the North-South Divide: State Strategies and Globalization*, (London: Routledge), pp. 79-94.
20. On the eastern enlargement of the European Union and its probable consequences for established institutional arrangements such as regional funds or the Common Agricultural Policy see Redmond, John and Glenda G. Rosenthal, eds., (1998), *The Expanding European Union. Past, Present, Future*, (Boulder and London: Lynne Rienner Publishers) and Curzon-Price, Victoria, Alice Landau and Richard G. Whitman, eds., (1999), *The Enlargement of the European Union. Issues and Strategies*, (London: Routledge).

21. The enormous contrasts between the resources targeted for the Central and Eastern European countries and the amounts allocated to Turkey at least in principle are clearly illustrated by the data presented in the report *Agenda 2000*.
22. On the dynamics of the process leading from the Luxembourg Summit of December 1997 to Helsinki Summit of December 1997 see, Öni°, Ziya (2000), "Luxembourg, Helsinki and Beyond: Towards an Interpretation of Recent Turkey-EU Relations". Paper presented at the annual BRISMES Conference held at the University of Cambridge, England, July 2-5, 2000 and forthcoming in *Government and Opposition*. For the official documentation of Luxembourg and Helsinki Summits for the course of Turkey-EU relations see, European Parliament, "Turkey and Relations with the European Union", Briefing No: 7, Luxembourg, March 31, 1998 and European Council (1999), *Presidency Conclusions*, Helsinki 13-15 December (Brussels: General Secretariat of the Council).
23. For a cogent and controversial argument that it is in the interest of both Turkey and the EU not to pursue a "deep integration" project leading towards Turkey's full EU membership see, Buzan, Barry and Thomas Diez (1999), "The European Union and Turkey". *Survival*, Vol. 41, No. 1 (Spring), pp. 41-57.

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