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**EU – TURKEY’S RELATION: OBSTACLES, BENEFITS, AND  
PROSPECTS**

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The undersigned Lea Murn, a student at the University of Ljubljana, Faculty of Economics, (hereafter: FELU), declare that I am the author of the bachelor thesis entitled EU – Turkey Relation: Obstacles, Benefits, and Prospects, written under supervision of doc. dr. Aleksandar Kešeljevič and co-supervision of dr. Dimitris Tsarouhas.

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## INTRODUCTION

»Turkey is big, poor, and populous. It sprawls from Europe into Asia. Its people are overwhelmingly Muslim, although its political institutions are secular« (Too big to handle?, 2012). This is common thinking of majority of Europeans, which is based on facts and some misconceptions. Turkey is bigger and more populous compared to other European countries. It greatly differs by religion, which represents values and beliefs, and it seems to be a big issue for Europeans; this description was written by a British newspaper. Now I will give a description of Turkey written by Turkish industrialists and businessmen's association (TÜSIAD) for comparison of the two descriptions. »Turkey is still the only Muslim country that has a functioning market economy, a democratic political system and a secular state. It can be a conduit for a better understanding between different cultures and serve as a proven case against the arguments that claim incompatibility between Islam and modernity.« (Yerasimos, 2002a). This description is much more positive and reflects tolerance and development of the country. Why are the two views so different? Why is the European explanation so negative?

The issue caught my eye, when I decided to go on Erasmus exchange to Turkey. The most frequent reaction of Slovenian people was shocking with questions, why I was going there and that it is dangerous to go there. At the time of my decision, I wanted to go somewhere really different. Dangers and the fact that people are really different did not cross my mind. Their reactions made me think how they can have so many prejudices before even visiting Turkey and experiencing it. However, I went there without any concerns or doubts and with an eager to explore Turkey. Based on reactions and prejudices of people, I decided to research the relation between Turkey and the European Union as it represents the European thinking.

Aim of the thesis is to explore the current situation in relations between Turkey and European Union with respect to the past. Also with my research and analysis of the secondary data, I make some predictions for the future based on the obtained data. The purpose of the thesis is to contribute to understanding and knowledge of Turkey and EU's relation and to show a wider target audience the relation between Turkey and the European Union in two scenarios, if Turkey enters the European Union and if not. I am aiming to reach the people who have little knowledge about the topic and would like to learn about it. I would also like to reach the experts on the topic to give them an overview of the relation and provide with prospects for the future. My hypothesis is that Turkey will enter the EU and I will try to accept or overthrow it with an analysis of 2 scenarios.

My thesis is divided into 4 thematic sections. The first chapter starts with some historical facts, to make things clear. It is divided in two parts. Firstly, I briefly describe history of Turkey and then history of the relation between Turkey and the European Union. In the second chapter, I try to answer the question from the first chapter, why the process of entering lasts longer than if I compared it to any other country, with a research about the obstacles. Obstacles to membership are coming from Turkey as well as from the EU. Therefore, I

divided the chapter in 2 parts, to explore both sides. Consequences of obstacles are accession negotiations, which are researched at the end of the chapter. The third chapter is the most interesting because it is based on prospects for Turkey not entering the European Union. As you will read, I have made some predictions for the future and provide with different alternatives. In the fourth chapter, my second prediction is that Turkey becomes a full member of the European Union. Therefore, I have analyzed the benefits for both sides because they are the best indicator of potential membership. In the conclusion, I will propose most likely outcome in their relationship, with respect to the past, both scenarios and with consideration of benefits and obstacles. The first chapter follows about history of Turkey, which has a great impact on the present and then I will continue with main historical points of Turkey and the European Union relationship.

## **1 HISTORY OF TURKEY AND TURKEY'S RELATIONS WITH THE EU**

To understand the present relationship of Turkey and the European Union<sup>1</sup> I will have to explore about the history. The chapter is divided into two parts. The first part includes history of Turkey because it significantly influences the current situation. The second part includes the history of relations between Turkey and the EU which will help analyzing the events happening now and make implications for the future.

### **1.1 Historical Background of Turkey**

Before the Republic of Turkey, there was an Empire, which was the longest and largest empire in the history. The Ottoman Empire was the most powerful state in the world from 1299 to 1923 and it ruled whole Eastern Mediterranean and the Balkans, in fact at some point reached the entrance of Vienna. The official language was Ottoman Turkish. Ottoman Empire lost First World War, and then waited for decision of its fate from Allied Powers (this were the years from 1918 to 1920). However, Turkish War of Independence started from 1919 and lasted to 1922, when both leaders from Istanbul and Ankara were trying to save the Empire with their own methods (Özoğlu, 2011).

Vital contribution in the Independence War made General Mustafa Kemal and became the leader of Turkish nation. In October 1923, the Republic of Turkey was declared with capital Ankara and the first president Mustafa Kemal. In March 1924, he emphasized three main points: »Safeguarding and stabilization of the Republic, creation of the unified national system of education, and the need to cleanse and elevate the Islamic faith, by rescuing it from the position of political instrument, to which it has been accustomed for centuries« (Lewis, 2001). He decided for a path leading toward the West with adopting political and law reforms. Projects were aiming of giving the Turkish state and people more secular, national, and

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<sup>1</sup> The term 'European Union' and the abbreviation 'EU' is used throughout the thesis, also referring to the term 'European Economic Community' (EEC) and the term 'European Community' (EC).



modern but less Islamic character, while the official religion was Islam. He was trying to incorporate Turkey into the civilization of the modern West, by changing Arabic script to Latin alphabet, creating plan for expansion of Turkish industry, compulsory adoption of Turkish surnames, and even declared weekly holiday from Saturday at 1 p.m. to Monday morning for all government and public offices, which was a Jewish and Christian custom. At the same time, he renamed himself to Kemal Atatürk because the former was excessively Arabic. In addition, he had a wish to create multi-party democracy, but it proved to be dangerous and premature after violence accrued. In 1938, he died and after he was seen as a dictator, but in fact he was just taking control by adopting reforms in national crisis. Changes were necessary for the whole structure of society and culture. Kemalist revolution brought new life and hope to the Turkish people, restored their energies and self-respect and above all he gave them freedom (Lewis, 2001). Turkish people see him as a great man and are proved of being Turkish. Moreover, they always put his flag next to the Turkish one.

The Ottoman Empire was sieging Europe for 600 years and the battles stayed in the minds of Europeans. This may be the reason for prejudices about Turks because the Islamist Turks were trying to seas Christian Europe. However, they did not succeed, but the battles caused thousands of victims, which people cannot forget. After the Independence War in 1923, the Republic of Turkey was declared with the first president Atatürk. He decided for the path towards the West, which was democratic and modern. He was a voice of people and wanted Turkey to become as developed as Europe and made a lot of reforms but did not succeed because it was premature. The problem was because Europeans did not want Turkey to be like them because they still saw it as an enemy. After Atatürk's death, presidents of Turkey went after his steps – trying to push Turkey towards the developed Western countries with structural reforms.

Turkey's state election in November 2002 was a turning point for state-society relationship because the elected party named AKP, this means Justice and Development Party, was the first political party, which was not connected with civil-military bureaucracy. Surprisingly, its Islamist interest never came to the table, although it is an Islamic Party. Turkey is still on its way to become a normal, democratic nation-state by Western social and political standards (Akçam, 2004). The reason lies in the European Union with its demand to adopt reforms, to become democratic and developed. The AKP party has made much more reforms in the past decade than in the whole history of Turkey and the Ottoman Empire. In October 2012, it was elected again because of its success in making Turkey modern, democratic and ready to enter the EU. With this in mind let me introduce the relationship of Turkey and the EU in detail.

## **1.2 Historical Background of Turkey – EU Relations (1960s to the Present)**

A short overview of historical events will show cooperation with the West even before the declaration of independence. Firstly, I would like to emphasize that Turkey had begun »modernization« process of its own economic, political and social structures since the beginning of the 19th century. »Following the proclamation of the Republic in 1923, Turkey

accelerated modernization efforts and in the framework became the second country, to institutionalize the secularism, while France was the first. Also important data is that during the Cold War, Turkey was part of the Western alliance, defending freedom, democracy and human rights. In this respect, Turkey has played a vital role in the defense of the European continent« (Ministry of FA, 2007).

In the following there is a summary, which is an introduction to Turkey – EU relations and I will present a more detailed insight. It is based on Europe Report No184 and Official European Commission website:

- **September 1959** - Turkey applies for membership in the European Economic Communities (EC), forerunner of the European Union (EU) but was rejected.
- **September 1963** - Turkey signs an association accord (The Ankara Agreement), providing the prospect of eventual membership, aiming at bringing a Customs Union and eventual membership with the EU. The first financial protocol to the initial agreement is also signed.
- **November 1970** - The Additional Protocol and the second financial protocol are signed in Brussels, preparing the ground for the establishment of the Customs union.
- **1974** - Turkey intervenes militarily in Cyprus, after diplomacy fails to resolve the decade-long Turkish-Greek Cypriot crisis.
- **1975** - EU informally suggests Turkey to apply for membership at the same time as Greece. Turkey declines.
- **1980** - Turkish armed forces overthrow its government. Relations with EU are frozen.
- **1987** - Turkey applies for full EU membership on 14 April.
- **1989** - EU says Turkey is eligible to join but not yet ready.
- **1995** - Turkey-EU Association Council finalizes the agreement creating a Customs Union between Turkey and the EU.
- **1996** - EU – Turkey Customs Union enters into force.
- **December 1997** - At the Luxembourg European Council, Turkey is declared eligible to become a member of the European Union.
- **1999** EU leaders declare Turkey a candidate for membership.
- **December 1999** - »EU Helsinki Council recognizes Turkey as an EU candidate country on an equal footing with other candidate countries. From that day on, a comprehensive reform process started in Turkey to fulfill the EU's Copenhagen political criteria, which is a precondition to start accession negotiations with the EU« (Republic of Turkey, 2007).
- **2001-2004** - Turkish parliament adopts major constitutional amendments, human rights reforms, new penal code, new civil code and equal status for women; broadens freedom of expression and bans death penalty.
- **March 2001** - The Council adopts the Accession Partnership for Turkey.
- **May 2003** - Adoption by the Council of a revised Accession Partnership for Turkey.
- **April 2004** - In twin referendums, Turkish Cypriots approve long-discussed, EU-backed, UN plan for bicomunal, bizonal solution to Cyprus dispute. Greek Cypriots reject it by two-thirds majority. Even so, Greek Cypriots joins EU in May.

- **October 2004** - The Commission presents its Recommendation on Turkey's Progress towards accession along with its paper Issues Arising from Turkey's Membership Perspective.
- **December 2004** - The European Council defines the conditions for the opening of accession negotiations. EU decides Turkey has fulfilled Copenhagen Criteria on basic democratic and free market rights and declares membership negotiations will open.
- **2005** - EU launches accession talks with Turkey after overcoming objections from Cyprus and Austria but Turkey comes under pressure to recognize Cyprus.
- **October 2005** - Starting of the screening process concerning the analytical examination of the acquis.
- **October 2005** - Adoption by the Council of a Negotiating Framework setting out the principles governing the negotiations followed by the formal opening of Accession negotiations with Turkey.
- **June 2005** - The Commission adopts a Communication on the civil-society dialogue between EU and Candidate countries. This communication sets out a general framework on how to create and reinforce links between civil society in the EU and candidate countries.
- **December 2005** - Adoption by the Council of a revised Accession Partnership for Turkey.
- **2006** - The EU freezes the opening eight of the 35 negotiating chapters because of Turkey's refusal to open its ports and airports to traffic from Cyprus.
- **June 2006** - The EU and Turkey open and close the first chapter: Science and Research, which is shortest of the 35 policy area "negotiating chapters" of the EU acquis communautaire.
- **December 2006** - Due to the Turkish failure to apply to Cyprus the Additional Protocol to the Ankara Agreement, the Council decides that 8 relevant chapters will not be opened and no chapter will be provisionally closed, until Turkey has fulfilled its commitment. The chapters are: Free Movement of Goods, Right of Establishment and Freedom to Provide Services, Financial Services, Agriculture and Rural Development, Fisheries, Transport Policy, Customs Union and External Relations.
- **January 2007** - The negotiating chapter on Enterprises and Industrial Policy opened.
- **April 2007** - The AKP adopts its own 7-year National action plan to move towards adopting the EU acquis.
- **June 2007** - 2 more chapters of the EU acquis, Statistics and Financial Control, are opened for negotiation, bringing the total opened to 4. France blocks the expected opening of the chapter on work towards European monetary union, in line with new President Sarkozy's determination to block 5 chapters, which would pave the way for Turkey to become a member of the EU.
- **July 2007** - The AKP wins parliamentary elections with 46.7% of the vote and vows to re-launch the EU convergence process.
- **December 2007** - Negotiations are opened on 2 chapters: Trans-European Networks and Consumer and health protection.
- **February 2008** - Adoption by the Council of a revised Accession Partnership for Turkey.

- **June 2008** - Negotiations are opened on 2 chapters: Intellectual property and Company law.
- **15 March 2010** - EU launches European Union's strategy for Turkey's accession process named Action plan 2010 – 2011.
- **30 June 2010** - Negotiations are opened on Chapter 12: Food safety, veterinary and phytosanitary policy.
- **June 2011** - Political meetings were held at political director level and they focused on main challenges for meeting the Copenhagen criteria and review progress in Accession Partnership. In addition, foreign policy was discussed and Turkey has been more active in neighborhood (Turkey 2011 Progress Report).
- **December 2011** - »Positive Agenda intended to bring fresh dynamics into the EU-Turkey relations was launched. The aim is to support accession negotiations through enhanced cooperation in areas of joint interests, after a period of stagnation« (Turkey 2012 Progress Report).
- **2012** - During this year, a number of meetings were held at ministry and director's level as well as meetings with Accession Committee and Accession Council to discuss progress.
- **1 July – 31 December 2012** - Turkey frozen relations with EU because it was Cyprus turn for Presidency of the Council of the EU.
- **10 October 2012** - Release of 2012 Enlargement Strategy and main challenges 2012-2013 report, in which Turkey is still a candidate, but the EU is not satisfied because Turkey is not making much effort. However, it is aware of its important geopolitical role, energy security, and young population.

After revealing facts of their relationship, I can conclude one thing; Turkey and EU's relationship has been really long. In my opinion, the EU has been trying to keep Turkey in a distance, from receiving full membership and Turkey's beginner desire of getting the full membership has been decreasing, judging by the progress made in last year. Moreover, if we compare the relationship with other member states (see Table 1) we can see that in none of the member states, the time from the application to the full membership has not been this long. The next table compares the years of application, start of accession negotiations, and the year of full membership. The aim of this table is to observe the difference in years with comparison to Turkey. The table includes four countries: Turkey (main subject for comparison), Croatia (because it is a candidate state as Turkey), Poland (because it is 9<sup>th</sup> biggest country and 8<sup>th</sup> by population comparing with all countries in the world) (*List of countries and dependencies by area*, 2012) and Romania (because it is perceived to be a poor country like Turkey).

Table 1: Comparing years of application until full membership

Country	Year of (accepted) Application (1)	Year of Accession Negotiations (2)	Difference in years (2 – 1)	Year of full membership (3)	Difference in years (3 – 1)
Turkey	1964	2005	41	2013*	49
Croatia	2003	2011	8	2013*	9
Poland	1994	1998	4	2004	10
Romania	1995	1998	3	2007	12

\*This means current year, they are still not member states.

Source: List of countries, 2012.

The table confirms, what I have already stated; the process is taking extremely long with Turkey. Poland became a member in 10 years and Romania in 12, Croatia has not entered the EU yet, but it has been in the process for 8 years and it is expected to enter in July 2013. However, it has been almost half a century lasting process for Turkey. Nevertheless, why is that so? In order to answer this question, I will first make a research about obstacles between Turkey and the EU, which are in the way for Turkey's full membership. The next chapter will reveal the obstacles, from Turkey's as well as EU's side that are preventing Turkey to enter the Union.

## **2 OBSTACLES OF TURKEY – EU RELATIONSHIP**

In this chapter, I will analyze the obstacles of Turkey – EU relationship to answer the question from the previous chapter, why the process of Turkey entering the EU is taking longer than in the case of all other member states. The obstacles are coming from both sides, from Turkish as well as the EU's. For this reason I will analyze both sides to not make a bias. I also included accession negotiations, as part of the chapter as a consequence of obstacles on both sides.

### **2.1 OBSTACLES TO MEMBERSHIP I: FROM EU'S PERSPECTIVE**

This chapter describes most frequent arguments of opponents for Turkish membership of the EU. The arguments are based on geographical and cultural facts, which are location, size, population, and cultural differences. It explains why these facts are obstacles for Turkey to enter the EU.

#### **2.1.1 Location of Turkey**

Turkey has a unique geographic location. It is located between Europe and Asia, bordering the Mediterranean, Aegean, and Black seas. It borders many countries, Balkan countries as well as countries of the Middle East. Conditions in these countries are not stable; therefore, it

makes Turkey's location unpredictable, which raises questions for opponents. At the same time, none of the neighboring countries are in the EU, except Greece and Cyprus. Therefore, some critics of opponents for Turkish membership suggest that Turkey is not European geographically, historically, or culturally, and will undermine an emerging European identity, and impede political integration. They are raising the argument that, Turkey is not European. Judging by the location this can be argued by every person differently and the questions can be what is Europe and who is European? For me, Turkey is European because it is still on the European side and is following Europeanization process since its independence in 1923. The main issue concerning the opponents is that it is divided to European and Asian part, so the EU will expand on Asian continent, which the EU does not want. Countries that are in position of entering the EU are mostly on the North of Turkey. At the same time, the EU can consider excepting Turkey as the last country in the South. In the year of 1987, Morocco applied for EU membership, but was not accepted because it is not a European country. Maybe the excuse of EU can be that Turkey will be the last country in the South to be accepted to the EU (Laçiner, Özcan, & Bal, 2005).

Location of Turkey is in the junction of Europe and Asia as justified, but I believe it is in the junction of Europe and the Arab world or the Middle East. However, Turkey has been accepted as a part of Europe back in the year of 1963, when Ankara Agreement was signed and it has been adopting all these reforms to enter the EU. It is for sure not a part of the Middle Eastern countries judging by development and the EU should not have accepted the application, if this is really an obstacle.

### **2.1.2 Size of Turkey**

The size of Turkey equals to all the countries that entered the EU in 2004. This indicates that Turkey is really big; it covers an area of 783,562 km<sup>2</sup> – it is the 37<sup>th</sup> largest country in the world and has big inequality issue between the West and East (List of countries and dependencies, 2012). However, the EU is not concerned about this issue; it is more concerned about the fact, that Turkey will have a huge impact on the EU policies because of its size. The EU made this legislation for all the countries, to be equal in decision-making and the rule is if a state is bigger, it has more rights on decision-making (Huge, 2004). This means Turkey will have strong influence over EU policies because of its size.

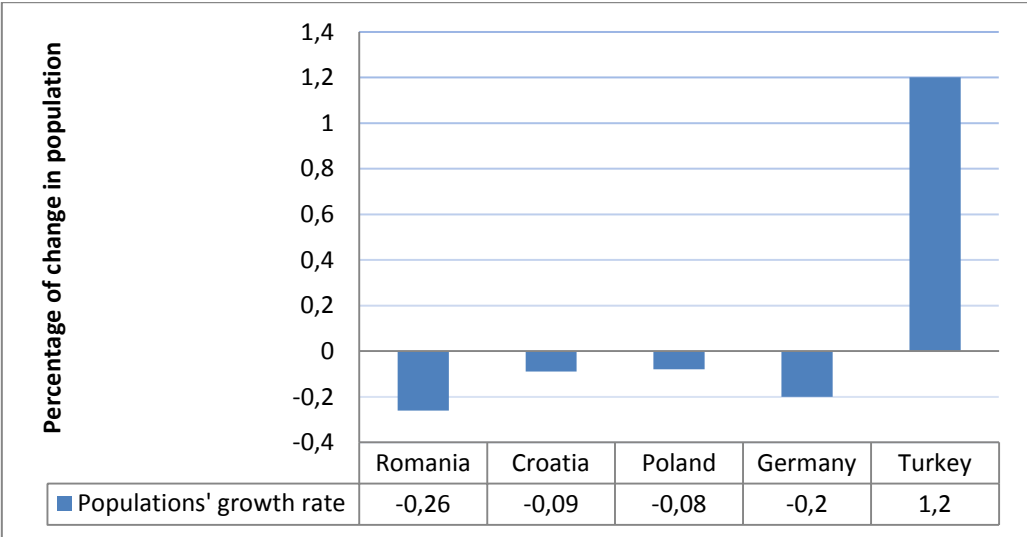
Another issue concerning the EU is enlargement fatigue, which will be caused by Turkey's size. »Turkey's membership is associated with the fear the Union will not function properly and would collapse administratively under its weight. Some as former European Commissioner Fritz Bolkestein, believes that for an overstretched Europe to include Turkey will create either chaos, or a bureaucratic monstrosity in Brussels. Furthermore, if Turkey comes in, then Ukraine, Georgia, Armenia, Moldova and Belarus, countries with far better European credentials than Turkey, will want to join too. Therefore, it was agreed that, before proceeding with further enlargements, new institutional settlements should be arranged, if the EU is to avoid paralysis« (Bogdani, 2011).

Size of Turkey is concerning the EU because of its influence over EU's policies and enlargement fatigue. The issues can seriously damage EU's reputation and the EU should reconsider these 2 consequences before accepting Turkey to the EU. However, these are internal issues of the EU and should not be an obstacle for Turkish membership. Furthermore, the size of Turkey is not changing and the EU should have taught about this before they signed the Ankara Agreement or start of Accession Negotiations.

**2.1.3 Population of Turkey**

The population of Turkey is 74,724,269 on December 31, 2011. This means it will be the second largest country in EU, right after Germany with 81.8 million inhabitants. This numbers do not tell much, so it is much better to look at the growth rate of different countries and compare to Turkey (Turkish statistical institute, 2012). The next figure is a comparison of population's growth rate. I have chosen same countries as before for comparison in the figure.

Figure 1: Comparing populations' growth rate (%)



Source: CIA World Factbook, Country comparison, 2012.

As the figure shows, Turkey has positive growth rate with 1.2% and all other countries have negative growth rate. The lowest is in Romania with -0.26%, then Germany with -0.02%, followed by Poland with -0.08% and highest in Croatia with -0.09%. These numbers indicate European problem of aging population because negative growth means the population is shrinking. »Germany's zero rate of growth includes a natural increase of -0.208%, without immigration, Germany would be shrinking« (Rosenberg, 2012). The mentioned data show Turkey with its fast growing population, which is an obstacle for the EU because it will become the biggest country in the Union and the biggest country, has the biggest influence. The most successful country in the EU, Germany, will not give this position away; therefore, this is an obstacle. »If Turkey joins the Union in 2015, it will have a population of 82.1 million, slightly smaller than Germany with 82.4 million, both accounting for just over 14% of EU28 population. By 2025 at 87 million people, Turkey will be the largest EU member

state and account for 15.5% of the population« (Huges, 2004). 65% of all population in the EU is needed for a new law to be accepted, which means Turkey and 2 other big countries can almost adopt policies without approval of others (*Treaty of Lisbon*, 2012).

Turkey will soon be the most populated country in the EU. For this reason the EU is afraid, it will be the most powerful country in the EU. Lisbon Treaty made some changes for example in parliament the seats are distributed by »degressive proportionality«; e.i. populous countries will have more seats than those from smaller countries (*Treaty of Lisbon*, 2012). This means direct power to Turkey. However, it is obvious that Germany and France will not be willing to adhere this by regulations, but they implemented by themselves to make the EU more democratic. EU's bias is seen inevitably and the fact that Germany and France have the biggest impact on the whole EU. Potentially, it can influence EU policies and can cause enlargement fatigue. As I said before Turkey cannot influence these facts and the EU should have consider these facts before promising Turkey the membership.

#### **2.1.4 Clash of Civilizations**

Heading comes from the book 'The Clash of Civilizations', written by S. P. Huntington (1996). »He assumes that international cleavages after the end of the East-West conflict will be determined by cultural differences, which are determined by the different world religions. In particular, the conflict between the Western world, which has Christian tradition, and the Arab world, that has the Islamic tradition, will earmark the future of international conflicts« (Gerhards, 2007). The clash is actually between 2 religions, Christian and Islamic. Religion strongly influences people's behavior and is a central element in societal culture, in religious behavior, such as praying, as well as in non-religion attitudes as voting. This means the supporters of this argument are basically against behavior of Turks and they want to change them, which is degrading and unacceptable.

»Historical heritage between the Muslim Ottoman Empire and Christian Europe do not necessarily mean the EU, should not accept Turkey as a member« (Gerhards, 2007). Nobody can change history and people cannot forget what happened in the time of Ottoman Empire and they have this perception of Muslim people treat. »Christian democrats, a German party, are opposing Turkey's entrance in to the EU because it is a large Muslim state and it undermines the Judeo-Christian heritage of Europe« (Kazmierewicz, 2006). The fear of Ottomans ruling again is damaging their rational judgment and the idea is rather funny. Especially after September 11, 2001 when the bombing in the USA happened, the fear strengthened and now people think all Muslims are terrorists and according to them Islam brings terror.

»Muslims are victims of racism just because of their appearance, values, norms and lifestyle, just as the black people in America were discriminated against because of the color of their skin. This new form of racism is also called Muslimophobia, which is racism toward Muslim people and their identity. In fact, expression Islamophobia means religious discrimination,



which has evolved after 9/11« (Erdenir, 2010). Even more, »All Muslims are dealt with the prejudice against their country of origin. Also for example, in Germany and France the police suspect all Moslem-looking persons for being potential criminals« (Laçiner, Özcan & Bal, 2005). Muslim people have suffered great deal of pain from the Ottoman Empire and now with 9/11, which has to stop. There are not just prejudices for Turkish people living in Turkey but also toward immigrants in Europe. »Migration started in 1960s (post-war era) 'guest workers' came from the most rural and poorest areas of Anatolia. Before they had seen any of the large cities in Turkey, they found themselves in a completely foreign environment of cities like Berlin and Frankfurt. They undoubtedly experienced cultural shock. They have been segregated from the mainstream life, harassed, and kept at a distance, living in ghetto-like suburbs. 30% of Euro-Turks want to return to Turkey, after it becomes a member of the EU and up to 80% of them do not recommend other Turks to migrate either to Germany or to France« (Tiryaki, 2006). They did not just experience cultural shock, but also weren't accepted because they were different. Moreover, the percentage of them, who want to come back to Turkey, is the result of this bad treatment. I cannot imagine how they feel; from 9/11 everything has changed and that they became terrorists over night it is just unbelievable.

Currently France, Belgium, and the Netherlands hold a ban of wearing headscarves in schools and other public places (Tiryaki, 2006). This is discriminatory because it is banning religion and beliefs of Muslims. France argued headscarves in public schools will »damage the Republic and women who wear them. In addition, they believe Islamic headscarf embodies the threat to public order and symbolic urban ecology« (Amiriaux, 2010). Muslims never questioned Christian's beliefs. Islam is different from Christianity in sense of values and beliefs, but there is no need to discriminate Muslims. Headscarf seems to be concerning to Europeans because they think it is violation of human rights but headscarf is a choice and part of religion and they should not violate the freedom of religion. The countries need to be updated with introduction of multiculturalism, starting with the recognition of the cultural and ethnic diversity in the countries (Amiriaux, 2010). Only Britain and Sweden support ideals and policies of multiculturalism, meaning cultural and religious diversity.

At the moment there are approximately 20 million Muslims living in the EU in different countries (Laçiner, Özcan, & Bal, 2005). Most of them live in France (6 million) and Germany (3 million), but they originally come from Northern African countries, where the practice of Islam is much different from that in Turkey. In the appendixes, the number of Muslims in different EU countries can be seen (Appendix 1, Table 2), as well as gender equality (Appendix 2, Table 3). The gender inequality is almost the same in Turkey and Bulgaria in the graph, which is surprising because Bulgaria is a member of the EU. My last point is, »EU views itself as a federation of secular societies that maintains an institutionalized separation of politics, society, and religion« (Gerhards, 2007). This means that the State and religion are separated. For this reason, religion of Turkish nation should not be on the list of obstacles for Turkish membership in the EU. However, this is one of the biggest issues and tolerance approach can be the solution. A solution can be also tailored

communication strategies of Turkey to other countries; I explained this solution in the Appendix 3.

The described obstacles from EU's perspective are just excuses for not accepting Turkey into the EU. Location, size, population, and religion have been the same since the declaration of independence. The only difference seems to be that Turkish official religion is not Christianity. It is Islam and it is much different from Christianity and it is not understandable for Europeans. However, this obstacle can be overcome with education about the religion, like national multicultural policies based on British or Swedish already established policies.

### **2.1.5 Position of France**

Last obstacle or block of Turkey's membership in the EU is France. It is the biggest opponent of Turkish membership in EU, especially ex-French president Mr. Sarkozy. He clearly stated in his presidential campaign on 7<sup>th</sup> of February 2007 in Toulon: »Turkey does not have a place in the European Union because it is not a European country because of issues like immigration, fight against the corruption, organized crime and terrorism« (Nas, & İzci, 2010). During his mandate, he made clear Turkey will not enter EU under any circumstances. These words which came from the head of state's official representative before even elected, pointed out a crucial moment in French and Turkish relations. After the speech, the relation worsened. France did everything possible to prevent Turkey from entering into the European Union. Sarkozy openly talked about rejection of Turkey's full membership and urge other member states to join him in his thinking. France is the most influential country with Germany and Great Britain in EU, so he used his power to gain new opponents of Turkey. As it can be read in the chapter 2.3, France is blocking negotiation chapters so Turkey cannot adopt them.

On April 22<sup>nd</sup> 2012 Mr. François Hollande won the presidential elections in France with a vote of 51.63%. This could be a new chance for Turkey to enter the EU easier than before. The two leaders of the EU Ms. Merkel and Mr. Hollande already had meetings, but they just discussed about saving Euro, as I observed in the recent news. I could not find Mr. Hollande's position on Turkey's membership in the EU but optimists say he will support Turkey. Therefore, if I predict Turkey entered EU and successfully adopted all chapters including the ones, France has been blocking, this would mean total restructure of the EU in its Parliament and Commission (as I wrote before the number of members depends on the size and population of the country). Turkey will have a great influence on all EU policies and decision-making. However, I strongly believe that France would not allow this to happen and it will make some special rules just for Turkey. It is interesting that in the literature, I could not find the prediction of Turkey entering the EU and receiving this great power as its set in Lisbon treaty. This scenario simply cannot happen and nobody dares to think about it because Turkey is a Muslim state and still gaining democracy.

## **2.2 OBSTACLES TO MEMBERSHIP II: TURKEY'S SHORTCOMINGS**

Now I will continue with Turkey's short comings in the sense of what they should have already done to be in better position to be excepted into EU but still did not. This chapter describes issue of Cyprus and Turkey's uncertainty.

### **2.2.1 Cyprus**

The issue has a long past. Half of the island of Cyprus became independent in the year 1960. The main event happened in 1974 when the Greek Cypriot president Makarios tried to join the island with Greece, which was in violation of the London-Zurich Accords. »In attempt of not losing their part, Turkey staged a unilateral intervention and also revoking its rights of interference under the Treaty of Guarantee of the 1960 London-Zurich Accords. The island has since then been divided into two different administrations, the internationally recognized Greek Cypriot administration and the Turkish Republic of Northern Cyprus, which is only recognized by Turkey« (Muftuler-Bac, & Guney, 2005).

Since then there has been a conflict between Greece and Turkey. In the early 1960s, the EU involvement in Cyprus was a result of UK membership negotiations, as Cyprus became a package deal with the UK. The second round of European involvement in Cyprus came in the 1970s with the British accession to the EU in 1971. Agreement was signed in 1973 and EU did not care about violating the 1960 Constitution because their cooperation was only based on economic impact without political ramifications. EU, at that time, inserted a unique non-discrimination clause, Article 5, into the Agreement to protect British privileges and Turkish Cypriots rights (Muftuler-Bac, & Guney, 2005).

In 1981, Greece became an EU member and had a plan to use the EU institutions for 2 reasons. The first reason was to prevent recognition of Turkish Cypriots inside EU framework and second to link all new developments between Turkey and the EU to the resolution of the Cyprus problem. Therefore, the events started turning in this way that the EU position got closer to Greek interests. The Customs Union negotiations between Turkey and the EU were largely influenced by the Cyprus problem, with Greece using these negotiations to pressure the EU members into eliminating the conditionality of political settlement on Cyprus for its accession. Nevertheless, when, for example, all the other countries agreed on accepting Turkey in to EU Custom's union, Greece removed its conditionality.

The major turning point was in 1997, when Turkey was not included in Commission's Agenda 2000 for the next enlargement, but Cyprus was. Cyprus became official candidate for the EU and negotiations started soon after the EU started to pressure Turkey. In the same year, Turkish Deputy Prime Minister and Turkish Cyprus's President signed a bilateral accord on integration which looked toward »gradual economic and financial integration and partial integration on security, defense and foreign policy matters« (Muftuler-Bac, & Guney, 2005).

»Second major turning point was in the year 1999, when the EU found itself in an unenviable position in that if it decided against Cyprus's membership, then Greece might have blocked Central and Eastern European candidates' accession, which the EU was committed to« (Muftuler-Bac, & Guney, 2005). Thus, some EU member countries did not want to see a divided Cyprus; they accepted it as a full member and independent from a resolution of the conflict. In addition, with Helsinki Summit in 1999, Turkey inserted conclusions of the meeting and it had to agree with some paragraphs regarding Cyprus but Turkey had in mind Greece, when they accepted it. The EU was aiming just that, to increase the means of persuading the Turks and the Turkish Cypriots into a negotiated settlement on the island. At that Summit the EU distanced itself from the conflict at that time, but had greater plans for the future. All in all Cyprus became a full member of EU in 2003.

The main problem in this issue is the EU accepted Cyprus as a full member without giving the 2 countries an equal chance to solve their problems by themselves. In this situation, Turkey is pushed to solve the problem and is seen as a black sheep. However, Turkey has to stand on its own ground and be determined to enter the EU with dignity. It should not be affected by the pressure the EU and Cyprus are giving. »Turkey should insist on a solution that, neither suppresses the Turkish population, nor disregards Turkey's rights as a guarantor state and its legitimate concerns over the island« (Soysal, 2002). Basically, Cyprus is in better position than Turkey because it is in the EU and has the support of Greece. Greece is obviously continuously blocking Turkey from entering the EU by vetoing everything that EU wants to do for Turkey. I agree with the article that Turkey should stand strong and make its own way into the EU.

In this paragraph I will make a prediction, what will happen, if Turkey has to fulfill EU's conditions in order for the blocked chapters to open and enter the EU. The condition of the EU is that as soon as Turkey recognizes Cyprus the chapters regarding it will open. To fulfill the condition Turkey has to lift the restrictions on Cypriot vessels from being admitted to 'its' ports and airports. I predict that Turkey will recognize Cyprus and the chapters will open and Turkey will finish the accession process and enter the EU as a full member. However, this would mean that Turkey admitted all invasions and pleaded guilty, which is not true. In addition it would mean free entry of Greek Cypriots to Turkish side and I cannot predict, what would happen with relations between people. Recognition would also mean withdrawal of Turkish military on the island. When the EU is making conditions it thinks, it is doing the best for everyone, but in this case I think the situation would be worse, if Turkey recognized the Republic of Cyprus under pressure. Inhabitants of the island have been through a lot of pain and suffering through the years, during the attacks on both sides and hundreds people have died. This decision could even start a war on the island, which would trigger Greece to take action and maybe even attack Turkey. These are some possible outcomes but only time will show what will happen. I believe that Turkey will not make such a decision, at least not soon and with pressure of the EU.

### 2.2.2 Uncertainty of Turkey

It is in a fact that Turkey has had a radical economic transformation with: »per-capita income in Turkey tripled from \$3,000 to \$9,000 in less than a decade, while foreign investment flows jumped from \$1 billion a year to \$20 billion a year and trade with the rest of the world burgeoned to \$200 billion« (Hill, 2012). This is very good for Turkey and the EU, but the uncertainty comes from these words: »Turkey has ‘Rolls-Royce ambitions’ but only ‘Land Rover resources’ and will have to compete for influence in the region with Russia, Egypt, Saudi Arabia, the EU and other regional powers«, said US Ambassador Mr. Jeffery in Washington Times (Hill, 2012). Turkey does not have natural resources to exploit and it is continuously relying on entrepreneurial tradition, which is its economical strength. Although Erdoğan’s government brought political freedom and stability, which is seen by the numbers showed before. Completely reliable resources can bring better GDP, on the other hand relying on entrepreneurial skills seems to be more risky. Therefore, the uncertainty comes from economic strategy.

»Turkish leaders stress that they benefit simply by pursuing EU membership, through a series of governmental reforms requiring the country, to strengthen its system of democratic rule and open markets, while guaranteeing an independent judiciary, freedom of the press and human rights« (Hill, 2012). Thus, Turkey is having second doubts about entering the EU, so it is using its policies to enforce democratic reforms. Nevertheless, how can the EU trust Turkey, it will not turn its back, after they finish with all reforms. Turkey is growing economically and in the financial crisis, its growth dropped slightly. So it was not affected as much as other European countries and is continuing to Europeanize itself. Secondly, uncertainty comes from possibility of returning back to the situation, which was before the reforms. In addition, a major factor at the moment is the economic crisis; it is affecting most of the world and partly also Turkey, but not as much as other European countries.

Uncertainty of Turkey is also caused by Kurdish people in Turkey, who want their own country and have made many attracts on innocent people in Turkey. Unstable Syria is causing restlessness at the borders with Turkey. There are many more reasons such as, security, because Turkey is located in the junction of Arab countries, which are politically unstable and many more issues but they exceed my field of research.

I only found two obstacles Cyprus issue and uncertainty of Turkey. However, one could argue, they are not Turkey’s fault. Cyprus issue became important, when the EU accepted Cyprus without giving a chance to the countries to solve their problem. Now Cyprus is in better position as an EU member than Turkey because Turkey has to accept everything the EU is demanding, to be accepted, but Cyprus does not have to do anything. Uncertainty of Turkey is evolving from different fields, but I believe they are just *what if* questions.

## **2.3 ACCESSION NEGOTIATIONS**

My research of obstacles provided a picture of unresolved issues, which are in the way of Turkey entering the EU. All of these issues reflect in the accession negotiations, which started in October 2005 and are consequences of mentioned obstacles and cooperation between the EU and Turkey. Every country has to accept all the laws and regulations from the EU to become a full member, which means it has to go through accession negotiations and adopt all 35 chapters. I concluded Chapter 1 with an aim to find out why accession negotiations take a lot longer than in other countries? My research showed there are much more obstacles on the EU's side than on Turkey's; this indicates the EU is to blame. Sooner the chapters are closed, sooner Turkey will become a member and I'll find the guilty one for the chapters that are not closed. I divided the chapter on closed, open and blocked chapters to find the guilty one because the accession negotiations are the reason, why the process of Turkey joining the EU takes so long.

### **2.3.1 Closed chapters**

Since the start of accession negotiations, the only completely closed chapter is the 25<sup>th</sup> Science and Research. This is the only chapter Turkey and the EU agreed on, which is really concerning because after 8 years only 1 chapter has been closed. 3 chapters the 20<sup>th</sup>, 29<sup>th</sup> and 30<sup>th</sup> are almost closed, but still need some negotiations so they are still closed. These chapters are Enterprise and industrial policy, Customs union and External relations, which would be closed, if Turkey made an effort to close them. Turkey has to start being more efficient and accurate, if it wants to be accepted to the EU anytime soon. As I read in the progress report, the only one to blame for these chapters not being closed is Turkey (European Commission, 2011). Therefore, out of 35 chapters 1 is closed and 3 could be closed, if Turkey made an effort. What about other 31 chapters? All of them are in the next chapter.

### **2.3. Opened and blocked chapters**

»In addition to conditionality, another 10 chapters cannot be opened to negotiations because they have been blocked by some member states. As a result, screening reports for 9 chapters have not been adopted by the Council yet. Therefore, 18 chapters out of 35 are currently blocked politically. Only the Competition Policy, Public Procurement, and Social Policy and Employment chapters have technical opening benchmarks (OBMs), rather than being blocked outright« (Yücel, 2012). News like this is most concerning because Turkey cannot adopt this chapters until they will be opened. One of the reasons, why Turkey is not making an effort for the chapters to be closed, could be because if they open blocked chapters they can block other, new chapters. Maybe the EU is doing this on purpose for Turkey to lose interest in joining the EU. On the other hand, there are still 16 chapters waiting for adoption. It has been 8 years and Turkey should have made better progress to negotiate and adopt the chapters.

»France was also using mechanism of ‘benchmarks’ – requirements for opening and closure of negotiation chapters – to block the opening of some chapters and progress on the Turkish way to the EU. In 2009, it opposed the opening of 5 chapters whose closure decides about the accession to the EU« (Nas, & İzci, 2010). Mr. Yilmaz in International Harward Review article also states, »France is blocking 5 chapters that would pave the way for Turkey to enter EU as a full member«. However, there is no data, which chapters exactly is France blocking, Mr. Yilmaz mentions just one and it is 17<sup>th</sup> chapter of Economic and monetary policy. Just by revealing these facts EU does not seem as democratic as it claims to be because France is obviously blocking Turkey, but the EU does not do anything about it. However, EU currently consists of 27 countries and all of them will have a vote, if Turkey should enter the EU, but the voting will be, after the chapters are adopted. Therefore, France would block all the chapters, if it could. Nevertheless, when other countries approve of an act of Turkey then France has to agree with them. Moreover, France is not blocking one chapter all the time, but it is changing the chapters so the other countries cannot see it is doing this on purpose, to make sure, Turkey does not adopt all chapters and that there will not be voting anytime soon.

On the other hand, the »AKP government has insisted it remains steadfast in pursuing Turkey’s EU course, in spite of discouraging signs and opposition to Turkish membership from several EU members, especially French President Sarkozy« (Bahcheli, 2006). However, Ankara’s future commitment to pursuing membership cannot be taken for granted. Many Turks believe the EU is asking Turkey to satisfy conditions, which it has not asked of other membership candidates (Bahcheli, 2006). This article shows us that Turks are beginning to realize the real situation and it is just the matter of time until support of Turkish people to enter the Union will fall to zero and Turkey will not enter the EU as France wishes so much.

To see the actual situation in this issue, I went through Turkey 2011 Progress report of European Commission. In the 4<sup>th</sup> chapter of the report from page 51 to 109, there are all the chapters described each by each. I examined each of them and put the results in the appendixes (Appendix 4) and added my comments. So far 14 chapters are opened to negotiations because 18 are blocked, 1 is closed (Science and Research) and 2 of them are nothing to adopt. The chapters currently open for negotiations are as follows: Free Movement of Capital, Company Law, Intellectual Property Law, Information Society and Media, Taxation, Statistics, Enterprise and Industrial Policy, Trans-European Networks, Consumer and Health Protection, Financial Control, Environment, and Food Safety, Veterinary and Phytosanitary Policy (Yücel, 2012).

To summarize the report, Turkey made substantial progress in three specific chapters 11<sup>th</sup>, 24<sup>th</sup> and 27<sup>th</sup>. 11<sup>th</sup> chapter is Agriculture and rural development, in which progress was made regarding implementation of Pre-Accession Assistance for Rural Development programme and developing capabilities to monitor agriculture statistics. 24<sup>th</sup> is Justice, freedom and security, where Turkey made progress in finalization of readmission agreement by adoption of the law on foreigners and international protection and other measures. 27<sup>th</sup> is Environment

in which progress was made in air quality measures, waste management and adopting national climate strategy until 2020 (European Commission, 2011).

In December 2011, the EU launched Positive Agenda, which intended to bring fresh dynamics into the EU-Turkey relations. The aim was to support accession negotiations through enhanced cooperation in areas of joint interests, after a period of stagnation (European Commission, 2012). This should accelerate the process and it means the EU wants Turkey to enter, but another year passed and again nothing new happened.

The improvements in the accession negotiation were made compared to last year, but they are not substantial and the negotiation will last for another decade, if it continues like this. My analysis shows the reason for waiting chapters is Turkey and for blocked chapters is the EU. 18 chapters are blocked from member states and 14 chapters are waiting for Turkey to adopt them and prove to the EU it is capable to do it. Moreover, I believe, if it adopts the open chapters, then others will open. And now considering all obstacles, I will first make a prediction of Turkey not entering the EU. Therefore, the scenario number 1 will be Turkey will not become a full member of the EU, where I will predict different outcomes if this scenario happens.

### **3 SCENARIO 1: TURKEY DOES NOT BECOME A FULL MEMBER OF THE EU**

The first scenario is Turkey does not become a full member of the EU. Realization of this scenario means a great failure and questioning of EU credibility and legitimacy. Failure to accept Turkey as a full member also means the EU has been fooling Turkey since 1964, when they signed Ankara Agreement. Furthermore, it can have a great impact on the view of EU all over the world and probably it will show in decrease of FDI and exchange rates. Serious question will be, if the EU is credible at all because it has been giving Turkey so many conditions, which even exceeded the conditions other member states had to adopt. However, the black sheep in this case will be the EU and on the other hand, Turkey made itself democratic and modern country thanks to the EU. This chapter will present five different alternatives, which can occur, if Turkey does not become EU member state.

#### **3.1 Perpetual candidate**

Perpetual candidate will be rather meaningless considering Turkey's efforts to fulfill all the conditions set by the EU to lead the way to the full membership. This scenario will mean the EU will make more new laws and regulations for Turkey to adopt, but with no intention for it to enter. Inhabitants of Turkey are losing their interest every year for Turkey entering the EU, if they saw EU's intention for not accepting it to the EU, then public support would go down to zero. »Public enthusiasm for the EU began to wane years ago, in 2004, 75% of Turks wanted their country to become a member, but in 2012 there are less than 50%« (Karasu,



2012). Once Turkey will not have any support of its people to enter the EU it is pointless for the government to continue negotiations toward membership. Therefore, this scenario is unlikely to happen because Turkey and its people are not blind and will not let the EU fool them. They will withdraw from the membership as soon as they see this attempt of EU. Outcome of this scenario will be Turkey's non-membership in the EU and probably withdrawal of Turkey from the membership and it will not become a perpetual candidate.

### **3.2 Privileged partner**

This alternative came to mind in the cooperation of German Prime minister and French President since they started leading the EU. They both took the position that, Turkey is not European and democratized enough to enter the EU, accordingly it never will be. Therefore, they came up with idea of privileged partnership for many reasons. Firstly, if they do not accept Turkey after it made such an effort to enter the EU and adopted so many laws and regulations, this will mean serious concern for EU's credibility and legitimacy of its laws. In addition, it will be unfair to Turkey and EU's reputation will be ruined. Secondly, the EU needs Turkey for its access to energy resources, which will make it less, depended on Russia during the winters. It needs Turkey to be involved into the events in the Middle East or so called Arab world. The US has involved itself the most by becoming Israel's ally. On the other hand, EU cannot influence the situation, if it does not have a link to at least one of the countries in the region. Therefore, it needs an ally, as Turkey to influence this part of the world, especially with huge Turkish army on the side. Thirdly, EU needs Turkey's young and educated population to ease the influence of aging population of the whole Europe and other reasons.

Privileged partnership will be perfect because all the agreements they already made will stay and will keep Turkey as its ally. However, Turkish Prime Minister in 2008 publicly announced in his speech that, Turkey would not accept any partnership; they want membership or cut down of all the negotiations. If Turkey put all effort to achieve full membership, then the EU would change the conditions and then say no to the membership and offer a consolation prize, the partnership, it would be simply unfair and unacceptable. However, I think this scenario is more likely to happen than the membership itself.

### **3.3 Mediterranean Union**

Previous form of the Union of Mediterranean was Barcelona process, also known as Euro-Mediterranean Partnership, which started in 1995 during the Spanish Presidency of EU, when Mediterranean area was put on the top of the EU agenda (for the first time). 29 countries attended the meeting in Barcelona, including Turkey, and agreed on Barcelona Declaration, which composed of political, economical and the cultural/social component. Soon after, it was criticized by failing in some key aspects. French argued the biggest reason was lack of 'ownership' and also it was seen to concentrate only on trade competition instead of easily achievable community. EU claimed the failure was caused by Arab members, which fail to

reform economically and politically. On the other hand, some foundations and networks of the Barcelona process were working fine (Nas, & İzci, 2010).

The Union for the Mediterranean was first mentioned by Sarkozy during his speech in February 2007, after his statement: »Turkey does not have a place in the EU«. The new Union was an idea from Sarkozy to offer Turkey new option to stop negotiations and develop a framework for the new relation. In December 2007, France, Italy and Spain clarified the Union for the Mediterranean project, after it was made certain this would not interfere with negotiating processes between the EU and Croatia and also between the EU and Turkey. This was contrary to Sarkozy's idea. The Union became a European project in March 2008, when European Council approved the idea. It was officially launched on 13<sup>th</sup> July 2008 during the French presidency in a Summit in Paris with 43 countries and including all the EU member states. The aim was to renew Barcelona Process and achieve balanced partnership between the North and the South, concentrating on European Neighborhood Policy. The aim from EU's side was to create new regional boundaries, plus ensuring energy and security safety by engagement with Arab world. Only skeptic was Libyan leader Mr. Gaddafi, who did not attend Paris Summit and stated that Europe only wants access to Arab resources (Nas, & İzci, 2010).

»Three major differences comparing the Barcelona Process and the Union for the Mediterranean are co-presidency or co-ownership between the North and South shores, permanent secretariat, which aimed to promote growth, employment, regional cohesion and socio-economic integration and six real major projects, which were based on areas, where the views of the countries greatly differ« (Nas, & İzci, 2010). However, problems started during the first year partly due to global or financial crisis, partly interior and partly due to regional reasons. The interior reason was based on the diplomatic debate over the place for the headquarters of the secretariat and failure in establishing the complete free trade area. Regional reason was mainly about the Israel-Arab conflict regarding Gaza. In the Summit the leaders of Palestine, Syria and Israel surprisingly gathered, but half a year later Israeli's incursion into Gaza left more than thousand civilians dead. The problems were political as well as institutional and also the size of the Union was the biggest problem, which is hard to control. Moreover, the meetings for the year 2010 were on hold due to the situation in the Middle East (Nas, & İzci, 2010).

One could conclude, since the birth of the Union, the process has created more problems, than tools to enhance multilateral relations. On the other hand, the process has lasted only a year. Hence, it is too early to evaluate the process and even more criticized it. The main idea of Sarkozy in his speech in Toulon in February 2007 was to engage Turkey to Europe with the Mediterranean Union. With it, Turkey would integrate to the West and lose the desire for the full membership in the EU. However, the idea created firstly confrontation of France and Turkey and later an institutional structure worse than the Barcelona Process (Nas, & İzci, 2010). »The Turkish government did not consider this suggestion as a serious alternative to

membership because the Union of Mediterranean doesn't exist as of today and its existence is merely wishful thinking on the side of the now former French President« (Yilmaz, 2012).

This proposal by Mr. Sarkozy was a great idea, but it was too broad and made at bad timing. I believe this could be the best proposal for all Mediterranean countries, because all of them would have a chance to cooperate in the Union and build good relations. However, I despise Mr. Sarkozy's intention for Turkey to integrate to the West and lose interest for the EU membership. Turkey was accepted to someday become member state of the EU in 1964 and it is not credible for the EU to change its mind. On the other hand, this alternative seems promising, if all the countries could cooperate in it.

### **3.4 Turkey toward Middle East and partnering with the USA**

This idea came from an International Harvard Review article, written by B. Yilmaz in January 2011. He described this alternative path for Turkey to in case of rejection from the EU and suggested it should strengthen its position in its own region. Currently Turkey is a role model for the whole Middle East and has the power to rule in it. This scenario will give Turkey an opportunity to create its own independent foreign policy for its region, in the Middle East, to choose its allies and starts cooperating closely with the countries it wants. Membership in the EU means following all the EU laws and regulation as well as the loss of country's sovereignty, which accounts also partly the foreign policy. The EU has a strong will to have its own role in the Middle East and is trying to use Turkey to achieve these goals. The article suggests also reconstruction of security policies to its own interests and close cooperation with the United States. Turkey is one of the few countries with one-year obligatory military service for every young man after he graduates. Therefore, it has huge and strong army, which is really important to the whole state and government because it can be significant contribution to its allies, so everyone wants to have good relationship with it. However, if Turkey will have the USA for ally, this means they will take the side of Israel in the conflict with Palestine, although Turkey sent a ship with emergency supply for Palestine during the attacks of Israeli. Therefore, it is not likely for this alternative to come true. On the other hand, Turkey has zero-problem policy with all states and can basically ally with any country. In any case, by this prediction, Turkey will have free hands to do, what it wants and will not be blocked by any laws from EU. Moreover, probably as the region's leader start helping neighbor countries to develop.

### **3.5 British proposal**

In 2011, on a formal visit in Turkey, British Prime Minister Mr. Cameron proposed an alternative way for Turkey with non-membership in the EU. However, this will be unacceptable for Turkey, considering it has wanted the full membership since 1964 and has been cooperating with the Union since. Mr. Cameron emphasizes the EU should take the lead in the relationship because Turkey is not interested in any other relationship with the EU, just the membership. Especially the political implications should be handled with great care.

In the proposal, the EU should firstly not drop the Cyprus problem but insist in finding a solution, which will be acceptable for Turkish minority on the island. In addition, the EU should reassure that Greece will not exploit its privileged position on the same issue and should be left out. Common economic projects should be accelerated, for example in energy. »Lastly, the EU should engage alongside with the US in a serious dialog with Turkey to reconcile their interests. There is no need for a new institutional structures and a name for the new relationship but to leave the option to evolve later« (Purvis, 2011).

However, he concluded the proposal with words: »What would be required is above all serious, prolonged and sincere commitment, based on the recognition that Turkey is one of the main foreign policy priorities of the EU« (Purvis, 2011). The scenario predicts the EU should continue to cooperate and influence Turkey but not offer full membership. It is a different scenario than the others but in my opinion it does not introduce any benefits for Turkey. Moreover, it just focuses on its own benefits and this proposal seems the least likely.

I introduced 5 proposals, which are prospects in the scenario of Turkey not joining the EU. At the moment, it seems Turkey will stay a candidate state forever, as first alternative suggests, because the process has been lasting for 48 years. In my opinion, the Mediterranean Union is the best option but is created too broadly and it will be hard to control because of its size. The least likely is privileged partnership, which Mr. Erdoğan excluded, when it was proposed and British proposal on nameless close cooperation with benefits only for the EU. Only and most likely option is the forth alternative, Turkey will distance itself from the EU and put all effort to expand its power on the Middle East and establish closer relationships with countries in the region. However, I am not so sure about partnering with the US, because the US wants benefits just for itself, as the EU does.

If this scenario happens it will be a great threat to the EU's credibility and reputation around the world. Overall, they made Turkey a candidate country to accept it to the EU, so why would we think it would not be accepted. However, I answered this in the first chapter, comparison of years of until full membership and I found out that Turkey's process has been taking almost 50 years and with others around 10 years. The EU is aware of consequences of this scenario, so more likely outcome is, Turkey will enter the EU and the next chapter will analyze this. The second scenario will research benefits of both sides to discover advantages of the membership. Moreover, I will compare the benefits between Turkey and the EU to find out, who has more benefits now and who will have more benefits, when Turkey enters the EU.

#### **4 SCENARIO 2: TURKEY BECOMES A FULL MEMBER OF THE EU**

My second scenario is that Turkey becomes a member of the EU, therefore, this chapter talks about implications of eventual membership. Turkey applied for the EU membership to

become a full member and was accepted as a candidate. For this reason it still has the same desire, although smaller every year because the process is taking so long. This chapter analyzes benefits for Turkey and for the EU, if Turkey becomes a full member of the Union. After revealing all 3 benefits for Turkey and 3 benefits for the EU, I will compare and analyze them. Moreover, I'm going to answer, which benefits are greater for Turkey or the EU.

#### **4.1. BENEFITS FOR TURKEY**

Benefits for Turkey are increase in foreign direct investment, funding, and external trade. Turkey is enjoying these benefits now, except from the last one, which is not in full use. However, for a country to enter the EU, it has to adopt a lot of reforms to become similar to the EU, so it can successfully operate inside it. I'm going to explain all benefits in detail for better understanding and easier analyze at the end of the chapter.

##### **4.1.1 Increases in FDI**

Empirical studies illustrate that many of the individual institutional reforms required for the EU accession have influenced FDI receipts positively. Therefore, membership in the EU makes a country more attractive for FDI than other countries (Bevan-Estrin, & Grabbe, 2001) (Basar, & Tosunoglu, 2006). »Foreign direct investment in Turkey is exceptionally low. The prospect of EU membership together with increased political and economic stability at macro-level, and major reform of barriers at micro-economic level – including tackling corruption and problems in the judiciary could results in FDI flows of 2 – 4 billion EUR a year« (Huges, 2004). Compared with Poland, as big and populous country as Turkey, had almost 10 billion EUR in 2010 and compared to Romania, as one of the poor countries, had almost 2, 3 billion EUR FDI in 2010. However, by the latest data Turkey attracted \$9 billion FDI, which is around €7 billion. These data were taken from official government sites and imply Turkey is developing at all levels and this number is expected to rise. This increase in FDI is result of growing economy with young population, which I will explain in the benefits for the EU. »Joint ventures and new forms of investment suggest that foreign companies are playing a major role in the Turkish economy. Increasing investments in technology, know-how, and market access of Turkish firms suggests FDI is making an important and growing contribution to the competitiveness of the Turkish economy« (Loewendahl, & Ertugal-Loewendahl, 2001). FDI are important activity in Turkish economy and not only FDI inflows, but also investments of Turkey to other foreign companies, which are resulting in growth of economy. Turkey is a rapidly growing economy, it is evolving through years and it was 2<sup>nd</sup> largest economy in the world in the year of 2011, right after China, as I will explain in 2<sup>nd</sup> section of this chapter.

I believe Turkey can reach higher level based on their economy and with their resources. They have a growing economy and developing country, which are both opportunities that can be used and exploited to increase the FDI. Of course, the credit goes to the EU as well and I included a figure in the appendixes (Figure 2, Appendix 5) to see the difference in FDI

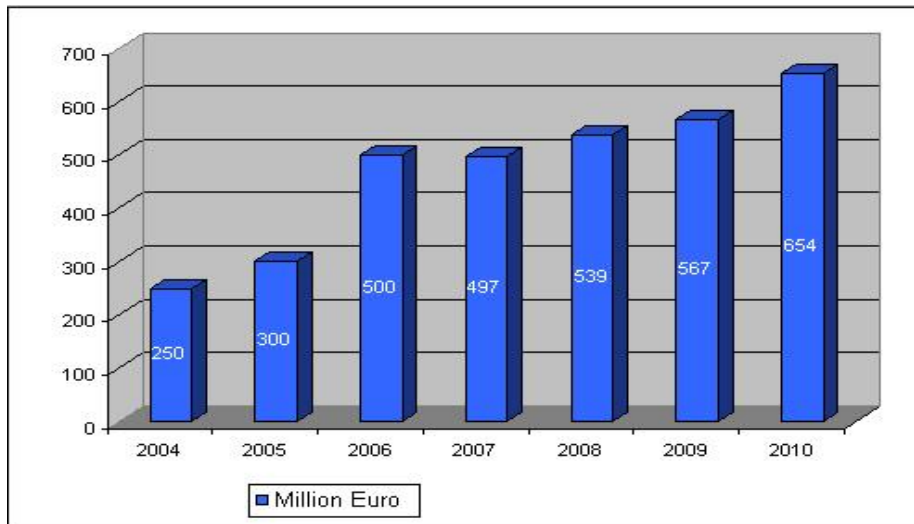
through the years. »The most important sector for projects is the information technology & telecommunications (IT&T) sector. This reflects the rapid growth of new economy activities in Turkey, in particular mobile telecommunications, e-business, Internet, and banking. The next most important sectors were automotive and electronics« (Loewendahl, & Ertugal-Loewendahl, 2001). All these are opportunity for increase of FDI and also the next data creates an opportunity. »As of March 2007, Turkey is the world's largest producer of hazelnut, cherry, fig, apricot, quince, and pomegranate« (Economy of Turkey, 2012). These are also opportunities especially for production companies, which can use these goods.

On the other hand, internal issues, such as human rights, regional inequalities and the conflict in the South East are likely to have a negative impact on FDI in the short term. (Loewendahl, & Ertugal-Loewendahl, 2001). Negative effect can also be high levels of unemployment and inflation. Basically, everything that happens in the country reflects in the FDI, it can be success or issues. Moreover, the FDI does not reflect only opportunities and issues in the country, but also in the relationships with other countries. For this reason, Turkey needs to implement some policy measures in order to attract FDI. To do so, »firstly, the economic obstacles that seem to prevent full membership of the EU should be developed. Moreover the political determination on this issue should be sustained. Finally, Turkey must eliminate macroeconomic and political instabilities« (Basar & Tosunoglu, 2006), in order to achieve FDI increases.

#### **4.1.2 Funding**

European Union has a lot of funds and is funding all its countries for different reasons. The most important one for Turkey is pre-accession funding, which was established by Copenhagen criteria to help countries develop and adopt the EU's values. »The criteria refer to political, economic, legislative and administrative measures, that need to be taken by the country to bring it closer to EU standards. To achieve this, the EU helps candidate countries to establish the national public policies, that have been applied successfully in EU member states over the years, which bring about a better standard of living for EU citizens.« (*What is EU funding for?*, 2012). Therefore, Turkey does not just take money from the EU, it has to show improvements and prove it deserves the funding. Important fact is the EU and Turkey jointly decides where the money will go. This is the way EU secures its funding, to go to the right place. Countries have just the benefit of receiving money, they are also improving life of their citizens as the article discusses and of course is achieved with some effort. To have an idea of where exactly the money from funding goes, I have attached a figure to the appendixes (Figure 4, Appendix 6) therefore; it is possible to see, to which sectors the received money goes.

Figure 3: EU financial support for Turkey



Source: *What is EU funding for?*, 2012.

»EU financial assistance for Turkey totaled 654m Euros (£544m; \$851m) in 2010. It will rise to 782m Euros in 2011 and 900m in 2012, the European Commission says« (*EU seeks to unblock Turkey membership talks*, 2012). In 2012, the financial assistance for Turkey totaled 856m Euros; I wonder how high this number will go (European Commission, 2012)? Wouldn't be better for the EU to accept Turkey as a member? At the moment funding is high because Turkey is receiving funding for accession, which helps adopt legislation easily. When it will enter the EU this funding will stop, but it will get financial support for some other reason, probably for agriculture.

#### 4.1.3 External trade

Turkey has been trading with the EU since 1963, when they signed Ankara Agreement for further trade liberalization. However, Turkey's external trade significantly increased after they agreed on creating Customs Union in 1995. A research was made by Leibniz Information centre for Economics about Turkish trade from 1988 until 2002. The researchers concluded 14 % increase of vegetables export, 12.5% fruit export and 38.5% increase of processed fruit and vegetables. Iron and steel exports increase for nearly 3% (Nowak-Lehmann, & Herzer, & Martinez-Zarzoso, & Vollmer, 2005).

The Customs Union between Turkey and the EU officially started to work on 1<sup>st</sup> January 2006. Note that following was decided at the end of 1995 and then Turkey was adopting the regulations till 2006. »The agreement prohibited quantitative restrictions on imports and exports between the two excluding services and agricultural areas; Turkey had to incorporate internal legal order on removal of technical barriers to trade« (*Trade*, 2012). They agreed on effective cooperation regarding standardization, metrology and calibration, quality, accreditation, testing and certification. Turkey had to apply provisions and implement measures with the member states and also with non member states to achieve same relations as the EU has with them. In addition, it had to implement Common Customs Tariff and

preferential tariff policies and many others, like customs provision, protection of intellectual, industrial and commercial property, competition rules, government procurement and many others. That day the EC-Turkey Customs Union Joint Committee was established to control the new cooperation of the two (*Trade*, 2012).

It took Turkey almost 10 years to implement all rules and regulation regarding the Customs Union, excluding services and agricultural sector. However, Turkey in this time increased its competitiveness and productivity level, as well as it entered foreign markets easily with already established and working policies of the EU. Next table presents comparison of year 2001 and 2010 how trading changed in imports and exports to EU 27, as well as, to non-members.

Table 4: Comparison of Turkey's imports and exports to EU 27 and EU non-members of years 2001 and 2010 (in € Mill and %)

	<b>Imports in year 2001</b>	<b>Imports in year 2010</b>	<b>Exports in year 2001</b>	<b>Exports in year 2010</b>
To EU 27 (€ Mill)	22,145	54,026	19,622	39,377
Germany (%)	26,9	24,3	30,6	21,7
To EU non members (€ Mill)	15,433	84,695	24,111	45,921
IM Russia, EX US and OPEC (%)	15,9	19	22,7	32,2

Source: Eurostat, *External and intra-EU trade*, 2011.

Imports of Turkey to non-EU members from years 2001 to 2010 increased from 15,433 to 84,695. This drastic increase probably happened because countries were more confident to trade with Turkey since it entered the Customs Union. EU's Customs Union does not concern just its members but also non members, who signed agreements with the EU. Exports also increased from 24,111 in 2001 to 45,921 in 2010. Biggest import partner is Russia with 19% of all imports from EU non-members in 2010. And the biggest exporters were the US and OPEC countries with 32.2% of all exports from EU non members.

Currently Turkey's main exports markets are the EU, Iraq and Russia, they export mostly machinery and transport equipment, followed by manufactured articles. The EU imports almost a quarter of all textiles and textile articles in Turkey, it accounts for 12,140 million EUR and 13% share of total EU imports. Imports into Turkey come from the following key markets: the EU, Russia and China. EU exports to Turkey are dominated by machinery and transport material, chemical products and manufactured goods. Machinery and mechanical appliances and electrical equipment accounts for 20,359 Mill EUR or 4.8% share of total EU



exports (European Commission, 2012). This implies Turkey is as much important for the EU as the EU is for Turkey.

Realization of this scenario will mean the benefits of trading will be even greater because at the moment service and agricultural sector are not harmonized for trading. However, as soon as, all restrictions will fall, Turkey will start to enjoy much more benefits from trade and I believe the EU will benefit from Turkey's cheap agricultural products. It is important to know Turkey is the only country, which has Customs Union and is not a member of the EU. This can be seen as negative, the EU does not want Turkey to join or as positive that Turkey was too important to wait for membership so they started cooperating earlier. However, as I mentioned at the very beginning of my thesis, the EU started to cooperate with Turkey to avoid any violence, which could occur after the war, so they signed first agreement for keeping peace. »The treaties and agreements were the EU's most powerful non-aggression device« (Bartles, & Ortino, 2006). After revealing all 3 benefits for Turkey I will continue with benefits for the EU and compare both at the end of the chapter.

## **4.2 BENEFITS FOR THE EU**

This chapter will describe benefits for the EU, which is growing economy of Turkey, young population and stable energy supply. The first benefit the EU is partly enjoying now with trading and other two will be useful when Turkey becomes a full member of the EU. This fact is important to keep in mind for further analyze of benefits at the end of the chapter.

### **4.2.1 Growing economy**

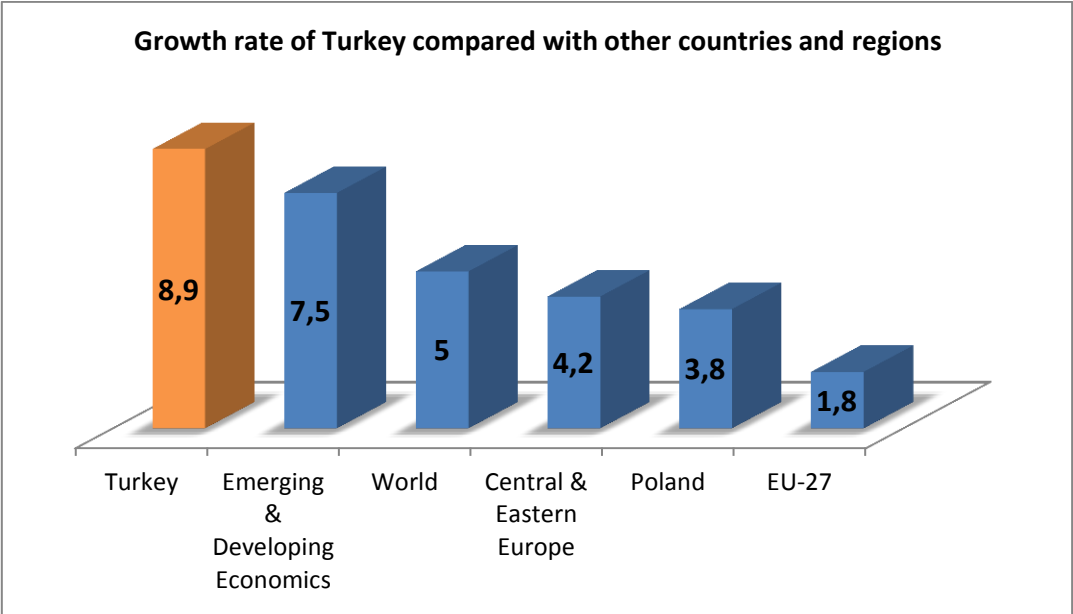
»The EU-Turkey Customs Union continues to boost bilateral trade between the EU and Turkey, which totaled € 120 billion in 2011. Turkey is the EU's 6<sup>th</sup> biggest trading partner, while the EU is Turkey's biggest. Almost half of Turkey's total trade is with the EU and almost 75% of FDI in Turkey comes from the EU. However, Turkey is not implementing the Customs Union fully and maintains legislation that violates its commitments under the Customs Union« (European Commission, 2012).

This data implies Turkey is a developing country and has a lot of potential. Cooperation between the two can have great outcomes and it is on EU to seize the moment and become its closer ally. Turkey will soon become one of the most important countries in the region economically with adopting EU values and developing its economy. The reason lies in the successful Turkish companies, which are competing in the global market and are becoming stiff competition even for China. Turkish company Arçelik is the first European producer of TVs and second one in the world, right after China. However, Turkey can become number one with membership in the EU and help of member states. Turkey has diversified holdings, which are successful in many sectors, for example Sabanci Holding, Koc Holding, Bilkent Holding etc. They can become even more successful, when the borders will fall and they could transport the products faster and cheaper.

Good measurement for describing an economy of a country is GDP at purchasing power parity per capita, which means value of all final goods and services, it also reflect differences in costs of living in different countries. Turkish GDP per capita was \$14,517, but this number does not mean anything, until we compare it to the other countries. Next table compares Turkey to Romania, which is known as poor country, Poland, which has big size and population, France, which is known as opponent of Turkey and 2<sup>nd</sup> superpower in the EU. I included Croatia because it is candidate country like Turkey.

Turkish economy is growing rapidly every year (Figure 5, Appendix 7) and still has a lot of potential because of its size and especially its promising young population. Turkey is growing much faster compared to other countries and regions, as the figure below shows; therefore it is not a poor and undeveloped country as some people think.

Figure 6: Growth rate of Turkey compared with other countries and regions (%)



Source: IMF World Economic Outlook, *World Economic Outlook Update*, 2011.

Turkey’s growth rate is 8.9%, which is higher than all emerging and developing economics; those are the countries, which are fastest growing economies and have the potential to become number one economies in the world. These are the countries like China, India and Turkey. The world is growing with 5% considering all poor and rich countries, the number is satisfying. 4.2% growth of Central and Eastern Europe, which are countries, who are the engine of the EU and they are growing with half the growth, Turkey is growing. Therefore, Turkey will contribute a lot to the EU to become fastest growing economy in the world. In addition, the EU can learn from Turkey and use the practice of this fast growing economy, as well as, Turkey can learn from the EU. Poland with its big population is growing with 3.8%, which implies it is already developed economy and is growing slowly. Surprisingly the average of the EU 27 is 1.8%, which can be a concern for the EU because it seems some countries are inhibiting for EUs healthy growing. High economic growth usually means

increasing productivity or economic efficiency and technological improvements or innovation, which improve standard of living. This means increase in income of population so they can buy more goods, therefore it is likely for imports of the country to increase and spent the increased income. Since creation of Customs Union between Turkey and the EU imports to Turkey have increased, as well as, exports to the EU. Full membership of Turkey will ease trade between the two even more because now there are many obstacles to trade and current Customs Union excludes services and agricultural products.

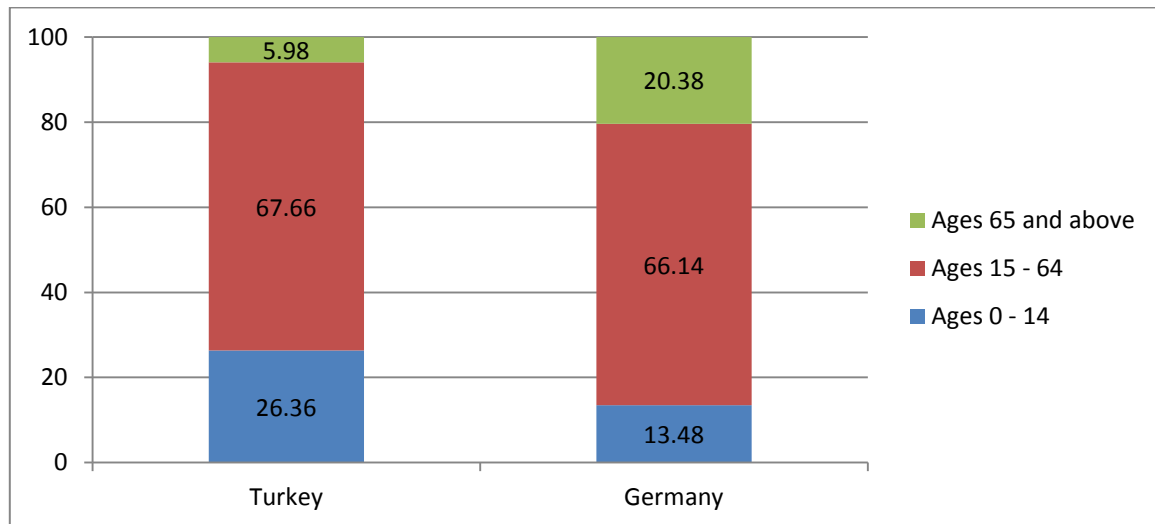
Fast growing Turkish economy is a benefit for the EU because it can increase scope of exports to Turkey because of increasing income of population, as well as increasing number of population, which means higher demand to satisfy. In addition it can help Turkey grow faster by teaching it working practices in production and trade. Therefore, the EU can be Turkey's mentor and at the same time enjoy its benefits with trade.

#### **4.2.2 Benefits of young population**

A major contributor to Turkey's growing and developing economy is its young population. Young population is good for the EU for at least two reasons. Firstly, young people have more innovative ideas, furthermore they are more likely to open new companies and can practice new age entrepreneurship, which can boost economy. Secondly, it will solve the problem of aging population in Europe. The EU is currently dealing with ageing population meanwhile Turkey does not have this problem and is enjoying growth of young population.

To explain the mentioned problem I compared Turkey with Germany because they have almost the same amount of population. Germany has 81,305,856 populations and is ranked as 16<sup>th</sup> by number of population in the world and Turkey has 79,749,461 of population and is ranked as 17<sup>th</sup> by CIA World Factbook (*Country comparison: demographics – population*, 2012). Next figure, shows that 67.6% of Turkey's population is in the age of 15 and 64 (Turkish government annual report, 2012) and Germany has 66.1% of the same age group, which means they have almost the same percentage of working class. If this was a stable percentage Germany wouldn't have a problem but Germany's population growth rate is -0.2% (*List of countries by populations growth rate*, 2012), which means the working class is shrinking and number of elderly people is increasing. On the other hand Turkey has strong population growth rate with 1.2% (*List of countries by populations growth rate*, 2012), which means working class is expanding and number of young people is increasing.

Figure 7: Populations age distribution of Turkey and Germany (%)



Source: *World development indicators*, 2011.

Figure presents that Turkey has twice as much young people and four-times less elderly people. Nowadays markets are flooded with technical improvements, which are made by young and innovative people. This new technological world is hard to understand for elderly people. Therefore, the EU needs more young people to stay competitive. Moreover, the elderly need to be taken care of by young people. In the appendixes 8, figure 8 I included population pyramids for Turkey and same graph for Germany (Appendixes 9, Figure 9) for better view of the age groups. The figure reveals the population of Germany is concentrated on 30 until 50 years old people and Turkey's population is concentrated on 10 to 40 year old people.

In the appendixes (Figure 10, Appendix 10) I also attached a figure of EU27 population pyramid, comparison of year 1990 and 2010 for easier understanding of aging population problem. The figure shows the EU is really endangered with the growing ageing population. »The European Union's population structure is changing and becoming progressively older – at the beginning of 2010, there were 87 million people aged 65 and over in the EU, more than 17% of the total population«, (Eurostat, 2011a). Although countries can adjust their economy and business to elderly needs and expectations, for example, European Commission is developing programs for elderly, but still elderly have to be taken care of by younger people. To conclude Turkey's young population can be a solution to European aging population problem and they can contribute to European economy establishing new companies with innovative ideas.

#### 4.2.3 Stable energy supply for the EU

»Energy production and distribution business opportunities are one of the most appealing sectors that have been recently privatized. Turkey is in the middle of rich oil and natural gas producing countries, in the vicinity of high-energy consuming countries of the West, abridging Asia and Europe. The construction of oil and natural gas pipelines has become a national policy for Turkey, in its quest to harbor different points of connection. Major

legislative changed in the Electricity Market Law and the Natural Gas Market Law in 2001. Changes that are expected to be made in the Petroleum Market Law before the end of 2002 are making the sector more attractive, both for foreign and domestic investors, who wish to supply energy within and out of Turkey» (Yerasimos, 2002a). The next table justifies, how depended are the Western countries on fuel.

Table 5: Energy dependency of the EU– all products from 1999 to 2009 (%)

Years	1999	2001	2003	2005	2007	2009
<b>EU 27</b>	45.1	47.4	49.0	52.5	53.0	53.9

Source: Eurostat, *Energy, transport and environment indicators*, 2011.

From year 1999 to 2009, energy dependency of EU 27 grew for almost 10% and this indicates the EU has to secure its energy supply. Turkey recognized seriousness of the issue and made national policy for securing energy supply as mentioned earlier. To emphasize even more the importance of energy supply, in the appendixes, (Appendix 10, Figure 11) the figure shows 80% of world is using fossil fuels, which are coal, oil and natural gas.

The EU is mostly using Russia's natural gas reserves and it had a share of 34% of total natural gas imports. Also almost one third of hard coal imports came from Russia in 2009 (Eurostat, 2011a), which means Russia is the leading supplier of gas for the Western Europe and they are highly depended on it. The EU realized it is too depended on Russia's imports when in 2009 Russia cut of gas supplies for two weeks due to a conflict with Ukraine. With this restriction Russia created energy crisis for Europe. At that very moment it had to find other suppliers and it was rather insufficient, more or less it was waiting for Russia to open energy supplies (Palash, 2012). »With Turkish accession, the EU would extend into the southern Caucasus, helping to stabilize new pipeline routes bringing oil and gas westward from the Caspian. These will lessen Europe's energy dependence on Russia« (*Too big to handle?*, 2012).

However, these goals of EU are not going to be certain completely, unless Turkey becomes full member of the EU. Until then Turkey can start closer cooperation with the USA or Russia. If this happens EU will be pushed to the side and threatened to not receive enough energy supply from Russia. »Central Asia is a gas source that might one day involve Turkey, as a transit route of significant new value to the EU, but existing infrastructure necessitates that much of its known gas be exported through Russia. Russia also agreed with Turkmenistan and Kazakhstan to build a new pipeline through it, which should be a warning to the EU, to have good relations with Turkey. Idea of USA is to build a Trans-Caspian pipeline under sea to join an Azerbaijani pipeline to Turkey, but unfortunately, it faces some problems with gas availability and ecological problems in the Caspian and Russian opposition« (International Crisis Group, 2007). The US is searching for allies in the Middle East and a rut for new pipeline and EU is not included at all. Turkey is linked to Iran and is using their gas and oil. They made an agreement to explore development of the South Pars field in the Persian Gulf. Another important link is Iraq, but since of the war started the

linkages are not certain (International Crisis Group, 2007). Turkey has a lot of linkages with different countries and can become main source of gas and oil for the EU. The EU should not look through this opportunity and it shouldn't risk losing all that.

Energy sector is also an opportunity for Turkish economy to boost because it has a lot of options and partnerships, which Turkish companies can use. This benefit is surely most important because the EU will not be depended just on Russia anymore and will receive energy from its own member state. This was the last benefit and the next chapter will analyze all benefits for both sides.

#### **4.3 COMPARING BENEFITS FOR THE EU AND TURKEY**

Most important benefits of eventual membership for Turkey are increases of FDI, funding and external trade. Turkey is enjoying increases in FDI and funding for some time now, first from creation of Customs Union since 2006 and second since it became a candidate country in 2005. However, external trade is not exploited fully because Turkey isn't a member yet and if Turkey entered the Union the external trade will become internal and free movement of goods, capital, people and services will be in full use. This will put Turkey in the same position as all other member states and Turkey will compete with them on the same bases. With Turkey's membership, FDI will increase even more because member states of the EU are countries worth investing in as the EU does. On the other hand, regular yearly funding will stop because Turkey will not be in accession negotiations as a candidate country. However, the EU will still fund specific areas and sectors for different projects.

Most important benefits for the EU are growing economy, young population and stable energy supply. Benefit of Turkey's growing economy is the EU enjoying from the Customs Union since 2006. They are trading and Turkey's GDP is growing and consequently its income is growing. Furthermore, the demand is increasing and the EU's exports to Turkey are continuing to increase. Other two benefits, young population and stable energy supply are not in use because Turkey needs to become a member first. Therefore, if Turkey enters the EU, it will solve the EU's aging population problem with its young population and stable population growth rate. Also with free movement of people young, innovative Turkish people can help EU's economy. Turkish membership will also secure stable energy supply and ease dependence on Russia. It will secure EU's involvement into plans for new and extension of existing energy pipelines. Moreover, it would have the chance to influence on the plans and possibly would achieve its objectives about the issue. Turkey's full membership in the EU will mean Turkey's growing economy, will have the chance to boost even more because all restrictions will fall and free trade will be established in all fields. Turkey's growing economy will for sure raise the average statistics of the EU economical, geographical and demographical indicators.

With these findings, I can make two conclusions. One regarding comparison of benefits before Turkey enters the EU and one after Turkey enters the Union. Firstly judging by the

benefits of Turkey and the EU before Turkey's membership I can say that, most benefits is Turkey already enjoying, in particular benefit of funding, increase in FDI and partly external trade. While the EU does not have many benefits from Turkey now, accept for cooperating and trading. Secondly, if Turkey enters the Union all parameters of benefits on both sides will change. As I wrote before benefits for Turkey, FDI will increase and external trade will achieve total free trade for all goods, services, capital and people. However, amount of funding will decrease. Therefore, I think the EU will benefit more, if Turkey enters the EU because it will have the chance to use all measures, which I determined for benefits. It would use Turkey's economy to increase exports because of higher income and for importing statistical numbers of the EU's average. As I said before young Turkish population will save European aging population and cooperation on energy sector will secure stable energy supply.

Considering these two conclusions I think better outcome for the EU will be, if Turkey enters the EU. If this does not happen, the EU can probably say goodbye to all benefits and risk losing an important trading partner and also its credibility. As Turkey president mentioned either membership or nothing. On the other hand, Turkey is enjoying a lot of benefits now that it basically does not matter, if they join the EU or not.

## CONCLUSION

My research of secondary data about benefits and obstacles of Turkey's membership in the European Union, while considering the past, has shown the issue is multi-sided. We have Turkey on one hand, which has wanted the full membership since 1964, but the interest is decreasing year by year. Therefore, it has recently decided, it is the most beneficial to adopt all reforms to make it more democratic and modern with no intention to enter the Union and is strictly against all alternative partnerships with it. On the other hand, we have the European Union, which signed the Ankara Agreement with Turkey back in the year of 1964 and promised Turkey to become a full member. However, times have changed and since then also the intentions of the EU changed. The EU is mostly led by Germany and France and they openly stated they do not want Turkey as a member, but they are not the only ones to decide, there are 27 countries in the Union. Therefore, the member states are the third player in this issue but I only analyzed the first two players. In the following, conclusions of each chapter are presented, a proposal for further research and final conclusion.

In the first chapter I have revealed insights of Turkey's past and its democratization after 2002, when AKP party was elected. More importantly, the chapter overviewed events between Turkey and the EU through the past, which have lasted for quite a long time. I discovered they have lasted longer than in the case of all other countries.

In the second chapter I have analyzed the obstacles on both sides for Turkey entering the Union. From EU's perspective, all obstacles are geographical and historical facts or even internal issues of the EU, like enlargement fatigue, that cannot be changed. Therefore, they are just excuses for the EU not to accept Turkey. From Turkey's perspective, Cyprus and Turkey's uncertainty are two major issues, which are influencing the opinion of others, but only Turkey can change it. Consequences of the obstacles from both sides are accession negotiations, which have lasted for the last 9 years. This is extremely long compared to others. Moreover, only one chapter has been closed in 9 years, which indicates negotiations are not going to be closed soon. However, both are to blame because on the one hand, the EU members are blocking some chapters and on the other, Turkey is not making enough effort to close the chapters.

Considering little progress that has been made in the relation, I researched the first scenario, where I proposed different alternatives, if Turkey does not enter the EU. Based on findings I decided most likely outcome. The most likely outcome of the third chapter will be that Turkey will distance itself from the EU and start cooperating with neighbor countries.

If the first scenario came true, the consequences will be greater for the EU because it will risk its reputation which can be ruined and also its credibility and legitimacy will be questioned. Then more likely is that Turkey will enter the EU, which is the second scenario. The fourth chapter has analyzed benefits of the membership for both sides. Benefits for the EU are greater, because Turkey is economically successful country and has a lot of potential.



Moreover, it is an energy hub, which will make the EU less depended on Russia and even more the EU will have a chance to influence the region through Turkey. For all these reasons, the EU wants to stay an ally with Turkey and offer it some other partnership, which is not acceptable for Turkey. It is already enjoying benefits of the relationship, for example increases in FDI, funding from the EU and most important, it has growing economy thanks to external trade. Therefore, membership in the EU will not change much in the country as a whole.

Therefore, it is understandable that Turkey does not want any partnership, either full membership or nothing. However, the membership seems more likely to happen after the election of new French President Mr. Hollande and also other member states can help it to enter. However, considering that Turkey applied in 1964 and the accession started in 2005 and we are in the year of 2013, in my opinion it is unlikely to happen. I think the outcome of this long-lasting relationship will be all benefits for Turkey with the help of the EU and loss of highly important partner for the EU plus bad reputation and questioning of its credibility, which will probably also reflect in financial markets. Therefore, outcome of non-membership would leave serious consequences for the EU and Turkey will stay modern and democratic. Most likely the outcome from the offered alternatives is that Turkey will distance itself from the EU and make closer ties with the Middle East, which is full of goods that Turkey can use.

It would be interesting to see a research in a few years from now, based on my conclusion, what would be the outcome then? Moreover, a research could be made of the situation in 5 years time, based on my suggested prospects. Will there be progress in Accession Negotiations between Turkey and the EU? Will Turkey enter the European Union or not? In addition with the research I observed great influence of France and it would be interesting to see a research of French influence through the years of Mr. Sarkozy's presidency and the change after Mr. Hollande came. There is a lot of space to research after few years.

Overall, my conclusion is that Turkey will not join the European Union because the process is taking too long and the hypothesis is refuted. Most probably Turkey will break off all cooperation with the European Union and focus more on its own region to become a leader for other countries. With my thesis I hope, I gave you, as a reader, brighter view on Turkey and enlighten you on the situation between Turkey and the European Union.

# **POVZETEK**

## **UVOD**

V diplomski obravnavam odnos med Turčijo in Evropsko Unijo, raziskala sem prednosti in slabosti z obzirom na preteklost ter podala možnosti za prihodnost. Tematika je okupirala mojo pozornost, ko sem se odločila iti na Erasmus izmenjavo v Turčijo in odzivi ljudi so bili naravnost šokantni, kajti bili so zelo negativno nastrojeni. Vsi so me spraševali, zakaj želim tja ter mi pripovedovali, da je ta država zelo nevarna. Sama sem želela nekam zelo daleč in se nisem ozirala na reakcijo ljudi ter se odpravila v Turčijo povsem brez predsodkov. Spoznala sem državo in ljudi ter ugotovila, da so prebivalci zelo ponosni na svojo državo, zato sem se odločila raziskati odnos med Turčijo in Evropsko Unijo.

Torej obravnavam sem odnos med Turčijo in EU, s ciljem seznaniti ljudi s Turčijo in odnosom le-te z EU, ki naj bi v ljudi vtil več razumevanja do države ter hkrati dal več optimizma. Z namenom ugotoviti, kako se je odnos spreminjal skozi zgodovino ter kakšen je trenutno in raziskati, od kod ljudem taka negativnost in nastrojenost proti državi. Vključila sem tudi razplet odnosa v dveh različnih scenarijih ter podala svoj zaključek glede na ugotovljeno. Z razvojem naloge so se odprla nekatera vprašanja, ki sem jih sprti reševala pa tudi podala smernice za prihodnost. Tematika je dopuščala eno metodo raziskovanja in sicer zbiranje in analiza sekundarnih podatkov, seveda sem sprti vključevala tudi svoje mnenje, kjer je bilo to možno.

Postavila sem hipotezo, da bo Turčija vstopila v EU. Da bi to hipotezo lahko sprejela ali ovrgla sem se morala poglobiti v njun odnos ter raziskati oba scenarija, da bo pristopila k EU in da ne bo. Vendar sem morala začeti na začetku, torej v zgodovini Turčije in zgodovini njunega odnosa, o čemer govori prvo poglavje. Drugo poglavje govori o ovirah v odnosu, tako s strani Turčije kot tudi EU, to poglavje je bilo potrebno, da sem lahko razvila prvi scenarij. Tako je tretje poglavje govorilo o prvem scenariju in sicer da Turčija ne bo vstopila v EU. Podala sem pet različnih možnosti razvoja tega scenarija ter izbrala najbolj mogočega. Nato je sledil še drugi scenarij o katerem je govorilo četrto poglavje. V tem poglavju pa sem raziskala prednosti, ki bi jih imela tako EU kot tudi Turčija v primeru članstva le-te v EU. Za nameček sem primerjala prednosti obeh ter podala zaključek. V zaključku sem povzela vsa poglavja ter se odločila za najverjetnejši razplet odnosa med Turčijo in EU.

## **1 ZGODOVINA TURČIJE IN ODNOSA Z EU**

Pred Republiko Turčijo je od leta 1299 do 1923 vladalo Osmansko cesarstvo, ki je bilo najvplivnejša in največja država na svetu, saj je segala čez vso Jugovzhodno Evropo, Bližnji vzhod, Severno Afriko in doseglo celo Dunaj. Osmani so z osvajanjem vseh teh ozemlj povzročili veliko trpljenja in smrti, zato so še zdaj v obeh mnogih sovražniki, sem spada tudi prva svetovna vojna, v kateri so izgubili. Nato je od 1919 do 1922 potekala Turška vojna za neodvisnost, po kateri je bila oktobra 1923 razglašena Republika Turčija in Mustafa Kemal je postal prvi predsednik. Odločil se je uvesti reforme v celotni državi po vzoru razvitega

zahoda, katere bi modernizirale Turčijo. Želel je varno in stabilizirano državo z poenotnim šolskim sistemom. Želel izriniti močan vpliv islama, saj je vedel, da nobena razvita država ni islamska, kar pa se je izkazalo za slabo idejo, saj narod ni bil pripravljen na to, zato je še danes čaščen kot veliki vodja in vedno izobešen zraven turške zastave. Vsi sledeči predsedniki so se zgledovali po njem in leta 2002 z izvoljeno stranko AKP, ki je do danes naredila največ reform in Turčijo popeljala med razvite države. Saj je v desetih letih Turčija postala modernizirana in demokratična kot še nikoli, kar pa je najbolj pomembno za svet, da so ženske pričele dobivati pravice.

Zgodovina odnosa med Turčijo in Evropsko Unijo seže v leto 1959, ko je Turčija prvič zaprosila za članstvo, vendar bila zavrnjena. Ampak že leta 1963 podpišeta Ankaranski sporazum z namenom, da Turčija pridobi članstvo. Prvi cilj je bil vzpostaviti carinsko unijo, ki bi poenostavila njuno trgovanje, katera je pričela delovati leta 1995. Turčija je edina država, ki je odprla enotno carinsko unijo z EU, ki ni uradna članica. Prelomnica je bila leta 1999 na Helsinškem Svetu, kjer je bila Turčija uradno priznana kot država članica, kar je bila podlaga za pričetek pristopnih pogajanj, ki so se začela šele leta 2005. Nato so sledile razne blokade poglavij s strani članic ter ponovno odpiranje poglavij, vse to traja še danes. Torej začetek je bil leta 1963 in sedaj smo v letu 2013, neverjetnih 49 let traja njun odnos in Turčija ni niti blizu zaključka pristopnih pogajanj, vendar je pri drugih članicah trajalo do 12 let. Odločila sem se poiskati razlog za takšno odstopanje, ali je krivda na strani Turčije ali na strani EU, zato sem najprej analizirala ovire pri vstopu.

## **2 OVIRE PRI ODNOSU MED TURČIJO IN EU**

Vse naslednje ovire, ki jih bom obravnavala na strani EU in Turčije so izbrane glede na pogostost pojavljanja teh ovir v medijih. Ovire, ki jih vidi EU pri vstopu Turčije v EU so geografske in kulturne ter so dejstva, ki so ista od neodvisnosti Turčije. Lokacija Turčije je res povsem na jugu Evrope in se razprostira tudi na Azijo, ampak njega lokacija se skozi leta ni spreminjala. Turčija je obdana z državami Bližnjega vzhoda, ki pa so znane po nemirih in vojnah, vendar nič več vojn ali nemirov ne bo, če bo le-ta postala članica EU. Velikost države je za EU tudi ovira, saj je tako velika kot vseh deset držav, ki so postale članice leta 2004. Skoraj 75 milijonsko prebivalstvo je ovira, saj je edina država, kateri pozitivno raste število prebivalcev, kar pomeni, da bo kmalu prehitela Nemčijo. Velikost in prebivalstvo sta pomembna, ker je EU v Lizbonski pogodbi določila, da se sedeži v Evropskem parlamentu porazdelijo glede na ta dva dejavnika. Kar pomeni, da bi Turčija imela velik vpliv na EU politike in zakone, to pa niti slučajno ni vseč vodjem EU. Muslimanska vera je tudi zelo velika vera za EU, saj mislijo, da krši pravice žensk. Dejansko pa Evropejci niso seznanjeni s to vero, zato jo obsojajo, ne da bi se poučili. Po napadu na ameriška dvojčka (WTC) se je stanje Muslimanov še poslabšalo, saj so posplošili, da so krivci napada Muslimani in ne posamezni ljudje. Torej so obsojali vero in vrgli slabo luč na vse vernike, ki so bili deležni veliko nasilja. Rešitev tega problema je lahko le s poučevanjem in učenjem na primeru državne multikulturne politike, ki jo izvajata Britanija in Švedska. Največja ovira turškemu članstvu je Francija oziroma g. Sarkozy, ki je že pred izvolitvijo glasno poudarjal, da Turčija nima mesta v EU. Nato je naredil vse, da bi preprečil članstvo ter celo uporabljal svoj vpliv,

da je pridobil somišljenike. Vendar je bil prejšnje leto izvoljen novi predsednik g. Hollande in v javnost je prišla vest, da bo podprl Turčijo v članstvu, zato je sedaj večja možnost kot prej.

Oviri za vstop, ki bi jih lahko Turčija že prej odstranila in imela večje možnosti za vstop, sta cipersko vprašanje in turška negotovost. Cipersko vprašanje sega v leto 1960, ko je Grčija želela zasesti Ciper, kar je bilo proti London-Zurich dogovoru. Turčija se je takoj vojaško posredovala, saj je Ciper tudi njen in takrat se je Ciper ločil na dva dela, Grški in Turški, od takrat traja spor med Grčijo in Turčijo. Prva prelomnica v sporu je bila leta 1981, ko je Grčija postala članica EU in izkoristila članstvo za čimprejšnjo rešitev spora za Ciper ter hkrati uporabljala svoj vpliv, da Turčija ne bi postala članica. Druga prelomnica leta 2003 je postavila Turčijo v neugoden položaj, saj je EU sprejela Ciper in dejansko posegla v njun odnos, ki še zdaleč ni rešen. Turčija se bori za svoj del Cipra že dolga leta in ne želi podleči vplivu EU, saj gre tudi za dostojanstvo ciperških Turkov. Negotovost Turčije je predvsem v dejstvu, da ne razpolaga z naravnimi viri, ampak se zanaša na podjetniška znanja, kar je veliko bolj tvegano za uspeh. Negotovost v državi pa povzročajo Kurdi, ki želijo svojo državo, kar izsiljujejo z napadi na nedolžne ljudi, vendar ta problem že rešujejo. Ne nazadnje sem vključila tudi pristopna poglavja, saj so se začela že leta 2005. Krivda, da le-ta niso zaključena, je na EU in tudi na Turčiji. Le eno poglavje je zaprto, osemnajst jih je blokiranih s strani držav članic in štirinajst jih čaka na obravnavo. Sodeč po rečenem bi lahko prišli do zaključka, da Turčija ne bo vstopila v EU. Zato sem v naslednjem poglavju raziskala možne alternative v scenariju, da Turčije ne vstopi v EU.

### **3 SCENARIJ 1: TURČIJA NE VSTOPI V EU**

V primeru uresničitve tega scenarija bi ves svet podvomil v verodostojnost in zakonitost Evropske Unije, saj je najprej podpisala razne pogodbe in sporazume s Turčijo, nenazadnje pa jih zapre vrata pred nosom. Prvi izid tega scenarija je lahko, da bo Turčija za vedno kandidatka, drugi, da postane privilegirani partner, tretji, da zaživi Mediteranska Unija, četrti, da se Turčija preusmeri na Bližnji vzhod in začne sodelovati z ZDA ter nazadnje izid, katerega je predlagal britanski predsednik vlade. Turški predsednik je že večkrat poudaril, da želi le članstvo ali nič, zato prve dva izida odpadeta. Britanski predlog tudi ne pride v poštev, kajti še vedno predvidi sodelovanje med Turčijo in EU, vendar z manjšim vplivom EU. Mediteranska unija naj bi združila ves arabski svet, katerega bi vodila evropska roka in ideja je bila od g. Sarkozyja. Njegov namen je bil, da se Turčija poveže v to Unijo in izgubi zanimanje za EU, kar je nezaslišano. Unija je bila zamrznjena zaradi konflikta v Gazi. Potemtakem ostane le izid, da se Turčija oddalji od EU in začne bolj sodelovati z državami v svoji regiji ter poglobiti odnose. To bi bilo idealno za Turčijo, saj so sosednje države bogate z naravnimi viri in bi bila preskrbljena, še več, Turčija bi lahko postala vodilna država v regiji ter narekovala nadaljnji razvoj. Vendar pa se ne bi mogli učiti od razvitih držav z dobro prakso, lahko bi jih le opazovali. Ta izid je tudi narekoval sodelovanje z ZDA, za katero pa je po mojem mnenju manj verjetno, saj ZDA sodeluje z Izraelom, kateremu Turčija v zadnjem času ni naklonjena. Torej v primeru, da bi se pripetil scenarij, da Turčija ne bi vstopila v EU, mislim, da je najbolj verjeten izid, da bi se le-ta osredotočila na odnose z državami v lastni regiji. Sledi še drugi scenarij, in sicer, da Turčija postane članica EU. Naslednje in zadnje poglavje analizira

prednostih, ki jih bo pridobila EU kot tudi Turčija s članstvom. Prednosti bom ovrednotila ter ocenila katera bi imela večje koristi.

#### **4 SCENARIJ 2: TURČIJA POSTANE ČLANICA EU**

Za vsako stran sem izbrala tri koristi, jih analizirala in tudi primerjala. Koristi za Turčijo so povečanje tujih neposrednih naložb, finančna pomoč in zunanja trgovina. V vseh teh letih so tuje neposredne naložbe narasle na raven primerljivih članic, kot je Poljska, Romunija pa ima bistveno manj naložb, kar pomeni, da je manj privlačna za tuje investitorje. Vsaka članica EU prejema finančno pomoč oziroma sredstva, ta so pred članstvom zelo potrebna in visoka, saj se mora država poenotiti z Unijo v vseh pogledih. Tako tudi Turčija prejema finančna sredstva od vsega začetka, ko je podpisala Sporazum v Ankari, ta se veča vsako leto. Z zunanjo trgovino je Turčija veliko pridobila, še posebej z vstopom v carinsko unijo, katera je poenostavila trgovanje tako s članicami kot nečlanicami, saj ima EU podpisane sporazume z vsemi. EU je postala največji trgovski partner Turčije, saj opravi tretjino vseh uvozov in izvozov kljub nepopolnemu delovanju Carinske unije. Slednja še vedno ne deluje celovito, ker nekatera področja še niso poenotena. Te tri prednosti so bile izbrane, ker so največkrat poudarjene, kadar EU sprejema članico. V primeru Turčije so vse tri prednosti v polnem teku, seveda bi se le-te s članstvom še povečale.

Koristi za EU ob vstopu Turčije v EU so rastoče gospodarstvo, mlado prebivalstvo in nemotena oskrba z energijo. Turško gospodarstvo raste najhitreje od vseh gospodarstev v razvoju, zahvaljujoč uspešnim Turškim podjetjem, ki uspevajo v Evropi kot tudi v svetu. Na primer Arçelik je prvi evropski proizvajalec televizorjev in drugi na svetu, ki pa je le eno izmed mnogih uspešnih podjetij in korporacij. Mlado in podjetniško prebivalstvo definitivno veliko pripomore k takšnemu uspehu, saj je večja verjetnost, da bodo odprli nova podjetja. Ne gre zanemariti, da bi bilo mlado turško prebivalstvo rešitev evropskega problema staranja prebivalstva, ki pesti vse evropske države. Zelo pomembna prednost je tudi, da je Turčija obdana z državami, ki so bogate z nafto in plinom. To pomeni, da je Turčija preskrbljena z energijo ter jo lahko zagotovi tudi za EU, saj načrtujejo gradnjo naftovodov ravno preko Turčije. Hkrati bi to pomenilo, da EU ne bi bila več toliko odvisna od Rusije ter bi bila preskrbljena z energijo iz svoje članice. Vse te koristi so zelo dragocene in še več koristi bi lahko naštel, kot na primer, da bi lahko EU širila svoj vpliv na Bližnjem vzhodu ter se uveljavila kot multikulturna unija. Res je nerazumljivo, kako lahko EU tako dolgo čaka na vstop Turčije, ko pa bi toliko pridobili. Brez dvoma lahko potrdim, da ima EU več koristi s članstvom Turčije, saj Turčija prednosti EU že zdaj izkorišča.

#### **ZAKLJUČEK**

Raziskava in analiza sekundarnih podatkov o odnosu med Turčijo in EU je pokazala, da je ta večplasten, saj na njun odnos močno vplivajo tudi posamezne članice EU (kot na primer Francija). Ovrгла hipotezo sem, da bo Turčija postala članica EU, ker njuno sodelovanje traja že skoraj petdeset let in še zdaj ni obrodilo pravih sadov. Seveda so koristi na obeh straneh, ampak še zdaleč Turčija ne bo videla članstva. Hipoteza še vedno stoji dokler ne bosta

prekinili sodelovanja, ampak ko se bo (oziroma če se bo to zgodilo), bomo šele videli v prihodnosti. Sledi povzemanje vsakega poglavja.

V prvem poglavju sem raziskala preteklost Turčije ter ugotovila, da je le-ta v Osmanskem cesarstvu povzročila veliko trpljenja ob osvajanju ozemlj, zato jo imajo nekatere države še vedno za sovražnico. Ljudje tega še zdaleč niso pozabili in najverjetneje je od tu ta negativnost. Analiza zgodovine odnosa med Turčijo in EU je pokazala, da traja že pol stoletja, kar je dlje kot pri vseh drugih članicah, zato sem v naslednjem poglavju raziskala ovire pri članstvu iz obeh strani. Ključni oviri s strani EU sta vera in Francija. Vera je največja ovira, vendar samo zato, ker je Evropejci ne poznajo in se ne poučijo o njej. Velika ovira pri vstopu je bila tudi Francija, dokler je bil na čelu g. Sarkozy, ki je jasno in glasno še pred izvolitvijo poudarjal, da Turčija ne sodi v EU. Situacija se je spremenila z aprilom, ko je bil namesto njega izvoljen g. Hollande, ki je bolj naklonjen Turčiji. Oviri, ki bi ju lahko Turčija že davno odpravila sta ciprsko vprašanje in negotovost v državi. Ciprsko vprašanje je odprto že od šestdesetih let, s članstvom Grčije in Cipra je EU stopila na njuno stran ter vsi izvajajo pritisk na Turčijo, ki želi le najboljše za svoje ljudstvo in vzdržuje pritiske, kar je tudi prav. Največjo negotovost v državi povzročajo Kurdi s terorističnimi napadi, ampak stanje se umirja, saj jim Turčija daje vedno več pravic. Največja birokratska ovira pri članstvu so pristopna pogajanja, ki trajajo že osem let in le eno poglavje od petintridesetih je bilo sprejeto. Krivda je tako na EU, ker njene članice blokirajo poglavja, kot tudi na Turčiji, ki ne naredi vsega potrebnega, da bi se poglavja obravnavala. Zaradi vseh teh ovir sem videla le eno rešitev, da Turčija ne bom vstopila v EU, zato sem najprej analizirala ta scenarij.

V tretjem poglavju sem se osredotočila na možne izide prvega scenarija ter ugotovila, da je najbolj možno, da se bo Turčija oddaljila od EU in začela poglobljati odnose s sosednjimi državami. Vseeno sem morala analizirati še drugi scenarij, da bo postala članica, zato sem v četrtem poglavju raziskala koristi obeh strani ob vstopu v EU. Ugotovila sem, da Turčija že koristi večino prednosti, ker že dobiva finančno pomoč, tuje neposredne naložbe so se povečale, prav tako tudi zunanja trgovina. Seveda bi se vsi parametri še bolj povečali s članstvom, vendar so že zdaj visoki. Veliko več koristi ima EU, saj bi članstvo dobila država v razvoju, ki prekaša vse druge države. S svojim rastočim mladim prebivalstvom bi pripomogla k rešitvi evropskega problema staranja prebivalstva. Najbolj pomembna pa je zagotovljena dobava energije, ki bi omilila odvisnost EU od Rusije. Torej so analizirane prednosti za EU veliko večje kot za Turčijo in iz tega sledi, da bi morala Turčija postati članica, da bi lahko EU izkoristila prednosti.

Namen je bil dosežen, saj sem preučila zgodovino ter ugotovila, da je ravno ta kriva za negativno nastrojenost. Cilj pa tudi, saj sem najpomembnejše točke odnosa Turčije in EU predstavila s povsem nevtralnega stališča. Hipoteza je ovržena, vendar bo le čas pokazal, ali bo Turčija vstopila v EU.

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## **APPENDIXES**

## APPENDIX 1

Table 2: Muslim populations in European countries

Country	Estimate of Muslim population (including non-citizens)
Austria	340,000
Belgium	320,000
Bulgaria	1 million
France	6 million
Germany	3.8 – 4.3 million
Greece	525,000
Italy	1 million
Netherlands	30,000
Portugal	70,000
Romania	700,000
Sweden	350,000
Turkey	74 million
U.K.	2 million

Source: A., Triandafyllidou, . *European Muslims*, 2010, p. 13.

## APPENDIX 2

Table 3: Attitudes towards gender equality (factor values of gender equality scale)

Country	Factor*
EU	0.612
Sweden	0.922
Germany	0.495
Slovenia	0.103
Poland	-0.591
Bulgaria	-0.305
Turkey	-0.670

\*Set scale of factors from -1.5 meaning total inequality to 1.5 meaning total equality

Source: J., Gerhard, *Cultural Overstretch?*, 2007, p. 59.

## **APPENDIX 3**

### **HOW TO OVERCOME PREJUDICES ABOUT TURKEY?**

I think most of the people are not aware of the benefits of Turkey because the general picture in the public is pretty bad. Most of Europeans still think that Turkey is undeveloped country with uncivilized people but as I showed you with all of the benefits of Turkey this thinking is completely wrong. How to overcome prejudices? The answer is development of diversified strategies that would be tailored to every member state individually, to see Turkey as it is because none of the countries has the same thinking and relationship with Turkey. Some are neutral like Finland and some are opposing the membership like France and Austria. Therefore, each country needs different strategy to be convinced about Turkey because of different interests as well as perceptions. The strategies should be applied to every country separately and accordingly different arguments should be used for each country. For example, for Greece arguments should be made to resolve Turkish issues due to geographical proximity and for Germany due to existence of big Turkish or other Muslim immigrant communities. Each issue has its advantages and disadvantages, but everything can be discussed and negotiated to make the best of the situation and resolve the issues to make the path for Turkey easier to enter the EU. However, it would take a lot of time to build all these strategies for all 27-member states, but on the other hand Turkey has been trying to enter EU since Ankara Agreement in 1964 and this would be a real step toward resolving issues between member states and Turkey (Nas, & İzci, 2010).

»Apart from Turkey's complex profile new communication and information strategy should focus on different related issues and introduce them into the European debate about Turkey« (Nas, & İzci, 2010). Although strategies for every country separately are necessary, the improvement in the general debates about Turkey should have a new communication strategy as suggested. In the same page of the justified book I found three major points, on which EU should focus its interest. Firstly, the debate should not just focus on difficulties Turkey has and other countries have with it, but should also emphasize the advantages of Turkey as the Union member (without the populist slogans, which is an important implication, because Turkish people tend to overuse them). The advantages should be shown in areas of the economy, security or foreign policy and also consider Turkey being the energy hub and accepting Turkey to fight against 'enlargement fatigue' and other. Secondly, the Europeans should be aware of possible consequences of leaving Turkey outside EU. They should compare the impact, if Turkey enters EU and if not. Both scenarios are possible and there are positive and negative consequences that should be considered in the debate. However, the negative consequence for the EU, if Turkey does not become a full member, would probably be enlargement blockade, including the threat to the Union's credibility. Thirdly, to show the real picture of the last EU enlargements in 2004 and 2007 and their impact on the Union and the member states. The countries should emphasize positive effects on their economy as well as the negative ones.

In conclusion, for Turkey to enter the EU, firstly, the public and states opinion have to be improved by improving the general debate about it and then develop and implement strategies for each country separately to understand Turkey's position and profile.



## **APPENDIX 4**

### **CHAPTERS OF ACCESSION NEGOTIATIONS OF TURKEY**

#### Chapter 1: Free movement of goods

There was some limited progress in this area, especially in area of standardization where Turkish Standards Institute adopted 16,506 standards. Technical barriers to trade continue to exist and prevent the free circulation of goods in certain areas such as pharmaceuticals, which is connected to manufacturing practice and registration of pharmaceutical product. A big problem is also mutual recognition principle and is causing problems in free circulation. Also the implementation of abolition of the remaining import and export licenses and of the restrictions on imports of used products.

#### Chapter 2: Freedom of movement for workers

Hardly any progress, there are preparations for applying the *acquis*.

#### Chapter 3: Right of establishment and freedom to provide services

No progress can be reported in the areas of right of establishment, freedom to provide cross border services, postal services and the mutual recognition of professional qualifications.

#### Chapter 4: Free movement of capital

There has been some progress on capital movements and payments, where authorities increased the limit on foreign ownership in media and companies and relaxed the issuance of foreign capital market instruments in Turkey. However, on the other areas there has been no progress. Concerning is the issue of money laundering and financing terrorism.

#### Chapter 5: Public procurement

Limited process can be reported in the award of public contracts, which is that the call center is providing advisory services to the procuring entities. Turkey still needs to repeal derogations contradicting the *acquis* and to further align its legislation, particularly on utilities, concessions and public-private partnerships.

#### Chapter 6: Company law

Overall, significant progress was made in this chapter following the adoption of the new Turkish Commercial Code, which is expected to promote openness, transparency and adherence to international accounting and auditing standards. However, neither the legal and institutional framework for auditing not the necessary enhanced capacity of the commercial judiciary is yet in place.

#### Chapter 7: Intellectual property law

Limited progress can be reported. Adoption of updated draft laws regulating intellectual and industrial property rights, including deterrent criminal sanctions is still pending. However, there is a need of adoption of a law on IPR enforcement procedures, in line with the EU Enforcement Directive. Also closer cooperation and coordination among IPR stakeholders

and public bodies is essential, as well as general awareness campaigns on the risks of IPR infringements.

#### Chapter 8: Competition policy

Turkey's Competition Authority's continued to display a satisfactory level of administrative and operational independence. It further strengthened its track record in enforcing antitrust rules with a number of landmark, cases particularly in the banking and automotive sector. The State Aid Monitoring Authority is now set up. However, further efforts are still required in the area of alignment of existing State aid schemes.

#### Chapter 9: Financial services

Some progress in the area of banks and financial conglomerates, insurance and occupational pensions, securities markets and investment services. Alignment with the acquis is at the high level but not yet complete in the insurance sector and areas' of securities, markets and investment services.

#### Chapter 10: Information society and media

Turkey made some progress by implementing regulations in electronic communications, but further efforts are required for the alignment and enforcement of laws and regulations. There has been progress on legislative alignment regarding information society services and in the area of audiovisual policy.

#### Chapter 11: Agriculture and rural development

Significant progress has been made in the implementation of the Pre-Accession Assistance for Rural Development (IPARD) programme through the initial Commission Decision to confer the management of EU funds, as well as preparations achieved for the second phase of the IPARD programme. Capacities relating to agricultural statistics and FADN are being developed. However, agricultural support policy differs substantially from the CAP and there is still no strategy for its alignment. The failure to fully remove barriers to beef imports also constitutes a major shortcoming.

#### Chapter 12: Food safety, veterinary and phytosanitary policy

Progress has been achieved towards transposition and implementation of the acquis. Positive step towards strengthening the official control system is the restructuring of the Ministry of Agriculture and Rural Affairs. Considerable effort is needed in the area of animal health and in bringing agri-food establishments into compliance with the EU hygiene and structural requirements.

#### Chapter 13: Fisheries

Progress in four newly constructed and equipped port offices but further efforts are still needed in the fields of inspection and control, implementation of international agreements, legislative alignment, market policy, structural action and State aid.

#### Chapter 14: Transport policy

Progress made in road, inland waterways, air transport and satellite navigation. There is lack of communication between air traffic control centers in Turkey with the Republic of Cyprus, which is seriously compromising air safety. Also implementation capacity is limited, particularly for dangerous goods in land and maritime transport.

#### Chapter 15: Energy

The progress has been uneven. While there has been good progress on the internal market for electricity and on renewable energy, further efforts are required in order for the legislation to be fully compliant with the acquis. A competitive environment and legislative developments in the natural gas sector are still lacking.

#### Chapter 16: Taxation

In indirect taxation, Turkey's value added tax legislation is partially in line with acquis and it adopted Action Plan and decreased the Tobacco Fund on imported non-processed tobacco by 25%. There was basically progress on eliminating discriminatory practices in the taxation of tobacco. More abolition of discriminatory practice in taxation needs to be implemented for further progress.

#### Chapter 17: Economic and Monetary policy

The Central Bank adopted a new policy mix to ensure financial stability, by reducing policy rates while increasing reserve requirements for the banking sector. Also there has been improvement in relations with the countries in the region. Improvement needed with regard to the full independence of Central Bank and prohibition of privileged access of the public sector to financial institutions.

#### Chapter 18: Statistics

Some progress can be reported on statistical infrastructure, classifications and registers, and especially on sectors statistic, where foreign controlled enterprise statistics on meat, milk and poultry on monthly basis were published for the first time. Further progress is needed, particularly in national accounts and in agriculture statistics.

#### Chapter 19: Social policy and employment

There has been some progress in the area of health and safety at work, social protection and equal opportunities. Number of actively insured people raised by 1.6 million from January 2010 to January 2011 so the coverage of the social security system to 84%. Adopted amendments concerning parental rights, particularly civil servants but the gap between workers and civil servants has widened. Further efforts needed in order to reduce large-scale undeclared work and to increase female employment rates.

#### Chapter 20: Enterprise and industrial policy

Turkey has made further progress in relation to the adoption of an Industrial Strategy and Action Plan covering the period 2011 – 2014, wider availability of enterprise and industrial

policy instruments, adoption of sectorised strategies and alignment on combating late payment in commercial transactions. It has to improve performance of the worst sector, which is intellectual and industrial property rights.

#### Chapter 21: Trans European Networks

Electricity networks links are in place with Bulgaria, Syria, Iraq, Iran, Azerbaijan and Georgia. The parallel trial interconnection of the Turkish power grid with the European Network of Transmission System Operators for Electricity Continental European Synchronous Area has already entered its second phase of non-commercial energy exchanges. Further efforts are needed in order to achieve a network perspective supported by complementary priority projects and reliable transport data.

#### Chapter 22: Regional policy and coordination of structural instruments

Some progress was made but the delays with tendering and in the timetable for the readiness of the Operating Structures for Transport, Regional Competitiveness and Human Resources Management to take over financial management and control responsibilities from the CFCU under IPA components III and IV create serious risks that some of the funds may be recommitted in 2011.

#### Chapter 23: Judiciary and fundamental rights

Made progress in judiciary area with adoption of legislation on the High Council of Judges and Prosecutors and on the Constitutional Court, which is a step towards independence and impartiality of the judiciary. Limited progress has been made with implementing the strategy and action plan on anti-corruption. Progress was made in freedom of expression and freedom of religion and also on cultural rights in using other languages than Turkish. However, Turkish approach to minorities is restrictive. Further progress needs to be made to enhance tolerance and promote inclusiveness towards minorities.

#### Chapter 24: Justice, freedom and security

Substantial progress was made in the finalization of the negotiations on an EU-Turkey readmission agreement. The adoption of the law on foreigners and international protection remains a priority in order to ensure a sound legal basis for an efficient asylum and migration management system, as well as safeguarding the rights of migrants and refugees. Progress made in civil and criminal matters, drugs, and organized crime and visa policy and customs cooperation. Efforts needed to prevent irregular migration to readmit irregular migrants.

#### Chapter 25: Science and research

Good progress has been achieved towards future integration into the European Research Area and preparations for the Innovation Union. Turkey's participation and success rate in the EU Seventh Framework Programme are growing, but further efforts are needed in order to meet the excellence requirement and competitive participation in the EU research programmes.

#### Chapter 26: Education and culture

Ministry of National Education was reconstructed in September 2011. Turkey established National Vocational Qualification System and establishment of twenty-six centers for the development of occupational standards, qualifications and assessment requirements. However, national qualifications framework based on the European one remains to be established. Also there was no progress on legislative alignment with the EU acquis.

#### Chapter 27: Environment

Progress was made in the air quality, by-law reducing the emission levels. Good progress in waste management, largely in line with provisions of the new EU Waste Framework Directive. It adopted a national climate strategy until 2020 and Climate Change Coordination Board adopted the first national climate change action plan. More ambitious climate policies need to be established, both domestically and internationally.

#### Change 28: Consumer and health protection

The family medicine system achieved full national coverage by the end of 2010 but the public health expenditures went up to 5.6% of the national budget. However, Turkey has not yet completed the legislative alignment process nor built up the administrative capacity to improve enforcement of legislation in order to enhance the health and status of the population.

#### Chapter 29: Customs union

The EU-Turkey Customs Union has enabled Turkey to reach high point of alignment in this area. However, further efforts are needed, especially in the area of duty relief and free zones, surveillance and tariff quotas regulated by the Ministry of Trade. Risk-based controls and simplified procedures need to be improved by reducing the number of physical controls. There is still no effective enforcement of intellectual property rights at customs, and no property combating of counterfeit goods.

A number of Turkey's commitments on removing technical barriers to trade such as import licenses, restrictions on imports of goods from third countries in free circulation in the EU, State aid, enforcement of intellectual property rights, requirements for the registration of new pharmaceutical products and discriminatory tax treatment remain unfulfilled.

#### Chapter 30: External relations

Turkey has achieved high level of alignment because of the Customs Union but this chapter will not be fully implemented until the Cyprus issue is not solved. Turkey made some progress in the field of development policy and humanitarian aid. The total amount of official development aid ranted by Turkey in 2010 was about € 730 million.

#### Chapter 31: Foreign, Security and Defense Policy

The regular political dialogue between the EU and Turkey continued to cover international issues of common interests, including the Middle East peace process, Western Balkans, Afghanistan/Pakistan, the Southern Caucasus, the Southern Caucasus and developments in North Africa and in the Middle East. Considering that Turkey has become more active in its wider neighborhood. It aligned itself 48% with EU declarations and Council decisions of

Common foreign and security policy. Progress was made in relations with countries such as Iraq, Russia, Libya, Pakistan and Afghanistan. No progress reported in relations with Armenia and further deteriorated relations with Israel after Gaza Flotilla incident in 2010. Turkey has not aligned itself with the EU position on membership of the Wassenaar Arrangement. »The Wassenaar Arrangement has been established in order to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies, thus preventing destabilizing accumulations. Participating States seek, through their national policies, to ensure that transfers of these items do not contribute to the development or enhancement of military capabilities which undermine these goals, and are not diverted to support such capabilities.« Official web site of Wassenaar Arrangement.

#### Chapter 32: Financial control

PFMC Law is fully in force. PIFC Policy Paper and the action plan need to be revised and it adopted the Turkish Court of Accounts Law. Also the European Anti-Fraud Coordination Service needs to continue reinforcing its coordination function. The level of Turkey's overall state of preparedness in this chapter is moderately advanced.

#### Chapter 33: Financial and budgetary provisions

Preparedness in financial and budgetary provisions is at an early stage.

#### Chapter 34: Institutions

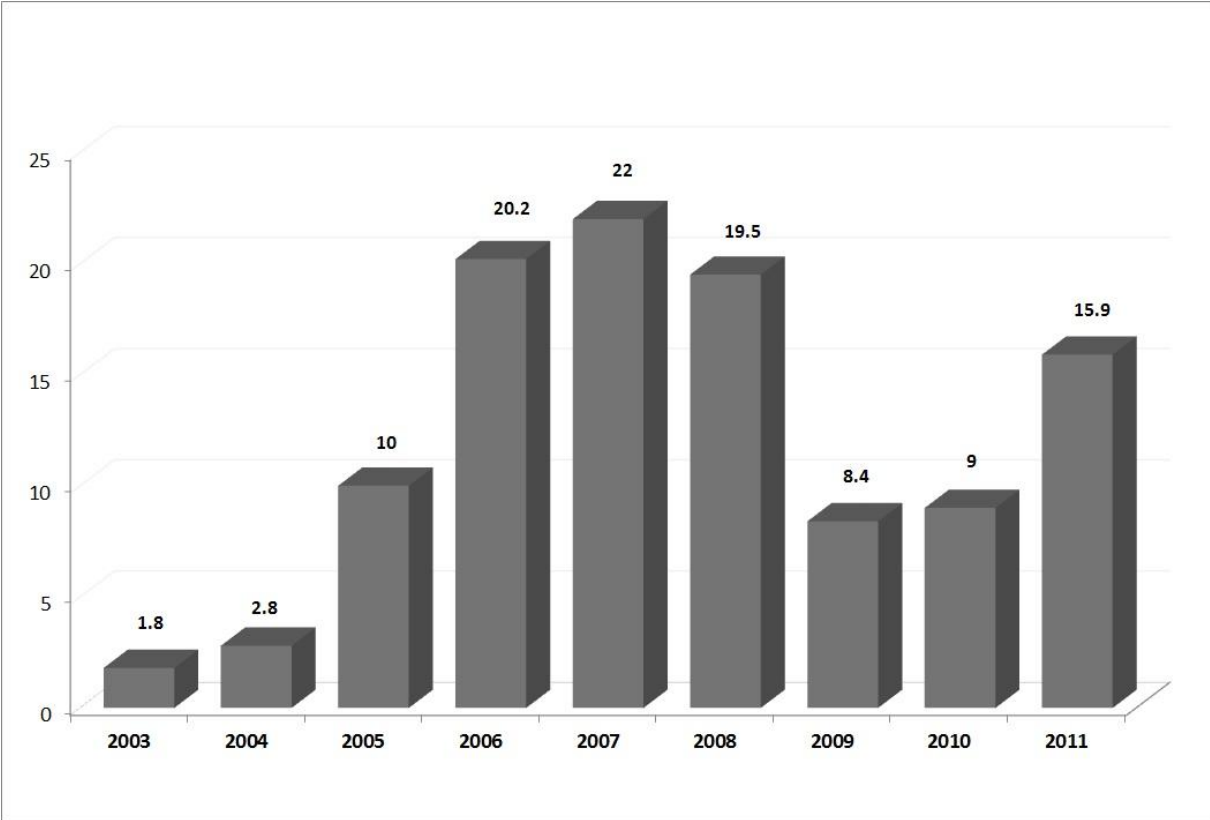
Nothing to adopt.

#### Chapter 35: Other issues

Nothing to adopt.

**APPENDIX 5**

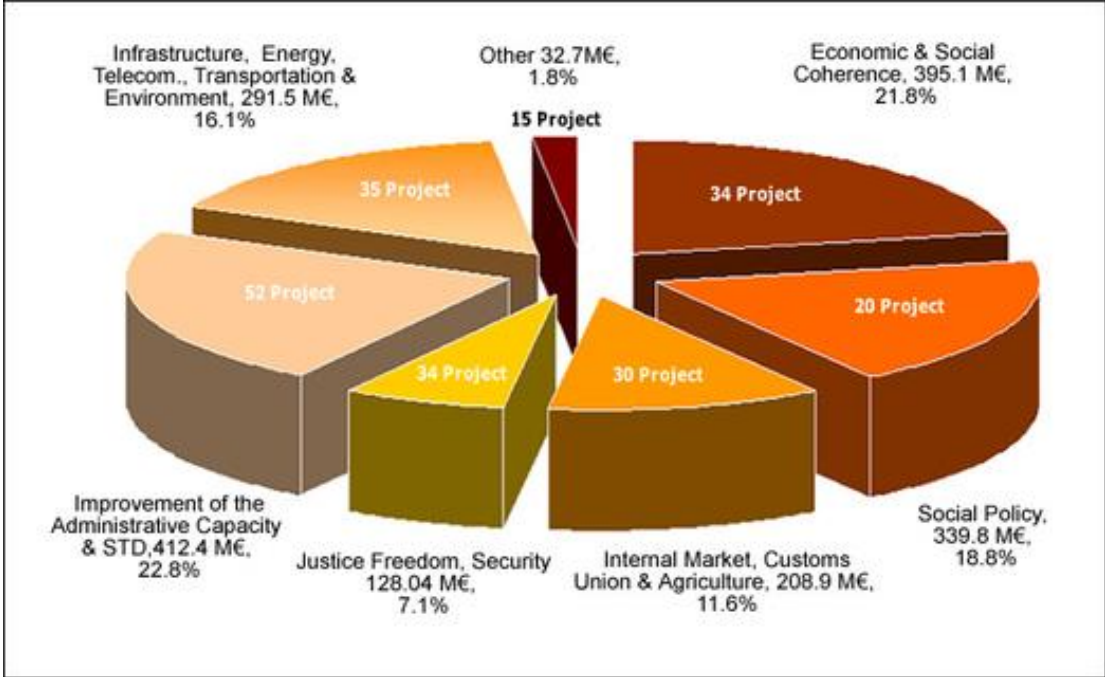
Figure 2: FDI in Turkey from 2003 to 2011 (USD billion)



Source: FDI in Turkey, 2012.

**APPENDIX 6**

Figure 4: The EU supports reforms and developments in key sectors (%)

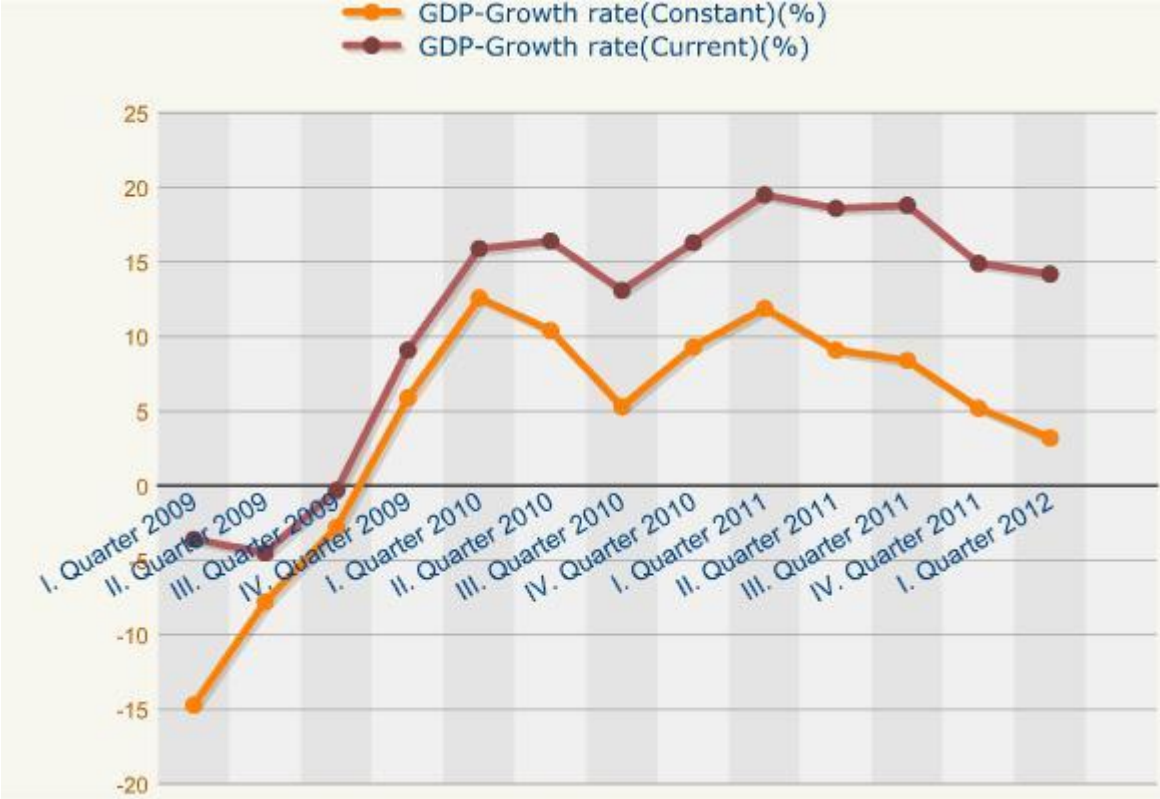


Source: *Which are the priorities?*, 2012.



APPENDIX 7

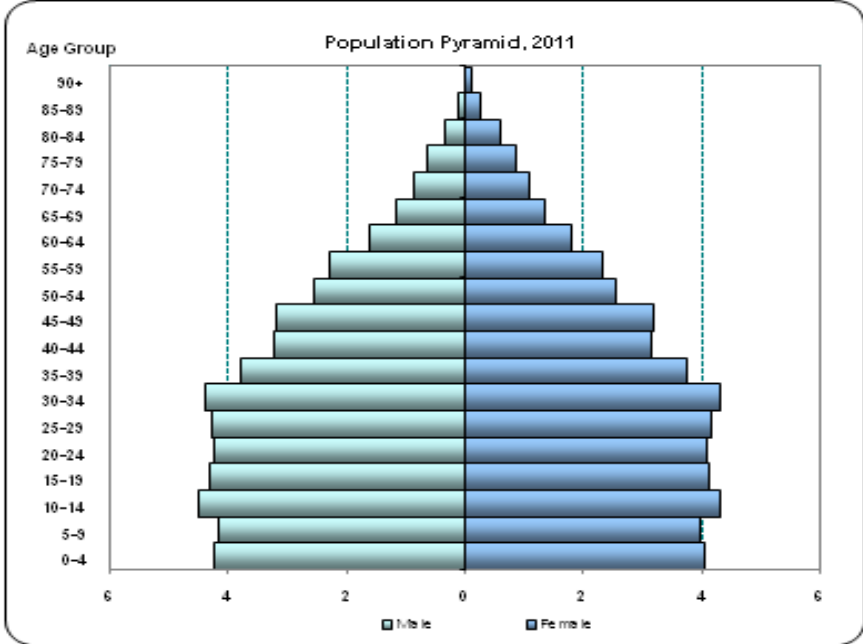
Figure 5: Turkey's GDP growth rate from 2009 to 2011 (%)



Source: Turkish GDP growth rate, 2012.

APPENDIX 8

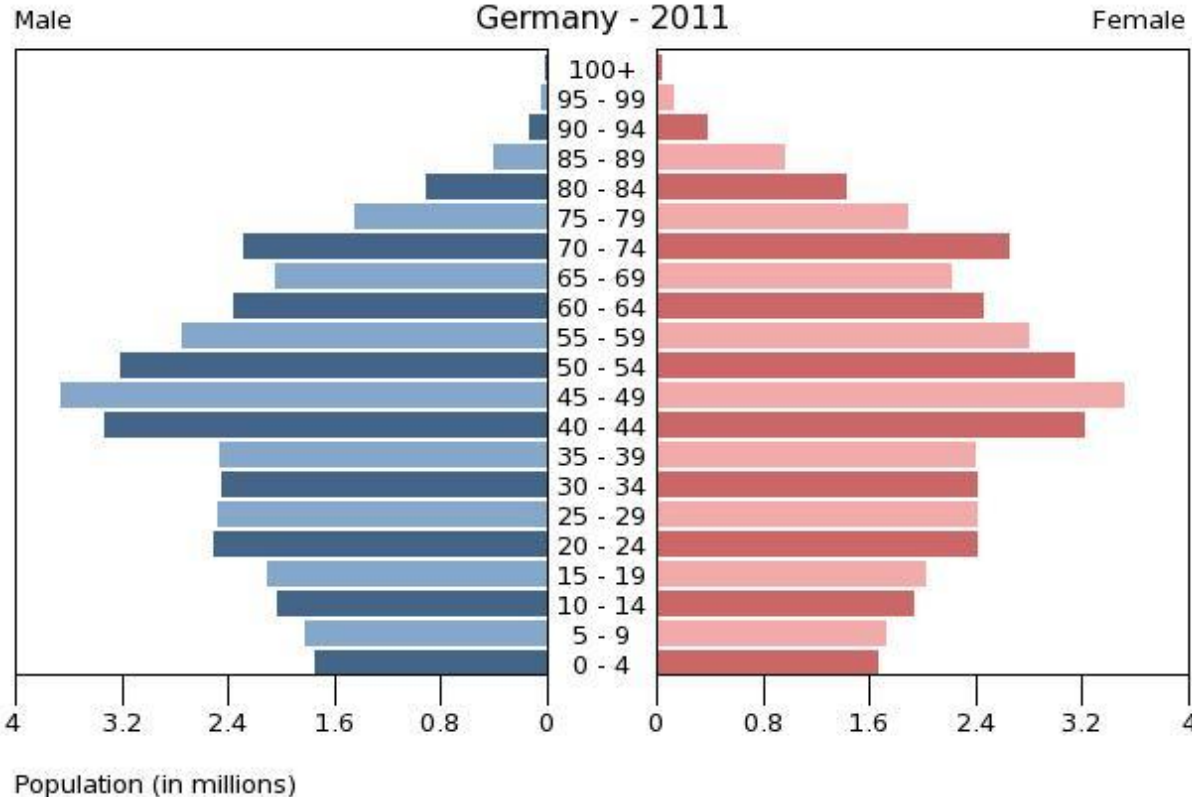
Figure 8: Turkish population pyramid, 2011



Source: Turkish Statistical Institute, 2012.

APPENDIX 9

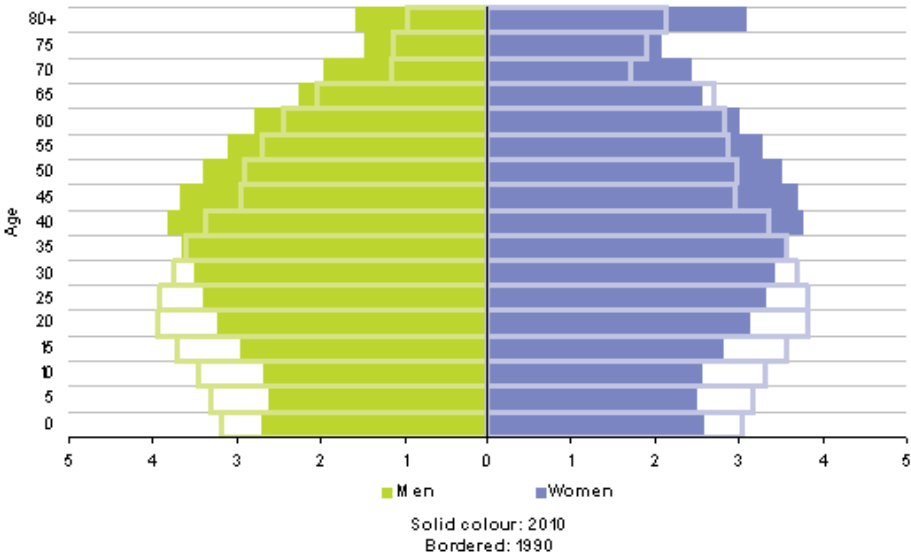
Figure 9: Population pyramid of Germany 2011



Source: *Population pyramid of Germany 2011, 2012.*

**APPENDIX 10**

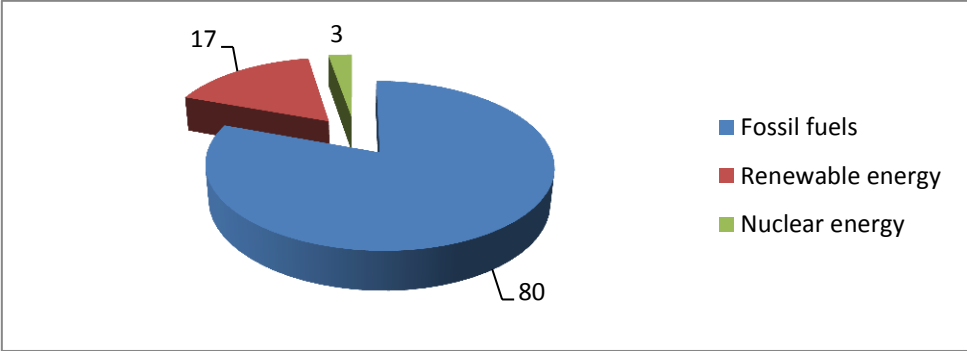
Figure 10: Population pyramid of EU 27, comparison of years 1990 and 2010



Source: Eurostat, *Population structure and aging*, 2012.

**APPENDIX 11**

Figure 11: Total world energy consumption by source 2010 (%)



Source: World energy consumption, 2012.