

EU-27 WATCH



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On the project

Due to the new treaty provisions of the Lisbon Treaty and the economic crises the enlarged EU of 27 member states is on the search for a new modus operandi while also continuing membership talks with candidate countries. The EU-27 Watch project is mapping out discourses on these and more issues in European policies all over Europe. Research institutes from all 27 member states and the four candidate countries give overviews on the discourses in their respective countries.

The reports focus on a *reporting period from December 2009 until May 2010*. This survey was conducted on the basis of a questionnaire that has been elaborated in March and April 2010. Most of the 31 reports were delivered in May 2010. This issue and all previous issues are available on the EU-27 Watch website: www.EU-27Watch.org.

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Turkey

Turkey one step ahead due to 2001 crisis experience

Başak Kale*

Being an immediate neighbour to Turkey, the economic crisis that Greece is experiencing raises significant concerns in Turkey both at the public level as well as at the governmental level. The official visit of Prime Minister Recep Tayyip Erdoğan to Greece on 14-15 May 2010 demonstrates the importance given to this issue by Turkey. The general debate in Turkey relating to the Greek economic crisis centres on its potential impact on the economic situation within the EU while having prospective implications on the Turkish economy or its accession to the EU. Although the global financial crisis affected Turkey within a relatively limited scope due to Turkey's reformed financial and banking regulations after Turkey's 2001 financial crisis, it is still feared that the Greek economic crisis may have a negative influence on Turkey's prospective membership. It is argued that, with significant financial and economic concerns at the top of the EU's agenda, both issues relating to enlargement and to Turkey's membership may loose priority on the EU's agenda. The finance package for Greece discussed outside the formal agenda of the European Council on 25/26 March 2010³ received moderate attention in Turkey. Prime Minister Erdoğan's visit to Greece raised attention with respect to developing prospective approaches on enhancing economic relations between Greece and Turkey.

The Greek financial and economic crisis clearly demonstrates the importance of economic stability to sustain growth in the EU member states and Turkey.⁵ The lessons drawn from the Greek case for the reform of the Stability and Growth Pact can be listed as follows: European economies are getting increasingly interconnected and crisis in one economy has inevitable consequences on all EU member states.⁶ This shows the importance of developing an overall stability and growth strategy with stronger financial control mechanisms and discipline at the EU level. The reform of the Stability and Growth Pact, with the ultimate target of financial discipline, a mechanism of long-term financial sustainability, and a focus on public finance quality and debt ratios rather than budgetary deficits, strengthens the pact's economic logic.⁷

The idea of "a strong coordination of economic policies in Europe" is perceived positively by the business community in Turkey. A solid cooperation of economic policies in Europe can be an indicator of a strengthened EU economy. It is perceived that, with a strong economy at home, the EU and the EU member states can focus their attention on deepening issues such as the EU constitution and EU enlargement, which have close correlation with Turkey's accession to the EU. The issue of competitiveness in the EU markets has prior importance for Turkey. While the EU is going through these difficult times, it is accepted that Turkey should utilise the opportunities that this period brings.

The Europe 2020 Strategy and its key elements received minor interest from the Turkish public and modest coverage from the Turkish media. This modest interest directly corresponds with the loss of momentum on Turkey's accession process to the EU, and the Turkish public's indifference to issues relating to the EU's future. Issues and debates directly corresponding to the EU's future or the EU's prospective agenda are considered to be topics relating to the EU's internal policy. These subjects are perceived as not having a direct impact on the EU's relations with Turkey. Therefore, these questions constitute secondary importance on public and media agendas. In general, this is a matter of perception that is effective in shaping EU related public debate in Turkey. The target for high employment levels was the key element of the Europe 2020 Strategy prioritised by different policy sectors within Turkish public debate.

This report is part of EU-27 Watch No. 9. For citation please use the full report available at: www.EU-27watch.org.

¹ Outkou Kırlı Ntokme: Prime Minister Erdoğan's visit to Greece under the shadow of the Greek Economic Crisis, available at: http://www.ataum.tk/haberdetay.asp?ID=204 (last access: 20 May 2010); Everybody talks about the Financial Crisis in Greece, available at: http://www.cnnturk.com/2009/ekonomi/dunya/12/15/yunanistanda.herkes.krizi.konusuyor/555548.0/index.html (last access: 20 May 2010); Mehmet Ali Birand: Turkey should stay cold to the EU, available at: http://www.posta.com.tr/siyaset/YazarHaberDetay/ Turkiye http://www.posta.com.tr/siya

² Kanalturk: Turkey is laughing at the EU, available at: http://www.kanalturk.com.tr/haber-detay/26313-turkiye-ab-ye-kis-kis-guluyor-haberi.aspx (last access: 9 May 2010).

³ European Council: European Council 25/26 March 2010. Conclusions, Doc. EUCO 7/10, available at: http://www.consilium.europa.eu/uedocs/cms Data/docs/pressdata/en/ec/113591.pdf (last access: 19 May 2010).

^{*} Center for European Studies / Middle East Technical University.

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⁶ Budgetary debt discussion within the EU, available at: http://www.turkiyeavrupavakfi.org/index.php/genel-haberler/1779-butce-

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Durukan Payzanoğlu: Stability and Growth Pact Rules: Will it let Turkey's Debt Continuity?, available at:

access: 18 May 2010).

10 See: http://www.tisk.org.tr/isveren_sayfa.asp?yazi_id=2733&id (last access: 18 May 2010);

http://www.tubisad.org.tr/Tr/News/Sayfalar/AB2020Stratejisi.aspx (last access: 18 May 2010); http://www.ataum.tk/haberdetay.asp?ID=216 (last access: 18 May 2010).

⁴ Beril Dedeoğlu: Breaking the Vicious Circle, available at: http://www.stargazete.com/gazete/yazar/beril-dedeoglu/turkiye-

http://www3.tcmb.gov.tr/kutuphane/TURKCE/tezler/durukanpayzanoglu.pdf (last access: 20 May 2010).

Bahadır Kaleağası: Economy is not going well, available at: http://www.radikal.com.tr/haber.php?haberno=147634 (18 May

<sup>2010).

9</sup> Undersecretary of Foreign Trade, available at: http://www.dtm.gov.tr/dtmadmin/upload/AB/sanayisektorDb/abzirve.pdf (last

Questionnaire for EU-27 Watch, No. 9

Reporting period December 2009 until May 2010 – Deadline for country reports 21 May

All questions refer to the position/assessment of your country's government, opposition, political parties, civil society organisations, pressure groups, press/media, and public opinion. Please name sources wherever possible!

1. Implementation of the Lisbon Treaty

On the 1 December 2009 the EU-reform ended with the entering into force of the Lisbon Treaty. However, the new treaty provisions still have to be implemented. Some procedures and conditions have to be determined. In other cases, procedures, power relations, and decision-making mechanisms will change due to the new provisions.

- How is the work of the new President of the European Council, Herman Van Rompuy, assessed in your country? Which changes to the role of the rotating council presidency are expected?
- How is the work of the new High Representative of the Union for Foreign Affairs and Security Policy, Catherine Ashton, assessed in your country? Please take into particular consideration both her role within the European Commission and her relationship to the Council of the European Union.
- On 25 March 2010 a "Proposal for a Council Decision establishing the organisation and functioning of the European External Action Service" was presented. How is this concept perceived in your country? Which alternatives are discussed?
- On 31 March 2010 the European Commission presented a proposal defining the rules and procedures for the European Citizens' Initiative (ECI). What are the expectations for the ECI in your country? What are the various positions concerning the rules and procedures?

2. Enlargement and European Neighbourhood Policy

The European Commission has given its opinion on Iceland's application for EU-membership and a decision from the Council is expected before the end of June. Croatia seems to have settled its border dispute with Slovenia. Against this background:

- Which countries does your country expect to become members of the European Union in the next enlargement round? What are the opinions in your country on the membership of these countries?
- How are the membership perspectives of those countries discussed, which are not expected to become a member in the next enlargement round?

The Eastern Partnership and the Union for the Mediterranean were the last major projects dealing with the European neighbourhood:

· How are these projects assessed in your country?

3. European economic policy and the financial and economic crisis

The European Council agreed on 25/26 March on the key elements of the Europe 2020 strategy, the successor of the Lisbon strategy. While not being on the formal agenda the economic and financial situation in Greece was discussed. The European Council agreed on a finance package combining bilateral loans from the eurozone and financing through the International Monetary Fund.

- How is the finance package for Greece assessed in your country? Are there any opinions on the process, how the agreement on the package was reached?
- Which lessons should be drawn from the Greek case for a reform of the Stability and Growth Pact?
- How is the idea of "a strong coordination of economic policies in Europe" perceived in your country?
 What concepts of an European economic governance are discussed in your country and which role do they assign to the Euro group?
- How is the Europe 2020 strategy discussed in your country? What are the priorities for the Europe 2020 strategy from your country's perspective?

4. Climate and energy policy

The climate conference in Copenhagen took note of the Copenhagen Accord but did not reach a binding agreement. The next conference of the parties (COP 16 & CMP 6) will take place at the end of November 2010.

- How is the Copenhagen conference assessed in your country? Please take into consideration the negotiation strategy of European Union and the results of the conference.
- Does the European Union need to change its own energy and climate policy in order to give a new impulse to the international negotiations?
- Is a global agreement within the UNFCC the best strategy to fight climate change? If not, which alternative strategy should the European Union follow?
- What is your country's position on financing mitigation and adaptation efforts in developing countries?

5. Current issues and discourses in your country

Which other topics and discourses are highly salient in your country but not covered by this questionnaire?