

THE SAD STORY OF THE FAILURE TO START ECONOMIC AND MONETARY UNION NEGOTIATIONS



türkiye ekonomi politikaları araştırma vakfı

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Oya
Memişoğlu

Aslı T. Esen

Foreign Policy
Studies Program

Although the number of negotiation chapters to be opened for Turkey in yesterday's Intergovernmental Conference (IGC) had previously been announced as "two or three", the decision of the Committee of Permanent Representatives (COREPER) to limit the number of chapters to two sufficed to frustrate Turkey. The perception that the decision stemmed from political rather than technical concerns played an important part in the protests voiced.

This perception is not quite unfounded. There was no technical problem to prevent the initiation of negotiations on the chapter of economic and monetary union, which concerns the capacity of the country to conduct its monetary and inflation policies according to EU standards. Indeed, the Screening Report of October 2006 indicated that Turkey should demonstrate further improvement in the area. However, there were no opening benchmarks. Just a few weeks ago, Joaquin Almunia, the Commissioner for economic and monetary union, said that there is not much difficulty in this area and Commission spokeswoman Krisztina Nagy explained that all the preparations to start negotiations were complete. The remaining problems after the reforms carried out by Turkey in this chapter were largely technical in nature and solvable in the process to last until accession.

However, political problems emerged. Under the fresh leadership of President Sarkozy, France threatened to use its veto power against the opening of negotiation chapters and consequently the EMU chapter was dropped off the list. There are a few reasons behind this approach. In the eyes of Sarkozy, starting the economic and monetary union negotiations would give green light for Turkey's integration into the EU institutions. Furthermore, the economic and monetary union issue has a symbolic significance since it encompasses issues like the adoption of euro, the common currency of Europe (although adopting the euro is not necessarily synonymous or simultaneous with accession in the Union). All these seem to play a role in French objections. Sarkozy chose not to object to the other two chapters (statistics and financial control) because, if nothing else, they will help with international cooperation and coordination. To be sure, the issue is on a larger scale related with Sarkozy's categorical objection to Turkey's membership and his resolve to put brakes on the process to the greatest extent possible. As a result, the Union seems to be taking the risk of a small scale political crisis to arise

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by the opening of only two chapters, instead of dealing with the havoc to be wrought by a veto.

What is Sarkozy trying to do? In brief, Sarkozy is trying to prevent Turkey's EU membership. But as he does not have much of a weapon other than the veto option, which would incur high political costs, he is arguably pursuing a deterrence strategy. For example, he came up with the proposal for a Mediterranean Union as soon as he assumed his post. This was not a realistic idea. The Barcelona Process, bringing together countries bordering the Mediterranean with EU members, has been around for a long time and already sets the framework for a prospective closer cooperation. Moreover, what was proposed was a step backward for Turkey, which already holds a candidacy status. Turkey was able to assess the pros and cons and therefore turned the proposal down. Sarkozy now signals that he will come up with new inventions such as absorption capacity and privileged partnership in the process to come.

What should Turkey do then? First of all, it should try not to overreact. This does not mean refraining from voicing our justifiable objections. However, it would be wrong to see the problem bigger than it is. This is not the end of the road for Turkey en route to the EU, and is only one of the hurdles to be encountered while marching towards the goal. The road from candidacy to membership has not been a rose garden for anyone. The country needs to be ready to face emerging problems and disillusionment from time to time, and manage to keep our morale high.

For the curious as to why Sarkozy took this path... Contrary to what he has promised to his electorate, Sarkozy's endeavour to cut off relations with Turkey implies an almost impossible task thanks to the principle of *pacta sunt servanda*. Although he is the leader of one of the key member states of the EU, Sarkozy is by no means in a position to act alone. Those who are slightly familiar with the functioning of the Union will appreciate that these are bound to be issues for internal negotiation. Turkey's membership will be a question on which a compromise will have to be eventually established, probably following a series of horse trading. The chances are quite low that one or a few countries will be prepared to pay the toll of alienating Turkey and shoving it away from the Union axis, both on the bilateral relations and on the global scale. Furthermore, millions of Muslims living within EU boundaries eye Turkey's membership as a litmus test for the future of the EU.

What about referendum? Once the negotiation process is over, Turkey's accession will be subject to referenda in France and maybe in a few more countries. A widespread sentiment in Turkey is that this final hurdle cannot be overcome, no matter how much distance is covered by the time. That is a possibility. However, we should bear in mind that negative or inadequate political leadership has to date been the main reason underlying the negative public opinion within the Union. Whether we will be facing the same negative or near-sighted leadership when the day comes is another question. If the necessary political will is in place, it is always possible to convince the public through proper, constructive leadership.

The debate in the EU about Turkey's identity and accession to the Union is a way of introspection. It runs parallel to the EU's and its member states' own

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identity search. As the last week's summit has demonstrated, the Union is full of question marks and dissenting views about what the Union is and where it is heading to. Regardless of the level of integration, the Union is a structure where member states retain their own existence, notions of national interest and perspectives on international politics. The implications of that should be assessed well.

When all is said and done, Turkey should keep up with the task to tidy its own house. It is a given fact that the process has technical and political prongs, and one will not go anywhere without the other. But there are two things to remember. For one, while the technical aspect inevitably involves a prolonged, arduous process, the political aspect may change overnight. Except for the chapters which are bound to be tricky, chapters may be opened and closed single-handedly when the preparations are complete and the terms are right. Therefore, Turkey should not forsake the content and speed of technical preparations, in order to keep our spirits high and to demonstrate our faith in the process. Second, technical and political processes are interrelated. The distance that Turkey covers in terms of the political criteria, as well as other harmonization areas, will make a solid impact on the views and attitudes it faces from the EU actors. Only after Turkey has done its homework will it be able to challenge its future partners for what is to come afterwards.