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Lords of the Ring:

Turkey, the UK and post-crisis CFSP

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Here is a country which is not European, its history, its geography, its economy, its agriculture and the character of its people – admirable people though they are – all point in a different direction. This is a country which cannot, despite what it claims and perhaps even what it believes, be a full member.

Charles De Gaulle about the United Kingdom's membership in the EU

I want to say that Europe must give itself borders, that not all countries have a vocation to become members of Europe, beginning with Turkey which has no place inside the European Union.

Nicolas Sarkozy on Turkey's accession

Introduction

1. If the EU wants to be a global power it must strike a balance within three different sets of trends:
 - Deepening institutional integration of the euro zone versus the EU's increasing economic and political globalization (the rise of economic and political ties with non-European countries).
 - The rise of new giants (China and to a lesser degree India) and the US' maintenance of its position as the number one superpower versus the emergence of a dozen midsize powers on the global stage.
 - Decreasing its own military capabilities versus increasing responsibility for security in Africa and Western Eurasia (the US shift to the Far East) and the rising military potential of the main players in the international arena (China, Russia, India).

2. The EU may become a global superpower equal to China and the US only if its institutional integration in the economic sphere (the euro zone) is followed by the development of the Common Foreign Security Policy (CFSP). In the new world order only actors with a strong leverage abroad based on a mix of hard and soft power will be able to exert power on the global stage.

3. The future position of the EU in the global arena will be determined to a large degree by its ability to establish a new institutional setup of the euro zone and to accommodate Turkey and the United Kingdom, two countries which will remain outside the euro zone and Schengen in the foreseeable future but possess very substantial assets with regard to the CFSP. It also seems as if the Common Security and Defense Policy (CSDP) can only develop as the European pillar of NATO, under the political guidance of the EU. Again, the UK and Turkey are the key European stakeholders of NATO - therefore enhancement of the CSDP will be highly difficult without their engagement and strong leadership.

4. The EU's position on the global stage will also depend to a large extent on strengthening of cooperation with the United States in economic, social and political dimensions. Indeed, the US is definitely the closest and most similar partner to the EU among global players. Again, in this dimension the UK and Turkey's assets are their particularly strong relations with the US. On the other hand, the enhancement of transatlantic cooperation will provide the EU with an umbrella facilitating the accommodation of the UK and Turkey in a new EU setup.
5. The UK and Turkey can be called "lords of the ring", namely important stakeholders in the external world simultaneously located on the institutional and geographical outskirts of Europe. The attachment of the UK and Turkey to sovereignty makes their accommodation in the EU institutional framework a substantial challenge, though it is not mission impossible.
6. Despite a certain divergence of their foreign policies, Turkey and the UK share long-term strategic goals and an awareness of a similar position versus the euro zone. Although, a fundamental difference currently exists between them, namely the UK is a member of the EU and Turkey is a candidate state, their bilateral cooperation is on the rise and it can be described as the emergence of a strategic partnership.
7. The position of France on the membership of the UK and Turkey in the EU will be of key importance for the future of the CFSP. France shares many similarities and common interests with the UK and Turkey as far as its engagement in the world is concerned. On the other hand, Paris has a strong affiliation to the idea that a smaller EU is perceived as being more efficient.

The new European and global context

The economic crisis in the EU induced an unprecedented acceleration of the institutional integration of the euro zone. On the other hand, the global economic crisis confirmed that a tectonic shift in the balance of power has been taking place in the international arena for several decades. The shift brought the world's growing multipolarism and relative weakening of the West (the US, the EU, Japan) and rise of new emerging powers recognized by the acronym BRIC (Brazil, Russia, India, China). China, definitely the most powerful among them, is already being called a new global superpower capable of playing with the US almost on equal terms. An internal integration in the euro zone raises hopes that the EU will finally be able to play the role of a global power on an equal footing with the US or China. This ambition derives from the conviction that only a more integrated EU can become a subject and not the object in the great global game.

However, at the same time several factors challenge the vision of integration of the euro zone as sufficient foundation for the realization of the EU's global aspirations. First of

all, internal differences within the euro zone will not suddenly disappear. As Robin Niblett rightly points out “there is every possibility that an integrating euro zone will contain the same tensions and inconsistencies that the EU as a whole has carried since its inception: between big and small states; between those that favor a more federal future and those that want to preserve as much national sovereignty as possible; between those that are already competitive and those that are struggling to become so; and between those who foresee the euro zone becoming a genuine transfer union and those, such as Germany, which currently remain committed more to the principle of collective responsibility rather than solidarity”.¹ As a consequence of these internal divisions, the euro zone has substantially more modest ambitions with regard to the institutionalization of the CFSP than with regard to economic governance in the zone and internal political setup. A good example of this difference is the Final Report of the Future of Europe Group prepared by the Foreign Ministers of Austria, Belgium, Denmark, France, Italy, Germany, Luxembourg, the Netherlands, Poland, Portugal and Spain (Poland and Denmark are not members of the euro zone). The report is very ambitious and outspoken as far as economic and internal political integration is concerned. On the other hand, with regard to the CFSP it postulates:

- more majority decisions in the CFSP sphere or at least prevent one single member state from being able to obstruct initiatives;
- seek, where possible, joint representation in international organizations;
- aim for a European Defense Policy with joint efforts regarding the defense industry; for some members of the Group this could eventually involve a European army.²

Moreover, sometimes rivalry between the EU main powers erupts in the international arena undermining their ambitions to deepen the CFSP. For instance, Germany together with Brazil, India and Japan has been pushing for reform of the UN as a consequence of which they would become permanent members of the Security Council. Uniting for Consensus (UfC) a movement, nicknamed the Coffee Club which is under the leadership of Italy and supported by Spain constitutes the main opponent of the German bid. More importantly, substantial divergences on such strategic issues as Libya or Syria have occurred in recent years even within the framework of the EU locomotive (France and Germany). The EU copes also with an insufficient cooperation and coordination regarding its policy towards China or Russia. As Charles Grant underlines, “With both Russia and China, there is a ‘big three’ problem: Britain, France and Germany each value their own bilateral relationship with Moscow and Beijing. They sometimes see each other as competitors – as

¹ Robin Niblett, The Future of the European Union: UK Government Policy, Chatham House, June 2012, p. 3 <http://www.chathamhouse.org/sites/default/files/public/Research/Europe/0612niblett.pdf>

² Final Report of the Future of Europe Group of the Foreign Ministers of Austria, Belgium, Denmark, France, Italy, Germany, Luxembourg, the Netherlands, Poland, Portugal and Spain, 17 September 2012, p. 7. <http://www.auswaertiges-amt.de/cae/servlet/contentblob/626338/publicationFile/171838/120918-Abschlussbericht-Zukunftsgruppe.pdf>

they can be, when it comes to the awarding of contracts – and do not want the EU to intrude.”³

Secondly, in the 21st century, Europe will be exposed and sometimes vulnerable to external influence on an unprecedented scale in its modern history because of the rise of Asia and other continents. China’s rising engagement in EU internal affairs is a very good expression of this trend. Moreover, a further increase of economic ties between the EU member states and the non-European states and decrease of the EU’s internal trade and investment can be expected. This trend is likely to deepen in coming decades due to the faster pace of growth outside Europe. Another challenge for EU cohesion internally could derive from the emergence of midsize powers (Mexico, Indonesia, Turkey, etc.). Some of them probably will be able to occasionally ‘punch’ with the superpowers in the heavyweight category. Thanks to their rising influence in strategic regions, they will be able to play a key role in the superpowers games. Consequently, the 21st century might not only be marked by the rise of China but also Indonesia as well as Turkey. The significant growth of the midsize powers influence in the coming decades would make the world much more pluralistic and even then it seems at the moment. The more even and pluralistic character of the new global order can have significant implications for the behavior of the main actors of the EU because they might be tempted to play on their own in the international arena instead of them all wearing an EU T-shirt and acting as a team. On the other hand, the rise of the midsize powers should not only be perceived as a threat to the EU, in the case of the development of regional cooperation between the midsize powers. The EU thanks to its know-how on this matter can come back to the global ‘great game’ in the role of ‘midwife’ to this process.

The EU’s aspirations to be a global player are undermined by a substantial weakening of its military capabilities taking place when the US is increasing its engagement in the Far East at the expense of Europe and surroundings regions (Middle East, Africa, Black Sea). The US pivot to Asia forces the EU to undertake more responsibility for the security situation in these parts of the world. However, even before the economic crisis almost all the euro zone countries belonging to NATO spent on defense considerably less than 2% of their GDP that was agreed by the Alliance. The economic crisis brought very severe slashes to military expenditure in many of them. In effect, military capabilities of key euro zone members (Italy, Spain) radically decreased. Due to gloomy economic perspectives further cuts should be expected. Moreover, in case of economic recovery, a return to the previous level of military spending will be highly difficult due to various social and political factors. However, the euro zone constraints concerning the CSDP are not only related to the economic crisis and

³ Charles Grant, The EU, Russia and China, Centre for European Reform, March 2013, p.1.

http://www.cer.org.uk/sites/default/files/publications/attachments/pdf/2013/bal_comp_cg_russ_china_15march13-7106.pdf

austerity measures. As Timothy Garton Ash rightly points out “because of its historical hang-ups and domestic interests, Germany is incapable of giving a bold lead in the external power projection that the EU needs if it is to defend our shared interests and values in a world of emerging giants such as China.”⁴ Indeed, the share of Germany’s military spending in relation to its GDP halved between 1990 and 2012.⁵ A re-establishment of British-French *Entente Cordial* in military affairs in 2010 is probably the most vivid expression of the CSDP constraints. This alliance functions substantially better than the CSDP, though it should be admitted that it is not a success story either. The British-French military agreement has a unique character in Europe as far as the scope of cooperation is concerned, but it was signed outside of the EU institutional framework. The shortcomings of the CSDP confirm that the US remains an important partner for the EU. However, the US maintains the status of key partner for the EU in the international arena also due to cultural and political similarities and common interests. The US importance for the EU can rise further in case of the establishment of a transatlantic free trade zone. In fact, close cooperation with the recognized number one superpower seems to be one of the key preconditions for the EU to fulfill its vocation of promotion to the league of superpowers.

Euro zone internal integration certainly is a step in the right direction with regard to EU global ambitions. However, if the EU limits itself de facto or de jure to the euro zone, its leverage in the world will decrease substantially. The main paradox of the EU global ambitions is the fact that it would be achieved definitely much more easier with countries which are not members of the euro zone or even EU members, particularly with the UK and Turkey (a candidate state). They possess a substantial and rising leverage in the non-European world and huge military capabilities (see box no. 1). Another advantage is a very close relationship with the US, particularly in the case of Britain. The UK is definitely the main economic EU partner for the US⁶ and the most important military ally in the world. Turkey is also one of the key allies of the US, particularly in security dimensions in the Middle East (balancing Iran, promotion of pro-Western and moderate Islam, the US military presence).⁷ Certainly the Turkish-American alliance is not based on love. It should be rather

⁴ Timothy Garton Ash, Britain is standing on a ledge, while Europe screams, 'Don't do it!', *The Guardian*, 21 November 2012, <http://www.guardian.co.uk/commentisfree/2012/nov/21/budget-summit-dual-core-europe>

⁵ According to the Stockholm International Peace Research Institute SIPRI, Germany’s defense budget measured in constant US\$ (2010) decreased from almost US\$ 67 billion to US\$ 43.5 billion between 1990 and 2011.

⁶ According to US statistics nearly 20% of the direct foreign investment in the US originated from the UK. British investment represents almost a third of the total EU investment in the US. On the other hand, nearly 15% of US foreign investment invested abroad went to the UK. The US investment in the UK constitutes more than a quarter of US investment in the EU. The UK is the second most important US trading partner in the EU after Germany (more than 3% share in the US trade balance). Britain's share in the US trade in services is 10% and makes about a quarter of the trade in services between the US and the EU.

⁷ Turkey hosts US nuclear weapons as part of NATO's nuclear sharing policy, a NATO anti-missile radar directed against Iran and a US military base in Incirlik which plays a key role for the US military operations in Afghanistan and earlier in Iraq. The Turkish intelligence organization is also one of the main sources of information for the US security services. Turkey is the fourth largest recipient of US weapons in the world since the end of the Cold

recognized as a marriage of convenience. Despite several serious divergences and relatively strong anti-Americanism of Turkish society, both countries are aware that they need each other to realize their vital security interests. In fact, since 2010 Turkish-US relations have improved substantially and currently can be described as good. Last but not least, Turkey is also a European country with one of the strongest economic relations with the US.⁸ With regard to the EU-NATO relationship it should be recalled that one of the main obstacles for its enhancement is the Cyprus dispute which involves Turkey. However, despite the Cyprus problem, Turkey is the largest non-EU contributor to the CSDP missions and its contingents have been bigger than these of the majority of the EU countries.

The UK's and Turkey's relevance for the EU is related to global geopolitical trends. Turkey is one of the most influential midsize players in the international arena and plays the role of a key stakeholder in the Islamic world. It is worth recalling that the majority of midsize powers are Muslim countries, and Islam is going to become in coming decades the largest religion in the world. On the other hand, the relations with the Muslim world are of fundamental importance to the EU due to the shared neighborhood and large Muslim Diasporas living in Europe. Therefore, for the EU Turkey is the most important partner among the midsize powers. Moreover, Turkey is a midsize power which is the closest to the Western powers because of its level of development (GDP PPP per capita), firm institutional entrenchment in the transatlantic framework and demographic trends (fertility rate equal to France). On the other hand, the UK stands out in the EU by the ability to establish good relationships with midsize powers. In fact, probably the most successful example of this ability is the emergence of the Turkish-UK strategic partnership. These phenomena must be taken into consideration in any calculations concerning the EU position on the global stage and the future of the CFSP and CSDP.

Box no. 1: Leverage of Turkey and the UK in the world

The United Kingdom

Economy

United Kingdom is number one in the EU in terms of foreign investments outside the EU. The share of the UK in the EU external trade in goods is nearly 15%, while in services almost 20%. United Kingdom is the most important EU market for investors from the Far East (Japan, South Korea, Hong Kong, ASEAN) and the Middle East (Gulf Cooperation Council). It is a major EU investor in the key global powers: China (with Hong Kong), India, as well as important regional powers: South Africa, Nigeria, Pakistan, South Korea, etc. The UK is also

War (7% of the entire sales). Turkey's share will increase drastically in coming years due to planned large purchases of military equipment.

⁸ The US share in Turkish trade volume approaches 6%. The US also is number two on the list of foreign investors in Turkey. Its share in the inflow of FDI between 2002 and 2012 is approximately 10% of the total investment. It is substantially higher when reinvested Turkish capital is excluded and US companies registered in third countries that have invested in Turkey are taken into consideration. Turkey is a European country with the largest number of students studying at US universities. Their number is greater than the combined number of Italian and French students and almost 1.5 times more than the number of German students.

a key EU-derived partner in trade in services for English-speaking countries, India, China and many other countries.

Soft power

Britain is the most important donor of development aid in the world after the United States. Its development assistance accounts for about 20% of the total EU aid. United Kingdom also plays a leading role in terms of the number of foreign students from outside Europe. Their number is roughly the same as the number of students studying across the entire EU, excluding France.

Hard power

Despite austerity measures, UK military potential still constitutes more than 25% of the total military capabilities of the EU (1st place). Its expenditure on defense approaches nearly 20% of that of the EU (1st place, 2.5% of UK's GDP). United Kingdom stands out clearly from the other EU countries, except for France, in terms of military engagement outside the EU. The armed forces of the United Kingdom have by far the largest combat experience in the EU.

Spheres of engagement

United Kingdom is the most important EU-derived partner in the economic, political, social and military spheres for Anglo-Saxon countries (Australia, Canada). United Kingdom is the closest partner of India from the EU. Within the EU, Great Britain has the most developed economic and political relations (including security) with the Gulf Cooperation Council. As far as sphere of influence is concerned, the UK has the strongest leverage in sub-Saharan Africa (former British colonies), followed by the Indian Peninsula. United Kingdom also has a significant influence in the strategic region of Southeast Asia (investment, security, scholarships), but its position in comparison to the other EU players engaged in this part of the world is not dominant.

Turkey

Economy

The construction industry has become the synonymous of Turkey's presence in the world. Up until today Turkish companies abroad have undertaken contracts worth around US\$ 250 billion, predominantly in the Middle East and North Africa, and the former Soviet Union. Turkey also notably intensified its trade and investment relations with the above mentioned regions in recent years. In effect, Turkey became a very important economic partner for dozens of countries in these parts of the world.

Soft power

Turkish development aid has radically increased in recent years. In 2012 it constituted more than 0.3% of GDP. The Turkish ODA is almost equal to the Italian one. Turkey has opened

hundreds of schools and a dozen or so universities worldwide, offering scholarships and courses to tens of thousands of foreign students,⁹ officers and officials. Ankara has also signed free trade and visa waiver agreements with many countries, which has triggered an influx of tourists on an unprecedented scale from non-European countries. A symbol of Turkey's openness to the world is the success of Turkish Airlines which has become one of the biggest airlines in the world. According to public opinion polls, Arab approval of Turkey has reached an unprecedented level recently. No country, including any Arabic country, is as popular among them as is Turkey. Moreover, for the vast majority of Arabs, a democratic and economically dynamic Turkey ruled by a party with Islamic roots is a source of inspiration.

Hard power

Taking into consideration Turkey's current and contracted weapons, the modernization of equipment, their battle experience, training and expenditure on defense, the Turkish army can be ranked ninth in the world in terms of conventional forces. Within NATO Turkey has fourth place after the US, the UK and France as far as military capabilities are concerned. As opposed to the EU countries Turkish military capabilities will increase substantially in the coming years. The air force will be strengthened by probably at least 100 of the newest generation F-35 American fighter planes in the near future. The Turkish navy will also substantially grow its military capabilities. Nearly 20 frigates, corvettes and submarines will be introduced in the coming years. Turkey will purchase a surface-to-air missile (SAM) system (probably Patriots) and a new model of tank (Altay) will enter into service in the near future.

Spheres of engagement

Turkey has particular leverage in the Wider Black Sea region (including the Caucasus and the Balkans), Central Asia (including Afghanistan and Pakistan) and the Middle East. In each of these regions Turkey has, to various extents, become a major player. Turkey's position is the strongest in the Arab world, and where the influence of world powers is smaller, as is the case in the Western Balkans and Central Asia. Turkey has increased its engagement on the global scene in an unprecedented scale. This phenomenon is mainly demonstrated by:

- increase of Turkey's leverage in international organizations (i.e. the UN, the OIC),
- considerable increase of Turkish engagement outside of traditional areas of its interest, particularly in Sub-Saharan Africa and "wider" Central Asia
- intensification of interaction with emerging global powers (China, India, Brazil) and midsize powers.

⁹ It should also be noted that thousands of students from Arab countries study in the Turkish Republic of Northern Cyprus.

Turkish-British strategic partnership: a solid base but with room for improvement

Turkey and the UK are post-imperial national states with strong attachment to the idea of state sovereignty and with considerable military capabilities. Both countries are also midsize powers with global aspirations and regional leverage, though Turkey's economy measured in PPP is almost two times smaller than the British economy. In fact, Turkey has in recent years followed the UK path "discovering" its imperial legacy and radically increasing its engagement in the world. Turkey and the UK, excluding Russia, have in the long term perspective the best prospects of economic and demographic growth among the main European powers. Both countries are located on the outskirts of Europe and due to their geographic position and historic legacy they stand out in Europe by particularly strong economic, political and social links with non-EU countries.¹⁰ As a consequence their opt outs from the euro zone and the Schengen zone will have their own rationality after possible Turkish accession into the EU.

All above mentioned factors make the UK's and Turkey's relations with the EU, at least complex and sometimes contradictory. Both countries declare that they are not interested in membership in the euro zone. The UK is outside of the Schengen zone and Turkish visa policy (liberalization of the visa regime with dozens of countries) indicates Ankara's disinterest in accession to the Schengen zone. Both countries share a rather similar vision of the EU. They put an emphasis on relations between the EU and NATO and the US. They support the deepening of a single market and generally they present a skeptical approach to the federal model of European integration. However, this does not mean that there is a complete overlap of the British and Turkish positions on the EU. Turkey has at least a 10 year perspective before accession; therefore any assumptions about its positioning after entry are very hypothetical. Nevertheless, Turkey as a country substantially less wealthy than the UK perceives its membership in the EU as a source of economic growth (a net recipient from the EU budget). In effect, it can be assumed that Turkey will present a more pro-European stance than the UK and will align its position with Sweden, namely it will be interested in maintaining institutional links with the main stream. In fact, currently we are also observing a spectacular improvement in Turkish-Swedish cooperation (strategic partnership, the Trilateral Solidarity for Building Peace between Turkey, Sweden and Brazil, etc.). After the possible Turkish accession to the EU, Turkey and the UK would find themselves most probably on opposite sides as far as the European budget is concerned (net contributor versus net recipient). Nevertheless, expected reforms of the EU financial framework and the further economic growth of Turkey could mellow the differences.

¹⁰ In the case of Turkey, the share of the EU in Turkish trade volume does not exceed 40%. With regard to the UK the corresponding figure will most probably decrease below 50% in 2013. It has already dropped below this level for trade in services which plays a very important role in the British economy. Taking into consideration already signed contracts and planned investments, the share of non-EU countries in the Turkish investment balance will increase radically. On the other hand, more than half of the FDI in the UK and the British investment abroad is with non-EU states. Non-EU tourists visit and students study in Turkey (and Turkish Cyprus) and in the UK, respectively more often than in EU countries.

A convergence on strategic goals exists between Turkey and the UK. London is the most important advocate of Turkey's accession to the EU. Taking into consideration the difficulties which sometimes arose in Turkey's relations with the US between 2003 and 2010, and the lukewarm nature of Ankara's relations with leading EU states such as Germany and France, the UK played a significant role in anchoring Turkey to the West. Both countries perceive the US and NATO as the main security providers in Europe and the Middle East. They support the further enlargement of the EU and NATO. Their positions on certain unresolved European issues overlap completely (e.g. in the Western Balkans: Bosnia, Kosovo, Macedonia). Moreover, Turkey and the UK started to play together the role of mediators in conflicts taking place in more distant parts of the world (for instance, they participated in peace talks in Mindanao). Turkey's attractiveness for the UK derives from its status as a midsize emerging power with rising regional clout. The UK identifies Turkey as having assets and characteristics potentially useful in a partner for London: membership of international organisations particularly NATO, the G20 and the Organisation of Islamic Co-operation, a strong network of relationships and influence in regions where UK interests are significant including the MENA, Afghanistan, Pakistan and the Western Balkans; and a status as a Muslim democracy *in statu nascendi* with potential of playing a role of the source of inspiration for other Muslim countries. Sir David Logan, former British Ambassador to Turkey (1997–2001) and Chairman of British Institute at Ankara argues that Turkey is especially well-placed as a potential partner for the UK, since its "geographical location, [...] historical (Ottoman) links and [...] shared (Muslim) religion are assets not otherwise available to the UK among our NATO allies and EU partners"¹¹

From the Turkish perspective a great advantage of the UK is its negative approach to the idea of the official recognition of the Armenian massacres as genocide. The UK's interest in Turkish foreign policy derives from the legacy of British rule in Cyprus. Meanwhile, the Cyprus issue is one of the top priorities in the Turkish foreign policy agenda. London, with Turkey and Greece, was the guarantor of independence for Cyprus (London and Zurich Agreements from 1959) and it retains a military presence on the island (the UK sovereign base areas of Dhekelia and Akrotiri). Among the EU member states, the UK has definitely the most developed relations with the Turkish Republic of Northern Cyprus (KKTC)¹² and more importantly the UK stands out among the EU member states with its great openness to the Turkish position on KKTC. For instance, several prominent British politicians (e.g. Jack Straw) have called recently for the recognition of KKTC independence by the EU.

¹¹House of Commons, Foreign Affairs Committee, UK–Turkey relations and Turkey's regional role, 4 April 2012, p. 45. http://www.ab.gov.tr/files/ardb/evt/1_avrupa_birligi/1_6_raporlar/1_3_diger/uk_tr_relations.pdf

¹² The community of Turkish Cypriots that immigrated to the UK is larger than the number of their co-nationals living on the island. The Brits besides citizens of Turkey are the largest group of foreign tourists spending their holidays in KKTC and purchasing villas there. A sizeable Turkish Cypriot diaspora lives in the UK and sends remittances to their families in the motherland. The UK also hosts an impressive community of Turkish Cypriot students studying at British universities.

The UK also assists Turkey in the latter's democratization process. For instance, when severe criticism of Turkey's record on freedom of expression was made in the EU 2011 progress report on Turkey, the Turkish Ministry of Justice sent a delegation of senior officials over to London in order to learn how to deal with these issues from the British legal system. The UK also informally provides Turkey with its own experience of the peace process in Northern Ireland which can be extremely valuable for recently launched negotiations between Turkey and the Kurdish guerrilla movement. The UK is the main partner for Turkey in respect of military cooperation, particularly in the intelligence sector. The UK has gained in Turkey the reputation of an honest partner as opposed to France, in the combat against the PKK. According to British figures for recent years, London has reduced PKK fund raised in the UK by over 50%. It is said that the UK intelligence in 2005 played the role of the key facilitator in the first serious peace talks between Turkey and the PKK. Intervention in Libya is also a clear illustration of the UK's affirmative approach to military cooperation with Turkey.¹³ The UK, as opposed to France, drew Turkey very early on into the military campaign. The UK is also reported to have provided intelligence support to the Free Syrian Army from its Cyprus bases, revealing military movements of Assad's forces to Turkish partners, who then pass on the information to the Syrian insurgents. In the EU the UK is the keenest advocate besides France of providing the Syrian opposition with military equipment, an idea that Turkey strongly supports. On the other hand, Turkey's importance for the UK security is on the rise because according to Home Office "There are now hundreds of foreign fighters from Europe in Syria. As and when UK residents return here there is a risk that they may carry out attacks using the skills that they have developed overseas".¹⁴ The UK is also a relatively important supplier of military equipment for Turkey (around 5% of Turkish military foreign purchases between 1989 and 2012). However, in this period Turkey purchased significantly more arms from Germany than from the UK.

The cooperation between Turkey and the UK will probably increase substantially in coming years taking into account the new strategic partnership which was signed in 2010. Since then, Turkey and the UK have established an institutional framework for this partnership signing many agreements and launching new initiatives. We can also observe an impressive intensification of bilateral visits (see box no. 2).

Box no. 2: British-Turkish strategic partnership in action

The strategic partnership was signed in 2010 when the Prime Minister David Cameron visited Turkey accompanied by the Foreign Secretary. It was his fourth official overseas bilateral visit after only France, Germany and the US. Prime Minister Erdoğan returned Mr

¹³ Between February and May 2011, after the British Embassy in Tripoli was evacuated and before the Turkish Embassy was closed Turkey represented UK interests in Libya.

¹⁴ Home Office, The United Kingdom's strategy for Countering Terrorism, Annual Report, March 2013, p.9. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/170644/28307_Cm_8583_v0_20.pdf

Cameron's visit in March 2011, accompanied by Foreign Minister Ahmet Davutoğlu, who has made several official visits to London since the current UK Government took office.¹⁵ Most notably, president Abdullah Gül made a state visit to the UK in November 2011, the first by a Turkish Head of State since 1988. Prime Minister Erdoğan again visited the UK in July 2012.

The strategic partnership is supposed to progress through annual Turkey and UK JETCO (Joint Economic and Trade Committee) meetings, regular bilateral Defense Staff Talks and Single Service Staff Talks, the annual ministerial counter-terrorism dialogue and the Bosphorus Group (security issues). Within the economic cooperation a particular priority has been given to the sectors which offer the best opportunities to the UK and Turkey: energy including renewables, ICT, construction sector, financial services, defense technology and education. In March 2011, the UK-Turkey CEO Forum was launched. Turkey and the UK also set up the UK/Turkey Knowledge Partnership to strengthen longer term relations around science, innovation and research and development. UK Trade & Investment created a network of Turkey champions across the UK and established a new network of Business Honorary Consuls in Turkey. Turkey has become one of the top four markets among 20 priority markets within UKTI's five-year strategy for 2011–15. UKTI has also identified Turkey as one of six priority markets for the UK financial services sector.

In November 2011, Turkey and the UK signed a Memorandum of Understanding which established a framework for the potential acquisition of common defense equipment, for scientific and technical cooperation foreseeing the development of joint projects in the security sector. Several substantial contracts between Turkish and British defense companies have already been signed since then.

The British-Turkish strategic partnership has a solid foundation because Turkey and the UK are tied by a comprehensive framework of bilateral economic and social links. The UK, after Germany is the second most important economic partner for Turkey from the EU (trade volume, tourism, investment), and not taking Russia into consideration it is the third most important in the world. Nevertheless, there is huge room for improvement particularly concerning UK exports to Turkey. The UK is de facto the most important investor in Turkey (British Vodafone is the second largest investment in Turkey and was registered in the Netherlands). UK investment accounted for around a 15% share in the inflows of FDI between 2002 and 2012. The UK is seventh in Turkish trade turnover (3.5% of Turkish trade volume). The UK is the fourth most important destination for Turkish exports. After Germany, the UK is the second largest recipient in the EU of Turkish exports. British tourists

¹⁵ The UK Foreign Secretary admitted that in 2011 during the Arab Spring he spoke with the Turkish Foreign Minister Ahmet Davutoğlu more frequently than with the US Secretary of State Hillary Clinton about how to work together on the way forward.

are ranked third on the list of foreign tourists visiting Turkey (almost 10% of foreign visits) and their share in Turkish tourism revenues is even larger. Moreover, British citizens hold around 30% of the real estate owned by foreigners in Turkey. The recent liberalization of Turkish property law can substantially increase this number. Turkish and UK companies cooperate in third markets. For instance, Turkish contractors have worked with British companies on projects such as the construction of new airports in Central Asia, the metro system in Dubai and the Medina airport terminal, roads and pipelines in Saudi Arabia, an Olympics complex in Ashgabat (Turkmenistan) and Erbil Airport in Northern Iraq. The UK is a crucial partner for Turkey as far as cooperation in the energy sector is concerned. This sector has a strategic importance for Turkey because energy security for fast-growing domestic demand is the main challenge for the country in the medium term. The UK and Turkey foster links on energy through an annual Energy Dialogue, established in 2006. BP is the largest operator of the Baku-Tbilisi-Ceyhan (BTC) oil pipeline (30% share). At the end of 2012 BP also signed a framework accord to take 12% of the Trans-Anatolia project (TANAP) which is supposed to transit gas from the Caspian Sea to Turkey and Europe. BP cooperates within the framework of both projects with Turkish companies, namely BOTAS and TPAO. On the other hand, in 2011 TPAO signed an agreement with Shell a British-Dutch company on the exploration of natural gas in the Mediterranean. At the end of 2012 both companies launched exploration for shale gas in the Southeast of Turkey. They also have plans for hydrocarbon exploration in the Black Sea. In 2011, Genel Energy a British-Turkish oil company was established. It is the largest oil producer in Iraqi Kurdistan. The company aims at constructing a pipeline from Kurdish oilfields to the Turkish border. Genel is also drawing up plans to export gas from Northern Iraq to Turkey.

After Germany, the UK is home to the largest Turkish immigrant community in the EU. The great majority of British Turks originate from Cyprus. They are one of the best assimilated Muslim communities in Europe. The significance of the UK as a destination for Turkish students has been on the rise in recent years. Currently, the UK occupies fourth place as far as the number of Turks receiving foreign scholarships abroad is concerned. Both sides declared their interest in the establishment of a Turkish-British university. It is also indicative that the first Yunus Emre centre (a Turkish culture centre) in Western Europe was opened by Turkey in London.

On the other hand, certain divergences in foreign policy exist between Turkey and the UK which raise challenges for further deepening of the strategic partnership, and they should be not underestimated. The relations between the UK and the US are certainly closer and less problematic than the bilateral Turkish-US relationship. The UK has one of the closest relations with Israel in the EU. On the other hand, until recently Turkish-Israeli relations have been described as “cold war”. Nevertheless, London certainly undertakes a much more critical approach towards Netanyahu’s policy in Palestine than the US does. Moreover, rapprochement between Israel and Turkey has started recently. As compared to the UK,

Turkey is substantially more lenient on sanctions against Iran and the scenario that Teheran will achieve nuclear capabilities. However, the differences between London and Turkey on the Iranian dossier are bridgeable. In 2010, Turkey agreed to host a NATO early warning radar directed against Iran. In 2012, Turkey, once reliant on Iran for more than half its crude oil imports, reduced its purchases to less than 40% of total oil purchases as the United States and European Union have tightened sanctions on Teheran.

In the long-term perspective, Turkey's shortcomings concerning the quality of democracy and human rights record could become a problem for the strategic partnership with the UK. However, finding a solution to the Kurdish problem in Turkey which looks relatively promising can "defuse" this challenge. The UK's strict visa regime for Turkish nationals is one of the greatest obstacles to the development of closer UK-Turkey ties. On the other hand, the UK has recently undertaken steps to ease the visa regime for certain groups of Turkish citizens.

The UK is substantially more eager than Turkey to intervene abroad. On the other hand, Turkey's traditional foreign policy tenet is rather to avoid external military deployments. However, an evolution of the Turkish position on this matter can be observed. Kemalism, an ideology which constituted the foundation of the rather cautious character of traditional Turkish foreign policy is losing its grip on Ankara's stance. Turkey is becoming substantially more assertive and active in the world. The number of Turkish military deployments has increased impressively in the two recent decades. A Turkish reluctance to military engagement abroad to a certain degree should also be explained by the war waged against the Kurdish guerrillas. The peace talks between Turkey and the PKK give hope that after permanent settlement, Turkey's readiness to engage its military forces abroad will further increase.

In search of accommodation

The attachment of the UK and Turkey to sovereignty makes their accommodation into the EU institutional framework a considerable challenge. The acceleration of the institutionalization within the euro zone raised the question of the future of UK membership in the EU. Certainly, the British politicians are partly responsible for the surge of eurosceptic sentiment. According to Charles Grant "For two decades Britain's EU debate has been one-sided: eurosceptic politicians and commentators have set the agenda, while few politicians (or business leaders) have argued the merits of the EU. Pro-EU politicians have seen the short-term advantages of saying little about an unpopular subject."¹⁶ In effect, the perspective of the UK leaving the EU has emerged for the first time as a relatively probable scenario. The UK distanced itself, as opposed to Sweden or Denmark, to the institutional reforms of the euro zone and is striving to repatriate some powers from Brussels in the "new

¹⁶ Charles Grant, How Britain could leave the EU, Centre for European Reform, November 2012, p. 2.
http://www.cer.org.uk/sites/default/files/publications/attachments/pdf/2012/bulletin87_cg_article1-6671.pdf

settlement” it seeks with Europe. But continental leaders are unwilling to grant Britain full access to a single market without costly elements. In effect, if the UK demands the repatriation of certain powers, it most probably will win only modest concessions. If the UK is unsatisfied with the deal, the scenario of Britain’s exit from the EU will become highly probable.

On the other hand, the British attitude to the EU can be subjected to a substantial positive change due to several factors increasing the importance of non-European powers. In relation to some of them (China), even London must feel a clear sense of frustrating asymmetry and a need to balance them through membership in the EU, the US shift to Asia, the unprecedented support of the US for the CSDP, Washington's clear opposition to the UK leaving the EU, the return of France to the NATO command structures and a unique military alliance between France and Great Britain. Moreover, after the elections in 2015 the UK under a new centre left government could change its position on the repatriation. In fact, “the UK has three options. It can take the radical step of withdrawing from full EU membership. It can sit on the sidelines of the EU while other member states focus their energies on saving the single currency. Or it can make the most of its EU membership. Either of the first two options would demonstrate a serious misreading of the UK’s national interests at the start of the 21st century. These interests are best served through active UK participation in the EU.”¹⁷

In the case of Turkey the main problem is the opposition to its accession in France and to a lesser degree in Germany, and the independent course of Turkish foreign policy in the last decade which raised the question of Turkey’s shift of axis or it turning its back to the West. As far as the foreign policy of an assertive and emerging Turkey is concerned, Şaban Kardaş’ evaluation of its meanders is probably the most appropriate. “It has been amply documented that Turkish leaders have criticized the international order in open forums and called for a revision to its institutions. This highly inflated rhetorical criticism aside, however, Turkey has done little in contravention of it. [...] Turkey does not have a history of third-worldism or a “southern” perspective, and has been an integral part of the US-led international order since its inception in the post-war era. Turkey continues to benefit from the existing international order. In the wake of the Arab Spring, there is already a readjustment of strategic priorities and a deliberate effort on Ankara’s part to work out the policy differences with Washington. In its security and defense policies, the transatlantic community is again the backbone and Turkey is more than eager to refer its Syria policy to NATO. On the issue of values, too, the Arab Spring demonstrated once again how Turkey is embedded in the Western order.”¹⁸ The Arab Spring forced Turkey to realize limits of

¹⁷ Robin Niblett, The Future of the European Union: UK Government Policy, Chatham House, June 2012, p. 3 <http://www.chathamhouse.org/sites/default/files/public/Research/Europe/0612niblett.pdf>

¹⁸ Şaban Kardaş, Global Swing States and International Order: A Turkish View, GMF Analysis, 21.12.2012, pp. 3-4. http://www.gmfus.org/wp-content/blogs.dir/1/files_mf/1356111319Kardas_GlobalSwingStates_Dec12.pdf

unilateralism and provided the EU and Turkey with a window of opportunity for rapprochement. As Sinan Ülgen rightly points out, “These transformations, which have brought about a more difficult foreign policy environment for both the EU and Turkey, may help them overcome the current political and institutional barriers to more comprehensive foreign policy cooperation.”¹⁹

Most probably, Turkey’s foreign policy will never be in full alignment with the EU, though we can expect a greater convergence in the case of entrenchment of the liberal democracy in Turkey which is strongly related to EU integration. Paradoxically, it can be said that as long as Turkish foreign policy efforts are directed towards the same ultimate strategic goals as the EU, Turkey may add value as a foreign policy partner surely because it is not fully aligned with the EU in respect of tactics.

The French approach to membership of the UK and Turkey in the EU will also have a huge influence on their future role in the CFSP. Strangely enough, France being the main locomotive of euro zone integration shares with the UK and Turkey their post-imperial mindset, strong military capabilities and impressive leverage in several parts of the world. In effect, Paris must find a response to the fundamental question: what internal setup of the EU will optimally serve the French national interests? Currently, France’s position on this issue is only superficially clear. In fact, it is far from being sorted out. On the one hand, Paris supports the vision of an EU which overlaps with the euro zone where France is supposed to play the role of the play maker because it is the main partner of Germany (the famous French-German tandem) and simultaneously is the leader of the Mediterranean region. In this vision the euro zone as the EU’s hard core is surrounded by the periphery which should join, the sooner the better, the main stream by accepting the common currency. On the other hand, France established an unprecedented military alliance with the United Kingdom which will probably never join the euro zone, at least not in the 21st century, which is solidified by close economic and social bonds. If France could digest a multitier character for the EU with two hard cores in economy and foreign policy (France as the locomotive in both of them), it would be substantially easier for Paris to accept the accession of Turkey, which will be perceived as a smaller UK. At the same time, the establishment of a strategic partnership between Paris and Ankara in the Arab World will be more than welcome and will facilitate Turkey’s accession. Indeed, France, together with Turkey, is the main external stakeholder in the Arab World and it shares the ultimate strategic goals with Ankara. Unfortunately, despite recent rapprochement both countries have not overcome a mutual mistrust which pushes them towards rivalry.

After Turkey’s accession and settlement on the UK’s position, the EU needs glue to stick both countries within its institutional framework. It seems that the main glue will be

¹⁹ Sinan Ülgen, *Avoiding a Divorce: A Virtual EU Membership for Turkey*, Carnegie Endowment for International Peace, December 2012, p. 16. http://carnegieendowment.org/files/avoiding_divorce_paper.pdf

the deepened single market. This link should not be underestimated. It is not “just” a single market as certain experts claim. In fact, the deepening of the single market constitutes the key prerequisite for the EU to return to the path of economic growth. Moreover, the deepened single market plays a crucial role in economic relations between the EU and the external world, and the importance of these relations will be on the rise in coming decades. The last and indeed not the least question is, how the leading role of the UK and Turkey in the CFSP can be made institutionally operational? Probably, we will have to deal with a parallel system in the CFSP:

- The Franco-British-Turkish triangle will play the role of the hard core of the CFSP and CSDP in strictly geopolitical and security dimensions. This sphere will be governed by coalitions of the willing, a loose level of institutionalization, more emphasis on practical cooperation rather than structures and close relations with NATO and the U.S. Germany will be involved in this dimension by the formula that has already been successfully tried during negotiations with Iran (the EU 3). In the longer term, it can be foreseen that the agreement governing the CFSP and CSDP modeled on the North Atlantic Treaty would be signed by the EU member states interested in deepening this EU policy.
- In the foreign economic dimension, the creation of external representation of the entire euro zone led by the German-French tandem in various international economic organizations and forums will occur. Meanwhile, the EU institutions will deal with the external world only in matters related to the relationship between the enlarged single market and third countries. Certainly, the problem of delimitation of competences between a single market and the euro zone could emerge. In case of disputes the final decision will belong to the Tribunal accepted by all EU countries.

Conclusions

1. The anchoring of Turkey and the UK in the EU will depend on the EU’s ability to accept its own multitier character, namely the existence of two hard cores in particular dimensions (economy versus foreign and security policy). It means that the division between the core (euro zone) and peripheries will become an oversimplification. As Timothy Garton Ash suggests “Why not have a division of labor? Why not let Britain take a leading role in a hard core for foreign and security policy, while Germany leads in the economic and monetary one? France would, of course, continue to play a very important part in both.”²⁰ Certainly, Turkey after its accession would be a natural candidate to join the hard core of foreign and security policy. The main glue sticking the UK and Turkey to the EU will be the enlarged single market which will be one of the key pillars of the EU economic success and its position on the global stage.

²⁰ Timothy Garton Ash, Britain is standing on a ledge, while Europe screams, 'Don't do it!', *The Guardian*, 21 November 2012, <http://www.guardian.co.uk/commentisfree/2012/nov/21/budget-summit-dual-core-europe>

2. The better is the enemy of the good. The EU could allegedly become more coherent without Turkey and the UK but paradoxically it can have a much less efficient CFSP and CSDP because its global impact may be considerably smaller without both countries. Not integrating the UK and Turkey with the euro zone does not have to undermine the cohesion of the EU through the existence of two different hard cores. Although, economic institutional integration and institutionalization of foreign and security policy are mutually interwoven, institutional development of the CFSP has been and will always be substantially outpaced by integration in the economic sphere. Certainly, the institutional setup of the EU will be more complex with Turkey and the UK than without them. However, taking into consideration, the already existing institutional complexity of the EU, challenges related to this issue should not be overestimated.

3. The accommodation of the UK in the EU may constitute the model for Turkey's accession to the EU. On the other hand, the UK leaving or being isolated in the EU would most probably radically decrease Turkey's interest in accession to the EU because the latter would be limited de facto to the euro zone and be led by France and Germany. Alternatively, Turkey in the EU will provide London with a strong partner in the outer circle of the EU which currently the UK does not possess. The perspective of Turkey's accession to the EU is at least around 10 years, therefore any projections concerning its policy as an EU member state are highly speculative. However, taking into consideration Turkey's current position towards EU integration it can be assumed that Turkey will probably represent a more pro-European stance in the EU than the UK with regard to further European integration. Turkey will likely follow Sweden's path in respect of its relations with the euro zone (membership in the fiscal pact). In effect Ankara could moderate the UK's stance, delicately pushing London towards the EU main stream.

4. As compared to other global powers, the EU with its post-imperial legacies (e.g. British Commonwealth, Spain and Latin America, *Francophonie*, etc.) which of course must be accommodated in the EU framework, with its model of engagement with the world predominantly based on soft power (better relations with the Muslim world than the US) and many diasporas, has the unique potential to reach out and establish the most comprehensive interactions with all regions of the world. Turkey's accession will be an accomplishment of the EU project, the last missing element of the puzzle because Turkish accession will provide the EU with a member state which is a midsize emerging power with strong leverage in the Muslim world.



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of the Republic of Poland
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