



Let's stay friends!

The potential for EU-Turkey cooperation
in the Eastern Partnership area

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Summary

In times of increasing conflict, the European Union (EU) and Turkey should continue at least a minimum of co-operation by shifting the focus to novel areas that are not as politically charged. An area with potential for co-operation is the Eastern Partnership, which holds an important if not primary position in both Turkey's and the EU's foreign relations. Given the limited success of the EU's Eastern Partnership policy, cooperation with an established regional actor like Turkey is especially attractive. Economic, cultural, historical and migration ties deeply connect Turkey with Azerbaijan, Georgia, Moldova and Ukraine. Turkish actors also enjoy greater credibility than the EU due to their longstanding presence in the region and Turkey's own very recent experience as an emerging economy. Co-operation should strongly involve non-state actors from Turkey, especially businesspersons. This would both enhance the connections to pro-European factions in Turkey and benefit the Eastern Partnership countries.

Coping with conflict¹

The lasting tensions between the EU and Turkey that emerged with Turkey's ongoing drift towards authoritarianism since the late 2000s and its turn away from EU accession have reached a new peak in July 2019. On 15 July 2019, the third anniversary of a failed coup attempt in Turkey, the EU decided to impose harsh sanctions on Turkey for drilling gas off the coast of Cyprus. Turkey and the Turkish Republic of Northern Cyprus, recognized only by Ankara, lay claim to parts of Cyprus' exclusive economic zone and Turkish vessels have repeatedly engaged in exploring offshore gas fields. In response, the EU cut pre-accession funds worth €146 million, cancelled high-level EU-Turkey dialogues, stalled talks on the EU-Turkey air transport agreement and froze activities of the European Investment Bank in Turkey.²

Even prior to this latest escalation, bilateral relations between the EU and Turkey had been progressively deteriorating. In its current shape, Turkey is far from the credible EU accession candidate it was in the early 2000s. Since about 2010, Turkey has gradually turned into an increasingly authoritarian state with a personalized hierarchical presidential system. The culmination of this trend was the decision in May 2019 to re-run the mayoral elections in Istanbul after the initial election on 31 March 2019 failed to bring the ruling AKP candidate into power. Despite the fact that Ekrem İmamoğlu, the CHP party's opposition candidate, won the re-run elections on 23 June 2019 with a much larger majority of 54 to 45 percent, this is not yet a clear sign for a reversal towards greater democratic accountability. Turkey's foreign policy has likewise left the pro-European path and, as the July 2019 Cyprus crisis highlights, often veers towards open hostility vis-à-vis the EU and its member states.³ Other yardsticks of this new foreign policy tone are Turkey's *de facto* protectorate in Northern Syria, as well as Ankara's decision to purchase S-400 missiles from Russia in spite of the credible threat of retaliatory

¹ This policy brief draws amongst others on about 140 expert interviews conducted by the authors in 2018 in Azerbaijan, Georgia, Moldova, Ukraine and Turkey with state officials, businesspersons and representatives of educational institutes as well as with local political and economic analysts.

² European Council (2019) 'Turkish drilling activities in the Eastern Mediterranean: Council adopts conclusions', available at <https://www.consilium.europa.eu/en/press/press-releases/2019/07/15/turkish-drilling-activities-in-the-eastern-mediterranean-council-adopts-conclusions/> (accessed 8 July 2019).

³ The Turkish government's rhetoric became particularly heated and antagonistic during campaigns for presidential (2018), parliamentary (2018) and municipal elections (2019) and for a constitutional referendum in Turkey (2017) as well as in response to perceived anti-Turkish slights during elections campaigns in Germany (2017) and the Netherlands (2017).

sanctions by the United States. For now, the longstanding idea of Turkey as the EU's key partner in Middle Eastern politics⁴, acting in support of the EU's path towards becoming a global actor, is off the table.

In order to avoid a complete deadlock in relations between the EU and Turkey and to keep alive co-operation with pro-European actors from Turkey, a practical and pragmatic measure is to strengthen interaction with Turkey in a domain outside the international spotlight. In the Eastern Partnership region, particularly in Azerbaijan, Georgia, Moldova and Ukraine, the EU and Turkey can initiate fruitful co-operation to the benefit of all partners involved, including the Eastern Partnership countries.⁵ This cooperation would ultimately intensify relations with actors from Turkey that promote European values and standards abroad. Joint engagement should primarily focus on non-state actors in the field of economic cooperation and vocational education.

Four observations drive this argument. First, Turkey implements its foreign policy towards this region in a comparatively flexible manner which allows individual representatives significant leeway to devise their own instruments and priorities. Second, the EU and Turkey have similar ambitions in the region, in particular in the fields of the economy and education. Third, in spite of Russo-Turkish cooperation in Syria, the EU and Turkey have a similar stance on Russia's policy in the Eastern Partnership area. Fourth and finally, Turkey has comparative advantages vis-à-vis the EU in the region.

Turkey and the Eastern Partnership: A secondary region with deep and diverse ties

After the fall of the Soviet Union, Turkey initially voiced regional leadership ambitions towards its post-Soviet neighbourhood. The claim to leadership was justified by Turkey's economic capacities but also by the notion of cultural proximity and ethnic kinship. This included a rediscovered historical responsibility for the Turkic and Muslim peoples but also for the former territories of the Ottoman Empire in general. However, this ambitious foreign policy had always only been *one* part of Turkey's attempts to develop an independent foreign policy after the end of bipolar competition in 1991. With the greater economic attractiveness of Africa and the Middle East but also the increasing political challenges in the Middle East, the post-Soviet space faded from the spotlight in the 2000s. While Turkey's contemporary foreign policy still sporadically invokes the ideas of pan-Turkism and neo-Ottomanism, it primarily concentrates on economic relations.

However, in the short periods of the early 1990s and the early 2000s during which Turkey paid specific attention to the post-Soviet Black Sea and South Caucasus countries, it established foreign political instruments that continue to shape Turkey's relations with the region, even if Turkey employs them only half-heartedly. Among these is a dense network of embassies, consulates and organisations that foster cultural, economic and educational relations. A key actor is the Turkish development agency, TIKA, which was founded in the 1990s to support Turkey's post-Soviet neighbours and specifically Turkic peoples. Today, TIKA still provides technical

⁴ Taşpınar, O. (2003) 'Europe Needs Turkey', *The Brookings Institution*, available at <https://www.brookings.edu/opinions/europe-needs-turkey/> (accessed 8 July 2019).

⁵ We exclude the two remaining Eastern Partnership countries from our analysis. Turkey's relations with Armenia are deadlocked because of mutually incompatible accounts of the Ottoman Empire's campaign against Armenian citizens during the First World War and Turkey's staunch support for Azerbaijan over Armenian occupation of Nagorno-Karabakh. Relations with Belarus are to date rather negligible.

assistance, educational programmes, cultural exchange programmes, support for Turkic language media, and promotes trade relations. The region's share of TIKA's overall budget has however decreased to 0.3% in 2017 as the majority of TIKA's development aid goes to the Middle East and Africa⁶. Moreover, the Foreign Economic Relations Board of Turkey, DEİK, together with relatively independent Turkish business associations, seek to establish closer economic relations with the region. Turkish investors operate mainly in the construction, tourism, textile and health sectors but also engage in vocational training and frequently support social infrastructure in remote regions and promote cultural exchange. A special case is the Islamic Gülen movement which, initially backed by the Turkish government, from the early 1990s onwards established a wide web of Turkish schools in the region. After the failed coup attempt of 2016, which the Turkish government blames on the movement's leader, Fetullah Gülen, Turkey – with limited success – demanded the closure of the Gülen-affiliated schools. In some countries, such as Moldova, the Turkish government agreed to open new Turkish schools in their stead.

Turkey's bilateral relations with Azerbaijan, Georgia, Ukraine and Moldova

Among the Eastern Partnership countries, Azerbaijan is at the centre of Turkey's attention. Azerbaijan receives the largest share of Turkish development aid and young Azerbaijanis make up the second largest group of foreign students at Turkish universities (17,088 students in 2018)⁷. In economic terms, Azerbaijan relies on Turkey as a corridor for its energy flows to Europe, which generate the country's main source of income. Beyond that, Azerbaijan is the only country from the region with which Turkey has significant military relations. While Turkish support for military reform lost significance in Georgia after the early 2000s, Turkey continues to be Azerbaijan's key partner for military education and training. Overall, Turkey has always maintained intensive relations with Georgia. Among Turkey's focal points in Georgia are the Turkic minority, the Ahiska Turks, and the Autonomous Republic of Adjara where a third of the population is Muslim. Turkey is also vital for Georgia's economy as the country's most important trade partner (trade turnover of USD 1373 million in 2017) and its third largest export partner (volume of USD 217 million in 2017). For Ukraine, Turkey ranks third on its list of export partners (export volume of USD 2514 million in 2017) and negotiations for a free trade agreement, ongoing since 2007, are very close to completion. While Turkey consistently supports the Crimean Tatars and played a crucial role in negotiating the release of Crimean Tatars from Russian detention after the annexation of Crimea, Turkey never developed a specific Ukraine policy and instead acts on an *ad-hoc* basis. In Moldova, Turkey lends very broad support to the Turkic minority, the Gagauz, ranging from education and cultivation of their Turkic language to technical assistance in the health sector, social security infrastructure and housing. While a free trade agreement between Moldova and Turkey entered into force in 2016 and in 2019 the two countries waived visa requirements, for most of its existence Moldova has been a blank spot on Turkey's foreign policy map.

Even though Turkey has historically been perceived as an aggressor in Ukraine and Georgia and religious tensions persist with the Orthodox Church, Turkey's image in all four Eastern Partnership countries is more benign than Turkey's image in the EU. Overall, Turkey is a welcome partner for socio-economic development and all four

⁶ Figures from Turkish development agency (TIKA) (2017) 'Turkish Development Assistance Report', available at <https://www.tika.gov.tr/upload/2019/Turkish%20Development%20Assistance%20Report%202017/Kalkinma2017EngWeb.pdf> (accessed 8 July 2019).

⁷ Data available at Yükseköğretim Bilgi Yönetim Sistemi [Higher Education Information Management System] (2019), available at <https://istatistik.yok.gov.tr/> (accessed 8 July 2019).

countries approve of Turkey's unwavering support for their territorial integrity. Although both Georgia and Azerbaijan use economic and security relations with Turkey to balance Russia, none of the countries wants to see Turkey as a genuine security player with a seat at the conflict resolution table. At the same time, Turkey's recent turn to religious conservatism and its anti-Western trajectory are observed with caution in all countries, including the "brother nation" Azerbaijan.

In a nutshell, the post-Soviet neighbourhood receives only secondary attention in Turkey's foreign policy. A dense network of organisations, programmes and private actors nevertheless embed Turkey deeply in the region. Azerbaijan and Georgia, but also increasingly Ukraine and Moldova, perceive Turkey as a partner for their economy, for education and beyond. Turkey's diverse ties and its positive image in the region thus make Turkey an interesting potential partner for the EU.

Turkey: Critical observer of Russia's policy in the Eastern Partnership area

Another prerequisite for lasting cooperation in the Eastern Partnership area is that Turkey, like the EU, disapproves of Russia's conduct in this region and openly supports the territorial integrity of Ukraine, Georgia, Moldova and Azerbaijan. At the same time, Turkey's political elite is determined not to provoke open conflict with Russia over matters in their shared neighbourhood. During the 2015 plane crisis between Turkey and Russia, triggered when Turkey downed a Russian fighter jet over its territory, the Turkish government realized that it stood alone internationally as a result of its largely self-inflicted alienation from the West and Western countries' unwillingness to enter into open conflict with Russia. Therefore, despite the unease with Russian policy, Turkey cultivates a partnership with Russia.

Since re-establishing relations in 2016, Ankara has done an about-face and closely co-ordinates its regional policy in the Middle East with Moscow. In the post-Soviet neighbourhood, Ankara does not co-ordinate policy with Russia but has come to a tacit understanding. At the latest since Russia's annexation of Crimea in 2014, Turkey acknowledges Russian supremacy in hard security and no longer strives for a role as security provider or conflict mediator in the region. According to a Turkish analyst, whereas Turkey uses liberal means to gain influence in the region, Russia uses coercive means⁸. This distinction underlines the lack of a solid fundament of shared interests and principles between Turkey and Russia. Far from constituting a strategic partnership, the Ankara-Moscow axis is borne out of a lack of alternatives on the part of Turkey: This means that warmer relations with the West could bring about an equally swift shift back into the camp of countries that oppose Russian adventurism. Thus, for the EU, Turkey could be a partner in the region that shares its critical stance towards Russia and that at least in rhetoric is not shy about standing up for the Eastern Partnership countries.

EU and Turkey in the Eastern Partnership area: Shared ambitions

The EU's primary goals for the Eastern Partnership are to support the countries' political and economic development towards liberal democratic market economies with a strong rule of law. In contrast to the EU's vision for the Eastern Partnership countries, Turkey's regional policy lacks an explicit transformative agenda. However, expert interviews with Turkish and local state officials and businessmen highlight that especially in the

⁸ Interview with a Turkish foreign policy analyst in Ankara, Turkey, 10 May 2018.

field of economic and social development, Turkish actors pursue a number of goals for the Eastern Partnership countries that closely match those of the EU's 2015 Review of the European Neighbourhood Policy.⁹ While the Turkish government does not qualify as a partner for the promotion of good governance, democracy and human rights, many Turkish businesses that operate in the Eastern Partnership countries silently but effectively work against corruption and promote the rule of law in the business sphere. Most business actors from Turkey play at least somewhat by the local rules of conduct and, for example, pay the occasional bribe. However, individual businesses and business associations also use their personal networks and connections to the local ruling elite to lobby for legal changes in favour of impartial competition and against barriers imposed by an arbitrary interpretation of the law. It is noteworthy that they commit to fight against corruption and lobby for legal certainty both in the more open economies of Georgia, Moldova and Ukraine and in the closed economy of Azerbaijan.

Supporting the Eastern Partnership countries' economic modernization is another ambition that the EU shares with Turkish actors. Indeed, Turkish state officials and businesspeople alike explain their decision to invest in the region's countries in spite of the low profit margins by their desire to contribute to the societies' economic modernization. They consider themselves especially well-placed to assist in modernization because Turkey itself has experienced over the past thirty years an evolution into an economy where spheres of liberal economic competition gradually supersede nepotism and patronage – even if Turkey is currently backsliding. In line with this, Turkish actors often describe their primary strategy as promoting international standards, including those promoted by the EU in the Deep and Comprehensive Free Trade Area (DCFTA), in all aspects of their business operation.

Moreover, very much in line with the EU's goal of improving the skills and employability of young people, many Turkish businesses contribute to vocational training and education in their host countries. The lack of a qualified and trustworthy workforce affects the textile merchant in Kyiv as much as the hotelier in Baku or the factory owner in Tbilisi. In response, Turkish companies offer employees at all levels in-house training, which is often implemented in Turkey, sometimes with the help of international partners. In select cases, for example a Turkish multinational company operating in Odessa, businesses have set up partnerships with local institutes of higher education to have a more long-term impact.

Turkey's competitive advantages in the Eastern Partnership area

Contrary to the EU's occasional self-portrayal as the beacon of modernity and progress, Turkey actually enjoys several competitive advantages in the Eastern Partnership countries. First, in these countries Turkey is widely acknowledged as the 'firstcomer' that is more knowledgeable about and more deeply rooted in the region. Turkey was the first country to recognize their independence in 1991 and Turkish actors already began to invest in the region's economies and education sectors in the early 1990s, when local instability still scared away most other external actors.

⁹ European Commission (2015) 'JOINT COMMUNICATION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS: Review of the European Neighbourhood Policy' *JOIN(2015) 50 final*, 18 November, Brussels.

Second, in the eyes of state and non-state actors from Azerbaijan and Georgia especially but also Ukraine and Moldova, actors from Turkey are considered comparatively better partners because they come without an explicit transformative agenda and therefore acknowledge local structures and ownership more than many Western actors.

Third, Turkey enjoys greater credibility with local actors as a partner for economic modernization given its own relative success in introducing and establishing liberal economic competition – even if Turkey is currently going back on these advancements. In light of these competitive advantages, close cooperation between Turkey and the EU in the Eastern Partnership area could provide the EU with an opportunity to increase its own impact in the region. Such forms of cooperation might also strengthen Turkish proponents of liberal economic development and democracy that are present in the region. EU-Turkey cooperation in selected areas in the Eastern Partnership region should not be seen as a panacea for what have become highly fraught bilateral relations. Yet, these relatively low-level measures could provide a window into a period of détente and rapprochement that given ongoing changes in Turkey’s domestic politics may be on the not-too-distant horizon.

Opportunities for EU-Turkey cooperation

Particularly attractive partners are Turkish business associations since they enjoy a significant degree of independence from the Turkish government, are longstanding actors in the region with substantial cultural proximity to the host societies, and often act as *de facto* embassies to the countries. Thus, stepping up cooperation between business associations from the EU and Turkey could serve as a basis for fruitful and innovative cooperation.

In concrete terms, Turkish business actors are attractive partners for consultations on matters of economic change, including the challenges of the full and effective implementation of the DCFTA in the cases of Georgia, Moldova and Ukraine. Such consultations could for example take place in tripartite business fora.

Moreover, Turkish business associations as well as individual Turkish businesses, in particularly those present in rather remote regions, may serve as partners and intermediaries for the development of vocational education and training programmes in the Eastern Partnership area. Turkey’s relevance as an economic player in the region may facilitate support from local educational institutions and authorities for such initiatives. Finally, in this sphere, even selective cooperation with official Turkish actors such as the Turkish Development Agency, the Foreign Economic Relations Board or the Ministry of Education may be an option.

Recommendations:

- Cooperation between business associations from Turkey and the EU
- EU-Turkey consultations on economic policy
- Joint vocational education and training initiatives



The EU and Eastern Partnership Countries An Inside-Out Analysis and Strategic Assessment

Against the background of the war in Ukraine and the rising tensions with Russia, a reassessment of the European Neighborhood Policy has become both more urgent and more challenging. Adopting an inside-out perspective on the challenges of transformation the Eastern Partnership (EaP) countries and the European Union face, the research project EU-STRAT seeks to understand varieties of social orders in EaP countries and to explain the propensity of domestic actors to engage in change. EU-STRAT also investigates how bilateral, regional and global interdependencies shape domestic actors' preferences and scope of action. Featuring an eleven-partner consortium of academic, policy, and management excellence, EU-STRAT creates new and strengthens existing links within and between the academic and the policy world on matters relating to current and future relations with EaP countries.
