

Press Release

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Happy Europe Day - A Vision for EU-Turkey relations

Globalization and the Fourth Industrial Revolution necessitates a progressive and bold transformation in every sphere of life. Liberal democracies face critical challenges at global level. The uncertainties in the spheres of politics, economy, society and security and unpredictable developments shape the world agenda. The reform agenda of the European Union has its historical significance within this context.

Europe embraced a new vision with the Schuman Declaration presented by the French Foreign Minister Robert Schuman on May 9, 1950. On March 25, 1957, six countries signed the Treaty of Rome, forming the European Economic Community, the precursor to the European Union. The EU, which was established with a broader political and economic perspective of the European leaders and thinkers, has today twenty-eight member states, a population exceeding half a billion, and is a global economic and technological power. It is the most important successful political project in history. Over the past 61 years, the economy of the continent has developed greatly; the spirit of unity has prevailed against radical and aggressive ideologies. Within the EU and its global sphere of influence, great advances were made in democracy, political stability, prosperity and peace.

Today, during the transition to a digital economy triggered by the Fourth Industrial Revolution, the unity project in Europe faces important challenges:

- leadership and adaptation to the digital age, in all fields from the economy to education,
- employment policies that are suitable for new technologies,
- tackling climate change and transition to renewable energy,
- balancing partnership and competition with rapidly rising economies, especially India and China
- the future of the transatlantic economy with the United States,
- reforming social security and retirement programs,
- migration and asylum policies,
- a democratic evolution that protects European values against populist political movements and meets the changing societal demands,
- managing the Brexit process,
- macroeconomic stability in the Eurozone,
- institutional reform of the EU: flexible multi-speed integration model

The next elections of the European Parliament to be held in 2019 should not eclipse the agenda of transformation. The EU should achieve a healthy and open structure that meets the flexibility required in the 21st century, is more secure and just, guarantees equality and freedom, and creates opportunities for enlargement and consolidation of its global sphere of influence in the multipolar global level. As emphasized by the Confederation of European Businesses (BusinessEurope), of which TÜSİAD is a full

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member, this is the only way for the EU to be the source of common solutions, rather than shared problems.

In discussions on the EU's institutional reform, multi-speed Europe or differentiated integration come to the fore. Leading countries have also expressed preference for this scenario following the European Commission's Report on the Future of Europe. In this structure, countries that are not expected to be in the federal Eurozone at the center, can remain in a more flexible confederal EU circle. This outer circle will also embrace the fundamentals such as democracy, rule of law, single market based on the indivisibility of "four freedoms", energy, transport and digital single market. Beyond concentric circles, there are multiple sets that overlap: Euro, Euro+, the Fiscal Compact, the Banking Union, defense cooperation, the European Economic Zone, Switzerland's special status, the Customs Union... The EU will gain a more effective institutional structure if the determination within the Berlin-Paris axis can be maintained and a compromise can be reached for the institutional reform of the EU.

From Turkey's perspective, the EU accession process has created many positives for citizens of the Republic of Turkey:

- a Western and pluralistic democracy, as can be found in the transatlantic world
- a modern, dynamic, and inclusive market economy with regulatory cooperation
- a predictable justice system
- social welfare, healthcare and labor standards
- participation in European education, technology and social development programs
- increased investment and tourism from Europe and the world
- greatly increased exports, high-standard food and industrial products, consumer rights, and environmental regulations due to the Customs Union.

In this context, EU accession is not a foreign policy issue, but a key political goal that will create a transformation in all areas of policy. The political conditionality principle of the accession process has formed the driving force behind Turkey's transformation through reform. The EU accession process has also served as a positive function in Turkey's relations with other regions of the world. As it has progressed through the EU process, Turkey has become economically appealing and a reference for democracy for emerging countries; Turkey has strengthened its relations with the EU, as it has strengthened its regional economic ties. Becoming Europe's Eurasian center is Turkey's most important strength in terms of global competition, and in its national interests. For this, many steps must be prioritized:

- Continuing democratic reforms and regulatory alignment while maintaining a multi-speed European future perspective, even if accession negotiations falter;
- Progressing in each area with an understanding of a faster and more advanced global competitiveness, while considering efforts to solve the EU's current problems by reform;
- Intensive investment into areas such as education and youth, technology, English language, general knowledge, social responsibility;
- Prioritizing a pluralistic, consensus driven and liberal understanding of political and public systems in a Turkey that is strong in Europe and the world;
- Updating the customs union, which is a lever for reform and a source of economic appeal, with a

focus on the global economy, the Fourth Industrial Revolution and the digital economy.

From the perspective of Turkey's national interests, the EU accession process is a historical opportunity in terms of fundamental democratic reforms, a liberal and creative social environment, and technical regulatory alignment. Throughout this process, from the United States to China, from energy policies to the digital economy, a better understanding and evaluation of the EU's agenda must be a priority.

EU-Turkey relations include historical depth, contemporary partnership and future gains. From the perspective of the European Union, and from the perspective of Turkey, an inability to overcome current problems and the triumph of diversion over unity would be considered a historic defeat. Both sides have sufficient historical experiences, responsibility and vision to avoid falling into such a trap. A Turkey that progresses towards EU accession, that maintains high standards and the rule of law, and exhibits Eurasian dynamism will advance quickly in the 21st century. Successful EU-Turkey relations are a three-way, win-win-win formula: Peace, democracy and prosperity for Europe, for Turkey and for the world.