

## **A Negotiation Exercise: European Union-Turkey Accession Talks**

### History

Currently, the EU is the world's largest supranational entity of 25 independent democratic states and with the participation of Bulgaria and Romania on January 1, 2007, the Union will have a total of 27 members. The EU established under that name in 1992 by the Maastricht Treaty, although many aspects existed before that date through a sequence of predecessor relationships dating back to 1951. In April of that year it was signed the Treaty of Paris, which defined the formation of the European Coal and Steel Community by (West) Germany, France, Italy and the Benelux countries (Belgium, Netherlands, and Luxemburg). The first full custom union was originally known as the European Economic Community, and established in 1957 under the Treaty of Rome.

Since then a significant expansion took place as new members joined the union. First, in 1973 Denmark, Ireland, and United Kingdom increased the number of members to nine. During the 1980s that number increased further as Greece (1981), Spain, and Portugal (1986) were permitted membership. In 1995 three more countries, Austria, Finland, and Sweden were included, while in 2004 Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Malta, Slovakia, and Slovenia gave the union its current shape.

### Economy

According to data from International Monetary Fund (IMF) the EU has the world's largest economy with a 2005 GDP of 12,865,602 million US dollars (\$28,100 per capita), larger than that of the United States of America (11,734,300 million US dollars- \$40,800 per capita).

The estimates about future economic trends predict an annual increase of 2.1%, while the respective numbers for the US is around 3%.

The economic policy for the EU members is governed by the “Stability and Growth Pact”, which is based on the articles 99 and 104 of the European and Community Treaty. That pact was adopted in 1997, and states that each member has to meet the strict Maastricht convergence criteria:

- i. an inflation rate no more than 1.5 percentage points above the average of the three countries with the lowest inflation rates.
- ii. nominal long-term interest rates not exceeding by more than 2 percentage points those for the three countries with the lowest inflation rates.
- iii. no exchange rate realignment for at least two years.
- iv. a government budget deficit not in excess of 3 percent of each country’s GDP.
- v. a gross debt to GDP ratio that does not exceed 60 percent.

Furthermore, the “Lisbon Agenda”, which was signed in 2000, defines that EU’s goal is to become “the world’s most dynamic and competitive economy by the year 2010”.

For the moment, 12 members have adopted the use of a common currency, the euro, creating the “Eurozone area”. Only three members (United Kingdom, Sweden, and Denmark) have no current plans to join the euro, while the remaining ones are expected to join “Eurozone” as soon as they meet the convergence criteria.

### EU Institutions

Two of the principal institutions that support the function of the EU are: The European Commission, and the European Council.

European Commission is EU's executive body. Its primary roles are to propose and implement legislation, and to act as the "guardian of the treaties" that provide the legal basis for the EU. The Commission negotiates international trade agreements (in the World Trade Organization) and other international institutions on behalf of the EU.

The European Council is the convention of the heads of the state or government of the EU and the President of the European Commission, and it meets at least once every six months under the chairmanship of the head of the government of the Member State that holds the presidency of the council of the EU. Its members are assisted by the Ministers for Foreign Affairs and by a Member of the Commission. It provides the impetus for the major political issues relating to European integration: amendments to the Treaties and changes to the institutions, declarations on external relations in the context of the common foreign and security policy, and so on. Additionally, it serves as a forum for top-level political discussion in crisis situations and it endeavors to resolve disagreements between Member States.

### Current Issues

The most important issues EU is currently facing have to do with membership, structure, procedures and policies. In that context, the accession of new members is something taken into thorough consideration. As the EU continues to enlarge eastward, the accession of new candidate countries tend to grow more controversial. Currently, the EU has successfully completed its accession negotiations with Romania and Bulgaria, and the entry date for these countries is January 1<sup>st</sup>, 2007.

On the other hand, the rejection of the EU Constitution by the Netherlands and France, together with the EU's slow economic growth, have raised doubts regarding EU's capacity to

efficiently assimilate new, far poorer countries after 2007. As the movement of economic immigrants from Romania and Bulgaria toward economically developed countries such as the Germany, Italy, and France is expected to take place after the entry date it is feared that these economies will have a great difficulty to absorb the surplus of labor force. At this point someone has to remember that a similar movement of economic immigrants took place in recent years, after the countries of Poland and Czech Republic entered the EU. Additionally, the countries where these are coming from are expected to experience a “brain drain” of their skilled and specialist workforce, with critical implications for their economies.

#### Turkey's Accession Talks

Turkey first applied for associate membership in the European Economic Community (EEC) in 1959, and finally signed the “Ankara Agreement” on 12<sup>th</sup> of September, 1963. That agreement sought to integrate Turkey into a custom union with the EEC, while acknowledging the final goal of membership. In November 1970, a further protocol established a timetable for the abolition of tariffs and quotas on goods traded between Turkey and the EEC. From 1980 to 1983 the relations between EEC and Turkey because of a military coup followed by political and economic instability were almost frozen. In 1987, Turkey submitted its application for formal membership, but in December of 1989 EEC responded with a refusal to begin accession negotiation.

During the 1990s Turkey proceeded to a closer integration with the EU agreeing to a customs union in 1995. Furthermore, the Helsinki European Council of 1999 is considered a milestone as the EU recognized Turkey as a potential candidate. With the election of the Justice and Development Party (AKP) in the Turkish elections of 2002, a pro-European party defining

itself as Muslim Democrats -similar to Christian Democrats of Europe. Since then a number of reforms took place that led to increasing stability both politically and economically. The political reform program of Erdogan's administration included the abolition of the capital punishment, crackdown on torture, and more rights for Kurdish population.

In response to these initiatives the European Commission recommended that the negotiations should begin in 2005, but also added various precautionary measures. EU leaders agreed to start accession negotiations with Turkey on 3<sup>rd</sup> of October, 2005. Currently, accession talks have been dogged and according to latest internal EU report from June 2006, Turkey faces increasing nationalism, continuing religious and ethnic discrimination, cases of prosecution for pacific opinions has been recorded, and excessive military involvement in politics is observed.

#### In Favor of Turkey's Accession

An important argument is that Turkey has a very dynamic, rapidly modernizing economy. In 2004 and 2005, economic growth was above 7%, being far above average growth in the EU. In addition to that, Turkey has a young population, which combined with the huge size of the country and its growth rates constitutes a unique tool to counterbalance EU's ageing population. Additionally, population's magnitude has significant implications for the European products.

Many believe that Turkish membership could encourage the alignment of the country with the West, and a move toward a more stable economic growth and a real democratic government with no military intervention. In that case could provide a model for the rest countries of of Middle East.

Turkey's overwhelmingly Muslim population would offer considerable weight to EU multi-culturalism efforts and might help to prevent potential scenarios like a clash of

civilizations. At the same time, Turkey's young and well educated population may be a counterbalancing factor vis-à-vis the increasingly ageing population of EU.

### Against Turkey's Accession

Turkish government's refusal to open the ports and airports to Cypriot-Greek ships and planes (recognized by international community as Cyprus, which is a current EU member), complicates the negotiations and promises made between Turkey and EU, and seems to be one of the greatest obstacles, at least initially, to Turkey's accession to the EU. At this point a distinction should be made regarding the difference between Greek and Cypriot-Greek ships and planes as these two states are two different members of the European Union.

Turkey's accession represents a huge expansion for the EU due to its size and level of poverty, soon after similar initiatives took place in the recent years with the inclusion of new members. Many question whether the EU can support and absorb such a large and poor state, as Turkish economy has been known for unstable growth and sharp recessions despite some improvements during the recent years. Additionally, many member states worry of a potentially huge wave of Turkish immigrants that may be observed after country's accession.

With a population of almost 70 million citizens, the number of country's representatives will be equal to that of Germany, the second in magnitude in the European parliament. Furthermore, with the current rate of population growth some fear it might even surpass Germany by the time of accession, with significant changes for the make up of the European parliament.

Finally, Turkey is a traditionally Atlanticist and NATO country, with very close ties to the United States. Thus, US have been one of the strongest supporters of Turkey's accession.

Some EU countries like France as they seek ways to increase EU's political independence from the US, may consider Turkey's accession undesirable.

### Accession Criteria

The European Council in Helsinki (10 and 11 December 1999), welcomed the positive developments in Turkey as well as its intention to continue its reform towards complying with the Copenhagen criteria. During that summit the Commission's Regular Report, 35 "chapters" defined the following short- and medium-term priorities and intermediate objectives that Turkey should fulfill in order to get accession:

Free movement of goods, freedom of movement for workers, right of establishment and freedom to provide services, transport policy, social policy and employment, Customs Union, free movement of capital, financial services, taxation, economic and monetary policy, statistics, financial control, financial and budgetary provisions, public procurement, company law, intellectual property law, competition policy, enterprise and industrial policy, regional policy and coordination of structural instruments, judiciary and fundamental rights, justice, freedom and security, agriculture and rural development, food safety, veterinary and phytosanitary policy, fisheries, external relations, Foreign, Security and Defence Policy, environment, energy, information society and media, Trans-European networks, science and research, education and culture, consumer and health protection, institutions, other issues.

### Barrier Analysis, Stakes, and Zone of Possible Agreement

One of the main issues facing the elites in Europe as well as in Turkey and the ordinary people in the streets is whether the Turkish inclusion to the club would provide common benefits

to both parties; hence, whether there is a common ground for mutual benefits. The difficulty of making comparisons with regard to perceived benefits lies in the fact that while, for instance, European leaders describe the negotiation talks as the most significant state-building process in which a more stabilized and democratized Turkey can add value to the Europeans, Turkish side deeply believes that EU membership would mean a more prosper future for itself. Therefore, identifying clear, concrete and quantifiable gains is tremendously challenging. In the lack of defining tangible benefits, Turkish accession talks have been somewhat a victimized process of misinformation and disinformation, such as providing false information deliberately in the name of internal political gains. In general, as the public opinion has been remarkably influenced and the truth -as seen many times- has been obscured, the issue of whether a real Zone of Possible Agreement exists, narrowly or widely, or not has been solely left to subjective assessments.

Building on that argument, the complementary challenge is the lack of concrete criteria and benchmarks in assessing the whole process from the perspective of the involved parties. In order to demonstrate the tangible and intangible benefits in a more eloquent fashion, it might be useful to touch on the following: Possible Turkish accession -as confirmed even by the opponents- is a clear advantage to EU in terms of security and stability apart from the benefit of adding an economically bigger market to the Union.

Moreover, the ageing population throughout the continent has been and certainly will be a remarkable burden particularly on pension system as well as on the labor markets. Being a member to the EU for the Turks, on the other hand, carries enormous significance for its domestic economy, but particularly for lagged sectors such as agriculture which function with severe efficiency concerns. It would also mean a variety of opportunities for Turkish citizens and companies in international labor, goods and capital markets, based on the whole idea of

Europeanization -namely, free movement of labor, goods, services and capital. Some of the aforementioned points lay out the fact that whereas there have been a group of matters with concrete terms such as economic facts, many of the considerations imply subjective intuitions.

There are changing views on the commonalities or the perceived benefits for the participated parties. Certain political groups evaluate the Turkish accession from a pessimistic view, led by Christian Democrats throughout Europe as well as nationalist forces from marginal to major weight, contending that Turkey's inclusion would mean the end of the whole European idea and that Turkey should be anchored by all means in European institutions and political and economical system without being offered a full membership. According to this view, the Zone of Possible Agreement is nonexistent and the candidate country has a lot to get from the deal while the club has almost nothing to gain. These thinkers argue that the priority be given to the "deepening" of the Union and that there seems to be no net benefit for further enlargement, obviously addressing Turkish dilemma.

This group also contends that one of the challenges Turkey presents is that it would be one of the largest EU members and the largest in terms of population in the not-so-long future. Currently, Germany takes the lead in Europe with approximately 82.4 million in population while Turkey is close to 73 million. However, according to the estimates, by the year of 2015, Turkey's growing population and Germany's shrinking one will converge to one another. It is not an issue of question that Turkey's size will give it a significant role in EU decision-making bodies, where representation proportional to population is a frequent practice. It can be inferred that Turkey will most probably have more representatives in the European Parliament than any other member should the membership be materialized within the next decade. Abramowitz and

Burt (2004) point out that Turkey can be much more influential “if population size plays a larger role in the Council of Ministers decision-making.”

On the other side, proponents of Turkish accession, mainly formed by Social Democrats and the supporters of a “widening” Europe, counter fire that both sides have considerable advantages in reaching a well-designed deal in that Europeans can gain a significant level of security thanks to a large population which is predominantly Muslim with the belief that the conflicts coming from the neighboring countries could be handled with greater care once a member country with Muslim population would start to take care, manage or shape the conflict(s). They argue that a stabilized Turkey will bring enormous advantages to the continent as well as to the Middle East, especially in the aftermath of September 11 attacks, by helping the EU building a bridge to that region and acting as an example of positive reform.

The Turkish view, on the other hand, has been that, economically, Turkey will be able to contribute in significant figures to the EU’s economic power on the global arena. The special report of Turkish Industry and Business Association Representation to the EU argues that “with a steadily increasing GNP level (460 billion euros -PPP), a young, dynamic and entrepreneurial population, an export oriented economy and rapidly developing information society, Turkey’s accession will increase the size and competitiveness of the European internal market.” Similarly, Turkey offers high potentials for European companies in development projects with its services sector constituting 65% of its GDP and a public procurement market of over 30 billion euros.

From the stand point of geopolitical gains and global politics, the volatile circumstances in the Middle East make Turkey even more strategic and it is now more crucial than ever to bring Turkey inside the Union, where it can persist its current democratic and stable path. Turkish side argues that its “geographical position, relations with the neighboring countries and connection to

the Islamic world, Russia and the Central Asia will endow the EU with greater saying in the international arena.” (TUSIAD Representation to the EU) Finally, as a loyal NATO ally, Turkey’s membership will be a tremendous added value for EU’s Common Foreign and Security Policy. According to the Turkish policy makers, an EU with Turkey will be stronger and more efficient in tackling political problems and crises, mainly in failed states and undemocratic regimes, apart from dealing with terrorism, illegal immigration and trafficking in drugs, arms, and human beings. It could also help to bring sustainable stability to the Balkans, where a significant Ottoman history still plays a great deal of importance among the conflicting parties.

Framework and Roles (Confidential for each party).

**1. The European Union:** The two involved roles are these of the Presidents of EU Council and EU Commission. The EU side should be prepared for a possible scenario that Turkey asks for a private conversation between its representatives and the President of EU Commission.

**European Council:** You are the head of a member state/government which holds the term presidency of the council of the EU. Your country is known as one of the driving forces of EU since its foundation. Keeping the unity of the Union has always been critical for your country as this nation played a significant role for the last 50 years of Europeanism. At the same time, you want to get along well with the United States, which feels that it does not have to refrain itself from the “Turkish decision” as it firmly believes that even if this decision is a European one with its domestic appearance in the first look, anchoring such a major regional power in the West has been geopolitically important.

Your country has a major Turkish and Muslim population which constituted a major role in rebuilding the economy after the Second World War and closely follows the relations between

Brussels and Ankara. Some of these people, mainly the well-educated second and third generation, have successfully become interconnected with the society and the increasing number of self-employed citizens with Turkish origin provides economically added value and employment. Some others, on the other hand, are insistent on continuing their daily lives based on the norms and habits which are not similar with your non-Turkish citizens. Indeed, such preferences are perceived somewhat disturbing by the society and the integration of Turkish people with “others” is being questioned increasingly. In any event, you are well aware of the growing political clout of citizens of Turkish origin, which is a clear sign that they form a serious political constituency, but at the same time you know that the citizens of your country are reluctant regarding the perspective of Turkey’s accession.

Additionally, your consultants have the statistical figures that in the not-so-distant future, even more immigrant workers will be needed in order to maintain the pension system as well as the manufacturing and service sectors. There are also other EU member states which face ageing population -and therefore need immigrant workers- and challenges of integration of these newcomers.

**European Commission:** You play the role of the President of the European Commission. You were a prime minister of a relatively small nation of EU in your previous post and you only felt that you had been accountable vis-à-vis your domestic constituencies. Your experience of European institutions, straightforward attitude and diplomatic skills carried you to a new role: Instead of facing nearly 40 million people’s daily criticisms on daily decisions, you are now held accountable against 450 million people of the EU. Your words used to appear in your country’s national newspapers, but now your pictures and statements have become a standard part of mainstream media across Europe as well as United States.

Your most critical task has been enlargement and particularly Turkey. Whereas your personal motives and world view have some amount of influence on your new task, the Turkish decision will be mainly contingent on a limited number of economic powerhouses of the club. The dilemma is that, on a regular basis, you face changing and conflicting demands from the European leaders as each and every one of them is having their own agenda, political constituencies, and maneuvers.

Moreover, while the Commission is the executive body of the Union and dedicated to its straightforward enlargement mechanism which is shaped by predetermined rules and principles, the final decision will be made by the leaders in European Council. As the European electorates frequently change the political climate within the Union with their preferences in the elections, each time you may have to face different leaders with different political missions. Moreover, the facts that you and the commissioners are appointed and the Commission's legitimacy is criticized by the elected individuals, mainly by the members of the European Parliament, make you even more cautious in being more responsive to the calls and demands of the politicians.

Having said all, the overall interest of the Commission lies in a stronger Europe with a democratic, stable and self-confident Turkey in it. This belief drives your initiatives, and helps you dealing with the difficulties imposed by those EU leaders who are not in favor of Turkey's accession. This is a very critical element for the dynamics created "Behind the Table" as you know that at the table of negotiation you have to be aligned with the EU direction as expressed by the EU Council.

**2. The Turkish side:** Turkish Prime Minister and Chief Negotiator of Turkey.

**You are the Turkish Prime Minister.** You know that, for many years, Turkish willingness of belonging to the European family was no more than rhetoric. Your country has

had three military coups in the last 45 years, has shown a major example of economic instability, and did not even demonstrate the tiniest intention of bringing in the essential judicial, democratic and economic standards until the mid-1990s despite the repeated calls from former European leaders.

Nevertheless, things have changed dramatically starting from the second half of the 1990s. There had been numerous amendments in Turkish constitution and several laws in an effort of adaptation of legislation to European laws and principles, *acquis*. Economic developments and recent performance are envied even by the rich states given that in 2004 and 2005 growth was above 7%, being far above average growth in the EU. You know that the current GDP per capita is still lower than all of the other new EU-countries; however, the current economic growth rate suggests that in a few years, Turkey can overtake several of these states. In fact, Turkey already complied with a number of strict economic requirements, the so-called Maastricht criteria, such as reducing the public debt below the threshold of 60 percent -which is above 100 percent in some member countries- and the budget deficit under the threshold of three percent -which is hard to attain even for economic powerhouses such as Germany and France who is currently violating this critical criterion.

The Commission, in its progress report before the negotiation talks started in 2006, clearly mentioned that your country fulfilled the so-called Copenhagen criteria, which aims at the stability of institutions guaranteeing democracy, the rule of law, human rights, the protection of minorities, and the existence of a functioning market economy. However, right after your country overcomes a barrier comes another demand, no matter it is a fair one or it appears in membership requirements: One day it is Cyprus, next day Armenian issue, and so on and so on. You feel you are like Sisyphus in Greek mythology, who was compelled to roll a huge rock up a

steep hill, but before he reached the top of the hill the rock always escaped him and he had to begin again. This is mainly why the public support in Turkey decreased significantly, by more than 40 percent to as low as 32 percent. Now that you are facing more than two dozen member states along with the Commission with changing demands on a regular basis, you do not have the majority of your people behind you either in your country's journey for becoming a full member to EU. Regarding this point you are wondering where your power to say "YES" to whatever EU requires stems from if not from your people. And what the implications of that situation could be for the advancement of your political career? The overwhelming question you (and millions of Turks) are asking is "when are we going to be sufficiently good for them?"

**The Chief Negotiator of Turkish side.**

The negotiations with many ups and downs with the European Union are headed by the Minister of State and Chief Negotiator A new and young face in Turkish politics, you are a remarkably brilliant person; a valedictorian of your nationally known high school, a first-rank student among 1721 students graduating from the competitive Middle East Technical University in Ankara and a graduate of Kellogg School with Fulbright Scholarship. You were a founding member and board member of the Justice and Development Party (AKP) before the general elections in November 2002, when you were elected as an MP and appointed as the Minister of State in charge of Economy at the age of 35. You became the Chief Negotiator of Turkey for European Union affairs in June 2005. Your selection was based not only on your professional capacity, but also on your thorough consideration regarding the long term benefits Turkey has to realize from the EU membership.

Your main task is to channel and shoulder the internal coordination of the preparations as well as the harmonization work which would be carried out by the Turkish public organizations

and agencies within the framework of efforts to prepare Turkey for full membership to the EU. This is no easy business. You do not have a particular background in international relations or foreign affairs; besides, you have been charged of carrying two hats, as criticized mainly by Turkish business elites. While you have to take care of Turkish economy for a soft land after 2001 crisis which hit the country severely, you now should spare a significant part of your time for the volatile EU-Turkey negotiations. Needless to say, you do not represent a full authority as the negotiation process, overall, is a government task, but you enjoy the total support of your Prime Minister.

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Tables with Point System (confidential for each party)

**EU side point system**

EU	YEARS							
	2014	2015	2016	2017	2018	2019	2020	2021
<b>Group 1 chapters</b>	8	16	32	48	96	120	144	168
<b>Group 2 chapters</b>	4	8	16	24	36	48	60	72
<b>Group 3 chapters</b>	3	6	12	18	27	36	45	54
<b>Group 4 chapters</b>	2	4	8	12	18	24	30	36
<b>Group 5 chapters</b>	5	10	15	20	40	60	80	150
<b>Group 6 chapters</b>	90	75	60	45	30	20	10	5
<b>Group 7 chapters</b>	10	20	40	60	90	120	160	200

(New budget year starts at 2021 for agriculture)

(New budget year starts at 2021 for environment)

**Group-1:** Free movement of goods, freedom of movement for workers, right of establishment and freedom to provide services, transport policy, social policy and employment, Customs Union.

**Group-2:** Free movement of capital, financial services, taxation, economic and monetary policy, statistics, financial control, financial and budgetary provisions.

**Group-3:** Public procurement, company law, intellectual property law, competition policy, enterprise and industrial policy, regional policy and coordination of structural instruments, judiciary and fundamental rights, justice, freedom and security.

**Group-4:** Information society and media, Trans-European networks, science and research, education and culture, consumer and health protection, institutions, other issues.

**Group-5:** Agriculture and rural development, food safety, veterinary policy, and fisheries.

**Group-6:** External relations, Foreign, Security and Defense Policy

**Group-7:** Environment, energy.

You should be aware that your BATNA is 500 points. You can have any combination of Group chapters and years, but you should remember that the accession will be realized once the final Group of chapters is completed.

## Turkish side point system

TURKEY	YEARS							
	2014	2015	2016	2017	2018	2019	2020	2021
<b>Group 1 chapters</b>	144	120	96	72	48	32	16	8
<b>Group 2 chapters</b>	72	60	48	36	24	16	8	4
<b>Group 3 chapters</b>	54	45	36	27	18	12	6	3
<b>Group 4 chapters</b>	36	30	24	18	12	8	4	2
<b>Group 5 chapters</b>	180	150	120	90	60	40	20	10
<b>Group 6 chapters</b>	40	35	30	25	20	15	10	5
<b>Group 7 chapters</b>	162	135	108	81	54	36	18	9

**Group-1:** Free movement of goods, freedom of movement for workers, right of establishment and freedom to provide services, transport policy, social policy and employment, Customs Union.

**Group-2:** Free movement of capital, financial services, taxation, economic and monetary policy, statistics, financial control, financial and budgetary provisions.

**Group-3:** Public procurement, company law, intellectual property law, competition policy, enterprise and industrial policy, regional policy and coordination of structural instruments, judiciary and fundamental rights, justice, freedom and security.

**Group-4:** Information society and media, Trans-European networks, science and research, education and culture, consumer and health protection, institutions, other issues.

**Group-5:** Agriculture and rural development, food safety, veterinary policy, and fisheries.

**Group-6:** External relations, Foreign, Security and Defense Policy

**Group-7:** Environment, energy.

You should be aware that your BATNA is 100 points. You can have any combination of Group chapters and years, but you should remember that the accession will be realized once the final Group of chapters is completed.

## Teaching Notes

The “EU – Turkey Accession Talks” is two-party (two members on each side) multi-issue negotiation exercise. The involved parties are required to deal with one of the most controversial current issues for the EU. Although, the stakes are political in their nature and thus qualitative, the authors designed to invent a point system, in order to help the two parties to obtain a more concrete idea of the whole issue.

### **1. Where are the joint gains?**

The challenge for the involved parties is to explore where the joint gains lie for and try to reach a mutually beneficial agreement. The answer to “where” has to do not only with a mix and specific combination of different issues, but also creates interdependency between the potential agreement and the element of time. Although both parties know that there are critical benefits they can take advantage of, time has significant implications on the realization of those benefits. For example, as Turkey is neighboring with Iraq, the outcome of the Iraqi operation which currently is under development, is expected to have an indirect impact on the accession process as it affects the interests of many countries inside and outside the EU (particularly United Kingdom and the United States are the most important of these countries).

### **2. What’s the underlying structure of this negotiation?**

There is a long history behind this negotiation. Turkey has tried for so many years to get full membership, unsuccessfully up to now. From the Turkish perspective, every time a goal was accomplished, a new one emerged at its place. Thus, new obstacles in the accession road will make Turkey more suspicious regarding the sincere intentions of the EU leaders. Therefore, in the instructions, especially in the confidential section for the Turkish side, we tried to create a sense of “Getting Past No” situation.

The negotiation process, despite the fact that Turkish membership is expected to provide an impetus for a win-win outcome, has a narrow Zone of Possible Agreement. Therefore, the exercise is anticipated to cause tense moments and parties need to have a psychological stamina in order to avoid a possible walk away.

The structure of the negotiation is designed as an interesting mixture of two-party multi-issue exercise. Whereas there seems to be merely two parties in the negotiation, namely European Union and Turkey, the structure engages more than two parties with identical targets. Turkey will simply be represented by the Prime Minister and the Chief Negotiator, and with this structure, is thought as one tight party with a clear mission. European Union, on the other hand, is formed by two European policy-makers, one of which is an elected head of state and the other one is an appointed one who is accountable to the former. The latter can be considered somewhat like an agent, as s/he is head of an executive body, but *not a decision-making one*, and is responsible of gathering information about the candidate countries prior the accession as well as scrutinizing the democratic, economic, and institutional performance of them. Ultimately, the politically accountable party will be the European Council, which is headed by a term president, who is one of the parties of this negotiation exercise.

**3. What are the most significant barriers that prevent involved parties from realizing joint gains?**

This negotiation is a “power game”, a mix of “claiming power” in the short-term and “creating more power” in the long run. Many countries not present at the table of negotiations have interests in the broader area (mainly the Caucasus and Middle East) that are going to be affected by the outcome of this negotiation, in different time spans. Therefore, they have strong incentives to influence “by all means” the outcome of this process. For the economic pillars of

the EU, Turkey represents a huge market with remarkable long-term implications for their businesses and products. Do the EU leaders have the “Power to Say NO” to Turkey’s accession?

On the other hand, once membership is granted, Turkish side has the right to claim a critical representation in the European Parliament based on the magnitude of its population. This will enhance Turkey’s capacity to exert a significant role in the determination of the EU policy. Having said that, it seems that EU prefers to drag its pace regarding the accession procedures, while Turkey knows that the sooner it realizes the associated economic and democratic membership benefits, the better for the development of the country. Nevertheless, it should be kept in mind that Turkish side - mainly the prime minister - is squeezed between Turkish national interests, particularly on the toxic Cyprus issue, and the abovementioned benefits. At this point is raised the challenging question for the player performing the role of Prime Minister: Does the player believe that he has the “Power to Say YES” to what the other side (EU) is expecting to hear?

#### **4. How the element of “power” is distributed between the two sides?**

Javier Solana, High Representative for the Common Foreign and Security Policy of the European Union, describes the accession process and negotiation talks as one of the biggest state-building achievements. Building on that, the whole idea is based on “carrot and stick” policy, and incentives as well as threats and bluffs synchronously occur during the tense talks. From the stand point of capacity-building, the major part of the power stands on the side of the Europeans given the fact that it is the candidate country which ought to comply with the rules of the club. Nevertheless, size and strategic importance matter a great deal. There should not be any hesitation that, for example, Luxembourg and Germany carry significantly dissimilar weights for European Union. Similarly, candidate countries, too, are distinctive in many ways;

from population to market size, from military power to geopolitical weight. Hence, Turkey also holds a major bargaining power during the negotiations as it is more than aware that transatlantic policy is based on anchoring Turkey in the Western institutions with most possible powerful ties.

## **5. Origins, intentions, and goals**

The origin of the negotiation was that two members of the group are Greek and Turkish. The idea has been brought up by the Turkish member of the group and instantly supported by his Greek group member. Subsequently, the other two members were also convinced that preparing such an interesting case can add value to themselves as well as to the Kennedy School, if it would be selected by the professor in future negotiation exercises. The intentions and goals can be summarized as follows:

a. Cultural differences: The members of the group presume that many well educated alumni of the school will encounter complex and conflicting negotiations in the future and one of the most challenging parameters will be the role of culture. Europeans and Turks have worked and cooperated in various settings in the past and still continue to do so today. Yet, the issue of culture -which has a certain religious dimension- plays a significant role in shaping the negotiations. Apparently, one of the powerhouses of the political course throughout the continent, Christian Democrats, regularly emphasize the importance of differences between the European and Turkish culture despite the fact that entrance criteria are far away from the cultural complexities. The group wanted to bring the culture to a negotiation table in order to encourage others to rethink about its vitality, which is occasionally taken for granted by the well-educated individuals.

b. The second motive of the group in selecting this topic was to deal with a real political issue which could be faced by current and future KSG alumni, rather than an artificial scenario.

There have been numerous KSG students coming from the countries that are selected as the parties of this negotiation. The selection of this exercise is hoped to provide future students a realistic model so that, as potential policy makers, they can find a chance to experience a simulation based on facts and real motivations.

c. Finally, the group aimed to quantify a political situation which has many quantifiable and no quantifiable parameters. Whereas business people around the continent as well as in Turkey mostly perceive the economic outcomes of the negotiation as a leading issue, many NGOs and non-profit institutions see the democratic and institutional procedures as bigger matters, and it is the ordinary people in the streets who care about both of them. The political, bureaucratic and business elites as well as the social thinkers come up with various arguments in justifying the pros and cons of Turkish membership; however, needless to say, very few touch upon the tangible dimensions. That is why the group felt that quantifying this complexity can draw concrete borders for the future negotiators.

## **6. Possible resolutions**

Someone could conclude that although this negotiation exercise is very complicated, a potential agreement has its own chance. The point tables for the involved parties are constructed in a way that the derived ZOPA is very narrow but still possible. The element of "Time" seems to follow opposite directions for the various bundles of issues (all Groups but 6), while the differences depend on the importance each package has for the respective side. The implementation of the specific point system structure makes agreement impossible to take place during the early years of the period.

One typical agreement could be:

For EU

Criteria 1,2,3,4,5,7: Year 2020 (total points 519) +

Criteria 6: Year 2014 (90 points) or 2015 (75 points) or 2016 (60 points)

For Turkey

Criteria 1,2,3,4,5,7: Year 2020 (total points 72) +

Criteria 6: Year 2014 (40 points) or 2015 (35 points) or 2016 (30 points)

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