

**THE SOCIAL SECURITY OF THE TURKISH
WORKERS IN EUROPE WITHIN THE FRAMEWORK OF
THE ASSOCIATION AGREEMENT**

Prof. Dr. Tankut CENTEL

Istanbul University
Turkey

CHAPTER I. INTRODUCTION

Turkey's exclusion from Agenda 2000 and the decisions taken by the Member States of the European Union following the Luxembourg Summit have caused a critical situation. The application for full membership submitted on 4 April 1987 and the entry into force of the Customs Union after 1 January 1996 increased Turkey's hope and expectations for full membership. The aftermath of the Luxembourg summit caused massive despair in Turkey.

Nevertheless, this situation will not result in ignoring the social security rights of Turkish workers residing in the Member States of the European Union, arising from the Association Agreement. Within the framework of the Ankara Agreement, signed by Turkey with the then European Economic Community (EEC) in 1964, the Annex Protocol it adopted in 1970, and Decision 3/80 of the Association Council, the coordination of social security rights of Turkish nationals residing in the European Union and European social security law should have been achieved. With this perspective in mind, I will attempt to explain the grounds and the development of the Association Agreement and the provisions of Decision No 3/80 of the Association Council. The validity and the direct effect of the provisions of the decisions of the Association Council and the related rulings of the European Court of Justice will not be dealt with here in accordance with the settlement reached with Dr. Andreas Hänlein.

CHAPTER II. EU - TURKEY ASSOCIATION

I. The legal basis

The legal basis of the association between Turkey and the EU is Article 238 of the EC Treaty. Pursuant to that provision, the Community is entitled to conclude agreements establishing associations with a third country, union of countries or international organizations. Agreements which establish such associations must, in accordance with the same provision, be approved by the European Parliament.

The first paragraph of Article 238 of the EC Treaty states that the significance of the association structure in the EC is that "mutual rights and obligations, common actions and special procedures" are envisaged. Accordingly, the association agreements concluded with the EEC are agreements which regulate the relation-

ships bearing the abovementioned criteria between the EEC and the third countries or international organizations.¹

The first striking feature of the association agreements is that absolute equality of the international third parties and the Community is envisaged and that they are bilateral agreements. For that reason, the conclusion of association agreements does not imply accession to the EEC or integration. On the other hand, the associate country does not lose its sovereignty rights and the association refers to a relation between two international legal entities with equal rights without prejudice to probable economic inequalities.² Accordingly, the decisions of the association council are required to be taken by unanimous vote.

A second feature of the association agreements is that the said agreements establish organs which enable sustainability of the relations between the parties; however, since the council and the commissions of the associations do not have an independent will, the association does not have international legal personality and thus may not form an international organization.³

II. The type of Association

There are four types of association within the framework of the EEC Agreement. Firstly, the type of association that Member States establish with overseas territories. This type of association, referred to in Article 131 et seq. of the EEC Agreement is called a "constitutional association". The second type of association is the "free trade association" and comprises the establishment of a free trade zone or a customs union. The third type of association, "development association", is formed in order to facilitate the development of countries with weak economies; in the past, such agreements have been concluded with North African countries such as Morocco. The aim of the last type of association, the "participation association", is to enter the EU. The associations established by Greece in 1961 and by Cyprus in 1972, can be cited as typical examples of such associations.⁴

¹ PAZARCI, *Uluslararası Hukuk Açısından Avrupa Ekonomik Topluluğu'nun Yaptığı Anlaşmalar* (The Agreements Concluded by the EEC From an International Law Perspective), Ankara, 1978, p. 67.

² ÖNEN, "Die arbeits- und sozialrechtlichen Verhältnisse der türkischen Arbeitnehmer in Deutschland" (The working and social conditions of the Turkish worker in Germany), Freiburg i. Br. 1980, p. 112.

³ See PAZARCI, *Uluslararası Hukuk Açısından Avrupa Ekonomik Topluluğu'nun Yaptığı Anlaşmalar* (The Agreements Concluded by the EEC From an International Law Perspective), Ankara, 1978, p. 68.

⁴ See RUMPF, "Die Zollunion EU-Türkei", *RJW* 1997/1, p. 46.

The association established with Turkey can be said to be a participation association because the final goal of the agreement is the entry of Turkey to the EC (EU). Nevertheless, in spite of this fact, there are not any relations between the EU and Turkey based on membership. For this reason, the Association Council established by the Association Agreement is not an organ of the EC.⁵ The association relationship in this case should be perceived as a preliminary phase of Turkey's membership to the EU. This is reflected in Article 28 of the Association Agreement which states that the parties will evaluate the probability of accession of Turkey to the Community when the functioning of the association agreement displays that Turkey may undertake the commitments arising from the EEC Agreement.

CHAPTER III. EC-TURKEY ASSOCIATION AGREEMENT

I. Formation

A. THE POINT OF VIEW TOWARDS THE WEST

The entry of Turkey into a partnership with the European Community is encouraged with a Western understanding formed by the founder of modern Turkey, Atatürk. Atatürk, the founder of the modern Republic of Turkey, envisaged that his country should orientate towards the West, i.e. Europe, in order to achieve a modern structured society. Atatürk, who fought with Western countries during his military career, contemplated that Turkey might one day be crushed under European civilization if it did not join this civilization. In Turkey, the West and Europe have been perceived as the goal of civilized Turkey under a unique symbol since the foundation of the Republic.

B. APPLICATION FOR MEMBERSHIP TO THE EEC

The cabinet of Prime Minister Menderes has applied to the Community in order to become "associate member" on 31 July 1959, 19 months after the Treaty of Rome took effect. It may not be stated that the relationship with Greece had no effect with regard to this application because Turkey is the second country which applied to the Community to become an "associate member" after the application submitted by Greece on 15 May 1959. Most probably, the principle "not to leave Greece alone" which dominated that period was the underlying reason for making

⁵ RUMPF, "Die Zollunion EU-Türkei", *R/W* 1997/1, p. 46.

this application. The statement of Mr Zorlu; the Foreign Minister of the time, "Even if Greece jumps into an empty pond, you should also jump in order not to leave her alone" helps to reveal the motives lying behind Turkey's application.⁶

During the negotiations following the application, Turkey continuously stressed that the relation of partnership should be established on customs cooperation and that the final goal was full membership of the Community. The Community also accepted the concept of perceiving its integration with Turkey in the form of a customs union. After the partnership negotiations commenced with Greece on 1 March 1960, it was agreed on 21 April 1960 that the applications of Turkey and Greece should be dealt with simultaneously. However, Turkey's departure from democracy following the military coup of 27 May 1960 obstructed the development of the partnership process. The halted negotiations resumed on 14 October 1960.

C. THE SIGNING OF THE ASSOCIATION AGREEMENT

After application negotiations continued over three periods, the agreement establishing a partnership between Turkey and the EC was signed on 12 September 1963. This agreement which was signed pursuant to Article 238 of the Treaty of Rome, envisaged a partnership based on a customs union in three phases.

Prime Minister İnönü who signed the association agreement stated he was reassured that Turkey had achieved crucial progress in the path of Westernization pursuant to the policies of Atatürk with this agreement. The Community has agreed to execute a financial assistance worth of 175 million ECU to Turkey together with the Association Agreement.

II. Content

The EC-Turkey Association Agreement which makes Turkey "an associate member" of the EEC and which is based on a customs union between the parties and which aims to achieve full membership of Turkey in the future, was initialled in Brussels on 25 June 1963, and signed on 12 September 1963, in Ankara. The Association Agreement or the "Agreement establishing an Association between Turkey and the EEC" is also referred to as the "Ankara Agreement" since its signature in Ankara. The Association Agreement whose ratification was

⁶ KARLUK, *Avrupa Birliği ve Türkiye* (The European Union and Turkey), Istanbul, 1996, p. 392.

subsequently approved by the Turkish Grand National Assembly with a law dated 4 February 1964, entered into force on 1 December 1964 with a decree dated 20 November 1964.

A number of economically underdeveloped countries objected to the Ankara Agreement claiming that the privileges granted to Turkey by the EC will adversely influence their exports to the EC. Likewise, the United Kingdom has also claimed that an agreement where customs union is mentioned without any plans or programmes will harm her interests. On the other hand, the USA has also declared that it does not favour agreements which grant such privileges and which do not have a definite programme.⁷

The aim of the Association Agreement is to promote the continuous and balanced strengthening of trade and economic relations between the parties, while taking full account of the need to ensure an accelerated development of the Turkish economy and to improve the level of employment and living conditions of the Turkish people. In order to attain the objectives set out above, a customs union shall be progressively established (Article 2).

The Association Agreement divides the development of the association into three stages and envisages that the association has a preparatory, a transitional and a final stage. In accordance with these provisions, the parties have undertaken to enter a five year preparatory stage. During the preparatory phase, Turkey shall, with aid from the Community, strengthen its economy so as to enable it to fulfil the obligations which will devolve upon it during the transitional and final stages. The rules for payment are set out in the Provisional Protocol and in the Financial Protocol annexed to the Association Agreement (Article 3).

During the transitional stage, which should last more than twelve years, and was supposed to have been completed by the beginning of 1981, the parties shall establish progressively the establishment of a customs union between the Community and Turkey and align the economic policies of Turkey and the Community more closely in order to ensure the proper functioning of the Association (Article 4).

Lastly, the final stage is based on the customs union and shall entail closer coordination of the economic policies of the parties (Article 5).

⁷ See KARLUK, *Avrupa Birliği ve Türkiye* (The European Union and Turkey), Istanbul, 1996, p. 405

Another important principle laid down in the Association Agreement is the abolition of all kinds of discrimination based on nationality (Article 9).

The Association Agreement refers in its third chapter to the other provisions of an economic nature, to different provisions of the EEC Agreement on the free movement of workers, goods and services, but does not refer to Article 51 of the EEC Agreement on social security in spite of the fact that this article encompasses a system where the periods of employment are juxtaposed and the remuneration of people residing within Member States is achieved with regard to immigrant workers and dependants in the field of social security.

CHAPTER IV. THE ADDITIONAL PROTOCOL

I. The Legal Basis

The first article of the Transitory Protocol annexed to the EC-Turkey Association Agreement stipulates that the Association Council will evaluate whether the conditions of realization, procedure, order and the duration of the transitional stage may be determined with an annexed protocol. Pursuant to that provision, "The Additional Protocol and the Annexes" was signed on 23 November 1970 in Brussels and entered into force on 1 January 1973. Accordingly, the Additional Protocol clarified the ambiguous provisions of the Association Agreement. The Additional Protocol forms a substantial basis of the EU-Turkey Partnership due to the fact that it deals in detail with the provisions of the Association Agreement which are not clear.

II. Scope

Title II of the Additional Protocol deals with the free movement of persons and services. Article 39 of Title II is directly related to social security. The said provision envisages that the Association Council shall adopt social security measures for workers of Turkish nationality moving within the Community and for their families residing in the Community before the end of the first year after the entry into force of the Additional Protocol.

The abovementioned provisions will enable workers of Turkish nationality, in accordance with arrangements to be laid down, to aggregate periods of insurance

or employment completed in individual Member States in respect of old-age pensions, death benefits and invalidity pensions, and also as regards the provision of health services for workers and their families residing in the Community; however, these measures shall create no obligation on Member States to take into account periods completed in Turkey.

Moreover, the abovementioned provisions, must ensure that family allowances are paid if a worker's family resides in the Community.

Other than that, it must be possible to transfer to Turkey old-age pensions, death benefits and invalidity pensions obtained by the workers and their families.

Finally, all these provisions will not alter the rights and obligations arising from bilateral agreements between Turkey and Member States of the Community, in so far as these agreements provide more favourable arrangements for Turkish nationals. There are conventions on social security concluded between Turkey and the United Kingdom (1959), Germany (1964), Belgium (1966), the Netherlands (1966), Austria (1966), France (1972), Denmark (1976), Sweden (1978) and Norway (1978) on these matters.

CHAPTER V. DECISION NO 3/80 OF THE ASSOCIATION COUNCIL

I. The nature and the decisions of the Association Council

Before the determination of the scope of Decision No 3/80 of the Association Council, it is useful to examine the Association Council established pursuant to the EC-Turkey Association Agreement because the effect of the right and authority granted to the Association Council forms the basis of the problems arising with regard to the direct applicability of Decision No 3/80 the Association Council.

The Association Council convenes "at least every six months at the level of Ministers" pursuant to Article 1 of Decision 1/64. The place of the meeting is Brussels. As a general rule, the meetings of the Council are not open to public (Article 4). After every meeting, the outcome of the negotiations are summarized and the adopted decisions are stated (Article 8).

The Association Council may set up committees to assist in the performance of its tasks pursuant to Article 24 of the Association Agreement. The duty of the abovementioned committees is to carry out consultative activities for the Council and to ensure the continuing cooperation necessary for the proper functioning of the Association Agreement.

A. THE DECISION TAKING AUTHORITY OF THE ASSOCIATION COUNCIL

Article 22 of the EC-Turkey Association Agreement provides that the Council of Association shall have the power to take decisions in the cases provided for therein. Each of the parties shall take the measures necessary to implement the decisions taken. The Council of Association may also make appropriate recommendations (Article 22 (1)).

On the other hand, the Association Council has to periodically review the functioning of the Association in the light of the objectives of this Agreement. Thus, the Council takes new decisions relating to the development process of the association relation. The provisions of the agreement which are of a programme nature are clarified in detail with the decisions taken unanimously by the Council and possible lacunae within the provisions are complemented with the decisions of the Council. However, during the preparatory stage such reviews have to be limited to an exchange of views. Once the transitional stage has been embarked on, (starting from 1970), the Council of Association has to adopt appropriate decisions (Article 22 (2) and (3) where, in the course of implementation of the Association arrangements, attainment of an objective of the Agreement "calls for joint action by the Contracting Parties by the requisite powers are not granted in this Agreement". From the point of view of the Council, this situation means the expansion and completion of its decision making authority. In practice, the Council has the opportunity to cover the lacunae in authority without having to wait for the long legislative procedure of the national parliaments.⁸

B. THE ARBITRATION FUNCTION OF THE ASSOCIATION COUNCIL

Each of the parties may bring any disputes on the implementation and the interpretation of the Association Agreement relating to Turkey or the Community or any Member State of the Community before the Association Council. The Association Council may solve the dispute by either taking a decision or may decide take the dispute to the Court of Justice of the European Communities or any other court or tribunal (Article 25 (1) and (2)).

⁸ GÖMRÖKÇÜ, "Rechts (un)sicherheit in Europa?" (Rights (in)security in Europe?), Bochum, 1994, p. 44.

II. The content of Decision No 3/80 of the Association Council

Decision No 3/80 of the Association Council is a not a very well known decision. Decision No 1/80 of the Association Council is a more popular decision compared to Decision No 3/80. The underlying reason is that Decision No 1/80 deals with the working permits of Turkish workers and their families for the regular labour market of the Member States of the EC, i.e. "the smaller free movement".⁹ On the other hand, the fact that the Commission's recommendation of 8.2.1983 pertaining to the preparation of an EEC Regulation on the implementation of this decision was not acted upon caused the setting aside of that decision for more than ten years. Renewed interest in Decision No 3/80 came about only after the judgements of the EC Court of Justice on Decision No 1/80.¹⁰

Until now, Decision No 1/80 gained considerable popularity since it focused continuously on the free movement of Turkish workers by both parties. However, from the viewpoint of European social security law, the main point of reference is Decision No 3/80. This Decision, which is dated 19 September 1980, is concerned with the application of the social security systems of the Member States to the European Communities to Turkish workers and their families and is taken pursuant to Article 39 of the Additional Protocol.

A. THE RULES OF IMPLEMENTATION OF THE DECISION

1. The rule of equal treatment

Decision No 3/80 envisages, unless it is agreed otherwise, that the persons residing in the territory of one of the Member States to whom this Decision applies shall be subject to the same obligations and enjoy the same benefits under the legislation of any Member State as the nationals of that State. This principle also applies to the right to elect members of the organs of social security institutions or to participate in their nomination, but shall not affect the legislative provisions of any Member State relating to eligibility or methods of nomination of persons concerned to those organs (Article 3).

It is not clear whether the principle of equal treatment mentioned in the decision will only be applied in cases where the immigration of Turkish workers within the

⁹ For the concepts of "smaller/greater free movement", see RUMPF, "Freizügigkeit der Arbeitnehmer und Assoziation EG-Türkei" (Free movement of workers and the EC-Turkey Association), *RfW* 1993/3, p. 215.

¹⁰ See SCHULER, "EuroAS-Stichwort: Assoziationsratsbeschluss EWG-Türkei Nr. 3/80", *EuroAS* 1995/10, p. 167.

Community is at issue or whether it is also a principle of equality valid for Turks in the sphere of the social security system of the state which is being resided at.¹¹

2. Personal Application of the Decision

Decision No 3/80 will be applied to workers who are or have been subject to the legislation of one or more Member States and who are Turkish nationals, to the members of their family resident in the territory of one of the Member States, and to the survivors of these workers (Article 2). The family members and relatives who do not reside within a Member State are not subject to the provision of the decision.

3. The scope of application

Decision No 3/80 is applicable to all legislation concerning the following branches of social security: sickness and maternity benefits; invalidity benefits; old-age benefits; benefits in respect of accidents at work and occupational diseases; death grants; unemployment benefits; family benefits. These are regulations adopted in parallel with Article 4 of Regulation (EEC) No 1408/71. Thus, special benefits which are not subject to the premium adopted later with the amendment of the abovementioned Regulation do not fall within the scope of the Decision. Furthermore, the Decision shall not apply to social and medical assistance or benefit schemes for victims of war and its consequences (Article 4 (1) and (4)).¹²

Unemployment and family benefits which are considered benefits for which protection is granted have not yet been adopted in Turkey; however, this situation does not bear any significance with regard to Decision No 3/80 because the relevant Decision regulates only the situation in the Member States of the EC, i.e. "the smaller free movement" and it does not purport to regulate the free movement of workers between the EC and Turkey.

4. Priority of Application

In the application of Decision No 3/80, certain other provisions in force will not be taken into account. The relevant decision has priority with regard to certain other regulations. Thus, where the provisions of Decision No 3/80 overlaps with other provisions, the provisions of Decision No 3/80 will be applied.

¹¹ See SIEVEKING, "Die Anwendung des Assoziationsratsbeschlusses Nr. 3/80 auf türkische Staatsangehörige in Deutschland", *NZS* 1994/5, p. 214.

¹² See above Chapter V, II, A, 2.

a. The non-implementation of the social security conventions

Decision No 3/80 replaces the bilateral and multilateral social security conventions in areas where it is in force both with regard to personal and scope of applicability and prevents the application of these conventions, save for such provisions of Part A of Annex II to Regulation (EEC) No 1408/71 as are not laid down in part B of that Annex (Article 5). These are bilateral agreements concluded between Member States at different dates.

On the other hand, there are social security conventions concluded between Turkey and the Member States of the Community.¹³ With regard to this matter, Article 39 of the Additional Protocol which forms the basis Decision No 3/80 envisaged that the provisions it contains may not affect the rights and obligations arising from the bilateral agreements between Turkey and the Member States of the Community. In Article 5 of Decision No 3/80, no distinction was made with regard to the provisions being in favour or not in favour of the Turkish workers.

b. The non-implementation of residence registrations

Regulations which envisage the registration of residence lose their applicability due to Decision No 3/80. Accordingly, invalidity, old-age or survivor's cash benefits and pensions for accidents at work or occupational diseases acquired under the legislation of one or more Member States, shall not be subject to any reduction, modification, suspension, withdrawal or confiscation by reason of the fact that the recipient resides in Turkey or in the territory of a Member State other than that in which the institution responsible for payment is situated. The same principle applies to lump-sum benefits granted to in the case of the remarriage of a surviving spouse who was entitled to a survivor's pension (Article 6(1)).

Where under the legislation of a Member State reimbursement of contributions is conditional upon the person concerned having ceased to be subject to compulsory insurance, this condition shall not be considered satisfied as long as the person concerned is subject as a worker to compulsory insurance under the legislation of another Member State.

5. The application of the legislation of a single Member State

Pursuant to the implementing rule envisaged under Title II of Decision No 3/80, the principle of Turkish workers being subject to the social security legislation of a single state. On this issue, Article 9 of the relevant decision refers to certain

¹³ See above Chapter IV, II.

provisions of Regulation (EEC) No 1408/71. These are the provisions of Articles 13, 14, 15 and 17 of the relevant Regulation. Pursuant to these provisions, special schemes applicable to seamen and the administrative staff of diplomatic representations and consulates are omitted. The abovementioned implementation rules orientate towards the coordination of the varying legal systems and comprise the rule of holding the Turkish worker subject to the legislation of a single Member State within the Community.

B. THE PRINCIPLES PERTAINING TO VARIOUS BENEFITS ENVISAGED IN THE DECISION

The basic principle underlying the various social security benefits covered by Decision No 3/80 is the application of the rules adopted in Regulation (EEC) No 1408/71. The only exception to that rule is the stipulation of provisions of coordination adopted against the risk of unemployment.

1. Sickness and maternity benefits

In cases of sickness and maternity, the provisions of Regulation (EEC) No 1408/71 on the aggregation of periods of insurance, employment and residence completed in a Member State and the temporary employment period during residence in another state at times of sickness are applicable with regard to the relevant state (Articles 10, 11).

2. Benefits for invalidity and death

With regard to salaries paid in cases of invalidity, old-age and death, the provisions of Regulation (EEC) No 1408/71 are referred to in general (Articles 12, 13). Pursuant to these provisions, there are two types of salary calculation. One of these is the calculation made under Decision No 3/80, "pertaining to Community law", taking into account the total period spent in all Member States and without taking into account the periods spent in Turkey. The other is made by taking into account the periods spent in Turkey related to the law of contract; however, in this case, only the periods which may be taken into account pursuant to the laws of the countries which are parties to the convention will be taken into consideration. Where the amount of salary is higher under the former calculation method, a proportional increase will be made of the amount based on the contract (Article 14).

3. Accidents at work and Occupational Diseases, Death Grants and Family benefits and Family Allowances

With regard to the benefits provided for accidents at work, occupational diseases, death and family allowances, the provisions of Regulation (EEC) No 1408/71 shall apply (Articles 15-19).

C. THE PRINCIPLES OF OFFICIAL COOPERATION ENVISAGED IN THE DECISION

In Title IV, there are provisions for the official authorities of the relevant countries pertaining to mutual aid and regulations pertaining to the technical rules of implementation. On this matter, the provisions of Regulation (EEC) No 574/72 which contain the rules for implementing Regulation (EEC) No 1408/71, are partially taken into account.

Finally, the Member States, Turkey and their relevant authorities are entitled to implement complementary provisions with regard to administrative implementation in Title V (Article 31). Likewise, it is also envisaged that Turkey and the Community take the necessary measures in order to enable the implementation of Decision No 3/80 (Article 32). However, the obligation imposed on the parties to take measures is not an issue relating to the direct applicability of Decision No 3/80. As a matter of fact, the same principle is accepted in the similar judgements given by the European Court of Justice pertaining to Morocco and Algeria.¹⁴

**CHAPTER VI.
THE DECISIONS OF THE LUXEMBOURG SUMMIT AND THE
FUTURE OF THE ASSOCIATION**

I. The Luxembourg European Council Decisions

Even though the EU has not left Turkey out of the expansion process, it has taken up Turkey's candidacy within a different framework and has not specified Turkey as the twelfth candidate country. This decision was taken at the minimum consensus level of the 15 Member States. The policy of "no compromise to Turkey" which Greece adopted as its existence policy undoubtedly affected this decision.

¹⁴ See SCHULER, "EuroAS-Stichwort: Assoziationsratsbeschluss EWG-Türkei Nr. 3/80", EuroAS 1995/10, pp. 168-169.

Likewise, the social identity problems and legitimate economic concerns of Germany also contributed to taking such a decision with regard to Turkey.

The fact that the Cyprus issue has been brought before the candidacy for membership of Turkey before and after the Luxembourg summit has obstructed the progress of the association at present and the Turkish party reacted strongly by freezing relations. Just as a direct, logical correlation between the status of candidacy and the Turkish-Greek disputes on Cyprus and the Aegean Sea may not be established, the strong reaction of Turkey is proportionately inappropriate. On this matter, the point that should immediately be taken up is the sound reassessment and evaluation of the EU-Turkey relations.

II. The policy of association of Turkey with the EU

The internal political problems of Turkey, evaluated in general, reveals that they have adversely influenced its association policy with the EU. There are many typical examples of this situation, such as the military coups in 1960 and 1980 and during weak governments in the past. In order to be able to give a more vivid example. During the conclusion of the agreement of accession with regard to the full membership of Greece on 28 May 1979, Turkey missed an important opportunity by not jumping on "the Europe Train" and has had to make do with the Customs Union. The entity responsible was the political authority in Turkey at that time which failed to make a sound evaluation and missed this historical opportunity. When Greece applied for full membership, Turkey should have submitted its application for full membership just as it did for the Association Agreement. However, at the time Ecevit formed a coalition with Erbakan and since he has always been against Turkey's membership of the EEC, he stopped Ecevit. Consequently, Islamic forces obstructed Turkey's path to Europe at the end of the 70s.¹⁵

Turkey commenced effective diplomatic activity at the beginning of 1997 with regard to full membership, after the Customs Union (1996). The new government has attempted to establish the EU policy on realistic foundations prior to the Luxembourg summit. Unfortunately, the association relationship between Turkey and EU has been affected not only by the Turkish-Greek disputes, but also by Turkey's failure with regard to democracy, human rights and the lowering of the rates of unemployment and inflation.

¹⁵ See KARLUK, *Avrupa Birliği ve Türkiye* (The European Union and Turkey), Istanbul, 1996, pp. 396-397.

III. The association policy of the new period

Ankara seems to have decided to maintain economic relations and the Customs Union with the EU while the political ambiguity and crisis persists. However, political statements which could overshadow the association policy such as economic sanctions to be imposed on EU companies have not yet been deleted from the agenda.

On the other hand, activities on the harmonization of national legislation with the legislation of the EU continued. Important steps have been taken especially in the fields of competition, intellectual and industrial property and accreditation.

It is highly likely that the order and the institutions of the association which will be maintained during the vague environment will be in the forefront in the new period. However, it is possible that the obstruction by Greece of the relevant institutions may adversely influence the development process of the association.

In the short term, there are three basic scenarios: the political deadlock with regard to the association relation between the EU and Turkey may persist. Alternately, there may be a phase of mutual understanding where the problems are spread out over time; a complex phase focused on the Cyprus problem together with a relative mutual understanding. Whichever of these approaches is adopted, it should be borne in mind that economic relations with the EU will continue to be inconsistent.