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TTIP and EU-Turkish Economic Relations: Deepening the Customs Union

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Abstract

This policy brief focuses on the future of Turkish-EU economic relations in face of the initiation of US-EU negotiations on TTIP. Even though the Turkish government declared its willingness to be part of the negotiation process, Turkey's best policy action at the moment is to negotiate a Free Trade Agreement with the US. At the same time, both Turkey and the EU have substantial interest in deepening and widening the existing Customs Union rather than abandoning it, with both sides having invested so much into it for almost two decades. While there is economic rationale for the US and EU to be more sympathetic towards Turkish demands, the increasingly authoritarian rule of the AKP government and the existing political tensions between Turkey and its close allies so far have proved to be formidable obstacles to mutually beneficial deals on the economic front.

Turkish aspirations to become a member of the EU date back to 1959. The long history of relations between the two sides has been characterized by oscillations. The Customs Union (CU) decision of the EU-Turkey Association Council on 22 December 1995 was an important milestone in this rocky relationship. Another critical juncture in history was turned thanks to the European Council decision on 17 December 2004 that opened the accessions negotiations with Turkey. Almost a decade apart, these two decisions made their mark on economic relations between the EU and Turkey in the path towards full membership.

Despite the deterioration in political relations between the two sides since the mid-2000s, the economic relationship remained more or less on track. In the early 2000s onward the EU started to sign free trade agreements with third

countries, which forced Turkey to follow up with similar agreements, with some delay. But after a slow start, Turkey was able to adjust to the new rules of the game, until recently.

Since 2012, EU-Turkish relations have been haunted by the spectre of a new trade deal between the EU and the US, namely the so-called Trans-Atlantic Trade and Investment Pact (TTIP). TTIP is expected to be the most important preferential trade agreement (PTA) signed to date globally. Together, the US and the EU account for approximately 45 percent of global GDP and 48 percent of global trade. Turkey is one of the countries that will be adversely affected from TTIP. In reaction to the initiation of TTIP talks in 2013, the Turkish government declared its willingness to be part of the negotiation process, or to start negotiations towards a free trade agreement (FTA) with the US.

In this policy brief, I focus on the future of the Turkish-EU economic relations in the wake of the initiation of US-EU negotiations on TTIP. First, based on secondary sources, I discuss the possible adverse effects of TTIP on the Turkish economy. Then, I discuss what Turkey, the US and the EU can do in order to minimize the adverse effects of TTIP on Turkey. In particular, I analyze the possibility of an FTA with the US as well as the further intensification of the political and economic relations between Turkey and the EU. I also provide a brief assessment of how the CU contributed to the integration of the Turkish economy with the EU's. Finally, moving into the main focus of the policy brief, I argue that despite the existing political problems between the two sides, both Turkey and the EU have a substantial interest in deepening the existing CU rather than abandoning it, with both sides having invested so much for almost two decades.

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The Impact of TTIP on Turkey

Having shown the importance of the CU for both Turkey and the EU, we can now evaluate the possible impact of TTIP on the EU, the US and other countries, including Turkey.

The US and the EU already have lower tariffs on imports from each other compared to imports from third countries. As a result, the removal of tariff barriers with the TTIP will not make a significant impact on the bilateral trade flows between the two sides of the Atlantic. The most important gains to both sides are expected to accrue as a result of the removal of non-tariff barriers (NTBs).¹ Furthermore, in terms of NTBs the US-EU bilateral trade depicts an unbalanced/asymmetrical picture; NTBs imposed by the EU on imports from the US are more restrictive than the ones imposed vice versa. Once the EU removes NTBs on imports from the US, the competitive effect will be felt more in the European market. According to Felbermayr and Larch's study, the US will have an income increase of 13.4 percent, while the income gains of the EU member countries will range between 2.6 and 9.7 percent.²

However, the resulting increase in the bilateral trade of the two countries will be at the expense of their respective trade with third countries. As the EU lifts the barriers to its imports from the US, American goods will start competing with goods from the EU's FTA partners, who previously enjoyed preferential treatment. The market share of the American goods will increase, while the respective market shares of the goods from the EU's preferential trade partners will decrease. Turkey could face a similar trade diversion effect in the case of the US market, but the size of this effect is likely to be much smaller compared to the one faced in the EU market.

The impact of TTIP on the two countries' preferential trade partners will be the most significant. Turkey and the major developing and developed countries that are not part of the agreement will incur income losses. The impacts of TTIP are expected to be the largest in Canada and Mexico, whose long-run welfare losses are estimated to reach 9.5 percent and 7.2 percent of their respective GDPs. The long-run welfare effects on Turkey of a comprehensive liberalization is estimated to be close to -2.5 percent of GDP.³

The econometrics-based analysis of Felbermayr and Larch produced quite high estimates of the impact of TTIP on various countries. Other studies that use computable

1 Gabriel J. Felbermayr and Mario Larch, "The Transatlantic Trade and Investment Partnership (TTIP): Potentials, Problems and Perspectives", in *CESifo Forum*, Vol. 14, No. 2, June 2013, p. 49-60, <http://www.cesifo-group.de/ifoHome/publications/docbase/details.html?docId=19093256>.

2 Ibid., p. 55.

3 Ibid.



general equilibrium (CGE) models came up with more modest and more realistic estimates of TTIP's impact. For example, the estimated real income gains in Francois et al. fall into the 0.10-0.48 percent of GDP range in the case of the EU, and in the 0.04-0.39 percent of GDP range in the case of the US.⁴

Another CGE-based study of the impact of TTIP was conducted by researchers from the Central Bank of Turkey.⁵ The study of Güneş et al. is relevant for our analysis because it focuses directly on the impact of TTIP on Turkey and considers two alternative scenarios. In the first scenario, where Turkey is unable to join the TTIP agreement (no FTA is signed with the US), Turkish GDP declines by a maximum of 4 billion dollars per year (half a percent of 2012 GDP), along with a maximum of half a percent decline in Turkish exports. In the second scenario, where it is assumed that a Turkish-US FTA is signed, Turkish GDP increases by 31 billion dollars (approximately 4 percent of 2012 GDP), along with close to a 7 percent increase in Turkish exports.

These estimates are quite important because rather than just focusing on the losses Turkey would suffer from being left out of the TTIP process, they underline how significant the potential gains for Turkey could be in signing an FTA with the US. Furthermore, Güneş et al. also show that finalizing an FTA deal between Turkey and the US would be beneficial for both the US and the EU as well. According to the study, the income gains could reach to 0.2-0.3 percent of the GDPs of the EU and the US, compared to the scenario without the Turkish-US FTA. While it might look small in percentage terms, in real terms the estimates amount to 30-50 billion dollars, which is not negligible and is quite close to the gains that will accrue to the Turkish side.

4 Joseph Francois et al., *Reducing Transatlantic Barriers to Trade and Investment: An Economic Assessment*, London, Center for Economic Policy Research (CEPR), March 2013, <http://trade.ec.europa.eu/doclib/html/150737.htm>.

5 Didem Güneş, Merve Mavuş, Arif Oduncu, "AB-ABD Serbest Ticaret Anlaşması ve Türkiye Üzerine Etkileri" (The EU-US Free Trade Agreement and Its Impact on Turkey), in *CBT Research Notes in Economics*, No. 13/30 (26 November 2013), <http://www.tcmb.gov.tr/wps/wcm/connect/e23c8575-44bd-4eab-ab52-c14286482258/EN1330.pdf?MOD=AJPERES&CACHEID=e23c8575-44bd-4eab-ab52-c14286482258>.

For Turkey, the main threat from TTIP will stem from the removal of the non-tariff barriers (namely, technical specifications, standards, etc.). As US exports will enter the EU market freely following the reduction in tariff and non-tariff barriers, Turkish exports to the EU (approximately 70 billion dollars a year) will be adversely affected through trade diversion. Furthermore, the possibility of trade deflection (US exports entering Turkey through the EU at zero tariffs) will also affect Turkey. However, given that the total amount of US exports to the EU is almost five times that of US exports to Turkey, the effect of the trade deflection will be less than the impact of the competition from American goods in the EU market.

At the moment almost all sectors are going on the offensive, arguing that they would be badly affected by TTIP. We know, however, that not all of these claims are true. Those sectors that are already having a hard time entering the US market due to high tariff and non-tariff barriers are grabbing this opportunity to push for an FTA deal with the US. Despite this fact, some sectors of the Turkish economy are likely to be affected. The petrochemicals, automotive, iron and steel, metal products, chemical and plastic materials, machinery and equipment, and textiles industries are among the Turkish manufacturing sectors that could be adversely affected by the US competition in the Turkish and EU markets.

TTIP and Prospects of a US-Turkey FTA

As I've already pointed out above, the empirical analysis of Güneş et al. has significant implications for the direction of economic policy. The fact that both the US and the EU will gain from the active involvement of Turkey in the TTIP process significantly changes the game plan for policy makers in all three countries. First, despite what the Turkish Government and many business leaders claim, Turkish losses from the TTIP may not be very large. Yes, 4 billion dollars is not negligible, yet it is not as large as one would have thought after listening the Turkish officials speak on the subject. Second, the fact that both the EU and the US as well as Turkey will gain from Turkish involvement in the process (through a Turkish-US FTA) means that all sides should try to do their best in good faith to reach the best outcome.

Given the history of their political and economic relations with Turkey, American leaders cannot ignore the genuine requests of the Turkish government officials seeking to sign an FTA. The US side knows quite well that the details of an FTA between the two sides have to be worked out such that in the end it will bring gains to both sides. In that case, the Turkish side should also be ready to accept some of the Americans' possible demands.

While it makes a lot of sense for the Turkish side to pursue an FTA deal with the US, it is likely to prove quite difficult to finalize this deal given what the US may ask from the Turkish government in the negotiations. The US will be keen on including the agriculture and service sectors in the negotiations, along with the liberalization of the public procurement laws and improvements in the protection of intellectual property rights as well as the protection of investors' rights. Each of these issues will prove difficult for the Turkish government, as they will increase the pressure on the government to address problems in these sectors with more effective domestic policies.

Another possible alternative for Turkey is to pursue the so-called "docking" clause advocated by the US for the eventual inclusion of Japan, Thailand and other countries in the Trans-Pacific Partnership (TPP), which is currently in the negotiation phase. It's been argued that Turkey could, in principle, ask the US and the EU to incorporate the necessary docking clause into the TTIP agreement. However, a closer look at the docking clause reveals that it would not be an easier alternative to pursue. To start with, there are substantial differences between the two PTAs. While the TTIP includes the US and the EU only, TPP includes close to a dozen countries in the Pacific Region. There are still many others that prefer not to be party to the TPP agreement at the moment. The US proposal, therefore, aims at keeping the door open for those countries that decided to stay out of the TTP agreement. TTIP, on the other hand, is negotiated exclusively between the two most advanced economies in the world. Leaving the door open for another country with a very different economic structure and level of development is not viable. The docking clause implies that the country that joins in the future will accept the already agreed terms completely. It would not be in the best interest of Turkey to accept the final agreement and join the TTIP.⁶

Whether Turkey pursues an FTA deal with the US or asks the US and the EU to include a docking clause for an eventual Turkish partnership to the TTIP, the US government's decision will have to be ratified by the US Congress. While the Obama administration still sees Turkey as a "strategic partner," the political relations between the two sides are nowhere close to a partnership, albeit a strategic one. AKP's insistence in pursuing alternative policy perspectives in the Middle East (especially in Syria and Egypt) and in Ukraine irritates Turkey's allies, including the US. Consistent with these developments Turkey no longer has strong support in the US Congress. Indeed, a large number of Congress members have voiced their concerns over the apparent move of AKP towards a more authoritarian rule in Turkey as well as the increasing divergence between Turkish and American foreign policy moves. In such

6 Kemal Kirişçi, "Turkey and the Transatlantic Trade and Investment Partnership - Boosting the Model Partnership with the United States", in *Brookings Turkey Project Policy Papers*, No. 2 (September 2013), <http://brook.gs/1wMU8lx>.

a political atmosphere, the ratification of an FTA with Turkey by Congress might prove to be quite difficult over the next couple of years. If the AKP government wants a more cooperative response from the US towards an FTA, it would need to be open to more cooperation with the US in its foreign policy in the Middle East and Ukraine. After all, closer economic relations between countries cannot be built upon troubled political relations.

The fact that Turkey has so far faced and will continue to face formidable difficulties in signing an FTA with the US pushes us to turn our attention to the EU side. Yes, it is true that Turkey will be affected once the EU-US TTIP agreement goes into effect. Equally important, however, are the FTAs the EU will sign with other countries, which will continue to have adverse effects on the Turkish economy. The EU should be ready to acknowledge this fact, and contemplate the possible legislative changes to minimize the adverse effects of these agreements on the Turkish economy. The most feasible alternative seems to be the one where Turkey holds negotiations with the third country in a parallel track to the negotiations between the country in question and the EU. By revising the “Turkey Clause,” which has already been included in such agreements without any forces placed on the third country, the EU can make sure that the third country will have stronger incentives to start negotiations with Turkey and complete them soon after its negotiations with the EU have concluded.⁷

TTIP and the Future of EU-Turkish Relations

Having touched upon the role the EU can play in the initiation of FTA negotiations between the third country and Turkey, we can now turn to underline the deep economic relations between the EU and Turkey.

The Customs Union decision between Turkey and the EU went into effect in 1996. Both Turkey and the EU have gained substantially from deeper economic relations since 1996, and especially after 2004. Since 1996, the Turkish economy has become more integrated with the EU economy than any other non-member country in the European periphery. Once the CU went into effect, the opening up of the Turkish market to European competition forced Turkish firms to undertake new investments in the late 1990s and adapt to new economic conditions. When the economic and financial crisis hit Turkey in 2001 and the domestic demand collapsed, the Turkish manufacturing industry had already started producing higher quality products that could be sold in the European market. The forced adaptation to the new environment shaped by the CU, therefore, contributed significantly to the fivefold increase in Turkish exports, from 31 billion dollars in 2001

to 152 billion dollars in 2012.⁸

For the Turkish side, the integration with the EU economy and the harmonization of its rules and regulations with those of the EU brought the most significant benefits. The harmonization of the Turkish competition law, customs, quality and technical standards and statistics with those of the EU led to an upgrade of the institutional infrastructure facing the producers. The new environment provided incentives for Turkish producers to streamline their trade practices with one of the most developed regions of the world and hence improve the quality of their exports as well as the products sold domestically to Turkish consumers.⁹

Furthermore, following the candidate country status, the Turkish economy benefited substantially from the direct investments undertaken by the European firms in manufacturing and services sectors. Between 2005 and 2013, Turkey received 109 billion-worth dollars of foreign direct investment inflows; 70 percent of those inflows originated from the EU member countries. The EU continues to be the single most important market for Turkish exporters, both in terms of the value of exports and the learning experience in export markets.

The EU also benefitted from increased integration, as Turkey has become the EU's fifth export market. European firms that increased their presence in Turkey directly or indirectly benefitted substantially from the more than fourfold increase in Turkish GDP, from 195 billion dollars in 2001 to 822 billion dollars in 2013. European banks invested billions of euros after the December 17, 2004 decision in Turkey, and they currently control some of the biggest private banks in Turkey. Many European firms use Istanbul as their regional headquarters. Subsidiaries or joint ventures of the European firms operating in Turkey export not only to Europe but also to the Middle East, Africa and Central Asia.

In the early 2000s, the EU started to negotiate bilateral preferential trade agreements with its major trade partners. Due to the asymmetric nature of the CU, the EU need not get Turkish approval before negotiating with the third countries. After a slow start, Turkish trade diplomacy gained substantial expertise in finding ways to protect the Turkish economy by negotiating similar free trade deals; since the early 2000s, Turkey has signed FTAs with 19 countries. Despite these successes, however, there were some countries, such as Algeria, Mexico and South Africa, with which Turkey could not finalize FTA

8 Kamil Yılmaz, “The EU–Turkey Customs Union Fifteen Years Later: Better, Yet Not the Best Alternative”, in *South European Society and Politics*, Vol. 16, No. 2 (June 2011), p. 235-249.

9 The sophistication of Turkish exports increased 20 percent from 1997 to 2007. See World Bank, *Trading Up to High Income. Turkey Country Economic Memorandum*, Report No. 82307-TR, 5 May 2014, <http://hdl.handle.net/10986/19320>.

7 World Bank, *Evaluation of the EU-Turkey Customs Union*, Report No. 85830-TR, 28 March 2014, p. 29-30, <http://hdl.handle.net/10986/20444>.

deals.

Despite the diminishing appetite for reforms in Turkey and the sporadic outbursts of political tensions between the two sides, the EU would benefit from holding Turkey at bay in the medium term and eventually making it a full member of the EU. Without the EU anchor, Turkey would only deviate from the reformist path further, strengthening the recent tide towards a more authoritarian rule in the country. As the only stable and working democracy in a politically and economically unstable region, Turkey moving away from the EU membership path would further weaken Western influence in the region and lead to more tensions among different countries in the region, as well as between the region and the European Union itself. Subsidiaries of European companies in Turkey are important players in both the domestic and export markets. In that regard, letting Turkey move away from the EU would hurt the profit potential of the European companies located in Turkey.

As we have highlighted above, the Turkish side is focusing on the possible effects of TTIP on its economy. What is at stake, however, is more than that. It has been almost two decades since the CU agreement was signed. Unlike the claims of its opponents at the time, the CU was not a major blow to Turkish economy. To the contrary, it provided Turkish businesses with significant incentives to invest and improve production technology and quality, which in turn helped them become more competitive.

Almost a decade after the CU decision, the European Council's December 2004 decision provided another major impetus to the process of integration of the Turkish economy with the European economy. Now, another decade after the European Council decision, business interests in the industrial sectors on both sides are aligned with each other, and there are many European firms operating in Turkey. It is in their interests to see the Turkish economy become fully integrated into the European economy.

Therefore, despite problems on the political front, the next step is to strengthen economic relations by deepening and widening the CU further. The deepening of the CU should address the full harmonization of the technical and legal aspects of trade between the two sides and against the third parties.

On the Turkish side, the deepening of the CU entails full alignment of all technical regulations. While Turkish goods exported to the EU are assumed to comply with all technical regulations of the EU that is not the reality. The full adoption of Chapter 1 (Free Movement of Goods) of the *acquis* can be achieved by the compliance with all technical regulations of the EU. In addition, Turkey has to further harmonize its list of technical barriers to trade with

that of the EU.

As part of the deepening, the European side should propose a solution to the visa problems and transit rights that cause all Turkish citizens who do business with the EU to suffer one way or the other. Another important outstanding issue that should be addressed by the EU pertains to restrictive transit road transport permits issued to Turkish trucks, which create obstacles to the free movement of goods.

Along with the deepening of the CU, both sides should undertake steps to widen the CU towards other sectors such as agriculture, services, public procurement, etc. Let us start with agriculture. Both the US and the EU have voiced their concerns about very high import protection rates for Turkish agriculture. Protection rates are especially high for imports of tea, some dairy products, processed meat and live animals. Turkish agricultural tariffs reach as high as 130 percent in the case of fresh fruits and vegetables and squeezed fruit juice. According to the WTO, in 2011 the average Turkish tariff on agricultural imports was 41.7 percent, compared to 13.9 percent for the EU. Liberalizing bilateral agricultural trade and adopting the EU's common external tariff for agriculture would imply a significant fall in import protection of Turkish agriculture for many products.¹⁰

Unfortunately, the widening of the CU to include agriculture should be gradual rather than quick. This is so because the agriculture sector is one of the least efficient sectors in Turkey. Dominated by small producers, the productivity of the agriculture sector is quite low. While the sector accounts for around 25 percent of employment, it contributes less than 10 percent of GDP. Compared to the EU and the US, where the sector's share in total employment (1-2 percent) is less than its share in output (approximately 3 percent), a crude measure of average productivity in Turkish agriculture is much lower than that of the EU and the US.

That is perhaps the reason why the EU mostly liberalized its imports from Turkey without asking for a reciprocating move by the Turkish side after the CU went into effect. However, we know that in all FTA negotiations the US brings agriculture to the negotiation table. Once the US brings agriculture to FTA negotiations, we can expect the EU to do so as well. According to a study by the World Bank, including the agriculture sector in a trade deal with the US or in the deepening of the CU will improve Turkish welfare and real income in the long run. While this may be correct, the economic and social costs of adjustment in the short-to-medium term may prove to be high for Turkish governments to carry. A drastic liberalization of agriculture trade may lead to a significant increase in the

10 World Bank, *Evaluation of the EU-Turkey Customs Union*, cit., p. 63.

Turkish unemployment rate, which is already high.

Even though manufacturing and agriculture remain important sectors of the economy, modern economies are dominated by the service sectors, and the Turkish economy is no exception to this rule. The service sectors account for close to two-thirds of the Turkish GDP, while the remaining one-third is accounted for by industry, construction and agriculture. Turkey is a net exporter of services, but the bulk of Turkish service exports are accounted for by construction and tourism services.

As the CU helped Turkey improve the competitiveness of its industry in the late 1990s and throughout the 2000s, an FTA with the US and the widening of the CU to include services will help transform Turkish service sectors. This is especially the case with the sectors that provide crucial inputs in the production and marketing of manufacturing products both domestically and internationally, such as finance, transportation, communication and energy.

When we have a closer look at the service sectors, the picture that emerges is not very encouraging. The Turkish service sectors are characterized by the lack of competition. For example, while professional services (such as legal, financial, notary, etc.) account for approximately 20 percent of the value added in the country, there is very little competition in the sector, as prices are set by the government or by professional associations.

The Turkish domestic regulatory regime, which is crucial for the enhancement of competition in the service sectors, is one of the most restrictive among the OECD economies. For example, the practice of setting minimum fees for these services inhibits competition among the firms, which in turn leaves service prices high for the consumers and firms that demand these services. In addition, the existing barriers to entry in the potentially competitive service sectors inhibit the growth potential of the sectors as well as the Turkish economy as a whole.

It has been shown that falling prices will increase access to these services and hence improve the productivity of the downstream manufacturing industry firms. According to some estimates, limiting the restrictiveness of the regulatory regime and improvements in the competition framework of the service sectors will foster productivity growth, which in turn are estimated to generate 0.5-1.0 percentage points improvement in the average annual growth rate.¹¹ Conservative estimates indicate that reducing regulatory and competition constraints on professional and transport services would result in benefits of at least 557 million dollars in additional value

added to the economy per year.¹²

Finally, in the case of the further deepening of trade relations between the two countries, both the EU and the US will ask Turkey to open up the markets for public procurement. In fact, the CU agreement of 1995 foresaw the future expansion of the CU to include public procurement markets. However, as a result of the vague language of the respective article in the CU agreement, the Turkish government did nothing towards opening up the public procurement market to EU companies.¹³ However, with the Turkish government's venture towards a more opaque institutional framework in recent years, public procurement has become one of the areas about which the EU side complained the most in recent years. Perhaps the debate over the TTIP and the need for a more comprehensive effort to integrate the Turkish economy with the EU will convince the Turkish government to increase the transparency of public procurements and allow the participation of foreign companies in these markets.

Conclusions

The Turkish government should by now well understand that it would not be possible to include Turkey in the TTIP negotiation process directly. Turkey's best policy action is to negotiate an FTA with the US. The fact that the two sides have a strategic partnership should make such a deal easier. Furthermore, business representatives in both countries expressing their desire to establish stronger ties between the two sides will make such a move politically feasible as well.

The debate over the impact of TTIP on the Turkish economy provides an opportunity for the EU and Turkey to further the integration of the Turkish economy with that of the EU. As part of an effort to deepen the CU, the EU should ask for Turkey to implement the incorporation within the CU of the hitherto excluded services, agriculture, and public procurement, as well as stricter enforcement of the legislation on intellectual property rights. Without any doubt, these steps will force Turkish businesses to adapt to new rules and regulations while facing increased competition in the domestic market.

Last but not least, one should never lose sight of the importance of Turkey's political integration with the EU. It's been ten years since the EU decided to start accession negotiations with Turkey. As many commentators have observed, there has been little progress on the political front in bringing Turkey closer to full membership. Within the last nine years of accession negotiations, only 14 of

11 World Bank, *Republic of Turkey Reform for Competitiveness Technical Assistance. Fostering Open and Efficient Markets through Effective Competition Policies*, Report No: ACS2430 (23 September 2013), p. 24-25, <http://hdl.handle.net/10986/17010>.

12 *Ibid.*, p. 25.

13 Sübidey Togan, "On the European Union-Turkey Customs Union", in *CASE Network Studies & Analyses*, No. 426 (June 2011), <http://www.case-research.eu/en/node/55942>.

the 35 chapters of the *acquis communautaire* were opened; only one was closed. In the last four years in particular, only one chapter was opened. Along with a deeper economic integration, the EU should start opening chapters critical for political and institutional as well as economic integration of Turkey with the EU. Without opening Chapter 23 (Judiciary and fundamental rights) and Chapter 24 (Justice, freedom and security), the EU will have no ground in pressuring the Turkish government to reverse the limitations it recently imposed on individual rights, freedom of press, and political interventions in the justice system.