Since the 1990s, Turkey and the EU have increasingly pursued active foreign policies in the Balkans. Establishing peace, stability, and security in this region have been among the top priorities for both the Turkish and the EU foreign policies in the post-Cold War era. Over the past few years, Turkey’s active foreign policy approach towards the Balkans has been frequently labeled as “Neo-Ottomanism”. Against the background of deteriorating relations between the EU and Turkey due to serious setbacks in Turkey’s accession negotiations with the EU, Turkey has been attempting to use its soft power potential to consolidate its political, economic, and cultural influence in the Balkans. The analysis in this paper draws on extensive elite interviews conducted in Turkey, the United Kingdom, Serbia, and Bosnia from 2011 to 2013. This paper first explores the track record of both Turkey and the EU foreign policies in the region. It then provides an overview of the recent developments in EU-Turkey relations, and their implications on each actor’s approach towards the Balkans. The paper concludes with an analysis of compatibility in the foreign policies of both actors to examine whether Turkey and the EU are regarded as strategic partners or competitors in the region.

Keywords
Turkey, European Union, Balkans, transatlantic relations, soft balancing, foreign policy analysis

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INTRODUCTION

Since the 1990s, Turkey has been an active regional player in the Western Balkans. Establishing peace and maintaining stability in this region have been among the top priorities of Turkish foreign policy. Turkey’s religious, cultural, and historical affiliations with countries in the region have proven to be a key strategic asset for transatlantic security infrastructures. Since 2008, Turkey’s already active foreign policy has gained further momentum through frequent high-level visits between Turkey and other Balkan countries. In his best-seller book Strategic Depth (2001), Ahmet Davutoğlu, the former Foreign Minister and the current Prime Minister of Turkey, characterized Turkey as a natural and ascending regional power in the Balkans. Turkey has been increasingly attempting to consolidate its economic, political, and cultural influence in the Balkans, which many pundits and scholars label as Neo-Ottomanism.

Against the background of Turkey’s increased self-confidence in its foreign policy in the Balkans and changing relations with the EU and the United States (US), the need for scholarly analyses of Turkish foreign policy in the Western Balkans and its implications on transatlantic security relations has become more evident. Albeit a few descriptive and outdated articles on Turkish foreign policy in the Balkans (Athanassopoulou 1994; Sayari 2000; Rüma 2011), there is no theoretically informed and up-to-date analysis of Turkish foreign policy in the Western Balkans in the literature. Most of what has been written comes in the form of newspaper articles and op-eds (Strauss 2009; Judah 2010; Kohen 2010; Cain 2010). Scholarly works exploring the motivations behind Turkish activism in the region via a conceptual framework are lacking in the literature. Therefore, my proposed book project fills in a very important gap in the literature, and provides a thorough, up-to-date, and theoretically grounded analysis of Turkish foreign policy in the Western Balkans, a largely neglected geographic region in Turkish foreign policy studies.
I seek to pursue answers to the following questions: What is the track record of Turkish foreign policy in Western Balkans? What factors contribute to and hinder the effectiveness of Turkish foreign policy in the region? What implications does Turkish foreign policy in this geography have on its relations with transatlantic security actors? Does Turkish foreign policy compete with the EU and the US, or complement them? Why? My goal is to go beyond an analysis of Turkish foreign policy to offer insights into its transatlantic relations, and give a deeper understanding of Turkish foreign policy interests in the region.

Through soft balancing theory, this paper identifies three motivations behind the Turkish foreign policy activism in the Western Balkans: the importance of economic advancements of Turkish interests in the region, the uncertainties revolving around Turkey’s EU membership prospects, and the subsequent lack of trust towards the EU. The paper concludes with a discussion of the theoretical and empirical implications of findings on the International Relations (IR) literature. The analysis draws on author’s extensive fieldwork and semi-structured elite interviews conducted with Turkish and Balkan policymakers, diplomats, EU representatives, NGO officials, and academics on Turkish foreign policy in the Western Balkans conducted in Turkey in 2011, and in Serbia, Bosnia, and the United Kingdom in 2013.

It employs “soft balancing theory”, developed under Realism’s balance of power theory, to explain the Turkish foreign policy behavior in the Western Balkans. Four issues, in particular, will be at the center of the work I will undertake during my leave. The first and the foremost is the examination of factors contributing to and hindering the effectiveness of Turkish foreign policy in Western Balkans, such as the legacy of the Ottoman Empire in different parts of the region, increased Turkish Official Development Assistance to the region, popularity of Turkish soap operas, and increased trade and tourism volume between Turkey and the countries in the
region. A second issue I plan to examine is the recent track record of Turkish foreign policy in the region. Thirdly, I will develop an auxiliary theoretical account of changes in Turkish foreign policy towards the region, and make an argument that Turkey pursues a pragmatic foreign policy and is mainly interested in establishing itself as an economic power in the region. In the words of a high-level Turkish diplomat interviewee, Turkish businesses are the “new Janissaries” in the Balkans.¹

**SOFT BALANCING THEORY**

The literature on soft balancing theory is developed under Realism’s balance of power theory, and increasingly receives scholarly attention in the IR and foreign policy analysis literatures. Soft balancing theory differentiates two different types of balancing behavior – hard and soft balancing. Whereas hard balancing is exercised through military balancing, soft balancing strategies involve diplomacy, international institutions, and economic statecraft (Paul 2004; Pape 2005; He and Feng 2008; Whitaker 2010; Saltzman 2012).² Through soft balancing, states are able to protect their interests and have an increased bargaining position within the institution against stronger actors. As Ilai Saltzman (2012, 131) notes, “soft balancing is frequently used through international institutions…. as states are able to constrain emerging powers and influence their policies by using institutional mechanisms, rules, norms, and procedures of mutual regulation”.

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¹ Author’s interview with a high-level Turkish diplomat, Belgrade, Serbia, May 2013.

² For an excellent discussion of the application of International Relations theories into institutional bargaining, see He (2008).
Soft balancing is especially effective in power asymmetries. The main goal is to limit the exercise of power by a more powerful actor (Cantir and Kennedy 2014; Whitaker 2010; Brooks and Wohlfforth 2005; Oswald 2006). This foreign policy behavior may be conducted through institutional balancing, where states may counter pressures or threats through multilateral institutions (He 2008); or through diplomatic means to balance the power of the stronger actor (Saltzman 2012, Pape 2005). Soft balancing is a category of intra-alliance opposition that “accepts the existing balance of power but seeks to obtain better outcomes within it” (Walt 2009). Amy L. Catalinac (2010), for instance, focuses on understanding the causes of intra-alliance opposition, i.e. the question of why New Zealand chose to oppose the US on the nuclear ships issue.

With the exception of few studies in the literature, majority of the works on soft balancing analyzes soft balancing against the United States or China (See Cantir and Kennedy 2014, for an exception). This paper focuses on a novel case study and frames Turkey’s foreign policy behavior as soft balancing against the European Union. Similar to the focus in another study (Oswald 2006), this study focuses on soft balancing “between friends”, i.e. actors that have economic interdependence.

**FACTORS BEHIND TURKEY’S RENEWED ACTIVISM IN THE WESTERN BALKANS**

Using an infamous phrase from the memoirs of US Secretary of State Dean Acheson (1969), the shared sentiment among the Turkish security elites interviewed for this research is that while Turkey was “present at the creation” when the foundations of European security infrastructures were laid, it is currently left absent in the finale of European defense cooperation
despite original assurances from the EU. Even though Turkey has been well embedded in the Euro-Atlantic security frameworks from the early years of the Cold War on (Bağcı 2001; Dursun-Özkanca 2008), due to a veto from the Republic of Cyprus, Turkey is currently excluded from European Union’s defense infrastructures. Therefore, using its membership institution, NATO, the country seeks to engage in soft balancing against the EU.

Turkey has been a member of NATO since 1952 and was a founding member of the Independent European Programme Group (IEPG), a 13-member forum to promote European cooperation on armaments and Research and Development (R&D) in defense technologies, since its inception in 1976 by the Defense Ministers of the European members of NATO. As the US military spending declined towards the end of 1980s, the European members of NATO decided to take a more active role in military affairs and carry the costs of their own defense (Walker and Gummett 1989). Accordingly, the IEPG Action Plan, which aimed at increasing the “competitiveness of the European defense equipment industry” and eventually developing a “European armaments market”, was approved in 1988 (Walker and Gummett 1989: 430).

On 4 December 1992, the Defense Ministers of the IEPG nations agreed to transfer the IEPG functions to the Western European Armaments Group (WEAG) in WEU, with the acknowledgment that all IEPG members should be entitled to fully participate in the activities of WEU, and with the same rights and responsibilities, in any future armaments cooperation forum (WEU 2014). While Turkey became a full member of the WEAG (just like any other member of the IEPG), it acquired an Associate Member status in the WEU in 1992, due to its non-EU member status. As an Associate Member of WEU, Turkey enjoyed the same rights with the EU member states, including the right to present proposals and fully participate in the meetings of General Affairs Council in operations it took part.
In November 1994, an informal group of experts of the EU and WEU was formed to study the options for a European Armaments Policy. However, the group declared that conditions did not exist for the creation of a European Armaments Agency conducting the full range of procurement activities on behalf of member states. One of the unsolved issues was the relationship with Norway and Turkey, which were equal partners in the WEAG.

Ensuing the declaration of “3Ds” principles by Madeleine Albright (1998), NATO announced that it attached “the utmost importance to ensuring the fullest possible involvement of non-EU European Allies in EU-led crisis response operations, building on existing consultation arrangements within the WEU” in its Washington Summit Communiqué (NATO 1999a: paragraph 9d). This was an attempt to alleviate the concerns of Turkey along with other non-EU European members of NATO that they would not be excluded from future EU operations. Only after receiving assurance from the WEU that they would be associated with the successor of WEU, did Norway and Turkey give permission to the transfer of WEU missions to the ESDP in 1999.

During the European Council Summit in Nice in December 2000, the EU member states elaborated on proposals for asset-borrowing from NATO and the participation of non-EU NATO members in the different phases of crisis management operations. The Presidency Conclusions from the same summit state that the EU “wishes to receive contributions from the non-EU European NATO members and other countries which are candidates for accession to the EU, in particular those which have the determination and capability to commit considerable resources to participate in the Petersberg tasks” and “to consult such countries on a regular basis when there is no crisis and to associate them to the greatest possible extent in EU-led military operations in times of crisis” (European Council 2000: Annex VI).
At its Brussels Summit in October 2002, the European Council (2002a: 137) reiterated that the EU would have “permanent and continuing consultations with the non-EU European allies, covering a full range of security, defence and crisis management issues”. The EU also gave assurances that “under no circumstances, nor in any crisis, will ESDP be used against an ally” (European Council 2002a: 136-137). At its Prague Summit in November 2002, NATO emphasized “the need to find solutions satisfactory to all Allies on the issue of participation by non-EU European Allies, in order to achieve a genuine strategic partnership” (NATO 2002a: paragraph 11).

On 12-13 December 2002, at the Copenhagen Summit of the EU, Turkey was promised that EU operations would only be open to EU states that are either NATO allies or partners (European Council 2002b: 171). This clause eased the Turkish concerns, as it ensured the exclusion of Cyprus from EU operations upon its EU membership. Moreover, December 2004 was designated as a date for opening Turkey’s EU accession negotiations, which further alleviated Turkey’s concerns about EU membership prospects. Turkey consequently removed its veto of the signature of an agreement between the EU and NATO.

A compromise was reached on 16 December 2002, when NATO and the EU announced the “Joint Declaration on ESDP” that initiated the Berlin-Plus Agreement. In that document, the EU ensured “the fullest possible involvement of non-EU European members of NATO within ESDP” and emphasized “the need for arrangements to ensure the coherent, transparent and mutually reinforcing development of the capability requirements common to the two organizations, with a spirit of openness” (NATO 2002b).

The Berlin-Plus Agreement affirmed that the EU member states that are not members of NATO must be members of the PfP Programme to attend the EU-NATO meetings. With the
Berlin-Plus Agreement, the non-EU European NATO countries received green light to participate in the crisis management activities conducted under the ESDP framework when operations employ NATO assets and capabilities. From the end of 2002 until May 2004, cooperation between the EU and NATO went smoothly, and Turkey militarily and strategically supported the ESDP. Nevertheless, this situation has changed with the admission of the Republic of Cyprus, a non-PfP country, into the EU in May 2004.

Through Council Joint Action 2004/551/CFSP of 12 July 2004, the EU announced that it would “assimilate” or “incorporate” the WEAG into a new defense agency. Accordingly, on 22 November 2004, the Defense Ministers of WEAG decided to dissolve WEAG and transfer all defense cooperation to the EDA before the middle of 2005 (van Eekelen 2005). Subsequently, WEAG was terminated in May 2005. While non-EU WEAG countries (Turkey and Norway) used to enjoy an equal say with other WEU members on parliamentary scrutiny of European security and defense affairs, with the formation of EDA, they lost all privileges, including full membership and participation in the decision-making and operational processes regarding EU crisis management operations, and were invited to sign administrative arrangements with the Agency. Even though both the WEU (from 1992 to 1997) and the EU (from 1997 onwards) continuously assured the non-EU NATO members that they would not be excluded from the decision-making processes of a future armaments cooperation organization, Turkey’s participation in the successor defense agency to WEAG – the EDA – is vetoed by the Republic

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3 Participation agreements establishing the parameters for the participation of non-EU European members of NATO in the EU crisis management operations were signed in advance of the date of transfer in May 2005 with all relevant countries except for Turkey. Only in June 2006 did Turkey and the EU sign a similar agreement (Official Journal of the EU, 2006), which was later ratified by Turkish Parliament in July 2007.
of Cyprus. Therefore, Turkey, unlike Norway\(^4\), is still not able to secure an association agreement with the EDA.

Many Turkish officials interviewed expressed that as one of the main contributors to European security, its exclusion from the decision-shaping mechanisms within CSDP causes “bitterness”\(^5\) and resentment towards the EU. One Member of Turkish Parliament described the frustration shared by Turkish authorities by noting: “Turkish policymakers do not understand how a small country, such as Cyprus, is capable of preventing Turkey from more meaningfully contributing to the European security infrastructures.”\(^6\) The same interviewee emphasized that even though Turkey maintains the second largest armed forces in NATO, the fact that it is “not allowed to be an equal partner in European security decision-making and decision-shaping mechanisms due to its non-EU member status” provides a significant grievance in Turkey.\(^7\)

As put by another Turkish policymaker, the situation since 2004 represents “violation of promises”.\(^8\) Broken promises constitute one of the reasons behind the mistrust – both at the

\(^4\) Norway signed the Administrative Arrangement agreement with the EDA on 7 March 2006, which made it possible for the country to collaborate on defense equipment, joint defense research and technology projects, and joint development of future military capabilities in Europe (Norway Mission to the EU 2006). It also created a Consultative Committee for Norway and the EDA “to exchange views and information on matters of common interest falling within the scope of the Agency’s mission”, and aimed at ensuring that the Norwegian Ministry of Defense is kept fully informed of opportunities for future co-operation” (Norway Mission to the EU 2005).

Additionally, on 26 May 2008, Norway has further associated with the EDA through its participation in the Regime on Defence Procurement (EDA 2008). Norway currently cooperates with all EDA directorates (Lindbäck 2009: 8).

\(^5\) Author’s interview with Interviewee #6 in Ankara, Turkey, 15 July 2011.

\(^6\) Author’s interview with Interviewee #3 in Ankara, Turkey, 13 July 2011.

\(^7\) Author’s interview with Interviewee #3 in Ankara, Turkey, 13 July 2011.

\(^8\) Author’s online correspondence with Interviewee #12, Ankara, Turkey, 20 July 2011.
Turkish public and elites level – towards the EU and its CSDP. Turkey’s reluctance to allow for sensitive intelligence information sharing by NATO at the joint EU-NATO meetings can be understood as a part of a retaliation strategy. As the relationship between Turkey and the EDA is not normalized, Turkey continues to soft balance against the EU through NATO, and vetoes the security exchange between the EU and NATO in hopes that the EU would put pressure on the Republic of Cyprus to remove its veto.

**Uncertainties Regarding Turkey’s Accession into the EU**

Uncertainties regarding its EU accession exacerbate Turkey’s lack of trust towards the EU and its CSDP, and motivate a more independent and proactive foreign policy in the region. Turkey signed the Ankara Agreement with the European Economic Community in 1963 and became a candidate country in 1999. With the opening of EU accession negotiations in October 2005, Turkey’s unease with the plans for an autonomous European security infrastructure outside of NATO was somewhat alleviated initially. The prospects of EU accession provided strong incentives for Turkey to approach such ambitions with more tolerance.

Despite an initial period of momentum and optimism, the accession negotiations have reached a stalemate over the past few years. Out of the 35 chapters for Turkish accession, only the Research Chapter has been completed since 2005, and eight chapters were frozen by the EU in 2006, pending the implementation of the Additional Protocol to the Ankara Agreement to Cyprus by Turkey.9 It was declared that no chapter would be closed until Turkey fulfills its commitment regarding the Additional Protocol. Later, in 2007, five chapters were blocked by a

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9 Turkey signed the Protocol in July 2005 but made the point that, by signing the Protocol, it was not granting diplomatic recognition to the Republic of Cyprus.
French veto (one of which intersects with the eight chapters blocked by the EU) (Barysch 2010). The Republic of Cyprus also unilaterally vetoes six chapters. In February 2013, France declared the removal of its blockage of Chapter 22. As such, currently 17 chapters are off limits. On this topic, one Member of Turkish Parliament expressed frustration that, “even the Energy Chapter is frozen, despite the fact that Turkey plays a very central role in the European energy security sector”.

In order to open new accession chapters, Turkey is required to fully implement the Additional Protocol to the Ankara Agreement, and normalize its relations with the Republic of Cyprus. Nevertheless, Turkey refuses to extend diplomatic recognition to Cyprus and implement its agreement to extend the benefits of its Customs Union with the EU to Cyprus, by denying access to its sea and air ports to Cypriot shipping and commerce until a political settlement has been achieved on Cyprus. Nevertheless, as noted by one interviewee, even if Turkey would make a gesture by opening ports, there is no guarantee that all frozen chapters in its accession negotiations would be removed. This seems to be the main factor explaining Turkey’s reluctance on fully implementing the Additional Protocol.

Since its EU accession is considered open-ended rather than automatic or guaranteed process, Turkey approaches developments regarding CSDP with skepticism. As Mehmet Uğur (2010, 985) concludes, “an open-ended accession negotiations framework generates perverse incentives that may induce both the EU and the accession country to reduce the probability of their commitments to fulfilling their obligations” and “breaking deadlocks in accession

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10 Author’s interview with Interviewee #6 in Ankara, Turkey, 15 July 2011.

11 Turkey announced that it would not open its ports or airports to Greek Cypriot vessels until the EU ended the “isolation” of the Turkish Cypriots and engaged in direct trade between the EU and the Turkish Cypriots.

12 Author’s interview with Interviewee #1 in Istanbul, Turkey, 11 July 2011.
negotiations requires co-ordinated action by the EU and the accession country”. Accordingly, Turkey uses its veto power over the EU-NATO security relations as a political leverage over its EU accession negotiations, and hopes to successfully soft balance against the EU to coerce the Union to put renewed emphasis on accession negotiations.

Many interviewees confirmed this finding by noting that Turkey tries to use this situation to its advantage and is legally on a sound ground according to the Berlin-Plus Agreement.13 As put by a Member of Turkish Parliament, “if the EU was really interested in having Turkey as a member, it would have put pressure on an entity with only 700,000 population [to remove its veto over accession negotiation chapters]”14. In a similar vein, an overwhelming majority of the Turkish elites interviewed seem to hold the opinion that the leading countries in the EU want to use the unresolved Cyprus problem as an “excuse to delay the resumption of Turkey’s accession negotiation process.”15 When faced with “constant frustration”, one Turkish policymaker maintains, it is only natural that “Turkey will have to revise its constructive attitude with the EU”16, referring to the Turkish veto of security information exchange between NATO and the EU. This is yet another good illustration of soft balancing by Turkey in an attempt to influence its EU accession negotiations process.

13 Author’s interview with Interviewee #2 in Istanbul, Turkey, 12 July 2011; Author’s interview with Interviewee #6 in Ankara, Turkey, 15 July 2011; Author’s interview with Interviewee #10 in Ankara, Turkey, 18 July 2011.

14 Authors interview with Interviewee #10, Ankara, Turkey, 18 July 2011.

15 Author’s interview with Interviewee #6 in Ankara, Turkey, 15 July 2011. This sentiment was also strongly held by Interviewee #10, where he noted that some European countries use the Cyprus problem as an “excuse” for delaying Turkey’s membership into the EU (Authors interview with Interviewee #10, Ankara, Turkey, 18 July 2011).

16 Author’s interview with Interviewee #4 in Ankara, Turkey, 14 July 2011.
Furthermore, some Turkish policymakers voiced concerns that there might be a “misuse of sensitive information by some countries” if such information is to be shared with non-NATO members of the EU.\footnote{Author’s interview with Interviewee #4 in Ankara, Turkey, 14 July 2011.} Similarly, a retired Member of the Turkish Parliament noted, “if Turkey would allow a non-NATO EU member state to have access to sensitive intelligence, then the way for other third parties to have access to such information would have opened,” and it would set a “dangerous precedent” in security affairs.\footnote{Author’s interview with Interviewee #6 in Ankara, Turkey, 15 July 2011.} This seems to be the technical excuse used by Turkey for preventing the sharing of intelligence information with non-NATO EU member states.

Years of frustration in the EU accession process have caused Euroskepticism among Turkish security elites as well as the public (Yılmaz 2011). Therefore, Turkey’s soft balance against the EU may be understood in light of “the domestic power game” (Whitaker 2010). Turkey’s elites are emboldened by the increasing Euroskepticism on the part of the Turkish public and have relatively less concerns in terms of soft balancing against the EU.

As Nathalie Tocci (2010, 6) concludes, “by placing the bar [for accession] too high, Turkey is merely being pushed away”. If uncertainties regarding its EU accession continue, Turkey might become increasingly reluctant to coordinate its actions with the European allies or might become hesitant to allow the use of Turkish military assets, bases, and intelligence resources by European allies in a future crisis in the region. Turkey’s alienation from CSDP in particular, and from the EU in general, creates serious setbacks in the maintenance of European and transatlantic security. As Turkey’s hopes for becoming an integral part of the European security infrastructures dim, the country tries to present more diplomatic, political, and military
clout in the Balkans. All in all, as long as the hopes for its EU accession remain slim, Turkey is expected to continue exercising soft balancing against the EU in the region.

The EU’s continued financial crisis further encourages Turkish soft balancing behavior. There is a growing sentiment among the Turkish foreign policymakers that the country no longer needs the EU, as much as the EU needs Turkey. Indeed, many policymakers interviewed noted that if the European economic crisis continues, the allure of Turkish membership into the EU might eventually wane. This might be said to increase the Turkish incentives for asserting a more independent presence in the region.

**FACTORS CONTRIBUTING TO AND HINDERING INCREASED TURKISH INFLUENCE IN THE WESTERN BALKANS**

Through the legacy of the Ottoman Empire, which ruled the region for over 500 years, Turkey seeks to maintain close historical and cultural ties with the countries in the region. There are Turkish minorities living in the Balkans and people Balkan origins living in Turkey. Turkey also emphasizes the need for peace, stability, and security in the region, and has been playing an active role as a regional actor in the Balkans since the 1990s. As put by one diplomat, it is a “natural hinterland” for Turkish influence, as the country considers itself a Balkan state. Turkey has contributed significantly to the international community’s efforts to establish peace in the post-conflict zones in the Balkans, and has been among the biggest contributors to the

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19 For instance, a Turkish diplomat noted, “we are not depressed that the chapters are frozen… It is not in EU’s interest to make Turkey’s EU membership irrelevant” (Author’s interview with Interviewee #11 in Ankara, Turkey, 18 July 2011).

20 See, for instance, Author’s interview with Interviewee #10 in Ankara, Turkey, 18 July 2011.

21 Author’s interview with Interviewee #20 in Sarajevo, Bosnia and Herzegovina, 8 May 2013.
peacekeeping operations in the region. Its historical affiliation with the countries in the region has proven to be a priceless asset during these missions. In the 1990s, Turkey played an active role in the establishment of the regional stability and integration initiatives such as the Southeast European Cooperative Initiative, Stability Pact, South-East European Cooperation Process, and NATO-led South East Europe Initiative. More recently, the emphasis has shifted to establishing peace and stability for the sake of guarding the country’s economic interests in the region. As put by one interviewee, the country wants to consolidate its economic power in the region, before the countries in the region become EU members.

With its predominantly Muslim population, Turkey has a considerable soft power potential in the region, especially among the Muslim populations in the region. One of the sources of soft power of Turkish foreign policy in the region is Turkish TV series, movies, and broadcasting channels, which have become increasingly popular around the Balkans. These create curiosity and tourism potential for Turkey, and emphasize the attractiveness of a “Turkish model” – a balanced mix of Islam, democracy, free market, and modernity.

Turkey pursues a pragmatic foreign policy and is interested in establishing itself as an economic power in the region. In the words of a high-level Turkish diplomat interviewee, Turkish businesses are the “new Janissaries” in the Balkans.²² Turkey has therefore been trying to pursue economic statecraft in the region. Against the background of the financial crisis in the Eurozone, Turkey has been trying to fill in a void in the region left by the EU. In April 2012, Turkish Deputy Prime Minister Babacan said “Balkans should be a single economic zone in which borders and visas were lifted, more free trade agreements were made, customs duties and quotas were removed”.

²² Author’s interview with a high-level Turkish diplomat, Belgrade, Serbia, May 2013.
Similarly, visa-free travel with all Balkan countries (with the exception of Croatia, after the country’s accession into the EU) was ensured throughout the tenure of the Justice and Development Party in Turkey. An increasing number of people from the Balkans visit Turkey, learn Turkish, and aspire to the Turkish lifestyle. The Turkish International Cooperation and Development Agency (TİKA) has been able to run a complementary policy by increasing cooperation with Muslim organizations in the Balkans and restoring Ottoman monuments, libraries, and mosques. Turkey allocates a considerable amount of development assistance to the region. Turkish schools and universities in the region educate the young people and the future elites of the region.

Turkey’s geographical proximity to the Western Balkans reduces the transportation costs. Every year about 151,000 Turkish trucks pass through the Balkans.\textsuperscript{23} The similarities in consumption habits between the people in Turkey and the Balkans make the region a very profitable market for Turkish companies. At the June 2010 summit of the SEECP in Istanbul, then Turkish Foreign Minister Davutoğlu expressed Turkey’s eagerness to make the region “a hub for infrastructure, transportation, and energy projects as well as financial transaction.” Accordingly, Turkish companies flourish in the finance, manufacturing, construction, medical, and insurance sectors in the Balkan markets. Turkish companies increasingly win the bidding offers for privatization of state-owned enterprises in the Balkans. The trade volume between Turkey and the Balkans, which was around 2.9 billion USD in 2000, increased to 18.4 billion USD in 2011. While the trade volume between Turkey and Serbia was 568 million USD in 2011, it is 596 million USD in 2012.\textsuperscript{24}

\textsuperscript{23} Authors interview with Interviewee #30, Belgrade, Serbia, May 2013.

\textsuperscript{24} Authors interview with Interviewee #30, Belgrade, Serbia, May 2013.
Turkey aims to capitalize on this increased cultural and economic soft power to maximize its political power in the region. However, whether Turkey can manage to convert its cultural and economic soft power into increased political and diplomatic leverage in the region is a completely different question.

Under Davutoğlu’s tenure as Turkish Foreign Minister, there has been a renewed interest in the Balkans. According to the latest Gallup Balkan Monitor (July 2011), in many Balkan countries, such as Kosovo, Albania, Macedonia, and Montenegro, people have very positive attitudes towards Turkey. Even when looked at the public opinion in Serbia, young Serbs (ages 15-24) perceive Turkey as “friendlier” than their older counterparts.

Especially since 2008, there have been a large number of high-level visits between Turkey and the other countries in the Balkans, as Turkey attempts to establish itself as a mediator in the region. While continuing to participate in the EU and NATO post-conflict peacebuilding missions in the region, Turkey has been pursuing a more pro-active foreign policy in the Balkans since then. To illustrate, Turkey took the initiative to improve bilateral relations with Serbia. In October 2009, then Turkish President Abdullah Gül visited Belgrade – the first official visit by a Turkish head of state in 23 years. In 2009, Turkey and Serbia signed a free trade agreement. Following several meetings between Turkish and Serbian officials in March 2010, the Serbian parliament passed a resolution apologizing for failing to prevent the Srebrenica massacre of 1995. Trade with Serbia is soaring.

Turkey also chaired the South East European Cooperation Process (SEECP) during 2009-2010. The slogan of the Turkish Chairmanship of the SEECP, “From Shared History to Common Future,” is telling about Turkey’s attitude towards the Balkans. On April 24, 2010, the presidents
of Turkey, Bosnia-Herzegovina, and Serbia signed the Istanbul Declaration on Peace and Stability in the Balkans, guaranteeing the territorial integrity and sovereignty of Bosnia.

All these positive factors do not mean that there are no significant limitations of the Turkish foreign policy capacity in the region. As one interviewee put it, “Turkish foreign policymakers’ eyes are bigger than their stomachs”.25 Turkey is mainly seen as a biased third party, favoring the Muslim populations in the Balkans. Therefore, there is a significant need for confidence-building measures in order to ensure that the country is perceived to be an honest broker, and to convince the skeptics that Turkey is not pursuing a “Neo-Ottomanist” agenda. There seems to be an increased nationalism in the region, which leads to skepticism about the motivations of Turkey’s recently proactive foreign policy in the Balkans. On a different note, Turkey’s trade potential in the region is not fully reached yet. Turkey is not listed among the top three trading partners of the countries in the region. Last but not the least, the negative trends in Turkish domestic politics and human rights implementation seems to create a backfire against Turkey’s attempts to present itself as a country that wants further democratization and reform in the region.

Therefore, Turkish foreign policy’s track record in the region is a mixed one. It initiated two trilateral consultation mechanisms, with Bosnia and Serbia, and with Bosnia and Croatia. The former helped secure the appointment of a Bosnian Ambassador to Belgrade. Turkey successfully lobbied NATO to offer Bosnia and Herzegovina a Membership Action Plan (MAP) in April 2010. It plays a positive role in overseeing the Dayton process through the Peace Implementation Council (PIC) Steering Board. Turkey has also aligned itself closely with the US

25 Author’s interview with an NGO Official in Belgrade, Serbia, May 2013.
in opposing the closure of the Office of the High Representative (OHR) in Sarajevo, contrary to the stance of several EU states.

Turkey failed to broker a new government in Sarajevo after the October 2010 parliamentary elections. It has been a strong supporter of Macedonia’s Euro-Atlantic integration and has encouraged NATO to invite Skopje to join even without a negotiated solution to the name dispute with Athens, and a strong supporter of Kosovo’s independence. Once again, in May 2013, the presidents of Turkey, Bosnia, and Serbia met in Ankara, as a part of the third trilateral summit of this nature – the first meeting was hosted by Turkish President in Istanbul on April 24, 2010, while the second meeting was hosted by then Serbian president Boris Tadic on April 26, 2011. During the 2013 summit, the leaders signed an agreement on economic cooperation, and are discussing the possibility of establishing a trilateral board for trade.

**DISCUSSION: TURKISH SOFT BALANCING AGAINST THE EU**

Does this new activism in Turkish foreign policy come at the expense of the EU and NATO’s leverage in the region? My fieldwork reveals that the official sentiment among the Turkish policymakers and diplomats is that this new activism is not in competition with the Euro-Atlantic frameworks. It should be recalled that one of the sources of Turkish soft power is Turkey’s EU accession prospects and its NATO membership.

Turkey’s EU membership prospects and NATO membership increase the desirability of Turkey’s foreign policy activism in the region in the eyes of the Balkan countries. Turkish government has been trying to reassure that its new activism in the Balkans will not come at the expense of its transatlantic allies and that Turkish foreign policy in the Balkans is concordant with the EU and NATO policies in the region. It has been emphasized that Turkey supports both
the Membership Action Plan (MAP) of Balkan countries in NATO, and the EU membership of these countries. It should also be recalled that for the countries in the Balkans, accession to the EU remains a priority.

Despite its blockage of NATO-EU security relations, Turkey continues to contribute troops to EU-led operations, such as EUFOR/ALTHEA in Bosnia and Herzegovina, EUPM in Bosnia and Herzegovina, EULEX in Kosovo, and elsewhere. Turkey also hopes to enhance its cooperation with CSDP and continues to have a Customs Union with the EU. Therefore, as noted earlier, Turkish soft balancing against the EU can be classified as “soft balancing between friends”.

As noted in the analysis above, Turkish authorities want greater involvement in CSDP decision-making and defense procurement, and deem the ability to engage in “decision-shaping” in CSDP vital. Many interviewees held the opinion that it is in Turkey’s strategic security interests “to continue being an integral part of the European security infrastructures” and affiliated with the EDA. They emphasized that this affiliation would also be beneficial for European defense procurement, since “Turkey is already involved in a number of defense industry collaboration projects with its European counterparts”.

Nevertheless, as a non-EU member of NATO, Turkey is concerned about the decline of NATO’s role vis-à-vis the CSDP in the European context. As long as Turkey remains a non-EU NATO member, it is expected to continue preferring collective defense under the NATO framework (Dursun-Özkanca 2008) and engage in soft balancing against the EU. Turkish

26 Author’s interview with Interviewee #2 in Istanbul, Turkey, 12 July 2011.
27 Authors interview with Interviewee #10, Ankara, Turkey, 18 July 2011.
28 Authors interview with Interviewee #10, Ankara, Turkey, 18 July 2011.
reaction is mainly due to the fear of loss of influence in crisis management activities as a result of more operations being conducted under the autonomous EU framework, rather than under the NATO command structure where Turkey enjoys equal status with other Allies. Through its veto of the security exchange between the EU and NATO, Turkey hopes to engage in soft balancing against the EU and put pressure on the Republic of Cyprus to remove the veto over its EDA Associate Membership.

As long as Turkey’s exclusion from European defense structures continues, Turkey is expected to maintain its soft balancing against the EU. Having been denied participation in CSDP decision-making, the country adopts a tit-for-tat foreign policy strategy, and embraces a more proactive foreign policy in the Balkans. Many Turkish authorities interviewed held the opinion that it is important for Turkey to increase its economic presence in the region, as it would present a win-win situation for Turkey as well as the other Balkan countries in the region. Therefore, the analysis in this paper suggests that Turkey is attempting to balance the EU power through its veto of NATO-EU security coordination.

Turkish policymakers interviewed for this paper pointed out that Turkey’s exclusion from European defense frameworks represents a violation of the third “D”, i.e. no discrimination against the non-EU European members of NATO. So long as the prospects for EU accession remain low and its exclusion from developments in European security infrastructures continues, Turkey will most likely remain skeptical of any autonomous CSDP initiatives\(^{29}\) and continue with its soft balancing against the EU. As one member of the Turkish Parliament noted, Turkey “pursues a NATO-first policy”\(^{30}\). The former Turkish Defense Minister Vecdi Gönül affirmed that

\(^{29}\) Author’s interview with Interviewee #5 in Ankara, Turkey, 15 July 2011.

\(^{30}\) Author’s interview with Interviewee #3 in Ankara, Turkey, 13 July 2011.
this by noting: “It is of key importance that NATO should remain the main forum for transatlantic dialogue. NATO should continue to be the essential transatlantic forum for security consultations among Allies” (Gönül 2010).

While many Turkish policymakers interviewed emphasize that it is in the interest of Turkey to see NATO and the EU complement each other, rather than compete against each other to more effectively address to the fragile security conditions globally; many held the opinion that NATO’s role should not be limited to purely military matters. As indicated by one interviewee, a clear-cut division of labor between the two institutions, such that the EU handles soft security, and NATO handles hard security, is against Turkish strategic interests, as Turkey would like to see NATO handle both types of security, especially in the post-conflict stage. Turkey, like the US, wants NATO to play a role in the provision of soft security and civilian crisis management (Ülgen 2008; Dursun-Özkanca 2010; Gönül 2010).

Furthermore, Turkey traditionally advocates the preservation of “the transatlantic dimension in European security”, which favors the dominance of NATO rather than the EU. There are several reasons for this position. First and foremost, due to the fact that Turkey is a member of NATO and not of the EU, Turkey naturally prefers the dominance of NATO in European security. Secondly, Europeans are perceived to be militarily weak, as demonstrated during the civil wars in the Balkans and in Libya crisis management. Thirdly, the Turkish elites are in agreement that for any credible security infrastructure to exist, Europeans need the leadership and the involvement of the US. Finally, as the EU economy continues to falter and the

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31 Author’s interview with Interviewee #6 in Ankara, Turkey, 15 July 2011; Author’s interview with Interviewee #10 in Ankara, Turkey, 18 July 2011; Author’s interview with Interviewee #11, Ankara, Turkey, 18 July 2011.

32 Author’s interview with Interviewee #2 in Istanbul, Turkey, 12 July 2011.

33 Author’s interview with Interviewee #6 in Ankara, Turkey, 15 July 2011.
EU defense budgets continue to decrease, Turkish authorities do not expect the EU to become a rival to NATO.\textsuperscript{34} Therefore, in words of a leading NGO official, “NATO will continue to be the main venue for pursuing [Turkish] national interests.”\textsuperscript{35}

Despite all this, the positive sentiments towards NATO among the Turkish security elites may be dwindling. As put by a Member of Turkish Parliament, even though “NATO used to be a venue, in which Turkey completely felt as a part of the Western security infrastructures”\textsuperscript{36}; since the refusal of a few leading members of NATO to extend the security umbrella to Turkey in 2002-2003 to protect the country against a potential attack from the Iraqi dictator Saddam Hussein, Turkish security elites started to develop serious doubts about the solidarity of the Alliance.\textsuperscript{37} The latest blow to Turkey-NATO relationship came when the Turkish government announced its decision to build a missile defense system with a Chinese firm, instead of bids from European and US firms (Croft 2013).

One interviewee noted that while “for some observers looking from the outside, it might seem like Turkey wants to create problems within NATO, this is not an accurate understanding.”\textsuperscript{38} With the end of the Cold War, Turkey wants to proactively shape the developments in in its neighborhood.\textsuperscript{39} Many policymakers noted that as the EU accession negotiations are at a stalemate and the developments to the south of Turkey require immediate reaction, Turkey simply considers additional orientations for its foreign policy. Nevertheless, on

\textsuperscript{34} Author’s interview with Interviewee #11 in Ankara, Turkey, 18 July 2011.

\textsuperscript{35} Author’s interview with Interviewee #2 in Istanbul, Turkey, 12 July 2011.

\textsuperscript{36} Author’s interview with Interviewee #3 in Ankara, Turkey, 13 July 2011.

\textsuperscript{37} Author’s interview with Interviewee #3 in Ankara, Turkey, 13 July 2011.

\textsuperscript{38} Author’s interview with Interviewee #2 in Istanbul, Turkey, 12 July 2011.

\textsuperscript{39} Author’s interview with Interviewee #2 in Istanbul, Turkey, 12 July 2011.
the question of an “axis shift” in foreign policy, all Turkish policymakers interviewed noted that
the expansion of the circle of relationships in Turkey’s immediate neighborhood does not
necessarily constitute an “either-or” type approach in Turkish foreign policy orientation, and
maintained that the East cannot be a substitute of the West, as it is Turkey’s Western orientation
what makes the country special in its relations with the East. All these factors seem to give
Turkey increased confidence to pursue a more determined soft balancing approach against the
EU.

If Turkey’s accession to the EU remains deadlocked, Ankara might be tempted to split
with the EU in order to enhance its own independent role in the region. But for the foreseeable
future, Balkan leaders will try to avoid creating the impression that by moving closer to Turkey
they are surrendering their EU membership aspirations. It should be emphasized that, despite a
period of economic crisis and enlargement fatigue, the EU is still an important actor in the
region. Stabilization and Association Process is the comprehensive framework for the countries
in the region for their accession into the EU. It has three aims: to stabilize countries and
encourage their swift transition to market economies; promoting regional cooperation; and
membership into the EU. The Instrument for Pre-Accession Funding comprises of 11.5 billion
Euros, intended for transition, institution-building, regional integration. The EU still maintains
civilian and military missions in the region. Euro-Atlantic integration and enlargement of NATO
and the EU are seen as pathways to maintaining stability, peace, and establishing democracy in
the Balkans.

Different than the main body of scholarly works in the literature that uses soft balancing
theory, this paper engages in an analysis of soft balancing against the EU. As the analysis in this

40 See, for instance, author's interview with Interviewee #3 in Ankara, Turkey, 13 July 2011.
paper suggests, Turkey’s national interests, resentment for its exclusion from European security developments, as well as the uncertainties revolving around Turkey’s EU membership prospects and the subsequent lack of trust towards the EU lead to Turkey’s attempts at soft balancing against the EU in the Balkans. The underlying rationale is to establish itself as an economic power in the region and to bring renewed momentum into Turkey’s EU accession negotiations.

**CONCLUSION**

Since no single actor can individually meet the challenges of the contemporary era, the EU and Turkey are in need of urgent improvement in coordination of their foreign policies in the region. Turkey might be convinced to allow for increased cooperation between the two organizations, if the EU offers Turkey an association agreement with the EDA. At this juncture, the Turkish policymakers seem to hold the opinion that the responsibility to convince the Republic of Cyprus to remove its veto on Turkey’s Associate Membership into the EDA falls on the EU, since, as put by a Turkish policymaker, “it was the EU that failed to keep its promise [of integrating the country in European defense and procurement infrastructures]”.41 The elites consistently note that the removal of the Cypriot veto would also be in the strategic interest of the EU.42 They point out to a sizeable capabilities-expectations gap with regards to the CSDP43, and note that the Eurozone crisis hinders the development of autonomous CSDP capabilities due to decreasing defense budgets of many European countries44. Against this backdrop, they

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41 Author’s online exchange with Interviewee #12, Ankara, Turkey, 20 July 2011; Author’s interview with Interviewee #11 in Ankara, Turkey, 18 July 2011.

42 Author’s interview with Interviewee #11 in Ankara, Turkey, 18 July 2011.

43 Author’s interview with Interviewee #8 in Ankara, Turkey, 16 July 2011.

44 Author’s interview with Interviewee #10 in Ankara, Turkey, 18 July 2011.
emphasize that “it may not be in the interest of the EU to exclude such a strong military country [like Turkey] from the CSDP”.  

Establishing open and democratic institutions, and consolidating peace and stability in the region are key priorities for NATO and the EU that are also shared by Turkey. Turkish authorities interviewed strongly believe that the change in the region will neither exclusively come from the EU, nor from NATO. Human linkage, cultural interactions, and trade relations between Turkey and the rest of the Balkans are very important. With this comparative advantage, Turkey may contribute to the stalled reform processes.

At the same time, however, Turkey is increasingly becoming apprehensive to the possibility that it might be marginalized in the evolving Euro-Atlantic security infrastructures. Hence, Turkish foreign policy increasingly engages in soft balancing against the EU. Nevertheless, the Turkish authorities should take note that Turkey can act as an agent for change and contribute to the democratization and reform processes in the Balkans, only as long as it takes steps to strengthen its own democracy, stays committed to NATO, and remains on track with regards to its EU accession process.

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45 Author’s interview with Interviewee #8 in Ankara, Turkey, 16 July 2011.


