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THE POLITICAL ECONOMY OF EU'S TRADE (NON-) AGREEMENT WITH VIETNAM AND TURKEY: STRATEGIC INTERESTS VS. NORMATIVE AGENDA

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ABSTRACT

The dissertation will present a comparative analysis of the EU's trade relations with its two trading partners in different world regions: Vietnam and Turkey. The EU-Vietnam Free Trade Agreement, the first of its kind that the EU has concluded with a developing country, entered into force on 1 August 2020. After Singapore, Vietnam became the second ASEAN country with which the EU has concluded a free trade agreement. Vietnam is of particular interest as it has become almost the focal point of criticism of the EU's inconsistency as a norm promoter. On the other side, Turkey has long desired to modernise the EU-Turkey Customs Union (CU) because the existing framework is considered to have a narrow scope only involving the abolitions of the tariffs on the industrial goods and the industrial components of agricultural goods. The EU and Turkey announced the negotiations to start in a joint statement in May 2015 and the impact assessment on the modernisation of the EU-Turkey Customs Union was promulgated by the European Commission on 21 December 2016, no further steps have been taken so far. While the early meetings and the EU reports show the EU's interest in upgrading the CU, it is also vocal in expressing its concerns about democratic backsliding, the deterioration of human rights and the rule of law in Turkey. Non-trade objectives such as the promotion of fundamental political and human rights have increasingly become part of the EU's trade agenda. It is possible to observe several examples the European Parliament and other EU bodies are locally expressing concerns about democratic backsliding and the human rights situation in potential and actual trading partners. At the same time, trade agreements with several countries have been signed, despite concerns regarding the human rights situation in those countries was not sufficiently considered. What explains these variations and different outcomes of trade policy making in the EU? If and, to what extent, does the EU's normative agenda on human rights play the role on conducting trade relations vis a vis the strategic and commercial interests? This dissertation intends to provide an explanation for these questions by analysing two cases of agreement with Vietnam and non-agreement with Turkey.

ÖZET

Bu tez, AB'nin dünyanın farklı bölgelerindeki iki ticaret ortağıyla olan ticari ilişkilerinin karşılaştırmalı bir analizini sunacaktır: Vietnam ve Türkiye. AB'nin gelişmekte olan bir ülke ile imzaladığı, türünün ilk örneği olan AB-Vietnam Serbest Ticaret Anlaşması, 1 Ağustos 2020'de yürürlüğe girdi. Vietnam, Singapur'dan sonra AB'nin serbest ticaret anlaşması imzaladığı ikinci ASEAN ülkesi oldu. Vietnam, AB'nin bir norm destekçisi olarak tutarsız olmasına yönelik eleştirilerin neredeyse odak noktası haline geldiği için özellikle ilgi çekicidir. Öte yandan, Türkiye uzun süredir AB-Türkiye Gümrük Birliği'ni modernize etmeyi arzulamaktadır çünkü mevcut çerçevenin, yalnızca sanayi malları ve tarımsal malların sanayi bileşenleri üzerindeki gümrük vergisinin kaldırılmasını içeren dar bir kapsama sahip olduğu düşünülmektedir. AB ve Türkiye, Mayıs 2015'te Gümrük Birliği'nin güncellenmesi müzakerelerinin başlayacağını ortak bir bildiriyle duyurmuş ve AB-Türkiye Gümrük Birliği'nin modernizasyonuna ilişkin etki değerlendirmesi Avrupa Komisyonu tarafından 21 Aralık 2016'da yayınlanmış, ancak şu ana kadar başka bir adım atılmamıştır. Gerçekleştirilen toplantılar ve AB raporları, AB'nin Gümrük Birliği'ni güncelleştirmeye olan ilgisini gösterirken, AB aynı zamanda Türkiye'de demokraside gidişatın, insan hakları ve hukukun üstünlüğünün kötüleşmesine ilişkin kaygılarını dile getirmeye devam etmiştir. Temel siyasi hakların ve insan haklarının teşvik edilmesi gibi ticaret dışı hedefler giderek AB'nin ticaret gündeminin bir parçası haline geldi. Avrupa Parlamentosu ve diğer AB kurumlarının potansiyel ve fiili ticaret ortaklara ilişkin demokratik gerileme ve insan hakları durumu hakkında endişelerini dile getirdiklerini gözlemlemek mümkündür. Aynı zamanda, bu ülkelerdeki insan hakları durumuna ilişkin endişeler yeterince dikkate alınmamasına rağmen, birkaç ülkeyle ticaret anlaşmaları imzalandı. AB'de ticaret politikası oluşturmanın bu farklılıklarını ve farklı sonuçlarını ne açıklıyor? AB'nin insan haklarına ilişkin normatif gündemi, stratejik ve ticari çıkarlar karşısında ticari ilişkilerin yürütülmesinde rol oynuyor mu, ve, ne ölçüde rol oynuyor? Bu tez, Vietnam ile anlaşmanın imzalanması ve Türkiye ile anlaşmanın güncelenmemesi durumlarını analiz ederek bu sorulara bir açıklama getirmeyi amaçlamaktadır.

1. Introduction

Turkey has long desired to modernise the EU-Turkey Customs Union (CU) because the existing framework is considered to have a narrow scope only involving the abolitions of the tariffs on the industrial goods and the industrial components of agricultural goods. The Turkish government has voiced its will to modernise the existing framework and to deepen trade ties with the EU.[1] Following the EU-Turkey Summit of 29 November 2015, it was announced that the official negotiations on the update of the Customs Union could begin towards the end of 2016 (European Council, 29 November 2015). However, the decisions of the General Affairs Council on 26 June 2018 ruled out that no further steps were envisaged regarding the updating of the Customs Union due to the worsening political situation as to rule of law and human rights in the country after the failed coup attempt in 2016 (European Council, 26 June 2018). The 2015 report by a joint Senior Working Group (SWOG) on the modernisation of the (CU), the World Bank's 2014 evaluation on CU, the report prepared by BKP Consultancy at the request of the Commission all have suggested that updating the CU or strengthening the bilateral framework with an additional free trade agreement (FTA) will enhance the EU-Turkey trade volume. Turkey has also highlighted that updating the CU would serve the long-term economic interests of both sides. On the EU side, it was frequently stated that Turkey was a key strategic partner but the relations were frozen due to 'the democratic backsliding in the areas of democracy, the rule of law and fundamental rights' (Stanicek, EP, 2021).

On the other hand, the EU as part of its ambitious trade agenda, has enhanced its bilateral trade frameworks with a number of countries. What I meant by 'enhancing' here is to upgrade the existing trade scheme to an upper level by launching or concluding trade negotiations. For example, the EU and Mexico agreed to modernize the 2000 EU-Mexico Global Agreement in 2018. Bilateral FTA talks launched with Malaysia and Thailand,

[1] https://www.dailysabah.com/business/economy/modernized-customs-union-key-for-better-ties-with-eu-ankara.
https://www.hurriyetdailynews.com/turkish-officials-stress-need-to-update-customs-union-161452.
https://www.mfa.gov.tr/no_52_-avrupa-parlamentosu-2018-turkiye-raporu-hk.en.mfa.

both of which were once in the EU's unilateral trade schemes, Generalized Scheme of Preferences (negotiations are currently on hold). Finally, the EU signed the much-debated FTA with Vietnam in 2019. While the EU is vocally expressing concerns about democratic backsliding and the human rights situation in Turkey, trade negotiations with the four aforementioned countries have either started or been concluded despite concerns by institutions like the European Parliament that the human rights situation in those countries was not sufficiently considered.

This puzzle of human rights considerations does beg the question of what explains these variations and different outcomes of trade policy making in the EU. Were human rights issues invoked in different ways in different negotiations, and if so, why? To what extent, does the EU's normative agenda on human rights play the role on conducting trade relations vis a vis the strategic and commercial interests? This dissertation intends to provide an explanation for these questions by analysing two cases of agreement with Vietnam and non-agreement with Turkey. I consider Turkey as the case that has not (yet) succeeded, that is, even the start of negotiations to update the current CU has been suspended by the Council's decision of 2018. Vietnam is the case where an ambitious new-generation FTA was recently secured.

The EU-Vietnam FTA (EUVFTA) has already been widely discussed in terms of the (in)consistency of the human rights conditionality implemented in the EU's trade policy (Pennisi di Floristella, 2021; Sicurelli, 2017; Meissner and McKenzie 2019). This paper contributes and extends the scope of this debate by combining insights from an example where human rights (political) conditionality has long been applied in another context, as a criterion for Turkey's accession to the EU. The CU, long seen as a means to an end (accession) for Turkey, has become the end at a time since accession negotiations are unlikely in the near future. That is, the human rights concerns raised by the EU regarding the update of the CU should no longer be considered as an element of the Copenhagen criteria, but rather as an 'ex ante' human rights conditionality applied in other trade negotiations.

The specificities of the Vietnamese and Turkish cases call for a comparative case study. At first glance, it appears that neither country is in compliance with the non-trade objectives of the promotion of fundamental political and human rights, which are increasingly becoming an integral part of the EU's trade agenda. On the other hand, considering the trade volumes with the EU, the two countries differ in terms of the EU's economic interests – the size of Turkish economy is almost three times that of Vietnam. Therefore, when referring strategic interests, it is necessary to incorporate economic interests, also to geopolitical interests. The politics of the (non-)agreement with Turkey and Vietnam is closely related to whom serves the EU's external policy which encompasses economic, security and geopolitical objectives. This paper argues that when the strategic interests in question outweigh, the human rights conditionality can be a stumbling block in negotiations with Turkey and a secondary factor that can virtually be by-passed with that of Vietnam.

To make this comparative analysis, the next section begins with a theoretical discussion of the EU as a normative power and its specific implementation through human rights conditionality in trade negotiations. I will complement this framework by 'Global Europe' strategy set by successive plans adopted in recent decades. The third section deals with the analysis of the evolution of EU-Vietnam trade relations. The fourth section discusses the determinants of the standstill of trade talks between the EU and Turkey. Both sections substantiate the main argument of this dissertation with a specific focus on the EU's normative agenda and the strategic orientation of its trade policy. The concluding section finishes with a recap of the analysis of the EU's recent commercial relations with Vietnam and Turkey.

2. Theoretical Debate

Two incompatible theoretical approaches can be distinguished among scholars studying the EU's external policy. The EU has been depicted as a power *'doing good'* in its relations with the rest of the world (Lerch and Schwellnus, 2006). But at the same time, the EU, as a political actor, carries out its external policy in an increasingly politicized arena on the axis of EU integration and globalization (Barbé and Morillas, 2019).

Trade policy has gained prominence in term of those value-based or interest-based arguments regarding the EU, which, does not have a military capacity, unlike other international actors. A process of politicization went hand in hand with the fact that trade policy ceased to be a policy carried out only by technical experts and political elites. Meunier and Czesana (2019) argue that the EU's trade policy-making has tended to become increasingly politicized in the last 20 years, yet this politicization reveals a marked divergence according to the country to which an agreement is negotiated. The formal role of the European Parliament (EP) in trade policy-making after the Lisbon Treaty, 'new-generation' agreements with deeper and more extensive regulatory promises, and the economic strength and thus bargaining capacity of the negotiating country, all these factors individually or in the aggregate explain the increasing politicization of the EU's bilateral and regional trade agreements (Bièvre and Poletti, 2020). It is argued that trade agreements, which incorporate more regulatory elements such as services, health or sanitary issues, labour conditions, environmental standards, are encountered with more lobbying from organized groups or public activism (Meunier and Czesana, 2019: 1853). The increasing competence of the EP in trade policy and its manifestation through the divisions in the axis of right-left and pro-anti EU integration, especially in the politicized agreement negotiations, is a subject of interest in the literature (Migliorati and Vignoli, 2021).

For the significance of our discussion regarding human rights protection, Meissner and McKenzie (2019) also state that human rights conditionality and the promotion of fundamental rights in the partner country vary depending on public salience of the trade negotiations. This variation is understood through how the human rights issues are attached to the agreement texts, how clear a roadmap for human rights the agreement has and, more importantly, what concrete measures or sanctions the agreement envisages in case of any violation.

2.1. Normative Power Europe

The literature on EU foreign policy revolves around the debates over the EU's distinctive character in the international arena through its external actions. There is indeed more or less a consensus in the literature as to what kind of the EU is -be it a normative power

(Manners, 2002), be it an ethical power (Aggestam, 2008), or be it a 'force for good' (Solana, 2006). The idea of the normative aspects of the EU is predicated on the view that the EU as a 'civilian power' has adopted an understanding based on the merit of economic and political instruments instead of military capabilities in order to maintain international order and stability (Duchêne, 1972).

The EU as a political entity has its normative grounds which has been built throughout the second half of the 20th century by treaties, statements, policies and admission criteria. The condition for the EU to be a normative power is how these norms are dispersed in relations with other countries and regions (Manners, 2002). The dissemination of norms may be unintended and 'informational', with its internal institutionalization, the EU can set, and indeed did set, an example for other regional political entities. Or the EU's relations with third countries, either through international agreements or the EU accession negotiations provide a 'procedural' spread of norms. Important for the argument of this study, 'transference' is the export of norms through the EU's positive and negative means of transference mostly in exchange for economic and technical assistance (Manners and Whitman, 1998).

The 'ethical power Europe' (EPE) approach is also concerned with the broad spectrum of ethical principles which the EU endeavours to exert influence and promote in international arena. This approach is less concerned with the normative principles in its institutional configuration than how the EU operationalizes those principles. In other words, the question of 'what the EU does' is highlighted instead of 'what it is' (Aggestam, 2008).

Being a 'force for good' attributes the international role of promoting values such as multilateralism, democracy, law, and justice to the EU. It is argued that the peculiarity of the EU as a political actor arises from the fact that it has a transformative approach towards foreign policy (Barbé and Morillas, 2019). According to Sjursen (2017), the protection of human rights, among other political values it promotes, is the most important feature that distinguishes the EU as a 'normative' or 'ethical' power since it has a strong transformative aspect in the partner country. Historically, human rights issues

have emerged as a benchmark in the EU's enlargement agenda. Human rights, which was recognised as an explicit criterion in the membership negotiations with the Central and Eastern European countries, remained a major factor or impediment in the negotiations with the post-Yugoslav states and Turkey. In 1998, the year of human rights for the EU, the abolition of capital punishment was high on the agenda in terms of its adoption as an international norm and its indoctrination among third parties. The abolition of capital punishment at the turn of the century in countries such as Ukraine, Albania, Turkmenistan, Azerbaijan and Turkey, which were either applicant countries to the EU or receiving assistance from the EU within the scope of the cooperation agreements, has been an indicator of the normative power exerted by the EU through various instruments (Manners, 2002). Subsequently, respect for human rights and democracy went beyond the enlargement agenda and started to be included as a 'human rights clause' in all cooperation, association and trade agreements signed by the EU with third parties and the EU's Generalised Scheme of Preferences (Sjursen, 2017).

2.1.1. Human Rights Conditionality in Trade Policy

'The protection of human rights' is accepted as one of the values that the EU shall support and encourage in its relations with other countries and regions, and Article 3 of the TEU has in general provided its legal basis (art. 3.5 TEU). Article 21 of the TEU, which regulates the general provisions regarding the external actions of the Union, reiterates that human rights and fundamental freedoms are fundamental principles in the EU's external relations (art. 21 TEU). Article 207 of the TFEU which states that *"The common commercial policy (CCP) shall be conducted in the context of the principles and objectives of the Union's external action"* implies the nexus between trade and human rights.

The promotion human rights through trade and foreign aid, indeed, came to the fore for the first time with the 1989 Lomé Convention within the scope of the EU's relations with the African-Caribbean-Pacific (ACP) countries. The European Commission in 1995 issued the communication on the introduction of the respect for democratic principles and human rights clauses in the agreements signed by the EU with third parties (Commission, 1995). In the following years, human rights as a conditionality have turned into a policy

tool in the EU's trade relations with emerging economies in different regions of the world. While the EU was not the first or the only power to link economic aid to human rights scores of recipient countries, it has become a 'distinguished' normative power, with legally binding treaty clauses and good credentials of implementation. (Donno and Neureiter, 2018: 336).

Human rights conditionality plays a role in both positive and negative ways. The former is actually covered by the EU's long-standing unilateral trade measures. The three arrangements, classified as Everything but Arms (EBA) scheme, Standard Generalized Scheme of Preferences (GSP) and GSP+, grant commercial concessions that would create additional incentives for underdeveloped or developing countries according to the progress reports on the human rights situation and violations in those countries (Bartels, 2008). The extent to which positive conditionality is an effective method is discussed in the literature, because human rights protection is ultimately all about the partner country's cooperation on this issue (Donno and Neureiter, 2018; Sicurelli, 2017). On the other hand, it can be said that conditionality can be a significant leverage for the countries that have an interest to participate in those trade schemes. Negative conditionality is the exclusion of countries with grave and systematic human rights violations from existing concessions through a monitoring and sanctioning mechanism. Suspension or partial withdrawal of preferences happened only four times in the EU's GSP regime which are Myanmar (1997), Belarus (2007), Sri Lanka (2010) and Cambodia (2020) (Zamfir, 2018). It may evidence that the sanctions in question are not a very desirable outcome, because it has the possibility of worsening the existing violations rather than putting an end. Meissner (2021) argues that sanctions are more salient when no progress has been made in terms of development in the beneficiary country where the EU's security interests are also not paramount.

The GSP system is seen as the most affiliated field with human rights conditionality within EU trade policy, considering the suspension of trade concessions is easier compared to bilateral FTAs where suspension of the agreement is also relied on the mutual decision by contracting parties (Velluti, 2016). One of the reasons for this is that human rights were included in the agenda of the EU's bilateral FTA negotiations

somewhat selectively. Both the political narrative of human rights matters in the EU's trade policy politically and from the academic perspective discuss the salience of the Parliamentary stance, emphasis attached to the non-execution clause in case of human rights violations and the selectiveness of the use of impact assessments during the negotiations (Zerk, 2019). The European Commission, which has been carrying out Sustainability Impact Assessments (SIAs) on the economic, social and environmental impacts of trade agreements since the 90s, incorporated human rights into this scheme by the 2012 EU Strategic Framework and Action Plan on Human Rights and Democracy (Micara, 2019: 1458). The introduction of human rights impact assessments (HRIAs) politicizes the issue in itself, because it is unclear whether there is a legal requirement for conducting them and also their somewhat selectivity calls into question the effectiveness.

2.2. Global Europe

In the previous two decades, the EU has pursued a comprehensive trade agenda endowed with normative connotations as mentioned in the preceding analysis. The EU's external trade policy, moreover, has also served economic and security objectives which are highly intertwined with one another. Its normative agenda aside, it is equally important to examine the global context in which the EU's bilateral free trade agreements have burgeoned over the last 20 years. Moreover, this section intends to elaborate on the material and discursive determinants of the EU's ambitious trade agenda which allows to evaluate the normative aspects of the EU's trade policy with the question of 'to what extent' rather than 'whether'.

FTAs were not new to the EU's external trade policy. The EU has always engaged in privileged bilateral or interregional relations for economic and political cooperation. It has offered a wide array of cooperation and association agreements with third countries, including association agreements as part of the pre-accession strategy or partnership agreements with non-European countries with no prospect of accession such as African-Caribbean-Pacific (ACP) countries, the Southern Neighbourhood countries and the members of MERCOSUR (European Parliament, 2019). However, there was an apparent coincidence between the rapid increase in the number of deep and comprehensive trade deals, called 'new-generation FTAs' and the eclipse of 'multilateralism first' view in the

aftermath of the collapse of multilateral trade talks in the Doha Round. The demise of ideological commitment to multilateralism has led to renewed interest to develop bilateral relations with developing and emerging economies in Southeast Asia by major economic powers. Japan just concluded its first FTA with Singapore in 2003 and trade negotiations with Malaysia, the Philippines and Thailand were still ongoing (Manger, 2005).[2] The US followed suit -reached an agreement with Singapore in 2006 and was in bilateral negotiations with South Korea, Malaysia and Thailand. The strategic engagement of the US in Southeast Asia has also been a trigger for the China-ASEAN relations, which had not developed much until then (Ba, 2003). The US and Japan were also the countries that were specifically mentioned in the 'Trade and Competitiveness Issues Paper' published in 2005 at the Fifth Market Access Symposium, where EU policymakers and industry representatives meet regularly (Siles-Brügge, 2014).

The Commission in October 2006 published on 'Global Europe' strategy as a follow-up to Issues Paper. The Communication had an explicit aim to provide a blueprint for EU industries to remain competitive in global trade. Having reaffirmed the commitment to the WTO principles and the Doha trade rounds, the Communication pointed out to the importance of FTAs for 'a more comprehensive, integrated and forward-looking external trade policy' and addressed the Association of Southeast Asian Nations (ASEAN), South Korea and Mercosur (Southern Common Market) as the priorities of the EU's trade policy (Commission, 2006). 'Trade, Growth and World Affairs' strategy replaced the 'Global Europe' in 2010, but the importance of staying competitive in global markets likewise set the tone for the strategy to be implemented (Commission, 2010).

The three successive documents and the many others directed the EU's external trade policy and played a crucial role in constructing a discourse based on the idea of the threat of external competitiveness (Siles-Brügge, 2014). In this respect, 'Global Europe' symbolized the change in strategy of the EU's trade policy against the privileges that US companies gained through FTAs and to be obtained as a result of ongoing negotiations, especially during the Bush administration (Sbragia, 2010). The 'Global Europe' strategy,

[2] Japan signed economic partnership agreements with Malaysia in 2005, the Philippines in 2006 and Thailand in 2007.

similar to what Robert Zoellick coined the term ‘competitive liberalization’, referred and still continue to refer to the competition among major trading powers to have preferential access to emerging markets and production locations, and compensate the loss of the first-movers (Manger, 2009). The aim of achieving ‘NAFTA parity’ has been the form of expression which describes the motivation for the EU to start trade talks with most South American countries or the ASEAN members and to conclude agreements with many (Dür, 2007).

Protection of the economic interests of EU exporters and firms outside have, moreover, regional dynamics and geopolitical concerns. What Meissner (2018) theorizes as 'commercial realism' lies at the intersection of the EU's economic and security interests. It points out to the fact that the EU aims to enhance its interests internationally against the regional interests of other great powers, namely the US and China. Yet, somewhat different from realist assumptions, it does so not by military capabilities, but by its huge market share and strong bargaining position in international treaty negotiations (Meissner, 2018). To conclude, economic interests are tightly interwoven with strategic and security interests in the EU's external action policy.

3. The EU’s Trade Relations with Vietnam

The EU has signed a free trade and an investment protection agreement with Vietnam on 30 June 2019, the former came into force in 2020, the latter will come into effect after the member states' ratification. The EU presented the deal as 'the most comprehensive agreement ever signed with a developing country' (European Commission, 31 July 2020). This was also an agreement which the EU has concluded with a country that had a rather bad human rights record despite the EU’s positioning itself as a human rights promoter globally. Freedom House, a well-known NGO committed to carry out research and publish reports on democracy, freedom and human rights, ranks Vietnam as ‘not free’ (Freedom House, 2022; Reporters Without Borders, 2022). Vietnam is being widely criticized by numerous commentators, NGOs, and the European Parliament for ongoing human rights violations (Reuters, 22 January 2021). This situation seems puzzling in terms of the trade relations to which the EU most prominently binds its human rights policy. This section scrutinizes the case of Vietnam to elaborate on the determinants of

making comprehensive free trade agreements by the EU during the last two decades. I argue that 'Global Europe' strategy and its subsequent 'Trade, Growth and World Affairs' strategy both of which prioritized the competitiveness-oriented FTA policy and the development of trade relations with East Asian countries, starting with Vietnam and Malaysia, were the main reasons for this situation (European Commission, 2010). The Commission's signing of the agreement with Vietnam proved that the pendulum has swung back to the strategic interests in the EU's commercial interests-human rights nexus and that the extent to which human rights still depends on political will rather than legal basis.

3.1. The EU's Asian Turn After Doha

In 2007, the European Union (EU) started free trade negotiations with India and South Korea, and an interregional free trade negotiations with the Association of the Southeast Asian Nations (ASEAN). The 2007 press release announcing the start of talks explicitly referred to the EU's 'Global Europe' strategy and the importance of the countries in terms of EU export interests (Commission, 2007). The ASEAN market, which represents the EU's third-biggest market behind the US and China, was indeed quite appealing for the EU. It has been argued that the increasing commercial activity of strong trade partners such as China, Japan and the USA in the region was the motivation behind the EU to seek an inclusive FTA covering goods, services and investments (Meissner, 2016). However, the negotiations with the ASEAN ended in failure after 2 years. Soon after, the EU turned bilateral trade talks with particular ASEAN members. According to Meissner (2016), this inhibited the EU from concluding a less ambitious agreement, which would find the least common denominator among a bloc of so disparate countries.

The market shares of individual ASEAN countries in the EU imports and exports have continued to differ relatively during and after the failed negotiations (Lindberg and Alvstam, 2007). In addition, each ASEAN member has been subject to separate schemes in the EU's foreign trade regime. Singapore and Vietnam are the two ASEAN members that signed the EU's 'next-generation' free trade agreements. The Malaysia-EU FTA talks, which started in 2010, is still on hold since the parties could not compromise on the terms of the agreement at the negotiating table. Negotiations with Thailand, started in

2013, were suspended a year later due to the military coup in the country. There is not currently a trade agreement between the EU and Brunei. Finally, Cambodia and Myanmar are included in the EU's unilateral arrangements Everything but Arms (EBA) scheme, Indonesia and Lao in PDR Standard Generalised Scheme of Preferences (GSP) and Philippines in GSP+ (European Commission, 2022). These three unilateral arrangements allow third countries to have preferential access to the EU market. Countries in each group are included in different trade regimes due to differences in their income levels. For example, countries classified as least developed countries by the UN have full access to all products except weapons and military equipment, without taxes and quotas while GSP provides substantial customs duty reductions in trade with low and low-middle income developing countries (European Commission, undated). The aforementioned trade schemes have also laid great emphasis on the international conventions on social and human rights, as well as reducing poverty and ensuring sustainable development in socially and economically vulnerable countries.

3.2. The EU-Vietnam Free Trade Agreement

Vietnam is the 16th largest trading partner of the EU-27, with a trade in goods volume of more than 49 billion € as of 2021, and ranks first among ASEAN members in its trade relations with the EU (Eurostat, 20 April 2022). Although Vietnam is an emerging market and can be considered reasonable to negotiate in terms of EU exports and imports, it is clear that other countries with similar economic and commercial indicators are not party to a comprehensive free trade agreement like Vietnam. This chapter aims to explain the salience of the EU-Vietnam Free Trade Agreement (EUVFTA) through the EU's economic and strategic interests in Vietnam. Vietnam stands out as an outstanding case study to demonstrate that when those commercial and strategic interests are in question, the EU's normative agenda on human rights can be eroded.

3.2.1. Why Does Vietnam Matter?

Vietnam is likely to come to the fore when considering relations with Southeast Asian countries from an economic or security-oriented perspective. It can be argued that the country has continued to show greater relevance to international powers at the recent critical junctures such as the end of the Cold War and the 1997 Asian Financial Crisis.

In terms of economic indicators alone, Vietnam can be considered a typical success story among emerging economies. While it was one of the poorest regions in the world just one generation ago, it has risen to the level of a middle-income country thanks to its continued high growth rate. From the 1997 Asian Crisis until the onset of the Covid-19 pandemic, Vietnam had an annual growth rate of 6.58 between 2000 and 2019 (World Bank Data, 2022). The country, which had long isolated from foreign trade and investment for many years, began to become a part of the global economy with private initiatives and investments under the auspices of the 1986 economic reform plan known as *Doi Moi* (IMF, 2018). Poverty reduction, social development and urban transformation were concomitant of the country's remarkable growth rate. Access to basic services and infrastructure has increased dramatically over the past 30 years. Between 1993 and 2019, the rate of electrification across the country rose from a staggering 14% to 99.4%. Access to clean water has increased from 17% in rural areas to 60% and 90% in cities (World Bank, 2017). Moreover, Vietnam has largely relied on financial and technical assistance by international organization and actors when integrating into global economy.

Vietnam has also adopted a multifaceted approach in its political relations as well as in its economic relations. After its re-unification in 1976, Vietnam joined the United Nations in 1977. Despite the efforts to diversify foreign trade and investments, which were heavily dependent on the Communist Bloc in early 1980s, Russia and eastern European countries had been the major source of income for Vietnam through foreign support and trade until the end of the Cold War (Womack, 1996). The mid-1990s marked a turning point for Vietnam's foreign policy, as the country engaged in regional partnerships and entered into diplomatic relations with the US and the EU. Vietnam joined the Association of Southeast Asian Nations (ASEAN) and signed a framework agreement with the EU in 1995. It can be argued that at a time when the EU adopted “Towards a New Asia Strategy” in 1994 and Vietnam was in a multilateral foreign policy orientation, reciprocal economic and political considerations made the agreement possible. On the other hand, the agreement was concluded at a time when the EU was putting into effect so-called ‘third-generation economic agreements’, which covered political issues such as democratic principles and human rights. Thus, Vietnam became the first among the ASEAN countries to sign one

of those up-to-date cooperation agreements that reference human rights. The US-Vietnam Trade Agreement was signed between the parties in 2000, five years after the start of official relations with the US (Maass, 2012).

In the last decade, Vietnam has tried to diversify its trade and foreign policy by a vested interest in maintaining the balance of power and the EU has tried not to fall behind other actors in the region. Vietnam is the only ASEAN member that borders China. While Vietnam and China have experienced rapid growth rates during the 2000s, bilateral trade volume also continued to increase, reaching more than $132 billion in 2020 but to the detriment of the former (Trade Map, 2020). The USA, which had been Vietnam's largest trading partner until 2004, was replaced by China. However, China has made up the largest proportion of Vietnam's total foreign trade deficit (Binh, 2017). In this context, both the search for a large market for Vietnamese products and the desire to exercise a counterweight against China influenced the decision for Vietnam to participate in the Trans-Pacific Partnership negotiations upon the invitation of the US in 2008 (Vuving, 2019). The TPP negotiations, with the implicit theme of 'the reassertion of American power and American influence in Asia in the face of China's rise', was in fact gathering the countries of the region that have extensive economic relations with China but are also concerned about its depth, delicate subjects such as the South China Sea dispute (BBC News, 16 November 2011). In the EU's discourse on Asia, China has also evolved into 'a systemic rival promoting alternative models of governance' (European Commission, 12 March 2019). While referring to the fact that China's economic development altered the strategic balances in the region, historical and territorial conflicts in particular were included in this discourse as ambiguities and tension points (European Council, 2012b).

3.2.2. 'Human Rights Are Not for Sale'

One of the most important issues highlighting the commercial and strategic significance of Vietnam for the EU was nothing but the concession on human rights made to Vietnam. Perhaps for the first time, the EU's external policy, which links its foreign aid and commercial privileges to third countries with compliance with human rights and fundamental freedoms, has become seriously questioned. Despite all internal and external objections, the EU-Vietnam FTA was signed and entered into force. This section intends

to address two related issues. Firstly, human rights are frequently mentioned in the official discourse of the EU regarding Vietnam which encompasses both the European Parliament Resolutions and in response, the creation of a development-themed discourse on Vietnam by the Commission. The second is that the human rights impact assessment, which could put the human rights conditionality on a systematic basis, was not carried out during the agreement negotiations. Even despite the application made to the European Ombudsman and the decision against the Commission, the Commission did not make the assessment.

It is a fact accepted by almost all parties that Vietnam's record of fundamental rights and freedoms is not good. According to Freedom House, Vietnam is in the category of non-free countries with a total score of 19 out of 100. According to 2022 press freedom index by Reporters Without Borders, Vietnam ranks 174th among 180 countries evaluated. The United Nations Human Rights Committee expresses its concerns about the arbitrary interrogation and detention of human rights defenders and activists in Vietnam, the continued use of the death penalty for many crimes, the prevalence of torture and ill-treatment, and the problems with fair trials (UN Human Rights Committee, 2019). Similar problems were also known and voiced by the EU policymakers. The heavy police intervention in a series of protests in May 2016, the inhumane treatment and torture of demonstrators, the suppression of religious minorities, the incarceration of human rights activists were all issues raised by the Parliament during the ongoing trade negotiations (European Parliament, 9 June 2016). Two years later, the Parliament issued another Resolution on Vietnam regarding the arrest of activists Hoang Duc Binhi, Le Dinh Luong and Nguyen Nam Phong. Having referred to the above-mentioned freedom indices, the Parliament reiterated its concerns about religious, political freedoms, freedom of expression and human rights (European Parliament, 15 November 2018).[3] Even after the EUVFTA went into effect, the EP urged Vietnam to take action regarding the human rights abuses (European Parliament, 21 January 2021), and to revise its criminal code and

[3] For all the other European Parliament Resolutions regarding the human rights situation in Vietnam, see also European Parliament (2015a). Resolution of 12 March 2015 on the Annual Report on Human Rights and Democracy in the World 2013 and the European Union's policy on the matter (2014/2216(INI)); European Parliament (2015b). Resolution of 8 October 2015 on the death penalty (2015/2879(RSP)); European Parliament (2016b). Resolution of 14 December 2016 on the Annual Report on human rights and democracy in the world and the European Union's policy on the matter 2015 (2016/2219(INI)); European Parliament (2017). Resolution of 14 December 2017 on freedom of expression in Vietnam, notably the case of Nguyen Van Hoa (2017/3001(RSP)).

complete basic labour reforms (European Parliament, 5 July 2022). After the signing of the trade agreement with Vietnam, European Trade Commissioner Cecilia Malmström expressed in an interview that they were concerned about human rights violations in Vietnam. The trade agreement alone would not solve all the problems, but would create a platform that would act as a driving force on issues such as labour, environment, and human rights. The next question was obvious -So what was the difference when it comes to Cambodia or Myanmar? (Radio Free Asia, 1 July 2019)

The absence of an HRIA in trade negotiations with Vietnam is also crucial for the need for improved definition and clarification of the EU's obligations to protect human rights (Micara, 2019). In 2012, the European Council had adopted 'EU Strategic Framework and Action Plan on Human Rights and Democracy' and had suggested to the Commission that the human rights should be a component of impact analyses that the EU was already carrying out (European Council, 2012a). The Action Plan has given guidelines on how to launch and conclude a trade negotiation depending on the human rights situation in a third country. While it was unclear whether an HRIA is a necessity or legal obligation, the Vietnamese case proved that the situation is still far from being systematic. International Federation for Human Rights (FIDH) and Vietnam Committee on Human Rights (VCHR), two NGOs, made a complaint to the European Ombudsman about the Commission's refusal to conduct a HRIA regarding Vietnam (Micara, 2019:1458). FIDH and VCHR in an open letter to the Commission had asked to conduct an HRIA on the human rights situation in Vietnam, referring to the 2012 Action Plan and the EP's Resolution on Vietnam of 18 April 2013 (FIDH, Press Release, 30 April 2013). The subject of the dispute was the following: A Trade Sustainability Impact Assessment (SIA) was conducted by the advisory team, ECORYS, in 2009, during the previous trade negotiations with ASEAN. The Commission and the two NGOs disagreed on whether There was also a disagreement among the various EU institutions over the HRIA. There was also a disagreement among the various EU institutions over the HRIA. The EP has repeatedly called on the Commission to make an HRIA regarding Vietnam (EP Resolutions of 19 May 2014, 16 December 2015 and 5 July 2016). The Council implicitly highlighted the significance of underlined in its conclusions the significance of human rights impact assessments (European Council, 19 May 2014). Eventually, the

Commission's argument was found ungrounded by the European Ombudsman, which concluded that 'the Commission's refusal to carry out an HR impact assessment constitutes an instance of maladministration' (European Ombudsman, 26 March 2015). The EU-Vietnam FTA was signed without an HRIA. The Ombudsman's recommendation set a precedent by its approval of the Commission's claim that there was not a binding legal obligation to make an HRIA, but the same decision also emphasized that carrying out an HRIA is in line 'with the spirit of the EU's legal provision', which considers human rights a fundamental element in its external actions.

The conclusion to be drawn from this situation that the Commission gives priority to the FTA to be concluded with Vietnam, despite the disagreement on human rights issues in Vietnam within the institutional set-up of the EU. The FTA signed with Vietnam in the period when the commercial concessions given to Cambodia, another Southeast Asian country, were withdrawn recently, can be explained by the different positioning of the countries in the policies pursued by the EU towards the same region. Moreover, this variation can be observed in order to understand the EU's approach not only in Southeast Asia but also in other regions to which it attaches strategic importance, such as Eastern Mediterranean. This moves the discussion to Turkey which is called by the EU as 'key strategic partner'.

4. The EU's Trade Relations with Turkey

4.1. The Overview of the EU-Turkey Relations

The EU-Turkey trade relations dates back to an association agreement, which is also a pre-accession instrument. The 1963 Ankara Agreement set a gradual roadmap for the harmonization of the Turkish economy with a Customs Union to be established with the EU. The framework, the details of which were drawn by the Additional Protocol signed in 1973, was completed in 1995. The Turkey-EU Association Council established the Customs Union (CU) which entered into force as of 31 December 1995. The EU-Turkey Customs Union abolished tariffs on industrial goods and the industrial components of agricultural products, and the contracting parties also adopted a Common Commercial Policy (CCP) towards third countries.

The Customs Union was very important in terms of the privileged status that the EU granted to a non-EU country and the deepening of bilateral relations at the time of its entry into force. The CU has played a vital role not only in terms of commercial gains, but also in Turkey's political and economic transformation (Neuwahl, 1999). The 1999 Helsinki European Council was a milestone for Turkey-EU relations and Turkey gained candidate country status. Having come out of the 2001 economic crisis, Turkey began carrying out major economic and legal reforms with the new government's adherence to the Copenhagen Criteria in both economic and political spheres. With the tight fiscal and monetary discipline implemented in the expansionary period in the aftermath of the crisis, inflation dropped to single digits for the first time in many years. Reforms in the banking and financial sectors were a harbinger of long-term economic stability in the country which, in turn, generated a boom in foreign direct investment to Turkey (Öniş, 2008). Turkey's 'Europeanization' era indeed brought far-reaching changes in Turkey's political and legal system. Between 20021-2004, a total of 9 major Constitutional amendment packages, plus 1 new civil code and 1 new penal code, brought substantial legal changes that would meet the political conditions of the Copenhagen criteria. Radical changes took place in the field of fundamental rights and freedoms, such as the abolition of the death penalty, the revision of the anti-terror law, the abolition of state security courts, and the permission of broadcasting rights in languages other than Turkish. (Müftüler-Baç, 2005).

Accession negotiations with Turkey began on 3 October 2005 but reached an impasse without making much progress. because of the events after the Republic of Cyprus became the member of the EU as the representative of whole island in 2004. Due to the Cyprus question, the ongoing conflict between Greek Cypriots and Turkish Cypriots, Turkish Prime Minister Erdoğan claimed that the extension of the Customs Union for the new member Cyprus did not mean that Cyprus is officially recognized. On the other hand, the recognition of all members of the Union was an essential condition for accession. In return, Cyprus unilaterally blocked the opening of several chapters which need to be fulfilled by Turkey to meet the accession criteria. The EU-Turkey relations eventually entered a stagnation period in 2006 (Ulusoy, 2008).

4.2. The Customs Union Back on the Agenda

The preceding brief overview of EU-Turkey relations aims to draw attention to the tiny distinction between Turkey's EU accession process and the Customs Union. The CU was one of the important milestones in the accession process, but it's hard to say that the two are completely overlapping processes. Contrary to accession negotiations that have virtually stalled since 2006, the CU has continued to form the mainstay of trade relations and its modernisation has recently been on the agenda again on a precisely separate political setting. That is, the modernization efforts of the CU are similar to the modernization of the EU's trade agreement with Mexico or even the signing of a bilateral FTA with Vietnam, which had previously been part of the EU's unilateral trade scheme. What can be considered as a common ground is that human rights, once appeared the political aspect of the Copenhagen criteria in the accession negotiations, blossomed into human rights conditionality as an integral part of the EU trade policy within the scope of the update of the CU.

Turkey is the 6th largest preferential trading partner of the EU-27, with a trade in goods volume of about 157 billion € as of 2021 (European Commission, Trade Relationships by Country, undated). However, bilateral trade is still maintained under the auspices of the CU, which came into force long before and abolished customs duties only on industrial products and industrial components of agricultural products. The CU is far from the deep and comprehensive FTAs that the EU has recently signed -does not contain provisions regarding agriculture, services, public procurement, foreign investment and many others, unlike the EU's 'new generation' FTAs (Dawar et al., 2018). In addition, due to customs harmonization between the parties within the scope of CU, Turkey has to open its market to commodities from third countries with which the EU has signed an FTA. That is, as a result of the FTA signed by the EU with Vietnam, Turkey has to apply lower customs duties on imports Vietnam, while Vietnam can maintain the same customs duty rates for imports from Turkey (Yalçın and Felbermayr, 2021).

This apparent asymmetry problem and the outdated nature of the CU relative to FTAs led the parties to launch the preparatory process to update the CU. The Senior Working Group, which was established after the meetings of the EU Commissioner for Trade and

the Turkish Minister of Economy in 2014, published its report in 2015 on whether CU should cover more areas in the axis of global developments. The report (2015) recommended that modernization negotiations be launched and suggested that CU should be expanded to cover areas such as services, public procurement and agricultural products. One year later, the report prepared by the Commission also announced that the current CU was outdated and offered two different solutions. The first is an additional FTA that includes services, public procurement and agricultural concessions, in addition to the CU covering industrial products. The second is to replace the CU with an entirely new deep and comprehensive free trade agreement (European Commission, 26 October 2016). These two alternatives were discussed in the Evaluation prepared by the World Bank, too (World Bank, 2014). Both accounts suggested that the first option (an additional FTA) would be less costly for the contracting parties.

However, the General Affairs Council's decision to suspend talks regarding the issue on 26 June 2018 put an end to the technical discussions of the modernisation of the CU. The Council stated that 'Turkey has been moving further away from the European Union'. In addition, the Council expressed its concerns about the ongoing state of emergency declared in the aftermath of the failed coup attempt in Turkey in 2016 and the disproportionately large-scale measures taken under the state of emergency. Among the annual country reports prepared by the Commission for the candidate countries, the common theme of all post-2018 Turkey reports was the continuation of the state of emergency, the adoption of Parliamentary decisions which reiterated the restrictive elements of the emergency rule, and its drawbacks for democracy and fundamental rights (European Commission, 17 April 2018; 29 May 2019; 6 October 2020).

4.3. '…aiming for an honest partnership'

Updating the Customs Union or strengthening economic cooperation through other means became an important subject on the agenda of the negotiations, which took place, albeit to a lesser extent, in the following years (European Commission, 6 April 2021). However, Turkey still has not been able to secure a new commercial arrangement from the EU. This section discusses that the increasing political and geo-strategic rifts between the EU and Turkey in recent years have been obstacle to the CU modernisation

negotiations, relied on the argument that the configuration of the EU's external agenda encompasses both commercial interests and broader strategic objectives. 'We are aiming for an honest partnership' is the Commission President Ursula von der Leyen's statement on strengthening economic ties with Turkey. Leyen's words last year after her visit to Turkey point out that the main determinant in updating EU-Turkey trade relations would be a strategic partnership rather than much-stated human rights concerns regarding Turkey.

Firstly, it can be drawn serious parallels between the concerns of the EU institutions regarding the human rights situation in Turkey since the failed coup attempt in the country in 2016 and the concerns about Vietnam in the same period. The arrest of journalists in Turkey without convincing evidences, restrictions and pressure on the media and journalists after the coup attempt were pointed out several times in the European Parliament Resolutions (European Parliament, 27 October 2016). Concerns were expressed about the arrest of German-Turkish journalist Deniz Yücel, which also created tensions with Germany, and the arrest of other human rights activists and non-governmental organization executives, and Turkey was called to take action (European Parliament, 8 February, 2018).[4] Moreover, since Turkey is a candidate country, the annual country reports prepared by the Commission reveal the situation of Turkey regarding human rights in more detail. Moreover, Turkey is also in the category of 'non-free' countries with the total score of 32 out of 100. It ranks 149th among 180 countries evaluated according to the 2022 press freedom index by Reporters Without Borders. With its current state, it may seem unlikely for Turkey to sign an FTA with the EU, which binds its trade policy strictly to human rights conditionality. Yet, it is equally difficult to say that Turkey has a worse human rights record than Vietnam, one of the EU's latest FTA partners. This leads the discussion to the strategic arena, which is another important pillar of the EU's external action-trade policy.

[4] See also European Parliament resolution of 19 April 2018 on the violation of human rights and the rule of law in the case of two Greek soldiers arrested and detained in Turkey (2018/2670(RSP)); European Parliament resolution of 21 January 2021 on the human rights situation in Turkey, in particular the case of Selahattin Demirtaş and other prisoners of conscience (2021/2506(RSP)); European Parliament resolution of 8 July 2021 on the repression of the opposition in Turkey, specifically the Peoples' Democratic Party (HDP) (2021/2788(RSP)); European Parliament resolution of 19 September 2019 on situation in Turkey, notably the removal of elected mayors (2019/2821(RSP)); European Parliament resolution of 5 May 2022 on the case of Osman Kavala in Turkey (2022/2656(RSP)).

The EU-Turkey relations, unlike EU-Vietnam relations, have been filled with conflict rather than cooperation in recent years. Many developments in regional politics have caused rifts between the EU and Turkey. In the Eastern Mediterranean policy of the EU, Turkey has not been a desired partner. The military operations undertaken recently by Turkey in Syria, Libya and the Eastern Mediterranean were mentioned as events that undermined bilateral relations. Turkey's operations in Northern Syria (2019), Libya (2020) and Nagorno-Karabakh (2020) were even described as ‘erratic geopolitical decisions’ (Stanicek, EP, December 2020). Turkey's military support to the interim Government of National Accord (GNA) in Libya and the signing of Turkish-Libyan Memorandum of Understanding in 2019 are interpreted as Turkey’s broader geopolitical strategy aimed at strengthening Turkey's presence in the reigon (Stanicek, EP, April 2020). It is also discussed that as a result of the different degrees of engagement between EU members and Turkey, a common and concrete stance could not be taken against Turkey in Eastern Mediterranean in previous years (Adar and Toygür, 2020). Except for one issue: Turkey's venture to search for hydrocarbons in eastern Mediterranean is considered as a threat to the sovereign rights of the EU member, Cyprus. Since 2019, multiple Council resolutions have called on Turkey to refrain from 'unauthorized drilling activities in the Eastern Mediterranean' (European Council, 22 March 2019; 20 June 2019; 14 October 2019; 15 July 2019). Moreover, the EU has placed travel ban and asset freeze restrictions on two persons (Mehmet Ferruh Akalın and Ali Coşkun Namoğlu) who are responsible directors for planning the exploration activities in the Turkish Petroleum Company (European Council, 27 February 2020).

Almost the sole issue that could create a positive agenda between the EU and Turkey in recent years has been the situation of hundreds of thousands of refugees displaced due to the ongoing civil war in Syria. While Turkey's hosting of more than 4 million Syrian refugees was appreciated, a 6 billion Euro fund was provided by the EU to Facility for Refugees in Turkey (European Commission, Turkey Report, 2020). The Council of Europe and Turkey also reached an agreement on 18 March 2016 to prevent the flow of irregular migrants to the EU territories. The 2016 EU-Turkey Statement contained measures for Turkey to protect the routes that would create irregular migration through

the Aegean route, as well as the return of more than 1 million Syrian refugees who had crossed the EU borders in the summer of 2015. More importantly, the Statement proposed roadmaps in which concrete steps would be taken by the end of 2016 on visa liberalization and updating the CU, which have long been voiced by Turkey (European Council, 18 March 2016). It can be understood that the future developments of EU-Turkey trade relations, whether it is FTA or another option, can be possible with the increase in the number of cooperation area regarding the regional politics.

5. Conclusion

The preceding analysis intends to develop a comparative study of the EU's trade relations. With the FTA signed with Vietnam in 2019, the EU enhanced its trade concessions to a developing country that has created much controversy in terms of EU values and standards. On the other hand, the EU has hesitated the modernization of CU with Turkey, its one of the oldest preferential trading partners and the candidate country. What has been common in terms of two trade relations is that the protection of human rights, dubbed 'one of the overarching objectives of the EU's trade policies' remains low in the political agenda as to the countries in question. Vietnam is a one-party authoritarian state without popular sovereignty in the absence of regular and fair elections. It is argued that despite regular elections, Turkey has evolved into a 'competitive authoritarian' system in which the rule of law is undermined, civil liberties are restricted, and the executive power is concentrated in the hands of President Erdogan after the Constitutional Reform in 2017 (Esen and Gumuscu, 2016). A quantitative analysis of where Vietnam and Turkey rank on the human rights spectrum is obviously unreasonable, but it is obvious that they are at the lower levels at the category of human rights and freedoms in well-known international indices. In addition, human rights issues are gathered under similar themes in the publications of EU institutions about countries: Operations against human rights activists, NGOs and their leaders, journalists without credible evidence, prolonged detentions, and torture, harassment and inhumane treatment during detention. Therefore, it may be wrong to trace the roots for the signing an agreement with one of the countries and not signing with the other through the bad human rights indicators of both.

In other words, the controversial EUVFTA stems from an advantage Vietnam has vis a vis the EU, unlike Turkey which is its strategic importance for the EU's broader external action agenda. Since the 90s, Vietnam has developed a more multilateral policy approach to the policy orientations of the great powers to the Southeast Asia. Having pursued a balance policy in the region, Vietnam has joined multi-dimensional trade partnership negotiations with different parties. After US President Trump's unilateral withdrawal from the TPP talks, which has continued since 2008, Vietnam pushed for the enhancement of free trade with EU in the region. Far from open conflict, Vietnam also played a critical role in territorial disputes in the region and maintained vocal opposition to China. Vietnam became the strong advocate of the international law in the South East China disputes between the ASEAN and China. Moreover, Vietnam adopt a policy that puts ASEAN forward in order to maintain unity and stability in the region which would serve economic, political and security interests of the EU (Pennisi di Floristella, 2021).

This portrays a kind of partnership that the EU seeks to establish, as the Commission President ask for Turkey. The enhancement of bilateral trade relations between Turkey and the EU seems possible with the establishment of such partnership. It should be noted that the first formal mention of the prospect for updating the CU happened 2016, after the EU-Turkey Agreement on the issue of Syrian refugees which was directly related to the EU's southern neighbourhood policy. During the Commission President's visit to Turkey last year, while Turkey maintained its requests to update the CU, von der Leyen emphasized this 'honest partnership'. That is, the process of re-establishing a positive agenda between the EU and Turkey regarding the trade enhancement is closely related to strategic interests and Turkey's compliance to them. This paper contributes to the debate on human rights conditionality by combining insights from two cases where human rights were subordinated to strategic interests. The difference between the two countries is that, in the case of the country that is compatible with strategic interests, a deep and comprehensive FTA was enacted, and on the other hand, Turkey's human rights record, almost similar to Vietnam or maybe relatively better, in a context where strategic issues prevail, prevented even the start of agreement negotiations.

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