

**BUSINESS AND POLITICS IN THE MUSLIM WORLD**  
**TURKEY**  
**Weekly Report on Turkey's Political, Geo-Strategic, Economic and Social Issues,**  
**Period: 9<sup>th</sup> –15<sup>th</sup> July 2010.**  
**Submitted By: Aasia Khatoon khattak**  
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- Turkey's current account deficit in May at \$2.9 billion
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## **SUMMARY OF THE REPORT**

### **SUMMARY-POLITICAL NEWS**

Justice Minister Sadullah Ergin said yesterday the Turkish government wanted to introduce new packages after the Constitutional amendment package gets approval in the referendum on Sept 12. Turkey needed Constitutional reforms to develop rights and freedoms and to facilitate European Union membership.

New principles determined by a consensus of all national television channels have been proposed for broadcasting news on terror-related incidents and extraordinary events. The “breaking news” spots on television will be limited to five minutes, and those provoking fear, terror and panic are suggested to be avoided.

More than 5,000 demonstrators clashed with police Sunday in the southeastern Turkish city of Diyarbakır after a rally in support of the outlawed Kurdistan Workers' Party, or PKK. Demonstrators gathered in the city to protest against Turkish security forces, who they accuse of mutilating the bodies of PKK members killed in recent fighting and not returning them to their families. The protesters threw rocks and sticks at riot police, who responded with tear gas. At least 10 demonstrators were arrested.

Turkey's second opposition Nationalist Movement Party is getting ready to launch a "No" campaign against the constitutional amendment package.

### **SUMMARY-GEO-STRATEGIC NEWS**

A bill approving between Russia and Turkey on the establishment of a nuclear power plant in the Mediterranean hamlet of Akkuyu was passed by Parliament on the May 12, 2010.

Turkey may open her long closed border due to a NATO disaster-relief exercise in Armenia, daily Hürriyet reported Thursday. Turkey supports territorial integrity of Iraq and this support will not be changed despite the Iraqi Kurdish leader's reported desire to found a Kurdish state and Turkey's growing deep relations with the Northern Iraq, said the Turkish Foreign Ministry.

The "Piri Reis," a Turkish naval research ship, departed recently in order to survey seismic activity in the Mediterranean. A 15-person team comprising Turkish and Canadian scientists have embarked on the research ship to conduct studies until Aug. 20. As a result of this survey, the researchers will gather more information regarding effects of ground motion that may occur in the Mediterranean basin, where millions of people have their holiday every year.

Greece has complained to Ankara about a Turkish naval research ship monitored between the eastern Greek islands of Rhodes and Kastelorizo. While The Turkish Foreign Ministry said the "Piri Reis" had surveyed an area outside Greek territorial waters, but where Athens has claimed the rights to potential undersea mineral and fossil fuel deposits.

Slovenia extended enthusiastic support to Turkey in its European Union membership bid.

Fifteen thousand local Afghan policemen will be trained in Turkey according to an agreement signed by NATO and Afghanistan on the weekend.

Turkey and Serbia signed a number of agreements on Monday, including one on lifting visa requirements, expanding cooperation between the two countries despite past tensions.

A senior US official said on Monday that Turkey's diplomatic efforts regarding Iran were praiseworthy, however, Iran should get into contact with the International Atomic Energy Agency (IAEA) and the P5 1 which comprises of UN Security Council's 5 permanent members USA, China, Russia, France and Britain plus Germany.

Turkish Foreign Minister Ahmet Davutoğlu visited Britain on Thursday upon the invitation of British Foreign Secretary William Hague as London seeks to improve its ties with Ankara, reaffirming ever-growing Turkish-British relations and unveiling the increasing importance of Turkey within a renewed British foreign policy.

Nigerian President Goodluck Jonathan said that his country hosted D-8 summit on Thursday, and Turkey was the second biggest country of D-8. Jonathan said that they made important privatization in mining, telecommunication, aviation and energy sectors in Nigeria, and he called on Turkish businessmen to benefit from investment milieu in Nigeria.

US Secretary of State Hillary Clinton, in a phone conversation with Foreign Minister Ahmet Davutoğlu, urged Turkey on Monday to maintain dialogue with Israel, saying the Turkish-Israeli relationship is vital for the region.

The United States' concrete support for Turkey in its fight against the outlawed Kurdistan Workers' Party (PKK), which also has bases in northern Iraq, has for the first time moved beyond sharing real-time intelligence, with the US side providing the utmost of assistance to Turkish security forces in their operations near the border between Turkey and Iraq.

### **SUMMARY-ECONOMIC NEWS**

Turkey's exports of white meat increased by 30 percent in the first half of 2010 when compared to the same term last year. The unemployment rate declined from 14.9 percent a year ago and 12.5 percent in March. Turkish firms are steadily rising in the construction sector, extending their reach to the former Soviet Union, the Gulf and even Africa. The government hopes to increase the volume of international contracts to around \$50 billion by 2015. The Turkish agriculture minister said on Tuesday that Turkey was the number eight biggest economy in the world in regard to agricultural economy. Turkey's foreign trade minister said that Turkey would definitely build an industrial zone in West Bank despite all the obstructions by Israel. Turkey's current account deficit increased 84.5 percent to 2.9 billion USD in May, 2010 when compared to May, 2009. İstanbul attracted 4.6 percent fewer tourists in the first half of the year compared to one year ago, data from the İstanbul Culture and Tourism Directorate have revealed.

### **SUMMARY-SOCIAL ISSUES**

The State Meteorology Bureau has issued a high temperature alert for the entire country this week. According to the bureau, temperatures are expected to rise by one to three degrees Celsius in most parts of Turkey.

### **POLITICAL NEWS**

#### **Turkish minister says more packages might follow after referendum**

Thursday, July 15, 2010

BRUSSELS - Anatolia News Agency

HURRIYAT

Justice Minister Sadullah Ergin said yesterday the Turkish government wanted to introduce new packages after the Constitutional amendment package gets approval in the referendum on Sept 12.

Speaking to the Friends of Turkey Group in the European Parliament (EP) in Brussels, Ergin said that Turkey needed Constitutional reforms to develop rights and freedoms and to facilitate European Union membership.

Asked why the Constitutional amendments were limited, Ergin said that they did not claim that the package did not lack certain things.

“We have said that the Constitutional amendment package was limited since the beginning,” said the minister. “We have to support the Constitutional amendment package with new packages once the Turkish people accept the amendment in the referendum.”

In response to a question on why they did not place within the Constitutional amendments lowering the level of electoral threshold from 10 percent to a lower figure, Ergin said that the electoral threshold in Turkey was established not by the Constitution but the laws on elections.

“It would not be easy for Turkey to continue with an electoral threshold of 10 percent in the medium and long run. Parliament will soon evaluate the electoral threshold,” Ergin said.

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### **Turkish farmer protests referendum with crop message**

Thursday, July 15, 2010

HURRIYAT

A farmer from a village in the town of Keşan, in Turkey’s northwestern border province of Edirne, has inscribed a gigantic “no” on his plantation ahead of September’s constitutional amendments referendum.

“A referendum is approaching. I have made such a protest to show my reaction,” said 55-year-old Ahmet Emek. “This is the voice of not just me, but all Turkish farmers.”

Emek, 55, a resident of Türkmen in Turkey’s Thracian region, is a member of the Nationalist Movement Party, or MHP, and has demonstrated his sentiments regarding the Sept. 12 referendum by inscribing the giant “no” on his wheat fields, which span 14 hectares.

With the help of the wheat he did not harvest, Emek also decorated his land with three crescents, the symbol of the MHP. “It took one whole day for me to draw three crescents and ‘no’ on the plantation,” he said.

Emek also expected other Turkish farmers to vote “no” at the referendum.

Criticizing the government’s agricultural policy, Emek said the “no” inscription on the plantation was his reaction to eight years of the government’s agricultural policies.

Besides other farmers in his village, MHP Edirne Provincial Head Gürsel Şimşek also supported Emek’s reaction.

“A Turkish farmer has displayed his reaction to the wrong agricultural policies of the [Justice and Development Party, or] AKP. This is a joint scream of Thrace residents,” Şimşek said.

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### **News broadcasts on terrorism in Turkey to be regulated**

Thursday, July 15, 2010

ISTANBUL - Daily News with wires

New principles determined by a consensus of all national television channels have been proposed for broadcasting news on terror-related incidents and extraordinary events.

The Supreme Board of Radio and Television, or RTÜK, and the Television Broadcasters’ Association, or TVYD started the process, and RTÜK President Davut Dursun announced the

new principles on Thursday. These principles are subjective but were reportedly decided with the participation of news editors from all national channels in Turkey.

The “breaking news” spots on television will be limited to five minutes, and those provoking fear, terror and panic are suggested to be avoided.

“This is a very important suggestion when you consider the news that get broadcasted as ‘breaking news’ even hours after the incident,” said Dursun. If the incident is not a developing story and new developments occur frequently, the live broadcast is suggested to be cut, and the developments are suggested to be broadcast on the next regular news bulletin.

News stories on fallen soldiers are not to be broadcast prior to the authorities informing their families, according to the new principles. It is also suggested that, exceptional cases notwithstanding, live broadcasts of fallen soldiers’ funerals and homes are to be avoided alongside with interviews that may disturb the mourners.

According to Dursun, interviews that may “justify terrorist events, may be perceived as propaganda of those responsible for the attacks or may be seen as encouraging such attacks” are to be avoided.

Also, old footage will have an “archive” heading on screen when previously used material is broadcasted, and footage where the faces of a terrorist are visible will not be used.

Dursun said the mentioned principles do not mean that freedom of speech and the public right to receive news may be limited. “It is fundamental that the freedom of speech should be employed in the broadest sense even in critical times. Any regulation that limits the freedoms due to terrorism and similar events can never be defended,” he said.

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### **Pro-PKK Protesters Clash with Turkish Police in Southeast**

**Monday, 12 July 2010**

More than 5,000 demonstrators clashed with police Sunday in the southeastern Turkish city of Diyarbakır after a rally in support of the outlawed Kurdistan Workers' Party, or PKK, according to an AFP reporter.

Demonstrators gathered in the city to protest against Turkish security forces, who they accuse of mutilating the bodies of PKK members killed in recent fighting and not returning them to their families.

The protesters threw rocks and sticks at riot police, who responded with tear gas. At least 10 demonstrators were arrested.

Most shops shut down for the day in Diyarbakır, a measure traditionally used to protest the Turkish state.

The PKK, which is considered a terrorist organization by Turkey, the United States and the European Union, has stepped up its violence against Turkish security forces since the end of May.

Monday, 12 July 2010

TODAYS ZAMAN

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### **Turkish nationalist MHP to launch "No" campaign against law reform**

Turkey's second opposition Nationalist Movement Party is getting ready to launch a "No" campaign against the constitutional amendment package.

Saturday, 10 July 2010 16:24

World bulletin

Turkey's second opposition Nationalist Movement Party (MHP) is getting ready to launch a "No" campaign against the government backed constitutional amendment package, which alters the structure of the Constitutional Court and the Supreme Council of Judges and Prosecutors. In a press release issued on Saturday, MHP said it would launch the campaign with a press conference on July 13 where principles and specifics of the campaign would be revealed. MHP said the campaign aimed at informing the nation about true deeds and agenda of Premier Recep Tayyip Erdogan, concealed behind the Constitutional Amendment Package and warning citizens about what he says "dangers" and "traps" awaiting Turkey. It said cadres of MHP including, lawmakers of the party would tour all corners of Turkey to inform citizens about the facts.

### **The Amendment Package**

The government backed constitutional amendment package which brings amendments to the structure of the Constitutional Court and the Supreme Council of Judges and Prosecutors (HSYK) except for the rejected article 8th on the closure of political parties and a related provisional article, was adopted by 336 votes in favor and 72 against.

Shortly after the adoption of the package hardline opposition CHP filed an appeal with the Constitutional Court for the cancellation of the amendment package. The Constitutional Court which announced its decision on the appeal last Wednesday, annulled parts of some articles of the package.

The court partly annulled some articles of the constitutional amendment package about the structure of the Constitutional Court and the Supreme Board of Judges and Prosecutors (HSYK). Rest of the package will be decided by a referendum on September 12.

Secularist critics see the reforms as an attempt by Prime Minister Tayyip Erdogan's AK Party to seize control of all levers of the state and undermine Turkey's secular principles.

Court verdict came under fire by lawmakers and ministers who said the court exceeded its power and harmed democratic process in Turkey.

Despite accusations from opposition, the ruling Justice & Development (AK) Party says that the law aims at making Turkey more democratic in line with EU's expectations.

The package abolishes the provisional article 15 of the constitution which does not allow trial of the members of the National Security Council formed after the military coup in 1980, the ban on right to general strike; and paves the way for a citizen to become a member of more than one union, and the civil servants and other public officials the right to collective bargaining.

It also paves the way for trial of parliament speaker, chief of general staff, and senior commanders by the High Tribunal on charges of crimes they commit regarding their positions.

Turkey is set to hold a referendum on the constitutional amendment law on September 12, 2010.  
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## **GEO-STRATEGIC NEWS**

### **Parliament passes Turkish-Russian nuclear plant bill**

Thursday, July 15, 2010

ANKARA - Hürriyet Daily News

A bill approving the May 12 agreement between Russia and Turkey on the establishment of a nuclear power plant in the Mediterranean hamlet of Akkuyu was passed by Parliament on Thursday.

The original agreement was signed by Energy Minister Taner Yıldız and Russian Deputy Prime Minister Igor Sechin two months ago in Ankara.



According to the deal, the plant to be constructed at Akkuyu in Mersin province will be active for 60 years. A project company will be formed by Aug. 12 and will be owned no less than 51 percent by Russian interests.

The plant will train and recruit Turkish workers “as long as the conditions allow,” and “as many Turkish firms as possible” will be involved in the construction. The first unit of the power plant is expected to start production in 2018.

Both countries will cooperate on the design and construction of the nuclear plant, including its infrastructure, the purchase and sale of the electricity produced at the plant, the running of the plant in a safe way, the transport of the spent nuclear fuel, the training of the personnel and the establishment and running of the fuel production facilities.

All these functions will be achieved without placing a financial burden on the Turkish side, according to the terms of the agreement.

In the event of any dispute between the partners, matter will be settled by the Turkish Energy Ministry and the Russian Rosatom Nuclear Energy State Corporation; otherwise, the sides will apply for arbitration within six months.

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### **Turkey may open Armenia border for NATO drill, report says**

Thursday, July 15, 2010

ISTANBUL - Daily News with wires

HURRIYAT

A NATO disaster-relief exercise in Armenia may also provide an opportunity for a trial run at opening the long-closed border between Turkey and the former Soviet republic, daily Hürriyet reported Thursday.

“We will be taking part in the exercise” to be held in Armenia from Sept. 11 to 17, a Turkish diplomat told Agence France-Presse on Thursday on condition of anonymity. “We are looking into the possibility of whether the border may be opened if such a necessity arises. There has been no decision yet.”

If requested to do so, Turkey might allow the passage of NATO equipment through the Doğukapı crossing in the northeastern province of Kars for a six-day humanitarian exercise in Armenia’s Lori Mar region, daily Hürriyet wrote, quoting Turkish diplomatic sources as saying that any border opening would be temporary.

The governor’s office in Kars has prepared a report on the possible opening at the Foreign Ministry’s request, Hürriyet wrote, adding that the report concluded the highways and railroads on the Turkish side of the closed border were in good condition and the crossing could stay open for at least a month.

According to AFP, the Turkish diplomat said authorities are investigating whether the infrastructure of the border area is suitable for use during the Armenia 2010 Exercise, a drill based on a scenario of a post-earthquake civil emergency that is being organized by NATO’s Euro-Atlantic Disaster Response Coordination Center, or EADRCC.

The news of Turkey’s participation in the drill and the potential border opening was first revealed by daily Radikal columnist Murat Yetkin in an article that ran in that paper Wednesday, and was translated for publication Thursday in the Hürriyet Daily News & Economic Review.

The possible opening of the Doğukapı border crossing is seen as a potential thaw not only in tense Turkish-Armenian relations, but also in Armenian-Azerbaijani ties ahead of a key meeting between the foreign ministers of Armenia and Azerbaijan, Hürriyet wrote.

The top diplomats are set to meet in the Kazakh city of Almaty on the sidelines of an Organization for Security and Cooperation in Europe, or OSCE, ministerial summit to be held Friday and Saturday.

Crossing won't stay open for Van ceremony

The EADRCC field exercise, including a command post element, training and a demonstration day, will be based on the fictitious scenario of a serious civil emergency arising in the Armenian city of Arzni.

Up to 1,000 participants from NATO and partner nations, as well as representatives and observers from other countries and international organizations, are expected to take part in the drill, which is held annually to practice disaster-response mechanisms and enhance cooperation in emergency situations. According to Hürriyet, Turkey is planning to send a group of three or four people to participate in the exercise.

The possibility of a temporary opening of the border for the NATO drill has prompted speculation that the crossing might be allowed to stay open to allow Armenians to travel overland to a September ceremony at the ancient Surp Haç Church on Akdamar Island, in the eastern Turkish city of Van. The Turkish diplomat told AFP, however, that "this is out of the question."

Some 5,000 people are expected to be in Van for the first religious service in many decades at the centuries-old Armenian church, which the Turkish government has allowed to open once a year for such events.

A century of hostility

Turkey and Armenia have engaged in high-level negotiations to end nearly a century of hostility, talks that have included discussion of reopening the border, but the process stalled after Yerevan froze its ratification of the historic diplomatic protocols, accusing Ankara of dragging its feet by demanding the Nagorno-Karabakh dispute be settled first.

A flashpoint of the Caucasus, the Nagorno-Karabakh region is a constituent part of Azerbaijan, occupied since the end of 1994 by Armenia. While internationally recognized as Azerbaijani territory, the enclave has declared itself an independent republic and is administered as a de facto part of Armenia.

Turkey closed its border with Armenia in 1993 in solidarity with Azerbaijan, which was fighting Armenian-backed separatists over the Nagorno-Karabakh region.

The border closure has exacerbated already-high tensions over Armenia's claims that up to 1.5 million Armenians were killed during the final days of the Ottoman Empire in what Yerevan says amounted to genocide.

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### **Turkey reaffirms commitment to Iraq's territorial integrity**

Thursday, July 15, 2010

FULYA ÖZERKAN

ANKARA - Hürriyet Daily News

As it works to deepen its relationship with northern Iraq, the Turkish Foreign Ministry has said its approach toward Iraq's territorial integrity remains unchanged despite the Iraqi Kurdish leader's reported desire to found a Kurdish state.

"I am against the use of violence, but the Kurdish nation, as its legitimate right, should have its own state like the Turkish, Persian and Arab nations," Iraqi Kurdish leader Massoud Barzani told an Egyptian television broadcaster, daily Milliyet reported Thursday. "We are not claiming we are stronger than them, but we have nothing less than those nations."

Turkish Foreign Ministry spokesman Burak Özügergin told the Hürriyet Daily News & Economic Review that Turkey's approach toward Iraq remains unchanged.

"I haven't heard the statements made by Mr. Barzani, but there has been no change in Ankara's views or attitude toward Iraq's territorial integrity," Özügergin told the Daily News on Thursday. Turkey has repeatedly stressed its commitment to Iraq's territorial integrity and political unity while at the same time working to improve its relationship with the Iraqi Kurdish leadership in the north in recent years. Ankara, however, continues to criticize Barzani for not doing enough to help Turkey fight the outlawed Kurdistan Workers' Party, or PKK.

Despite the disagreements over the fight against the PKK, the status of the oil-rich northern Iraqi city of Kirkuk and the sharing of oil revenues, Barzani's visit to Turkey last month was deemed an important development for regional balance, especially amid the Obama administration's plans to pull out troops from Iraq.

Turkish officials have urged the Iraqi Kurdish leader to take strong action against the PKK presence in northern Iraq.

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### **Turkish ship sets sail for seismic tests in Mediterranean**

Thursday, July 15, 2010

İZMİR – Anatolia News Agency

HURRIYAT

The "Piri Reis," a Turkish naval research ship, departed recently in order to survey seismic activity in the Mediterranean. A 15-person team comprising Turkish and Canadian scientists have embarked on the research ship to conduct studies until Aug. 20.

"As a result of the studies of the scientists, we will get more information about the probable effects of ground motion that may occur in the Mediterranean basin, where millions of people have their holiday every year," said Doğan Yaşar, deputy chairman of Dokuz Eylül University Institute of Marine Sciences and Technology.

Many Greek, German, French, Italian, Israeli and Russian research ships have previously carried out studies in the Mediterranean Basin, which is considered a natural laboratory due to its sedimentological, oceanographic and geophysical peculiarities.

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### **Greece protests to Turkey over research ship near Greek waters**

Thursday, July 15, 2010

ATHENS, Greece — The Associated Press

HURRIYAT

Greece said it has complained to Ankara about a Turkish naval research ship monitored between the eastern Greek islands of Rhodes and Kastelorizo.

The Foreign Ministry said the "Piri Reis" had surveyed an area outside Greek territorial waters, but where Athens has claimed the rights to potential undersea mineral and fossil fuel deposits.

The ministry said in a statement Wednesday that the ship's actions affected Greece's "sovereign rights."

Turkish officials said the vessel was carrying out seismic research for humanitarian purposes.

The two NATO allies have improved relations over the last decade but remain at odds over the divided island of Cyprus and boundaries in the Aegean Sea.

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### **Slovenia supports Turkey's EU bid, Gül says**

Thursday, July 15, 2010

LJUBLJANA – Anatolia News Agency

HURRIYAT

Slovenia extended enthusiastic support to Turkey in its European Union membership bid, Turkey's president said Thursday, adding that his country would make crucial contributions to the bloc.

In a closing speech at the Slovenian-Turkish Business Conference at the BRDO Congress Center, President Abdullah Gül said Turkey was a source of inspiration for its surrounding region. "Europe must notice this and appreciate it."

Gül also said Slovenia achieved the greatest success among former Yugoslavian states and was a role model for its region.

"Turkey's negotiations with the EU continue. Big countries' negotiations processes continue differently, as in the cases of Spain and Britain," he said.

"During our negotiations, we are bothered by undeserved, unseen and indirect obstacles. Yet we see Slovenia's support in such cases," Gül said.

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### **Afghan police to be trained in Turkey**

Fifteen thousand local Afghan policemen will be trained in Turkey according to an agreement signed by NATO and Afghanistan on the weekend.

Once the program is completed, the Turkish General Directorate of Security will have conducted the largest foreign-force training program in its history.

The idea of training that many Afghan policemen in Turkey was first proposed to the Turkish Foreign Ministry by NATO. Both the foreign and the interior ministries have received the offer positively and a delegation, including US Col. Curt A. Rauhut and Afghanistan Director General of Police Training and Education Maj. Gen. Gul Nabi Ahmadzai, paid a visit to Ankara last weekend, where they reached an agreement with Turkish officials on the framework of the training.

The delegation met with Deputy National Police Chief Mustafa Doğan Kılıç in a meeting in which sources said they agreed on the length of the training. Meanwhile, Japan has said it would finance the entire program. The delegation first discussed the possibility of conducting the training at Kastamonu's Çatalzeytin Police Vocational Training Center, where the Afghan police will be hosted in groups of 450.

Turkish officials also offered to hold the program at the International Police Training Center (UPEM), to be built in Pursaklar in Ankara, which would enable them receive 3,000 policemen at a time in order to shorten the length of the entire program and asked NATO and Japan for financial support for construction of the center. NATO and Japan have yet to deliver their responses to the offer on the center, which is expected to cost around \$180 million and will cover 940 acres. NATO, the UN and the Organization for Security and Cooperation in Europe (OSCE) will all be represented at the center.

15 July 2010, Thursday

TODAY'S ZAMAN ANKARA

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### **Turkey, Serbia expand cooperation with visa deal**

Turkey and Serbia signed a number of agreements on Monday, including one on lifting visa requirements, expanding cooperation between the two countries despite past tensions.

“We have seen a firm political will to improve bilateral relations on the both sides during meetings,” Prime Minister Recep Tayyip Erdoğan said at a joint news conference with his Serbian counterpart, Prime Minister Mirko Cvetkovic, after meeting in Belgrade. Relations between Turkey and Serbia were strained over the independence of Kosovo in 2008. Turkey became one of the first countries to recognize Kosovo’s independence from Serbia, angering Belgrade. But, Ankara recognizes Serbia’s central importance in establishing peace and stability in the troubled Balkans. Over the past one-and-a-half years, bilateral ties, as well as dialogue between Turkey, Serbia and Bosnia and Herzegovina, have increased significantly. On Monday, the two countries signed six agreements including one on visa-exemption and one on cooperation in the construction sector.

The visa-free travel agreement with Serbia brings the number of countries Turkish citizens can visit without a visa to 62.

Turkish Airlines is also in talks to buy Serbia’s main airline, Jat Airways. Erdoğan said his government would follow discussions between the two companies and announced backing for further cooperation in area of aviation. Erdoğan also described his talks in Serbia as “productive” and said they reviewed political, military, economic, cultural and administrative relations. Erdoğan visited Serbia after attending a ceremony commemorating the 15th anniversary of the Srebrenica massacre in Bosnia and Herzegovina. Serbian President Boris Tadic was also present at the ceremony.

Erdoğan said Turkey is glad to support a decisive advance of Serbia towards integration with the European Union. “This shared goal will contribute to the peace and stability of the Balkans. Turkey considers Serbia the leading actor in the Balkans. Undoubtedly, the enhancement of peace, stability and welfare in the Balkans will be realized through Serbia’s contributions,” Erdoğan said.

Erdoğan added that Turkey and Serbia confirmed their determination to improve cooperation on regional issues, particularly on supporting the territorial integrity and sovereignty of Bosnia and Herzegovina. Forty-nine percent of Bosnia and Herzegovina’s land is under the control of the autonomous Republika Srpska, a territory predominantly populated by Serbs who sought to take the control of the whole country in early 1990s and refuse to integrate with the rest of the country.

Thanks to Foreign Minister Ahmet Davutoğlu’s expert diplomacy, the foreign ministers of Turkey, Serbia and Bosnia and Herzegovina have held trilateral meetings since October of last year. In effect, diplomatic relations have improved between the Balkan countries; the Serbian Parliament formally apologized for the 1995 Srebrenica massacre in April and President Tadic and the chairman of the Presidency of Bosnia and Herzegovina Haris Silajdzic shook hands for the first time at a summit in İstanbul a few months earlier.

Erdoğan was expected to visit the Sandzac province in Serbia later on Monday, a region populated with Muslims, where, he said, Turkey is undertaking projects to help develop and improve infrastructure in the area.

13 July 2010, Tuesday

TODAY’S ZAMAN İSTANBUL

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### **Turkish diplomacy praiseworthy, but Iran should contact IAEA, P5 1, US official says**

A senior US official said on Monday that Turkey's diplomatic efforts regarding Iran were praiseworthy, however, Iran should get into contact with the International Atomic Energy

Agency (IAEA) and the P5 1 which comprises of UN Security Council's 5 permanent members USA, China, Russia, France and Britain plus Germany.

Speaking on condition of anonymity to reporters on the content of Monday's telephone conversation between Turkish Foreign Minister Ahmet Davutoglu and US Secretary of State Hillary Clinton, a senior US official said Iran was the primary issue on the agenda of the phone talk.

"We have appreciated Turkey's diplomacy regarding the Iran issue. However, the message given by Clinton during the phone conversation was that it was now time for Iran to contact IAEA and the P5 1 as relevant channels at this point, moreover, everybody should encourage Iran to establish such contact," the official said.

The official noted that Turkish Foreign Minister Davutoglu also agreed with Clinton on such matter.

Turkey and Brazil signed in May an agreement with Tehran to send abroad 1,200 kg of its low-enriched uranium in return for reactor fuel, and as non-permanent members of the Security Council, they voted against the resolution imposing sanctions on Iran.

13 July 2010, Tuesday

TODAYS ZAMAN

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### **Turkey, UK to update old partnership**

Turkish Foreign Minister Ahmet Davutoğlu visited Britain on Thursday upon the invitation of British Foreign Secretary William Hague as London seeks to improve its ties with Ankara, reaffirming ever-growing Turkish-British relations and unveiling the increasing importance of Turkey within a renewed British foreign policy.

Speaking at a press conference on Thursday in London, Davutoğlu said the first Turkish ambassador dispatched abroad was sent to London in 1793.

Hague outlined the British coalition government's new vision in foreign policy, called the most "effective and focused" foreign policy in years. During his comments, Hague made a reference to Turkey and its rising economic clout in the region and beyond. The introduction of a new vision in British foreign policy envisages "the value of [the] future membership" of "Europe's biggest emerging economy" -- Turkey.

The issue of Turkey is a state policy of England," İhsan Yılmaz, a prominent expert on British politics from Fatih University, said in an interview with Sunday's Zaman. "It won't change as parties change."

Hague, speaking before the Foreign and Commonwealth Office on July 1, said Turkey is Europe's biggest emerging economy and a good example of a country developing a new role and new links for itself, partly on top of and partly outside of existing structures and alliances, and is highly active in the Western Balkans, the wider Middle East and Central Asia.

It seems not every Conservative will subscribe to the foreign secretary's remarks. This much has been proven true, as Roger Helmer, a member of the European Parliament from the British Conservative Party, denounced Hague's statement, saying, "British voters will not stand for Turkish membership -- nor will other EU states," the UK's Daily Mirror reported last Sunday. Hague, defining British foreign policy, says "elevated ties are strategically highly desirable" for the United Kingdom. Prime Minister David Cameron will also make an "early visit" to Turkey by the end of July.

The new British coalition government is known to be a vocal opponent of the European Union, which it considers a "futile and evil" political entity that constantly "steals" British money and

sovereignty. Observers speculate the UK is trying to get Turkey in to balance France and Germany within the EU.

Hague said during the press conference that Britain strongly supports Turkey's bid to join the EU. "This government is clear that for the EU to turn its back on Turkey would be an immense strategic error," he said.

Yilmaz notes that Euro-skeptics want Turkey's EU membership more because it would dilute the EU, and that works for the UK. Before the Conservatives rose to power, many questioned if they would staunchly oppose Turkey's EU membership. Yilmaz dismissed these rumors and said previous Conservative governments ruled the country for 18 years, until 1997, without any negative policies.

Another area of cooperation between Britain and Turkey is to revive an already obsolete strategic partnership by updating a strategic cooperation agreement signed in 2007.

The economic side of bilateral relations is also significant. Britain is one of Turkey's chief trade partners in Europe, with approximately \$9 billion in trade volume. This figure was \$13 billion in 2008. The Turkish foreign minister said he also discussed with his British counterpart ways to increase the trade volume, but "not just to \$13 billion, but to \$20 billion in the coming years."

One of the problematic issues that are expected to test the strength of Turkish-British relations is the new Conservative UK government's tight immigration policy. Estimates put the number of Turkish immigrants living in the UK as more than 300,000 today, and it seems that they will also be negatively affected thanks to the new immigration policies. Experts argue that despite Britain's unprecedented support for Turkey's EU membership, the British coalition government will not have concessions in immigration laws in the short run. "There are indications that they [the British government] will seek to delay by some years the provision under which Turkish workers could automatically be able to work in the UK," Dennis Sammut, the executive director of the London Information Network on Conflicts and State-building (LINKS), told Sunday's Zaman. Sammut said this is something that will be negotiated in due course.

Andrew Finkel, a Today's Zaman columnist, on the other hand, argues that the Conservatives are in principle suspicious of immigration and may thus be reluctant to lift the oppressive visa regime imposed on Turkish citizens. He said they may be induced to temper their stance by their coalition partners.

11 July 2010, Sunday

TODAYS ZAMAN

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## **Nigeria's President: Turkey Is The Second Biggest Country Of D-8**

**Friday, 9 July 2010**

Nigerian President Goodluck Jonathan said that his country hosted D-8 summit on Thursday, and Turkey was the second biggest country of D-8.

Attending Turkey-Nigeria Business Forum together with Turkish President Abdullah Gul on Friday, Jonathan said that D-8 recorded an important progress with Turkey's vision and farsightedness. He added that they decided to strengthen cooperation during the global economic crisis period.

Noting that Turkish and Nigerian businessmen were starting to develop joint projects, Jonathan said that if economic relations developed, then investment and commerce figures would boost between the two countries.

Jonathan said that they made important privatization in mining, telecommunication, aviation and energy sectors in Nigeria, and he called on Turkish businessmen to benefit from investment

### **Clinton urges Turkey to continue dialogue with Israel**

US Secretary of State Hillary Clinton, in a phone conversation with Foreign Minister Ahmet Davutoğlu, urged Turkey on Monday to maintain dialogue with Israel, saying the Turkish-Israeli relationship is vital for the region.

“The secretary encouraged the foreign minister to continue important dialogue with Israel because that relationship remains a vitally important one to the future of the region,” US Assistant Secretary of State for Public Affairs Philip J. Crowley told reporters at a daily press briefing later on Monday.

A US official speaking on condition of anonymity said Clinton also asked Davutoğlu to leave Iran’s nuclear dispute to international mediators -- comprising the five permanent members of the UN Security Council plus Germany -- and the International Atomic Energy Agency (IAEA), and that Davutoğlu agreed. This version of the 45-minute conversation, however, was disputed, with Turkish officials declining to comment on the anonymous remarks and telling Today’s Zaman that the official statement should be taken into consideration instead.

In the official statement, Crowley did not make any comment on the content of the discussion on Iran, saying only that Clinton and Davutoğlu “reviewed a wide range of subjects, including the situation with respect to Iran.”

Turkey, along with Brazil, mediated a nuclear swap deal with Iran in May but failed to prevent the US from successfully pushing for a new round of sanctions on the Islamic Republic at the UN Security Council. In a move that disappointed Washington, Turkey voted against the sanctions. Russia and France, both members of the UN Security Council and the Vienna Group of negotiators, have called for talks on the basis of the nuclear swap deal but it is not clear whether and how Turkey would be involved.

Further complicating the issue, Iranian Foreign Minister Manouchehr Mottaki was quoted as saying that the Vienna Group -- comprising the US, France, Russia and the IAEA -- has accepted Tehran’s proposal that Turkey and Brazil participate in the talks on Iran’s nuclear program. Iran believes that Turkey and Brazil should participate in its talks with the Vienna Group within the framework of the swap deal brokered by Brazil and Turkey on May 17, and “the Vienna Group has also accepted their presence,” Iranian Foreign Minister Mottaki told reporters on Sunday. But Turkish officials told Today’s Zaman that they have received no official information from either the Iranian side or the Vienna Group concerning those news reports.

### **Israel rift, support on PKK**

Tension in Turkish-US ties deepened further following a deadly Israeli raid on an aid ship trying to break the Israeli blockade of the Gaza Strip on May 31. Turkey has demanded an official apology and an international investigation into the raid, which killed eight Turks and one American aboard the Mavi Marmara ship, but Israel rejects both demands.

An Israeli military inquiry found no wrongdoing or negligence in the navy’s raid on a Gaza-bound aid flotilla, but said intelligence and operational mistakes led to the deaths of the nine activists. “The inquiry found that on the one hand there were no wrongdoings and no negligence in any fundamental areas during a complicated and complex operation,” Giora Eiland, a retired Israeli general who headed the military inquiry, said on Monday. “But on the other hand there



were mistakes that were made in decisions, including some taken at relatively high levels, which meant that the result was not as had been initially anticipated.”

The US has welcomed the Israeli decision to investigate the raid but has made no call for an international inquiry even though the victims include one US national.

Davutoğlu and Clinton appeared to have found common ground on one issue though: cooperation against the outlawed Kurdistan Workers' Party (PKK). According to Crowley, Clinton reiterated the United States' commitment to help with the PKK, which is designated in the US as a Foreign Terrorist Organization. “The PKK remains a common enemy of Turkey, the United States and Iraq and is a threat to the stability of the region. And we continue to support efforts by Turkey and Iraq to deal with the problem of the PKK,” Crowley said.

Clinton also conveyed her impressions of her latest tour to the Caucasus and Davutoğlu told her about his impressions from his visits to countries in the Balkans, Turkish sources said.

14 July 2010, Wednesday

TODAY'S ZAMAN ANKARA

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### **American support for Turkey's anti-terrorism efforts at peak**

The United States' concrete support for Turkey in its fight against the outlawed Kurdistan Workers' Party (PKK), which also has bases in northern Iraq, has for the first time moved beyond sharing real-time intelligence, with the US side providing the utmost of assistance to Turkish security forces in their operations near the border between Turkey and Iraq.

Over the last two weeks, three separate PKK groups that attempted to infiltrate the border from the Iraqi side were driven back by Turkish security forces following intelligence provided by the US and using Israeli-made Heron unmanned aerial vehicles (UAVs). Turkish military aircraft staged cross-border raids in hot pursuit of the PKK groups that were driven back.

US support for Turkey against the presence of PKK members in northern Iraq recently passed beyond real-time intelligence sharing, a senior Turkish governmental official told Today's Zaman on Tuesday, stressing that the US has been providing assistance to the Turkish side, including clearance to enter Iraqi airspace, the same senior official, who requested anonymity, said.

Remarks by the Turkish official were an apparent confirmation of what a US official had told Today's Zaman earlier.

“We have been opening ‘corridors’ -- i.e., air blocks -- for Turks for the past three weeks almost continuously as requested,” the US official, speaking on condition of anonymity, told Today's Zaman over the weekend. “Not ‘carte blanche,’ but as requested,” the same US official, nonetheless, highlighted.

Turkey has fought the PKK since 1984, when it took up arms against the state with the goal of establishing an autonomous Kurdish state in the eastern and southeastern parts of Turkey. More than 40,000 soldiers and civilians have been killed in the clashes thus far. The PKK has been declared a terrorist organization by a large majority of the international community, including the US and the European Union.

As a matter of fact, following a landmark White House meeting between Turkish Prime Minister Recep Tayyip Erdoğan and then-US President George W. Bush in November 2007, the US military began to supply intelligence about the PKK and clearance to enter Iraqi airspace to facilitate Turkish cross-border raids on the terrorist group's targets in northern Iraq.

The US diplomatic approval for Turkey's operations against the PKK had also become clear following that meeting, during which Bush declared the PKK a “common enemy” of Turkey, the United States and Iraq.

From what the Turkish official and US official separately told Today's Zaman, there is a clear difference on the ground in regards to US support, although there is no new element in the current mechanism of cooperation between the two allies.

In the last month, the US side has contributed to all Turkish actions against the PKK, and thanks to this contribution, in last two weeks, Turkish security forces were able to drive back three separate PKK groups -- each of them comprising 200 members. The latest PKK attempt to cross the border was prevented on July 9, when the group was trying to enter Turkey near Hakkari. After stopping the group, Turkish military aircraft staged a cross-border raid in hot pursuit of the group, killing 19.

### **Gediktepe milestone for new phase in cooperation**

The intensification of cooperation between Turkey and the United States followed decisions made at two key meetings of top Turkish leaders in the aftermath of the deaths of 11 soldiers in a terrorist attack on a military outpost in Gediktepe on June 19.

Two days later, on June 21, the military brass and the Cabinet met at the Çankaya presidential palace for a summit on terrorism under the chairmanship of President Abdullah Gül. This meeting was followed by a meeting of the National Security Council (MGK) -- an institution that brings together top civilian and military officials.

According to the Turkish official, the reason behind the US's more positive approach in lending support to Turkey's fight against the PKK is the fact that the US officials were eventually convinced that Turkey no longer considers the regional Kurdish administration in northern Iraq a "threat" to its territorial integrity and national unity.

Turkey has successfully explained to the United States that the PKK presence in northern Iraq has had a "destabilizing impact" within the region. In this regard, Prime Minister Erdoğan, Deputy Prime Minister Cemil Çiçek, who is responsible for the coordination of counterterrorism efforts, Foreign Minister Ahmet Davutoğlu and Chief of General Staff Gen. İlker Başbuğ had talks not only with their US counterparts, but also with their counterparts from Iraq and the European Union and clearly explained their point regarding the PKK as a "destabilizing factor" within the region. During the meetings with their counterparts they also firmly reiterated that such a presence in a neighboring country was "unacceptable" for Turkey.

All of these contacts as well as the content of messages to mobilize the international community against the PKK presence in northern Iraq have been coordinated as part of an "action plan" drafted during the summit at the Çankaya presidential palace and during the MGK meeting last month.

On the European front, Gilles de Kerchove, the EU's counterterrorism coordinator, recently held talks with Turkish officials in Ankara in order to coordinate efforts against the PKK amidst increasing attacks by the terrorist organization. De Kerchove introduced a detailed report concerning the PKK's financial resources in European countries, including profits from foundations, advertising, concerts and other sources.

14 July 2010, Wednesday

TODAYS ZAMAN

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## **ECONOMIC NEWS**

### **Turkey worries high risk of crisis-hit EU market**

The head of Turkish Central Bank said that low growth expectations regarding Turkey's biggest market EU constituted a high risk for foreign demands.

Friday, 09 July 2010 11:32

World bulletin

The head official of Turkey's Central Bank said on Thursday that low growth expectations regarding Turkey's biggest market European Union (EU) constituted a high risk for foreign demands.

Speaking at a conference on monetary policies held in the western province of Denizli, Turkish Central Bank Governor Durmus Yilmaz said the recovery tendency that had arisen in the second half of 2009 continued in the first quarter of 2010, however, world economies had started to experience a slowdown again in the last couple of months.

Commenting on the effects of the situation in foreign markets on Turkish economy, Yilmaz said, "The low growth expectations regarding our biggest market EU constitutes a significant risk over foreign demands".

Noting that Turkey was listed among the fastest growing countries in the first quarter of 2010, Yilmaz said he expected such tendency to continue throughout the year.

Yilmaz said the recently announced financial data showed that the moderate recovery in Turkish economy continued, however, production was still below pre-crisis levels.

"The recovery process in production stems rather from the sectors depending on domestic demands," Yilmaz said.

The governor also noted that Turkey's diversifying its export markets had limited the effect of European economies' ongoing problems on the country's exports.

Commenting on Turkey's 11.7 percent growth figure for the first quarter of 2010 as well, Yilmaz said, "There is a remarkable growth in economy in 2010's Q1 compared to the same period of last year, however, when we look at the levels, the level our economy has reached today is slightly below the previous term's highest figures".

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### **Turkish exports of white meat rises by 30 percent**

Turkey's exports of white meat increased by 30 percent in the first half of 2010 when compared to the same term last year.

Monday, 12 July 2010 10:37

World bulletin

Turkey's exports of white meat increased by 30 percent in the first half of 2010 when compared to the same term last year and reached a value of 86 million USD.

The exports by the Turkish white meat industry constantly increased since 2007 after a slowdown due to bird flu cases between late 2005 and early 2007.

Turkey's exports of white meat were worth 28.1 million USD in 2006, 44.4 million USD in 2007, 87.2 million USD in 2008 and 152.5 million USD in 2009.

Chicken meat makes up the majority of Turkish exports of white meat. The exports of chicken meat increased by 22 percent in the first half of 2010 when compared to the same term last year and reached a value of 67.8 million USD.

Iraq, Azerbaijan, Tajikistan and Vietnam were Turkey's biggest buyers of white meat.

In the first half of 2010, Turkey earned 52.7 million USD revenue from the exports of white meat to Iraq.

In comparison to chicken meat, turkey meat exports from Turkey dropped significantly.

Turkey's exports of turkey meat were worth only 339,000 USD in the first half of 2010, down from 769,000 USD in the same term last year.

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## **Minister invites Turkish investors to Palestine**

Thursday, July 15, 2010

ANKARA - Anatolia News Agency

HURRUYATY

Turkish businesspeople should invest in the Palestine, the territories' economy minister urged during the Turkey-Palestine Business Forum, which began Thursday in Ankara.

"Invest in Palestine, make revenues and transfer them," Hassan Abu Libdeh said in addressing Turkish business leaders.

Some 75 businesspeople joined Abu Libdeh's Turkey visit, which includes a forum organized by the Turkish Union of Chambers and Commodities Exchanges, or TOBB, the Economic Policy Research Foundation of Turkey, or TEPAV, at TOBB's conference hall in the capital city of Ankara.

Palestinian businesspeople want to make use of Turkish experience and create new business opportunities, said Abu Libdeh. "If we can develop our economy, we can make our struggle [against Israel] long-lasting."

Palestinian businesspeople want to make use of Turkish experience and create new business opportunities, said Abu Libdeh. "If we can develop our economy, we can make our struggle [against Israel] long-lasting."

The mutual trade volume of Turkey and Palestine is \$29 million annually, and Palestine's exports to Turkey cover only a \$270,000 portion of the total sum, said the minister. "We can raise the total amount up to a level between 150 million or 450 million."

A penetration of Turkish goods to Palestine would not affect local producers, Abu Libdeh said.

"Turkish producers could assign entrepreneurs from Palestine as representatives, and the two countries could found joint companies," he said. "These would improve our power to produce."

Industrial zone in Jenin

The minister voiced Palestine's willingness for an industrial zone in the West Bank town of Jenin, a TOBB project. "We want to see the footprints of TOBB in Jenin," said Abu Libdeh.

Hüseyin Üzülmöz, president of the forum and a TOBB board member, said parties signed an agreement in February for the foundation of the zone in Jenin after talks with Israeli authorities and probable local partners.

"We hope to provide employment for about 5,000 Palestinian brothers," he said at his speech at the forum. "TOBB is also determined to build an industrial zone in Gaza."

Prior to the opening of the business forum, the Palestinian committee held roundtable meetings with Turkish businesspeople in Istanbul on Tuesday and visited Turkey's industrial zone in the district of Gebze on Wednesday.

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## **New company set up to help Turkish energy market**

Thursday, July 15, 2010

ISTANBUL - Hürriyet Daily News

Turkish consultancy AS/Nexia and India's information technology consultancy giant Wipro will cooperate to address the Turkish energy sector's needs in the aftermath of widespread privatization. The partners have set up ETRM, a new company that will focus on energy consultancy and risk management in the context of the deregulation and privatization seen in Turkey in the past decade

Representatives from AS/Nexia, a Turkish audit and consultancy company and Wipro, an Indian information technology services and consultancy giant, signed a collaboration agreement in Istanbul on Wednesday. The partnership will address the Turkish energy market through a new joint company, ETRM.

The partnership, signed by Arun Krishnamurthi, the vice president of utilities for Wipro, and Murat Kutlutürk, a managing partner of ETRM, has been in the planning stage for the past year. It will focus on energy consultancy and risk management in the context of the deregulation and privatization that has occurred in the Turkish energy industry.

“We founded ETRM in order to assist energy companies in their investment strategies during and after the privatization of utilities. We combine local and international experience,” said Kutlutürk.

“Wipro can enhance customer centricity and enable competitiveness in the deregulated Turkish energy and utilities market,” said Krishnamurthi.

Turkey's energy industry, previously dominated by state-owned companies, began a period of privatization in 2001 within the areas of coal, oil, electricity and gas. The restructuring of the energy industry took place to attract investment and reduce state control; however this was also a precondition for International Monetary Fund support and EU accession.

Wipro have previously consulted in other countries' energy markets during privatization periods, in Europe, South America and India.

A.S/Nexia was originally founded in Turkey and became part of Nexia International in May 2007, one of the 10 largest audit companies in the world.

### **High demand for energy**

With high economic growth, demand for energy in Turkey is high and increasing at 5-6 percent per year. “We expect to see an overall increase of up to 70 percent in the next five to eight years,” said Kutlutürk. “We expect a huge increase in installed capacity, with huge attention coming from the global utilities companies.”

“Recently many companies have entered the Turkish energy market, in the next five to 10 years this will come significantly with much consolidation,” said Krishnamurthi.

“Recently many companies have entered the Turkish energy market, in the next five to 10 years this will come significantly with much consolidation,” said Krishnamurthi.

“ETRM will focus on consultancy for all areas of the Turkish energy market; generation, distribution and retail. We will focus first on utilities: gas, electricity and water within the short term of two, three years. In the longer term of five to 10 years, we will focus more on renewable energy,” said Krishnamurthi.

“Electricity is the most volatile commodity in the world,” said Kutlutürk, commenting on the problems caused by unexpected increases in the demand and supply of electricity. “We will help to balance supply and demand, this is the value we are promising to the market,” he said.

“We know how deregulation starts and how it progresses,” said Krishnamurthi.

“We can educate producers and consumers how to deal with electricity in more economical ways,” said Kutlutürk.

“Through demand management, smart metering and optimizing production and distribution the benefit will be for the end user,” he said.

“We will deliver better service and better reliability,” said Krishnamurthi. Referring to the unit price of electricity, he said, “There will not be a huge change price, efficiency savings may contain a price increase, but demand will also stay high.”

On the subject to nuclear energy, Kutlutürk said the company has no plans to be involved in the short-term.

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### **Turkish jobless rate falls, budget gap on the rise**

Thursday, July 15, 2010

ISTANBUL - Daily News with wires

HURRIYAT

Turkish unemployment declined to 12 percent in April, the lowest level seen since October 2008. The budget deficit, on the other hand, has continued to rise, according to figures released by the Turkish Statistics Institute, or TurkStat, and the Finance Ministry.

In a detailed report released on Thursday, London-based Capital Economics said the Turkish economy is undergoing “a rapid rebound,” as its near-term outlook is the “brightest in emerging Europe.”

The unemployment rate declined from 14.9 percent a year ago and 12.5 percent in March. The rate stood at 10.7 percent in September 2008, when the collapse of Lehman Brothers prompted a global crisis. While the labor market is improving, as contributions from a seasonal effect cause employment in the tourism sector to surge, jobless levels remain high.

“Labor market conditions continue improving swiftly, and this should support domestic demand,” Bloomberg quoted Yarkin Cebeci, an economist for JPMorgan Chase, as saying in an e-mailed report. “The slack is still substantial, and we do not see any wage pressures in the near term.”

### **Strong job creation**

The Turkish economy added 1.1 million jobs in services, construction and manufacturing compared with a year earlier, Bloomberg reported, citing TurkStat data. Agricultural jobs rose by 660,000. Within the month, 119,000 new jobs were created. About 22.5 million people were employed in the period, compared with 20.7 million a year earlier. The jobless rate of those less than 24 years of age fell to 21.2 percent from 26.5 percent a year earlier.

“The weak base effect has contributed to this positive picture,” said Fortis Turkey in an e-mailed report. “Data stripped of seasonal effects display the slow but uninterrupted recovery in the jobs market continued in April ... With the effects of the crisis in the European Union, the global recovery is expected to slow down, which creates a risk in the domestic economic outlook.”

The workforce participation rate, a measure of how many people of working age have jobs or are seeking employment, rose to 48.8 percent from 47.2 percent a year earlier, TurkStat said.

In its “Emerging Europe Focus” report, Capital Economics said Turkish exporters, which are a main driver in job creation, are “in a much more competitive position than most of their peers.”

“The Turkish Lira has fallen by nearly 15 percent in trade-weighted terms since mid-2008 - more than most other currencies in emerging Europe,” the report said. “More importantly, however, measures of Turkey’s real exchange rate show the economy was already in a fairly competitive position coming into the crisis. This is in stark contrast to some of its neighbors.”

Turkish exporters also benefit from a more diverse export base compared with their counterparts elsewhere in the region, according to the report. “As such, they are less reliant on one or two markets in the euro-zone, where we expect the recovery to stall next year,” Capital Economics said.

### **New opportunities in the Middle East**

Speaking to Anatolia news agency on Thursday, Suzan Cailliau, the Middle East and Gulf Business Council's Regional Coordinator of the Foreign Economic Relations Board, said the Middle East presents huge opportunities for Turkey.

"With their accumulated foreign trade surpluses, Middle Eastern countries are of key importance," she said. "Their import potential, [the need for] infrastructure and superstructure projects and also the services sector present large amounts of potential."

Turkey's exports to the region were at \$8 billion in 2005, while in 2009 they reached \$15.5 billion. "This figure could easily reach \$30 billion with a realistic outlook and lots of effort," Cailliau said.

In its report, Capital Economics said, "familiar external vulnerabilities" have re-emerged in the Turkish economy. "In particular, after moving briefly into surplus last year, the current account deficit is widening once again," said the report. "There are legitimate concerns over the funding side too, particularly given that net foreign direct investment flows dropped toward the end of 2009 and remain subdued."

The risk for the economy is that Turkey could be "hit by another sudden stop in capital flows, which could force a sharp and painful adjustment in the current account," Capital Economics said.

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## **Turkey becomes global power in construction**

Wednesday, July 14, 2010

HURRIYAT

Though still not posing a threat to the world's largest construction companies, Turkish firms are steadily rising in the sector, extending their reach to the former Soviet Union, the Gulf and even Africa. The government hopes to increase the volume of international contracts to around \$50 billion by 2015. Turkish firms launched their first projects in Brazil and Angola last year. An army of Turkish cranes and bulldozers is at work across the Middle East, Central Asia and Africa, building dams, stadiums and highways in a boom that is driving Turkey to record growth and bolstering its efforts at becoming a regional power broker.

Frustrated by slow progress toward joining the European Union, the Justice and Development Party, or AKP, government is pursuing a strategy intertwining political influence with economic might in the developing world, particularly in Islamic countries and the former Soviet Union, but extending in recent years across much of Africa.

Essential to the effort are the Turkish construction firms at work in more than 80 nations. One is building Dubai's new subway system in a joint venture with Japanese companies. Others are responsible for much of the construction in Kazakhstan and northern Iraq in recent years.

While Turkish builders do not yet rival their giant competitors in Europe, the United States, China and Japan, the value of Turkish overseas projects soared from \$750 million (597 million euros) in 2000 to \$23.6 billion in 2008, before sliding to \$20 billion last year during the global recession. The government says it hopes to increase the volume of international contracts to around \$50 billion by 2015.

Leading construction trade journal Engineering News-Record included four Turkish firms among the world's top 225 international contractors in 1999. Ten years later, that number rose to 31.

### **Opening the path for trade**

Turkey has recently signed bilateral agreements with countries including Russia, Libya and Syria to mutually waive entry visas, easing travel and trade. It added dozens of new destinations, including Baghdad and Nairobi, for national carrier Turkish Airlines.

Zafer Çağlayan, the state minister in charge of foreign trade, said Turkey would increase the number of diplomatic missions in Africa from 12 to 27 this year. Thirty-five percent of Turkish overseas building was in Africa last year, he said.

In Astana, the capital of Kazakhstan, Turkish companies have handled an estimated 70 percent of construction since 1997. "That includes everything from roads to stadiums, shopping centers, schools and five-star hotels," Özer Oral, secretary-general of the Kazakh-Turkish Businessmen Association, said by telephone from the city.

Turkey restructured its ailing banking sector after emerging in 2001 from a deep financial crisis that saw the economy shrink 8.5 percent as inflation hovered around 80 percent. The majority government has boosted investor confidence in a country once wracked by bitter fighting among coalition partners. The eight-year-old administration has curtailed chronic inflation, encouraged exports and even rejected taking a new loan from the International Monetary Fund this year.

Turkey is heavily dependent on the textile, automotive, manufacturing and tourism industries but the construction sector is one of the forces driving Turkey's record growth of 11.7 percent in the first quarter of 2010, the fastest expansion in roughly six years.

With \$863 billion in gross domestic product, Turkey was the sixth-largest economy in Europe last year based on the IMF World Economy Outlook, Çağlayan said.

"People should never forget that those who have closer economic relations with Turkey will prove to be the profit-makers in this region," Çağlayan told The Associated Press. "This applies to the European Union, too."

### **Flexibility and agility**

Turkey was the premier builder in the former Soviet Union and nearly a quarter of Turkish construction business is done in Russia, followed by Libya and the former Soviet republics of Turkmenistan and Kazakhstan. Turkish firms launched their first projects in Brazil and Angola in 2009, Çağlayan said, and they are also heavily involved in Qatar, Algeria, Iraq, Romania and Afghanistan.

"Turkish firms are putting their signature in remote parts of the world thanks to their flexibility in working in sometimes difficult or dangerous environments and ability to handle complicated local laws," said Demir Engin, president of NACE, a company that specializes in equipment for cement and asphalt plants.

In Astana, the palatial, tent-shaped Khan Shatry shopping center designed by renowned British architect Norman Foster and built by Sembol Construction of Turkey in a joint venture with Russia's Coalco Development was opened in early July to mark the 70th birthday of Kazakhstan's president.

The translucent structure includes an artificial beach made of sand from the Maldives at an indoor pool on the fifth floor.

Sembol Construction also built the Foster-designed 250-foot-tall (77-meter) glass Pyramid of Peace, which holds an opera house, library and cultural research center, at a cost of more than \$65 million.

Paul Barry, an international construction expert with London-based Navigant Consulting, said Turkish firms were becoming "very serious" rivals for international contractors.



"They can relate to Muslim cultures and are very competitive," Barry said. "They are starting to get a good reputation for being involved, probably in a joint venture with complex and demanding projects."

However, Barry said: "They are developing but have yet to demonstrate that they can do it on their own and prove themselves in Western Europe or the United States."

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### **Russia upsets Aegean leather exporters**

Wednesday, July 14, 2010

HURRIYAT

The Aegean leather business, already regressing due to a decrease in luxury consumption due to the global financial crisis, faces difficult times as Russia has closed down customs.

Aegean leather exporters have called attention to the fact that the \$90 million worth of exports from the first half of 2008 has decreased by 42 percent to \$51 million for the same period in 2010.

"Russia, to whom we export 60 percent of our goods, has closed down customs," Jak Galiko, the Aegean Leather and Leather Products Exporters' Union Chairman commented to the Doğan news agency about the sharp fall. "Cargo cannot go there and the reference prices are considerably high. The buyers haven't been able to adjust to the situation either. Rather than sending products by cargo or private bills, they prefer the normal export process."

Drawing attention to the inevitability of a recession in production paralleling that experienced in exports, Galiko expressed distress at the exchange rates currently affecting the eurozone, an export market of high significance to the leather and leather goods business.

"The key point to increasing our competitive power is to solve the issue of the excessively valuable Turkish Lira," Galiko said. "Turkey has no chance to compete with this rate of exchange. Brazil and China keep their money at a low value. We, on the other hand, keep the value high despite inflation."

"Our products are bound to go to those with a high purchasing power," Galiko said. "We have no other alternative. We don't have the option of going outside our current markets either."

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### **Red meat prices to stay below TL 20 per kilo**

Minister of Agriculture Mehdi Eker said on Tuesday in Ankara that the government planned to take new measures to help keep the price of a kilo of red meat in domestic markets below TL 20. With the Turkish red meat market experiencing unprecedented price increases in the past few months, the government decided in April to resume livestock and red meat imports through the state-owned Meat and Fish Institution (EBK) following an eight-year ban as a result of the mad cow disease scare. Eker, speaking to reporters at a press conference, introduced a new agricultural information system. Making mention of the current uncertainty in the Turkish red meat market, the minister said recent suggestions from some red meat consumers to decrease the price of a kilo of red meat to TL 8 were "unreasonable." "The price of a kilogram of red meat was TL 23.7 when the government first decided to restart red meat imports. This number has declined to TL 19.8 as of today," he noted, adding that the government was "ready to take any steps to curb any possible speculation that could harm the market." He said the government's initial target was to keep prices below TL 20 per kilo of red meat. Eker signaled that his ministry would improve oversight of the red meat market. Also speaking about a new central agriculture database system, he said the government planned to improve his ministry's efficiency by improving coordination between institutions and by improving and keeping an updated database.

14 July 2010, Wednesday  
TODAYS ZAMAN

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### **Turkey, number eight economy in world regard to agriculture**

The Turkish agriculture minister said on Tuesday that Turkey was the number eight biggest economy in the world in regard to agricultural economy.

Turkey's Agriculture & Rural Affairs Minister Mehdi Eker said Turkey was ranked the eight biggest economy in the world also in regard to agricultural gross income.

"When our party came to power, we were the 11th country, but Turkey's agricultural production value rose to 51 billion USD from 23 billion USD," he said during a ceremony in Istanbul to reward export companies.

Eker said Turkey's agricultural products exports was up to 11.2 billion USD from 4 billion USD last year.

"When we used to export 480 different agricultural and food products to 181 countries in 2001, we exported 1,530 products to 177 countries in 2009," he said.

Eker also said the European Union (EU) had opened negotiations with Turkey on food safety chapter, which was under the responsibility of his ministry.

The minister said Turkey would from now on have to ensure food hygiene and standards applied in EU member states.

Eker said required criteria had totally be fulfilled, and now Turkey had to ensure sustainability of that mechanism.

On June 30, the last day of Spain's presidency of the union, the EU opened accession negotiations with Turkey on food safety, veterinary and phytosanitary policy chapter.

14 July 2010, Wednesday  
TODAYS ZAMAN

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### **Turkey determined to build industry zone in West Bank**

Turkey's foreign trade minister said Tuesday that Turkey would definitely build an industrial zone in West Bank despite all the obstructions by Israel.

"Such a project in Erez had been hindered by Israel in the past. Now, the Union of Chambers and Commodity Exchanges of Turkey (TOBB) is carrying out a project to set up an industrial zone in West Bank. It has to be built despite all the obstructions by Israel," Zafer Çağlayan told a press conference in Istanbul where he met Palestinian Economy Minister Hassan Abu Libdeh during the Turkey-Palestine Business Forum.

Çağlayan also said that a significant part of Turkish exports to Israel was sent to Palestine.

Last year, our exports to Israel was worth 1.5 billion USD. Some 350 million USD of it was exports to Palestine through Israel. However, we can ship those products directly to Palestine," Çağlayan said.

Palestinian authorities asked Turkish government for help for direct trade between Turkish and Palestinian firms, Çağlayan said.

He also said that a large group of Turkish businessmen from several business associations would soon accompany him during a trip to Palestine.

"We will encourage Turkish firms for investments in Palestine. During our visit, we will exert efforts to turn Palestine into an area of investment and enhance the level of economic development there," he stated.

Çağlayan added that Turkish and Palestinian governments would work together to organize trade fairs in Turkey in a bid to promote Palestinian products and increase the trade volume of 29.5 million USD.

13 July 2010, Tuesday  
todays zaman

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### **Turkish Construction Industry to Open To United States**

The Turkish state minister for foreign trade said on Friday that only one Turkish construction company was operating in the United States.

Turkey's State Minister Zafer Caglayan said Turkish construction industry, which had 170 million USD of business volume in over 80 countries, did not have a share in the U.S. construction industry.

"We will open our construction industry to the United States," Caglayan told AA correspondent ahead of his visit to this country.

Caglayan will tour Texas, Illinois, Georgia, California and New York for a week, beginning on July 17, to seek ways to increase trade with the United States.

Turkish construction industry has a capacity to make 20 billion USD business p.a.

Caglayan said only Kiska Holding-Oguz Gursel was working in construction industry in the United States, however Turkey could get a great share in U.S. construction industry.

The Turkish minister said the United States was planning significant infrastructural and other investments in areas where Indians used to live in Texas.

"We have analyzed the

We have analyzed the United States on state basis, and we have studied economic parameters, macro-economic figures, exports and imports," Caglayan said.

Caglayan said the United States had an import volume of 1.6 trillion USD, however Turkey's exports to that country was only 3.5 billion USD.

Turkey was trying to increase exports to the United States, he said.

Caglayan said he would visit Houston in Texas state, Chicago in Illinois, Atlanta in Georgia, Los Angeles in California, and New York.

"I will be the first Turkish minister to visit California, which has an economy that could be among the top seven economies in the world if it were an individual country, for trade purposes," he said.

Caglayan said he would meet businessmen and CEOs to discuss investment and cooperation opportunities.

Minister Caglayan said China would be Turkey's next foreign trade target following the United States, and he would pay a similar visit to that country.

According to initiatives of the Foreign Trade Undersecretariat, Turkey's foreign trade target countries are the United States, China, Russia, India, Brazil, Canada, Poland, Nigeria, Egypt, Iran, Saudi Arabia, Algeria, Libya, Jordan and Qatar.

Prior countries are Mexico, Chile, Peru, South Korea, Indonesia, Malaysia, Vietnam, Pakistan, Ukraine, Kazakhstan, South Africa, Kenya, Senegal, United Arab Emirates, Azerbaijan, Iraq, Syria, Lebanon, Oman, Tanzania, Tunisia, Sweden, Croatia, Kosovo, Georgia, Ghana and Turkmenistan.

Friday, 9 July 2010

USAK PUBLICATIONS

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### **Turkey's current account deficit in May at \$2.9 billion**

Turkey's current account deficit increased 84.5 percent to 2.9 billion USD in May, 2010 when compared to May, 2009.

Central Bank stated on Monday that current account deficit had been 1.6 billion USD in May, 2009.

Also, Turkey's foreign trade deficit rose 44.7 percent to 3.5 billion USD in May, 2010 when compared to May, 2009.

Net revenues obtained from balance of services dropped 22.6 percent to 898 million USD in May, 2010 when compared to May, 2009.

Current account deficit, which had been 5.1 billion USD in the first five months of 2009, increased to 12.4 billion USD in the same period of 2010.

12 July 2010, Monday

TODAYS ZAMAN

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### **Foreign companies see lucrative market in Turkey**

With the Turkish economy rapidly shaking off the shackles of the global financial crisis and the government introducing lucrative incentives to boost investment, global giants have lined up to invest in the country.

In May alone, 11 companies from Germany, Spain, the UK, the Netherlands, Iraq and Egypt secured investment incentive documents to benefit from opportunities ranging from reduced corporate tax rates to an exemption from import duty.

German power company RWE AG was the first to announce its investment plans in Turkey. The company signed an agreement with its joint venture Turcas to build a new power plant in the western province of Denizli. The plant, estimated to cost around TL 1.15 billion, will be an 824-megawatt combined cycle gas turbine plant.

Spanish cement company Universal will start production in the southeastern province of Osmaniye by employing 400 people, while a cereals company from Iraq will engage in wholesale and retail trade in the southeastern province of Mersin.

Treasury officials told Today's Zaman that there has been an increasing number of applications by foreign investors to secure investment incentive document since the beginning of the year.

This is clear proof of trust in the Turkish economy, they said.

According to Treasury data, 1,627 investment incentive documents were issued in the January-May period of this year. Of them, 1,054 were for completely new projects. A total of TL 28.4 billion is expected to be invested with these documents.

A new incentive law was passed last year to boost investment amidst the global credit crunch.

With the law, both domestic and foreign investors are provided important opportunities. The package, for instance, extends financial support to textile companies when moving to another region. The companies will pay a reduced corporate tax rate, down from 20 percent to 5 percent, over the next five years depending on the province and size of their investment, while the state will help the businesses pay the social security premiums of their employees. The new system envisages exemption from the value-added tax (KDV) and customs duty. All of the 81 provinces will be able to benefit from the incentive package, though on different levels.

German construction company Köster, Dutch company Frito Lays and British Virgin Islands-based Pro-Pack are also among the firms that secured an investment incentive document.

10 July 2010, Saturday

TODAYS ZAMAN

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### **Cigarette sales drop to 12-year low**

Turkey, which has long been a nation of smokers and passive smokers, has seen the lowest level of cigarette consumption in the last 12 years in the past year following a ban on smoking in all indoor places in Turkey.

The first phase of the law came into force on May 19, 2008. It prohibited smoking tobacco products in state buildings. As of July 19, 2009, the law went into full effect, with restaurants, coffeehouses, cafeterias and bars also designated smoke-free areas. Speaking at a press conference held in İstanbul on Thursday, İstanbul Provincial Health Director Ali İhsan Dokucu noted that Turkey is a wonderful example for the world with its two-year-long journey in which it has enacted and implemented the smoking ban successfully.

09 July 2010, Friday

TODAYS ZAMAN

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### **Turkey exporting to 172 countries**

Businessmen in the Southeastern Anatolia Region of Turkey have turned global economic crisis into an opportunity and raised the number of countries they are exporting to 172.

The Southeastern Anatolia Exporters' Associations (GAIB) was exporting to only 158 countries at the beginning of 2010, however raised this number to 172 in the first half of the year.

GAIB also raised its exports by 27.6 percent in the first half of 2010 and earned 2.2 billion USD from its exports.

Members of the association exported goods worth 394 million USD with 29.5 percent rise in June.

Gaziantep made 71.7 percent of the overall exports in the region.

Barbados, Benin, Bostwana, Brunei, Cape Verde, Djibouti, El Salvador, Eritrea, Gabon, Guyana, Haiti, Congo, Madagascar, Mali, Mauritius, Mayotte, Mauritania, Nepal, Sao Tome and Principe, Seychelles, Sierra Leone, Suriname, Tanzania, Trinidad and Tobago and Zambia are some of the countries GAIB members are exporting to.

Middle East topped the regions where GAIB is exporting its products, whereas the European Union (EU) zone came the second and African countries the third.

"We will easily reach 5-5.6 billion USD of exports by the end of this year," Abdülkadir Çıkmaz, the chairman of the GAIB, told the Anatolia news agency.

Çıkmaz said growth would have an impact on employment gradually, and forecast that Turkey would economically develop more and more if Turkey reaches 6-6.5 percent growth rate by the end of 2010.

09 July 2010, Friday

TODAYS ZAMAN

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### **Number of İstanbul tourists down by 4.6 percent**

İstanbul attracted 4.6 percent fewer tourists in the first half of the year compared to one year ago, data from the İstanbul Culture and Tourism Directorate have revealed.

İstanbul was expecting to attract 10 million tourists this year as it is the European Capital of Culture. Ahmet Emre Bilgili, the directorate's top official, cited the existing economic troubles in European countries from where the highest number of tourists visit İstanbul as the reason for the decline in visitors. He said the economic problems prompted Europeans to travel within European borders instead of to other countries that are further away.

The figures showed that the city attracted 3,358,243 foreign and local tourists in the January-June period of the year, the Anatolia news agency reported on Friday. May saw the greatest number of tourists visiting İstanbul during this period, at 688,821, up from 658,117 last month. Germans ranked first, making up 14 percent of all foreign tourists visiting the city. Russians accounted for 6.3 percent of the total and were followed by Italians with 5.4 percent.

10 July 2010, Saturday

TODAY'S ZAMAN İSTANBUL

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### **Azerbaijan, Turkey sign agreement On Cooperation Between Securities Market Regulators**

Capital Markets Board, or SPK, Chairman Vedat Akgiray and Azerbaijan Securities State Commission Head Rifat Aslanlı have signed a memorandum to foster information exchange and technological cooperation between the two institutions, the State Committee reported on July 14. The ongoing relationship between the SPK and the Azerbaijan Securities State Commission has been carried to a judicial platform with this agreement, Akgiray said during a signing ceremony on Tuesday.

The agreement has paved the way for operational cooperation between the two institutions, Akgiray said.

"All of the countries in the world, from the United States to China, Turkey to Azerbaijan, should cooperate. We need these kinds of agreements to build cooperation." Akgiray said. "After the agreement, we will be able to say we want to operate with Azerbaijan in all issues."

The number of cooperation agreements between the SPK and other countries has reached 26, including Azerbaijan, Akgiray said.

SCS said that this memorandum will provide the basis for effective cooperation between the securities markets of the two states, and will promote the integration of regulated markets and enhance investor protection. The memorandum will ensure cooperation between the parties in carrying out regulatory responsibilities and determine the procedure for the exchange in respect of violations of legislation regulating the securities market. Thus, it is the fourth cooperation agreement regulating the securities market, which Azerbaijan has signed with other countries. Along with Turkey, currently agreement on cooperation is effective with Belarus, Kazakhstan and Ukraine.

During the ceremony, Akgiray also said activities of the SPK in the International Organization of Securities Commissions, or IOSCO, have accelerated.

The SPK was selected for the presidency of the Developing Countries Commission, in which Commission, in which 83 countries are represented, at its annual meeting in Canada, he said.

The next annual meeting of the commission will be held in Turkey in October of this year.

Thursday, 15 July 2010

TODAYS ZAMAN

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### **SOCIAL NEWS**

#### **Turkey to bake in high temperatures**

The State Meteorology Bureau has issued a high temperature alert for the entire country this week. According to the bureau, temperatures are expected to rise by one to three degrees Celsius in most parts of Turkey.

Meteorologists anticipate the temperatures to exceed seasonal averages throughout the country this week following heavy rains in the Marmara region in June and early July. News reports state the Eastern Black Sea region, Eastern Anatolia and Southeastern Anatolia will be among the

hardest hit. People are being warned to take precautions against complications brought about by high temperatures such as heat stroke.

14 July 2010, Wednesday

TODAY'S ZAMAN İSTANBUL

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## COMMENTARY

**Bulent Kenes**

### **Constitutional Court violates Constitution again**

Article 148 of the Turkish Constitution, which establishes the functions and powers of the Constitutional Court, states: "The Constitutional Court shall examine the constitutionality, in respect of both form and substance, of laws, decrees having the force of law, and the Turkish Parliament's Rules of Procedure.

As for constitutional amendments, they shall be examined and verified only with regard to their form. However, no action shall be brought before the Constitutional Court alleging unconstitutionality as to the form or substance of decrees having the force of law issued during a state of emergency, martial law or in times of war.

The verification of laws as to form shall be restricted to consideration of whether the requisite majority was obtained in the last ballot; the verification of constitutional amendments shall be restricted to consideration of whether the requisite majorities were obtained for the proposal and in the ballot, and whether the prohibition on debates under urgent procedure was complied with. Verification as to form may be requested by the President of the Republic or by one-fifth of the members of the Turkish Grand National Assembly. Applications for annulment on the grounds of defect in form shall not be made more than 10 days after the date on which the law was promulgated; nor shall objection be raised."

Article 148, which also addresses other matters, ends with the sentence, "The Constitutional Court shall perform the functions given to it by the Constitution." But we can see that with the latest reform package -- which amends the Constitution with regards to how members of the Supreme Board of Judges and Prosecutors (HSYK) and Constitutional Court are selected -- the Constitutional Court did not stop at performing an evaluation of form, but once more violated the Constitution outright by performing a substance-based examination as well. The court pretended not to notice Article 148, which is penned with a simple clarity that can be understood by anyone who can read and write. The court has virtually acted like a founding Parliament on the constitutional amendments, which have not yet been published in the Official Gazette because a referendum has not yet been held and which therefore have not entered into force. With this brazen disregard for the law, the Constitutional Court has not just usurped Parliament's legislative authority but also interfered with amendments that were to be put to referendum and in so doing has taken the public will under its tutelage. Yet such a thing is not within the scope of the function nor authority of the Constitutional Court.

There can be no better proof than this latest example of the horrible effort that structures like the HSYK and Constitutional Court, which are the contemporary standard-bearers of the Sept. 12 military tutelage regime, are engaged in to protect the military tutelage in question. What we are faced with is a Constitutional Court that employs an imagined allegation that the executive planned to interfere in the powers of the judiciary in order to virtually usurp the powers of the legislature and the public will. Even this latest court decision alone is in itself enough to prove how just the grounds were for the amendments in the latest reform package.

With this illegitimate intervention, the Constitutional Court has also violated the constitutional article that forbids the court from “acting as a lawmaker in the course of annulling” laws or decrees. The court has written law and set about to constitutional construction. As for the annulled segments, contrary to the court’s reasoning they were perhaps the parts of the package most fitting to the principle of a democratic state of law. The amendment having to do with the selection of members of the Constitutional Court and HSYK were altered as well. It had been set out in the legislation that members of the judiciary with a right to vote would only have one vote. For democratic elections based on proportional representation, this is the method nearest to the ideal. Under this system, each voter having the right to only one vote ensures justice and pluralism in representation. A different vote for each candidate creates a dictatorship of the majority. That is to say, those with a majority in their hands in the judiciary prevail in all elections. This doesn’t leave any space for the representation of minority views. A majority group could be such on the basis of a grouping by legal interpretation, political view, sect or ethnicity. No matter what the case, the result is a dictatorship of the majority. It’s clear that the Constitutional Court justices prefer such a dictatorship.

But even as this ruling of the Constitutional Court is grave, it’s not the first ruling it has issued of such severity. It had assumed a similar stance over the ridiculous, contrived “367 attending” requirement in Parliament during the 2007 presidential elections. It also violated Article 148 of the Constitution when it conducted a substance-based examination of amendments to Articles 10 and 42 of the Constitution that would have ensured educational equality by lifting the ban on headscarves at universities, annulling the amendments. At the time this was viewed as a usurpation of the legislative authority of Parliament -- as the representatives of the public will -- and this time, the case is even more serious. For by interfering in these latest constitutional amendments that are to go to referendum, the court has directly put a block on the public will. As for the scale of this intervention, it’s not important at all in terms of principle. For the court to touch even a comma or a period in an amendment made by Parliament would mean the same thing and is in itself calamitous enough and a crime.

But despite all the illegal interventions, the amendment package is still strong and has protected its revolutionary nature. The positive aspects of the court’s decision are of the type that we could refer to as profit from loss. In the package there remain gains, such as the expansion of the number of members of the Constitutional Court and HSYK, their working with a unit structure, the ensuring of representation, an individual right to file cases and the oversight of moves to disbar individuals. A great portion of the package is being taken to referendum, which will stave off the possibility of future chaos. The majority’s view on the package when it was initially conceived was that “its current form is insufficient, but still worth voting yes.” And it remains that way -- it has preserved its strength to clear the obstacles to future democratic initiatives that will be larger and more courageous. Even in its current form the package’s passage in a referendum will be an incredible boost to the momentum of Turkey’s democratization.

09 July 2010, Friday  
TODAYS ZAMAN

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## **Basics of the Turkish political system: society**

EMRE USLU

With so many foreigners now paying more attention to Turkey but getting lost in the nonsensical political tug of war between the forces, I decided to write a series of articles in an attempt to explain the basics of the Turkish political system and to show the root causes of the divisions. As



part of the series, I first examined the foundation of the state in the last article. Today I would like to examine the society. I do not want to repeat information that can be found on Wikipedia here. Instead, I will try to highlight the points that cause confrontation and turmoil in politics.

### **Society:**

Despite the fact that Turkic empires and states have existed in Anatolia, where Turkey exists today, the society of modern Turkey has for a thousand years not been a settled society. Rather, it is a society that comprises immigrants. Starting from the early 20th century until today, remnants of the Ottoman Empire have been migrating to Turkey. During the early period of the republic, millions came to what is today western and northern Turkey, but it would be mistaken to think that immigrants from outside of Anatolia only live in the Marmara and Aegean regions.

During the early republican period immigrant communities were also encouraged to settle in predominantly Kurdish regions as well. The latest migration waves from outside Turkey took place in the 1980s and originated in Bulgaria and Afghanistan. Hundreds of thousands of immigrants came and settled in Turkey. For instance, Karakoçan, Elazığ province, is home to migrants predominantly from the Balkans and the Caucasus. Even populations in small villages were mixed as part of state policies during the early republican period. Another example of immigrants from the Balkans and the Caucasus in a predominantly Kurdish region is the town of Bilecik in Şanlıurfa. Between Kurdish villages are villages of people who came from the Balkans and the Caucasus.

The very first episode of political awareness for those villagers in the remote corners of the country came when they witnessed “others” being supported by the state and helped out. Until the late 1970s the Turkish economy was based on agriculture, and newcomers were provided land to use. Because of the nature of an agricultural economy, there were almost no confrontations between newcomers and those who were already there. But, starting from the 1970s until today, the Turkish economy has rapidly changed and Turkey has become urbanized. The very first episode of political awareness for those villagers in the remote corners of the country came when they witnessed “others” being supported by the state and helped out. Until the late 1970s the Turkish economy was based on agriculture, and newcomers were provided land to use. Because of the nature of an agricultural economy, there were almost no confrontations between newcomers and those who were already there. But, starting from the 1970s until today, the Turkish economy has rapidly changed and Turkey has become urbanized. Accordingly, Turkey witnessed rapid internal waves of migration from rural to urban centers. In the 1990s, because of the Kurdish question, the military forced 3 million Kurds to leave their villages. These people ended up in shanty towns of larger cities, causing urban centers to swell and a cheap service-based economy to boom. Adana, a city at the eastern end of Turkey’s Mediterranean coastline, for example, saw an influx of thousands of Kurds from the province of Mardin (approximately 3,000). They ended up working in the restaurant business and making Adana kebab, a local delicacy. The high visibility of the newcomers, mostly Kurds, in urban centers created a feeling among Turks that their culture and existence were being challenged and that they were under siege. The Kurds then felt alienated. This is one of the main confrontational zones in Turkish politics and one of the reasons why city dwellers, or White Turks, the blue blooded Turks, consider the Justice and Development Party (AKP) government a coalition of the Turkish and Kurdish periphery.

While society has transformed enormously and evolved to adapt to new economic realities, the state mentality still sees it as the old society divided on religious and ethnic lines such as Sunni, Alevi, Kurdish and Turkish. Yes, they maintained their religious and ethnic identity, but those

identities also took on new shapes. The state structure in Turkey was designed to control the society and transform it into a new nation-state. Take the country's constitutions as an example. Kemal Karpat points out that "Turkish constitutions appear not as the expression of society's basic culture of philosophy and aspirations but as tools designed to reshape the society and legitimize the control of government power."

State institutions, i.e., the military and the judiciary, failed to realize that society has already transformed according to the basic principles of the economy and developed new identities. As an outcome of these new identities, the meaning and ways of political struggles have also changed. For instance, neither are Islamists struggling to establish an Islamic state nor are the Kurds struggling to establish an independent Kurdish state. Both are struggling to have more rights in the center of politics and society.

The gist of the struggle between the society and the state is on the "continuation of the old system" or "change."

13 July 2010, Tuesday

TODAYS ZAMAN

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### **Never forget what happened on July 11, 1995**

IBRAHIM KALIN

A solemn silence pervaded the scene. Men and women were crying and their young ones joined them without probably fully knowing why. There was pain, agony and tears, but also dignity and resolution. Tens of thousands of people listened quietly to the recitation of the Quran, prayers and speeches. Thousands participated in the "Death Walk" in memory of those who lost their lives while trying to escape the biggest genocide in modern European history since World War II.

The 15th anniversary of the massacre of more than 8,000 Muslim men and boys by Serbs in Potacari, Srebrenica, had an added dimension of pain: The newly found bodies of about 700 Bosnians were lying on the ground, all shrouded in timeless and deeply sad green colors. Their relatives had come to claim them, each seeing the last remnants of their loved ones for the last time. Everyone was collapsing on the ground like leafs falling from a tree. As if their pain and agony for the last 15 dark years was not enough, they were going through it again.

The 15th anniversary of the massacre of more than 8,000 Muslim men and boys by Serbs in Potacari, Srebrenica, had an added dimension of pain: The newly found bodies of about 700 Bosnians were lying on the ground, all shrouded in timeless and deeply sad green colors. Their relatives had come to claim them, each seeing the last remnants of their loved ones for the last time. Everyone was collapsing on the ground like leafs falling from a tree. As if their pain and agony for the last 15 dark years was not enough, they were going through it again.

All of us there on that day felt like the massacre had just happened. It was as if Gen. Ratko Mladic and his barbaric soldiers had just walked out of the battery factory in Potacari and started to shoot the fleeing, unarmed men and boys; as if these murderers had just left their humanity in a dark corner and come out to show to the world the limits of inhumanity and barbarism; as if they wanted to teach a lesson to a Europe and the UN, which were paralyzed, incompetent and indifferent to the biggest human tragedy in recent European history.

They taught a lesson, which was that a massacre had taken place in the heart of Europe at the end of the 20th century and that no one had done anything to stop it. After Srebrenica, nothing was the same. All the talk about humanity, civility, European/Western values, democracy, human rights, tolerance and human dignity lost its meaning. It was as if we had learned nothing from the

Holocaust 40 years ago, the world let another massacre happen before our very eyes. Yes, the Dutch were to blame. Yes, the UN was to blame. Yes, the international community was to blame. But the simple fact is that we once more lost our humanity in Srebrenica on July 11, 1995.

What lessons can be derived from it? The Srebrenica massacre shows that the most lethal weapon on earth is not weapons of mass destruction or biological and chemical weapons but a humanity that has lost its sense of direction and descended into a state of barbarity. What Hitler did with his German supporters (and they were in the millions) in the 1930s and '40s, Slobodan Milosevic, Radovan Karadzic, Mladic and hundreds of other Serb leaders did with the Serbs of the former Yugoslavia in the 1990s. The world watched in horrifying disbelief and betrayal as these murderers displayed their inhumanity and did practically nothing to stop them for fear of leaving their comfort zone. The so-called international community and its laws and regulations and conventions all became meaningless. What remained was shame.

This is the most important lesson to be learned from the Srebrenica massacre: shame. It is a shame that still permeates the halls of power in Europe, the UN and the world 15 years later. The reason I say it is still a shame is because we don't see anyone saying, "Never again!" with any degree of credibility and resolution. Some may take comfort in the dignity and resilience of the Bosnian people and how they deal with their pain and agony. But this is the high humanity and virtue of the Bosnian people, not a value to be manipulated by the power holders of the world. When there are virtually hundreds of war criminals from the Bosnian war still moving around freely and probably with a horrific sense of pride for their "heroic acts" in the name of Serb nationalism, one wonders if we can sit back and say it is time to close the file on the Bosnian war and the genocide in Srebrenica.

15 July 2010, Thursday

TODAYS ZAMAN

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### **Human rights: definition and attitude**

The UN's Universal Declaration of Human Rights was adopted in December 1948. It was an important declaration because it concerned every community in the world. Other international agreements have been declared as well.

While the applicability of these agreements is controversial in some countries, the UN's declaration is not. Even though just about every country has signed the UN declaration over time, human rights have not essentially improved over the last 60 some years. After millions of people lost their lives for petty reasons due to the dust clouds of World War II and fascism caused tremendous distress in Europe, the declaration sparked much hope. However, the current circumstances are not all that pleasant.

The following question is still valid: Is the concept of human rights an ideal that is acceptable for the entire humanity in terms of its content and ultimate goals? My answer is yes, but with four reservations. My four reservations are:

- 1) It is a great shortcoming that the West and particularly the Enlightenment period's intellectual and cultural resources are the only source of reference for the definition of basic human rights and freedoms. The outlook of other cultures as well as Islam, which has a critical perspective on this matter, should be adequately taken into consideration and the criticisms and recommendations of Muslims should be considered when developing a universal definition. The West cares about the rights of people who fit its description of what a person should be like and does not really care about the rights of those who don't fit this description.

2) Since the West is the only one that developed the definition and made it universal, the West decides how to apply it. The problem which arises is that this subject, which in the final analysis represents a moral attitude, has double standards. It's evident that subconsciously the West believes that concepts such as democracy and human rights apply only to the West.

There is the conviction that it's not a big deal when human rights are violated in non-Western societies and particularly in the Muslim world because it doesn't deserve them anyway. In every circumstance where the West's political, economic and strategic interests are in question, the West does not lash out when democracy is postponed or human rights are disgracefully violated in the Muslim world, in fact it even encourages it.

3) Similarly, depending on the situation, the West does not hesitate to use a moral value such as human rights as a political tool to advance its national interests, hinder countries with which it has a dispute and to even cause division in these countries. The West only defends these rights when it comes to groups that represent its values.

4) If human rights are a package that needs to be approved universally, then some countries and governments should not be exempt from this. However, Israel does not feel that it has the responsibility to uphold human rights, just like how it does not feel bound to international agreements or to decisions taken by the UN Security Council. Israel is exempt from all rules and sanctions, and the Palestinians that are being oppressed by Israel are not being regarded as human beings.

As long as these substantial and understandable reservations remain, human rights will not be culturally adopted and will not evolve into universal values that are protected and defended by everyone. As a result, the West should stop acting like a chief teacher that feels compelled to teach everyone else everything and develop the moral maturity to "want for others what it wants for itself."

Yet these reservations are no excuse for states and political powers in countries that are in the same or worse situation than us to violate rights. Intervening in religious, intellectual and economic freedom still happens in many parts of the world.

There are people who still live under covert and openly authoritarian and totalitarian regimes and suffer great pains.

If we do not like the West's definition of human rights and freedoms, then let's try and determine an outline for ourselves. If the West is adopting a double-standard attitude on this matter due to moral weaknesses then we should adopt a universal attitude that thrives on ethical and moral virtues.

16 July 2010, Friday

TODAYS ZAMAN

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