

February 2011

February 1-7, 2011

CONTENTS:

- Erdoğan Calls for Transitional Government in Egypt
- Turkey Starts Building "Friendship Dam" with Syria, Pledges Military Training
- U.S. Treasury Accuses Turkish Firms of Cooperating with Iranian Networks
- Gül Meets with Nigerian President Jonathan
- Gönül Pledges More Military Support to Kyrgyzstan
- Turkey Dominates List of 100 Top Muslim World Companies
- Turkish Mission in Gulf of Aden Extended another Year

Erdoğan Calls for Transitional Government in Egypt

Turkish Prime Minister Recep Tayyip Erdoğan has called for a transitional administration in Egypt, which he says will help the shift to democracy and prevent further chaos and bloodshed in the Arab country. Erdoğan called on the Egyptian authorities to pave the way for a democratic transition in the shortest time possible while talking to reporters in İstanbul at the airport early on Sunday. "If this succeeds, people will certainly embrace such a result. But one needs to prepare the grounds for this," the prime minister said. Erdoğan noted that there should be a trusted authority, such as a transitional administration, to oversee the change. "Achieving this will help everything there," Erdoğan stressed. Asked about his telephone conversation with US President Barack Obama on Friday, the second in a week, Erdoğan said they agreed on issues related to Egypt during their telephone conversation, and urged the Egyptian authorities to heed the democratic demands of their people without delay.

A White House statement said that Obama spoke to Erdoğan by phone on Friday, one in a series of ongoing consultations between the close allies. The statement said that the two leaders discussed the unfolding events in Egypt and their shared commitment to a future that realizes the aspirations of the Egyptian people. "President Obama and Prime Minister Erdoğan agreed that the U.S. and Turkey would continue to consult closely as events unfold in Egypt and on our broader shared agenda," it reported. Foreign Minister Ahmet Davutoğlu told reporters in Munich on Saturday that Obama and Erdoğan agreed on Friday, during their discussion on Egypt, that the foreign ministers of the two countries would "comprehensively discuss" the turmoil in Egypt on the sidelines of the 47th Munich Security Conference over the weekend.

Obama first called Erdoğan last Saturday, days after the upheaval in Egypt began, and both leaders "have agreed that people's demands for legitimate and natural democratic rights should be recognized by their leaders," a Prime Ministry statement said. "All we want is that democratic will of the Egyptian people regarding their rights and freedoms be addressed," Erdoğan told reporters on Sunday, stating Turkey's position on the Egyptian unrest. Following days of official silence, on Tuesday Erdoğan, speaking before his deputies, strongly urged Egyptian leader Hosni Mubarak to heed the demands of his people and advance the democratic rights of Egyptians. Mubarak has ruled his country with an iron fist for 30 years.

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: İnan Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C.: 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

Erdoğan said on Sunday that addressing people's demands in Egypt is also extremely important for the prosperity and tranquility of the region. "Stability in Egypt will also affect the region very positively," he stated. Noting that he is following the developments in the region closely and sees the determination of the Egyptian people, Erdoğan said this determination to bring about change is not only on the streets of Cairo but is sweeping other regions as well.

Opposition leaders started holding talks with the Egyptian government on Sunday following 12 days of unceasing protests in several cities across Egypt calling on Mubarak to relinquish power. Starting last Wednesday, allegedly government-orchestrated pro-Mubarak mobs attacked protestors, resulting in more than 100 deaths. The total death toll since the beginning of the protests, Jan. 25, has reached to 300, according to UN estimates. Top officials from Mubarak's National Democratic Party (NDP), including the president's son, Gamal Mubarak, have resigned from the party, signaling that the party will not maintain its grip during and after the September elections. Mubarak is insisting on remaining in power until the elections.

Erdoğan attributed all these negative developments to problems related to the current Egyptian administration. He said these protests are not a "limited phenomenon" but are a result of the prevalent discontent among the general public, adding that he hopes the killings and bloodshed will be stopped. The prime minister also talked on the phone with his Greek counterpart, George Papandreou, largely discussing the recent developments in Egypt, the Prime Ministry Press Office reported on Sunday. /Today's Zaman/

Turkey Starts Building "Friendship Dam" with Syria, Pledges Military Training

Turkish Prime Minister Recep Tayyip Erdoğan attended a groundbreaking ceremony on Sunday for the construction of a dam on the Orontes (Asi) river, which flows from Syria to Turkey, in a long-delayed project, promising that it will help strengthen cooperation with Syria. Erdoğan, in an address during the ceremony held in the border province of Hatay, said Turkey was also working on other cooperation projects such as building a high-speed rail line between the two countries, establishing a joint Turkish-Syrian bank and linking the natural gas networks of the two neighbors. "Turkey and Syria are two brothers, and friendly ties between the two will continue forever," Erdoğan stated in his address to a crowd waving Turkish and Syrian flags. "Today, the Asi River ceases to be a border line that separates us, that sets us apart, as it becomes a border line that brings us closer."

The beginning of construction of the dam, dubbed as "the dam of friendship" was long delayed amid disagreements on technical details. On January 7, 2010, it was announced that both countries agreed to build the dam. In the course of the discussions held afterwards, they decided to use the dam exclusively for irrigation purposes and as a flood prevention barrier. After its completion, it will be possible to irrigate 13,334 hectares of land. But the dam's potential uses in the future are not limited to irrigation and flood prevention purposes. Erdoğan explained that Turkey and Syria will also jointly use the electricity that the dam produces. It will also be possible to carry out fishery activities and water sports and other recreational activities. The costs of the dam's operation and maintenance will be covered by the two countries, and each will have an equal share of the responsibility.

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C.: 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

Erdoğan, who later flew to Aleppo for talks with Syrian President Bashar al-Assad, said the construction of the dam was also a result of his government's policy of "zero problems with neighbors" that has led to a radical transformation in Turkish-Syrian ties from enmity to cooperation in almost every field. "Turkey will be more peaceful as Syria becomes more peaceful, and Syria will become wealthier as Turkey becomes wealthier," said Erdoğan. "We are nations that were made brothers by history. Our destiny has been one and the same for centuries." This is why, Erdoğan said, what happens in Egypt and Tunisia is not only an issue for the people of these countries but also for Turkey, and the Palestine issue is not only an issue for Palestinians but also for Turkey and Syria.

In related news, on Monday the Anatolia news agency reported that Turkish military forces will offer training assistance to Syrian forces within the framework of bilateral military cooperation between the two neighboring countries. Details of planned military trainings were outlined during a visit by Turkish Deputy Chief of General Staff Gen. Aslan Güner to Damascus in December, Anatolia stated in its report posted from Damascus, citing anonymous sources. During his visit to Damascus, Güner participated in a Turkey-Syria Military High-Level Dialogue Meeting and also had talks with Syrian President Bashar al-Assad as the two focused on "strategic dialogue in the military field" and current cooperation between the Syrian and Turkish armies.

The military dialogue meetings between Ankara and Damascus are being held as part of the Adana Protocol, signed in 1998. The land forces of the two countries staged, for the first time, a joint military exercise across the border in April 2009. Turkey and Syria are currently working together against terrorist activities carried out by the outlawed Kurdistan Workers' Party (PKK). /Today's Zaman/

U.S. Treasury Accuses Turkish Firms of Cooperating with Iranian Networks

The U.S. Treasury claims Turkish companies Macpar Makina, or Macpar, and Step A.Ş. are cooperating with a multi-million dollar procurement network for Iran's missile industries, it announced Tuesday on its website. Led by Milad Jafari, an Iranian national, the network tied to Iran's Aerospace Industries Organization, or AIO, uses a series of companies in Iran and Turkey to procure metal products, including steel and aluminum alloys for AIO's subordinates, the Treasury reported. Between 2007 and late 2008, the network facilitated transactions valued at more than \$7 million for companies subordinate to AIO.

"The Jafari network has established itself as a lifeline for Iran's missile program by providing essential materials and support for AIO," said Under Secretary for Terrorism and Financial Intelligence Stuart Levey. "The Treasury Department will continue to identify and expose channels Iran is using to defy international sanctions, wherever those channels may be located."

"Milad Jafari runs the procurement network along with his father, Mohammad Javad Jafari, and brother, Mani Jafari. Turkish nationals and key associates of Milad Jafari, Muammer Kuntay Duransoy and Çağrı Duransoy, facilitate transactions on behalf of the network. Milad and Mani Jafari's mother, Mahin Falsafi, operates the network's bank accounts at the Export Development Bank of Iran [EDBI], which was designated by

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C.: 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

Treasury in October 2008 for providing financial services to Iran's Ministry of Defense of Armed Forces Logistics [MODAFL] and its subordinate entities," the report stated.

Located in Turkey, Macpar Makina and Step A.Ş. provided material, technological or other support for, or goods and services in support of, AIO's subordinates. Milad Jafari's associates Muammer Kuntay Duransoy and Cagri Duransoy manage Macpar's operations out of Turkey, which facilitates transactions for AIO companies. /Hurriyet/

Gül Meets with Nigerian President Jonathan

President Abdullah Gül stated the volume of trade between Turkey and Nigeria is nearing \$1 billion but that much potential in this area continues to remain unfulfilled, speaking to journalists after a meeting with Nigerian President Goodluck Jonathan on his official visit to Turkey. Gül received his Nigerian counterpart Wednesday at the Çankaya presidential palace. The two leaders had a one-on-one meeting in addition to a separate meeting between official delegations from the two countries.

Speaking at a joint press conference after the talks, Gül announced that a number of agreements on defense, tourism, higher education and the encouragement of mutual investment had been signed with Nigeria. A cooperative protocol was also signed between the two countries' foreign ministries. The Turkish president noted Jonathan's visit was of prime importance, adding that he was accompanied by more than 100 Nigerian businessmen, 10 ministers and four state governors. He also said the two countries had very good working relations in the sphere of education, noting that a number of Turkish schools and universities were offering scholarships to students in Nigeria and that many Nigerian students were attending universities in Turkey.

Gül also stated that Jonathan was planning to meet with Turkish businessmen, noting that he believed this would contribute positively to the developing economic ties between the two countries. President Jonathan also spoke at the conference, saying the Nigerian economy was undergoing a process of liberalization during which Turkish businessmen could play important roles, particularly in some key industries. "Nigeria attaches great importance to its relations with Turkey and believes that these ties should be strengthened further both at a political and an economic level," Jonathan added. He also stated that there have always been warm and friendly diplomatic ties between the two countries and thanked Turkish universities that offer scholarships to Nigerian students.

He further noted that Turkey had undertaken significant investment in Nigeria. "These investments will help the education of our people because education is the key for a country to achieve economic development. On this issue, Turkey is very important to us and has played a significant role in this area so far," he stated. The Nigerian president also said during his visit that agreements facilitating trade between Turkish and Nigerian businessmen have been signed, such as easing visa restrictions and the process of obtaining work permits. /Today's Zaman/

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

Gönül Pledges More Military Support to Kyrgyzstan

Turkey's Defense Minister Vecdi Gönül, who accompanied Prime Minister Recep Tayyip Erdoğan during his visit to Kyrgyzstan last week, met with his Kyrgyz counterpart Abibilla Kudayberdiev on Wednesday. Gönül said during the meeting that Turkey would increase its financial and technical support to the Kyrgyz Armed Forces to \$1 billion. The Turkish military has provided the Kyrgyz Armed Forces with military and technical assistance worth \$9 million over the last 19 years.

Erdoğan said Wednesday that the Central Asia basin could shape the world's future if countries of the region acted in solidarity. After visiting Kyrgyzstan-Turkey Manas University in Bishkek, Erdoğan said Manas University was the most important indicator of the two countries' cooperation in education and that it was Turkey's biggest investment in Kyrgyzstan. "If we act with solidarity, the Central Asia basin can be the actor that gives shape to the future," the prime minister said. Erdoğan also met with Kyrgyz President Roza Otunbayeva and Prime Minister Almazbek Atambayev. He also held talks with Kyrgyz Parliament Speaker Ahkmatbek Keldibekov and addressed Kyrgyz lawmakers at the Parliament. In addition Erdoğan and his Kyrgyz counterpart Atambaev attended a meeting of the Turkish-Kyrgyz Business Forum. /Hurriyet/

Turkey Dominates List of 100 Top Muslim World Companies

With 20 companies, Turkey has the largest number of companies from a single country listed in the Top 100 Companies of the Muslim World: 2010 DS100 Ranking. DinarStandard, a research and advisory company that specializes in emerging Muslim markets, based the seventh annual DS100 ranking on research into companies in the 57 member countries of the Organization of the Islamic Conference (OIC). The report also states that Turkish companies present the widest and most diverse sector representation of any country in the report.

With its 2009 end-of-year revenue at \$28.9 billion, Koc Holding was the top Turkish company at number 10 on the list, followed by Sabanci Holding, at number 16 with \$12.1 billion. Yildiz Holding (at 18 with 2009 revenue of \$10.9 billion) and Is Bankasi (19 with 2009 revenue of \$10.8 billion) were other big Turkish companies on the list, along with Ziraat Bankasi (number 24), Akbank (31), Dogan Holding (35), Turkcell (40), Enka Holding (45), Dogus Holding (47), Halkbank (48), VakıfBank (51), Turkish Airlines (THY) (56), Turkey Electric Production and Communication (64), BİM (77), Eregli Iron-Steel (79), Selcuk Pharmaceuticals (83), Eczacıbaşı Holding (88), Vestel (90), and Ciner Grubu (98). /Turkish Press Review/

Turkish Mission in Gulf of Aden Extended Another Year

Turkey's mission under the Combined Task Force in the Gulf of Aden, Arabian Sea and off the coast of Somalia has been extended for one more year. On Monday the Turkish Parliament approved the Prime Ministry's motion calling for a one-year extension. Defense Minister Vecdi Gönül said electronic coordination would be sustained between the Turkish military vessels in the region and trade ships through a sea piracy data system.

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C.: 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

In his address to Parliament, Gönül highlighted that Turkish frigates have rendered inactive 94 sea pirates and two pirate vessels during 15 operations since 2008. He said five Turkish-flagged ships had been abducted by sea pirates but all were rescued. According to Gönül, Turkey has been operating in the region with 10 frigates. /Hurriyet/

February 8-14, 2011

CONTENTS:

- Turkish President in Iran for Trade Talks
- Turkey Calls for Transfer of Power to Civilian Rule in Egypt
- Turkish, Greek Cypriot Leaders to Hold Weekly Talks
- Turkish Officials Visit Azerbaijan, Georgia
- German Court Rules Turkish Tourists Don't Need Visas
- Turkish Airlines to Begin Flights to Houston, Miami, Boston and Detroit

Turkish President in Iran for Trade Talks

Iranian policy, not a U.S. embargo, is the biggest obstacle to expanding the Islamic Republic's trade with other countries, Turkish businessmen accompanying President Abdullah Gül in Iran reported him as saying Monday. With Iran and Turkey determined to boost their political and economic ties, more than 100 Turkish businessmen have accompanied the president on a visit to Iran that began Sunday evening and is scheduled to last until Wednesday. Turkey aims to increase its trade with Iran from \$10 billion to \$30 billion, Gül stated without giving a timeframe. The Turkish president told a joint press conference Monday with his Iranian counterpart, Mahmoud Ahmadinejad, that the two countries held detailed discussions on key issues of mutual interest and that important decisions have been made. "We have decided to give orders to our respective parties to remove all obstacles," identified in the talks as hindering cooperation between Turkey and Iran, Gül said without elaborating.

The president is heading a delegation of business leaders and ministers, including Foreign Minister Ahmet Davutoğlu, on the four-day official visit. Gül also urged governments in the Middle East to listen to the demands of their people, saying he hoped transformation processes would have an honorable and happy ending for all nations in the region. "Nowadays, we are witnessing major changes in our region, especially in the Middle East and the Islamic world," Gül noted, adding that countries should implement both political and economic reforms in line with their peoples' requests.

Speaking at the same press conference, Ahmadinejad said Turkey and Iran shared similar views on regional peace, security and development, adding that cooperation between the two countries would transform the region into an economic, political and cultural power. "Our relations with Turkey are deep, permanent and brotherly, and they have made significant progress in many fields over the past years," Ahmadinejad told reporters. The Iranian president also took the opportunity Monday to publicly thank "the Turkish president for his country's position concerning Iran's nuclear rights." He added that Iran and Turkey are determined to strengthen ties both politically and economically.

Turkey voted against the latest round of U.S.-backed sanctions imposed against Iran by the United Nations Security Council, saying diplomacy is the best way to ease

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

international concerns about Iran's nuclear program. Last month, Turkey hosted a second round of negotiations between Iran and world powers to peacefully settle the dispute over Tehran's nuclear program, but the meeting ended with the Western nations failing to persuade Iran to dispel fears of covert weapons activity by allowing increased International Atomic Energy Agency monitoring of its nuclear programs. The outcome left the UN agency short of the ability to apply all inspecting instruments it says it should have a right to employ. Turkey recently said it would not apply U.S. economic sanctions against Tehran, saying it would only respect measures passed by the UN Security Council.

Turkish banks are needlessly hindering trade with Iran through excessive caution in enforcing sanctions, Turkish businessmen told Gül, according to an emailed statement from Turkey's Foreign Economic Relations Board, or DEİK. "Turkish banks aren't providing support for us even in areas where U.S. prohibitions don't apply," Mehmet Koca, general manager of Gübre Fabrikalari A.S., a fertilizer company that is Turkey's largest investor in Iran, explained to Gül. "There's a lot of business to be done even if we abide by the U.S. embargo."

In an interview carried by Iran's state news agency IRNA on Saturday, Gül said Turkey backs a negotiated settlement to the Islamic republic's nuclear issue. "Iran is a signatory to the Non-Proliferation Treaty and a member of the International Atomic Energy Agency. Thus, Iran's nuclear issue should be solved through negotiation and Turkey will continue to facilitate this," he said. Turkey's improving ties with Iran, coupled with a deep crisis in its relations with longtime ally Israel, have sparked concern that NATO's sole Muslim-majority member is sliding away from the West. Ankara strongly denies any policy shift. /Hurriyet/

Turkey Calls for Transfer of Power to Civilian Rule in Egypt

President Abdullah Gül, speaking hours before Egypt's higher military council announced it will stay in power for six more months, said he hoped the military will help transfer power to a civilian government through democratic elections as soon as possible. Gül has praised the military's approach towards the protests so far but suggested a civilian democratic government should soon replace the current military rule through elections. "The Egyptian military has handled the process in a way that has prevented a fight among brothers. We are estimating that it will do its share in the shortest time possible to help transfer power to civilian rule," Gül told reporters before departing for a visit to Iran on Sunday. He said transparent, free and fair elections to be monitored by international observers would satisfy the demands of the Egyptian people. "We hope that Egypt will come out of this process stronger. We want the Egyptian people to be happy and prosperous... Their happiness and prosperity depend on ensuring fundamental rights and freedoms, democracy, rule of law and economic transparency in their country," stated Gül.

It was not immediately clear how the Turkish leadership will react to the military council's announcement. Speaking on Saturday, Prime Minister Recep Tayyip Erdoğan had lauded the people of Egypt and repeated his calls for a transition to civilian rule. "I am sending greetings on behalf of the Turkish nation to the people of Egypt," Erdoğan declared in an address in the northwestern province of Sakarya. "The people of Egypt should rest

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

assured that they have Turkey, which always wants peace for them." Over the past two weeks, Erdoğan has backed protesters' demands and called for elections for transition to democratic rule. He repeated that call once again in Sakarya, saying, "Free and fair elections should be held as soon as possible, with no toleration of chaos, instability or provocations, and constitutional democracy should be secured."

"The will of the Egyptian people should be reflected in the election results without any doubt cast on the legitimacy of the election," Erdoğan said. Immediately after Mubarak's resignation, Erdoğan's press office also issued a statement expressing support for the Egyptian people's demands for democracy and freedom, and calling on the military to hand over power to a new government after holding an election. Erdoğan has gained considerable clout in the Middle East through his vehement condemnations of Israel after its offensive in the Gaza Strip in 2008, which heralded a breakdown in Turkey's friendship with the Jewish state.

Turkey, as a relatively stable state with a secular constitution, vibrant economy and conservative, pragmatic government led by former Islamists, is often cited as a model Muslim democracy in the region. Foreign Minister Ahmet Davutoğlu, speaking in the Georgian city of Batumi at the start of an official visit on Friday, said Mubarak's resignation was an historic development for the Arab world and the region. He said the onus now lay with the military to ensure stability and review the election law to allow active participation by political parties. "Firstly, continuity of the state and public order should be secured. Secondly, people's demands should be met and a stable and lasting democracy should be built in Egypt through evolution. Thirdly, a transparent road map that the people can follow closely together with the international community should be announced," Davutoğlu was quoted as saying by Anatolia news agency.

The military announcement also came a day after US President Barack Obama had talks with Erdoğan and other leaders to discuss the situation in Egypt. In a statement released after the talks on Saturday, the White House welcomed Egypt's military rulers' commitment to civilian rule. Obama called foreign leaders including Erdoğan, British Prime Minister David Cameron and Jordan's King Abdullah to discuss the latest developments in Egypt, the White House said in a statement. "The president [Obama] welcomed the historic change that has been made by the Egyptian people, and reaffirmed his admiration for their efforts," the statement said. "He also welcomed the Supreme Council of the Armed Forces' announcement today that it is committed to a democratic civilian transition, and will stand by Egypt's international obligations." /Today's Zaman/

Turkish, Greek Cypriot Leaders to Hold Weekly Talks

Turkish Cypriot and Greek Cypriot leaders will meet once a week to find a comprehensive settlement to the Cyprus issue. Turkish Cypriot President Dervis Eroğlu stated Wednesday that he and Greek Cypriot leader Dimitris Christofias had discussed the need to intensify their efforts to reach a solution to the island's division. "From now on, we will meet once a week, and our special representatives will meet twice a week," Eroğlu told reporters after meeting with Christofias at the buffer zone.

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

Wednesday's meeting was the first one between Erođlu and Christofias after the two had a trilateral meeting with United Nations Secretary General Ban Ki-moon in Geneva on January 26. Erođlu and Christofias discussed the issues taken up in Geneva along with other issues concerning the two parties. The leaders will meet next Thursday while their envoys will gather together again the day after.

Ban told reporters Tuesday that he and the Cypriot leaders "have held a very fruitful and vibrant meeting in Geneva in terms of the exchange of views." The UN chief said he would convene with the leaders again soon for a new round of negotiations. "The Secretary-General discussed the issue with the leaders and they all agreed it would be valuable to intensify the talks and to keep the momentum going in the process," Reuters news agency recently quoted UN special envoy Alexander Downer as saying. Downer is a former Australian foreign minister that was appointed to oversee the slow-moving Cyprus negotiation process in 2008.

Cyprus was split into a Turkish Cypriot north and a Greek Cypriot south in 1974 when Turkey intervened after a coup by elements that wanted to unify the island nation with Greece. /Hurriyet/

Turkish Officials Visit Azerbaijan, Georgia

Foreign Minister Ahmet Davutoglu met Sunday with his Georgian counterpart, Grigol Vashadze, as part of an official visit to Tbilisi. Main topics of their meeting included Turkish-Georgian relations, as well as recent regional and global developments, and the restoration of historical and cultural remains in both countries. "Soon our citizens will be able to go through the Turkish-Georgian border with just their ID cards rather than passports," Davutoglu told a joint press conference with Vashadze after their meeting. "We have agreed to initiate the necessary work towards this end. We have also agreed to finalize the construction of the Muratli, Camili and Aktas border crossings between our countries." He added, "We will take tangible steps to protect our common cultural heritage, since we consider this a significant area of cooperation. We will carry our restoration of historical monuments, churches and mosques in Turkey, in Batumi and in the Adjara Autonomous Region."

After the news conference, Davutoglu was received by Georgian President Mikhail Saakashvili and Parliament Speaker David Bakradze. He told reporters before leaving Tbilisi that Georgian officials will soon release the Turkish-flagged ship Afrosak. "I told President Saakashvili and Foreign Minister Vashadze about problems faced by Turkish businessmen operating in Georgia. They pledged to do their utmost to resolve those problems," he added.

In related regional news, Turkish National Intelligence Agency (MIT) head Hakan Fidan arrived in Baku last Monday for an official visit at the invitation of Azeri National Security Minister Gen. Eldar Mahmudov. Before meeting with Mahmudov, Fidan first visited the mausoleum of late Azeri President Heydar Aliyev, and later was received by current President Ilham Aliyev. Fidan conveyed messages from President Abdullah Gul and Prime Minister Recep Tayyip Erdogan to Aliyev, and they were well-received. Stressing that Turkish-Azeri ties are based on the principles of friendship and brotherhood, Aliyev

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

reportedly told Fidan that security cooperation between the two countries is rapidly growing. /Turkish Press Review/

German Court Rules Turkish Tourists Don't Need Visas

Germany's Munich Administrative Court approved on Wednesday the validity of an earlier European Court of Justice (ECJ) ruling that Turkish nationals are exempt from visa requirements during travel for tourism purposes to the EU member nation. The ruling comes just 11 days after the EU announced that negotiations with Turkey on an agreement for the readmission of illegal immigrants, the biggest obstacle before a visa-free travel regime between Turkey and the 27-nation bloc, have been concluded. "Turks could enter into Germany during travel for tourism purposes without obtaining visas and could stay in the country up to three months without obtaining a residence permit," the court said on Wednesday, largely bringing an end to a years-long debate over whether Germany requires visas from Turkish nationals. Lawyer Temel Nal from the Munich-based Sanas Law Office in Germany has been spearheading the case and says this is the first time a German court approved a ruling stating that Turks may enter Germany while traveling for tourism purposes without obtaining visas. The court ruling sets a precedent and for this reason the court has mandated a right to objection.

The court also said the visa requirement was in violation of Article 41 of the Additional Protocol to the Association Agreement between Turkey and the European Economic Community (EEC), the predecessor of the EU. The ECJ ruled several times previously that Germany's restriction on Turkish nationals entering Germany without obtaining a visa is in violation of the 41st article of the noted protocol. Turkish officials have often criticized Germany's slow pace of processing visa applications, high application fees and much higher rates of rejections when compared to other EU members.

Turkish officials frequently criticize the EU for its reluctance to liberalize visa requirements for Turkish citizens. Turkey says many countries that are not EU member states are not required to obtain visas to enter the EU, but Turkey, an EU candidate country, falls short of this privilege. The EU has insisted on a series of preconditions, including Turkey's introduction of biometric passports in line with EU standards and the signing of a readmission deal, taking into consideration that Turkey has become a major transit point for illegal immigrants from Asia and the Middle East trying to reach EU countries. Turkey and the EU concluded the readmission deal in late January of this year, which is seen as the largest obstacle to a visa liberalization regime between the EU and Turkey.

Countries such as Germany, France, the Netherlands and Austria are opposed to a visa-free regime with Turkey, citing a massive influx of immigrants from Turkey, who they accuse of taking jobs from their citizens and worsening the continent's economic plight. /Today's Zaman/

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

Turkish Airlines to Begin Flights to Houston, Miami, Boston and Detroit

The Director General of Turkey's national air carrier Turkish Airlines, or THY, Temel Kotil said Wednesday that following flights to Los Angeles kicking off in March 2011, the airline will begin flights to the U.S. cities of Houston, Miami, Boston and Detroit either in 2012 or in 2013. In an exclusive interview with the AA, Kotil said that THY's flights to Washington, D.C., which began last November, were very important for them.

"It is not only the Turks who arrive in Washington, D.C. People from the Middle East, Central Asia and Russia come to Washington, D.C. by THY. We carry a high number of passengers from Washington, D.C. to Africa. We are pleased with the occupancy rates for flights from Washington, D.C.," Kotil stated. Turkish Airlines has grown by four-fold since its inception in 1933. If THY grows an additional four-fold, it could become the world's biggest airline. THY's success depends on making Istanbul a bridge for airlines, Kotil highlighted. Touching on their goals for 2011, Kotil said that they wanted to make THY a five star airline company very soon.

Meanwhile, Air Transport World, one of the important international publications in the aviation sector, chose Turkish Airlines for their 2010 "world's market leadership" award. THY Director General Kotil received the award in a ceremony that took place in Washington, D.C. last week. /Anatolia.com, Inc./

February 15-22, 2011

CONTENTS:

- Erdoğan Warns Libya against Taking 'Cruel Steps' in Unrest
- Turkey Says Tunisian Revolution could be Model for Reform
- U.S. Ambassador Dismisses Axis Shift in Turkish Politics
- Turkey Shelves EU Reforms as Accession Hopes Fade
- Former Top Commander Calls for 'Common Sense' in Coup Plot Case
- Kosovo Welcomes Turkish Role in Restoring Ties with Serbia
- Turkey, Afghanistan to Cooperate on Energy, Mining

Erdoğan Warns Libya against Taking 'Cruel Steps' in Unrest

In a carefully worded address on Tuesday, Turkish Prime Minister Recep Tayyip Erdoğan both lashed out at calls at home for a tougher stance against Libya's leader Muammar Gaddafi and cautioned the Libyan administration against taking "cruel steps" to crush a popular uprising that has swept across the country, saying this would only fuel the violence. Erdoğan, who openly called on ousted Egyptian President Hosni Mubarak to resign during the massive protests against him, has avoided targeting the Libyan leader amid concerns over the safety of about 25,000 Turkish nationals residing in Libya. Addressing his Justice and Development Party (AK Party) deputies in Parliament, Erdoğan appealed to Libyans to ensure the safety of Turks, telling both the Libyan government and protesters that it was important to ensure the safety of foreigners caught up in the turmoil. "The lives and rights of the Turks in Libya are entrusted to the people of Libya. We expect both the government and demonstrators to understand our sensitivity and be extremely careful," Erdoğan said.

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

Erdoğan's speech came as some 2,600 Turkish workers, stranded in the eastern Libyan city of Benghazi, assembled at the port to await ferries sent to rescue them from the violence engulfing the North African country. The ferries, escorted by a military freighter, were expected to arrive in Benghazi on Tuesday evening. Most of the Turkish nationals are construction workers, employed by about 200 construction companies operating in Libya. The Turkish government has scrambled to evacuate their citizens on planes, buses that will transfer them to neighboring Egypt, and ferries. But evacuation via plane has turned out to be difficult as the airport in Benghazi shut down.

The unrest in Libya presents a dilemma for the Turkish government, which has emerged as a regional leader in recent years and has been touted as a model for post-revolution societies in the Middle East because of its successful merger of Islam and democracy. The government insists it defends democracy and fundamental rights for populations in Arab countries, but argues speaking out for such universal values may have dangerous implications for Turkish nationals in Libya, as well as Turkish business projects in this country worth \$15 billion.

Erdoğan, who has spoken twice with Gaddafi to discuss evacuation of Turkish citizens, insisted in his speech that the safety of the Turks was the top priority for his government, but also appealed to Gaddafi to avoid fueling violence. "Taking cruel steps against people voicing their democratic demands will only exacerbate the spiral of violence and threaten the country's unity," Erdoğan stated.

Turning more broadly to upheaval seen across North Africa and Middle East in recent weeks, Erdoğan gave a stark warning. "No government that turns to violence against their people, takes no notice of their demands and remains insensitive to their expectations and sees its people as a threat can stay in power long," he emphasized. "No regime that uses violence on its people and attempts to suppress demands [for change] through inhumane methods can maintain stability... Because stability cannot be ensured by oppression and silencing [the opposition], but by justice, tolerance and welfare."

Concerns for the security of Turkish nationals increased when the Libyan media said Turks were among the foreigners allegedly inciting protests in the region. Turkish leaders swiftly denied charges of interference in domestic affairs. Gaddafi's son, Saif al-Islam Gaddafi, also made a reference to Turkey when he vowed to fight the popular revolt to "the last man standing," saying "we will not leave Libya to the Italians or the Turks." His remarks, according to Foreign Minister Ahmet Davutoğlu, are a slip of the tongue. Davutoğlu, who had talks with government and opposition leaders in Tunisia during a visit on Monday, also ruled out any inconsistency in foreign policy. "Turkey has made its stance clear from the outset. It consists of respect for human life, prevention of violence and respect for demands of people," he told reporters. /Today's Zaman/

Turkey Says Tunisian Revolution could be Model for Reform

Tunisia's revolution could provide a model for other countries seeking reform if it can avoid pitfalls on the path to elections, Turkish Foreign Minister Ahmet Davutoğlu said on Monday. A popular uprising in the North African state last month ended President Zine al-Abidine Ben Ali's 23 years of rule, sending shockwaves through the Arab world and inspiring a similar revolt in Egypt. "Tunisia has a strong middle class and high levels of

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

education," Davutoğlu emphasized while on a trip to Tunisia for meetings with the caretaker government.

Davutoğlu, whose country is currently chairing the Council of Europe, arrived in Tunisia on Monday with Council of Europe Secretary General Torbjorn Jagland to help Tunisia make smooth and peaceful transition to democratic rule, saying Tunisia's peaceful transformation is important because it could set an example for other countries in the region. The foreign minister explained that the Council of Europe's primary goal in Tunisia is to make it a "good model" for others in the area. "If the transformation is successful in Tunisia it can be a model for other countries," Davutoğlu underlined. He said the interim government needed to make constitutional changes and set up institutions to ensure the rule of law for the poll, expected in July or August, to ensure that it passes smoothly.

Davutoğlu expressed concern over the strength of the caretaker government and said there are serious problems surrounding the effectiveness of the interim government. He highlighted that people filled the streets thanks to the Internet and Twitter, but to hold meaningful elections there need to be well-organized political parties. He said those leading the social transformation in the country are not experienced politicians but youth using Twitter. A process of "party establishment" is required, Davutoğlu stated. "We moved to a multi-party system in Turkey in 1946 and our first elections were in 1950," he said. "In Tunisia, there are risks because everything is happening so fast."

Davutoğlu said Turkey's goal is to recalibrate and position events across the Middle East as the result of a "domino effect" to a "right axis." He noted that since the events started in Tunisia, Tunisians showed that, as Arabs, they were able to express their demands through peaceful means and realize the transformation. The foreign minister said Turkey has mobilized all resources for Tunisia during its term as the Council of Europe president and that Turkey has chartered three stages for the country. Initially, pre-election adjustments must be made and elections should reflect the will of the people. Second, strong institutions that protect human rights and democracy must be established immediately after elections. Davutoğlu finished noting that institutionalizing these structures should constitute the third stage.

North Africa's smallest country, which relies heavily on tourism, has been relatively calm in recent weeks since the revolt, though sporadic protests over poverty and unemployment continue and crime rates have risen. Tunisia's revolution inspired Egypt's uprising and has also encouraged mass demonstrations elsewhere in the Arab world, including in Libya, Bahrain, Yemen, Morocco, Kuwait, Algeria and Djibouti. /Today's Zaman/

U.S. Ambassador Dismisses Axis Shift in Turkish Politics

United States Ambassador to Turkey Francis Ricciardone on Tuesday dismissed claims that Turkey's foreign policy orientation has changed, saying Washington doesn't believe that Turkey has turned its back on the West. "I don't believe this at all," Ricciardone told a group of journalists in Ankara when asked about the claims. "More importantly, neither [Secretary of State Hillary] Clinton nor [President Barack] Obama believe that. There are claims that Turkey will turn its back on the West, that it will be like Iran. We do not

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: İnan Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

believe those claims," he said in Turkish. Ricciardone hailed Turkey as a key partner and said improving democratic standards in the Middle East carries strategic value for the U.S. because democracy strengthens stability.

Ricciardone also said media freedom is a prerequisite for democracy in any country but declined to comment directly on a police raid on Monday on Oda TV, an anti-government news website. On the detention or arrest of 10 percent of Turkey's generals and admirals on charges of seeking to overthrow the government in a plot dubbed 'Sledgehammer,' Ricciardone said the case is being followed by the U.S. and stressed that the defendants should be presumed innocent throughout their trials. On Ricciardone's remarks, Huseyin Celik, deputy chairman of the ruling Justice and Development Party (AK Party), underscored that ambassadors can't interfere in the internal affairs of the countries they serve in, but declined to criticize Ricciardone, saying that it was natural to speak in favor of freedom of the press in general. /Turkish Press Review/

Turkey Shelves EU Reforms as Accession Hopes Fade

Turkey sees no point in pursuing unpopular reforms aimed at winning membership of the European Union if the bloc has already decided Ankara will never be admitted, a Turkish diplomat said on Tuesday. The comments, among the bluntest by a Turkish official on the country's flagging membership bid, underline growing frustration with entry talks. Ankara has previously argued social and political reforms are valuable in themselves to improve Turkey's democracy and investment climate, irrespective of EU membership hopes. "If membership is not in the cards why should we do [reforms]? What's the point of continuing negotiations? These are very difficult changes for Turkey", the diplomat told reporters in Ankara on condition of anonymity.

Turkish leaders have sounded increasingly impatient with lack of progress in entry talks that began in 2005, though they insist membership remains their top foreign policy goal. In order to meet 80,000 pages of EU law, Turkey needs to adapt its political, economic and social system, harmonizing areas from freedom of expression to agricultural policies and environmental laws. Many of these reforms are expensive and unpopular among voters and could prove costly for the government with parliamentary elections due to be held in June.

In a tirade last month, Prime Minister Tayyip Erdogan branded the EU "geriatric" and "comatose" and warned that Turkey-EU ties were "fast approaching a turning point." President Abdullah Gul, a longtime supporter of Turkey's EU aspirations, also in an interview last month, said EU accession was not crucial to Turkey "because the world does not stop at the European Union." Helped by a booming economy and growing self-confidence, Turkey has in recent years deepened political and commercial ties with its Middle East neighbors, Central Asia and Russia.

Turkey's leaders have accused some EU member states of using the dispute over the divided island of Cyprus to block Turkey's bid and have aired suspicions that some countries do not want a Muslim nation with a large population in the 27-member bloc. "We have been waiting in line and everybody has passed us in the line," the diplomat said. Of Turkey's 35 chapters -- or subject areas for negotiation -- one has been completed, 12 remain under discussion and 18 have been frozen because of opposition

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

by EU member states including Cyprus and France. Turkey fears its bid could soon grind to a complete halt, and the diplomat noted he "would not hold his breath" over Turkey's chances of opening this year the three remaining chapters -- public procurement, social policy and competition. "We are stuck, it's incumbent upon the EU to unglue the situation," the diplomat explained. /Sabah, Today's Zaman/

Former Top Commander Calls for 'Common Sense' in Coup Plot Case

The ongoing arrests of high-level military officers in an alleged coup plot were greeted with sadness by the former Chief of General Staff, who called for everyone to assess the case with objectivity and "common sense." Speaking to reporters Tuesday, retired General Hilmi Özkök, the country's former top commander during the era of the alleged "Sledgehammer" (Balyoz) coup plot attempt, said he is having difficulty sleeping due to stress over the case. "Almost all of us are losing our senses [and] taking sides, as if we are supporting football teams, in matters that are important for this country and should be treated with common sense," he stated.

Two retired officers meanwhile turned themselves in and were arrested Tuesday on accusations of involvement in the alleged military coup plot attempt against the ruling Justice and Development Party, or AKP, government. The arrests of retired Col. Hakan Sargın and retired Maj. Gen. Recep Rifkı Durusoy followed those of six active-duty and one retired officer Monday night as part of a broad sweep of detentions in the Sledgehammer case. Retired Gen. Özkök said he would not comment on how current Chief of General Staff Gen. Isık Kosaner should act in the face of the new arrests. "We, the retired commanders, are old now, meaning our expiry dates are passed," he explained.

An Istanbul court approved an arrest demand late on the evening of Feb. 11 for 163 suspects in the alleged coup, including top suspect retired Gen. Çetin Doğan, the former commander of the 1st Army, and Özden Örnek and İbrahim Fırtına, the former top commanders of the Navy and Air Force, respectively. Arrests have been ongoing since then.

Defense lawyers held a gathering Monday evening at the Istanbul Bar Association. Though the event was closed to the press, association head Ümit Kocasakal told journalists on his way out that the case is "unlawful" and that they will "employ every legitimate right they have" to fight it. Defense lawyer Celal Ülgen accused the judges and prosecutors in the case of being "biased" and claimed they are having a hard time assessing the evidence.

According to the allegations in the Sledgehammer case, the military planned drastic measures to foment unrest in the country in order to remove the AKP from power. The military, which has overthrown three Turkish governments since 1960 and allegedly pressured a government to step down in 1997, has denied such a plot, saying documents used as evidence were from a military training seminar during which officers simulated a scenario of internal strife. /Hurriyet/

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

Kosovo Welcomes Turkish Role in Restoring Ties with Serbia

Kosovo's ambassador to Ankara Wednesday expressed his country's willingness to normalize relations with its neighbor Serbia and welcomed any Turkish role in facilitating the process. "We have been in favor of normalizing our relations with Serbia. We are still in favor. We are committed to this. We are neighboring countries and despite the fact that we have [a] bitter past, we are neighbors and we will be neighbors forever. We cannot change this fact," Ambassador Bekim Sejdiu told the Hürriyet Daily News & Economic Review in an interview.

Kosovo, which will mark the third anniversary of its independence Thursday, has been recognized by 75 countries thus far. To the chagrin of Serbia, Kosovo's parliament unanimously endorsed a declaration of independence from Serbia on Feb. 17, 2008. Turkey was one of the first countries to recognize the newborn state.

Kosovo's top diplomat to Ankara said any Turkish role in normalizing the country's relationship with Serbia, which he described as the only neighboring state that did not have any relations with Kosovo, would be welcomed. "Of course, Turkish contribution would be very welcomed. Turkey is a very well-respected country in Kosovo but it also has good relations with Serbia," he told reporters. "It is a country that understands very well the situation in the Balkans. It would be very welcomed if Turkey would play [a] role in this," he said.

Turkey has boosted its engagement with the Balkans in recent years and is currently leading two trilateral platforms involving Bosnia and Herzegovina, Serbia, and Croatia with the aim of promoting stability and security in the once-turbulent region. However, a UN resolution adopted unanimously in September last year gives the mandate to facilitate negotiations between Kosovo and Serbia to the European Union. The EU-brokered talks have not yet started; they depend on internal developments both in Kosovo and Serbia. "The modalities are still unknown... We are open for negotiations with Serbia," stated Sejdiu. The negotiations will focus on practical matters including energy, transportation, missing persons and cooperation against organized crime. /Hurriyet/

Turkey, Afghanistan to Cooperate on Energy, Mining

Turkey and Afghanistan signed a memorandum of understanding Thursday concerning cooperation in energy and mineral resources, the first of its kind Afghanistan has signed in the field of mining. The pact was signed in Ankara by Energy and Natural Resources Minister Taner Yildiz and Afghan Minister of Mines Wanidullah Shahrani. Speaking at the signing ceremony, Yildiz said the agreement aims to train Afghan officials in energy legislation and that the two countries will establish a working group on energy to seek opportunities for cooperation between the two nations. Shahrani said the Afghan government is hoping to benefit from Turkey's experience in the management of resources, adding that the agreement will pave the way for fresh Turkish investment in his country. /Turkish Press Review/

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

February 23-28, 2011

CONTENTS:

- Libya Sanctions Passed over Ankara's Objections
- Sarkozy Reiterates Opposition to Turkey's EU Membership on G20 Visit
- Turkey Refuses to Ink EU Readmission Deal without Visa Liberalization
- Turkey Seals Largest Single Defense Export Deal with Malaysia
- Outlawed PKK Ends Unilateral Ceasefire
- Wulff Hails Gul's "Great Service" to Germany in Securing Freedom of Journalists

Libya Sanctions Passed over Ankara's Objections

Turkey's vocal objection to sanctions on Libya fizzled as the UN Security Council slapped sweeping sanctions on the country Saturday in response to Libyan leader Muammar Gadhafi's deadly crackdown on ongoing anti-government protests. The debate over sanctions has set Turkey, which has large investments in Libya and many citizens working there, in opposition to much of the rest of the world.

On Saturday, Prime Minister Recep Tayyip Erdoğan urged the UN Security Council not to impose sanctions, warning that the Libyan people, rather than Gadhafi's government, would suffer most. "The people are already struggling to find food, how will you feed the Libyan people?" Erdoğan asked in a televised speech in Ankara. "Sanctions, an intervention, would force the Libyan people, who are already up against hunger and violence, into a more desperate situation. We call on the international community to act with conscience, justice, laws and universal humane values - not out of oil concerns."

A short time later, the UN Security Council, voting 15-0, imposed an arms embargo and urged UN member countries to freeze the assets of Gadhafi, four of his sons and his daughter. The council also backed a travel ban on the Gadhafi family and close associates, including leaders of the revolutionary committees accused of much of the violence against opponents. Council members did not consider imposing a no-fly zone over Libya, and no UN-sanctioned military action was planned. NATO also has ruled out any intervention in Libya.

Before the Security Council resolution passed, Erdoğan and U.S. President Barack Obama discussed ways to respond to the Libyan crisis in a phone call. "The president and the prime minister expressed their deep concern about the Libyan government's use of violence against its people, which is completely unacceptable, and discussed appropriate and effective ways for the international community to immediately respond," the White House said after the conversation late Friday. It made no mention of sanctions in the statement.

In addition to putting it at odds with much of the international community, Turkey's position on Libya also is in sharp contrast with how it dealt with the earlier crisis in Egypt. Turkish leaders were in line with their U.S. counterparts in calling for the exit of longtime Egyptian President Hosni Mubarak, with some analysts suggesting at the time that Mubarak's Egypt was a rival to Turkey's emerging leadership in the Middle East. Turkey's regional stances have raised eyebrows in the West before, though. Last June, as a non-

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: İnan Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

permanent member of the UN Security Council, Turkey voted against fresh sanctions on Iran over Tehran's controversial nuclear program. /Hurriyet/

Sarkozy Reiterates Opposition to Turkey's EU Membership on G20 Visit

French President Nicolas Sarkozy on Friday used his first visit to Turkey since taking office to repeat his opposition to Ankara's bid to join the European Union and said both sides should consider an alternative association. "We have a point of disagreement that is well known," Sarkozy bluntly told a joint news conference in the Turkish capital Ankara with his Turkish counterpart Abdullah Gul. "We spoke as statesmen, which is to say that we tried to understand each other's red lines in order to try to find ways in the future that do not lead either to the destabilization of Europe or to the humiliation of the Turkish society as it is modernized," Sarkozy stated.

Gul, whose country had expressed disappointment at the shortness of the visit, insisted that membership remained a priority for Turkey and urged France not to block the country's accession talks, which are already at a standstill. "We expect the EU to keep their word regarding Turkey's accession process to EU," Gul said. EU countries agreed unanimously in 2005 to start talks with Turkey with the goal of full membership. Turkey complains some EU states have already decided against admitting a large Muslim country of 75 million people with a growing economy.

Sarkozy, who visited Ankara for about six hours in his capacity as president of the G-20 forum rather than on a state visit, insisted he favored a privileged partnership with Turkey -- a position Ankara vehemently rejects. "I think that between full membership and association, which the Turks have said several times they don't want, there is a balanced path that can be found when we look at this issue in peace and with vision," Sarkozy said.

Turkish Prime Minister Tayyip Erdogan had said he would bring Sarkozy to task for his negative stance towards Ankara's accession bid, but there was no apparent sign of tension when the two men met later on Friday. Smiling and looking relaxed, Erdogan told Sarkozy in front of the cameras his visit was a chance for the two countries to "build a future together" and said he expected Sarkozy to visit soon as president of France. Officials in Paris had said Sarkozy's meetings with Gul and Erdogan would mainly focus on G20 issues and the Middle East.

Of Turkey's 35 chapters -- or negotiating subjects -- only one has been completed, 12 are under discussion and 18 have been frozen because of opposition from France, Cyprus and other members. Paris alone has frozen five chapters, including key monetary issues, to underline its opposition to Turkey. After a decade of rapid growth, Turks are more confident in their economy, and have been put off by EU member states reluctance to admit them to the bloc, while also noting the economic problems besetting the euro zone. /Sabah/

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

Turkey Refuses to Ink EU Readmission Deal without Visa Liberalization

European Union ministers have approved a deal with Turkey on the readmission of illegal immigrants but refrained from authorizing the EU Commission to begin talks with Ankara on visa liberalization for Turkish nationals, calling, instead, for an ambiguous "visa dialogue." In comments after a meeting of the EU's Justice and Home Affairs Council, Cecilia Malmström, the EU's commissioner for home affairs, said she was ready to visit Turkey for talks on identifying issues to be discussed as part of the visa dialogue between Turkey and the 27-nation bloc. "I'm very happy about the decision of the council today to adopt the readmission agreement with Turkey. Turkey is an important partner, and we need to intensify our cooperation. The council also agreed to launch a visa dialogue, and I'm ready to go to Turkey to identify which efforts need to be taken," stated Malmström.

But in Ankara, Turkish Foreign Minister Ahmet Davutoğlu made it crystal clear that the decision of the EU ministers is far from meeting Turkey's expectations and reiterated that Ankara would not put into effect the agreement on the readmission of illegal immigrants unless the EU launches talks that are aimed at visa liberalization. "Today's reports are talking about a visa dialogue without a clear target for visa exemption. Our stance is clear. Turkey in no way accepts different treatment," Davutoğlu told reporters. "We are expecting the EU Council to fully authorize the commission to begin talks on visa liberalization. It seems now that this has not happened. The process on [implementation of] the readmission agreement will begin whenever this happens. Nobody should expect Turkey to take one-sided steps on this matter."

A statement released by the Turkish Foreign Ministry on Friday read, "What we anticipate is that the EU Council will give a mandate to the EU Commission to start the negotiations with Turkey in a way that will fully meet our expectations. As long as these expectations are not met, the readmission agreement will not be signed, initialed or implemented."

Turkey, an EU candidate, asked the 27-nation bloc to grant visa exemptions for its nationals who want to travel to member states, saying the EU has already offered such privileges to many countries. The EU, in turn, demanded the introduction of biometric passports and the conclusion of a readmission agreement under which the EU will be able to send illegal immigrants who arrive in EU territory via Turkey back to Turkey. Turkish officials now say it is unfair to expect Ankara to accept the burden of readmission of illegal immigrants -- mostly from the Middle East or Asian countries such as Pakistan or Afghanistan -- without the EU offering clear prospects for visa exemption for Turks.

The EU, which has begun visa free travel with all candidate and potential candidate countries except Kosovo thus far, is negotiating with its neighbors including Russia, Ukraine and Moldova on ending visa procedures. Turkey says it should receive the same treatment. But its demand is so far not welcome, as a group of EU countries, including the Netherlands, Germany, Austria, France and Greek Cyprus, oppose visa exemption for Turkish nationals. Visa dialogue, which has been rarely used by the EU so far, involves talks aimed at examining conditions for visa-free travel as a long-term goal. The EU launched a similar dialogue with Moldova last year following entry into force of a readmission agreement between the EU and Moldova.

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

Malmström said the EU plans some steps to ease visa requirements for Turks in the short term. They include palliative measures such as encouraging multiple-entry visas for Turkish businessmen, steps to ease access to EU consulates across Turkey and visa exemption for certain groups such as students and researchers. /Today's Zaman/

Turkey Seals Largest Single Defense Export Deal with Malaysia

Turkish defense industry firm FNSS signed a \$600 million deal in Ankara on Tuesday with Malaysia's DEFTECH to sell armored combat vehicle frames to the Malaysian armed forces. Under the deal FNSS will sell 257 armored carrier frames for the Pars 8x8 to Malaysia. The armored vehicle will be redesigned by Turkish and Malaysian engineers, and the vehicles will be produced locally in Malaysia. The deal is important for the Turkish defense industry since it is the largest single sale in defense industry exports. Turkish Defense Minister Vecdi Gönül and his Malaysian counterpart, Amhad Zahid Hamidi, also participated in the signing ceremony. In an earlier agreement between FNSS and DEFTECH, FNSS had sold 211 armored personnel carriers to the Malaysian armed forces. Malaysian companies also have several agreements for cooperation in the defense industry with Turkish companies MIKES, TUSAŞ and GATES.

In a separate meeting in Ankara on Tuesday, Prime Minister Recep Tayyip Erdoğan told reporters that visas would be abolished with Malaysia. Erdoğan was speaking at a joint news conference after a meeting with his Malaysian counterpart, Mohamed Najib bin Abdul Razak. He announced that the Turkish and Malaysian governments have agreed to do away with visa procedures between the two countries.

Noting that this decision will help accelerate economic and social integration between the two countries, Erdoğan said the government expected to sign a free trade agreement (FTA) with Malaysia before the end of this year. "Such an agreement will boost our economic and commercial relationships with Malaysia," he stated. The mutual trade volume between Turkey and Malaysia currently stands at \$1.2 billion. Erdoğan said this should be increased to \$5 billion within the next few years. "We are also planning to launch direct flights between İstanbul's Sabiha Gökçen Airport and Kuala Lumpur," he noted.

The Malaysian prime minister said he has invited Erdoğan to Malaysia before the end of 2011 to sign a strategic cooperation agreement and free trade agreement (FTA) between the two countries. "These two agreements will mark the beginning of a new era in Turkey-Malaysia relations," he declared. Abdul Razak emphasized that Turkey and Malaysia could also develop strong cooperation in oil and natural gas projects. Abdul Razak is the first Malaysian prime minister to officially visit Turkey in 28 years. Erdoğan said the government is ready to extend its full support to mutual investments with Malaysia, adding that entrepreneurs from the two nations could also cooperate in investments in third countries.

While in İstanbul Abdul Razak also participated in the Turkey-Malaysia Business Forum on Wednesday. Underlining that mutual investments between the two countries were below the desired level, he said the two countries are contemplating cooperation in areas that have been ignored thus far. He noted that the automotive industry could be one of those fields, and that they could consider jointly producing a new car brand with Turkey,

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

which he sees as a strong auto market. Abdul Razak added that Malaysia could serve as an entry to the vast Asian market for Turkish investors. /Today's Zaman/

Outlawed PKK Ends Unilateral Ceasefire

The outlawed Kurdistan Workers' Party, or PKK, ended Monday a unilateral ceasefire it had declared in August, the pro-Kurdish Fırat news agency reported. The news agency cited a statement from the PKK that said it would "defend itself more effectively" but refrain from attacks. The statement added that the ceasefire could not be maintained due to the ruling Justice and Development Party, or AKP's, "unwillingness" to resolve the Kurdish issue.

Speaking following the release of the statement, the co-leader of the pro-Kurdish Peace and Democracy Party, or BDP, blamed the AKP for "wasting such ceasefire periods since 2002" and claimed it has never been genuine on peace issues. "The [AKP] only used [the peace process] as a way to increase its votes and strengthen its power," BDP co-chair Selahattin Demirtas argued, calling on Prime Minister Recep Tayyip Erdoğan to explain what steps he would now take to resolve the Kurdish issue.

Emin Ekmen, a deputy for the AKP from the southeastern province of Batman, criticized the decision to end the ceasefire. "There are no rights that can be gained with guns and violence. The blood to be spilled will only serve undemocratic forces," Ekmen stated, noting that the country would hold free elections in just a few months. "All rights and suggestions can be discussed in the Parliament these days. I believe Turks and Kurds will not be tricked by this game."

The PKK criticized Turkey for prosecuting elected Kurdish politicians in scope of the Kurdish Communities Union, or KCK, case and claimed it has ignored calls to investigate mass graves in the country's Southeast that allegedly hold the remains of Kurdish people, the Associated Press reported. The KCK is an illegal organization that is accused of being the PKK's urban wing. The outlawed group also accused the government of failing to improve prison conditions for imprisoned PKK leader Abdullah Öcalan. "[The AKP government] has defined the discussions of democratic autonomy as treason, and thus left the debate vulnerable to attacks," the statement added.

In his comments following the statement, BDP co-leader Demirtas characterized Southeast Anatolia as "a powder keg about to explode" and said, "No one is aware of that." He argued that the government's Kurdish initiative is not meaningful "while the people have been stalled, deceived and beaten in the streets for years." Demirtas said no one will be able to halt "a continuous rebellion" if it begins. The PKK is listed as a terrorist group by Turkey, the United States and the European Union. It declared the ceasefire on August 13, then extended it in November until the general elections, expected to be held in June. /Hurriyet/

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: İnan Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn

TUSIAD Selected News on Turkey

Washington

Wulff Hails Gul's "Great Service" to Germany in Securing Freedom of Journalists from Iran

President Abdullah Gul last week received a letter from his German counterpart Christian Wulff thanking him for his help with the release of two German journalists from Iran. "By saving the two journalists, you have done Germany a great service," said Wulff in the letter. "I am ready to help Turkey if you need help one day. I am grateful to you for your help and friendship." Visiting Iran on February 13-16, Gul got a promise for the journalists' release. The journalists were arrested four months ago in connection with a highly publicized stoning case. German Foreign Minister Guido Westerwelle went to Tehran to bring the reporters home, in a rare top-level visit by a Western government representative. An Iranian court threw out the journalists' 20-month prison sentences, commuting them to fines of \$50,000 each and clearing the way for their release, state media reported. Westerwelle thanked his Iranian counterpart, Ali Akbar Salehi, for his "commitment to the relations between our countries." Westerwelle also thanked Gul for his help. /Turkish Press Review/

MEMBER OF THE CONFEDERATION OF EUROPEAN BUSINESS (BUSINESSEUROPE)

Headquarters: Meşrutiyet Cad. No: 46 Tepebaşı 34420 İstanbul – Turkey
Ankara: Iran Cad. No: 39/4 Gaziosmanpaşa 06700 Ankara – Turkey
Brussels: 13, Avenue des Gaulois, 1040 Brussels – Belgium
Washington D.C. : 1250 24th Street, N.W., Suite Nr. 300, Washington D.C. 20037 - USA
Berlin: Märkisches Ufer, 28 Berlin 10179 Germany
Paris: 33, Rue de Galilée 75116 Paris – France
Beijing: Beijing Lufthansa Centre, Office C-319, Beijing 100025, P. R. China

Phone: +90 (212) 249 19 29 **Fax:** +90 (212) 249 13 50
Phone: +90 (312) 468 10 11 **Fax:** +90 (312) 428 86 76
Phone: +32 (2) 736 40 47 **Fax:** +32 (2) 736 3993
Phone: +1 (202) 776 77 70 **Fax:** +1 (202) 776 77 71
Phone: +49 (30) 288 786 300 **Fax:** +49(30) 288 786 399
Phone: +33 (1) 44 43 55 35 **Fax:** +33 (1) 44 43 55 46
Phone: +86 (10) 6462 2066 **Fax:** +86 (10) 6462 3206
www.tusiad.org

e-mail: tusiad@tusiad.org
e-mail: ankoffice@tusiad.org
e-mail: bxloffice@tusiad.org
e-mail: usoffice@tusiad.us
e-mail: berlinoffice@tusiad.org
e-mail: parisoffice@tusiad.org
e-mail: tusiad.china@euccc.com.cn