

TUSIAD Selected News on Turkey

Washington

September 2011

August 30-September 6, 2011

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Gül hosts army day as power shift gains pace

The military's removal from its website Monday of a 2007 memorandum criticizing the nomination of President Abdullah Gül marked the latest in a series of symbolic steps curbing the army's influence ahead of Victory Day.

The new momentum in normalizing civil-military ties was accelerated by new top commander Gen. Necdet Özel's proposal that President Gül, in a break with decades-old tradition, would receive greetings on Victory Day, the August 30 holiday that commemorates the final battle in the Turkish War of Independence in 1922.

Since Gen. Özel's appointment as chief of General Staff following Gen. Işık Koşaner's resignation in late July in protest against the arrests of high-ranking officers, a number of steps have been taken to cement the elected government's oversight of the military. Gül's new role at Victory Day was preceded by milestone changes in the seating arrangements at both the Supreme Military Council, or YAŞ, and the National Security Council, or MGK. Illustrating the growing civilian control over the army, these symbolic moves have had visible effects on the Turkish political landscape as both sides show willingness to adopt a more European standard in defining civil-military relations in Turkey, which has experienced periodic military coups d'état since the 1960s.

The drastic ongoing changes in the Turkish political landscape were magnified by the General Staff's removal Monday from its website of the April 27 e-memorandum, also referred to as the e-coup, in a move long-expected by the government. On April 27, 2007, the General Staff, under now-retired Gen. Yaşar Büyükanit, posted a statement on its website that criticized the government's decision to nominate Gül, whose wife wears the Islamic headscarf, to the presidency and threatened to step in to protect Turkey's secular system. The much-criticized e-memorandum was taken down as part of what the military called an "update" of online content that amounted to the removal of the bulk of archived statements from the website. /Hurriyet Daily News/

Turkey to enforce more sanctions on Israel, boost presence in East Med

Prime Minister Recep Tayyip Erdoğan has said Turkey will impose further sanctions on Israel after it refused to apologize for a bloody takeover of an aid ship in the eastern Mediterranean last year, which resulted in the deaths of eight Turks and one Turkish-American.

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A UN panel set up to investigate the deadly takeover repeatedly delayed releasing its findings to give more time to Turkish-Israeli efforts to heal relations. The UN released the panel's findings last weekend, saying the Israeli soldiers used "excessive and unreasonable" force against passengers of the Mavi Marmara, but, contrary to what Turkey has argued, it said the Israeli blockade of Gaza was legal.

The Turkish government on Friday announced a set of sanctions against Israel, including further downgrading relations to second secretary level—which effectively meant expelling senior-level Israeli diplomats—and taking measures for freedom of navigation in the Eastern Mediterranean, after Israel made clear that it would not apologize for the May 31, 2010 raid.

Erdoğan also said Turkey's warships will be seen "more frequently" in the Eastern Mediterranean. "Israel has always acted like a spoiled child in the face of all UN decisions that concern it. It assumed that it can continue to act like a spoiled child and will get away with it," Erdoğan told reporters on Tuesday.

"We are totally suspending our commercial ties and military and defense ties. They are being frozen entirely," he added, without saying what the next round of sanctions could include. Officials at the Prime Ministry, however, clarified later in the day that commercial ties will not be affected, saying that the commercial ties Erdoğan mentioned in his remarks referred to the commercial aspect of defense relations. Turkey did not impose a trade embargo on Israel but suspended ongoing defense projects and purchases from Israeli defense firms. /Today's Zaman/

Turkey, Palestine plan joint campaign for Palestinian statehood

Turkish Foreign Minister Ahmet Davutoğlu said on Monday during a joint news conference with Nabil Shaath, a senior official from Palestinian President Mahmoud Abbas' Fatah party, that they are jointly planning a campaign for recognition of Palestinian statehood by the UN General Assembly. He further stated that both countries had already reviewed voting patterns country by country during Abbas' visit to Turkey last month. Davutoğlu also promised that Turkey would continue its efforts until the end of the campaign and that it will work for the most votes possible.

Shaath's visit to Turkey came at a critical time when Turkey downgraded ties with Israel by expelling its ambassador and suspending all military agreements between the two countries as Israel refused to offer an apology for the naval raid of a Gaza-bound flotilla last year that resulted in the deaths of eight Turkish citizens and one Turkish-American.

The US has indicated it will veto any Palestinian statehood vote in the absence of a negotiated Israeli-Palestinian peace deal. Palestinians hope a UN vote in their favor will isolate Israel and put pressure on the Israelis to withdraw from occupied territories.

Davutoğlu said the second issue he discussed with Shaath was the latest situation in Turkish-Israeli relations and the decisions Turkey has made. He said Shaath thanked Turkey for its determinant position against Israel.

Davutoğlu said keeping Gaza and the West Bank under occupation is already illegal and

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that it is unacceptable to see a blockade of an illegally occupied territory as legal. On Saturday, Davutoğlu said Turkey would start procedures to challenge Israel's naval blockade of Gaza in the International Court of Justice (ICJ) in The Hague. He said that in order to end the illegal blockade of Gaza, Turkey will continue its legal endeavors in the international sphere. Noting that Shaath was briefed on the steps Turkey will take with regards to Israel, Davutoğlu said he had also shared his views over a UN General Assembly decision to take Israel to the ICJ. /Today's Zaman/

Turkey to host radar for NATO missile defense

Turkey envisages hosting an early warning radar as part of NATO's missile defense system for Europe, a foreign ministry spokesman said. Leaders of the 28-member NATO alliance endorsed plans in Lisbon last year to launch a Europe-wide ballistic missile shield.

Selçuk Unal, spokesman for the Turkish foreign ministry, said technical negotiations about the deployment of the defense architecture in Turkey "have reached a final stage," adding that the Turkish contribution will "strengthen NATO's defense capacity and Turkey's national defense system. /Hurriyet Daily News/

Turkey's minority decree divides US Armenians

The two largest American-Armenian groups have expressed opposing views over Turkey's recent announcement that hundreds of properties seized by the state from minorities over the past seven decades will be returned to their rightful owners.

Prime Minister Recep Tayyip Erdoğan's announcement is just a "smokescreen," said the Armenian National Committee of America, or ANCA, the largest and most influential U.S. Armenian group. The more moderate Armenian Assembly of America, or AAA, the second-largest U.S. organization, said however that the decision was "a step in the right direction."

"Erdoğan's decree, clearly prompted by increased Congressional scrutiny of Turkey's repression of its Christian minority and successive losses at the European Court of Human Rights, will return less than 1 percent of the churches and church properties confiscated during the Armenian genocide and the decades that followed it," said ANCA Chairman Ken Hachikian. "Ninety-six years after the genocide perpetrated against the Armenians, Greeks and Syrians, this decree is a smokescreen to evade the much broader consequences of those brutal acts. ANCA will expand its outreach to Congress and the administration to ensure that the Turkish government comes to terms with its brutal past, respects the religious freedom of surviving Christian communities and returns the fruits of its crime," he stated.

On the other hand, "The Turkish government's announcement of its decision to abide by the rulings of the European Court of Human Rights to return the long-ago confiscated properties of minorities comes as a step in the right direction," the AAA said in a written statement late Wednesday. "The announcement comes in the wake of a series of developments in Turkey resulting in increasing civilian oversight of several branches of the Turkish government previously controlled by the military. As far as the Armenian

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minority in Turkey is concerned—after a century of violent persecution, official discrimination, and public racism—the decree to return some of the confiscated properties is a welcomed development, but cannot begin to redress the magnitude of the damage inflicted.”

Erdoğan said the decision to return hundreds of properties to non-Muslim communities was about righting past wrongs. /Hurriyet Daily News/

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Erdoğan visits Cairo, Tel Aviv on its toes

Prime Minister Recep Tayyip Erdoğan will begin a four-day trip to North Africa on Monday amid his country's game of diplomatic hardball with Israel that has made the Turkish leader immensely popular across the Arab world. The visits to Egypt, Tunisia and Libya between Monday and Thursday are expected to enable Erdoğan to further cast himself as one of the Muslim world's leading political figures through speeches about Turkey's foreign policy vision for the region, as well as pointed criticism of Israel. Erdoğan's trip begins with a visit to Egypt, where a state of high alert was declared Saturday in Cairo after protesters stormed the building housing Israel's embassy and clashed with police, prompting a mass evacuation of the ambassador and other staff.

The prime minister is planning to harshly criticize Israel when he addresses Arab League foreign ministers and might possibly make similar comments when he delivers a speech in iconic Tahrir Square, ground zero for Egypt's revolutionaries.

Erdoğan will also seek closer economic and military ties with the new rulers of Egypt. During his Egyptian visit, the Turkish leader is also expected to meet Palestinian leader Mahmoud Abbas to discuss Palestine's bid to be recognized as a state by the UN. Erdoğan will continue his tour with a trip to Tunisia on Tuesday, before travelling to Libya the next day, becoming the first head of government to visit Libya since rebels fighting to end Col. Moammar Gaddafi's 42-year-old rule entered Tripoli. Erdoğan is expected to meet Mustafa Abdul Jalil, head of the National Transitional Council.

“Israel has not yet fully understood the change in the region and has condemned itself to complete isolation,” said the Foreign Minister Ahmet Davutoğlu on Sunday, referring to the Egyptian protesters' attack on the Israeli embassy in Cairo on Friday, adding that the demonstrations were not the result of Turkey's recent actions toward Israel. Foreign Minister Avigdor Lieberman said Israel was not interested in a conflict with Turkey but was also not ready “to wave a white flag” before Ankara, daily Jerusalem Post reported late Friday. Israel will develop and defend gas platforms recently discovered in its

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waters, Energy Minister Uzi Landau said on Sunday. "Israel can support and secure the rigs that we are going to have in the Mediterranean," Landau said, Reuters reported Sunday. /Hurriyet Daily News/

US envoy: Turkey, Israel should keep diplomatic channels open

US Ambassador in Ankara Francis Ricciardone said on Thursday that Turkey and Israel should definitely keep diplomatic channels open. Ricciardone said the US expected Turkey and Israel to normalize their relations as soon as possible. He expressed sorrow over recent situation and said Turkish-Israeli relations were of crucial importance for regional stability.

After the Mavi Marmara incident on May 31, 2010, the United Nations had established an inquiry panel to examine the incident. The UN panel's long-awaited "Palmer Report" was handed over to UN Secretary-General Ban Ki-moon on September 2. The report stated Israel's interception of the vessels was "excessive and unreasonable," while the flotilla acted "recklessly" in attempting to breach the naval blockade. It also said the Israeli naval blockade on Gaza was imposed as a "legitimate security measure" to prevent weapons from entering Gaza by sea.

Recently, Turkish Foreign Minister Ahmet Davutoğlu unveiled a series of decisions concerning Turkish-Israeli relations. The decisions included downgrading Turkish-Israeli diplomatic ties to the level of a second-secretary, suspension of military agreements, measures pertaining to freedom of navigation in the Eastern Mediterranean and demanding a review of the Israeli blockade over Gaza by the International Court of Justice. /Hurriyet Daily News/

Tension does not spoil the commercial ties

Israeli businessmen who would like to invest in Turkey will not encounter any problems due to the political tension between the two countries, Science, Industry and Technology Minister Nihat Ergün said on Thursday at the 80th International Izmir Fair introductory meeting. Ergün touched upon the diplomatic tension between Israel and Turkey. When he was reminded of the fact that there are 104 Israeli businessmen waiting to invest in Turkey and who are worried whether or not they will encounter any problems in the country, Ergün responded "certainly not." "From time to time, countries experience political tensions and the current issue facing Israel and Turkey did not arise overnight. The reason for the diplomatic tension with Israel is simple: their [Israel's] policy in the Middle East. It is definitely not related to the Israeli people or to the Jewish people...If Israeli businessmen have plans to invest in our country, I can assure them that they will not face any obstacles. Similarly, if Turkish businessmen would like to invest in Israel, I expect that they, too, will not run into problems there either," Ergün stated. /Turkish Press Review/

Iran ups criticism of Turkey over NATO missile shield

Iran toughened Thursday its criticism of Turkey over its plan to host an early-warning radar as part of NATO's missile defense system, saying it will create tension and lead to "complicated consequences."

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"We expect friendly countries and neighbors ... not to promote policies that create tension, which will definitely have complicated consequences," foreign ministry spokesman Ramin Mehmanparast said in remarks carried by the state television website. Iran "condemns any action that creates an arms race in the world and region," he added.

The remarks came after Ankara announced that technical negotiations on the deployment of the radar had "reached a final stage." Leaders of the 28-member NATO alliance gave their backing last year for the Europe-wide ballistic missile shield—which US officials say is aimed at thwarting missile threats from the Middle East, particularly Iran.

Since Monday, there has been a growing chorus of military officials and lawmakers criticizing Turkey. This is a rarity, as Tehran has made maintaining good relations with Ankara a priority in recent years, and has considered Turkey an ally for its refusal to implement Western sanctions against Tehran over its controversial nuclear program. Iranian leaders have also publicly applauded Turkey for its falling out with Tehran's regional arch-foe Israel.

Esmaeel Kosari, influential lawmaker and member of the foreign policy committee, on Wednesday accused Turkey of adopting an "ambiguous dual approach" in its recent decisions. Another top lawmaker, Mohammad Dehghani, who sits on parliament's presiding board, said the decision to host NATO radars showed Turkey's "naivete" and its "behind-the-scenes collusion" with the West. He also regretted Turkey's recent decision to toughen its stance on the popular revolt in Syria being repressed by President Bashar al-Assad - Iran's main regional ally. /Hurriyet Daily News/

Turkey to co-chair anti-terror initiative

Turkey and the United States will launch a new initiative aimed at intensifying the joint struggle against terrorism and its roots in "Arab Spring countries," US Secretary of State Hillary Clinton announced Friday. The forum will include nearly 30 countries, and its first meeting is scheduled for New York on September 22 on the sidelines of the UN General Assembly meeting.

The new initiative, to be called the Global Counterterrorism Forum, or GCTF, will bring together "traditional allies, emerging powers and Muslim-majority countries," Clinton said in a speech in New York. The GCTF would prioritize civilian capacity building in areas such as the rule of law, border management and countering violent extremism, the State Department said. It will also take a more strategic approach to civilian counter-terrorism efforts and aims to increase the number of countries both technically and politically capable of dealing with the terrorist challenge. The mechanism will work for the further implementation of the UN Global Counter-Terrorism Strategy, officials said. The initiative aims to create the first-ever multilateral training and research center focused on countering violent extremism, which would be based in the Gulf region.

The founding members of the forum include Algeria, Australia, Canada, China, Colombia, Denmark, Egypt, the European Union, France, Germany, India, Indonesia, Italy, Japan, Jordan, Morocco, the Netherlands, New Zealand, Nigeria, Pakistan, Qatar, Russia, Saudi

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Arabia, South Africa, Spain, Switzerland, Turkey, the United Arab Emirates, the United Kingdom and the US.

Turkey and the US will co-chair the strategic-level coordinating committee, while five thematic and regional expert-driven working groups, as well as a small administrative unit to be initially hosted by the US, will also be established, according to officials. /Hurriyet Daily News/

Turkish economy lags behind many rivals in key area of competitiveness

Emerging economies continued to rise in the annual "Global Competitiveness List" of the World Economic Forum, while the decline of the United States became more pronounced. Turkey, which ranks among the world's top 20 economies, again displayed a disappointing performance.

Releasing its "Global Competitiveness Report" on Wednesday, the World Economic Forum, or WEF, announced that Switzerland topped the list of 142 countries for a second year in a row. Singapore rose one spot to become the second most competitive economy, followed by Sweden and Finland. The United States ranked fifth, falling one step compared to last year's list. The rise of emerging economies, especially those in Asia, was visible in the list, but Western powers continued to dominate the top 20, which included five emerging economies. The top 10 was dominated by the economies of Western Europe.

Turkey was ranked down at number 59, having climbed two steps since last year. However, it was overtaken by dozens of other economies such as Oman, Puerto Rico, Tunisia, Sri Lanka, Azerbaijan and Slovenia. The ranking contrasts with a highly dynamic economy worth around \$750 billion, a per capita income of \$10,400 and a 1.29 percent share in global trade.

Turkey has been hovering around the 60th position over the past few years, a ranking in line with the performance of the so-called BRICS economies, with the exception of China, which stands at number 26.

Turkey performed best in the "market size" subcategory, ranking as the 17th most competitive economy in this area. Its worst performance was in "the effectiveness of the labor force" category, in which the nation ranked a dismal 133rd. According to WEF, the most pressing issues for businesses in Turkey are high taxes, red tape, the tax code and the qualification of the labor force.

The report's competitiveness ranking is based on the "Global Competitiveness Index." The index comprises 12 categories that aim to provide a comprehensive picture of a country's competitiveness. They are listed as institutions, infrastructure, macroeconomic environment, health and primary education, higher education and training, goods market efficiency, labor market efficiency, financial market development, technological readiness, market size, business sophistication and innovation. The rankings are calculated from publicly available data and the "Executive Opinion Survey," which polled over 14,000 business leaders worldwide this year. /Hurriyet Daily News/

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- Turkey is the world's second fastest growing country in the second half

Erdoğan offers 'Arab Spring' neo-laicism

Turkish Prime Minister Recep Tayyip Erdoğan on Thursday repeated his controversial call for uprising-hit Arab countries to adopt "secular states" following Turkey's model.

"Turkey is a democratic, secular and social state of law. As for secularism, a secular state has an equal distance to all religious groups, including Muslim, Christian, Jewish and atheist people," Erdoğan said during a visit to Tunis, the city where the wave of pro-democracy revolts sweeping the Middle East and North Africa began late last year. "Tunisia will prove to the whole world that Islam and democracy can co-exist," Erdoğan stated. His administration is seen by many as a model for post-revolution Arab countries, though Islamic groups in Egypt were split over his pro-secularism remarks there.

Erdoğan traveled to Tunisia following a rapturous welcome in Cairo and issued the kind of trademark warning to Israel that has earned him hero status on his "Arab Spring tour." "Israel will no longer be able to do what it wants in the Mediterranean and you'll be seeing Turkish warships in this sea," the Turkish prime minister said after meeting with his Tunisian counterpart, Beji Caid Essebsi, on the third day of his visit to North Africa.

The Prime Minister's visit marks "the willingness to strengthen brotherly relations and cooperation between Tunisia and Turkey," the Tunisian Foreign Ministry said in a statement. Turkish Foreign Minister Ahmet Davutoğlu was one of the first top foreign officials to visit Tunisia in February and is also among the Turkish ministers accompanying Erdoğan on his visit. Davutoğlu signed a friendship and cooperation agreement with his Tunisian counterpart, Mouldi Kefi, in Tunisia on Thursday. /Hurriyet Daily News/

Cyprus drilling rig to be blocked

Tension between Turkey and Greek Cyprus is moving toward crisis in the Eastern Mediterranean Sea with Ankara's announcement of plans to send an oil and gas exploration rig to the already unstable area, accompanied by a warship. The announcement followed news that Texas-based Noble Energy, operating under license from the Greek Cypriot government, had moved its drilling rig into position over the weekend. It is expected to start work soon on a block southeast of the island.

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The Greek Cypriot initiative pushed Turkey and Turkish Cyprus to announce their own action plan in retaliation. Under the plan, the Turkish Petroleum Corporation, or TPAO, will be licensed by Turkish Cyprus to launch exploration and drilling activities in the disputed area. A senior Energy Ministry official was in Nicosia on Sunday to review the current state of agreement, which will likely be signed within days if the Greek Cypriot administration does not retreat from its position.

"We will be very cautious in this process; all our steps will be taken as retaliation and [in response] to Greek Cypriot moves," the Foreign Ministry official said. Noting that Foreign Minister Ahmet Davutoğlu will meet with UN Secretary-General Ban Ki-moon in New York this week, the diplomat said Turkey will try all diplomatic channels to avert this crisis. The Greek Cypriot drilling plan will also kill off the UN's plan to reunify the divided island, Davutoğlu said Sunday, warning that such unilateral actions would doom the island to permanent division. "If they claim they have their own area where they can do whatever they want, then, by implication, they accept that the [Northern Cyprus] has its own area as well. This is a shift to a two-state mentality."

If the Greek Cypriots begin drilling, Davutoğlu added, Turkey and northern Cyprus will respond by signing a continental shelf delimitation accord to pave the way for their own exploration and "the two-state prospect will further deepen." /Hurriyet Daily News/

Turkey blocks Israeli bid for opening NATO office

Turkey has blocked an Israeli move to open a representation office at NATO headquarters, its foreign minister said Sunday, adding that data collected by a radar system in eastern Turkey would not be shared with Israel.

"Israel recently made an attempt to open an office at NATO [headquarters] in Brussels. We said we would veto this attempt and the issue was not even put on the agenda," Foreign Minister Ahmet Davutoğlu said in an interview with the CNN Türk news channel. He also insisted that information gathered by a US-led radar system, to be stationed in Turkey's Malatya province as part of a NATO missile-shield project, would be available for use only by alliance members, denying suggestions that intelligence would be shared with Israel.

According to a Wall Street Journal report Friday, US officials said they planned to fuse data from radars in Turkey, Israel and other sites to create a comprehensive picture of the missile threat to the region. Turkey, for its part, could also benefit from real-time data from radar the United States already operates in Israel, the report said.

In his comments to CNN Türk, Davutoğlu also said Turkey was seeking support from the Arab League, the Organization of Islamic Cooperation and the African Union for a planned application to the International Court of Justice for an advisory opinion on whether Israel's blockade of the Gaza Strip was lawful. The application is planned not as a Turkish initiative but as a joint move by regional countries. The move aims to secure a legal condemnation of Gaza's blockade and refute a recent UN panel report that declared the siege lawful. Davutoğlu was scheduled to fly to New York on Sunday for the annual gathering of the U.N. General Assembly.

Davutoğlu on Sunday gave the cold shoulder to suggestions that the United States

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might attempt to mediate a solution to end the crisis, saying it was too late now and that mediation efforts usually aimed to produce midway formulas that required concessions from both sides. "We don't mean that we have closed the door to diplomacy, but we have already been through this process over the past year," he said. "We will not accept any apology [for the flotilla raid] that does not formally and clearly include the word 'apology.'" /Hurriyet Daily News/

Top US intelligence official visits Turkey

US Director of National Intelligence James Clapper has arrived in Ankara for a surprise visit on Sunday evening and began talks with Turkish officials on Monday morning, private NTV television reported. There was no official statement on Clapper's visit from Turkish or US authorities.

Clapper is having talks at the General Staff, the National Intelligence Organization (MİT) and the Foreign Ministry, according to NTV. His talks focus on the planned deployment of a US radar system as part of a NATO-backed missile defense system in the eastern Turkish province of Malatya and the fight against the terrorist Kurdistan Workers' Party (PKK), as well as the developments in the Middle East.

Turkey announced earlier this month that it had agreed to the deployment of the X-Band radar as part of NATO's missile defense system, designed to protect the European allies of NATO from missile threats that could stem from Russia or Iran. Turkey had insisted during the course of negotiations over hosting the US radar that no country should be mentioned as a source of threat, a demand accepted by the US and other allies.

The US has been sharing intelligence with Turkey about the movements of the PKK in a joint effort to combat the terrorist group. Turkish and American officials have recently discussed the possibility of predator drones being stationed at bases in Turkey.

Given the fact that US withdrawal from Iraq is only weeks away, the American military may soon send its unmanned aerial vehicles home. Turkey, which has found half of its own unmanned aerial vehicles impounded by its formerly close ally Israel, has suggested instead that they be stationed in Turkey for intelligence gathering against the PKK. /Today's Zaman/

Davutoğlu says zero problems foreign policy successful

Turkish Foreign Minister Ahmet Davutoğlu has said Turkey's "zero problems" foreign policy—a strategy buffeted by the dispute with Israel and tensions with Syria—is not falling apart and remains the correct strategy for Turkey's foreign policy.

Davutoğlu's remarks came at a time when there was a barrage of criticism leveled against Turkey's foreign policy strategy, which seemingly failed in the face of deteriorating relations with neighboring countries. Observers say Turkey's old policy of "zero problems" with neighbors crumbled in the rancor with Israel and the Arab upheavals that have forced some awkward adjustments for Ankara.

The most visible example is Syria, where ties came to a breaking point when the Syrian

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regime shrugged off Turkey's call to stop a military crackdown on civilian protesters. Experts claimed that zero problems with neighbors dealt only with regimes, and as regimes turned out to be brutal, Turkey had to sever ties with them.

Davutoğlu told the CNNTurk broadcaster in an interview on Sunday that except for Syria—because of its domestic problems—Turkey's relations with neighbors still remain good. According to the Turkish foreign minister, Turkey had to choose between the Syrian regime and its people. "We sided with the Syrian people because regimes will go but the people always stay," Davutoğlu said, arguing that standing by the Syrian people is part of Turkey's zero problems foreign policy.

Dismissing the view that Turkey's oft-cited foreign policy is misguided, Davutoğlu said its zero problems foreign policy was, is and will always be the correct foreign policy strategy for the country. /Today's Zaman/

Babacan speaks in New York

Turkish Deputy Prime Minister Ali Babacan has announced in a press conference in New York on Monday that he will call on developed countries to announce a mid-term economic program during the G-20 meeting in Washington this week. He is currently in New York to attend the 66th term of the UN General Assembly.

Babacan said that during the G-20 meeting he would also ask regulations on banking area to be put into practice rapidly and on a global scale. Recalling that commodity prices had been discussed in a G-20 meeting which was held in Istanbul on Tuesday, Babacan said that taking measures that would bring transparency and operate market mechanisms fully was an important issue.

Predictability and confidence helped Turkey to become one of the fastest growing economies of the world in 2010 as well as in the first half of 2011 with 10.2 percent, added Babacan. Noting that unemployment rate was continuing to drop in Turkey, he asserted that as long as Turkey pursued its economic growth performance, unemployment rate could continue to drop. However, it was also necessary to make structural reforms in labor force market.

Babacan said that the new mid-term economic program would be announced on October 17 before 2012 budget was sent to Parliament. /Anadolu Agency/

Turkey is the world's second fastest growing country in the second half

Turkey's gross domestic product grew 8.8 percent in the year's second quarter, compared to the same period last year, according to data published by Turkey's statistics agency, TurkStat. Meanwhile, the current account deficit recovered to \$5.3 billion in July, from \$7 billion a month earlier, data published Monday by Turkey's Central Bank showed. The country's GDP growth performed above the market consensus of 6.8 percent, reaching a level of 318.4 billion Turkish Liras in the first quarter, with seasonally adjusted GDP increasing by 1.3 percent compared to the first quarter of 2011. Turkey was the world's second fastest growing country in the second half, following China's 9.5 percent growth. TurkStat data showed Turkey's economy has

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grown by 10.2 percent in the first half of 2011. Turkey's economic growth is an indicator of the country's dynamism, Economy Minister Zafer Çağlayan said, according to a written statement published by the ministry on Monday. /Turkish Press Review/

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Obama meets Erdoğan after Ankara bomb blast

US President Barack Obama offered condolences over a bomb blast in Ankara Tuesday, as he sat down with Turkish Prime Minister Recep Tayyip Erdogan, a key Middle East ally. He met Erdoğan on the sidelines of the United Nations General Assembly in New York, on a day when an attack by suspected members of the outlawed Kurdistan Workers' Party, or PKK, in the Turkish capital killed three people and injured at least 15.

Turkish Interior Minister İdris Naim Şahin said there was a "high possibility that it was a terrorist attack," using the government's shorthand for attacks by the PKK. Erdoğan however earlier warned against a rush to judgment, saying there had been no information that the incident was a terrorist attack.

In recent months, the Obama administration has been alarmed at the estrangement between Turkey and its closest Middle East ally Israel, over an Israeli raid on a flotilla bound for Gaza that killed nine Turks. Secretary of State Hillary Clinton on Monday urged Turkey to defuse tension and repair strategic ties with Israel. In her meeting with Turkish Foreign Minister Ahmet Davutoğlu in New York, Clinton "made clear that this is not a time when we need more tension, more volatility in the region," a senior US official said on condition of anonymity.

The United States has offered to mediate an end to the Israeli-Turkish crisis—which analysts said could also harm ties between NATO allies Washington and Ankara—but Turkey has rejected the US offer. /Hurriyet Daily News/

Erdoğan says Turkey to evaluate options for sanctions on Syria

Turkish Prime Minister Recep Tayyip Erdoğan has slammed the administration of Syrian leader Bashar al-Assad, saying that Turkey would evaluate options for sanctions that might come soon following a projected visit to Syrian refugee camps set up in southern Turkey.

"We already had a sensitivity regarding arms shipments to Syria, but we will move on to evaluate options other than shipment interceptions...The most crucial step will be opening up refugee camps to the media," Erdoğan said with reference to recent allegations disseminating by media sources in Iran and Syria that Syrian refugees were

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being mistreated and abused at the Hatay camps.

Erdoğan also slammed the Syrian leader, saying Assad had not been honest with him and added that he was worried about sectarian violence sparking up in Syria. "I told Assad he could turn the fact that he is Nusayri while his wife is Sunni into an opportunity [to promote sectarian tolerance], but this had no result," Erdoğan said, adding, "He constantly lied." Erdoğan also suggested that Assad would eventually lose the support of the Nusayri, a 10 percent minority in Syria.

The prime minister also acknowledged that oppositional forces from Syria would open up an office in Turkey, and that he informed Assad that Turkey would not block the group from organizing in the country, since it was a democratic country. Erdoğan previously had suggested that Syria would be the next country on the Arab Spring list and that Assad would eventually be ousted by his own people.

Erdoğan met with Iranian President Mahmoud Ahmedinejad later on Friday, accompanied by officials from both countries, including Turkish Foreign Minister Ahmet Davutoğlu, Economy Minister Zafer Çağlayan and Foreign Ministry Undersecretary Feridun Sinirlioğlu. The senior officials reportedly discussed Syria and terrorism problem stemming from the activities of the PKK and its Iranian offshoot, the Party for a Free Life in Kurdistan (PJAK). In response to reporters' questions about the meeting, Erdoğan said that there was more Iran and Turkey could do to cooperate in combating terrorism. The Turkish prime minister acknowledged that the countries were already sharing intelligence. /Today's Zaman/

Turkey seeks simultaneous drilling halt

Turkish Cypriot President Derviş Eroğlu on Saturday submitted a four-item proposal to UN Secretary General Ban Ki-moon to resolve the spat with Greek Cyprus over drilling in the eastern Mediterranean. The proposal starts with a bid for both sides to simultaneously suspend oil and gas exploration "until a comprehensive solution is found to the Cyprus problem."

If this is not going to happen, Eroğlu offered to "set up an ad-hoc committee shaped by representatives of both peoples" on the divided island. "We shall give some authority to the committee, such as [authority over] explorations, agreements and licenses dependent on written approval of both sides, and we will negotiate the ratio of sharing the riches that will be found," Eroğlu said.

Thirdly, the Turkish Cypriot leader proposed, "We shall use the income to finance the comprehensive talks," adding lastly that "the adoption of the plan shall not harm the positions of either side."

Eroğlu said Ban was pleased with the proposal, in which he repeated Turkish Prime Minister Recep Tayyip Erdoğan's earlier call for the two sides to simultaneously renounce the energy explorations. Turkish Foreign Minister Ahmet Davutoğlu said Turkey supported the new proposal that was presented to the UN chief.

Turkey and northern Cyprus on Wednesday had inked a continental shelf accord to determine maritime boundaries in the eastern Mediterranean Sea in which the Turkish

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state oil company will conduct exploratory drilling. The deal, made in retaliation to Greek Cyprus's drilling operation in the disputed zones, was signed by Turkish Prime Minister Recep Tayyip Erdoğan and Turkish Cypriot President Derviş Eroğlu in New York, where both leaders are attending UN General Assembly meetings. The Turkish retaliation move came as Greek Cyprus geared up for the second stage of a controversial gas drilling operation. /Hurriyet Daily News/

Erdoğan: PKK talks over, fight to go on

Prime Minister Recep Tayyip Erdoğan, on the way back from New York after the UN General Assembly, said the fact that the outlawed Kurdistan Workers' Party, or PKK, was striking places nearly every day and causing a rise in the number of dead soldiers was inevitably more important than what went on in New York.

"As far as I am concerned, they are now seeking revenge, as they incurred serious losses in [military] operations ... Our border units will step up in March. They will be more effective, as they will be permanently based there. [Some] 5,000 people have been recruited; they are now undergoing training ... Special operations [units] will also enter [the scene] in cities," he said.

In the meantime, he also indicated that they had come to an agreement with Iran on the issues of intelligence sharing against the PKK and cooperation on [military] operations.

"The negotiations are now on the shelf. This struggle will last until the PKK lays their weapons down," he said, what he meant by negotiations were the meetings between the state and the PKK. Such meetings will no longer be held. Under these circumstances, it seems apparent that talks with Abdullah Öcalan, the PKK's jailed leader, have also been suspended.

The prime minister then added, however: "If the BDP [pro-Kurdish Peace and Democracy Party] enters Parliament, then we would hold political negotiations with them. The rest is up to them. They can share it with whoever they [would like to] share it with."

On his meeting with Iranian President Mahmoud Ahmadinejad, a significant part of which was devoted to the situation in Syria, he commented "The only remaining factor that prolongs the [Bashar] al-Assad regime is Iran. The keys are in the hands of Tehran. It is the last remaining country to support [Syria]. They, too, have begun to change their attitude." /Hurriyet Daily News/

Standard and Poor's upgrades Turkey's rating

International credit rating agency Standard & Poor's raised Turkey's local currency sovereign rates from BB+ to BB- and confirmed its foreign currency sovereign ratings as BB on Tuesday. The agency stated that it could raise Turkey's ratings, if it reduced its current account deficits and slowed down its domestic credit growth without endangering its fiscal accounts or financial sector stability. Standard & Poor's added that it could also raise its ratings, if deeper reforms in social security resulted in a substantial decrease in public debt and a stronger fiscal performance. /Turkish Press Review/

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