

APRIL 2013**THIS MONTH:****FOREIGN POLICY**

- Turkey seeks to form working group for U.S. free-trade deal
- Israeli visit another sign of thaw with Turkey
- Obama to host Erdoğan in May
- Turkish president hosts U.S. group of lawmakers
- Turkey becomes partner of Shanghai Cooperation Organization
- Turkey criticizes Obama's address on Armenian issue
- U.S. releases annual Human Rights Report
- Turkey adopts migration and asylum law
- Turkey says Cyprus crisis is chance to end division
- Taliban captures at least 9, many from Turkey, from crashed helicopter in Afghanistan
- Nine from Turkey on list of world's most influential 500 people

ECONOMY / ENERGY

- Turkey's trade deficit falls
- Turkey, seeking growth, cuts rates
- Turkey submits bill offering amnesty for repatriation of assets
- Iraqi Kurdistan sells first crude, defies Baghdad

DOMESTIC POLITICS

- Kurdish rebels to retreat from Turkey to Iraq
- Turkish president approves 4th judicial package
- End is near for Constitution Conciliation Commission
- Turkey adopts migration and asylum law

TUSIAD HIGHLIGHTS

- The Turkish economy: opportunities and challenges
- U.S. Foreign Policy towards the Middle East during the second term of President Obama

FOREIGN POLICY**Turkey seeks to form working group for U.S. free-trade deal**

Turkey's prime minister will seek to form a working group to draft a free-trade agreement with the U.S. during a state visit in May, marking an effort to counter an increasingly onerous customs deal with the European Union, Economy Minister Zafer Çağlayan said last week.

U.S. Secretary of State John Kerry also reiterated Turkey's position during his statements at a Senate Foreign Relations Committee hearing on National Security and Foreign Policy Priorities in the Fiscal Year 2014 International Affairs Budget. Kerry said, "Turkey expressed desire to do parallel negotiations, they do not want to be left out."

President Obama will welcome Prime Minister Recep Tayyip Erdoğan for talks on May 16. In addition to trade and economic cooperation, topics of discussion will include Syria and counterterrorism.

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White House Press Briefing, 5 April 2013, [Statement by the Press Secretary on the visit of Prime Minister Erdoğan of Turkey](#)

Voice of America, 5 April 2013, [Obama to host leaders from Turkey, Jordan, Gulf States](#)

Wall Street Journal, 16 April 2013, [Turkey seeks to form working group for U.S. free-trade deal](#)

Voice of America, 19 April 2013, [Kerry travels to Turkey for Syrian opposition meeting](#)

### **Israeli visit another sign of thaw with Turkey**

An Israeli delegation visited Turkey for the first time in three years in another sign of thawing relations since the United States brokered a breakthrough in March. The delegation led by the Israeli prime minister's national security adviser Yaakov Amidror met with Turkish Foreign Ministry Undersecretary Feridun Sinirlioğlu for discussions that could lead to an exchange of ambassadors between the two countries and other diplomatic moves.

Speaking to reporters at the end of a Turkish Cabinet meeting, Deputy Prime Minister Bülent Arınç said the two sides had agreed on "the methods and principles, the basics and parameters" for working out compensation payments for the victims of a deadly 2010 Israeli raid on a Gaza-bound aid flotilla, but said the amount to be paid had not yet been determined. He said the delegations could hold a second or third meeting. "When the amount of compensation is determined, when an agreement is reached and is approved by authorities in both countries, we will have reached an important phase for the relations to be fully restored."

During an April 7 meeting with Foreign Minister Ahmet Davutoğlu, Secretary of State John Kerry had further urged a normalization of Turkish-Israeli relations. "We would like to see the relationship get back on track in its full measure," Kerry said after meeting with Davutoğlu.

Most recently, Kerry urged Prime Minister Recep Tayyip Erdoğan to delay a Gaza Strip visit so as not to upset U.S. efforts to revive Ankara's ties with Israel and Middle East peace talks.

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New York Times, 7 April 2013, [Kerry asks Turkey to act on relations with Israel](#)

Reuters, 18 April 2013, [Israeli visit another sign of thaw with Turkey](#)

ABC News, 21 April 2013, [Kerry pushes Turkey-Israel rapprochement](#)

Reuters, 21 April 2013, [United States asked Turkey PM to delay Gaza trip: Kerry](#)

Washington Post, 22 April 2013, [In move to fix ties, Israel and Turkey agree on way forward for compensating flotilla victims](#)

Obama to host Erdoğan in May

The White House announced that President Obama will welcome Prime Minister Recep Tayyip Erdoğan for talks on May 16. Topics of discussion will include Syria, trade and economic cooperation, and countering terrorism.

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White House Press Briefing, 5 April 2013, [Statement by the Press Secretary on the visit of Prime Minister Erdoğan of Turkey](#)

Voice of America, 5 April 2013, [Obama to host leaders from Turkey, Jordan, Gulf States](#)

### **Turkish president hosts U.S. group of lawmakers**

Members of the U.S. House of Representatives and the Senate met up with Turkish President Abdullah Gül during their official visit to Turkey on April 29, Anatolia news agency has reported. U.S. House of Representatives Turkey Caucus co-chair Ed Whitfield headed the mission. The representatives also met with Turkey's Energy Minister Taner Yıldız.

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Hurriyet Daily News, 30 April 2013, [Turkish president hosts U.S. group of lawmakers](#)

Turkey becomes partner of Shanghai Cooperation Organization

NATO member Turkey signed up on Friday to become a “dialogue partner” of Shanghai Cooperation Organization dominated by China and Russia, and declared that its destiny is in Asia. “This is really a historic day for us,” Turkish Foreign Minister Ahmet Davutoğlu said in Kazakhstan's commercial capital Almaty after signing a memorandum of understanding with SCO Secretary General Dmitry Mezentsev.

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Chicago Tribune, 26 April 2013, [Turkey becomes partner of Shanghai Cooperation Organization](#)  
Turkish Press Review, 29 April 2013, [Turkey first NATO state with Shanghai Cooperation Organization ties](#)

### **Turkey criticizes Obama's address on Armenian issue**

U.S. President Barack Obama used the expression “Meds Yeghern” denoting “Great Tragedy” in Armenian language to mark the incidents of 1915 in a statement released on April 24. The Turkish Foreign Ministry criticized Obama's message in a statement, saying the U.S. president's approach only reflected Armenian views. “Issued under the influence of domestic political considerations and interpreting controversial historical events on the basis of one-sided information and with a selective sense of justice, such statements damage both Turkish-American relations, and also render it more difficult for Turks and Armenians to reach a just memory,” the statement read.

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Turkish Press Review, 25 April 2013, [Turkey criticizes Obama's address on Armenian issue](#)

U.S. releases annual Human Rights Report

The U.S. State Department released its 2012 Human Rights Report on April 19. The report highlighted several problems in human rights practices in Turkey, namely, “deficiencies in effective access to justice, government interference with freedom of expression and inadequate protection of vulnerable populations.”

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Department of State, [Human Rights Report 2012: Turkey](#)

### **Turkey adopts migration and asylum law**

A law adopted on April 4 will protect refugees from Syria and other non-European nations as “conditional refugees” instead of the previous description of “guests.” “They will be allowed to remain in Turkey until they are placed in a third country,” read the law, which reserves full refugee status for Europeans only.

European Union Commissioner Stefan Füle said in a statement that the move indicated Turkey’s “clear commitment to build an effective migration management system in line with EU and international standards.” The law also introduces permanent residency for foreigners who remain in the country for eight years on residency permits and the right of individuals to challenge deportation orders in Turkish courts.

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Hurriyet Daily News, 5 April 2013, [Eyeing EU, Turkey adopts migration and asylum law](#)

Turkey says Cyprus crisis is chance to end division

Turkish President Abdullah Gül said on April 3 the financial crisis in Cyprus presented an “important opportunity” to end the division of the island. During an official visit to Lithuania, Gül stated “there is at the moment significant economic crisis on the island. This should be seen as important opportunity ... because if the island was to unite, there would be a greater economic potential.” He continued: “There are some restrictions, embargoes on the island. Our suggestion is to lift any and all kinds of restriction or embargo simultaneously so that we can create a new climate for moving forward.”

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Reuters, 3 April 2013, [Turkey says Cyprus crisis is chance to end division](#)

### **Taliban captures at least 9, many from Turkey, from crashed helicopter in Afghanistan**

A Turkish civilian helicopter was forced to make an emergency landing in a Taliban-controlled area of eastern Afghanistan, and insurgents took all those aboard the aircraft hostage, including at least seven Turks, officials said on April 22.

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CBS News, 22 April 2013, [Taliban captures at least 9, many from Turkey, from crashed helicopter in Afghanistan](#)

Nine from Turkey on list of world's most influential 500 people

Foreign Policy magazine publishes names of world's most influential 500 people, among them 9 are from Turkey.

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Foreign Policy, May 2013, [The FP Power Map](#)

Anadolu Agency, 30 April 2013, [Nine from Turkey on list of world's most influential 500 people](#)

## **ECONOMY / ENERGY**

### **Turkey's trade deficit falls**

Turkey's exports and imports fell slightly in March along with the foreign trade deficit from the same month a year earlier. The foreign trade deficit was reduced to \$7.38 billion with a 1.1 percent fall as the exports coverage of imports increased from 63.9 percent to 64.1 percent in the same period.

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Hurriyet Daily News, 30 April 2013, [Turkey's trade falls "like many countries"](#)

Turkey, seeking growth, cuts rates

Turkey's central bank on April 16 became the latest emerging market to loosen monetary policy, slashing its key lending rate to a new low in a bid to boost growth amid stubbornly weak global demand. The central bank cut all interest rates by 0.5 percentage point, reducing the one-week repo rate to 5%, and narrowing the bank's so-called interest-rate corridor, which varies daily rates, to a range of 4% to 7%, the Monetary Policy Committee said.

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Wall Street Journal, 16 April 2013, [Turkey, seeking growth, cuts rates](#)

### **Turkey submits bill offering amnesty for repatriation of assets**

Turkey's government submitted a draft bill to parliament offering an amnesty for repatriation of assets held by Turks abroad.

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Bloomberg Business, 25 April 2013, [Turkey submits bill offering amnesty for repatriation of assets](#)

Wall Street Journal, 26 April 2013, [Turkey declares amnesty in bid to reclaim \\$100 billion of offshore wealth](#)

Iraqi Kurdistan sells first crude, defies Baghdad

The first cargo of Iraqi Kurdistan's crude oil has been sold on the international market, industry sources said, as the autonomous northern region ramps up trade the central government views as illegal.

The crude pumped from Genel Energy's Taq Taq oilfield was trucked over Iraq's northern border with Turkey and sold via tender for loading in April. One trader said the cargo sold was 30,000 tonnes, which at Friday's market prices was worth around \$22 million.

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Reuters India, 5 April 2013, [Iraqi Kurdistan sells first crude, defies Baghdad](#)

## **DOMESTIC POLITICS**

### **Kurdish rebels to retreat from Turkey to Iraq**

PKK rebels will start withdrawing from Turkey on May 8 and retreat across the border to northern Iraq, a rebel commander said April 25, in an important milestone toward ending the nearly three-decade old fight that has cost tens of thousands of lives.

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Huffington Post, 4 April 2013, [Turkey's PKK talks signals progress: doors open for a pull-out of rebels](#)

Wall Street Journal, 8 April 2013, [Turkey's peace process with Kurds hits bumps](#) USA Today, 25 April 2013, [Kurdish rebels to retreat from Turkey to Iraq](#)

New York Times, 25 April 2013, [Kurdish rebel group to withdraw from Turkey](#)

Turkish Press Review, 26 April 2013, [EU, U.S. pleased with PKK's withdrawal decision](#)

Turkish president approves 4th judicial package

Turkish President Abdullah Gül approved Turkey's much debated fourth judicial package, which had passed into law by Parliament on April 11. The package is intended to eliminate rulings against Turkey in the European Court of Human Rights (ECHR) for human rights violations, especially regarding the situation of convicts charged with membership in a terrorist organization.

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Hurriyet Daily News, 29 April 2013, [Turkish president approves 4th judicial package](#)

### **End is near for Constitution Conciliation Commission**

The work of Parliament's Constitution Conciliation Commission is approaching its end, with Parliamentary Speaker Cemil Çiçek calling what is widely expected to be a final meeting on April 30. The prevailing opinion at the Commission is in favor of preparing a draft text indicating the propositions of all four parties in Parliament, in which the consensual articles will

figure in green while the articles that cause disagreements will figure in red.

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Hurriyet Daily News, 26 April 2013, [End is near for Constitution Conciliation Commission](#)

Turkey adopts migration and asylum law

Turkey, on a renewed push to join the EU, adopted on April 4 a long-awaited law to regulate migration and asylum in a move hailed by the European bloc. The migration and asylum law will protect refugees from Syria and other non-European nations as “conditional refugees” instead of the previous description of “guests.”

European Union Commissioner Stefan Fule said in a statement that the move indicated Turkey’s “clear commitment to build an effective migration management system in line with EU and international standards.”

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Hurriyet Daily News, 5 April 2013, [Eyeing EU, Turkey adopts migration and asylum law](#)

## **TUSIAD HIGHLIGHTS**

### **The Turkish economy: opportunities and challenges**

Koç University-TUSIAD Economic Research Forum (ERF) held a conference on “[The Turkish Economy: Opportunities and Challenges](#)” on April 22 in Washington, DC.

The event featured Assistant Secretary of State Jose Fernandez as the keynote speaker. The panelists included World Bank Country Director for Turkey Martin Raiser, IMF Advisor Prakash Loungani, and Johns Hopkins University Economics Professor Laurence Ball. ERF Director Sumru Altug moderated the event.

### **U.S. Foreign Policy towards the Middle East during the second term of President Obama**

Boğaziçi University-TUSIAD Foreign Policy Forum organized a conference entitled “U.S. Foreign Policy towards the Middle East during the second term of President Obama” on April 16 at TUSIAD headquarters in Istanbul.

The discussion featured Ret. Amb. Matthew Bryza, Director of International Center for Defense Studies and former U.S. Ambassador to Azerbaijan, Prof. Dr. Henri Barkey, Professor of International Relations at Lehigh University and former policy planning staff member in the U.S. State Department, and Ret. Amb. Volkan Vural, member of TUSIAD Executive Board and former Turkish Ambassador to Tehran, Moscow, Berlin, Madrid, and UN. Prof. Dr. Hakan Yılmaz, Director of the BU-TUSIAD Foreign Policy Forum will moderate.