



August 2014

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Foreign Policy

Obama congratulates Erdogan on phone

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U.S. President Barack Obama has called Turkey's president-elect, Recep Tayyip Erdoğan, to congratulate him for his latest poll victory.

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Hurriyet Daily News, August 12, 2014, "Obama congratulates Erdogan on phone"

<http://www.hurriyetdailynews.com/obama-congratulates-erdogan-on-phone.aspx?pageID=238&nID=70351&NewsCatID=510>

White House Statement, August 12, 2014 <http://www.whitehouse.gov/the-press-office/2014/08/12/readout-presidents-call-prime-minister-erdogan-turkey>

#### **NATO says would help defend Turkey if threatened by Islamic State**

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NATO would take all steps necessary to defend alliance member Turkey if it were threatened by Islamic State fighters who have made gains in neighboring Iraq and Syria, Secretary-General Anders Fogh Rasmussen said on Aug. 11.

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Hurriyet Daily News, August 11, 2014, NATO says would help defend Turkey if threatened by Islamic State, <http://www.hurriyetdailynews.com/nato-says-would-help-defend-turkey-if-threatened-by-islamic-state.aspx?pageID=238&nID=70279&NewsCatID=359>

In Turkey, a late crackdown on Islamist fighters

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Before their blitz into Iraq earned them the title of the Middle East's most feared insurgency, the jihadists of the Islamic State treated Reyhanli, a Turkish town near the Syrian border, as their own personal shopping mall.

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Washington Post, August 12, 2014, "In Turkey, a late crackdown on Islamist fighters"

[http://www.washingtonpost.com/world/how-turkey-became-the-shopping-mall-for-the-islamic-state/2014/08/12/5eff70bf-a38a-4334-9aa9-ae3fc1714c4b\\_story.html](http://www.washingtonpost.com/world/how-turkey-became-the-shopping-mall-for-the-islamic-state/2014/08/12/5eff70bf-a38a-4334-9aa9-ae3fc1714c4b_story.html)

#### **US clears air missiles sales to Turkish army**



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The United States has cleared a potential \$320 million advanced medium-range air-to-air missiles (AMRAAM) missiles sale to Turkey after the country demanded arms from its NATO ally amid increasing security risks in the region.

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Hurriyet Daily News, August 14, 2014, "US clears air missiles sales to Turkish army",

<http://www.hurriyetdailynews.com/us-clears-air-missiles-sales-to-turkish-army.aspx?pageID=238&nID=70396&NewsCatID=345>

Turkey Outraged at Reports of German Spying

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After angrily insisting for months that "friends don't spy," the German government struggled Monday to respond to news media reports that its intelligence services routinely spy on Turkey, a NATO ally, and inadvertently captured at least one conversation each involving Hillary Clinton when she was secretary of state and her successor, John Kerry.

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New York Times, August 18, 2014, "Turkey Outraged at Reports of German Spying"

<http://www.nytimes.com/2014/08/19/world/europe/turkey-outraged-at-reports-of-german-spying.html?ref=world>

### **State Department: "We look forward to working with whoever is the next prime minister."**

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State Department spokesperson Marie Harf said, "Well, I understand this is a nomination. There's a process that has to play out now. We look forward to working with whoever is the next prime minister. And I think we'll refrain on further comment until that process is over."

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US Department of State Press Briefing, August 21, 2014,

<http://www.state.gov/r/pa/prs/dpb/2014/08/230798.htm#TURKEY>

British MPs ask Turkey to stop flow of jihadists

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A British politician has floated the idea of facilitating Turkey's stalled European Union membership bid in order to encourage the full membership candidate to put up a stronger fight against the jihadist militants.



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Hurriyet Daily News, August 24, 2014, "British MPs ask Turkey to stop flow of jihadists,"

<http://www.hurriyetdailynews.com/british-mps-ask-turkey-to-stop-flow-of-jihadists.aspx?pageID=238&nID=70838&NewsCatID=351>

### **Turkey adds ISIL spokesman and five others to al-Qaeda sanctions list**

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The Turkish government has added six individuals to its blacklist, including the spokesperson of the Islamic State in Iraq and the Levant (ISIL) in line with a U.N. decision updating the al-Qaeda Sanctions Committee's list of individuals and entities subject to sanctions.

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Hurriyet Daily News, August 25, 2014, "Turkey adds ISIL spokesman and five others to al-Qaeda sanctions list," <http://www.hurriyetdailynews.com/turkey-adds-isil-spokesman-and-five-others-to-al-qaeda-sanctions-list.aspx?pageID=238&nID=70865&NewsCatID=510>

Turkey extends deadline for anti-missile defense proposals till Dec 31

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Turkey has again extended the deadline for bids for a multi-billion dollar anti-missile defense system tender, despite having provisionally awarded the deal to China last year.

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Hurriyet Daily News, August 26, 2014, Turkey extends deadline for anti-missile defense proposals till Dec 31, <http://www.hurriyetdailynews.com/turkey-extends-deadline-for-anti-missile-defense-proposals-till-dec-31.aspx?pageID=238&nID=70927&NewsCatID=338>

## **Domestic Politics**

### **Turkey's Premier Is Proclaimed Winner of Presidential Election**

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Prime Minister Recep Tayyip Erdogan, who has led Turkey for more than a decade, is set to become the country's first popularly elected president, apparently cruising to a victory on Sunday that positioned him to be the dominant political figure here for at least five more years.

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The New York Times, August 10, 2014, "Turkey's Premier Is Proclaimed Winner of Presidential Election"



<http://www.nytimes.com/2014/08/11/world/europe/erdogan-turkeys-premier-wins-presidential-election.html?>

TUSIAD urges reform and calls for an end to polarization in society

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The business world has urged Turkey's new president to end the deepened polarization and escalated institutional disharmony present in the country, according to a statement by the Turkish Industry and Business Association.

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TUSIAD Statement, August 11, 2014, <http://www.tusiad.us/press-releases/tusiad-statement-on-presidential-elections-in-turkey/>

Hurriyet Daily News, August 11, 2014, Businessmen ask for peace and stability from Turkey's new president, <http://www.hurriyetdailynews.com/businessmen-ask-for-peace-and-stability-from-turkeys-new-president.aspx?pageID=238&nID=70255&NewsCatID=345>

### **CHP leader criticized over presidential defeat**

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The defeat of the two main opposition parties' joint candidate has begun to create problems in the Republican People's Party (CHP), as dissidents within the party are requesting those responsible to be identified concerning the choice for their candidate.

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Hurriyet Daily News, August 11, 2014, CHP leader criticized over presidential defeat, <http://www.hurriyetdailynews.com/chp-leader-criticized-over-presidential-defeat.aspx?pageID=238&nID=70268&NewsCatID=338>

Main opposition CHP leader promises to step down if votes shrink

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Kemal Kılıçdaroğlu, the leader of the main opposition Republican People's Party (CHP), has said in an interview with Hürriyet that he will quit his seat if the party loses votes in next year's parliamentary elections.

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Hurriyet Daily News, August 25, 2014, "Main opposition CHP leader promises to step down if votes shrink," <http://www.hurriyetdailynews.com/main-opposition-chp-leader-promises-to-step-down-if-votes-shrink.aspx?pageID=238&nID=70881&NewsCatID=338>



### **New Cabinet in Turkey Mirrors That of Last Premier**

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Turkey's prime minister-designate, Ahmet Davutoglu, announced a new cabinet on Friday that is dominated by holdovers from the administration of his predecessor, Recep Tayyip Erdogan. Mr. Erdogan is now the president and seeking to maintain a grip on power after moving to what until now has been a largely ceremonial office.

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New York Times, August 29, 2014, New Cabinet in Turkey Mirrors That of Last Premier, <http://www.nytimes.com/2014/08/30/world/europe/new-cabinet-full-of-erdogan-holdovers-is-announced-in-turkey.html>

Economy and Energy

Turkish Markets Reverse Brief Rally After Erdogan's Victory in Presidential Elections

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Turkey's markets slumped as persistent concerns about the country's economy reversed a brief rally that followed Prime Minister Recep Tayyip Erdogan's victory in Turkey's first direct presidential elections on Sunday.

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Wall Street Journal, August 11, 2014, Turkish Markets Reverse Brief Rally After Erdogan's Victory in Presidential Elections, <http://online.wsj.com/articles/turkish-markets-rally-on-erdogan-victory-in-presidential-elections-1407740704?KEYWORDS=turkey>

#### **Turkish economy minister sees lower rates as vital after elections**

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The Turkish government will maintain its calls for lower interest rates following Prime Minister Tayyip Erdoğan's victory in the country's first direct presidential election, the economy minister said on Aug. 11.

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Hurriyet Daily News, August 11, 2014, Turkish economy minister sees lower rates as vital after elections, <http://www.hurriyetdailynews.com/turkish-economy-minister-sees-lower-rates-as-vital-after-elections.aspx?pageID=238&nID=70277&NewsCatID=344>



Moody's estimates Turkey growth between 2.5-3.5 percent

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Moody's rating agency has estimated Turkey's growth performance at 2.5-3.5 percent, below the government's 4 percent medium-term economic targets, citing the suppressing effects of interest rates and high inflation in emerging economies.

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Hurriyet Daily New, August 11, 2014, Moody's estimates Turkey growth between 2.5-3.5 percent, <http://www.hurriyetdailynews.com/moodys-estimates-turkey-growth-between-25-35-percent.aspx?pageID=238&nID=70278&NewsCatID=344>

### **Political risk still high in Turkey following Erdogan's win: Fitch**

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Global ratings agency Fitch has claimed political risks to Turkey's economy are still high following Prime Minister Recep Tayyip Erdogan's presidency win, warning tensions are "likely" to dominate the country's agenda ahead of the parliamentary elections.

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Hurriyet Daily News, August 11, 2014, Political risk still high in Turkey following Erdogan's win: Fitch, <http://www.hurriyetdailynews.com/political-risk-still-high-in-turkey-following-erdogans-win-fitch.aspx?pageID=238&nID=70257&NewsCatID=344>

Ruling Party Divisions Keep Turkey Risks High, Moody's Says

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Risks to the Turkish economy remain "skewed to the downside" after Prime Minister Recep Tayyip Erdogan's victory in presidential elections, as infighting in the ruling party looms, Moody's Investors Service said.

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Bloomberg, August 15, 2014, "Ruling Party Divisions Keep Turkey Risks High, Moody's Says" <http://www.bloomberg.com/news/2014-08-15/ruling-party-divisions-keep-turkey-risks-high-moody-s-says.html>

### **Turkey to Expand Food Exports to Russia**

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Turkey is preparing to ramp up food exports to Russia, hoping to benefit from Moscow's ban on Western produce amid the conflict in Ukraine.



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Wall Street Journal, August 18, 2014, "Turkey to expand food exports to Russia"

<http://online.wsj.com/articles/turkey-to-expand-food-exports-to-russia-1408117218>

Turkey suspends oil drilling in Iraq amid tension

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Ankara has been forced to suspend drilling at oil fields inside Iraq amid the continuing insurgency crisis in the country, a top energy official said on Thursday.

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Today's Zaman, August 21, 2014, "Turkey suspends oil drilling in Iraq amid tension"

[http://www.todayszaman.com/business\\_turkey-suspends-oil-drilling-in-iraq-amid-tension\\_356348.html](http://www.todayszaman.com/business_turkey-suspends-oil-drilling-in-iraq-amid-tension_356348.html)

### **Stiglitz Joins Pimco Warning That Turkey Faces Exodus Risk**

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Turkey faces the "real risk" of a sudden stop in short-term capital inflows that the nation depends on to finance its current-account deficit, according to Nobel laureate Joseph Stiglitz.

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Bloomberg, August 21, 2014, "Stiglitz Joins Pimco Warning That Turkey Faces Exodus Risk"

<http://www.bloomberg.com/news/2014-08-21/stiglitz-joins-pimco-warning-that-turkey-faces-exodus-risk-1-.html>