



TURKISH INDUSTRY & BUSINESS ASSOCIATION

**OPENING ADDRESS OF
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PRESIDENT OF THE HIGH ADVISORY COUNCIL OF TÜSİAD
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Esteemed President, Esteemed Chairs, Dear Fellow TÜSİAD members, Dear Members of the Media,

On behalf of the High Advisory Council of TÜSİAD, I greet you with my sincere regards.

It is not easy to deliver this speech in these difficult times, both for our country as well as for the world.

There are so many things begging to be addressed.

I do not like talking for a long time but I am afraid I have to take more time than I would prefer.

I would like to start with the importance of TÜSİAD as an institution.

Let us recall the economic strength of TÜSİAD: TÜSİAD represents nearly 4,000 companies. These companies generate half of private sector output. They carry out 85% of foreign trade (excluding energy import); they pay more than 80% of corporate taxes; and they provide 50% of the registered private sector employment (excluding agriculture).

TÜSİAD is a very important economic power in Turkey; but its importance cannot be reduced to this power alone.

First of all, TÜSİAD membership is not compulsory; it is a voluntary organization. Almost 50 years ago, the owners and executives of companies competing against each other rose above their conflicting daily interests and gathered around the general interests of the business community and the interests of our country.

I would like to draw attention to their founding principles of TÜSİAD: democracy, the target of attaining the level of Western civilization, and Atatürk's principles.

Our founding businesspeople naturally had all sorts of disagreements among themselves. They had different political views and different economic priorities. A brilliant example of consensus emerged from this pluralism.

The founding members resisted short-term thinking and avoided endless quarrels; they had a long-term vision and thought strategically. This is true today, as much as it was during these early days of TÜSİAD. The strategic, long term approach to problems has been fully institutionalized.

The secretariat of TÜSİAD has achieved great professional competence.

You know, last month there was a change in the office of the Secretary-General. Mr. Zafer Yavan, who carried the flag successfully, handed it over to Mr. Bahadır Kalegasi. We would like to thank Mr. Zafer Yavan for his contribution to TÜSİAD. Mr. Bahadır Kalegasi was the voice of TÜSİAD in the global arena for many years; we wish him every success in his new task.

Decision-making mechanisms in TÜSİAD are very clear. Our members and professionals from their corporations work diligently, determinedly, and devotedly. Their efforts are supported by academic contributions.

Thanks to our representative offices, our membership in international organizations, and our cooperation with the think tanks abroad, TÜSİAD closely follows developments across the world, from the U.S. to China, and plays an active role in the international business community.

We are also always in touch with the SMEs of Anatolia through our sister organization TÜRKONFED, a confederation of associations, all based on voluntary membership.

This gigantic economic power turns its diversities into a source of strength by means of plurality and a culture of reconciliation, working to make Turkey a more prosperous country.

Our Board of Directors offers the opinions and ideas generated by these mechanisms to the attention of the politicians, bureaucrats, and the general public.

I would like you to listen to the speeches to be delivered here, keeping in mind this general framework.

Dear fellow members, distinguished guests,

There is no doubt that we are going through very, very critical days. A tremendous global transformation is in the background of these difficult days.

It is like one age is closing, and a new age is opening.

The fight for world leadership is escalating. There is a terrible fight to get a larger share of the world resources. The most violent part of this fight is waged in the Middle East. As the President of the Republic of Turkey said, everything is mixed up and chaotic. We witness proxy wars waged by terrorist organizations.

It is as if we are in a new War of Independence. On July 15, a bloody coup attempt by a traitorous organization threatened our domestic peace; many decent people were killed.

But the state and the people, hand in hand, won a victory and saved democracy. However, traitorous terrorist organizations have been multiplying their attacks after this coup attempt. Obviously they aim to exploit all the fault lines of our country. This is a life or death situation for all of us.

But why is our country under fire so violently?

There is confusion all over the world, but why it is so intense here?

Have all the global powers suddenly targeted our country?

How to deal with this multifaceted, multi-dimensional attack?

In order to develop the right defence mechanisms, we have to ask these questions and investigate them calmly and tactfully. The measures to be taken against the attacks can be summarized under two headings:

Security measures and measures to strengthen our social fabric.

Without doubt, these two types of measures need to be used together. Every state implements strict security measures against bloody killers. But countries that have managed the chaotic developments of recent years more successfully are the ones that implemented measures to improve the social coherence in addition to security measures. Here, there is a useful lesson to be learned.

Combining and timing various measures from these two policies is doubtlessly a responsibility of the politicians in government.

We will just make some comments about the principles.

Decisions about proportioning, combining, and implementing them are the job of the politicians.

Distinguished guests,

If we are exposed to a series of attacks by various terrorist organizations backed by greater powers, attacks that almost give the impression of being planned and coordinated, there are two things to do:

First, we have to create a protective shield around our country, and secondly we have to reduce the number of our opponents.

How do we reduce the number of our opponents?

In fact, this question has a very simple answer that we all know: "Peace at Home, Peace in the World!"

Today the words of our founder Mustafa Kemal Ataturk are as valid as it was yesterday.

We should adapt this principle to today's conditions, to interpret it not as a call to remain passive and insensitive to developments in the world, and in our region, but as a precept to actively reduce the number of our enemies and increase our number of friends. This approach will be more effective than we think in reducing threats to our country.

The recent steps we have taken in this direction, like the ground we have covered in improving our relations with our neighbours, such as Russia, Israel, Iran, and Iraq, is precisely what we mean by an active implementation of this policy. Improvement of our relations with our neighbours should not be interpreted as drifting away from the west.

We belong to the West as much as to the East.

The global power struggle and the intricacy of foreign policy tactics may force us to take certain steps and temporarily adopt certain discourses. But we cannot change the reality established by our history and geography. When the Republic was founded, its orientation was definitively towards the Western civilization.

Furthermore, we have not become part of western civilization during the recent opening to Europe, but we have been part of the West since the days of Mehmed the Conqueror.

The Ottoman Empire was a European empire.

Before the imperial era, the Ottoman principality was the westernmost Turkish principality in Anatolia. Turkey's Turks are the westernmost Turks among the Turkish communities of the world. 21st Century Turkey is the heir of all ancient civilizations that emerged in Anatolia.

Turkey is one of the main constituents of European civilization. Its history and geography ensure that it will remain so, despite everything.

Today the European Union is in a process of transformation. Different circles of membership are taking shape around the centre of the Eurozone. Turkey can easily find its place in this transforming European Union.

I said earlier that there are two sets of measures against the threat of terrorism targeting our country.

Let me talk now about what to do to strengthen the social fabric in order to be more resilient against these threats.

Obviously, the ability of terrorist organizations to hurt us so much suggests that there are certain weaknesses in our social structure. We must strengthen our social structure so that our enemies do not dare to attack.

We must take the often repeated words of unity and solidarity, and give them real content by creating an atmosphere of mutual trust.

How can we do this?

The to-do list should include the following items:

I. Rule of Law

The first thing to do is to establish rule of law which ensures the rights and freedoms of a democracy. Rule of law cannot be established by perfect formulas on paper; implementation requires special care. Only rule of law can guarantee due regard for the diversity of lifestyles.

It is also essential that a solid system of checks and balance between the legislature, the executive, and the judiciary is constructed in a way that leaves absolutely no doubt, I repeat, absolutely no doubt, about the concentration of power.

This is the only way for Turkey to earn confidence, respect, influence, and power domestically and abroad.

II. Merit based appointment

To hire employees and give responsibilities according to ability and competency. This is the only way to prevent the spoils system that can become a major threat to the state, as we recently witnessed. Otherwise, as one threat is suppressed, another arrives.

If a merit based system is not installed, the state remains vulnerable to such risks.

III. Pluralism

Let us prevent the domination of the minority by the majority as well as the domination of the majority by a minority.

A society where no identity is stigmatized and no disadvantaged groups is victimized is a strong society.

IV. Justice

Let us build a social order where every citizen enjoys equal opportunity, and where not just burdens, but also benefits are shared fairly, in order to be a country of content citizens and not a country of alienated people.

V. The strength of government agencies

Good governance is the basis of both, fast sound decision making and efficient executions.

If institutional structures are weakened, and particularly if this weakening affects the judicial system, the security agencies and the state apparatus starts to degenerate.

VI. Secularism

Secularism emerged in the West as the means of solving domestic conflicts, but has unfortunately become one of the sides of domestic conflicts in Turkey. However, now the importance of genuine secularism has become clear for our whole society.

Today, secularism is the ground on which we can construct solutions to the belief-based social problems of both the Sunni Muslim majority and of those groups outside this majority.

The ultimate guarantee of our unity and solidarity is a system that requires the state to approach all kinds of faiths and forms of faithlessness equidistantly, with the same fairness and justice.

VII. Freedom of expression

Our country cannot be a society where citizens are afraid of expressing their opinions. In order to prepare the ground for the best, most brilliant ideas, we have to accept the validity of the opinion and expression of every citizen, and every group of people in this country.

An unwanted idea can never create as much damage as the suppression of free speech.

Let us not forget: the worst development that will strengthen the enemies of our country is the deterioration of the freedoms and rule of law in Turkey.

VIII. Economic stability and growth

Big and small, every firm in every business knows about the current problems in our economy. However, we are passing through extremely difficult times. We cannot talk about monetary matters while the blood of those killed is spilling. Of course, we are ready to bear the economic burden of fighting against the threats our country faces. We are ready to make every sacrifice.

But let us not forget: poverty and unemployment is the ideal environment for terrorist organizations.

Currently inflation is rising and production is declining. Unemployment is high. Furthermore, it is much higher among young people and in the south-east Anatolia region. This is a dangerous cocktail.

Moreover, the global capital flows that enabled rapid growth of the first half of the 2000s are now reversing. Economic administrators respond to the situation by launching incentive packages and by taking a series of measures to extinguish this economic fire. These are good, but emergency first aid measures are not enough to save the day. The threats we face are likely to persist for a while. It is possible to shore up companies in difficult situations in the short term, but this cannot go on forever. Hence, we have to consider short-term incentive measures and systematic, integrated long-term approaches together. What will promote investments and attract foreign capital investments in the long run is essentially the to-do list we considered above. This is what will reduce uncertainty and political risk, improve the outlook horizon, decrease interest rates and inflation, make the Turkish Lira a strong currency, and support investment.

Only free societies insuring rule of law can be creative and entrepreneurial, and can contribute to scientific, artistic, and economic progress.

The competitive power of our country in the new digital economy era can be bolstered only in this way.

That is also the prerequisite of creating high value-added products, the shared wish of all political and economic leaders of our country.

IX. Education

The enormous technological revolution that has changed the world, the digital revolution, new balances between energy and climate policies, and the competition of the digital age, all force us to consider a radical reform of the education system.

The future of our country depends on the quality of education, freedom of thought, and the innovation capacity of our young people.

Other items may be added to this list. I have included only the most essential ones. I also want to point out what we have to avoid.

Above all, we should abandon the political bickering and battle of words, that is neither part of our tradition nor appropriate. We have important issues, and we cannot solve them by quarrelling, threatening, and pointing fingers at each other. We can solve our problems by talking and listening with due politeness and political etiquette.

The second thing we should avoid is considering our differences of opinion as enmity. We cannot secure unity and solidarity by means of authoritarianism. If we restrict freedoms, if we lose our sense of fairness and justice towards different groups while acting in the name of the majority, we do not become stronger; on the contrary we make ourselves more vulnerable against threats.

Today, the pace of history is accelerating, and upheavals in many places change policies and political leaders.

Populist leaders become prominent in many places. We will see that the way to cope with this historical transformation, is not to resuscitate the past. If the political structure should change in order to respond more adequately to the conditions of the new era, then of course these changes should be done. But undoubtedly we cannot respond to this upheaval by means of stronger leadership, more authoritarianism, and more centralism.

The people who enjoyed the freedoms and advantages of being respected citizens who have a say in the future of their country will never surrender their rights to anyone.

Lasting stability in these countries will come not with populist leaders, but by empowering people with new ways of legitimate political activities.

The key to success has always been better democracy, more freedom, and rule of law; everywhere and every time.

Distinguished guests,

Mustafa Kemal Ataturk is one of our common values that make us Turkey, that makes us who we are. Mustafa Kemal Ataturk is not just a political figure; he is also a national symbol. A political figure can be criticized. This is also true for Mustafa Kemal as a political figure.

On the other hand, Mustafa Kemal Ataturk has risen above being a political figure and has become a symbol of national unity, not by means of the devotions of his fellow party members, but through the love of his fellow citizens and the respect he earned from his opponents.

As a national symbol today he is the glue that holds our state together.



Esteemed Chairman, Dear Fellow Members,

Before concluding my words, I would like to thank once again to our board members and to Ms. Cansen Basaran Symes, President of the Board of Directors, who have worked with great devotion and diligence in these difficult times for our country and the world. I would also like to present my wishes for success to the President and members of the Board of Directors up for election.

As in the past, during this administrative period TÜSİAD will continue to work for the country in line with its mission I mentioned above. Our members and our institutional organization will strongly support our new President and Board of Directors.

I thank you for your kind attention and I express my sincere regards.