

THE BROOKINGS INSTITUTION

BACK TO THE FUTURE:
U.S.-TURKISH RELATIONS AFTER THE BUSH PRESIDENCY

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Moderator:

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Member of Turkish Parliament
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PROCEEDINGS

AMB. PARRIS: Can you hear me? It sounds like it.

Good morning. I think all of you know by now that my name is Mark Parris and for the past year I have been the director of the Turkey 2007 project here at Brookings. This being the end of January of 2008, I'm pleased to welcome you to our final event in the Turkey 2007 series.

This program -- this project, to use the politically correct term of art in the Brookings world -- was designed to look at what we anticipated would be a particularly event-rich year in Turkey's internal politics and in terms of events in its neighborhood, and over the course of the year we brought some of Turkey's best analytical talent here to share authentic, fresh Turkish perspectives on such issues as the selection of a new president, the constitutional crisis that that process triggered, ensuing snap general elections, and the implications for Turkish foreign policy of AKP's July 22nd victory and subsequent belated capture of the presidency.

Today we're going to focus on a subject which is literally closer to home, U.S.-Turkish relations and how they may develop once a new U.S. President is sworn in just a year from now.

Before I introduce the subject and our guests this morning, I want to express my personal and the Brookings Institution's institutional thanks to our partners in Turkey 2007, TUSIAD, the Turkish Industrialists'

and Businessmen's Association. TUSIAD's Washington representative, Abdullah Akyuz, who's here with us as usual, was, along with Phil Gordon and myself, present at the creation of this project, and he has since been a faithful and creative supporter and contributor, and we simply couldn't have done this without him.

So, thank you very much, and thank you, through you, to TUSIAD.

We at Brookings are therefore delighted that TUSIAD will continue to support our work here at Brookings on Turkey. That work during 2008 will take the form of a new, improved Turkey project. Omer Taspinar, who many of you know from his work at Brookings, at NDU, and increasingly as a columnist, will direct that project, which will also be supported by the Smith Richardson Foundation. I have agreed to serve as counselor to the project, so you may see me up here from time to time in a familiar capacity.

So, back to our program today. I think most of you would agree with me that our discussion this morning would likely have been a very different one had it taken place last October.

There is no question that Prime Minister Erdogan's November 5th meeting with President Bush and the subsequent open cooperation among the United States, Turkey, and Iraq against PKK terrorism have fundamentally changed certainly the feel and probably the

underlying dynamics of U.S.-Turkish relations. I saw some poll numbers a few days ago that U.S. approval ratings in Turkey have jumped from single digits to the mid-30s in a scant three months. When Abdullah Gul was here, the two sides seemed to be trying to outdo one another in their use of that much abused term "strategic partnership." The turnaround has been so breathtakingly abrupt, in fact, that one has to wonder why it seemed so hard for so long.

The past five years have been the most difficult in U.S.-Turkish relations in a generation, and it's appropriate as the Bush Administration enters its last year and as America and the world look ahead to who might take up the helm in Washington next year for us to pause and to take stock. How did things go so wrong in a relationship that once seemed so solidly founded? How could things turn around so dramatically since last fall? What lessons should Bush's successors draw from the arc of U.S.-Turkish relations from 2002 to 2008 if they are to do better?

To help answer those questions today, we are, as usual, fortunate to be able to rely on the experience and analytical acumen of three of Turkey's sharpest minds:

In alphabetical order, Gunduz Aktan, to my left -- which is unusual -- is a member of Parliament for the National Movement Party, or MHP. He's a retired career diplomat, who, among other assignments, was

Turkey's ambassador in Athens and in Japan. He has directed not one but two of Turkey's most prestigious think tanks -- TESEV and ASAM. Before succumbing to the siren song of politics, he had a distinguished second career as a columnist.

Emre Gonensay, to my right, immediate right is one --

DR. GONENSAY: -- and to your right, I --

AMB. PARRIS: Could be. We'll see.

-- is one of Turkey's most distinguished senior statesmen.

He was Minister of Foreign Affairs in the mid-'90s, has advised Turkish presidents and prime ministers on foreign policy, has represented the True Path Party as a member of Parliament and as a professor of economics. He has taught generations of Turkish students, including at least one prime minister.

Suat Kiniklioglu, to my extreme right -- if I can use that expression --

DR. KINIKLIOGLU: Only on the table.

AMB. PARRIS: -- is known to many of us here in Washington as the former Ankara representative of the German Marshall Fund and someone who in that capacity organized many top-notch programs here in Washington on Turkey. And I'd like to thank personally his current bosses in the Justice and Development Party, or AKP, for weeding out the competition here by recruiting him last year to run for

Parliament where he is now spokesman for the Foreign Affairs Committee.

As is our custom, I will get the ball rolling up here by asking these gentlemen a few questions. We'll have kind of a free-flowing discussion, and then we'll give you a chance to comment or to ask questions of your own.

I'm going to start with you, Emre-bey, if I may, and basically what I'd like you to talk a little bit about is sort of this notion of strategic partnership having come full circle and whether the intervening five-year detour was really necessary. What did each side do wrong? What did each side do right? Because I think -- I strongly believe that there were moments when individuals on both sides really did pull this thing back from the brink. And was this mainly about personalities, or were there structural factors at work here that we should identify as we try to look ahead?

DR. GONENSAY: Thank you, Mark. I think of course what happened -- the negative things that happened over the last five years and the positive things that might run off from now on all have to do with Iraq. Iraq is the focal point of -- has been our problems, and maybe we may look towards the future -- positive future again, depending on what is happening in Iraq.

Of course I think one of the basic mistakes that I can easily say that we have made is failing to get the first of March decree from

Parliament. I can see that easily, because I have been arguing in favor of it for -- incessantly on television publicly and writing about it. I think some of the problems that we have now we wouldn't have if we had that decree passed and if we had opened the front from the north to the American forces and if we also went into Northern Iraq.

But having said that, of course there were also risks involved with this. At this point that we stand, I still cannot say it was a good thing not to go in -- it was a mistake not to go. But if now we can handle the PKK situation with cooperation with the United States in a more or less diplomatic pressure, mixture of diplomatic pressure, use of deterrents, use of threat of force, and some actual operations, if we can disarm the PKK now in this fashion, I might say we have not lost much by not passing the first of March decree. But we do not know exactly how events will unfold now.

Of course the reason why there is a positive beginning to the strategic -- (inaudible) beginning, if you want, to the strategic alliance is the Turkish government raised the stakes concerning Northern Iraq and PKKs specifically; passed the decree from Parliament; and, with -- armed with that political initiative, came to the United States and said all right, this is it now, what are you going to do about this? The response of the United States government to this was positive so far -- cooperation; putting political pressure on the northern Kurdish regional administration to

eliminate, neutralize, control PKK; and, at the same time, also share information intelligence with the Turkish forces in order to neutralize this arm of the PKK. So, this is now certainly a new beginning. But we have two sides -- the Turkish government raising the stakes, coming to the United States, and the United States realizing that this was high time that they cooperated with Turkey.

AMB. PARRIS: Why did it take so long?

AMB. AKTAN: Well, I can speculate, but I'm sure all of you know a lot of why. When United States went into Iraq, probably they were not foreseeing a situation where their only allies would be the Kurds, but they found themselves in that de facto position, so as far as the PKK is concerned and what our Turkish demands were concerned, they did not want to alienate the Kurds; they did not want to alienate the Kurdish regional administration. And this was, I think, the reason of the delays.

A secondary factor perhaps was that they were overstretched. The army was overstretched anyhow. They were fighting an asymmetric war after the invasion. The worst kind of war to fight -- and I always argue that we should forget about such wars now, because they are not winnable, so since they were fighting that kind of a war, overstretched they did not have the resources or they did not want to have the initiative to tackle another such insurgency or terrorist activity in the north and was reluctant to take it on themselves.

AMB. PARRIS: You seem to be suggesting that sort of the underlying cancer affecting U.S.-Turkish relations during this period was Iraq -- a good idea, a bad idea, an idea that went wrong but one where Turkey in its initial reaction to the idea, in your view at least, was guilty of at least a tactical error by failing to approve, maybe a strategic error, the March 1, 2003 --

AMB. AKTAN: At the time it looked the right thing to do as far as I'm concerned, and I --

AMB. PARRIS: You argued against it.

AMB. AKTAN: No, no, I go in favor of it.

AMB. PARRIS: I see.

AMB. AKTAN: I was in favor of passing the first of March decree and going with the United States into Northern Iraq, and I know we know now that the Memorandum of Understanding signed with the United States we're covering most of the things that we wanted, and it was -- that Memorandum of Understanding was giving us a lot of flexibility and leeway in dealing with threats to Turkey -- the PKK, possibly even threats to Turkmen in Turkish in Kirkuk, and Mr. Dennis Balupashavoo was responsible for finalizing this agreement, came out on television and explicitly explained this Memorandum of Understanding. I knew before what it contained, but now the whole public opinion also knows that it covered most of our fears and it satisfied Turkey as far as also our

problems were concerned in Northern --

AMB. PARRIS: I'd like to ask Suat, if you would, to give what I suspect will be a somewhat different perspective on this from the ruling party.

DR. KINIKLIOGLU: I don't think it would have been good if Turkey would have passed the March 2003 decree, and Turkey would have entered Iraq with the United States. I think we would have encountered a lot of problems. There would have been casualties. Turkey would have had to respond, and it could have spun in a way that we couldn't have controlled. I personally believe the decision on March 2003 with all of its intricacies and complications, how it came about in essence, was the right decision. I think many people -- I agree, on March 2003 I was personally in favor of passing it, too, but I -- looking back it, what has transpired since then, I think it was the right decision. I think our parliamentary democracy saved us from a major blunder, and I don't think Turkey should have been proud of this war at all.

It's true that -- I'm actually more optimistic on Iraq. I think there are complications in Iraq. The surge seems to produce results to an extent that the political forces in Iraq seem to be -- have an appropriate platform where they can make the deals that are needed to be done. The PKK issue, as you know, in the last couple of months has been dealt effectively, at least for a first stage, and I think our other concerns, such as

Kakook and the political unity and territorial integrity of Iraq will be addressed. I'm rather more optimistic about that right now.

AMB. PARRIS: But you -- it sounds as if you tend to agree with Emre-bay that the core difficulty in the relationship these five years has been U.S. policy in Iraq.

DR. KINIKLIOGLU: No.

AMB. PARRIS: You don't agree.

DR. KINIKLIOGLU: Well, I mean, Iraq plays a major part of it, but I believe Iraq happened at a time when Turkey was changing, and I think one needs to recognize there is a structure problem that needs to be underlined when looking what happened to the Turkish-American relationship in the framework of the Iraq war. One has to put it on the table that Turkey was transforming from a former cold war satellite country status into a regional power whose interests were not necessarily coinciding with that of the United States at a time when the United States foreign policy was heavily influenced, dominated (inaudible) very ideological view of looking at the region that basically intended to fully restructure the Middle East. And I think there is this structural dimension to it that I think today we are now easier to come to realize and understand, but in 2002 obviously that was not the case. Turkey is no longer that country where American officials could fly in, walk into the chief of staff, get business done, and fly out. And then I think March 2003 was

the culmination of the realization that both Turkish public opinion and the democratic process in Turkey matters fully, and I think we need to realize it is an immense timing and, to some extent, a coincidence issue, but I think the fact is while Iraq dominates as an issue and the geographical component of the full relationship, we need to understand that the structural phenomenon that I've just tried to underline played a significant role in how things have transpired.

AMB. PARRIS: I think that's a very important point, and I'd like Gunduz Aktan to perhaps expand on it a little bit.

You said, Suat, that, you know, March 2003 was the culmination of the changes taking place in Turkey. I wonder if that's quite right. I mean, it was six months or less after AKP took power. They've in some sense been in power roughly five years. They're looking at at least four more years in power. A lot's changed in the country clearly, and as we see by reading the newspapers that's continuing. So, I guess the question is has this relationship really come anything like what could be described as full circle given that one of the partners seems to have changed in important ways, and the strategic partnerships -- can strategic partnership mean the same thing over the next four years that it meant during the cold war of the '90s or the past five years?

AMB. AKTAN: Thank you.

Well, it's very difficult to say whether we have the full circle at

the moment. You see, personally, I don't agree that there has been a sort of major policy change, at least a sort of conscious policy change in 2003, unless, you know, we accept the fact that sometimes policies can be changed accidentally, because there were so many mistakes, miscalculations, calculations have been made, and that wasn't a sort of conscious policy change on the part of Turkey. I think at that time I was not in politics, and I quite openly defended the granting passage of troops for the Americans, and unfortunately the government, you know, negotiated thoroughly and then could not deliver the outcome of these negotiations. That was the main reason. I still think -- which is more difficult perhaps to say at this stage, because we -- with a full hindsight we can say that it wasn't a bad idea. No, I still think that it was a bad idea --

AMB. PARRIS: That --

AMB. AKTAN: -- that we did not really adopt the --

AMB. PARRIS: So, the fear --

AMB. AKTAN: It was a fear.

AMB. PARRIS: Which was unfortunate in terms of the subsequent --

AMB. AKTAN: That's what I mean.

AMB. PARRIS: Yeah.

AMB. AKTAN: And, I don't know whether we can restore a strategy partnership in full. Well, first of all, it is an ambiguous concept,

because I don't understand what it is. You know, I'm all for -- you know, having a foreign policy breaking down into several spheres, you know, several specific topics rather than having a sort of sweeping concept of strategic membership; therefore, really to say something about it -- you know, yes, we have done it now, we got back to square one, we have now once again strategic partnership -- is not very meaningful to me.

AMB. PARRIS: Do you think that we -- that the fundamental interests of the two countries, however you would care to define them, keep us on convergent paths, or have we moved into an area where our interests are, objectively speaking, divergent?

AMB. AKTAN: You see, both convergent and divergent parts are possible, depending on our attitudes with respect to certain policy issues. Take, for instance, the possibility of -- as we discussed yesterday -- abrupt withdrawal of the Americans and the consequent disintegration of Iraq or, you know, the referendum to be held on the status of Kirkuk or, you know, despite all these aerial operations, PKK survives and resumes its activities in May this year, you know. Turkey and United States don't know what to do with the PKK, and the U.S. shifts its policy to a political solution for the PKK or for the Kurdish problem. These are all, you know, factors which will bring about sort of divergent policies both in Turkey and in the United States, and, you know, the adoption of the army and resolution in both houses, for instances, could

create a big problem -- be (inaudible) for us.

On the other hand, we have other areas which are conducive to closer cooperation if not divergent positions. Take, for instance, Iran. You know, no matter what is said in Turkish public opinion, Turkey is not happy with the possibility of nuclear Iran. And personally I do not believe that Iran has already forsaken its problem of, you know, producing -- manufacturing nuclear weapons.

Now, there is a Sunni bloc coming into being and Turkey is at least implicitly part of this bloc against Iran. And we don't know what we're going to do, you know, with Iran. Yes, we may have a Sunni bloc (inaudible), because the Sunnis are really anxious about increased -- increasing Iranian influence and power in this area, but what are we supposed to do? Are we going to contain Iran? Are we going to separate Iran and Syria? Or are we going to tame Iranian power? You know, once again, Iranian elections are very important. Or are we going to (inaudible) changing a regime in Iran? I mean, these are a spectrum of policies which we cannot say anything at this stage.

AMB. PARRIS: So, you think it depends, and these things --

AMB. AKTAN: Depends.

AMB. PARRIS: -- will mature over the next year of course.

AMB. AKTAN: Perhaps one more point. Russia -- you know, both Russia and Iran proved to be unreliable partners when it

comes to, you know, the supply of gas. We need alternatives, but unfortunately Turkey pursued a wrong policy. Now Turkey is totally dependent on these two countries, you know, in terms of gas supply, and now to shift the policy at this stage is quite difficult, quite costly, and time consuming. That will take a very long time. Can we, you know, work out a sort of cooperative policy in this respect? We can.

AMB. PARRIS: Let me ask -- I'd like to pursue that, and I'd like to ask Suat to help me with this. I mean, one way to get at the question of content of strategic partnership, if it has any meaning at all, is to identify sort of what -- the four or five things that each party really needs in terms of its strategic interests and sort of draw conclusions as to whether the other can sort of help or hinder in pursuit of those interests. I mean, if you had, as a long-time analyst of these things and as a representative of Turkey's current ruling party, to identify sort of the half dozen things that Turkey really has to get done over the next four years in your region or, broadly -- more broadly, if you choose to go there, and whether or not the United States is likely to be more of an asset or a liability based on recent experience or projected likelihood, can you give us a little feel for that?

DR. KINIKLIOGLU: I -- let me underline. I think the term "strategic partnership" is not something that we have to get sleepless over. What we need to get sleepless over though is we need to identify

the areas and issues where Turkey and the United States will be able to cooperate, and we will also need to identify where we are not agreeing, and that's perfectly civilized that we will not -- could not agree on some issues in countries in our neighborhood. What is encouraging is that I think we've hit the bottom in the last couple of months, particularly the intelligence cooperation and what it brought about. The president's pronouncement of the PKK as a common enemy and how it is being portrayed back home in Turkey is shown. I think that both actors have realized that the status quo was no longer working for each side, and I think there was realization that something had to change, and it has changed.

Now, what are the areas we can work together? First of all, we truly appreciate the United States' strong support for Turkey's EU membership. Yes, our European friends may not be too happy sometimes when American Presidents or (inaudible) officials express that. But I think it's still important that the United States strategically supports our EU membership drive.

I -- that's it. I think the relationship that is about to develop, or the agenda, about our cooperation is about to develop on a security agenda again, and I think Iran obviously stands out. I -- given the developments in Russia over the last year, I think Russia is also a concern to us. I think if the tendencies we seem to see over the last two years

developing in the Russian federation not only on NG issues but on the caucuses of the Black Sea -- there could be a situation where there could be a more congenial discussion between Turkey and the United States.

We may not agree on how our policy on Syria is. We think engaging Syria is much more important than pushing it into the laps of Iran. But the ultimate, really, target to look to forward is really the election here in the United States -- a new administration hopefully willing to listen to good advice here and back in Turkey that would facilitate a mechanism that would identify the new Turkish-American agenda, and I don't think this is nuclear rocket science. We can find the areas where we can work together and the areas where we will disagree, and in this regard I think your institution, people like you and folks here in Washington, I think will be critical in providing or motivating the new administration to do that, and we look forward to work and draft that new agenda.

AMB. PARRIS: Well, in the spirit of being critical, I want to focus Emre Gonensay on an issue that you didn't raise, but if you read recent statements by U.S. diplomatic representatives or even the coverage of President Gul's recent trip, I mean, energy looms very large in all of this, and I have to confess as someone who was heavily involved in the energy diplomacy of the mid to late '90s regarding Baku-Tbilisi-Ceyhan and the whole bundle of issues, I have -- there are questions in my mind as to whether or not the objective circumstances that we were able to,

frankly, manipulate to our advantage then -- a weak Russia, low energy prices, American -- an America described by Madeline Albright, without much objection, as the indispensable power versus the situation we have today, which I needn't go into in great detail. I mean, is there the basis today for the kind of cooperation and the increasingly important sphere of energy in terms of U.S. interests and the Turks' interest that we had in the '90s? Are the approaches that Turkey has staked out vis-à-vis countries like Iran, for example, compatible with the way anybody here will look at them a year from now as we try to figure out what to do about these kinds of things? And what do you do with the thing like Russia?

DR. GONENSAY: I think the key is certainly Russia, and -- because we have to realize the basic fact that Russia now controls most of the natural gas and oil resources of the caucuses and Central Asia -- Caspian and the Central Asian region. This is a fact. And it has extremely good relations with Iran, so we might put Iran also in the same spot. We know that the United States will be the largest consumer of natural gas and LNG in the next 20 years, and we know that Iran and Russia together have the greatest natural gas resources in the world. So, there is this -- is this going to be pushed into a resource conflict or into a long term interdependence and cooperation? This is the key issue.

And I know that Russia is now being criticized as using its oil and energy resources as a political tool "as a weapon", if you want, but we

have to find a way of weaning Russia out of that and making it realize that interdependence and cooperation is and also we have to think whether is it us that has provoked Russia into this resource conflict attitude.

AMB. PARRIS: Us, Turkey? Us the West?

DR. GONENSAY: Us, us as the West including Turkey and I'm going to have a lot of self criticism on myself if now if I have the time, because I was one of the Chief Architects of the BTC pipeline and it was me who persuaded your government to back it. At the beginning you were not backing it, you were not in favor of bypassing Russia. We and Turkey and I especially thought that bypassing Russia was important for the independence of the new states, the commonwealth, the CIS countries so that they would be tied to the West independent of Russia. So bypassing Russia was a big element and the BTC pipeline is the first oil and energy pipeline that ever bypassed Russia in history.

Now I –

AMB. PARRIS: Would it be the last?

DR. GONENSAY: It certainly is going to be the last it looks now. And I think whether this was the right strategy, were we not playing the great game again, were we not provoking Russia and so that perhaps what she is doing now has a lot to do with all of these things that we did. And thirdly, have we been successful? We wanted to bypass Russia so that these countries would get their oil and energy resources to the rest of

the world bypassing Russia that has not happened. The only oil that Baku-Ceyhan pipeline is transporting through Turkey right now is Azeri oil. Not even the Kazaks have given oil. Furthermore, Russia has got Turkmenistan gas with long term agreements. Kazak gas, oil capped and monopolized the whole resource source there, so unless we cooperate with Russia, unless we engage Russia and Iran also, we do not have any energy to cooperate with, with the West.

It's all monopolized by the Russians and Iranians.

AMB. PARRIS: I mean your self-criticism, elegant and commendable as it is, I suspect would find very little resonance here in Washington either now or a year from now.

DR. GONENSAY: But it should.

AMB. PARRIS: And the point I want to make, I want to ask your colleagues whether or not they share this, what for Washington audiences is a fairly important message I think that you can't work energy together in the region over and against Russia.

DR. GONENSAY: On further thing.

AMB. PARRIS: Yes.

DR. GONENSAY: I don't think you can do this by force or by threat of force or by war.

AMB. PARRIS: Meaning Iran?

DR. GONENSAY: Also Russia.

AMB. PARRIS: Yeah.

DR. GONENSAY: I mean you cannot solve this problem with Cold War tactics. I think we should forget about fighting a war nowadays.

AMB. PARRIS: Gunduz, do you basically agree with this approach?

AMBASSADOR AKTAN: Well, first of all I'm not an expert, you know, but so long as the United States is transfixed with Iraq then it's impossible that you'll really allocate all your forces to first of all deal with Russia and to cooperate with other countries of the regions, especially in Central Asia and to create alternative routes to Russia. For the time being this is the situation. But once you get out of Iraq then you can reprioritize your, you know, the policies and perhaps you can give more importance to this aspect, but for the time being, I don't think it is feasible.

AMB. PARRIS: So you think purely for structural reasons it will be difficult for us to be an effective partner for Turkey or anybody else in these kinds of things. Suat.

DR. KINIKLIOGLU: I will disagree with Emre, I think diversification is the key to energy supply for every country and Turkey could not afford to be 65 percent energy dependent or gas dependent on the Russian Federation. Therefore, we do seek alternative energy resources such as in Iran and hopefully Iraq. There is a lot of gas in Iraq.

I don't think the trend in multiplication of pipelines and exits to ports and areas that can export to international markets is stoppable. I think the whole region, in every direction is trying to get the resources out wherever we can.

Giving Russia the whole monopoly of energy resources would actually exacerbate Russia's power and role in the energy game. That said, I agree that we shouldn't confront in a Cold War manner and starve the Russians, but should legitimately seek to get energy out, be it oil or gas, in whatever direction we can to normalize the market to have more than one supplier and have a normal market situation where one country does not dominate the market.

DR. GONENSAY: The fact is that they have actually dominated and captured most of the energy resources to our east and northeast. I mean not Azerbaijan, that's the only exception but Kazakhstan, Turkmenistan, Iran, and further into Central Asia. They have long term agreements and we cannot reach these.

We are trying to build a so-called Nabucco pipeline to Europe to supply the European market. We do not have any gas for it.

AMB. PARRIS: I suspect that Suat –

DR. GONENSAY: The only gas that we can pump into is the Azeri Shah Deniz gas and if the Russians turn off the electricity that they are giving to Azerbaijan, Azerbaijan cannot export even that gas. So we

don't have the resource, they already have a de facto monopoly whether we like it or not.

AMB. PARRIS: Well, what's clear is that, I mean, Russia looms very large in this discussion. I mean, from different perspectives, I've heard it from all three of you.

I think Suat, you would have to agree that, you know, however you characterize the approach to Russia that is necessary and however you characterize the sort of end goal, we, Turkey and we, the United States haven't been very effective in terms of diversifying very much over the past five years. The Russians have basically moved sort of steadily forward in terms of advancing their agenda, whereas the agenda that we shared in the late '90s, that we presumably still share at the level of rhetoric, I mean, I think you would agree with me that we have been kind of weak in terms of our own conduct of this.

DR. KINIKLIOGLU: Yes. And one of the reasons for that is that the Europeans are not playing ball fast enough. European decision-making processes are too slow, there are too many actors involved. One shouldn't forget Turkey is primarily a transit country. We like to fashion our role as an energy hub. And hopefully, Ceyhan will become one. But there is a supplier and there is a buyer. If the buyer is too disorganized and doesn't get his or her act straight it's difficult for the transit country to play that major role such as in Nabucco where the case is again, some of

the European partners are not playing ball fast enough.

And in energy timing is very important. Whoever puts the pipeline down first makes the investment has a huge advantage. The Russians running a huge autocratic state have the advantage to get business quickly through.

Secondly, I've been talking about this for years now. We need a special envoy just like in the '90s we had.

AMB. PARRIS: We?

DR. KINIKLIOGLU: The United States. Needs an envoy who is at the Steve Mann or Richard Morningstar sort of level, who can run around the region and engage with Central Asian leaders whose personal diplomacy matters and you need someone who is senior enough, who can talk to Karem of the Turk (inaudible), Aliyev and company and get deals done and that has been lacking.

I agree that the energy game hasn't been going the way one would wish, but I'm not putting the blame really on Turkey on this. The Europeans have to get their act together. They are the French and German role and even the Spaniards is sometimes not working with the rest of Europe.

Thirdly, as I said the United States would have to put more political capital behind a special envoy.

AMB. PARRIS: And would a special envoy be able to do

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anything in the final year of an administration?

DR. KINIKLIOGLU: I'm just a very humble Turkish politician who wouldn't know about U.S. politics.

AMB. PARRIS: As the man who can –

DR. GONENSAY: I'm going to say something --

AMB. PARRIS: As the (inaudible) of the American energy policy --

DR. GONENSAY: I am going to say something that is very much camouflaged, but I think there is very little an American energy envoy can do compared to what a Putin envoy can do. They play the game completely differently.

You Americans, we Turks play it in a different transparent way. They play it differently so we are at a tremendous disadvantage at one-to-one talks with their leaders, their chief bureaucrats, we just talk and that's it.

AMB. PARRIS: But if you had a new American administration –

DR. GONENSAY: Of course, I don't want to disparage it completely.

AMB. PARRIS: No, no.

DR. GONENSAY: I want to put everyone's feet a bit on the ground as to what these envoys can do and what the Russian envoys can

do. We have to realize that.

AMB. PARRIS: I think that's very wise. My question is though, at least part of that is a function of the way the current administration has played the game and the amount of time that it has left. You know, Putin may be leaving the Presidency next year but he's not leaving.

DR. GONENSAY: No, he's not. He's not leaving.

AMB. PARRIS: But America will have a new President.

DR. GONENSAY: Not leaving the energy sector in any case.

AMB. PARRIS: But America will have a new President with a new mandate and a command on the attention of the world.

DR. GONENSAY: Certainly, certainly.

AMB. PARRIS: And I guess my question would be, under those circumstances a new high level envoy that everybody – that would be different.

DR. GONENSAY: Sir. I was simply being somewhat sarcastic.

AMB. PARRIS: Provocative, yeah.

DR. GONENSAY: Somewhat provocative.

AMB. PARRIS: Fair enough. Well, -- we have a comment.

AMBASSADOR AKTAN: A very short comment. You see

unless Turkey develops its own indigenous energy resources, Turkey continues consuming most of what is transiting in Turkey through Turkey to other countries and very little will be left to transit really.

DR. GONENSAY: Exactly.

AMBASSADOR AKTAN: So that depends on our energy policy in Turkey also.

AMB. PARRIS: All right. I want to shift the focus a little bit.

One of the issues that I think will be ripe for discussion when the next President comes into office is and Gunduz and Suat have both have touched on it to some extent, is a whole set of regional foreign policy issues. And the rhetoric out of the Golve is that the rhetoric out of things like the Nick Burns speech last Fall. Our own President's statements when your President was here seemed to assume that we remain on the same page on most of these issues very much in the way that we clearly were in the '90s.

And I just wonder how true that is and I wonder how true it will be a year from now. I mean, I'm wondering how a new administration will, as it prepares to engage in a dialogue with its partner Turkey, how they will weigh things like Turkey's policy of engagement of Hamas, of engagement with Iran, of energy policy towards Iran, of welcoming the leader of Sudan. I mean, these are things that all of you on this panel and in the room know affect attitudes here in profound ways.

And at the same time, you know, my guess whoever is the next President they're going to have to take an approach to Iran which will be to use the words of Iran's President, nearing its peak in terms of the nuclear program. And there will be other issues including Iraq and things like that, that won't be easy.

Gunduz, you know, having introduced this topic earlier. Is there sufficient common ground likely between Turkey's ruling party and Suat is going to get a right of rejoinder here, of course. And any, you know, mainstream American incoming administration to enable us to be regional partners in any meaningful way?

AMBASSADOR AKTAN: Well, Mark I think we can be a little more hopeful regarding Turkish Foreign Policy and with respect to these naughty ones in our region, you know, the Hamas and Hezbollah. After the Sudanese President al-Bashir has been invited, I think not many left to be invited. They've invited all of them, you know, Hamas and everybody and unless they start a second round of the invitations for no reason.

Now the question is this, we're dealing with Turkey at the same time with the U.S. without really analyzing the domestic political situations in our countries, in our respective countries. There will be a new President in the United States and we have the present government in power, but there are some potential dangers in terms of stability in Turkey. For instance, we may have three crises at the same time.

One is constitutional crisis because this government, AKP government, wants to overhaul the entire constitution after we have amended more than 80 articles of this constitution. Now we realize all of a sudden that this constitution is no good then we should have a new one, although you are getting along quite with yours which is more than 200 years old. Okay.

The other one is, you know, the economic crisis. The economic management of Turkey was not bad. AKP government has done its level best, you know, and I think quite successfully, but given the situation and the global economy, Turkish economy may have some very serious problems and we may have another crisis. God knows.

And the third one, the PKK. PKK is there or military interventions no matter how successful they are, I mean we cannot solve this problem through military operations and the problem is there. So I mean, imagine Al Qaeda-type attacks in several parts of Turkey, a bombing campaign. What will become of Turkey?

Now we have to take all of these possibilities into account. Now there are areas of difficulties. What difficulties? One is the Israel-Palestinian problem, the Middle East problem. You know, this government out of inexperience perhaps, wanted to play a very, very active role here. I think, or I hope they're experienced enough not to get involved too much except well wishing or offering its best services if

needed.

Rather than making, you know, statements disturbing the parties or one of the parties or the Americans. You know, what is really important. If we have domestic problems in Turkey then what I'm afraid is that the core ruling elements of the AKP could revert to their original, basically religious positions in foreign policy. That's the great danger in foreign policy of Turkey. I hope –

AMB. PARRIS: So you see a situation where many of the issues that I described could end up being driven by, shall we say, religious reflexes if the political situation in Turkey reaches a certain point of discontinuity.

AMBASSADOR AKTAN: That's what I mean. You expressed it better than me.

AMB. PARRIS: I dare say Suat will have a different perspective on this.

DR. KINIKLIOGLU: You bet.

(Laughter)

DR. KINIKLIOGLU: You know, I'm surprised by Ambassador Aktan's pessimism about our domestic problems.

AMB. PARRIS: I thought he sounded pretty optimistic actually.

DR. KINIKLIOGLU: I think we already had a very eventful

year in 2007. I think Turkish Democracy has proven that it has the capacity and the intellectual and social and cultural, political capacity to overcome talks of military coups and disruption of the Democratic order hindering the election of a President. And I think the Turkish electorate has very eloquently given a response to what has happened with giving us 47 percent of support and I'm proud to be in this Parliament that elected the eleventh President of the Turkish Republic with that strong mandate that the Turkish public has given us.

I agree that the global economy, there are some signs and I think coming here out of the United States and the U.K. and makes us try to find out what a sub-mortgage means. But I think the Turkish economy has become rather resistant to external shocks. Not that I should be talking about macroeconomic affairs that I am a humble political scientist with an international relations background. But Professor Gonensay, I think, this afternoon will probably enlighten us with his views on the economy.

DR. GONENSAY: Thank you for advertising my (inaudible) in the afternoon.

DR. KINIKLIOGLU: You're welcome. What can a co-panelist do?

But I, coming back to the original question of the regional politics, I believe it's not going to be a pinky and rosy next five, if not more,

years. The region we are in necessitates us to be very sober, very realistic about the actors and trends, but I think the United States has a great interest in working with Turkey in the region.

Turkey primarily is a security producing country in the region. It is a stable country with a growing economy of 7.5 percent over the last five years, \$30 billion of foreign direct investment in 2007 only. Thirty-five million of our citizens are under 28 years of age. We have a strong military army that is sometimes necessary in this region. And I think, in this respect while recognizing that there are challenges and problems ahead of us, I think we need to as I said earlier on, identify where we agree and where we will not be agreeing.

And Iran obviously is the major challenge in the region. How we will deal with Iran? While it has a potential of triggering a nuclear arms race in the region, will pose a security threat not only to the region but to Europe and that is a big challenge. But I think there is no need to be pessimistic that something in our domestic scene or the constitutional issue or the head scarf issue or whatnot. I think we have the capacity to overcome these things.

The Turkish economy also had the resistance to overcome sharks to the system. I am actually very optimistic about the coming years.

AMB. PARRIS: Including on the foreign policy set of issues

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that I –

DR. KINIKLIOGLU: Oh, yeah. I think I should respond to the religious motivations behind policy.

AMB. PARRIS: Yeah.

DR. KINIKLIOGLU: We don't have a religious outlook to foreign policy. Our only outlook is the interest of the Turkish Republic. We view our geographical location at the crossroad of the Balkans, the Black Sea, the Caucasus, the Middle East, and the Eastern Mediterranean. And we feel we are a pivotal state at the center of these regions and trying to project influence that's about moderation, about stability, and further economic and political integration with the actors. And that is only guided by the interest of our country and not by religion which should be between the individual and their god.

AMB. PARRIS: And is there sufficient common ground in that approach with what is current U.S. policy and likely to be U.S. policy under the next administration to justify expressions like strategic partnership as it applies to the region?

Or is that just a phrase we have outgrown?

DR. KINIKLIOGLU: I'm not sure about the strategic – I don't know why we keep dwelling on the strategic partnership terminology and why that is so. I mean, it would be great – I agree. As I said earlier we need to acknowledge and that's the number one. The Golden Age is over.

And I'll try to outline at the very beginning the structural factor that is working, that have been working in that direction.

What we need to acknowledge soberly that if our policy of engaging Syria is not to the liking of members, of people here in Washington we need to be maybe doing a better job in explaining what our motivations are and why we feel it makes sense and you know, we need to be in constant dialogue about what our policy intentions are. And Turkey is a country that had over 400 years of experience in the Middle East and I hope that in the United States that experience and political tradition and past will be taken to consideration when we offer our advice.

AMB. PARRIS: And when then next administration prepares its approach, presumably.

DR. KINIKLIOGLU: Exactly.

AMB. PARRIS: Yeah. Well, as the audience will have discovered by now the title of this session is a bit of a scam. That is, what the policies will be, what the relationship will be like after Bush. It's very difficult to look a year ahead. We don't know who the candidates will be. Although, that is getting clearer by the day it seems, maybe even by the hour. That said this is not an academic discussion.

The candidates are taking positions already, for example on the Armenian issue, which will quickly affect the tone and substance of U.S.-Turkish relations within days of the next President taking office. And

so, in that spirit and recognizing that it's a bit hokey and they may even decline to do this, I'm going to ask to conclude this section of the discussion and ask our panelists to give us one recommendation in terms of a positive thing that the next administration can do to get off on the right track with Turkey. And one recommendation in terms of by all means possible, avoid making this mistake.

So one positive, one negative and Gunduz we'll start with you.

AMBASSADOR AKTAN: Well, it's very difficult to answer your question. Perhaps we didn't dwell on some of the specific problems with a potential for, you know, creating problems between two countries. Kirkuk is on my mind.

If a referendum is held there, early referendum, that creates a problem without fulfilling all these conditions, three stage conditions. That could be a problem, therefore, if the new President decides to withdraw its troops now, the status of Kirkuk will be very important because of it's a key to the territory integrity of Iraq. And territorial integrity of Iraq is extremely important to Turkey.

The general advice one can give is, have a dialogue with Turkey. I know there are limits to a dialogue. I mean you cannot really devise your foreign policy through, really, talking with all your allies because there are so many allies you have, in Europe, in Far East,

everywhere. But you know, to talk with us as much as possible. And decide afterwards.

AMB. PARRIS: And what should they avoid?

AMBASSADOR AKTAN: Avoid Kirkuk. That's what I mean.

AMB. PARRIS: So get Kirkuk right, yeah.

AMBASSADOR AKTAN: One specific and one general advice.

AMB. PARRIS: Okay. So consult. Consult, consult and don't screw up Kirkuk on your way out.

AMBASSADOR AKTAN: Yeah.

AMB. PARRIS: Emre.

DR. GONENSAY: Yes, I think first of all let me put the parameters around the region that we both find ourselves. United States was here in this region, only indirectly in the past now she's directly here. We find ourselves in an extremely chaotic region where asymmetric war is raging from Afghanistan to Baghdad to Basra to Lebanon to Palestine and the super power cannot deal with this. This is the nature of asymmetric war.

This is rapidly eroding the deterrence of the super power of the United States. And this is a danger to all of us, to us, to the United States, to the Western world as a whole because it is emboldening these terrorists organizations.

The basic question is what do we do about this? How do we get out of this situation? Specifically and generally, so that the new administration should come to Turkey with such a question in its mind and have a very open high level, high stake dialogue with Turkey as to what do we do in this situation, how do we get out of it?

Not only the specifics Iraq, Iran, et cetera, but the whole global trap that we find ourselves in this region. And have a dialogue as I'm just putting some meat to what Aktan has said and I agree with Aktan. What to avoid? I think avoid giving advice on constitutional reform to Turkey.

AMB. PARRIS: And internal.

DR. GONENSAY: And internal constitutional reform.

Turkey is not a perfect, nothing is perfect, but Turkey is almost a perfect democracy. Whatever the United States says will be some marginal propositions that will simply sour the relations between Turkey and United States without establishing anything substantial. And of course, underlined within this of course, comes to never utter a political solution to the Kurdish problem without specifying what they mean.

AMB. PARRIS: What you mean by those terms.

DR. GONENSAY: What you mean by a political solution, because it can mean anything. It can mean a separate country within Turkey also.

AMB. PARRIS: So approach the dialogue from a comprehensive perspective.

DR. GONENSAY: Yes.

AMB. PARRIS: And with the humility to listen as well as --

DR. GONENSAY: Exactly.

AMB. PARRIS: -- to express category --

DR. GONENSAY: And learn.

AMB. PARRIS: And learn. And learn from Turkey's experience on the one hand, and not to -- and stay out of Turkish internal politics, essentially?

DR. GONENSAY: Yes. I mean, don't give any --

AMB. PARRIS: Don't preach.

DR. GONENSAY: -- democratic advice.

AMB. PARRIS: Don't preach on --

DR. GONENSAY: Don't preach.

AMB. PARRIS: -- on Turkish internal political issues.

SPEAKER: Yes. Yeah.

AMB. PARRIS: Suat?

DR. KINIKLIOGLU: I'll agree with both of the panelists. I think if I would have any advice to the next -- to the next American president, given that our prime minister was here in November and our president was here recently, I would suggest that the American president at the first possible opportunity would come to Turkey and sit down with our prime minister and engages in a very honest discussion, "Mr. Prime

Minister, we are interested in hearing about your views in the Middle East, in the region of the Black Sea, and the Caucasus,” and get into, as has been indicated a discussion that would acknowledge Turkey’s role and significance in the region.

What needs to be avoided on the foreign policy front is to push for a hastily done Kirkuk Referendum and to establish -- to change the emerging balance between Turks and Kurds in the region.

We’ve seen a reversal now with the last cooperation of the last couple of months, but a new president should not reverse this trend of having a more balanced approach towards Turks and Kurds in the region.

AMB. PARRIS: So visit Turkey first?

DR. KINIKLIOGLU: Yes. You’re welcomed.

AMB. PARRIS: And maintain the approach towards Northern Iraq and the balance between our interests there and in Turkey that has characterized U.S. policy for the past several months --

DR. KINIKLIOGLU: Yes.

AMB. PARRIS: -- essentially. None of you has mentioned use of the “G” word in the President’s First Annual Message, which would come in about April. I assume that -- would any of you want to say anything concrete about the impact of that?

I mean, obviously it would be bad, but -- does this have the potential to spoil this at the outset or will bigger interests override this, because it’s going to be there?

AMB. AKTAN: Well, it is -- it’s going to -- then we’re going to

start on a very sour note, and that's obvious.

AMB. PARRIS: No disagreement there, I assume?

DR. KINIKLIOGLU: Yes. I mean, H.R. 106 needs to be prevented to come to the floor. I think --

AMB. PARRIS: Do any of you have any last comments before I open it up to the audience?

DR. GONENSAY: Let me say a few words about the "G" word.

AMB. PARRIS: Yes. Yes, you of all people.

DR. GONENSAY: I think Turkish-Armenian relations are becoming really problematic. Now what is really important here is to put aside this G word and develop our relations. How can we do it?

And Turkey cannot accept genocide; cannot recognize genocide, and Armenian leadership, even if Dashnaktsutyun is elected. It doesn't do what to with this issue. We have to find a way out. I think the only way out is a legal one.

I don't think that we can solve this problem through negotiations or through a commission of historians. Personally, I witnessed, you know, the both group of historians, you know, discussing this matter. Historians are more nationalistic than diplomats. You cannot imagine.

And the best way to solve it is either through adjudication, which is difficult, but Turkey can anytime invite Armenia or any other country which thinks that the events of 1915 constituted genocide to the International Court of Justice at The Hague under Article IX of the

Convention or else there is a better way to settle it through arbitration.

That's the only way, and we all know that, you know, both arbitration or adjudication take years to conclude.

In the meantime, you know, while we are putting aside this, you know, very sensitive issue for both countries, for both peoples, we can focus on developing our relations.

AMB. PARRIS: Bilateral relations.

AMB. AKTAN: Yeah.

AMB. PARRIS: Mm hmm. Thank you. Comments? All right. I'm taking questions from the audience. We have a microphone, which will come to you. Please identify yourself. Tulin?

MS. TALOGLU: Ambassador. This is Tulin Taloglu with the Washington Times.

My question is to Suat Kiniklioglu. You describe on talking about the Turkish foreign policy that Turkey disagrees with the United States on its dealing with Syria. And you also describe that -- you also describe Iran as a challenge.

So reading between the lines, your message may mean that there is no common understanding of strategic interests between the United States and Turkey. Will that be accurate?

DR. KINIKLIOGLU: You're reading too much into the between the lines. I don't intend to say that.

I think, although I hinted at that we have different views on Syria, it appears about over the last six, seven months, if not more, that the United States' understanding of our approach towards Syria has

become more appreciative and cognizant of what we are after.

Iran, as I said, is a big challenge for everyone, and I don't think neither (sic) nor anyone in Ankara has an answer yet.

But we believe that, at least from our own perspective, that we need to engage, integrate, create interdependencies with countries like Iran, Iraq -- Iran and Syria -- that would facilitate dialogue.

I can give you an example. When the 15 British soldiers were captured by the Iranians, it was the good offices of our prime minister and the Ministry of Foreign Affairs which was extremely effective in facilitating the early release of these 15 soldiers.

It only was possible because the Iranians felt that the advice and approach coming from us was credible, and it made a difference.

Now, this is a very small example, but we believe engaging with these actors, however rogue they are, is better approach than squeezing them in a cornea and radicalize them. And we know the nuclear issue is radicalizing domestically and uniting people around Ahmadinejad that, otherwise, may have not been the case.

AMB. PARRIS: Right here.

MR. ENGINSOY: Umit Enginsoy, Turkish NT Television.
My question is for Ambassador Aktan.

It's not directly related to the U.S.-Turkish relationship, but it's very much related the top agenda item in Turkey these days, which is the Islamic headscarf thing.

Mr. Ambassador, your party has been cooperating with the ruling party to lift or ease the headscarf ban in universities.

Personally speaking, are you comfortable with this in terms of your party's position and with the administration of your party, are you looking eye-to-eye on that? Thank you.

AMB. AKTAN: A somewhat personal question. You know the reason why I left Turkey abruptly and came here to participate in this panel, you mean?

You see headscarf issue -- as was mentioned a moment ago, we helped the AKP to overcome the presidential crisis. Without the help of MHP, I don't think they could really overcome that problem.

Now, the second time we are helping them to overcome this problem also. And without our help, apparently, despite the fact that they have enough votes, they couldn't solve this problem. Without our help, they couldn't have solved it.

Now, the second aspect of this problem is that it is not a problem related exclusively to the headscarf issue. It is a much wider problem, a problem of secularism in Turkey.

Now, the reason why the MHP, I mean, the President of the MHP said it several times that it helped the AKP is to get rid of these kind of issues which create tension so that Turkey, with all its energy, focuses on other much more important, vital, some of them life and death issues, like the Southeast, the PKK issue, and everything.

This is a sterile issue. We keep talking about it with no solution in sight. Now, let's get rid of it.

Now, the second aspect of the question is can we solve it through a constitutional amendment? I mean, this is the second aspect of

this problem.

In my mind, it is worth trying, but I'm not sure whether we can solve it. Why? It's very difficult to explain to an American audience. I mean, our constitution is a different sort of animal.

It is a kind of closed system. You can amend the -- amend one of the provisions of this constitution; yet, the constitutional court may reject it if it is against the unamendable first three articles of the constitution.

And the secularism, or laicism in our language, is in this part of this constitution. And if the constitutional court considers this amendment against the first, you know, part of this constitution, it is of no use; okay?

So, we don't know whether we solved it or not.

AMB. PARRIS: There was a question here. Yeah.

MS. OZYURT: Thank you. Ahu Ozyurt from CNN Turkey. My question is to Dr. Suat Kiniklioglu. I didn't hear in your lineup of priorities, foreign policy priorities, the possibility of EU accession.

Has the AKP completely dropped it out of its agenda?

DR. KINIKLIOGLU: You know, I'm Deputy Chairman of the party responsible for EU affairs, so I -- you're right. I mean, I should have mentioned, and I think I mentioned that the United States support on the EU issue is critical for us.

But we live in a world where the Middle East dominates so much of the discourse, and it's so -- especially when you're in Washington -- Iran, Syria, Iraq, Lebanon, Israel, Palestine. So therefore, we tend to

give more space to that discussion.

There's no doubt that the accession to the European Union is a primary foreign policy objective. We're working hard for it.

I acknowledge 2007 has been a lost year, and it's not only due to the crisis that we have in Turkey, but also due to the rising insistence on President Sarkozy and the Euro skepticism on Turkish membership.

But 2008 is going to be a year where we will prove and show to our citizens that we mean what we said. I mean, we got into power in 2002, and you will see soon reform packages, Article 301, the Foundations Law, being passed in parliament; and a new communications strategy that will allow us to communicate to European elites in public opinion that have concerns about Turkish membership.

MS. OZYURT: Can I follow up on Article 301?

AMB. AKTAN: 301?

MS. OZYURT: Yes, Article 301. I don't think that's an important article. Personally, I wouldn't, you know, I wouldn't have given much attention to that. There are some very important obstacles in the path to Turkish membership, very important ones, some of them structural.

And why? The first main obstacle is the identity politics, which are -- become prevailing in Europe at the moment, especially two major countries like France and Germany; okay?

On the basis of religion, they don't want to make Turkey a full member. Then they can use all sorts of excuses, and I'm very much

afraid that 301 can be one of those excuses.

There is a Cyprus question. I mean, they made Cyprus, Greek Cypriot, part of Cyprus a member despite the fact that the problem has not been resolved between the two countries. That was against the EU policy.

Why on earth they made Cyprus a full member knowing full well that the Greek Cypriots have to use their power, you know, to extract all sorts of concessions from the Turkish side.

And, at the moment, now, they're asking certain things that we can never give. I mean, this is the situation. This is one of the problems that we cannot really get around. There are so many problems; 301 is not that important.

AMB. PARRIS: Right here. Oh, yeah.

DR. KINIKLIOGLU: Just-I think just to -- complementing what I said and what Ambassador Aktan said, we need to acknowledge that we have a problem with Turkish public opinion. The challenge in the EU business is no longer to convince Europeans that the EU -- that Turkey should become a member.

The challenge at the moment is to convince our own citizens that the EU drive is worth continuing. And when we devised the communications of the (inaudible), I refer to it -- it has actually a significant domestic component as well, because, as you all know, the EU -- the issue -- the EU issue has become an issue that's rather problematic domestically as well.

AMB. PARRIS: Emre?

DR. GONENSAY: Yeah, let me come on the EU issue also since I've part of it for the last 35 or 40 years and clamoring for EU full membership.

And I am now probably joined your Turkish public, which is part of the part of the part Turkish public who expects skeptical (sic) about this.

My advice would be that we should continue, not push, but continue, the slow tango, a very slow tango, of keeping engaged in these accession talks without breaking it, without making any serious concessions.

Let it go on for 10 or 15 years. We'll see what the European Union will be like in 10 or 15 years, and we'll make our decision then, because the decision will not be an option any earlier than that anyhow.

So let's not get excited. Let's not disengage from the accession talks, but let's have a slow tango, and let us also explain to the Europeans to have the wisdom to do this slow tango with us, and then we see after 10 or 15 years what we want to do.

The European Union unfortunately is beset with a lot of problems, and at the end of this 10 or 15 years, we may decide not to join as full member, but have a different kind of arrangement.

And it will be very I think unconstructive to talk about what kind of an arrangement that might be in the future now. This is not the time to talk about the shape of things to come. We will define it. We will see it when it comes.

AMB. PARRIS: EI.

DR. ROSSKAM: Good morning. Dr. Ellen Rosskam from the Woodrow Wilson Center.

I wonder if you would allow me a little grace to change the angle of the discourse just a little bit --

AMB. PARRIS: Sure.

DR. ROSSKAM: -- because the focus is so much here in Washington on the issues that have been under discussion.

I'd like to ask you for a moment to comment on the fantastic initiative that the Turkish government introduced in '06 that has received actually far too little publicity to give direct cash transfers to families for children to go to school, underprivileged families, vulnerable families, particularly in getting girl children into school, but also cash transfers for boys.

Obviously, this really leads to a reduction of child labor. It allows families to stop having to migrate for agricultural work on a regular basis, allowing their children to remain in school.

There is a program in Brazil that has been hailed and is adopted in cities similar to this, and this is such a wonderful initiative, having already great success in Turkey, I personally would like to see this have far more publicity and extension, because it's a model, and it's one of the kind of policy alternatives that are base on principles of universalism that Turkey could really --

AMB. PARRIS: Thank you.

DR. ROSSKAM: -- rock everybody a bit.

AMB. PARRIS: Anybody want to take this? Anybody have

any familiarity with the program?

AMB. AKTAN: Suat is possibly familiar.

DR. KINIKLIOGLU: I mean, it's -- thank you for raising it, and I would just add to it, for instance, what we introduced free textbooks for -- university textbooks -- for state schoolchildren. When kids start in school now, when they come first day at school, they have their textbooks ready, all of them free by the state.

I mean, we -- but what needs to be underlined here is what allows us to do that is the seven and a half percent of average growth for the last five years, to which the EU anchor -- and I fully agree with Professor Gonensay -- that the EU anchor needs to continue which allows that foreign direct investment and the money to come in and our economy to grow, which allows us to do what you just outlined.

AMB. PARRIS: Other? Sir?

MR. SINJA: Isat Sinja. Secularism is one of the fundamental principles of our regime and constitution; so is democracy. When some people say secularism is in danger, we hear a lot of condemnation from all sources in the country, especially the media.

I understand that certainly. We have to be sensitive.

My question is why aren't we showing the same kind of sensitivity when it comes to the dangers to democracy because of the recent news about secret societies which aim openly to topple the present government and go out of democracy in Turkey? Why don't we defend with the same sense of support democracy in our constitution?

How do you explain that, please?

AMB. PARRIS: You want to take a cut at that? You were a foreign minister during Susulik, were you not?

DR. GONENSAY: No, I wasn't.

AMB. PARRIS: You weren't?

DR. GONENSAY: No. Susulik was after me.

AMB. PARRIS: Was after you? But I mean, there's no direct relation, but you've watched this problem for some --

DR. GONENSAY: I know, but I don't know -- I really have -- I don't know what to say. I mean, this is a secret game, secret societies. Are we seeing just the top of the pyramid? What is at the bottom of the pyramid? This spy games, intelligence games. It's very difficult to comment on them without really knowing what it is role that is about. There's a lot of speculation.

Of course, we are all against such organizations, because they are a threat to democracy obviously. But what are they? Who drives them? Who's responsible, I cannot comment on this except that, of course, they are a big danger to democracy.

AMB. PARRIS: You want to comment?

AMB. AKTAN: I don't know whether it is a big danger to democracy or not, because they've discovered, you know, a similar sort of gang about a year ago. Nothing came out of it.

So, I think once again, you know, with that gang, the same persons were in, you know, were charged of, you know, committing more or less the same crimes. I do not know.

You know, I don't think they constitute a real threat to

Turkish democracy. The threat comes from within democracy. You know, if democracy cannot solve major problems in Turkey, that could be a kind of delegitimization of democracy. That's very important. We keep talking about democratic values, you know -- respect for human rights and everything. These are fine. But democratic regimes should solve problems, very real problems -- economic problems, social problems. I think that is the real danger. Suat?

DR. KINIKLIOGLU: Thank you very much for raising that. I think this is the crux of what's happening in Turkey right now. And I believe we are going through historic times.

I believe the July 22nd, 2007 election will be remembered 40, 50 years later as the turning point when Turkish democracy chose to normalize; that transparency, democracy, with all its ups and downs, its shortcomings, its problems, and I agree it's not going to be a sweet, soft ride.

But it was a turning point when Turkish democracy -- the Turkish electorate made a clear preference and choice in favor of democracy.

Now, it's us. A couple of years later, it might be another party, but Turkey made a critical point where the individual transparency, the European-style democracy is dominant over an exclusive state elite that thought it could run the country to whatever ideals and framework it had in mind.

So, there's a lot of source for optimism and appreciation of what has happened, but the discovery and the apprehension of this nasty

network shows. Obviously, there are still remnants, and people who have rather different designs in mind.

But the good news is who's there right now in prison or are being interrogated and hopefully will get sentences that will put them behind bars for a long time.

AMB. PARRIS: Further questions? Is it a short one?

MS. OZYURT: If you permit me, this is more or less for Dr. Gonensay.

Would you consider to soften this rollercoaster ride being a model country, introducing in Europe, which no western European country has done, but are (sic) considering, a minimum income to lift the floor for the whole country as a universalist approach and doing away with means tested conditionality-based benefits?

DR. GONENSAY: For schooling or in general?

MS. OZYURT: In general to the population.

DR. GONENSAY: In general, this is like a social safety net that the IMF sometimes proposes; that there should be a minimum income guarantee for every -- is that what you are saying?

MS. OZYURT: (off mike) It is, but I (inaudible)

DR. GONENSAY: No, no. The IMF has a plan like that. Yes. No, no, no. I am -- you may be unaware of it, but the IMF has a proposal like that --

AMB. PARRIS: That's the idea. Whether -- that's the idea --

DR. GONENSAY: -- from time to time.

AMB. PARRIS: -- without regard to ownership.

DR. GONENSAY: They are not applying, but they're proposing it to countries that there should be a minimum income, a social safety net, especially in times when there's a economic crisis, and you have measures to belt tighten; that the hardest hit should not fall below that net, and should be guaranteed an income.

I think more or less I'm in favor of that as long as this does not derail the basic stabilization program, meaning if you have the means to be able to finance this.

But in principle, yes.

AMB. PARRIS: A question there and then a question there, and then I think we'll have to draw this to a close.

MR. HANTENER: En Hantener, and this is for Mr. Kiniklioglu. If the not -- this is not for the religious outlook. What is the reason inviting President of a country, Sudan, who's blamed genocide, the most recent genocide in the world?

DR. KINIKLIOGLU: Okay. I've been here for now four or five days, and I think I've been confronted with this question quite a bit, so I think I'm trained to answer you now.

First of all, let me underline I don't know how this trip has been developed and how it's been structured, and the first thing when I go back I will look into it.

But let me underline that the Sudanese elite has a special appreciation for Ottoman history, Ottoman past, and the links between Turkey and Sudan have been developing on that grounds.

We have a Turkish International Development Agency Office

in Darfur that assists the tragedy in Darfur. Our prime minister visited I think in 2006 or early 2007 Sudan and Darfur, and expressed his sympathy with what's happened -- with the people who have been subject of what's going on by the regime over there.

But let me underline when the President of Sudan is in Ankara, he has been in no uncertain words told that what he's or what his government is alleged to be doing in Darfur is not acceptable -- very clear, uncertain terms -- both by our president and by our prime minister.

But as I said, I am not privy to further details about what this trip is all about and if you'll leave me your e-mail address, I'd be willing to provide you with more feedback.

AMB. PARRIS: The last question.

MR. JOHNSON: Yes, Bill Johnson with Intelligence Review. Given the situation, the instabilities that Dr. Gonensay pointed out in the region, one of the major issues is, of course, the Arab-Palestine conflict, in which it seems that Turkey has been relegated more or less to a (inaudible) role with respects, and the U.S. has taken another initiative after Annapolis to try and get something moving. It seems to be going too far (inaudible) with what's happening Gaza.

And I was wondering is it your view or the view or the view of the people on the panel that Turkey should play and could play a more important role given the relationships you have with Israel and your interest the stability of the region; if you plan to create some kind of a regional structure in which this conflict could be dealt with and (inaudible) pretty much. Will there be interest as the Turks try to move --

DR. GONENSAY: I think you came up with the most difficult question and fired it at me at the last moment.

I think -- I'd theoretically, ideally, Turkey should and can play a role or should play role, but I'm not sure whether it can play a role, a creative role.

I am a bit sort of pessimistic about this problem. This problem has been going on for the last hundred years, at a minimum, starting with the settlements, Jewish settlements, during the Ottoman Empire, and has been a history of escalating violence all over with both sides ideologically, religiously committed to their own agenda.

It's a very difficult thing to find a solution, as the recent history has shown. What can Turkey do? Should Turkey become involved? I don't know. I'm a bit confused about this, ambivalent about this, but perhaps Suat might --

DR. KINIKLIOGLU: I've talked too much.

AMB. PARRIS: You'll -- I'll give you the last word on that.

AMB. AKTAN: In any case, I think you will speak after me. You see, first of all, I do not believe in the theory of regional power. Second, I don't think Turkey should play a very, very active role in, you know, for this problem. I don't think it is necessary.

Thirdly, if Turkey really wants to play a modest role to help the two sides, you know, to come together, to discuss, you know, facilitate or whatever, Turkish foreign policy should be thoroughly secularized; otherwise, you know, we are -- we may be closer to one side than to the

other and cannot really command the trust of the both sides.

AMB. PARRIS: Suat, last word?

DR. KINIKLIOGLU: I mean, I think Turkey should play a role in the Middle East, and that's why opposition and government don't agree.

But if you have followed the visit of President Shimon Peres and President Abbas, right before Annapolis, I was privileged to be in parliament when they spoke to us in parliament.

I think it was a growing -- the confirmation of a growing trend in the region that many actors in the Middle East view us as an impartial partner; that we can engage with the Iranians, with the Saudis, with the Lebanese, with the Palestinians and Israelis.

We believe also in the intellectual underpinnings of our foreign policy that former Ottoman geography -- that we have a responsibility to be part as a constructive partner wherever we can.

We are probably not on our own capable of solving or providing the economic political capital to solve the whole thing on our own, but I think with our allies, and most importantly the United States, we could be a constructive partner in doing this together.

And in that respect, our role and policy has value.

AMB. PARRIS: Well, I want to thank all of you for coming. I want to thank our panelists for being here with us. I see that the State Department and Turkish Embassy have their note takers here, so presumably the transition team for the next Administration, respectively, and the Turks as they prepare to approach the next Administration will have the benefit of our wisdom here today.

I want to thank all of you who over the last year have participated in these sessions. You help to make them relevant and helped to carry the insights that you've heard here from our Turkish representatives to a much broader audience. I appreciate that, and I'd like to ask you to join me in giving our participants today a big hand of applause for a wonderful job.

(Applause)

AMB. PARRIS: Let me add that the transcript for this event, verbatim transcript, as well for all of our previous events, is available on the Brookings Web site. So take advantage of it if you deem it necessary. Thank you, again.

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