

## Insights into Turkish Domestic and International Politics during April 1-15<sup>th</sup> 2013

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### Key Points:

- *Turkey and Israel take small steps in resuming normalized relations. Both are to formalize financial compensation for the Mavi Marmara incident, while Turkey is leaning on the victims' families to drop their court cases against Israeli military personnel.*
- *NATO is set to benefit from the reset which allows Israel's participation in alliance activities as a member of the Mediterranean Dialogue.*
- *Energy cooperation brings Turkey and the KRG of Iraq closer in spite of Baghdad's objections. Turkish-Anglo firm Genel is set to profit from its early investments into the oil fields in the Kurdish north of Iraq.*
- *A cease fire continues to hold between the government and PKK, though Kurdish fighters are reluctant to give up their arms until a formal peace deal is agreed to. AKP leadership on the issue is causing splits in the main opposition CHP, with a nationalist camp opposed to the talks causing a pronounced rift to emerge in the party.*
- *A Turkish pianist is charged with hate speech for incendiary remarks against Muslims on his Twitter account. His conviction and other cases of free speech prosecutions are a dark stain on the AKP's otherwise impressive governing record.*

### **Turkish-Israeli relations**

*While some observers believed the rapprochement between Israel and Turkey would be swift, reconnecting after such a long breakdown will take time. Prime Minister Tayyip Erdogan emerged as the clear winner in the issue in securing an Israeli apology. But his government has been relatively quiet about its diplomatic victory in securing compensation for the families of the victims of the Mavi Marmara. Though Israel scaled back its blockade of Gaza following its military action there in October 2012, the cordon sanitaire has not ceased entirely. This is a point that the Turkish government appears happy to not bring up.*

Erdogan has said he may visit the Palestinian territories to see the state of the relaxed blockade, but has otherwise been rather coy following the Israeli apology. Remarks by AKP-government officials in the press warned the Israelis that the amount of compensation was not negotiable. However, these remarks should be viewed in the context of politicians playing to their domestic constituents. In fact, Turkish officials have been urging the victims' families to drop their court cases against Israeli military personnel.

As the dispute is settled and Erdogan basks in his victory, business as usual is setting in on the once close relationship. Especially happy about the recent turn of events is NATO, which as an organization is looking forward to renewing the partnership with Israel, which is a member of its Mediterranean Dialogue. For three years since the Turkish-Israeli rupture, Ankara has blocked Israeli participation in all organization meetings and military exercises. With reports that the U.K. and France now believing that chemical agents have been used in Syria, NATO can use all the support available from the region's dominant military and intelligence power.

With ties thawing, the military industrial complex of each nation is set to renew a lucrative relationship. Turkey has used Israeli technology, especially in the form of surveillance drones, along its borders. This point is important as the country's southern neighbor, Syria, enters into its third year of civil war. Another

facet of this is the recent resumption of an Israeli technology exchange for Turkey's AWACS aircraft systems. Boeing, which recently paid a fine to Turkey for delays in the program, suffered from the Israeli-Turkish spat when Israeli contractor Elta was placed on a Ministry of Defence licensing block intended to stop the delivery of the system to Turkey. All geopolitical concerns aside, President Barak Obama had Boeing's contractual obligations in mind when pushing Israel to issue the apology. While Erdogan emerged as the victor, the unheralded beneficiaries are the United States and NATO.

### **Iraqi-Kurdistan**

*Turkish-Anglo firm Genel is making noise for its moves in Iraqi-Kurdistan, where it is leading the way in production in the oil fields at Taq Taq and Tawke. Those fields alone have a 1.4 billion barrel potential along with an estimated 1.9 billion reserve potential. While the company has been delivering oil via overland truck to Turkey, it began selling on the open market early this month, causing consternation in Baghdad. For now it appears the shipping via these fields will continue, and should the Iraqi government fail to act on what it has deemed "smuggling" by Genel, the company stands to profit. Turkey reaps the benefits of the current impasse in Iraq as well, paying lower prices for importing oil and gas while also recently securing the KRG's stake in Exxon Mobil's projects there.*

However if Prime Minister Nouri al-Maliki moves to protect its view that the federal government is the sole authority for exporting energy supplies, Genel could suffer dire losses. Al-Maliki paid lip service to reaching a political agreement over the issue, saying his government welcomes any step at reproachment. But the Kirkuk-Ceyhan pipeline remains closed from a December pricing dispute, and as progress continues on a pipeline running from the KRG to Turkey, Baghdad may be forced to act. Dialogue is continuing, both in private meetings and in the press, though Iraqi Oil Minister Abdul Kareem al-Luaibi told Bloomberg that Turkey is bound to a 15 year agreement to deal

with the central government on all oil-related business. ("Iraq's unity hinges on flexibility over Kurd oil", *Bloomberg*, 15 April 2013).

### **PKK Peace Deal – Domestic Political Reaction**

*No major breakdowns have taken place since the ceasefire announcement over the Nowruz holiday by PKK leader Abdullah Ocalan. The main sticking point is the hesitance of PKK fighters to lay down their arms. Erdogan, always plain spoken, has stated that "We don't care where those withdrawing leave their weapons or even whether they bury them. They must put them down and go. Because otherwise this situation is very open to provocation."*

To a point the prime minister is correct. It would only take one errant PKK unit to spark an incident causing the entire peace agreement to collapse. But the nominal military leader of the PKK, Murat Karayilan, has referenced the 1999 withdrawal (and ensuing resumption of hostilities) as cause for their hesitation. Kurdish BDP co-leader Selahattin Demirtas, who has been meeting with the Ocalan in prison, has urged caution to the prime minister's demands.

"(He) says disarmament must occur but even he knows that is technically impossible...we shouldn't get too hung up on this issue, and it appears that the government won't turn this into a crisis."

There are an estimated 2,500 fighters in the borderlands of Turkey and Iraq.

While such a hang up is normal, the delays facing Parliament's constitutional committee are likely prolonging the standoff. If progress is made in redefining the requisites for Turkish citizenship – away from being ethnically Turk – BDP support could help convince the PKK to proceed with its withdrawal. Placating Karayilan could especially boost Turkey's efforts in Syria, where Karayilan is said to exercise considerable influence over the Democratic Union Party, which is in control of that country's Kurdish regions.

The CHP, which also has Kurdish politicians and supporters, is in the midst of its own internal fight

over the cease fire. CHP deputy chair Gulseren Onanc was forced to resign after stating that 65 percent of the party is for the peace process. There is a growing divide in the country's main opposition party over the discussions, with the emergence of a nationalist camp stating its opposition to the deal. In her resignation statement, Onanc may have summed up the problem facing the CHP in terms of its continued lack of success vis-a-vis the AKP.

Saying the AKP was undertaking the deal without consulting the opposition, "the CHP must put forward its political approach in an open and clear way."

As many opposition parties tend to do after decades in the minority, simply being opposed to the majority party is not enough to win over voters. New and unique ideas are the only way to break out of the cycle of electoral defeat after electoral defeat, a strategy the party of Ataturk appears to lack.

### **Freedom of Speech**

*On April 15, the highly publicized case of Turkish pianist Fazil Say reached its conclusion, when an Istanbul court handed down a 10-month suspended sentence for blasphemy. Say, an avowed atheist, was charged with the offense after remarks he made on Twitter saying "I am not sure if you have also realized it, but if there's a louse, a non-entity, a lowlife, a thief or a fool, it's always an Allah-ist".*

Say reacted to the judgment, calling it politically motivated. Though Turkey is constitutionally secular, the charges were brought up under Article 216 of the penal code for hate speech. If he repeats the offense, he faces an additional five years in prison.

The case was criticized in the West, with Say's defenders commenting on the influence of religion into the once staunchly secular Turkish republic. Opposition politicians and pundits inside Turkey have been less outspoken against the ruling in a country that is 99 percent Muslim and where many voters deplore Say's remarks. Most high profile was Turkey's EU Minister Egemen Bagis, who told reporters "we cannot be pleased that either Fazil Say or any of our

citizens are prosecuted for what they say or think...I wish the courts had evaluated this artist's steps within the context of his freedom to be absurd."

The country also continues to be the globe's leading jailer of members of the media, many of these connected to supporting terrorism due to their coverage of the PKK. The case of reporter Omer Celik, best exemplifies this. Celik faces 15 years in prison on charges that he was "acting on orders of a terrorist organization" for his political reporting on the Kurdish BDP party.

The country has largely benefitted from the stewardship of the AKP over the last decade, but the strict interpretations of "hate speech" and "supporting a terrorist group" charges are a stain on the party's leadership. One questions why prosecutions of nationalist politicians for offensive remarks directed at the country's religious and ethnic minorities are not prosecuted with as much zeal. The narrative that is emerging from cases like Say's is that free speech is allowed, except in cases where it offends the country's ethnic Turk, Sunni majority.

### **Pipelines and the Economy**

*Nabucco West is in talks to bring in another European partner to join with Bulgaria's BEH, Turkey's BOTAS, Hungary's MOL, Austria's OMV and Romania's Transgaz. The idea was precipitated by RWE's sale of its 17 percent stake in the pipeline deal to OMV. According to remarks from the pipeline's managing*

*director Reinhard Mitschek, a "further evolution of the shareholder structure" is likely. There are hopes that the project is overly reliant on state-owned companies and needs an infusion of private held investors.*

Turkey's natural gas imports are suffering due to a lack of infrastructure in its pumping stations connecting Azerbaijan and Iran. When the Dogubayazit compressor station connecting Turkey's pipelines to Iran are operational, Azeri gas from the Hanak station is unable to be pumped in at the same time. The problem is reciprocal. BOTAS is currently finalizing preparations to open the recently constructed Evzincan pumping station, but there have been unspecified delays in getting that platform operational. Given Turkey's reliance on gas to run its strained electrical production system, the lack of full capacity pumping stations is vital given that Iran supplies 20 percent of the country's gas while Azerbaijan provides 12.

The Finance Ministry is working with Parliament to introduce a new cash repatriation law intended to raise \$130 billion annually. A similar law was passed at the height of the 2008 financial crisis and placed a 2 percent levy on all incoming cash transfers. Specifics on the rate have not been released, but the opposition CHP is opposed to the proposition saying that such laws create incentive for large scale money laundering operations that fund organizations like the PKK.

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