

## Insights into Turkish Domestic and International Politics during September 1-15<sup>th</sup> 2012

### Key Points:

- *Anti-American protests engulf the Middle East, leaving the U.S. Ambassador to Libya and three other embassy staff dead. Prime Minister Erdogan is the most prominent Muslim leader to criticize violence in the name of religion.*
- *Bloodshed in Syria continues, although Turkish public opinion remains opposed to military intervention.*
- *PKK-TSK fighting increases in the country's southeast, with Ankara focused on PKK fighters' control of safe havens in northern Syria.*
- *Baghdad halts new registrations for foreign firms, affecting Turkish investment in Iraq. Oil agreement reached by Erbil and Iraqi Oil Ministry may sooth tensions, but conviction in absentia of renegade, former-deputy-president, Tareq al-Hashemi, remains a sore point in Turkish-Iraqi relations*
- *Turkey and Iran may be on the verge of another energy related dispute and possible arbitration round, as Tehran continues to level Ankara with high gas prices.*

**Anti-American protests**

*A protest at the American consulate in Benghazi, Libya, resulted in the death of the American ambassador and three officials, after Muslims outraged by an antagonistic Youtube video denigrating the Prophet Mohammed vented their rage on September 11. In addition to Benghazi, protests in Cairo turned violent as members of the crowd scaled the walls of the U.S. embassy, actions notably cheered on by the Arabic language Twitter feed of Egypt's Muslim Brotherhood. Egypt's newly elected President, Mohammed Morsi, remained silent until prompted to speak out following a terse conversation with President Barak Obama. But Turkish Prime Minister, Tayyip Erdogan's, poignant and well-articulated condemnation of the violence in the name of religion was indicative of the leadership quality of the AKP leader: "Those who carry out such actions by exploiting Islamic rhetoric and symbols harm Muslims the most. Therefore, both those who are behind this movie and those who carry out terrorist acts should be condemned with hatred."*

*While the Arab Spring has been a trying time for the region and newly elected democracies have been compared with Turkey's, Erdogan's forceful statement should offer hope to doubters of Islamist democracies. Instead of playing to constituents' anger at the intentionally inflammatory portrayal of the Prophet Mohammed, Erdogan took the high ground of condemning the film, but more so the violence invoked on its behalf. It can't be a coincidence that as violent protests continued in a number of Muslim majority countries around the globe on Friday 14 September, Turkey was notably calm. Like all democracies, Turkey has its flaws, but the public's response to the asinine video – or lack thereof - was indicative of a mature and democratic society.*

**Syria**

*Attention on Syria waned in light of the anti-American protests and news of the death of the American*

*ambassador to Libya and embassy staff. However, the violence continues as Erdogan attempts to coalesce support for concrete action against Syria's President, Bashar al-Assad.*

*"The massacres in Syria that gain strength from the international community's indifference are continuing to increase," said an exasperated Erdogan. "The regime in Syria has now become a terrorist state. We do not have the luxury to be indifferent to what is happening there."*

*The country's AKP leadership continues to call on NATO to establish safe zones inside of Syria to help with its burgeoning refugee problem. But the Alliance's Deputy Secretary General, Alexander Vershbow, recently said it was not currently weighing military options since no member nation had made a formal request to do so. Unnamed Turkish officials have commented that the West – especially the U.S. – has left Turkey holding the bag without any support. Erdogan himself eluded Washington's inaction due to the upcoming November presidential elections.*

*In the ever complicated Kurdish aspect to the Syrian crisis, opposition parties like the CHP and MHP continue to play up fears of PKK resurgence in northern Syria. Both have found that the AKP's stance on Syria - unpopular with many voters - has been their most successful cudgel after a decade spent wandering in the political wilderness of Turkish politics.*

*PKK fighters aligned with the Democratic Union Party (a Syrian-based affiliate of the PKK), now control large parts of northern Syria. A byproduct of this has been the upswing in violence between Turkish Security Forces (TSK) and PKK militants in the Turkish southeast. Ankara has given the TSK the green light to pursue fleeing militants across the Syrian border if necessary. In such a scenario, the possibility of Syrian, Turkish and PKK forces exchanging fire could potentially drag the country into a regional and ethnically split conflict. Opinion polls in Turkey reflect the populace's ambivalence on entering the fray, and*

leaves the AKP without the domestic support it normally takes for granted.

Without America's backing, NATO is unlikely to take responsibility for safe zones in Syria. The only way that this may happen before the American elections would be as a result of a large scale Syrian incursion into Turkey. It can only be assumed that Bashar al-Assad is hardly pleased with Ankara's support of the opposition movement, but is smart enough to keep his forces focused on internal threats and away from a NATO member's borders. Until then, the civil war will continue despite Erdogan's protestations.

### Iraq

*Relations between Iraq and Turkey were bound to further deteriorate when an Iraqi court condemned former Sunni Vice President, Tareq al-Hashemi, to death for running an assassination squad in post-invasion Iraq. Al-Hashemi, who remains in Turkey at the invitation of Prime Minister Erdogan, claims the conviction is a political vendetta by Shia lawmakers, notably Iraqi Prime Minister Nouri al-Maliki. In addition to tensions over Ankara's oil deals with the Kurdish Regional Government (EGF Turkey File, August 2012) and Syria, al-Maliki and Erdogan have exchanged insults in the press. The al-Hashemi issue threatens economic and regional stability and likely contributed to the Iraqi Trade Ministry's freeze in registering new companies for business in the country, though the ministry officially denies this is a factor. As Turkey's second largest export market, Iraq already has 366 Turkish firms registered for business. While it won't affect current registrations, it will halt all new business ventures in the near future.*

In the short term, Turkish firms awaiting registration will suffer the most in being locked out of a market that has historically been a solid place for investment. However, Iraq's still budding infrastructure and lack of technological know-how in a number of sectors could face investment shortfalls in the longer term, which could lead to a return of Turkish business.

As relations between Iraq and Turkey remain tense over al-Hashemi, an agreement reached between the KRG and Baghdad's Oil Ministry on September 13 may help sooth the rift over Ankara's oil import deal with Erbil. According to a ministry spokesman, the central government and the KRG reached an accord in which the KRG would continue to export oil and the ministry would pay foreign companies operating there. The issue has been a flashpoint in Iraqi-Kurdish relations as Ankara has established good working relations with leaders in Erbil to secure supplies for its own expanding domestic needs. However, the agreement does not solve the ongoing dispute between the regional and central government over exploration deals signed by major energy companies with the KRG. While both sides say progress is being made on the matter, like the al-Hashemi problem, continued political uncertainty is a major concern for foreign companies. Hesitation to invest on their part is detrimental to all parties involved.

### Gas Imports

*Prime Minister Erdogan and Energy Minister Taner Yildiz spent early September with their Azerbaijani, Turkmen and EU counterparts discussing the TANAP pipeline. The project is intended to diversify supplies away from reliance on Russia, with Turkey and the EU being net gas importers from suppliers like Gazprom. In Turkmenistan, the pipeline is seen as key in easing its dependence on its greatest gas export market, Russia*

Turkey's need for alternate gas sources becomes more prevalent by the day, with experts such as Gulmira Rzayeva of the Baku-based Strategic Research Center arguing that Turkish gas demands will increase 77 percent by 2030. TANAP's construction is set to begin in 2013, with a goal of being complete by 2018. However, disputes over the massive gas fields under the Caspian Sea could hinder its completion. Moscow's long reach into the region is being felt in many of the littoral states' capitols. According to complaints in Brussels, the Kremlin and Gazprom are intentionally stoking tensions amongst countries there

to ensure that no agreement on rights is reached, thereby ensuring its dominance in the Eurasian gas export market.

Meanwhile, Iranian suppliers continue to charge the highest possible amount on gas supplies to Turkey, a move seen by Turkish leaders as intentional economic sabotage. Turkey's Finance, Minister Mehmet Simsek, noted that the government's inability to meet budget

deficit targets this year was due in large part to increasing commodity prices and high gas prices. Thus it appears that the countries may be headed for another round of international arbitration over Iranian short supplies on a gas export agreement (EGF Turkey File, March 2012). The need for alternative supplies is of escalating relevance as Tehran and Ankara drift farther apart on a number of regional issues.

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