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## Conference Report

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# Turkey: Peace and democracy mean economic development

by Umberto Pascali

The lady sitting in the front row of the Washington Grand Hyatt's big conference room kept her arm raised until she was given the floor by the chairman of the energy seminar. Her voice, initially shaky, acquired confidence and a clear tone of urgency as she "spoke her mind" to the hundreds of diplomatic, political, and business leaders from Turkey and the United States. "I am a housewife from Ankara, and I have to tell you that we have electric blackouts during the day in our city. Do you know what that means when you have children? This is why I do not understand why Turkey should not get natural gas from Iran, when it would provide enough energy and cut our energy bill by 20%. Why?"

The Ankara housewife had posed the key question in the most direct way: Will Turkey find an ally in the United States in developing itself and in overcoming the problems artificially created by British geopolitics in the Middle East and Asia? Or, on the contrary, will the United States accept the continuation of imperial "divide and conquer" policies, and help strangle in the cradle the "Silk Road" development plan launched by the government of Turkey's prime minister, Necmettin Erbakan?

### United States at a crossroads

The two-day seminar, "Fuel Availability and Supply," took place in Washington in the context of the Feb. 19-22 conference entitled "U.S.-Turkish Partnership for Regional Stability and Prosperity." The conference, with a trade exposition, is organized every year by the American Friends of Turkey and the Turkish-U.S. Business Council. It included seminars on economic, military, and foreign policy issues, as well as cultural events, tourist promotion, and Turkish wine and food. This year, the level of participation and interest was unprecedented.

It was not just the traditional attention of the U.S. armaments industry to the Turkish market. In fact, an artificial crisis is threatening to erupt because of the irrational decision of House Speaker Newt Gingrich's gang to block the sale of armaments to Turkey, a NATO member and traditional ally.

The remarkable interest shown in Washington toward Turkey is caused by the economic perspective opened by the Erbakan government. Since the government was inaugurated

in June 1996, the prime minister has opened a perspective of development through cooperation for an area stretching from Indochina to Africa. It has been a chain of initiatives, focussed on ensuring Turkey abundant and low-cost energy for its development. It culminated in the official visit of Iranian President Ali Akbar Hashemi Rafsanjani to Turkey in December, and with the announcement of the new economic alliance known as the Developing Eight (D-8) at the beginning of January. The creation of the D-8, which includes Indonesia, Malaysia, Bangladesh, Pakistan, Turkey, Iran, Nigeria, and Egypt, was announced by Erbakan, who had previously visited those countries, establishing the basis for an unprecedented network of exchange and cooperation, including construction of pipelines, railways, and roads.

For Turkey, there is no alternative to development, and to a policy of peace through development. The only alternative is the catastrophe known as the "clash of civilizations," the apocalyptic confrontation between North and South promoted by the British oligarchy. And, this point was made clear by Turkish leaders in Washington.

The highest-level Turkish official who participated in the conference was Minister of State Abdullah Gul, a close collaborator of Prime Minister Erbakan. In a speech at the Carnegie Endowment for International Peace on Feb. 19 (see p. 18), he said that "Turkey's long-standing partnership with the West is critically important for preserving peace, security, and stability in the post-Cold War. . . . We must rise above daily, parochial, and narrow interests and look beyond the horizon." If such collaboration fails, the risks are frightening, he said. "[Harvard] Prof. Samuel Huntington said that future conflicts would basically be characterized by a 'Clash of Civilizations.' Should this prophecy come true, it would indeed be a tragedy and a catastrophe for the entire world. It is our joint responsibility to make sure that cultures do not fight, but respect, complement, and cooperate with each other in order to create a better world."

### Low-cost energy

The lady who intervened at the energy seminar was expressing one of the fundamental imperatives for Turkey. Development can take place only if abundant and low-cost en-



*The unprecedented level of interest shown in Washington toward Turkey at this year's annual conference, "U.S.-Turkish Partnership for Regional Stability and Prosperity," on Feb. 19-22, is caused by the economic perspective opened by the Erbakan government, to secure gas and oil supplies for Turkey, and to participate in the "New Silk Road." Here, U.S. and Turkish officials and business leaders are briefed by Mustafa Murathan, general director of the Turkish Pipeline Company.*

ergy is available. Everything else is just hypocrisy. It was the point stressed by one of the leading industrial leaders of Turkey, Nihat Gokyigit (see interview, p. 12, and speeches, pp. 13-18). A graduate of the University of Michigan and a former structural designer in Harrisburg, Pennsylvania, Gokyigit is also chairman of the board and chief executive officer of Tefken, a giant industrial group that includes energy, pipelines, engineering, heavy steel, fertilizers, manufacture of radar and food-processing equipment, and textiles. Tefken is also active in foreign trade, domestic distribution of goods, banking and insurance, and other sectors. Gokyigit is chairman of the Turkish-Commonwealth of Independent States and the Turkish-Black Sea Cooperation business councils.

Talking to this white-haired industrialist reminded this Italian interlocutor of another industrial leader, the founder of the Italian Oil Company (ENI), Enrico Mattei. His approach is not that of an accountant, but of someone who deals with the real economy. Turkey must develop, and to ensure that, it needs an adequate and expanding amount of energy, and at the lowest cost possible, he said. The most efficient way to do this is to have a mutually beneficial exchange with its neighbors. They are like relatives. "You do not choose your uncle!" he said. And, through economic development and the chance to achieve prosperity, countries are pushed onto the path of cooperation, peace, and real democracy. On the basis of this rational approach, we can ask the United States to collaborate with us, he said.

### **The question of Iran**

Now, the "relatives" of Turkey are countries such as Iran and Iraq, which have the energy resources that Turkey needs.

Only a few miles separates the areas that could flourish with those resources, and the source. But, according to the sanctions policy, Turkey is not allowed to develop, the housewives of Ankara are condemned to daily blackouts, and the youth to a future of forced emigration and unemployment. Already, Turkey, because it respected the embargo against Iraq, has lost \$30 billion!

The sanctions against Iraq and Iran have become a more and more intolerable punishment, not only of the Iraqi and Iranian people, but of U.S. allies such as Turkey. If we step back for a moment, from the virtual reality of justifying death and destruction on behalf of the sanctity of the sanctions against Turkey's neighbors; if we look at the real economy, we see a different picture.

Turkey had new opportunities for development after the collapse of the Berlin Wall in 1989. Turkey had been the flank of NATO against the Warsaw Pact since the beginning of the Cold War, and natural economic opportunities of exchange and cooperation with some of its neighbors had been abandoned. In 1989, those opportunities could be finally exploited. To the north, Turkey could cooperate with the countries of the former Soviet Union; to the south, with the Middle East. To the east, Turkey could link up with Iran, Pakistan, India, Indochina, and China. The old Silk Road was potentially reopened.

The Persian Gulf War and its aftermath became a way to keep Turkey boxed in. What looks obvious and natural from the standpoint of real economy, was made impossible or even unthinkable.

At the energy seminar, this reality briefly emerged from the debate that was triggered by the remarks on U.S. Perspec-

tives on Turkish Energy and Pipelines, by Jan H. Kalicki of the U.S. Department of Commerce. Kalicki said, "We in the U.S. government think Turkey's development is vitally important and, indeed, in the economic and strategic interest of the United States" (see p. 20). He recalled that he "had the opportunity to lead a U.S. government delegation to Turkey which visited American and Turkish energy industry executives," and assured "Turkey of strong U.S. government interest in helping it meet its electric power needs." He praised the Turkish decision to build the huge network of pipelines that would bring natural gas from the Caspian basin and the pipeline system that would link Turkey to the Middle East.

But, he drew the line on Iran, even if the gas from Iran is the cheapest and closest to Turkey. This statement is difficult to accept because, as the businessmen at the seminar knew very well, oil from Iran is carried (without "problems") from the Persian Gulf, and, in fact, could have been resold to Turkey after having been transported thousands of miles by the international oil companies. The political explanation ("it would send the wrong message to Iran") was paper thin.

It was at that point that the housewife from Ankara intervened. After her, a student argued that while Turkey is being pushed to get its energy supply from the former Soviet Union, 10 or 15 years ago U.S. spokesmen were talking about Russia as they now talk about Iran. The student stressed, that it is through economic cooperation that one can establish real prosperity and real democracy. The Commerce Department official answered as if a new idea had suddenly dawned on him: "Do you mean that we could bring democracy to Iran through economic cooperation?"

### The obstacles

On Feb. 28, a few days after the conference, the Turkish National Security Council reportedly issued an ultimatum to the Erdogan government, accusing it of having gone too far toward religious fundamentalism. While the prime minister minimized the report and denied any deep disagreement with the military, there was an attempt to use the issue of the "Islamism" of Erdogan to create an internal split. So far, the attempt has not worked. Turkey is much less fractionalized on the need for economic development than it appears from the media accounts.

Dangers, of course, still linger. The refusal of the European Union to accept Turkey as a full member; the test of strength on NATO (if Turkey is not accepted into the EU, Turkey will not accept NATO enlargement); the constant malevolent rivalry of Greek leading circles toward Turkey; the Cyprus time bomb; the crisis in Albania, which faces possible civil war; the possibility of a new domestic destabilization, are some of the crises that Turkey has to face. But despite all this, Turkey is one of the few countries with an open strategy, and a clear, courageous, and positive national goal. It is a great advantage. Many, including in Washington, could learn a thing or two.

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## Interview: A. Nihat Gokyigit

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# Turkey represents a fruitful market

*Mr. Gokyigit, a leading industrialist in Turkey, is chairman of the board and chief executive officer of Tekfen Holding Co. Inc., a group of highly diversified companies, from fertilizers, to construction, to banking. He is also president of the board of the Black Sea Economic Cooperation Business Council (Bsecbc), and chairman of the Turkish-Commonwealth of Independent States Business Councils Foreign Economic Relations Board (DEIK). He was interviewed in Washington, D.C., on Feb. 20, by Umberto Pascali.*

**EIR:** You have discussed the potentials of Turkey vis-à-vis Asia, the Middle East, and Europe. As one of Turkey's industrial leaders, please tell us, what is Turkey doing, and what is your role in this?

**Gokyigit:** What we are saying, is that Turkey is an explosive market. Not only because of its own nature—a country with 60 to 65 million people, a young population—that is very important, but also because the markets around Turkey are all emerging markets. The Black Sea—for example, there are 300 million people around that lake. . . . They are quite well educated, and they are determined to live a better life.

It is not just the size of the population: It is a big market, and it's around Turkey. Turkey is quite advanced, compared with the CIS countries, in getting integrated into the world market, in several directions. So, we are in that position, and we started having shortages of energy and power. We had to solve that with minimum investments, as far as possible, and as cheaply as possible.

And, when we turn to our neighbors, there is gas! The gas in Iran is coming from an area 200 kilometers from our border. Iraq, of course, is considered an impossible source now, but there is gas right next to us, the other side of the border. And, on the Turkish side of the border, we have a development, very extraordinary, one of the fastest growing developments in the world, because the Southeast Anatolia project is a new Mesopotamia, with our agriculture production growing two-fold for many items. All this will require gas for the agro-industry we are starting up there, for the fertilizers. We really need a lot of gas, not only for Turkey's overall power shortages, but also because this region is being developed so fast.

And we are telling our friends: You organize sanctions, but you don't realize how much your allies suffer because of that. We are very loyal, staunch allies of the United States. We think we should be friends with the United States; it's to