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TURKEY ON THE ROAD TO BECOMING A REGIONAL POWER

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Over the course of the last ten years, Turkey has pursued a radical transformation process that has fundamentally changed its political, economic and social structures and will have a lasting influence on the future development of the country. Market-based and fiscal reforms at the beginning of the decade have brought Turkey an economic boom with a growth rate of up to 7 percent over several years, and promoted it to the status of a regional economic power. Domestic political reforms have led to greater democracy, stability and constitutionality. In terms of foreign policy, Turkey is evolving more and more into a regional power with trans-regional ambitions. The country is the only Muslim NATO member, and is also a candidate for EU accession. In addition, Ankara has a seat on the G20 and on the current UN Security Council. Despite its location in one of the most conflict-ridden regions of the world, Turkey enjoys a good relationship with almost all of its neighbors. In recent years, Turkey has mediated between Israel and Syria, sent peacekeeping forces to the Balkans and the Lebanon, and has been active alongside its NATO partners in Afghanistan.

From the point of view of the West, Turkey's rise to regional power brings many opportunities, but it also poses many challenges. Developments in this strategically important

country are of particularly great significance for Germany, the nation with the largest Turkish community outside of Turkey itself and a long tradition of bilateral relations. German-Turkish relations have both a domestic and a foreign political dimension. As a result, the demands on a consistent Turkish policy are highly complex.

Turkey's future role in international politics will be determined primarily by how far it is able to reconcile its traditional Western links with its increasing influence and interests in the region. In this context, the positioning of Turkey in the Islamic world will be of particular importance.

Which factors are responsible for Turkey's increasing prominence? Its rise to the position of a regionally and internationally important player has economic, domestic and foreign political dimensions. The country's geopolitically favorable situation must also be considered.

ECONOMIC DEVELOPMENT

The decisive factor in Turkey's transformation has been economic development. The Turkish national economy is now ranked sixth in Europe, and has moved up to seventeenth in the world. Between 2002 and 2008 alone, the gross domestic product increased from 230 to 742 billion U.S. dollars. Although the global economic crisis also hit the Turkish economy hard, recovery is expected this year already. Despite remaining deficits, the Turkish economy is one of the most dynamic and robust in the region.

The foundations for this were laid in the '80s and '90s, chiefly due to the market reforms under Prime Minister Turgut Özal. The former World Bank consultant and member of an Islamic Sufi order introduced a privatization program for state-owned companies and opened the Turkish economy to the global market. The economic liberalization was accompanied by moderate re-Islamification in the political and social spheres. This paved the way for the development of a new middle class, which became a decisive economic factor, particularly in Anatolia. In this region previously characterized by agriculture and small industry, a flourishing industrial sector emerged in the '90s which grew into an increasingly important competitor for

the traditional large-scale industries in the country's urban centers. With the economic upturn began the social rise of the Anatolian middle class. Their conservative and religious value system increasingly rubbed off on Turkish politics. Thanks to the support and influence of this middle class, the political importance of Islamic conservative parties grew. This is the root of the success of the current reigning

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Justice and Development Party (Adalet ve Kalkınma Partisi – AKP) and the ongoing power struggle with the secular Kemalist establishment.¹

However, the decisive change in course towards the most recent economic upturn in Turkey took place at the start of the millennium with reforms that were introduced as a reaction to the severe financial crisis of 2001. This was triggered by rising performance and trade deficits, combined with an ailing banking system and a constitutional crisis, resulting in speculation and capital flight. The stock market collapsed. This forced the Turkish Central Bank to release the Turkish lira, which led to dramatic losses of value and eventually to the collapse of the financial market. Within just a few weeks, twenty-one banks had declared themselves insolvent and deposits had to be guaranteed by the state. Turkey plunged into one of the worst recessions in its history. To avert national bankruptcy, the International Monetary Fund (IMF) granted Turkey a loan amounting to 31 billion U.S. dollars for the period 2002-2004. Following a reform program introduced by the minister for economics at the time, Kemal Derviş, and as result of the need to comply with the strict requirements of the IMF, the crisis was overcome. In 2002, the Turkish economy was already recording significant growth rates again. The banking system was fundamentally reorganized. Of the seventy-nine banks in existence before the crisis, only around three dozen remain. The finance and banking reforms of that time have greatly assisted Turkey in overcoming the current crisis. No Turkish financial institution suffered difficulties during the turbulence in the financial markets and there was no need for any support programs for the banking sector.

1 | cf. Michael Thumann, "Neue Eliten, altes Spiel", in: *Internationale Politik*, March/April 2010.

However, the banking and economic crisis of 2001 led to considerable political upheaval. At the election in November 2002, voters punished the three reigning coalition parties (Democratic Left Party – DSP, Nationalist Action Party – MHP, and the Motherland Party – ANAP). None of them won any parliamentary seats. The Islamic conservative Justice and Development Party (AKP) emerged as the glorious victor with 34.3 percent of the vote.

In their first years in government, the AKP consistently pursued the market-based reform course. This led to a sustained economic boom. Even in 2002, the economy grew by 7.9 percent. This trend continued in 2003 (5.9 percent), 2004 (9.9 percent), 2005 (7.6 percent) and 2006 (6.9 percent)². This was accompanied by increasing prosperity for the population, with income per head tripling from 3,521 U.S. dollars in 2002 to approximately 10,285 U.S. dollars in 2008.³ However, the increase in wealth is unevenly distributed and enjoyed mainly by a minority of approximately a fifth of the population. Among those who have benefited are the new economic elite, from a religious conservative background, who are increasingly driving back the influence of the long-established secular business class. This, in turn, is encouraging the socio-political climate to change in favor of the AKP.

Despite the ongoing dominance of a few large corporate groups, the backbone of the Turkish economy is comprised of small and micro-businesses. Turkey's economic structure has changed dramatically in recent years. While the agricultural sector still dominated in the '90s, the strongest branch of the economy is currently the services sector, accounting for over 60 percent of the GDP. Industry takes second place with 30 percent of the GDP. The agricultural sector only contributes a mere 10 percent to the economic output. Turkey's economic structure thus resembles that of the majority of modern national economies. A reduction in the rate of inflation to around 8 percent at present has contributed to the stabilization of the economic climate and increasing confidence among businesses and consumers. Potential barriers to the continued growth of the economy lie in the high level of debt (60 percent of the GDP) as

2 | cf. Federal Statistical Office, www.destatis.de [20.3.2010].

3 | cf. TURKSTAT, *Undersecretariat of Treasury* (TURKSTAT, 2010).

well as high national and trade deficits. The unemployment rate, which rose to 15 percent in 2009 as a result of the economic crisis, also poses a threat to economic stability and social harmony. Further shortcomings, which must

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be remedied in the course of economic consolidation, are the continued existence of inefficient state-owned companies and the large proportion of business in the informal economic sector.

The liberalization of the economy in the '80s and '90s on the one hand increased the competitive pressure on Turkish businesses, and on the other hand promoted their export orientation. The highpoint of this development was Turkey's entry to the European Customs Union in 1996. Since then, the EU has been the most important trade partner and the primary destination for Turkish exports. While the proportion of EU countries in overall export tax revenue was 51.16 percent in 1997, by 2000 this figure had risen to 58 percent. Since then, there has been a slight decline, which has significantly worsened in the last two years. Over the past year, exports to the EU dropped to 46.01 percent, which is a consequence first and foremost of the economic crisis and dramatically reduced demand in Europe. At any rate, a clear trend towards a reorientation of Turkish exports and a search for alternative markets has been apparent for several years. Trade relations in particular with countries in the Organisation of the Islamic Conference (OIC) have significantly increased. While the export share to these countries was just 16.06 percent in 1997, in 2009 it reached as much as 28.06 percent. This makes the OIC the second most important group of countries for Turkish foreign trade after the EU. Iran, Iraq, the United Arab Emirates and Algeria have proven to be important new markets in this area. This development is linked primarily to the economy. It is, however, also politically encouraged by the AKP government, which could add an interesting aspect to the current discussion about the reorientation of Turkish foreign policy⁴.

4 | cf. "Neue Route des türkischen Exports", in: *Istanbulpost*, 1 (January 2010).

For many years, Turkey's primary trading partner was Germany, with over 13 percent of imports and 14 percent of exports (2007). However, Russia has taken over the top spot for imports in the last two years, which is a result above all of the rise in oil and gas prices and high Russian energy exports to Turkey. This successful economic development is thanks to Turkey's admission to the G20. In addition to the economic aspect, however, this rise can also be viewed as a manifestation of Turkey's increased political and geopolitical importance.

DOMESTIC POLITICAL DEVELOPMENT

The election victory of the religious conservative Justice and Development Party (Adalet ve Kalkınma Partisi – AKP⁵) in November 2002 signified a socio-political turning point in Turkey. The AKP, founded only a year before by prominent former politicians from the banned Islamic Virtue Party (Fazilet Partisi – FP), managed to achieve an absolute majority in the Turkish Grand National Assembly with 34.3 percent of the vote. This strong victory was at the time interpreted by many observers as the result of a protest vote to punish the ruling parties perceived to be responsible for the severe economic crisis of 2001. However, the AKP was able to exploit opportunities and guarantee the long-term favor of a relative majority of the electorate with an advanced reform program as well as skilful public relations and effective personnel policies. The party subsequently won all the following elections and has now been in power for eight years (seven of those with Recep Tayyip Erdoğan as prime minister). This is unique in the history of modern Turkey. The unusually long period of political stability and predictability, by Turkish standards, has been especially good for economic development. However, in this period political polarization in the country has also significantly increased and in the last two years an escalating power struggle has broken out between the religious conservatives and the secular Kemalists.

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5 | For several years the party has called itself AK Parti ("Ak" means "pure" or "clean" in Turkish) and uses this name in all official documents.

The AKP's first four years in government were characterized by an impressive reform momentum. The reforms initiated by the previous government under Prime Minister Ecevit were continued and expanded by the AKP. These relate to the economy (privatization, deregulation, liberalization) as well as politics and society (improvement of freedom of speech and press freedoms, abolition of the death penalty, provisions against torture and abuse of power in the machinery of the state, reform of the national security council, limitations on the powers of the military, harmonization of criminal and civil law to EU standards, etc.). One important motivation for this pace of reform was Turkey's desire to gain membership in the European Union, an issue taken up by the AKP as their flagship cause. In debates with the opposition, entry into the EU was an important election issue as well as an argument to justify the reform program. Turkey's admission to membership negotiations with the EU in October 2005 was considered a political triumph for Prime Minister Erdoğan and a highpoint for EU euphoria among the Turkish population. At the time, more than 70 percent of the Turkish population was in favor of joining the EU. By 2006, the reform process had already stalled and the positive mood towards the EU was in steady decline. After the important success of being admitted to membership negotiations, which from a Turkish point of view was linked to a considerable increase in prestige, the laborious process of implementing the "acquis communautaire" and fulfilling the Copenhagen criteria now had to be undertaken.

The constitutional court rejected the call for a ban on the AKP on 30 July 2008. Although six of the eleven judges voted in favor of banning the party, the requisite qualified majority of seven votes was not reached. The AKP was merely cautioned and ordered to relinquish half of its state financial allowances as punishment. Following this judgement, calls for a political ban on leading AKP politicians (including Prime Minister Erdoğan) were also abandoned. It is politically significant that the constitutional court unanimously held that the AKP should be classed as Islamist, despite there being insufficient evidence in support of a ban.

The rejection of the petition to ban the AKP was met with relief both at home and abroad. The judgment meant that it was possible to avert any further intensification of the domestic political crisis and won time for the situation to be consolidated and stabilized. It was also hoped that, after a two year standstill, the necessary reform process could be revived.

Although the AKP won by a clear margin at the local elections in March 2009, they suffered a loss of votes compared with previous elections. With just under 39 percent of the vote throughout the country, it lagged behind the results of the 2007 national elections (46.5 percent) as well as the local elections in 2004 (46.5 percent). The election results show that there could be limits to the AKP's increase in popularity and that the opposition is not completely without a chance.

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To bring new impetus to government policy and win back the trust of the Turkish population, Prime Minister Erdoğan reshuffled his cabinet at the start of May 2009. Eight ministers from the old government had to relinquish their posts, seventeen ministers remained (seven of them with new responsibilities) and nine new ministers were appointed. The departments responsible for the economy and finance were provided with expanded responsibilities to guarantee a more efficient and dynamic management of the consequences of the global financial crisis for the Turkish economy.

The most important domestic policy plan is the "democratic initiative" as a lasting solution to the Kurdish problem. In summer 2009, the Turkish Ministry of the Interior announced a package of measures to meet the socio-political demands of the Kurdish population and end PKK terrorism in the southeast of Turkey. After consultation with political parties (including the pro-Kurdish Democratic Society Party DTP), the military, the judiciary and relevant non-governmental organizations, the schedule for the initiatives was presented to the public in October and referred to parliament. By tackling the Kurdish problem, the government is addressing an issue that is of paramount importance to the democratic development and stability

of Turkey. The Kurdish language programs already introduced by the state broadcaster at the beginning of the year are to be expanded and approved for private stations also. Kurdish language lessons in private schools are to be improved. At the universities of Mardin and Diyarbakır, there are plans to create institutes for Kurdish language and literature. Villages and towns in Kurdish areas will be allowed to use and display their original Kurdish place names. In prisons, the use of the Kurdish language will no longer be prohibited. An important humanitarian step is the announcement that anti-terrorism laws will no longer be applied to young people who have taken part in pro-Kurdish demonstrations. The previous practice had led to thousands of minors being sentenced to sometimes-draconian prison terms (up to ten years in some cases).

Although these measures have a limited practical impact, they are still an important symbolic gesture on the road to recognizing an autonomous Kurdish cultural identity. The AKP took a considerable risk by doing so, as the Kurdish problem remains the most sensitive political issue

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in Turkey with an intrinsically high potential for conflict. For this reason, the government set "red lines" in the process from the outset which may not be crossed: no amnesty for the imprisoned PKK leader Abdullah Öcalan, no constitutional amendments to recognize the Kurdish identity, and no territorial or political autonomy for Kurdish areas.

To curb the terrorism of the PKK, an existing "remorse law" was extended. Pursuant to this provision, all PKK fighters who have not previously committed acts of violence would be encouraged to disarm. A large-scale homecoming of remorseful PKK sympathizers from northern Iraq could further weaken the terror organization entrenched there, and eventually – so it is hoped – bring them to surrender.

At the beginning of December, the Turkish Constitutional Court unanimously voted to ban the pro-Kurdish DTP. While the ruling in the two-year legal proceedings may not have been surprising, it still amounted to a bitter setback for the government's Kurdish policy. The constitutional court held that the closeness of the DTP to the PKK and to terrorism

was proven. Stating the reasons for the judgement, the constitutional judge referred among other things to the example of the banned Basque Batasuna Party in Spain. With the closure of the DTP, an important contact for the government in the Kurdish issue ceased to exist. Although in order to continue their political work the DTP delegates in the Turkish parliament joined an existing splinter party, the BDP (Peace and Democracy Party – Barış ve Demokrasi Partisi), the mood in southeast Turkey nonetheless remains tense.

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NEW TURKISH FOREIGN POLICY

The founder of modern Turkey, Mustafa Kemal Atatürk, favored the principle of foreign political neutrality coupled with the maintenance of good relations with neighboring states and in particular the European countries. Turkey’s western orientation was cemented by its entry to NATO in 1952. During the Cold War, the country was a reliable ally at NATO’s southeastern border with the Soviet Union and the Warsaw Pact.

A foreign policy of openness and rapprochement towards countries in the Middle East region was implemented under Prime Minister Özal in the '80s. However, a specific regionally and globally oriented foreign policy was not introduced until the AKP government entered into power. Turkey is currently in the process of redefining its place in the world and its role in the region between Europe, Central Asia, the Middle East, the Black Sea and the Mediterranean.

The new cornerstones of Turkish foreign policy have been implemented gradually since the AKP entered government. They build on some of the principles of former Prime Minister Özal’s foreign policy, but are characterized mainly by the ideas of political scientist Professor Ahmet Davutoğlu, as described in his 2001 book “Strategic Depth: The International Position of Turkey”⁶. According to Professor Davutoğlu, Turkey has a multiple regional identity and therefore the ability and the responsibility

6 | Ahmet Davutoğlu, “Stratejik derinlik: Türkiye’nin uluslararası konumu”, in: *Istanbul: Küre* (2001).

to pursue an integrated and multi-dimensional foreign policy. He sees his country as a peacekeeping power that "shapes the relationships in the region". Therefore, Turkey must aim for a balanced relationship with all global and regional players and advocate peace, stability, security and economic development in the area. For this, it

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needs a "proactive" and "multi-dimensional" foreign policy. This means that Turkey should not limit itself unilaterally to an alliance with the West (USA, EU) but should instead aim for good relations with all states in the region (guiding principle: "zero conflict"). The new direction in foreign policy should not, however, mean turning away from the West. The planned membership of the European Union is a long-term strategic goal, and cooperation with the USA also continues to be of paramount importance. In bilateral relations with its neighboring countries, however, Turkey sets its own priorities, which sometimes differ from those of the West.

Even in the AKP's first few years in government, changes in Turkish foreign policy were noticeable. As the senior foreign policy advisor to the prime minister, Professor Davutoğlu was at the time involved in many diplomatic changes. In this capacity, for instance, he advocated Turkey's stronger commitment to the Organisation of the Islamic Conference (OIC) where he has held the position of general secretary since 2005. The invitation of the Hamas leaders following their electoral victory in 2006 to participate in talks in Ankara is the result of his initiative.⁷ The visit was the subject of considerable international criticism at the time. Within the framework of the new foreign policy concept, further steps in Turkey's Middle East policy are also envisaged: rapprochement with Syria, pragmatic dialogue with Iran, establishing contacts with the Kurdish regional government in northern Iraq and the strengthening of relations with Saudi Arabia. Since 2007, secret talks have been held with Armenia on the normalization of their bilateral relations. Turkey has now improved its relationship with almost all neighboring countries and has built up a versatile network of contacts and ties within the region. An important element of diplomatic activities

7 | cf. Aras Bülent, "Davutoğlu Era in Turkish Foreign Policy", in: *SETA Policy Brief*, № 32.

in the region is its efforts to take on the role of mediator. Turkey has brought in its mediation services in the most significant conflicts in the region: in indirect talks between Israel and Syria, in consultations between the governments of Afghanistan and Pakistan, and in efforts to find a solution to the conflict surrounding the Iranian nuclear program.

The relationship with Israel is seen as a litmus test for western integration in Turkish foreign policy; at present, this relationship is under considerable strain. After the rift in Turkish-Israeli relations provoked by the Gaza conflict at the start of 2009, the relationship between the two countries has since deteriorated further. In October 2009, Turkey excluded Israel at short notice from the long-planned multinational "Anatolian Eagle" air force exercises in Konya, a strong political signal given the close military cooperation between the two states. In January 2010 there were once again diplomatic tensions due to Israeli indignation over anti-Semitic content in a Turkish television series and the resulting humiliation of the Turkish ambassador by the Israeli deputy foreign minister. As a result of this, Turkey recalled its ambassadors to Ankara. The mood of bilateral relations was further dampened by critical comments made about Israel by the Turkish prime minister, which were felt by some in Israel to be anti-Semitic. Although neither side has any interest in allowing the relationship to break down once and for all, trust has nonetheless been seriously damaged.

Historically, the notorious weak points in Turkish foreign policy were its relations with Greece and Armenia. Relations with Greece were normalized in the '90s, and the relationship between the two countries can now be described as politically relaxed. Greece supports Turkey's application for EU membership. With regards to Armenia, Turkey has also taken steps towards normalization. The basis for further improvement in bilateral relations was created with the signing of two protocols initiating diplomatic relations and opening borders. However, a number of difficult issues still have to be resolved in order to achieve a real reconciliation and good relations between the two

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neighboring countries. These include first and foremost the issue of genocide and the future of the Armenian enclave of Nagorno-Karabakh in Azerbaijan.⁸ The continuation of the process is therefore uncertain. The Armenia question could also have implications for Turkish relations with the USA. The foreign policy committee of the US House of Representatives passed a resolution in March 2010 to acknowledge genocide committed against the Armenians in the Ottoman Empire. In protest, Turkey withdrew its ambassadors from Washington and threatened serious consequences for bilateral relations if the resolution were to be referred to the chamber of the House of Representatives. US President Barack Obama is under twofold pressure: on the one hand, he cannot afford a rift with Turkey in light of its strategic importance for American interests in the Middle East. On the other hand, he has made previous statements regarding the recognition of this genocide as a historical fact.

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Turkey's relationship with Iran has improved considerably since summer 2008 and can currently be classified as friendly. Turkey was the only country in the Western Alliance to invite the Iranian President Mahmud Ahmadinejad for an official state visit. Following Ahmadinejad's re-election in June 2009, Prime Minister Erdoğan was among the first to congratulate him, despite international protests of electoral fraud. Erdoğan signed numerous treaties on bilateral cooperation – in particular in the fields of energy, investment and trade – during a visit to Tehran in October 2009. Among others, an agreement was concluded on the construction of a refinery in northern Iran with Turkish assistance, for which Turkey would be involved in gas production from South Pars Field in the Persian Gulf. Good relations with Iran are beneficial to Turkey, especially in terms of the economy and energy policy. For this reason, Turkey is not interested in heavier sanctions over the Iranian nuclear program row. Since Ankara currently has

8 | Turkey has made the ratification of the normalisation protocol conditional on the prior settlement of the Karabakh conflict: Armenia has rejected this proposal.

a seat on the UN Security Council, it could play a decisive role at the next vote on this matter. However, the West (and in particular the EU) also value Turkish mediation in negotiations with Iran. This why they have tolerated Prime Minister Erdoğan and his foreign ministers stepping in again and again as advocates for Iran.

Recently, Turkey has also intensified relations with Russia and has signed several bilateral cooperation agreements, in particular in the energy and tourism sectors, in trade and in military cooperation. Although both countries are competing for influence in regions such as the Caucasus, the Black Sea and Central Asia, both Ankara and Moscow are nonetheless interested in a strategic rapprochement.

Turkish-European relations have a long history. As early as 1963 Turkey signed a treaty of association with the European Economic Community (EEC). The "Ankara Treaty" held out the prospect of Turkey's subsequent membership. In 1987, Turkey submitted an application for membership of the EEC, but was not awarded the status of candidate country until the EU summit in Helsinki in 1999. Since 1996, European economic law has applied in Turkey within the scope of the customs union with the EU.

Membership negotiations were officially begun on 3 October 2005, after the EU had certified Turkey's fulfilment of the Copenhagen criteria⁹ in 2004. The negotiations are ongoing with the goal of EU membership, but the outcome is uncertain, i.e. membership is not guaranteed at the end of the process. Even in the run up to the membership process, in particular after the AKP came to power, Turkey began a comprehensive program of reforms in order to bring the country closer in line with EU standards. The prospect of EU membership was an important driver for democratic and market economic reforms in the first years of the AKP government. However, relatively soon after the initiation of membership negotiations, the reform process

9 | The Copenhagen criteria include: 1. democracy, rule of law, human and respect for and protection of minorities, 2. a functioning market economy and capacity to cope with competitive pressure and market forces within the Union, 3. enactment of the "Acquis communautaire", 4. ability to meet the EU requirements within the political, economic and monetary union and 5. the EU's capacity to take on new member states.

stalled. After Turkey refused to fulfil the obligations of the additional Ankara protocol for extending the customs union to include new EU member Cyprus, the EU decided to freeze eight of the chapters in December 2006. In addition, none of the chapters currently open can be closed.

By the end of 2009, a total of twelve of the thirty-five chapters of the EU regulations were open, with one chapter (economy and research) being provisionally closed immediately after it was opened. Aside from

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the eight chapters officially frozen by the EU, there are further informal blockades and obstructions in the negotiation process. France has openly declared that it will use its veto in five further chapters, as these would predetermine the final status of Turkey's EU membership. Other chapters were delayed or blocked by new EU member Cyprus due to bilateral disputes with Turkey (for instance in energy matters).

These unfavorable developments have had a negative impact on the atmosphere in Turkey, as has the debate led by France and Germany on a "privileged partnership" as an alternative to EU entry. Turkish politicians see the "hostile messages" from Europe as the main reason for the halting progress in the negotiations. Among the population, there is a widespread feeling that the EU will never accept Turkey as a member, and this has led to a considerable decline in support for entry to the EU. While in 2004 backing for membership was still at over 70 percent, in 2009, only 43 percent of the Turkish population still considered EU entry to be worth aspiring to.¹⁰

CONCLUSION

In recent years, Turkey has expanded and solidified its position as a regional power. It will continue to become more important to Europe as well as to the region at the border between the Mediterranean, the Black Sea, the Middle East, the Caucasus and Central Asia. Turkey will play an active role within the framework of the G20, advocating a stronger incorporation of these countries into global economic and financial management and decision-making processes. For this reason, it will argue for a restructuring of international organizations and institutions such as the UN Security Council, the IMP, the World Bank and G8 in favor of these newly industrializing countries.

Whatever the results of its EU membership negotiations, Turkey will continue to have close ties with Europe. It will secure its position as an important business partner, its significance as a transit country for energy from Central Asia and the Middle East will increase, and it will be indispensable for the structuring of a European security strategy. As such, it is vital that Germany and the European Union develop a coherent and consistent strategy for dealing with and building relations with Turkey, including possible alternatives to EU membership.