



EXECUTIVE SUMMARY

Conference on

Societal Models for Turkey

30 March 2008
Antalya

Introduction

In association with the Pierre Werner Institute and Akdeniz University, the Luxembourg Institute for European and International Studies (LIEIS) convened a one-day conference on 'Societal Models for Turkey' on 30 March 2008 in Antalya. Building on an international conference on EU-Turkey relations in 2004 in Luxembourg and a seminar on the evolution of Europe in 2005 in Antalya, this was the third event on Turkey organised by the LIEIS over the last four years. More than 40 participants from across Turkey and Western Europe debated possible societal, political and economic models, as well as the country's role in international relations (cf. programme and list of participants in the appendix).

Unlike the previous two meetings, this conference focused on the key societal challenges and options for Turkey. The emphasis was less on empirical description and theory and more on conceptual questions and brainstorming. Rather than reading papers, the speakers were asked to make short presentations and interventions and not to start with assertions but instead to adopt a more dubitative mode and gradually move to argument, conclusions and recommendations. The ambition was to have a lively exchange of views that can advance contemporary thinking on Turkey and make a contribution to the ongoing debates about Turkey's future.

In his introductory remarks, Armand Clesse, Director of the LIEIS, raised a number of conceptual questions. In spite or perhaps because of so-called modernisation, does Turkey continue to be haunted by old demons, so to speak? Is Turkey still clinging to the doctrine of Kemalism? Does this doctrine hold Turkey back, preventing it from modernising? Here A. Clesse reported that even *The Economist* recently denounced the country's secular establishment, writing that 'the secularist opponents of Prime Minister Erdogan would do better to leave their ivory tower and pay attention to the life of ordinary people'.

Moreover, given constitutional provisions such as Article 301/1 and the role of the military in politics and civilian affairs, is it not the case that Turkey's democracy faces the threat of a permanent coup d'état? How free is Turkey and how free should it become? In short, what is Turkey's being and becoming – where is it heading and who is deciding about its fate? A. Clesse concluded his remarks by listing the following four key issues: the status of Atatürk, the role of the military, the Kurdish question and the Armenian question.

I. Modernisation and the Main Factors Underpinning Turkish Society

The first session was introduced by Çağlar Keyder who argued that what Turkey is currently undergoing is the strains of modernisation – a process that is too fast and badly managed by incompetent politicians. This predicament marks a certain change in the history of Turkey, but it does not constitute a crisis. Indeed, for some time Turkey has had to cope with the following trends. First, increased trade with other countries and a growing influx of foreign capital. Second, an increasing rural exodus and the doubling of its urban population. Third, an explosion in the number of students enrolled in secondary and tertiary education, almost equally distributed between men and women. Fourth, the effects of globalisation and the economic pressures, reinforced by the strains imposed by the EU accession process, which has become the blueprint for modernisation. Broadly speaking, the Istanbul bourgeoisie – the economically powerful class – decided in 1995 (at the moment of Turkey's signature of a customs union with the EU) that it had no choice other than to adopt economic reforms leading to an open economy. Until the AKP came to power in 2002 (and was re-elected in 2007), there had been political resistance to this reform process from the “state elite”: the military, the judiciary and large parts of the ministry of foreign affairs were among the fiercest defenders of the *status quo*.

So what has changed (and wrongly been described as a crisis) is the fact that the governing party – the AKP – combines economic liberalism with political and social conservatism (largely based on religion). The economic success of recent reforms and the shrinking support from the electorate have left the secular liberals in disarray, but this does not necessarily warrant the AKP's project. The question is whether the government and the party have a coherent model of modernisation. Historically, there seemed to be two choices for Turkey, either a European path or an American trajectory. Now the AKP offers a different model: politically, centred on community rather than society, clientism rather than individual autonomy and, socially, charity and Islamic solidarity rather than civic rights, as well as an ambivalent stance towards secularism. For example, the AKP's tactics have been mismanaged and have increased tensions, exemplified by the recently introduced law allowing women to wear the headscarf at university.

This presentation was followed by an extensive discussion that focused on three issues: first, the nature of the model that Turkey is following and trying to adopt; second, the evolution of Turkish societal composition; third, the status of religion in public life. In relation to the first issue, Norman Stone cast doubt on the idea that there is a single European model and instead suggested that the main influence on the AKP has been the German experience of economic and political reform, especially the importance of exports and the tradition of Christian democracy. This seems to be the preferred model for Erdogan and Gül. Moreover, the close

political and cultural exchange with Germany and the presence of German foundations in Turkey has helped the AKP promote this reform path, but important ethical questions about the legalisation of abortion and divorce remain deeply divisive. Laurent Mignon interjected that thus far Turkey lacks in contrast to Germany an effective social democratic opposition that is capable of holding the government accountable. A change of government based on popular election is a key feature of Western democracies that is not yet firmly established in Turkey.

A. Clesse wondered how Turkey's political evolution compares with that of other countries, synchronically and diachronically, especially in relation to the rise and fall of the pro-European Christian Democracy in France and Italy. According to Christopher Brewin, Western Europe is now facing the shallow façade of what was once the Christian basis of many European political parties. Following these comments, C. Keyder clarified his earlier remarks, saying that he was referring to the European social model where social expenditure as a proportion of GDP varies from 23% to 30% and where citizen rights translate into social policy and a wide array of entitlements.

The second point of contention in the discussion was the evolution of Turkish society. Referring to C. Keyder's remarks about the state elite and the Istanbul bourgeoisie, Resat Arim contended that there is an important social development towards the emergence of a civil society that is not represented by either of these two groups. Furthermore, if the Ministry of Foreign Affairs is part of the state elite, then there is a contradiction because it has favoured EU membership. Berch Berberoğlu said that in addition to the state elite, civil society and the Istanbul bourgeoisie (exemplified by TÜSIAD, the Association of Turkish Industrialists and Businessmen), Turkey is witnessing the rise of the 'Anatolian bourgeoisie' (exemplified by MÜSIAD, the Association of Independent Turkish Industrialists and Businessmen), a new ethnic and social group that is building its wealth on small manufacturing and other similar business in order to challenge the existing power structure. On this point, Alp Bahadır remarked that in the past the conflict between TÜSIAD and MÜSIAD gave rise to Erdogan and that it was predominantly a rent-seeking conflict that centred on the distribution of income quotas. But the AKP's electoral success remains a puzzle: is it the sole product of the ongoing and accelerating rural exodus and the rise of MÜSIAD? Or has it come about as a result of the wider competition between the state elite and other groups and factors such as political Islam?

This led to the third – and by far most contentious – issue, religion. Some participants, like Seyfi Tashan, defended the Turkish secular model, arguing that the French and the Turkish model resemble each other closely in terms of anti-clericalism but that more recently they have diverged. Turkish mosques are under the control of the Department for Religious Affairs and imams are paid by the state, but this now represents only 65% of total mosques – new mosques are frequently funded by other sources, including foreign private sources. As such, the democratic model and the growing religious presence are on a collision course: Islam is prone to transgress the limits of the secular republic, and Turkish society requires more tolerance between its various constituent parts than religion is capable of. Thus, the biggest difference between other European countries and Turkey is the need to maintain a critique of religious standards as exclusively normative. Secularism demands that religion should not be more than private beliefs and that it should not interfere in public affairs; if it did, there would be a backlash which would be the worst of all possible outcomes. In short, Turkey's

modernisation and its evolution should take place within the framework of European secular democracy.

Mümtaz Soysal expanded upon these remarks. The tragedy is that many Europeans advocate a point of view that is now gaining currency in Turkey, but this ignores the fact that a certain generation educated according to the precepts of the Republic will defend that model against all opponents, internal and external. The AKP claims to adhere to the four principles that govern Turkey – democracy, laicity or secularism, the welfare state and the rule of law – but it fails on each account. On democracy, the AKP arrogates for itself the right to rule over everything, even at the costs of violating the constitution. On laicity or secularism, the AKP does not tolerate the Alevi and other minority groups. On the welfare state, the AKP is reforming social security and gives charity in return for votes. And on the rule of law, the AKP uses legislation to subvert the constitutional and political system. Social scientists have the task to dig out the AKP's real agenda by conducting something like an 'archaeology of ideas'. Finally, the AKP is not sure whether to adopt the Christian democratic model, not least because the temporary alliance with some other European forces seems to have come to an end.

Echoing Tashan and Soysal, Sanem Özer said that there is not just one model of secularism or Islam; rather, Turkey is already different from most, if not all, Muslim countries. The notion of tolerance is problematic because it implies that a number of non-approved viewpoints must be tolerated; for the purposes of peaceful political evolution, it is preferable to safeguard the freedom from bigotry (here A. Clesse interjected that surely Kemalism is something like secular bigotry). The AKP rejects disagreements in society and is fond of side-tracking existing institutions and organisations – instead of transparency and democratic accountability, the AKP's leadership is devising constitutional schemes in order to advance its own religious agenda. Fundamentally, the problem is that religious norms cannot be questioned rationally and legitimately by non-religious authorities, as evinced by the compulsion for women in Iran to wear the headscarf.

Other voices also expressed concern about the current situation. Yılmaz Akyüz contended that Turkey is heading for a major crisis and it is not clear whether it can pull through without sacrificing democracy or some basic freedoms. This is so because the AKP has managed to mobilise an unprecedented number of citizens, many more than the Turkish workers' party or other secular liberal parties, giving it an apparent democratic mandate and political legitimacy. Two issues remain particularly contentious: religious education and headscarves. Contrary to widespread perception, the debate over religious education is not a matter of the state vs. the rest, but it is the middle classes which are worried that their lifestyle and liberties are under threat. The AKP has not reassured them that this is not the case. In terms of removing the ban on women wearing the headscarf at university, Erdogan's salami tactics raises the question about where this process will end – what about the introduction of *shar'ia* law?

Others participants questioned the foundations of Turkish secularism. A. Clesse interjected into the debates that the political sensitivities of the AKP are not represented by Turkey's constitution or political system and that the secularists oppose or perhaps even viscerally hate everything the AKP stands for. Adrian Pabst argued that secularism is neither universal nor neutral nor tolerant. It is not universal because its claim to universality is predicated on the

assertion that all belief systems except secularism itself are partial, subjective and irrational. It is neither neutral nor tolerant because it limits the free expression of religious faiths in the public sphere and seeks to privatise them, thus denying religion any political import. In a modern Turkey which the Kemalists purport to defend, rival values should be debated openly and freely at every level of society. Judicial or military intervention will merely push religion underground and contribute to the rise of fundamentalism. Rather than hoping to control Islam through suppression and discrimination, Turkey should know that only political and civic engagement with Islam can mitigate extremism and foster religious tolerance.

On this point, A. Pabst said the US model which separates state and church without divorcing religion from politics is arguably more relevant than French *laïcité* or the tradition of Christian democracy. The former enshrines absolute state supremacy at the expense of individual and communal autonomy, whereas the latter has paradoxically led to the decline of religious principles and substance in politics. It seems that religion, if it is organised within the narrow framework of political parties, leads to the exit from religion, as religious principles are subordinated to power and thus tend to be corrupted. Thus, most, if not all, Christian Democratic parties have embraced economic and social liberalism that is incompatible with the most fundamental Christian beliefs and practices: neo-liberal free market economics is diametrically opposed to solidarity and subsidiarity, and individual emancipation and ‘sexual freedom’ are irreconcilable with notions of stable relations, faithfulness and loyalty.

The debate then moved on to more detailed questions. Ercan Uygur reported that there is an ongoing debate about whether Turkey will evolve into something like a ‘mild Islamic model’ or remain a staunch secular Republic; in itself, this debate shows that Turkey is a liberal society. But Mario Hirsch remarked that an important principle of a democracy is the separation of powers; the predominant role of the judiciary in politics raises the question of how judges are appointed. According to Gülistan Gürbey, the European political and constitutional model is difficult to define, which is why the Copenhagen criteria have been phrased in deliberately simple ways. Applied to the Turkish case, there are questions as to whether and, if so, how compatible Turkey’s Kemalist conception of the state is with European standards of liberal democracy and citizenship rights. Laurent Mignon argued that the nature of the secular state in Turkey is such that the Department for Religious Affairs only presents Sunni Islam, whereas almost one third of the population is Alevi. This *de facto* discrimination has led to constitutional challenges in both Ankara and Strasbourg. Nor is the intolerance towards non-Sunni believers something new – there have been previous episodes, when 32 people were killed.

Christian Lagarde pointed out that the problem of religion is not limited to Turkey but that in different guises it also besets Spain, Italy and even the USA. Moreover, bigotry is not confined to religious groups but can extend to certain secular movements, including Kemalism. If the AKP were banned, then the army would need to enforce it – such a move will be anti-democratic and cast a long shadow over its present and future. The question is what Turkey’s options are and if there is any democratic alternative to the AKP that could win the next elections. A. Clesse wondered whether the Turkish society is intellectually stuck and what it would take to break the stranglehold of Kemalism and its many acolytes. Korkut Ertürk contended that partisan perspectives are unhelpful because they do not encompass the

whole spectrum of ideas and convictions and because they are not constructive for the debate that Turkey needs to conduct.

II. The Issue of Democracy

The second part of the discussion focused on the nature and the evolution of democracy in Turkey, as well as on the various models that Turkey could adopt. A. Clesse paraphrased Berthold Brecht who said that if you don't like election results, just change the people! He wondered about the capacity of ordinary people to alter their own fate and about the kind of political culture that could and should emerge in Turkey in future. In his short presentation, Wolfgang Voegeli said that one of the principles of democracy which the debate had so far omitted is a catalogue of basic rights, including minority rights. There is mutual fear between communities in Turkey and this requires a new republican consensus that is 'worth the word'. In reality, the Kemalist regime is a form of 'castrated republicanism' – one that is imperfect and in part undermines the republican claim to universality: for example, the much discussed Article 301/1 has been used as an attack on individual human rights. Moreover, religion should be part of politics, but it cannot transgress the boundaries of the 'overlapping consensus' – the state has to ban fundamentalism and enforce it by all legal means. However, under the pretence of upholding the constitution, the Kemalist elite has imposed a number of practices that are undemocratic and need to be challenged. The basic human right of freedom of expression has been systematically flouted.

N. Stone questioned this argument, saying that Article 301/1 needs to be put into historical and comparative perspective. Both Poland and France have used their respective constitution to prosecute those who dared denounce their motherland: de Gaulle had over 300 French journalists thrown into jail. What is more, a French historian who published extensively on the question of slavery was jailed for a week on account of writing about the collusion of black Africans with white slave traders – in an attempt to escape cannibalism in parts of Africa. Nor are these cases limited to the past: nowadays, the highest number of complaints at the Strasburg Court is in relation to legal cases in England. A. Clesse added to this that the West in general and Europe in particular seem to practice self-censorship, as evinced by the so-called Mohammed cartoons: whereas some newspapers gladly published them, no publication in the West would ever even think of publishing cartoons that refer to the Holocaust – even though Westerners purport to defend the freedom of expression.

B. Berberoğlu reverted to the issue of the possible ban of the AKP. He claimed that the banning of parties is a regular occurrence not just in Turkey but also in many other countries, including Germany and the USA. In the Turkish case, banned parties return under other names: Menderes's democrat party and other political traditions, not least the Welfare party of Erbakan. Regarding the constitution, Turkey is less of an exception than many observers assert. There are provisions on impeachment proceedings against the President if he has violated the Constitution – e.g. on charges of treason. This is no different from countries such as the USA where President Clinton was indicted for lying and where some are still trying to have President George W. Bush impeached for similar reasons. Like other constitutions, the Turkish constitution can be reformed and changed in normal times, but Turkey is currently in the middle of a constitutional crisis and any major modification could escalate the extremely tense situation. Moreover, should the process of Islamisation continue, then there is a chance

of a military intervention, but this is limited as a result of the links between the army and the global economy and politics: the close connections with the USA and the growing integration into economic networks mean that the military leadership has been socialised and is unlikely to risk its privileged position. In any case, to call for change begs the question as to what a people's democracy in Turkey might look like.

At this juncture, A. Clesse raised a number of conceptual issues. First, what does a possible party ban say about the maturity and the stability of Turkey's current democratic model? Second, is there not a fundamental difference between banning a party that has 2-3% of the popular vote and one that has almost 47%? Third, can the army be compared to a Damocles sword that hovers over Turkey's democracy and threatens to kill any dissenting voice? In response to these questions, B. Berberoğlu likened the AKP to the Nazi party and said that Turkey must have the right and the means to ban certain political forces by appealing to freedom and democracy. His remarks were immediately criticised by a number of participants as excessive and offensive to the AKP and its voters.

Orhan Morgil sought to steer the discussions into less troubled waters by arguing that Turkey is characterised by a strong popular desire for democracy. As such, religion should be present but not be at the forefront of politics because it breeds conflicts – among religious believers and groups and with those who belong to no religion at all. Modernisation is best achieved under the auspices of a secular democracy that safeguards the inviolability of the constitution and the integrity of the legal system. Furthermore, it was Kemalism which had initiated the separation of the military from politics and civil society; Atatürk himself was not opposed to democracy, he wanted to create a more rational form of governance by applying science in public policy-making. Religion is about individual beliefs and therefore does not belong to the political realm.

III. Possible Social and Economic Models for Turkey

In his introductory presentation, M. Hirsch referred to earlier remarks that the European economy has served as a guiding principle for Turkey's socio-economic reforms. As has already been stated, there is no European model *per se*; rather, this question is still under discussion in the EU and it would therefore be presumptuous for the Union to propose or prescribe any specific configuration to Turkey. The current discussions about a European model that is distinct compared with the USA and parts of Asia can be traced to the informal EU Summit in October 2005 convened by the British EU Presidency. The then Prime Minister Tony Blair had commissioned a paper from the Belgian economist André Sapir on the different models, a typology that in fact goes back to the work of the Danish sociologist Gøsta Esping-Andersen, in particular his distinction of three models: the social democratic model, the conservative model and the liberal model. The social democratic model is prevalent in Scandinavia and is based on taxation and the equal entitlement of all to social security and welfare. The conservative model is prevalent in parts of continental Europe and is based on contributions according to each individual's ability to pay, coupled with paternalistic and corporatist elements (e.g. social dialogue, etc.). The liberal model is prevalent in the Anglo-Saxon world and is based on relatively low taxes which provide a bare minimum of social protection; the emphasis is on the efficiency of the free market and on equality of opportunities.

According to M. Hirsch, when deciding on which model to adopt, Turkey must consider the following points. First, the structure of costs: paradoxically, the social-democratic model is the least expensive, followed by the liberal and the conservative model. Second, the effectiveness of public policy: how much investment is required to achieve a number of goals such as reducing poverty and inequality? The social democratic model produces the lowest Gini coefficient which measures income inequality. Third, efficiency can also be assessed in terms of unemployment and growth: on this account, the social democratic model is the fairest and the most efficient. However, there is one complicating factor, which is that Turkey has a very large informal sector of the economy. According to some estimates, this represents up to 40% of GDP. Social policy is identified by the EU as a productive factor; the taxation that is needed to set up and run a social-democratic welfare system cannot be generated from the formal economy alone since it will risk overburdening it.

In response to this, Y. Akyüz said that Turkey should not import any model but develop its own by learning from the experience of other countries. The most fundamental choice that Turkey faces is between an inward- and an outward-looking strategy. The West has double standards in both politics and economics, preaching liberalisation to the rest and practising protectionism. Despite the so-called ‘Washington consensus’, many obstacles to free trade with the USA, Europe and Japan remain in place. As a result, Turkey cannot be expected to embrace a free-market or protectionist approach. It must opt for a strategic and gradual integration into the world economy. This does not mean that it will steer a middle course in all areas; instead, in some sectors Turkey should have more government intervention, in others more free market mechanisms. Ultimately, this is a political decision more than it is an economic choice. In this respect, the Asian experience of the post-war era is instructive; it cannot be reduced to that of a ‘development state’ but is more complex because it combines state and market in different ways according to the sector and the stage of economic development.

In fact, it was Turkey that had designed *étatisme* (or ‘statism’) in the 1930s and at the same time fostered private enterprise, but there was a failure to reform this system, leading to inefficient resource allocation and other distortions. Today Turkey has one of the most open liberal economies, in terms of trade and foreign investment, but it continues to suffer from terrible forms of interventions and rent-seeking, giving rise to the worst of both worlds: market failures and state failures. More specifically, Turkey’s main economic problems include a substantial trade deficit, a structural fiscal deficit and a high tax burden: 75-80% of all taxes are used to repay the debts. Instead of the government controlling debt, it is debt that so to speak, manages the government. Moreover, the country has a growing foreign capital dependence, it lacks diversification and its service sector tends to be finance-dominated. The economic hollowing out of the middle classes bears political risks. Perhaps most importantly, there is a lack of strategy: short-term thinking has been dominating and there is an excessive focus on corporate interests. Turkey has been riding on the global liquidity bubble, which is now coming to an end. The EU is trying to promote the policies of advanced economies, but no one has asked the question as to whether this is appropriate for a less developed economy such as Turkey.

Alp Bahadır objected to Akyüz’s account, saying that it was too negative and failed to acknowledge Turkey’s successes. First, the recent and current expansion is not just a bubble

but also the product of important structural reforms – especially the financial system which has seen the creation of a functioning banking sector that back in 1980 simply did not exist. Second, if Turkey wants to achieve growth and prosperity, there is no alternative to the current path: embrace the *acquis communautaire* of the EU – any departure from the current reforms might lead Turkey to lapse back into the status of a third-world economy in the globalized world.

This sparked a lively debate. K. Ertürk argued that there are some basic facts which everyone should agree on: even though Turkey is seeing economic growth, it is also experiencing high levels of debt, rising currency appreciation and a real wage decline. In short, what Turkey needs most urgently is real productivity growth in order to raise wages without feeding inflation. To say that there is no alternative to the current reform path is to block discussion: while no single measure will address Turkey's structural problems, many other options remain available. N. Stone concurred with this more balanced assessment, saying that Turkey is not a first-world economy, but nor should it be portrayed as a third-world country. In fact, it has a solid and growing manufacturing sector that produces more and higher-quality goods than much of English manufacturing and supplies the UK with almost 90% of all TVs. As a result, the current phase of economic expansion is not just a bubble waiting to burst; it is based on real savings and investment. However, Turkey does need to take action to reduce its trade deficit: trade imbalances do not work – people sell you goods for your own money! E. Uygun said that seen from Greece, Turkey lacks behind but seen from elsewhere it is quite advanced. The main problem is that a declining rate of growth coupled with small changes in the level of employment is causing nervousness about creeping inflation, expected to exceed its target. In addition, the private savings rate has come down from 25% of GDP to 10%, depriving the country of precious resources for investment. So Turkey's situation is by no means disastrous, but it remains precarious.

Asked by A. Bahadır about what would be an alternative to the so-called liberal model, M. Hirsch responded that Turkey would benefit economically and socially from introducing and guaranteeing workers' rights and, more specifically, trade union rights. There seems to be genuine discrimination against those who seek to establish trade unions and those who try to join them. The EU progress reports have repeatedly highlighted this problem. A. Pabst argued that one of the key challenges is to redress the middle class squeeze, whereby low- and middle-income groups struggle to make ends meet. This is caused by two complementary factors: stagnant or declining real wages and rising costs of living. Together they have eroded purchasing power and reduced the actual standard of living. Coupled with persistent poverty for the poorest, Turkey's economy is stuck: neither a fiscal nor a monetary expansion is possible because they would lead to higher inflation. Therefore, what is required is a different welfare model than any of the three models discussed earlier. The alternative to state-orchestrated income redistribution or free market competition is asset-based welfare – welfare that redistributes assets, not incomes, and thereby makes recipients structurally better off by giving them the opportunity to acquire property or other assets whose value tends to grow faster than income from benefits.

According to A. Pabst, this is important for two reasons. First, assets tends to grow at much higher rates than incomes, and the asset gap between rich and poor has widened even more rapidly than the income gap. Second, with assets, people become less dependent on their wages, especially if the wage structure shifts in the direction of acquiring a share in the

business for employees in the private sector or performance-related bonuses for employees in the public sector. Moreover, Turkey needs to change the incentive structure in favour of small and medium-size businesses. The privileges that accrue to large-scale corporations indirectly penalise family and independent business and prevent a more equal distribution of assets via the market. At the same time as helping the non-corporate sector, Turkey would benefit from a simplified tax system, with a flat corporate and perhaps even a flat income tax which has benefited countries such as Russia and the Baltic States.

M. Soysal also argued that there are alternatives to the predominant model. The current cycle of economic growth will come to an end – that’s what history teaches us, so there is nothing inevitable about the arrangements that are now in place. Instead, as a sovereign country, Turkey has room for manoeuvre. It is clear that some sort of planned economy in the South-East is both desirable and possible: public planning could take care of peoples’ needs and also complete the long and arduous process of nation-building. Privatisation was problematic because many good assets were sold off under value leading neither to increase in productivity nor reduction of public costs; thus it served specific sectional interests, not that of the whole country. More importantly, some of the economic measures advocated or imposed from the outside have restricted the independence of the Republic which needs to be defended against any undue internal or external influence.

These interventions led to a debate on the conditions for a different economic model. For B. Berberoglu, privatisation only benefits a small proportion of the country and it fails to generate employment, capital and reinvestment. Rather than following the failed policies of the USA and much of Western Europe, Turkey would do best to learn from Latin America, China and India and devise an economic strategy that includes planning. Indeed, Bolivia, Venezuela, Argentina and Brasil are beginning to provide alternative policies, even though they are still capitalist societies. N. Stone observed that Turkey is into its 14th 5-year plan – the only country to have state planning other than North Korea! Y. Akyüz contended that before we can put forward concrete alternatives, we need to think about the big strategic decisions, in particular foreign direct investment (FDI), the import and export balance, etc. According to the UN’s human development indicators, Turkey is 84th out of about 190 countries; there is thus potential for improvement. FDI was important for South-East Asia’s economic take-off, especially in terms of technology transfer; the same is true for China and Turkey now. However, there is no debate in Turkey about other experiences because the Turkish elite only knows Europe and the US and nothing else. The forced liberalisation and opening of Turkey to the entire globalised world economy is risky and could come at substantial social cost.

Finally, Deniz Akagül commented on the nature and the sectors of state intervention, which is designed to serve three functions: the production of public goods; income redistribution via the welfare system; the stabilisation of fiscal and trade cycles. In Turkey’s history, there are two paradoxes. First, in the 1930s, the state ensured the production of goods but there was a lack of fiscal stability. Second, gradually, state intervention veered towards income redistribution, not just the provision of goods. This raises the question of whether to privatise the economy and reduce welfare expenditure (as advocated by the World Bank) or whether to rationalise but maintain public enterprises (including employment levels). In Western Europe and the USA, state companies that have been privatised tend to be profitable but there are high levels of unemployment.

IV. Turkey's Domestic Evolution and Its Role in International Relations

In the final session, the discussions touched on a number of fundamental issues. A. Clesse raised once more a series of key conceptual questions such as the status of the military and the judiciary, the treatment of minorities (especially the Kurds and the Armenians), the legacy of history (whether in relation to the alleged Armenian genocide or Kemalism), the future of Islam, as well as Turkey's role in international relations (including possible foreign, security and defence policy models).

First, on the judiciary, M. Soysal explained that the members of the Constitutional Court are appointed by the President. The current composition of the court includes one member who has strong religious convictions and comes from a *tarik* (brotherhood). This shows that elected politics has considerable power and that the AKP is using its position to elevate close confidants to high office and thereby promote its agenda. W. Voegeli contended that the members of the constitutional court should not be exclusively political appointments and that all key state institutions should respect Turkey's 'overlapping consensus'. In turn, R. Arim disagreed with this assessment, saying that Turkey had already made substantial progress in a vast array of fields, from family law to constitutional law.

Second, on Turkey's foreign policy and its role in international relations, there was widespread agreement. S. Tashan argued that history is a very important factor in determining Turkish foreign policy stance: Cyprus, the Kurdish problem, Armenia, the Balkans and the Middle East are all problems that arose at the time of the Ottoman Empire or during its collapse, but they were not caused by the foundation of the Turkish Republic. Indeed, the loss of the empire left many Turks outside the frontiers of the newly found country; as such, the costs of an independent republic have been highest for the Turks themselves. In consequence, Turkey will not be blackmailed by any foreign parliament or other force in relation to the alleged 'genocide' of Armenians because no such genocidal action occurred. On this question, the onus is on Armenia and, to a lesser extent, on France.

Moreover, the problems of demarcating territorial water and airspace with Greece are unresolved and will not be settled unless both sides have a strong incentive to do so, but at the moment there is a stalemate. With the Balkan countries, relations are very good and mutually beneficial. In Germany there are 3 million Turks who are being assimilated instead of being given minority rights; there are double standards which cause resentment and make integration unnecessarily difficult. In spite of some bilateral tensions, the alliance with the EU and the USA is indispensable for the security and prosperity of Turkey. Independently of disagreements over Iraq, Turkey will continue to stay in NATO, not least because the USA has been a reliable partner, after the Second World War and, more recently, after the 2001 economic crisis.

C. Brewin stressed Turkey's key function in bringing about and maintaining security in the Middle East and beyond, whether in relation to pipelines, the stabilisation of Afghanistan or the conflict between Palestine and Israel. Turkey's role is perhaps best described as that of a 'locutor', not an arbiter – this would give Turkey sufficient leeway to intervene and to retain leverage in complex and long negotiations. As part of the EU, Turkish diplomacy would be immensely reassuring to other Muslim countries around the frontiers of the Union. On

Cyprus, there is now an opening, but an EU rebuff would reinforce a centralising nationalism in Turkey and prevent any reconciliation for the island.

Third, the issue of minority rights and the question of Armenia gave rise to a heated exchange of views. Some, like W. Voegeli, argued that there is a clear human rights problem in Turkey in relation to minorities such as the Kurds or the Armenians. Whilst limited improvements have been made, the core problem persists. Others, such as G. Gürbey and A. Bahadır, said that minorities' right can only be effectively protected if individuals are granted basic rights and that these legal and political problems are discussed in Turkey, including by many young people, which is an indication of Turkey's increasingly mature democracy. Yet others, like Alparslan İşikli, claimed that there is no Kurdish problem as such; instead, a succession of great powers have adopted an imperial strategy of 'divide and rule' to weaken Turkey. Neither historically nor culturally nor politically, there is any possibility of separating the Kurds from the Turks and all such attempts have proven futile.

Based on his own historical research, N. Stone pointed out that the controversy over Armenia has repeatedly been stirred up by the Armenian diaspora (in the USA and in France). This agitation ignores the real interests of Armenia, which has lost over one-third of its population, currently attains barely one-quarter of Estonia's GDP and desperately needs good relations with Turkey. Thus, when countries declare independence, the first thing they should do is declare independence from their wretched diaspora in America! On the question of the so-called genocide, there is substantial evidence to suggest that both sides in the conflict perpetrated mass killings, and many in Turkey and in Armenia have accepted that. But the specific charge of genocide – i.e. the deliberate and systematic extermination of a whole ethnic or 'racial' group – does not stand up to scrutiny. More interesting than this historical fact is the question why it is that the Turkish case has not been presented.

M. Soysal said that a number of countries have legal cultures that place restrictions on the freedom of speech in favour of carefully calibrated self-censorship which serves certain powerful interests. Turkey is insulted by accusations of genocide but it is powerless in the face of well-organised and well-funded diaspora movements. Y. Akyüz argued that any resolution of the Armenian problem requires the solution of the conflict in Nagorni Karabagh, which in turn requires cooperation with France.

In conclusion, L. Mignon contended that the overall political climate has degraded. Back in 2002, there was considerable freedom in Turkey to discuss minority problems, but over the last 15 months or so, there has been a decline in the nature and the extent of critical debate. For instance, Prime Minister Erdogan has shifted from a discourse about the Kurdish problem back to a rhetoric centred on the threat of terrorism. After the assassination of Hrant Dink and the kidnapping of Turkish soldiers, Turkey has seen a growing gap between propaganda and action. At the heart of many of these problems is the place of the nation state in a globalised world and the loss of social stability and economic security.

Luxembourg Institute for European and International Studies
Luxembourg Pierre Werner Institute
Akdeniz University
Faculty of Economics and Administrative Sciences
&
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**Conference on
Societal Models for Turkey**

*30 March 2008
Hotel Dedeman, Antalya*

Program

09.00-10.45: Session 1: Possible models of society: looking at key variables: the role of the state, religion, civil society, the economic and social system

Social and political problems of Turkey: crisis or change? How should the social structure and change dynamics of Turkey be analyzed? How should the recent political disputes (constitutional change, secularism, concerns about secularism, headscarf problem) be interpreted with regards to sociology and political science? Is there a problem of democratization, of fundamental rights and freedoms, or of relationships between the individual and the state? Does the political agenda reflect a societal demand or effects of international dynamics like the EU membership process?

Türkiye'nin toplumsal ve siyasal sorunları: kriz mi, değişim mi ? Türkiye'nin toplumsal yapısı ve değişimin dinamikleri nasıl analiz edilmelidir? Son yıllarda artan siyasal tartışmalar (anayasa değişikliği, rejim tartışmaları, laiklik ile ilgili kaygılar, türban sorunu,...) toplumbilim ve politikbilim açısından nasıl yorumlanmalıdır? Türkiye'de demokratikleşme sorunu, temel hak ve özgürlükler, birey-devlet ilişkisinde sorunlar var mıdır, siyasal gündem toplumsal bir talebin yansımaları mı, yoksa AB süreci gibi uluslararası dinamiklerin etkilerini mi yansıtmaktadır?

10.45-11.00: Coffee break

11.00-12.30: Session 2: Comparing the various political models: strengths and weaknesses, advantages and disadvantages

What kind of a change does the Turkish politics passes through? What are the problems of the parliamentary system and what are the solutions?

Türk siyaseti nasıl bir değişim yaşamaktadır ? Parlamenter sistemin sorunları ve çözüm yolları nelerdir ?

12.30-14.00: Lunch

14.00-15.30: Session 3: Which economic model may suit best Turkey's long-term needs: identifying those needs; responding to them; implementing them? Should Turkey opt for a model *sui generis* ?

Which model has Turkey really adopted, market economy or social market economy? Has Turkey missed the train of industrialization? What kind of class structure does the Turkish economy produce? What are the social and political consequences of this structure? Should Turkey employ the experiences of Asia and Latin America? How?

Türkiye, piyasa ekonomisi, sosyal piyasa ekonomisi modellerinden hangisini benimsemiştir? Türkiye sanayileşme trenini kaçırmış mıdır ? Türkiye ekonomisi nasıl bir sınıfsal yapı üretmektedir ve bunun toplumsal, siyasal sonuçları nelerdir ? Türkiye, Asya ve Latin Amerika deneyimlerinden yararlanmalı mıdır? Nasıl ?

15.30-16.00: Coffee break**16.00-18.00: Session 4:** The developments in international relations

How is Turkey influenced by the US hegemony, the political changes in Middle East, Iraq, Iran, Pakistan and Afghanistan? What is the policy of EU about the USA and Turkey? How are EU countries' foreign policies developing: integration or fragmentation?

Uluslararası politikada ABD hegemonyası, Orta Doğu, Irak, İran, Pakistan ve Afganistan'daki gelişmeler Türkiye'yi nasıl etkilemektedir? Avrupa Birliği'nin ABD politikası ve Türkiye'ye ilişkin tutumu nedir? Avrupa Birliği ülkelerinin dış politikaları: bütünleşme mi, parçalanma mı?

18.00: Conclusions and recommendations

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