

CRS Report for Congress

Turkey: Selected Foreign Policy Issues and U.S. Views

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Summary

During a period of domestic political turmoil in spring and summer 2008, the ruling Justice and Development Party (AKP) government of Turkey continued to conduct a very active foreign policy aimed at portraying the country as a regional power and at improving relations with its neighbors. It has engaged Iraq in order to fight the Kurdistan Workers Party (PKK), a U.S.-designated Foreign Terrorist Organization (FTO); prevent the emergence of an independent Kurdish state in northern Iraq; and ensure the development of a stable neighbor. This engagement includes advances in both political and economic bilateral relations. Turkey also has been facilitating indirect Israeli-Syrian peace talks and improving political and economic ties to Syria. More controversially, the AKP has drawn closer to Iran, partly because Turkey believes that it would be harmed by a possible conflict over Iran's nuclear program and partly because it seeks to diversify its sources of energy. The AKP has continued to act on its EU ambitions and offers Turkey as a bridge between its neighbors and Europe. However, Turkey's policy toward Cyprus may impede progress toward EU membership, and its approach to the Cyprus settlement talks may not be as constructive as it was in 2004. Finally, Turkey's relations with Armenia have been troubled, mainly because of its refusal to recognize the Armenian "genocide" of the early 20th century and Nagorno-Karabakh issues.

The AKP's policies toward Iran, Syria, Hamas, and Sudan differ from those of the United States and some in the international community. It acts in what it views as Turkey's national interests, at times seeming to disregard the possible reaction in Washington. Despite criticizing these AKP policies, the Bush Administration values bilateral relations with Turkey for geostrategic reasons. Major oil and gas pipelines transit Turkish territory and U.S. forces value use of Turkey's Incirlik Air Base. Members of Congress have registered their concerns about Turkey's conduct toward Cyprus, Greece, and Armenia as well as their support for Turkey in its fight against the PKK and in its effort to join the EU, mainly by introducing resolutions.

This report will be updated as developments warrant.

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Overview

In spring and summer 2008, Turkey experienced considerable domestic political turmoil. Yet, those difficulties have neither affected Turkey's very active foreign policy nor its bilateral relations with the United States. A stable Turkey is important to the United States mainly for geostrategic reasons. Turkey is situated amid the troubled Balkans, the Caucasus, and the Middle East regions and is a critical energy and transit hub between Central Asia/the Caucasus and Europe. The AKP government sees Turkey as a major regional power serving the cause of peace and stability in its neighborhood. It seeks to facilitate the peaceful resolution of Israeli-Arab disputes and of problems the international community has with its neighbors, Iran and Syria. It has been less active of late regarding the Armenian-Azerbaijani dispute over the Azerbaijani region of Nagorno-Karabakh and the Cyprus issue, despite governmental changes in Yerevan and Nicosia that might prove more conducive to settlements than in the past. Some of the AKP's regional foreign policy initiatives appear to contradict the Bush Administration's goals vis-à-vis some of Turkey's neighbors. In particular, the AKP's engagement with Hamas, Syria, Iran, and Sudan has contradicted U.S. and much of the international community's policy of isolating those regimes and groups and has produced expressions of concern from Washington.

Turkey's geostrategic importance to the United States is symbolized by the Incirlik Air Base. Since the 1950's, with minor interruption, Turkish governments of all political persuasions have granted the United States forces permission to use the base under a bilateral defense cooperation agreement. In the past, the U.S. granted Turkey considerable foreign aid, tacitly in exchange for such access. In recent years as Turkey's economy has grown, however, the United States has not provided it with much assistance.

The following sections of this report describe Turkey's policies on selected issues and, as appropriate, U.S. Administration and congressional views of Turkey in these contexts. The last section deals with Turkey's Incirlik Air Base, which symbolizes the unwavering geostrategic importance of Turkey for the United States, despite bilateral differences on a growing range of subjects.

Table 1. U.S. Aid to Turkey

Kind	2007	2008 (estimate)	2009 (request)
FMF	\$14.232	\$6.801	\$12
IMET	\$3.5	\$2.855	\$3
NADR	\$2.059	\$2.187	\$3.410
INCLE			\$300,000

Note: All sums are in millions, except INCLE.

FMF = Foreign Military Financing

IMET = International Military Education and Training

NADR = Nonproliferation, Antiterrorism, Demining, and Related Programs

INCLE = International Narcotics Control and Law Enforcement

AKP's Approach to Foreign Policy

In the past, Turkey portrayed itself as isolated in its region, surrounded by troubles in the Middle East, Balkans, and Caucasus and by hostile neighbors in Syria, Iraq, Iran, the former Soviet Union, Greece, and Cyprus. Since taking power, the AKP has worked assiduously to alter the environment that produced this self-assessment by changing Turkey's regional posture, improving relations with its neighbors, and working to create a region of peace. The AKP government has proceeded with a very active foreign policy agenda even as its future was in doubt in 2008.

Professor Ahmet Davutoglu is a major contributor to the AKP's approach to foreign policy. He is a key foreign policy advisor to and frequent traveling companion of Prime Minister Recep Tayyip Erdogan, President Abdullah Gul, and Foreign Minister Ali Babacan. In 2001, Davutoglu published *Strategic Depth*, a treatise calling for a new Turkish foreign policy strategy based on a "multidirectional strategic vision."¹ He argued that Turkey should follow policies of its own making instead of following ones that extend "global designs" and called on the country to acknowledge its cultural and historical ties to its region. Davutoglu states that Turkey has a "strategic vision for the future of our region" based on a common security framework, political dialogue, economic interdependence, and cultural and

¹ The book has not been translated into English. Ahmet Davutoglu, *Stratejik Derinlik, Turkiye'nin Uluslararası Konumu*, reviewed by Hasan T. Kosebalaban, in the *Middle East Journal*, Autumn 2001. Many Turkish specialists also have analyzed the book. Davutoglu often gives interviews to the media and spoke at a German Marshall Fund event in Washington, DC, in February 2007.

sectarian harmony.² In other words, he nurtures a vision of Turkey as a major regional power broker.³

Turkey now enjoys a rapprochement with Greece, close political and economic ties with Syria, growing trade and energy ties with Iran, continuing good relations with Israel and all of the Central Asian republics, and especially close relations with Azerbaijan. Cyprus and Armenia are the only exceptions to improvements in Turkish relations with regional actors (more on them below). Davutoglu personally guided Turkey's outreach to the Palestinian Hamas group and is mediating the indirect Israeli-Syrian peace talks. Some critics of the AKP suggest that it has followed an "Islamic" foreign policy.⁴ Yet, the AKP has abandoned neither Turkey's NATO membership nor its ambition to join the European Union (EU) as it simultaneously has paid more attention to the region and the East.

Turkey's almost relentless engagement with some of its neighbors puts it at odds with U.S. foreign policy. The AKP does not share the U.S. goal of isolating Iran, Syria, Hamas, and Sudan, preferring engagement with all. Turkish officials believe that their foreign policy serves to expand relations between the West and the Middle East and adds value to U.S. and European policies by providing additional avenues of approach. They maintain that there is no contradiction between their policies and those of their Western allies. The AKP has welcomed visits by Iranian President Mahmoud Ahmadinejad, Palestinian Hamas Poliburo Chief Khalid Mish'al, and Sudanese President Omar Bashir.⁵ However, although, it portrays engagement as efforts to change these leaders' behavior, in no case has the AKP been successful. Moreover, the AKP has failed to hold these pariahs to international standards -- perhaps because they are Muslim -- even if it risks isolating Turkey from the EU and its NATO partners.

The United States and much of the international community have policies of isolating these leaders: Ahmadinejad because of Iran's failure to cooperate with international efforts to control or end its enrichment of uranium, Mish'al because the United States and the EU consider Hamas to be a terrorist group, and Bashir because of what the United States and others consider the Sudanese government's policy of genocide in Darfur and, more recently, their support for the International Criminal Court Prosecutor's efforts to have Bashir arrested for genocide and war crimes. The U.S. State Department has criticized Turkey's outreach to each of these men. The

² "Iraqi Government Spokesman, Turkey's Davutoglu Discuss Erdogan's Visit," *Al-Iraqiyah Television*, July 11, 2008, Open Source Center Document GMP10080711676005.

³ Sami Kohen, "The EU on the One Hand, the Middle East on the Other," *Milliyet*, December 6, 2006, BBC Monitoring European, December 7, 2006.

⁴ Former Ambassador and current Nationalist Action Party (MHP) MP Gunduz Aktan at "Back to the Future: U.S.-Turkish Relations after the Bush Presidency," Brookings Institution panel, January 31, 2008.

⁵ AKP's interactions with Hamas and Iran are discussed above. Sudanese President Bashir made a three-day official visit to Turkey in January 2008 and, at the invitation of the Turkish government, attended a Turkish-African Summit in Istanbul on August 19, 2008. The latter visit occurred after the International Criminal Court had indicted him for genocide.

Department has been less critical of Turkey's relations with Syria and even has made positive comments about Turkey's role in reviving Israeli-Syrian talks.

Issues on Turkey's foreign policy agenda of most concern to the U.S. Administration and to Congress are discussed below.

Figure 1. Turkey and Its Neighbors



Source: Map Resources. Adapted by CRS.

Iraq

On March 1, 2003, the Turkish parliament failed to grant approval for U.S. forces to transit Turkish territory in order to open a second front in the war against Iraq. Before the war, Turkish officials had warned U.S. interlocutors about the potential effects of a conflict on regional stability and about possibly resulting increased sectarian unrest. Turks believe that their fears were realized when the separatist Kurdistan Workers Party (PKK), which had waged a 15-year guerrilla war against Turkey from 1984 to 1999 at a cost of more than 30,000 lives, took advantage of the chaos in Iraq to gain safe haven in northern Iraq.⁶ From there, the PKK relaunched a campaign of violence against Turkey.

After a spate of particularly bloody PKK attacks in the fall of 2007, Turkish troops massed on the border with Iraq, seeming to prepare for a major incursion/invasion. President Bush met Prime Minister Erdogan at the White House on November 5 in an effort to prevent a Turkish military operation that might further

⁶ The U.S. State Department designated the PKK as a Foreign Terrorist Organization (FTO) on October 8, 1997.

destabilize Iraq. The President promised to provide Turkey with “actionable intelligence” to use against the PKK and set up a tripartite consultation mechanism among Gen. David Petraeus, then commander of the Multinational Force in Iraq, General James Wainwright, U.S. Deputy Chief of Staff, and General Ergin Saygun, then Deputy Chief of the Turkish General Staff. Since that time, Turkish forces have launched targeted air and ground strikes against PKK camps and other facilities located in the mountains of northern Iraq. They have expressed satisfaction with their results, while blaming the PKK for continuing terror attacks in Turkey. H.Res. 796, introduced on November 5, 2007, condemns the PKK for its ongoing terrorist attacks against Turkey and the Turkish people.

Because it has battled PKK separatists for so long, Turkey’s overriding goal regarding Iraq is to preserve its neighbor’s territorial integrity in order to prevent the emergence of an independent Iraqi Kurdish state that could serve as a model for Turkey’s Kurds or more permanent haven for the PKK. To that end, the Turkish government has established relations with most major Iraqi ethnic groups and encouraged them to work together to develop a functioning democracy and to cooperate in counterterrorism. Turkey advocates a consensus solution for the status of the oil-rich city of Kirkuk, mainly in order to avoid it becoming the financial foundation for a Kurdish state but also to ensure the rights of the Iraqi Turcomen, ethnic kin of the Turks.

At the invitation of President Gul, Iraqi President Jalal Talabani, a Kurd, made his first official visit to Ankara in March 2008. A new Special Envoy to Iraq, Murat Ozelik, has reinvigorated relations with all Iraqi factions and, with Davutoglu, expanded that outreach to include Prime Minister Nechirvan Barzani of the Kurdish Regional Government (KRG) in northern Iraq. Turkish officials thus far have avoided President Massoud Barzani of the KRG because he has said that he considers the PKK to be a political problem for Turkey and not a terrorist organization.⁷ They say that they are still waiting for the KRG to take concrete action against the PKK.

On July 12, 2008, Prime Minister Erdogan made the first visit by a Turkish prime minister to Iraq in 18 years, and later reported that he had received support from Prime Minister Nuri al Maliki’s government and the “regional administration in north of Iraq” on the issue of PKK terrorism. The two leaders signed an agreement to establish a high level Strategic Cooperation Council. Under its umbrella, the two prime ministers will meet annually, foreign and other ministers will meet three times a year, and technical committees four times a year to work on a joint future for the two countries. Erdogan voiced his intention to improve relations in many areas. Bilateral trade volume was \$3 billion in 2007 and the two governments aim to increase it to \$5 billion by the end of 2008 and \$20 billion by 2010.⁸ Turkish businesses also have been involved in some \$4 billion in construction projects, although that is declining due to payment problems.

⁷ For example, interview with Marizio Piccirilli, *Il Tempo* (Italy), date not given, Open Source Center Document EUP20080813058005, June 21, 2008.

⁸ Turkish State Minister (for trade) Kursad Tuzman, quoted in “Turkish Minister Announces Plans for Joint Industrial Zone at Turkey-Iraq Border,” *Anatolia News Agency*, June 29, 2008, BBC Monitoring European.

Despite occasional disruptions caused by the security situation, 350,000 barrels of oil flow daily from Iraq to Turkey via the Kirkuk-Yumurtalik pipeline -- mainly for international shipping. The Turkish Petroleum Corporation (TPAO), the state oil company, has been granted conditional approval to bid on oil exploration, drilling, and marketing in Iraq. The Iraqis are worried about the capacity of the TPAO to handle the project and made final approval contingent upon TPAO's ability to put together a consortium of international companies. Turkey also is interested in linking Iraqi natural gas to the planned Nabucco pipeline intended to transport gas from Central Asia and the Caucasus. Thus, in many ways, it can be said that the AKP has achieved its goal of good neighborly relations with Maliki's Iraqi government.

Israeli-Syrian Talks

Turkey has good relations with both Israel and Syria, which had suspended their peace talks in 2000. During a February 2007 visit to Turkey, Israeli Prime Minister Ehud Olmert reportedly discussed the possibility of Turkish mediation between his country and Syria with Prime Minister Erdogan. The Turkish leader may have seized on this overture to advance his agenda of regional peace and to enhance Turkey's image as a regional power. On May 21, 2008, reportedly after considerable ground work by Professor Davutoglu, Israel, Syria, and Turkey simultaneously announced that Israel and Syria had launched proximity or indirect peace talks in Istanbul mediated by Turkey. Several rounds of talks have taken place and Turkey remains active in the indirect talks. Syrian President Bashar al Asad has said that he would not move on to direct talks until there is a new U.S. administration, maintaining that such talks require an international "sponsor" from whom he is presumably seeking financial and security guarantees. It is not clear what role, if any, Turkey would play if and when direct talks are launched in the future. Turkish diplomats say that their goal is peace and, in the end, it is enough that they may have helped prepare the foundation for a peace agreement without getting credit for achieving one. Nonetheless, Israel and Syria have both recognized Turkey as a pivotal regional actor, and the AKP has taken another action toward its goal of a region of peace.

The Turkish initiative to restart peace talks between Israel and Syria appeared contrary to the Bush Administration policy of isolating Syria because of Syria's destabilizing influence in Lebanon, support for Hezbollah and Hamas, and ties with Iran, and contrary to the Administration's emphasis on achieving an Israeli-Palestinian peace agreement this year. However, White House Press Secretary Dana Perino stated that the Administration was not surprised by the May 21 announcement and did not object to it. Secretary of State Condoleezza Rice affirmed, stating, "We would welcome any steps that might lead to a comprehensive peace in the Middle East.... We are working very hard on the Palestinian track. It doesn't mean that the U.S. would not support other tracks." State Department Spokesman Sean McCormack said that "the Turkish government should be applauded for the fact that they are working to further the cause of peace in the region," and Secretary Rice publicly thanked Foreign Minister Babacan for Turkey's role in the process at a June

5 meeting.⁹ The Administration also characterized Turkey's enterprise as an opportunity to convey appropriate messages to Damascus. Perino stated, "What we hope is that this is a forum to address various concerns that we all share about Syria – the United States, Israel, and many others – in regard to Syria's support for Hamas and Hezbollah (and) the training and funding of terrorists that belong to these organizations.... We believe it could help us to further isolate Iran...."¹⁰

Syria

The foundation for better Turkish ties with Syria was laid well before the AKP came to power. On October 20, 1998, under the threat of Turkish military action, Damascus agreed to recognize the Kurdistan Workers Party (PKK) as a terrorist organization, to cease all aid to the PKK, and to deport PKK leader Abdullah Ocalan, who was based in Damascus, from Syria. Syria completely fulfilled its commitments under this accord (the Adana Agreement or Protocol) and bilateral relations improved over the following years. Since the AKP came to power in 2002, those ties have become even warmer. AKP leaders have cultivated close personal relations with Syrian President Bashar al Asad and the two countries' officials often exchange high level visits. Asad made his first visit to Turkey in 2004 and he has returned several times. Turkey and Syria concluded a free trade agreement in January 2007. Trade between the two neighbors totaled \$1.2 billion in 2007 and is targeted at \$2 billion for 2008.¹¹ Ankara and Damascus are drawing designs for a gas pipeline and their national oil companies plan to establish a joint oil company. In addition, Turkish companies are setting up factories in Syria to take advantage of cheaper materials and labor. Turkish investment totals \$400 million and is expected to increase dramatically in the coming years.

Hamas

Turkish officials have had contacts with Hamas political bureau chief Khalid Mish'al, who resides in Damascus. Davutoglu met with Mish'al in Damascus, and Mish'al met with AKP officials in Ankara in February 2006, shortly after Hamas won the Palestinian parliamentary election. However, Mish'al is neither an elected nor an appointed official of the Palestinian government. Turkey's outreach to Hamas disregarded the approach of the so-called Quartet – the United States, European Union (EU), United Nations and Russia – which had set conditions for Hamas to meet before it would be engaged by the international community. Those conditions

⁹ "USA Welcomes Turkey's Mediation between Israel, Syria," *Anatolia*, June 2, 2008, and "Amid Closure Case, Rice Praises Ties with AKP Govt," *Turkish Daily News*, June 7, 2008

¹⁰ Cam Simpson, "Israel, Syria in Indirect Peace Talks," *Wall Street Journal*, May 22, 2008, "US Welcomes Syrian-Israeli Talks but Stresses Palestinian Track," *Yahoo! News*, May 21, 2008, "Rice: Israeli-Palestinian Track Most Likely to Produce Results," *Associated Press*, May 22, 2008.

¹¹ "Al-Dardari Discusses Economic Relations with Turkish Delegation," *SANA News Agency*, May 21, 2008, BBC Monitoring Middle East.

include: disavow violence, recognize Israel, and recognize prior agreements between Israel and the Palestine Liberation Organization (PLO). Hamas had not met any of the conditions at the time of Mish'al's visit to Ankara and still has not done so. The United States and the EU, of which Turkey is a candidate for membership, consider Hamas a terrorist organization. Moreover, Mish'al's visit to Turkey appeared to some to give Hamas a boost and greater international legitimacy at the expense of the Western-favored government of Palestinian Authority (PA) President Mahmud Abbas.

Iran

In its attempts to forge greater regional stability, the AKP government has tried to bridge the gap between Iran and the international community and to expand bilateral relations with its neighbor. On the most pressing international issue of the moment, Turkish officials state that Iran has the right to develop nuclear energy for peaceful purposes, but has called on Iran to cooperate with the International Atomic Energy Agency (IAEA) and demonstrate that its nuclear program has peaceful intentions. The Turks also want to preserve their own right to develop nuclear energy for peaceful purposes. However, they do not want Iran to develop weapons of mass destruction and thereby upset the regional balance of power. Foremost, the Turks seek to avoid another war in their region.

It is in this light that the AKP had hoped the United States and others would view the first "working visit" of Iranian President Mahmoud Ahmadinejad to Istanbul on August 14-15, 2008. Observers emphasized that it was Ahmadinejad's first visit to a NATO member state and a EU candidate country. Ankara suggested that the visit provided an opportunity to pass messages at the highest level. Iran does not think that it needs an intermediary with the international community, but Ahmadinejad said that he viewed Turkey's efforts to defuse tension and to further constructive dialogue positively.¹² A Turkish newspaper claimed that, during their meeting, President Gul urged Ahmadinejad to accept the incentive package offered by the five permanent members of the U.N. Security Council and Germany (P5+1) to freeze Iran's enrichment program, but Ahmadinejad simply reiterated his stance that the program is peaceful and that Iran would not accept a freeze.¹³ There was no official Turkish statement about the conversation and the AKP could not point to any achievements on the nuclear issue resulting from Ahmadinejad's visit.

Bilateral Turkish-Iranian relations have a strong economic dimension. About 1.5 million Iranian tourists visit Turkey annually. Trade is growing, with a volume of \$8 billion in 2007 that is expected to reach \$10 billion by the end of 2008, with a

¹² Ahmadinejad interview with CNN TURK, August 13, 2008, Open Source Center Document FEA20080813751591.

¹³ "Turkey Urges Iran to Accept Incentives, Warns on U.S. Attack," *Hurriyet*, August 16, 2008, Open Source Center Document GMP20080816734006.

target of \$20 billion within four years.¹⁴ The balance is sharply in Iran's favor because Turkey imports oil, oil products, and gas from its neighbor. Turkey is a net importer of oil and gas and depends on Russia for 68% of its gas supplies; it looks to Tehran to lessen that dependence and sees the bilateral relationship as in its vital national interest. The first Iranian-Turkish gas pipeline went on stream in 2001, but supplies have been sporadic during the winter as Iran diverts them for its own domestic needs.

In July 2007, Turkey and Iran signed a memorandum of understanding or preliminary agreement for the Turkish Petroleum Corporation (TPAO) to be granted the right to develop natural gas fields in South Pars, to extract up to 20 billion cubic meters (bcm) of gas, and to transport it via a new pipeline from Tabriz in Iran to Erzurum in Turkey and onto the planned 3,300-kilometer Nabucco pipeline. Should the agreement be finalized, the required Turkish investment would be approximately \$3.5 billion. Nabucco is intended to carry natural gas from Turkmenistan via Azerbaijan, Georgia, and Turkey to a major natural gas terminus in Austria, thereby bypassing and lessening European dependence on Russia. It is scheduled to be completed by 2013. Iranian gas would make the pipeline more viable. Turkey's European partners in Nabucco (Hungary, Bulgaria, Romania, Germany, and Austria) maintain that "No Iranian gas will be accepted unless the nuclear problem is solved."¹⁵

Turkey and Iran failed to finalize the new accord during President Ahmadinejad's visit to Istanbul, reportedly because Iran wanted a higher price for the gas in light of instability in the Caucasus, another source of gas for Turkey.¹⁶ Turkish Energy Minister Hilmi Guler has said that the two sides will continue work on finalizing an agreement. No official explanation for the delay in concluding an accord has been offered. Speculation that Turkey had abandoned the deal due to U.S. pressure may prove erroneous, again because Turkey views it to be in its national interest. Some suggest that Ahmadinejad bested the Turks with his visit. Turkey did not gain a gas agreement, while the Iranian president showed that he could counter efforts to isolate his country without making concessions on its nuclear program.¹⁷

During Ahmadinejad's visit, Iran and Turkey signed less significant agreements for cooperation in combating trafficking in narcotics, environmental matters,

¹⁴ Barcin Yinanc and Mustafa Oguz, "Turkey Rolls its Diplomatic Dice," *Turkish Daily News*, August 14, 2008.

¹⁵ "Austria Says Turkey's Position in Nabucco Limited," *Turkish Daily News*, May 23, 2008. The fighting between Georgia and Russia in August 2008 has challenged Nabucco's prospects, raising questions about the security of pipelines via the Caucasus, their independence from Russian control, and investors' willingness to finance the \$11.8 billion cost under such circumstances. Judy Dempsey, "Georgia Crisis Threatens Pipeline," *International Herald Tribune*, August 29, 2008.

¹⁶ Ozer Ozbayraktar, "The United States Got What it Wanted: the Gas Accord Has Been Cancelled," *Vatan*, August 15, 2008. "Turkey: Price Said Cause for Lack of Gas Deal with Iran," *NTV Online*, August 15, 2008, BBC Monitoring European.

¹⁷ Gareth Jenkins, "Devils and Details: Ahmadinejad Visits Turkey," August 14, 2008, accessible online at [http://jamestown.org/edm/article.php?article_id=2372217].

transportation, tourism, and culture. Turkey and Iran also continue to cooperate in fighting their respective and mutual Kurdish terrorist threats, the related PKK and Party for a Free Life in Kurdistan (PJAK), which are both located in northern Iraq.

The Bush Administration has been wary of Turkey's warming of relations with Iran at the same time that Washington seeks to have the U.N. Security Council consider additional sanctions on Iran because of its uranium enrichment program. Moreover, the Administration believes that the prospective agreement for Turkey to develop natural gas resources in Iran and build a pipeline from Iran to Turkey would violate U.N. sanctions intended to pressure Iran to suspend its uranium enrichment program and also violate the U.S. Iran Sanctions Act, P.L. 104-172, August 5, 1996, as amended. The State Department warned Turkey against finalizing the South Pars energy agreement, asserting,

such a deal by Turkey with Iran would send the wrong message at a time when the Iranian regime has repeatedly failed to comply with its U.N. Security Council and IAEA obligations.... This is not a time to do business with Iran. It is a time for the international community, including our ally Turkey, to begin considering additional measures to pressure Iran.¹⁸

U.S. officials expressed hope that Turkish officials would convey messages in line with those of the international community regarding Iran's nuclear program during Ahmadinejad's visit.

The Administration supports Turkey's bid for a nonpermanent seat on the U.N. Security Council for 2009-2010 and has not indicated that it is having any second thoughts due to Ankara's outreach to Tehran. If Turkey wins a seat, it is not certain if its policy toward Iran would be dependably in line with the P5+1.

European Union

Turkey began accession talks with the EU in October 2005. Subsequently, there was a drop in enthusiasm for the EU in Turkey in part as a result of statements by newly elected European leaders who strongly oppose Turkey's eventual EU membership, notably German Chancellor Angela Merkel and French President Nicolas Sarkozy. Sarkozy and Merkel have suggested offering Turkey a "special relationship" or "privileged partnership" with the EU in lieu of membership. They have not defined these terms, which may not mean much more than the customs' union Turkey has enjoyed with the EU since 1995. The EU has long struggled with whether Turkey should be allowed to join the Union, and many EU citizens and leaders remain wary of Turkey's possible accession given its large population, relatively poor economy, and Muslim culture.

In November 2006, the EU suspended negotiations with Turkey on 8 out of 35 chapters of the *acquis communautaire* (body of EU laws and regulations) that

¹⁸ Alex Barker and Andrew Ward, "US in Warning to Turkey over Terms of Energy Deal with Iran," *Financial Times*, August 14, 2008.

candidates must conclude and implement before accession. The suspension was due to Turkey's refusal to open its ports and airports to Cypriot ships and planes. The EU also declared that no chapter would be closed (completed) until Turkey meets the requirements regarding Cyprus, an EU member. The EU sees Turkey's position as contravening EU requirements for the free movement of goods. Ankara insists that the EU keep its promise to end the "isolation" of predominantly Turkish Cypriot northern Cyprus before Turkey takes actions benefitting Greek Cypriots, who control the internationally recognized government of Cyprus but only the territory of the southern two-thirds of the island. Nonetheless, the EU continues to open other chapters for negotiation. (More on Cyprus, below.)

Aside from the Cyprus issue, the EU demands that Turkey carry out many reforms, including constitutional changes to ensure an independent judiciary, tighter civilian control over the military, greater guarantees of freedom of expression, and more protections and freedom for religious and ethnic minorities, among other requirements. The EU praises the reforms that Turkey has undertaken so far, but finds them insufficient.

Turkish supporters of EU membership were dismayed when the AKP appeared to give EU membership a lower priority after achieving the start of accession talks in 2005. The lack of consistent attention to the issue was made even more apparent when Foreign Minister Babacan decided not to give up his portfolio as EU negotiator when he became foreign minister in 2007 and so, technically, he plays both roles. As a result, critics charge, Turkey lacks a full-time EU negotiator. After the Constitutional Court declined to ban the AKP, President Gul indirectly criticized the government by urging it to "hasten" the reform process. He said, "Integration with the EU is a state policy and a strategic decision. But it cannot run at an idle speed... The reform process cannot be in tatters."¹⁹

Since the EU strongly opposed the prospect of a ban on the AKP, the party has again focused on the membership process and popular support for EU membership is reviving. A June 2008 poll registered favorable opinion of EU membership up to 62%.²⁰ On August 18, a government spokesman announced a draft four-year plan of reforms intended to help Turkey meet EU standards. The draft emphasizes relatively non-controversial changes regarding environmental issues and addresses protection of individual privacy and some trade issues. It also may address judicial reform, aspects of civil-military ties, and other matters. The Turkish parliament will take up the plan when it reconvenes in October 2008.

The AKP government portrays its EU vocation as part of its regional foreign policy, suggesting that Turkey is the link between its region and Europe that Europe should want to exploit. EU membership for Turkey is unlikely before 2013-2014, if then, so Turkey may be able to wait out the tenure of current European leaders opposed to its membership.

¹⁹ "EU Reforms are the Best Remedy for Post-Case Era," *Turkish Daily News*, August 4, 2008, citing Hasan Cemal interview with President Gul.

²⁰ Metropoll Strategic and Social Research Center, Ankara, June 2008.

The United States strongly supports Turkey in its efforts to achieve EU membership, and lobbied the EU strongly to accept Turkey as a candidate in order to anchor Turkey more firmly in the West and encourage its democracy. Some Members of Congress seek to use Turkey's EU ambitions as a way to get it to meet EU standards as soon as possible. For example, S. Res. 615, introduced on July 17, 2008, urges the government of Turkey to respect the religious freedoms of the Ecumenical Patriarchate of the Orthodox Christian Church, who has his seat in Istanbul. It notes that the EU requires candidates to guarantee the human rights of religious minorities, who in Turkey include Greek Orthodox believers.

Cyprus²¹

Prospects for a Cyprus settlement improved for the first time in years after March 21, 2008, when (Greek) Cypriot President Dimitris Christofias and Turkish Cypriot leader Mehmet Ali Talat met and agreed to establish working groups and technical committees to prepare for new negotiations on a settlement that would reunify the island, which has been divided since 1974. The two leaders subsequently decided to begin negotiations on September 3.

Many Greek Cypriots believe that Talat will not be able to conclude a settlement without the approval of Ankara, where key constituencies may not agree to the compromises needed. The AKP strongly supported Talat in 2004, when Turkish Cypriots approved and the Greek Cypriots rejected the last U.N. settlement plan for Cyprus (the so-called Annan Plan). Now, the AKP's leaders may be disillusioned by their failure to achieve positive results with the bold moves they took in 2004, then ceding considerable power to draft a plan to the United Nations. And, they may be weakened by a legal suit to close their party, which it barely survived in July 2008, and may not want to spend diminished political capital on the Cyprus issue. Meanwhile, entrenched foreign ministry bureaucrats and the military oppose aspects of a settlement. For example, the Greek Cypriots call for the withdrawal of the approximately 30,000 Turkish soldiers from the island and oppose renewing the 1960 treaties that gave Turkey certain rights to intervene in Cyprus. On March 29, 2008, then Chief of the General Staff General Yasar Buyukanit visited northern Cyprus and stated, "Our soldiers are here for the security of the Turkish Cypriots and they will continue to be here. Reaching an agreement is not enough alone for withdrawal of (Turkish) soldiers from Cyprus.... We should see how safe Turkish Cypriots are. We should believe they are safe."²² Then, on April 11, Land Forces Commander (now Chief of Staff) General Ilker Basbug asserted that Cyprus is an issue concerning the security of Turkey and the Turkish Republic of Northern Cyprus. Therefore, he said, the 1960 Treaties of Guarantee and Alliance, which grant Turkey rights regarding

²¹ For more, see CRS Report RL33497, *Cyprus: Status of U.N. Negotiations and Related Issues*, updated regularly, by Carol Migdalovitz.

²² Military Gives Support for Cyprus Peace," *Turkish Daily News*, March 27, 2008, and "Turkish Chief of Staff says Agreement on Cyprus not Enough for Troops to Pull Out," *Anatolia News Agency*, March 29, 2008, BBC Monitoring European.

Cyprus, should not be diluted.²³ It remains to be seen if the views of these key Turkish players will change by the time a settlement agreement is reached.

The United States has had a long-standing policy of support for U.N. efforts to achieve a settlement to reunify the island of Cyprus and at times has had a State Department Special Coordinator for the issue. The Bush Administration did not appoint a coordinator and relies on a deputy assistant secretary of state and on the U.S. Ambassador in Nicosia. It praised the efforts of President Christofias and Mr. Talat to reach an agreement and welcomes their “ownership” of the process. It has not commented on the caution voiced by Turkish military and political leaders.

Members of Congress also support the Christofias-Talat talks, and have criticized Turkey’s role on the island. For example, H.Res. 620, introduced on August 3, 2007, and S. Res. 331, introduced on September 25, 2007, call on Turkey to end its military occupation of Cyprus, and H.Res. 627, introduced on August 4, 2007, supports the removal of Turkish occupation troops from the Republic of Cyprus.

Armenia

Turkey recognized Armenia’s independence from the former Soviet Union in 1991, but did not establish diplomatic relations. Ankara supported Armenia’s integration in international organizations, and Armenia has a representative to the Black Sea Economic Cooperation Organization in Istanbul. However, Turkey closed its land border with Armenia in 1993 in response to an Armenian military offensive against Azerbaijanis in the predominantly Armenian-populated region of Nagorno-Karabakh of Azerbaijan.²⁴ As preconditions for normalizing relations with Armenia, Ankara demands that Yerevan abandon efforts to gain international recognition of the 1915 “genocide,” renounce claims to Turkish territory (areas that the Soviet Union ceded to Turkey in the 1921 Treaty of Kars), and withdraw from Nagorno-Karabakh. Despite the border closing, Turkey claims that it does not impose an embargo on Armenia as Armenians charge because there are direct flights between Turkish cities and Yerevan, and Armenia has open borders with Iran and Georgia. Illicit trade between the two neighbors via Iran and Georgia is believed to be substantial. In addition, Turkish officials note that more than 40,000 Armenians work (many illegally) in Turkey. The economic harm of the border closure on Armenia is difficult to gauge; in 2007, Armenia registered a gross domestic product growth rate of 13.8%.²⁵

²³ “General Basbug Says Cyprus Issue is a Problem Concerning the Security of Turkey and the TRNC,” *BRTK* (Bayrak Radio and Television Corporation (of northern Cyprus)), April 11, 2008, Open Source Center Document GMP20080411017006.

²⁴ Azerbaijan may be Turkey’s closest ally. The Azerbaijanis are close ethnic kin of the Turks and lucrative gas and oil pipelines from Azerbaijan transit Turkey.

²⁵ CIA, *World Factbook*, July 15, 2008.

There are prospects for an improvement in relations. In April 2008, Prime Minister Erdogan sent a letter of congratulations to new Armenian Prime Minister Tigran Sargsisyan on his appointment. He said that “building good neighborly relations through a dialogue” is a top priority.²⁶ Erdogan emphasized that earlier proposals remained on the table, referring to his 2005 offer to then Armenian President Robert Kocharian to set up a joint commission of historians to study archival records of the events of 1915 and to accept any conclusion reached. Armenians refer to the 1915 events as their national genocide and have thus far rejected investigations as questioning or denying the genocide, but Armenian officials say that Turkish recognition of the genocide is not a precondition for diplomatic relations. The Turkish government has heretofore consistently denied that there was a genocide. Tigran Sarkisyan responded by expressing his government’s readiness for a dialogue.²⁷

In July 2008, Armenian President Serzh Sargsisyan called on Turkey to establish normal political relations to enable the creation of “a commission to comprehensively discuss all of the complex issues affecting Armenia and Turkey,” contending that only through structured relations and an effective dialogue could the “most contentious historical issues” be dealt with. He invited President Gul to attend a World Cup qualifying match between the Armenian and Turkish national soccer teams in Yerevan on September 6. Armenia also established a visa-free regime for the entry of Turkish fans for the match.

In the aftermath of the Russia-Georgia conflict of August 2008, Prime Minister Erdogan proposed a Caucasian Stability and Cooperation Platform and discussed it with Russian, Georgian and Azerbaijani leaders. Erdogan stated that the Platform would target regional peace and security, economic cooperation and energy security, be based on the principles of the Organization for Security Cooperation in Europe, and include a mechanism for problem-solving and management, although the contours of the Platform remain vague and lack substance. The Prime Minister stated that talks also would be held with Armenia, and the Armenian foreign minister welcomed this statement and declared that Yerevan would support the Platform. It is uncertain if Armenia would be amenable to Erdogan’s overture without simultaneous progress on bilateral ties, and Azerbaijan heretofore has objected to any warming in relations between Turkey and Armenia – even the possibility of President Gul attending a soccer game.

The United States seeks a reconciliation between Armenia and Turkey in order to bolster stability in the Caucasus. Assistant Secretary of State for European and Eurasian Affairs Daniel Fried has called on Armenia to acknowledge the existing border with Turkey and disavow any claim on its territory, while calling on Turkey “to come to terms with a dark chapter in its history,” i.e., the period which the

²⁶ “Armenia, Turkey Express Desire to Normalise Bilateral Relations,” *ITAR-TASS*, April 27, 2008.

²⁷ Reports of secret bilateral Turkish-Armenian talks in Switzerland have not been confirmed, but such talks are noted in Richard Giragosian, “Armenia and the New Turkish Proposal,” *Turkish Daily News*, August 22, 2008.

Armenian's refer to as their genocide.²⁸ U.S. Democratic and Republican administrations have never used the term genocide to describe the events of 1915 so as not to offend Turkey.

Washington was not informed before Prime Minister Erdogan proposed Caucasian Stability and Cooperation Platform, although it has long urged Ankara and Yerevan to improve their relations. While visiting Turkey, Senator Richard Lugar, ranking member of the Foreign Relations Committee, said that he expected discussion of the proposed platform to be postponed until Russian troops completely withdraw from Georgia.²⁹

For their part, Members of Congress have repeatedly introduced resolutions to urge Administrations, of both political parties, to recognize the Armenian genocide in some way. In the 110th Congress, H.Res. 106, introduced on January 30, 2007, sought to have the President affirm the "U.S. record relating to the Armenian Genocide." The House Committee on Foreign Affairs approved the resolution by a vote of 27-21 on October 10, 2007 and over half of the Members of the House were listed as co-sponsors at some point. However, officials of the Bush and past Administrations expressed fear that the resolution's might detrimentally affect U.S. forces in Iraq, who depend on cargo transiting Turkey. About two dozen Members withdrew their names as co-sponsors and a possible majority in support of the resolution may have been lost. On October 25, key supporters of the resolution requested the Speaker not to bring it to a vote.³⁰

More recently, H.R. 6079 ("the End the Turkish Blockade of Armenia Act"), introduced on May 15, 2008, would direct the Secretary of State to submit a report outlining the steps taken and plans made by the United States to end Turkey's blockade of Armenia.

Incirlik Air Base

Turkey's geostrategic importance for the United States depends partly on Incirlik Air Base, located about 7 miles east of Adana in southeast Turkey.³¹ The United States constructed the base and the U.S. Air Force began using it during the height of the Cold War in 1954. The Turkish government transferred control of the base to its military in 1975 in response to an arms embargo that Congress imposed on Turkey in reaction to Turkey's intervention/invasion of Cyprus in 1974. The base continued to fulfill its NATO missions. After the embargo ended, the U.S. and

²⁸ Testimony before the House Foreign Affairs Committee, "The Caucasus: Frozen Conflicts and Closed Borders," June 18, 2008.

²⁹ "US Senator Hopes for Turkish Caucasus Plan Postponement until Russian Pullout," *Anatolia News Agency*, August 26, 2008, BBC Monitoring European, August 27, 2008.

³⁰ Richard Simon, "Sponsors Delay Genocide Vote," *Los Angeles Times*, October 25, 2007.

³¹ The U.S. State Department Turkey desk, after coordination with the Defense Department, provided some of the information on the use of Incirlik to CRS in February 2007. See also, [<http://www.incirlik.af.mil/library/factsheets/factsheet.asp?id=5344>].

Turkey signed a bilateral Defense and Economic Cooperation Agreement (DECA) in 1980 to govern U.S. use of the base and a DECA, under a NATO umbrella, continues to allow the U.S. air force to use it for training purposes. As an executive agreement, the DECA does not require congressional or Turkish parliamentary approval. U.S. requests to use of the base for other purposes are made separately and may require Turkish parliamentary authorization.

Incirlik is an invaluable instrument for the execution of NATO and U.S. policies in Iraq, Afghanistan, and elsewhere in the Middle East. It offers a 10,000-foot main runway and a 9,000 foot alternate runway able to service large cargo planes. Some 74% of all air cargo into Iraq transits Incirlik. The U.S. Air Force prizes the efficiency of the use of the base: six C-17 aircraft based at Incirlik move the same amount of cargo that 9 to 10 aircraft used to carry from Rhein-Main Air Base in Germany, saving about \$160 million a year. In addition, thousands of U.S. soldiers have rotated out of Iraq via use of Incirlik for transit. KC-135 tankers operating out of Incirlik have delivered more than 35 million gallons of fuel to U.S. fighter and transport aircraft on missions in Iraq and Afghanistan. On more than one occasion, Turkey has authorized the temporary deployment of U.S. Air Force F-16's from Germany to Incirlik for training. In addition, in 2005, Incirlik served as an air-bridge for the Pakistan Earthquake Relief Effort of seven NATO countries and, in 2006, U.S. forces from Incirlik helped with the evacuation of some 1,700 Americans from Lebanon during the Israeli-Hezbollah war.

Adding to Turkey's strategic importance to the United States is its willingness to house U.S. nuclear weapons at the Incirlik Air Base. According to a 2005 report, about 90 U.S. nuclear weapons were stored there, although a different group estimated in 2008 that the number of weapons is 50 to 90 -- still the most at any base in Europe.³²

S. Res. 358, introduced on October 29, 2007, would acknowledge the importance of friendship and cooperation between the United States and Turkey. Incirlik is among the examples of the cooperation listed in the resolution.

³² Natural Resources Defense Council, *U.S. Nuclear Weapons in Europe*, February 2005, and "Incirlik Becomes Major Host for American Nuclear Weapons," *Turkish Daily News*, June 30, 2008, citing a Federation of American Scientists report of June 26, 2008.