# Generating Momentum for a New Era in U.S.-Turkey Relations

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### **FOREWORD**

Success for American foreign policy depends in large measure on the ability of the United States to persuade others to support (or at least not work against) its policy goals. Over the last half century, the United States has been able to rely upon a network of ties with close allies around the world to achieve its objectives. Turkey has played an important role in advancing U.S. interests in Europe and beyond. But over the last three years, the U.S.-Turkish relationship has deteriorated markedly, and it is no longer a foregone conclusion that Turkey will support U.S. policies. The consequences of a rupture in ties between Washington and Ankara—or, more darkly, a Turkey that becomes strategically disoriented—would be great, but have received little attention in policy circles.

This Council Special Report makes the case that Turkey's strategic importance is greater than ever, and that a major effort needs to be undertaken to renew and revitalize the relationship. Steven A. Cook and Elizabeth Sherwood-Randall argue that despite significant sources of friction, both countries have a wide range of common interests that begin in Turkey's immediate neighborhood, such as the Balkans, the Caucasus, Iran, and Iraq, but also extend farther afield to include Afghanistan, Central Asia, and the Middle East. The report recommends a two-track diplomatic approach that will simultaneously help to manage current policy differences and lay the groundwork for future cooperation on a broader agenda.

Richard N. Haass
President
Council on Foreign Relations
June 2006

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An essential element of a Council Special Report is the establishment of an advisory group that offers an expanded perspective on the issues being examined by the authors. Richard R. Burt led our advisory group (see Appendix) with distinction. We would like to express our deep thanks to him and to each member of the group, many of whom took time out of their demanding schedules to discuss our research and to provide very helpful comments on the draft report. The product is much stronger as a result. We, of course, bear responsibility for the content of the report, which does not necessarily reflect the views of advisory group members.

The Country Team at the U.S. Embassy in Ankara, Turkey, welcomed and opened doors for us during a fact-finding trip in January 2006. We appreciate its expert assistance and insights into multiple dimensions of the bilateral relationship.

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Steven A. Cook
Elizabeth Sherwood-Randall

# A NOTE ON THE TRANSLITERATION OF TURKISH NAMES

The Council on Foreign Relations uses the *Chicago Manual of Style* for the transliteration of Turkish names. As a result, all diacritical marks have been removed.

# **MAPS**



 ${\it Source}: From\ www.worldpress.org/specials/pp/turkey.htm.$ 

Map 1: Turkey



Source: From www.nationalgeographic.com/xpeditions/atlas/mideast/mideast-dwl.gif.

**Map 2: Regional Perspective** 

## **ACRONYMS**

AK Party Adalet ve Kalkinma (Justice and Development Party)

AOR area of responsibility

CENTCOM U.S. Central Command

EU European Union

EUCOM U.S. European Command

EX-IM Bank Export-Import Bank of the United States

Hamas Islamic Resistance Movement

NATO North Atlantic Treaty Organization

NGO nongovernmental organization

KDP Kurdish Democratic Party

OPIC Overseas Private Investment Corporation

PKK Kurdistan Workers' Party

PUK Patriotic Union of Kurdistan

SCC special Cyprus coordinator

TRNC Turkish Republic of Northern Cyprus

USTCC U.S.-Turkish Cooperation Commission

WMD weapons of mass destruction

# COUNCIL SPECIAL REPORT

#### INTRODUCTION

The growing schism between the West and the Islamic world is one of the primary challenges confronting American foreign and defense policymakers. As a consequence, the relationship between the United States and Turkey—a Western-oriented, democratizing Muslim country—is strategically more important than ever. Turkey has the potential to be an invaluable partner as Washington endeavors to chart an effective course in its relations with the Muslim world. However, to achieve this level of cooperation, U.S.-Turkey relations must be repaired and modernized.

The fabric of the American relationship with Turkey became badly frayed as a result of the Bush administration's decision to invade Iraq and the consequences of that invasion for the region. In addition, the United States and Turkey have diverged on a variety of other important foreign policy issues, including Syria, Iran, and Israel. Coinciding with these differences has been a sharp increase in anti-Americanism in Turkey and marked disaffection with Turkey in Washington.<sup>1</sup>

For U.S. policymakers, the problems in U.S.-Turkish relations have stimulated debate about whether Turkey can be relied upon as an ally and partner. While the divergence between Washington and Ankara on a number of important issues is real, these strains must be evaluated in the context of broad changes in the international arena and domestic political transformation in Turkey. In the aftermath of the collapse of the Soviet Union, the central rationale for the strategic relationship between Washington and Ankara weakened. It is thus hardly surprising that there has been some drift in U.S.-Turkey relations. More recently, Turkey has felt threatened by growing instability in its neighborhood: Iraq is convulsed by violence, Iran continues its drive for nuclear weapons, and the Arab world is buffeted by competing visions of a democratic or radicalized future. As the Turkish government seeks to manage its regional relations in

<sup>&</sup>lt;sup>1</sup> Pew Research Center, "American Character Gets Mixed Reviews: U.S. Image up Slightly, but Still Negative," *The Pew Global Attitudes Project* (June 2005). The study clearly indicates Turkish sentiment toward the United States is not just a function of U.S. foreign policy and President George W. Bush. Indeed, while the favorability rating of the United States has improved somewhat, the favorability rating of Americans among Turks is declining. More than two-thirds of Turks regard Americans as greedy, and more than half believe that Americans are rude and immoral.

this volatile environment, Ankara has pursued a foreign policy that has rankled Washington.

Momentous changes within Turkey have also affected relations between the two longtime allies. Since 2002, Turkey has undertaken wide-ranging reforms to harmonize its political and economic system with the European Union (EU). Turkey's ruling party, *Adalet ve Kalkinma* (Justice and Development, or the AK Party), which emerged in 2001 after an historic split in the Turkish Islamist movement, has staked its legacy on bringing Ankara into the European Union. While Turkey's transition to democracy is not complete, changes to the Turkish constitution have given Turks greater personal and political freedoms. In this more open environment, public opinion matters more in Turkey's domestic and foreign policies than ever before. As a result, Washington can no longer rely on its ties to the Turkish elite, including the senior military command, to manage the relationship.

Despite the discord between Washington and Ankara over the past three years, Turkey remains an ally whose strategic perspective remains largely aligned with that of the United States. Turkey has been oriented toward the West for more than half a century and is taking further steps to cement this perspective through its pursuit of EU membership, a process that Washington supports in the face of mounting European concerns about the benefits of Turkish accession. Both Ankara and Washington back a unified, federal Iraq—albeit for different reasons—and there is consensus between both governments on the need to confront global terrorism and Islamist extremism. Turkey has also used its good offices to support the Palestinian-Israeli peace process and has supported, in both words and deeds, the Bush administration's efforts to promote democratic change in the Arab world. Finally, both Washington and Ankara share interests in the stability and economic development of the Caucasus and Central Asia.

Time is growing short to build new momentum in the U.S.-Turkey relationship. Over the course of the next two years, both countries will face a series of tough foreign policy questions concerning Iraq, Iran, the Middle East, and Cyprus just as politicians in both capitals are entering election cycles. This report offers a set of policy prescriptions for the near term and recommends working toward the establishment of a broader

framework to modernize the U.S.-Turkey relationship and situate the ties between Washington and Ankara on a solid foundation for the future.

### BACKGROUND

The United States and Turkey have repeatedly stood shoulder-to-shoulder in facing major foreign and defense policy challenges. This close cooperation dates back to the Korean War, in which 15,000 Turkish troops fought alongside American soldiers, and to Washington's leadership in securing Turkish accession to the North Atlantic Treaty Organization (NATO) in 1951. During the ensuing decades, Turkey maintained the second largest military in NATO and played a critical role in the defense of Europe as well as in planning for what later came to be known as "out-of-area" contingencies—challenges to allied interests beyond the agreed geographic scope of NATO.

Despite intensive bilateral and multilateral cooperation, there have been episodic and significant tensions between Washington and Ankara. The most challenging was triggered by Turkey's July 1974 invasion of Cyprus. Yet the conflict on Cyprus and the resulting domestic U.S. political pressure to punish Turkey for its military action did not produce a lasting breach in bilateral relations. In the Cold War context, Turkey's strategic location coupled with its Western orientation ensured that the dispute was not allowed to derail the overall relationship. For example, following the Soviet invasion of Afghanistan in 1979, Turkey figured prominently in Washington's effort to promote security and stability in southwest Asia.

While there was some drift in U.S.-Turkey relations after the collapse of the Soviet Union, Ankara's strategic utility to the United States remained high. The emergence of the newly independent states of Central Asia, which can be loosely described as elements of the Turkish world, provided an opportunity for the United States and Turkey to work together to help shape the future trajectory of countries in that region. While Ankara's anticipated leadership of the effort to promote economic and political development of the Central Asian countries was never fully realized, Turkey and the United States have nevertheless worked together on a range of important regional issues from energy and economic development to counterterrorism and security.

In the Middle East, Turkey played a critically important role in reversing Saddam Hussein's invasion of Kuwait during the first Gulf War. Although controversial within

Turkey, former Turkish President Turgut Ozal's decision to shut down the Kirkuk-Ceyhan pipeline at great economic cost to Ankara proved to be important in isolating Saddam Hussein's regime. Turkish troops did not take part in Operation Desert Storm, but Turkey provided logistical support for coalition forces at Turkish air bases.

Close U.S.-Turkey cooperation continued throughout the 1990s as the U.S. military used Turkey's Incirlik air base to conduct Operation Northern Watch, which protected Iraq's Kurdish population from the Iraqi regime. Turkey's relationship with Iraq's Kurds has been uneasy at best, yet Ankara took in 450,000 Kurdish refugees after the 1991 Kurdish uprising that the United States had encouraged. The rebellion failed to topple Saddam Hussein but resulted in a withering counterattack that killed tens of thousands of Kurds. Admitting large numbers of Kurdish refugees was done at great political risk to Turkey, which naturally feared that the presence of hundreds of thousands of displaced Iraqi Kurds would fuel unrest in Turkey's predominantly Kurdish southeast. Indeed, Turkish reluctance to support Operation Iraqi Freedom was shaped by the experience of the early 1990s as well as by the fact that the Kurds had developed the institutions of an independent state during the twelve years of relative calm provided by American, British, and Turkish protection.

At the same time that the United States and Turkey were cooperating to protect Iraqi Kurds, they worked together against the Kurdistan Workers' Party (PKK). Washington provided political, diplomatic, and intelligence support to Turkey as it entered its second decade of battle with the PKK. The United States was directly responsible (along with other intelligence agencies) for tracking the whereabouts of PKK leader Abdallah Ocalan, which led to his apprehension in Kenya in February 1999.

The high-water mark in Washington's relations with Ankara in the 1990s followed the August 1999 Izmit earthquake, which left an estimated 17,000 dead. In response to the crisis, the United States contributed public and private relief aid to the victims of the quake. Four months later, President Bill Clinton visited the affected areas to express sympathy and condolences to the Turkish people.

On September 11, 2001, Ankara immediately expressed its solidarity with the American people. Turkey signaled clearly to the Bush administration that it would stand with Washington in fighting global terrorism. On November 2, in response to

Washington's request for assistance, ninety Turkish Special Forces operators deployed to Afghanistan, where they provided technical assistance to the Northern Alliance. Yet Turkey's most important role in Afghanistan began after the Taliban regime was toppled. Since that time, the Turks have maintained a contingent of 825 troops in Afghanistan and have twice led the NATO International Security Assistance Force there.

### SOURCES OF FRICTION

The marked deterioration of U.S.-Turkish relations that has occurred since 2003 was triggered by the planning for and implementation of Operation Iraqi Freedom. Seminal events in the downward spiral include intense American pressure on Ankara to allow the Fourth Infantry Division to enter Iraq through Turkey, the Turkish parliament's failure to pass legislation permitting U.S. troops to transit through Turkey,<sup>2</sup> the unfortunate mutual recriminations that followed, the U.S. arrest of eleven Turkish Special Forces operators in Sulemeniye in July 2003 for allegedly planning to assassinate Kurdish figures, and the Coalition Provisional Authority's rebuff of Ankara's offer to send 20,000 troops to Iraq to help with reconstruction. In spring 2006, reports of a massive Turkish military buildup along the border have renewed concerns about the destabilization of northern Iraq. These developments coincided with the increasingly democratic foreign policy debate in Turkey in which foreign policy is no longer viewed as a topic belonging exclusively to the elite. Reflecting that trend, there has been a strident anti-American tone in the chambers of the Turkish Grand National Assembly and in the Turkish media. In official Washington, and especially at the Pentagon, frustration with Turkey resulted in a sharp diminution of contact and impatience with the proposition that the relationship warranted further attention.

#### **IRAQ**

The United States and Turkey agree on two primary principles regarding Iraq policy: The disintegration of Iraq into three independent states is not in the interest of either country, and the PKK is a terrorist organization. In fact, Washington has long urged its European

<sup>&</sup>lt;sup>2</sup> On March 1, 2003, the Turkish Grand National Assembly voted on a resolution to permit U.S. troops to transit through Turkey in an invasion of Iraq. The result of the vote was 264 yes, 250 no, and 19 abstentions. Although more deputies voted for the resolution, the measure required an absolute majority of the 550-seat legislature. As a result, the legislation failed to pass, preventing U.S. troops from using Turkish territory.

partners to identify the PKK as such. Beyond these two principles, however, Washington and Ankara have profound disagreements.

Turkish popular discontent with the United States regarding Iraq is undergirded by the economic costs Turkey had to bear resulting from the international sanctions imposed on Iraq between 1990 and 2003 as well as the twin issues of Kurdish independence and the PKK. Ankara argues that the international isolation of Iraq, which prior to the first Gulf War was Turkey's largest trading partner, cost the Turkish treasury an estimated \$35 billion and damaged the local economy of the region bordering Iraq—one of the most underdeveloped in Turkey. By the late 1990s, although the Turkish government officially abided by the sanctions regime, brisk cross-border trade took place between Turkey and Iraq. In the run-up to Operation Iraqi Freedom, the Turkish public feared that Turkey would pay a huge price in terms of trade and tourism revenues as a result of the invasion.

Turks believe that the Bush administration committed two additional sins regarding Iraq. First, in the run-up to the war, Washington summarily dismissed Ankara's warnings about the consequences of invading Iraq. Second, as events have confirmed Turkey's grave misgivings about the war, Turks believe the United States has not taken sufficient care to address Turkey's security concerns. As a result, both opinion leaders and average Turks have drawn the conclusion that Washington does not support Ankara in Turkey's struggle with the PKK and that the United States supports (despite its protestations to the contrary) an independent Kurdistan. These widely held views have damaged the standing of pro-American Turkish officials and politicians as well as the general stature of the United States among the Turkish public.

The Turkish position regarding Iraq is clear: Ankara wants the United States to prevent the emergence of an independent Kurdistan. Further, Turkey wants Washington to destroy the PKK, as it did with Ansar al-Islam (a Kurdish terrorist group linked to al-Qaeda). Indeed, the Turks have reason to be concerned. The reality of the situation in Iraq strongly suggests that the Kurds are poised to gain at least significant autonomy in Iraq and control of the oil-rich region surrounding the city of Kirkuk. Once more, Kurdish leaders, specifically Jalal Talabani and Massoud Barzani, have gained clout in Washington at Turkey's expense. In stark contrast to Ankara, the Kurdish leadership has

been consistent in its support of the U.S. invasion and occupation of Iraq. This is not surprising given what both leaders had to gain from toppling Saddam and from the redefinition of Iraq as a multiethnic society in which Kurds have political power. Meanwhile, the Kurdish areas of Iraq remain relatively stable, and Turkey has further damaged its cause through its support of the Iraqi Turkmen Front, an attempt to foment dissent in northern Iraq that backfired.

The final status of the city of Kirkuk highlights the challenges that Turkey confronts in northern Iraq. In 1988, Saddam Hussein undertook the notorious Anfal campaign to Arabize Kurdish areas of northern Iraq, including Kirkuk. Since the United States toppled Saddam's regime, the Kurdish leadership has sought to restore Kirkuk's pre-1988 demographic balance, which favored the Kurds. According to article 136 of Iraq's constitution, a referendum of Kirkuk's citizens in 2007 will ultimately decide the final geographic disposition of the city, either within the semiautonomous Kurdish provinces or as an integral part of the overwhelmingly Arab portion of Iraq.

Arguing that Kirkuk was historically a Turkmen city, Ankara regards Kurdish efforts to resettle Kurds in the city as a critical component of a Kurdish strategy to establish an independent state. Turkish officials warn that the Kurds will use the oil revenues from Kirkuk "not to build palaces like the Kuwaitis, but to buy guns and fight for their independence." To forestall this grave development, Ankara wants Washington to force two changes to the Iraqi constitution. First, the Turks believe that the referendum on Kirkuk's final administrative and geographic status should be open to the entire country, betting that the Arab population would not want the Kurds to control such vast amounts of oil. Second, Ankara would like the referendum delayed two years. Washington has rebuffed both ideas.

With regard to the PKK, the Turks would like the United States to honor President Bush's principle of "you are either with us or against us." Beginning in 2004, the PKK ended its self-declared five-year cease-fire and through the early winter of 2005–2006 killed ninety Turkish soldiers in a string of terrorist attacks. Turkish officials argue that Ankara lined up with the United States very soon after the September 11 attacks and has demonstrated its solidarity with Washington through the Turkish armed forces' ongoing mission in Afghanistan. From Ankara's perspective, given the PKK's

renewed operations, Washington must use the opportunity that its occupation of Iraq provides to strike a lethal blow against the PKK. Turkish officials point out that if ninety U.S. soldiers were killed in terrorist attacks along either the Mexican or Canadian borders, Washington's response would be rapid and violent. While the Turks have grudgingly recognized that they are constrained—by the presence of U.S. troops in Iraq and by their own drive for EU membership—from hot pursuit of PKK fighters, Turkey expects the United States to use military force against Ankara's "own al-Qaeda." Moreover, Ankara wants the United States to pressure Iraqi Kurdish leaders, especially Massoud Barzani, to hand over PKK leaders to Turkey.

Much to Ankara's disappointment, U.S. forces in Iraq are highly unlikely to expend more blood or treasure in direct pursuit of the PKK. In the early phase of the occupation, the United States did take some action against the PKK, clearing out the Mahmur refugee camp and bombing some suspected PKK hideouts. The Turkish government alleges that Mahmur, which currently contains approximately 10,000 refugees, is a PKK stronghold. During Secretary of State Condoleezza Rice's April 2006 visit to Ankara, she told her Turkish counterpart that the United States will work with Turkey "through information sharing and other means to prevent any vacuum [in northern Iraq] from being used to inflict harm on Turkey." She also committed Washington to working with the Iraqi government to resolve the PKK issue.

Nevertheless, given the unanticipated strength of the Iraqi insurgency and the relative stability of northern Iraq, operations in Iraqi Kurdistan are not a high priority for the U.S. military. Further, it would be illogical for U.S. forces to take any action that might destabilize the only region of Iraq that has been relatively quiet. While the Turks recognize the constraints that Washington faces in Iraq, they remain adamant that the United States must—in keeping with the global war on terror—work to eliminate PKK violence emanating from Iraq.

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<sup>&</sup>lt;sup>3</sup> Steven Cook's interview with a Turkish official, Ankara, Turkey, January 16, 2006.

#### THE EUROPEAN UNION AND CYPRUS

Since Turkey signed its association agreement in 1963 with what was known then as the European Economic Community, successive U.S. administrations have supported Turkey's inclusion in Europe. Turkey's accession to the EU would, in combination with Ankara's membership in NATO, help to solidify Turkey's relationship with the West; strengthen the European Union; and bridge the growing chasm between the Islamic world and the West. On June 29, 2004, during a visit to Istanbul, President Bush outlined Washington's position on Turkey's bid to become a member of the European Union:

Mustafa Kemal Ataturk had a vision of Turkey as a strong nation among other European nations. That dream can be realized by this generation of Turks. America believes that as a European power, Turkey belongs in the European Union. Your membership would also be a crucial advance in relations between the Muslim world and the West, because you are part of both. Including Turkey in the EU would prove that Europe is not the exclusive club of a single religion, and it would expose the "clash of civilizations" as a passing myth of history.<sup>4</sup>

Despite its general record of support, Washington has also at times sent mixed signals about Turkish membership. During the first term of the Bush administration, some influential advisers expressed concern that the European Union might become a counterweight to the United States, and that within that context Turkish membership could distance Ankara from Washington. This resulted in policy initiatives that sought to slow the development of independent European capabilities, particularly in the defense sphere. The debate over the EU appears to have been resolved in the second term, as evidenced by President Bush's strong show of support during his visit to the EU headquarters in early 2005. Disarray within the European project appears to have diminished fears of a unified Europe acting independently of the United States, thereby reducing opposition to Turkish membership among those wary of a stronger European Union.

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<sup>&</sup>lt;sup>4</sup> Office of the Press Secretary, White House, *President Bush Discusses Democracy, Freedom from Turkey*, June 29, 2004, see http://www.whitehouse.gov/news/releases/2004/06/20040629-4.html.

The much more alarming prospect today is that the Turkish bid for accession will ultimately be unsuccessful. The French and Dutch "no" votes to the proposed European constitution in the spring of 2005 were in part an expression of widespread public opposition to Turkish membership. More broadly, many European states are struggling to assimilate their large Muslim minorities, and there is increasing public anxiety about Islamist militancy in Europe. If Turkey were to become a member of the European Union, it would have the largest population in the organization and one in three Europeans would be Muslim. In some quarters, these demographic projections fuel xenophobic and specifically anti-Turkish sentiments. Alternatively, should Ankara's bid for EU membership fail, there is significant risk that the country will become unmoored from the West and look elsewhere for strategic advantage and opportunity. In this scenario, Turkey's democratic development would be slowed or even reversed while Turkish nationalism intensifies and compels the Turks to seek alternative partners in Russia and the Islamic world. Doubts about Turkey's European future, and the attendant prospect of its strategic drift, should cause American policymakers to seek opportunities to prevent such an outcome by strengthening and solidifying U.S. bonds with this longstanding ally.

## Cyprus

Although concern is misplaced that Turkish membership in the European Union would contribute to the development of a countervailing global power to the United States, there are real differences between the United States and Turkey over what has now become an EU issue—Cyprus. In the thirty years since Turkish troops invaded Cyprus in response to a Greek-inspired coup d'etat on the island, the Turks have consolidated and expanded their military presence in the northern portion of the island. During this time, enormous diplomatic effort has been undertaken to reunify Turkish and Greek Cypriots under a single government. These efforts were complicated in 1983 when the Turkish inhabitants, with the backing of Ankara, proclaimed the Turkish Republic of Northern Cyprus (TRNC), which only Turkey recognizes.

Since the beginning of the conflict in 1963, mutual recriminations and hard-line positions have characterized both the Greek and Turkish sides of the Cyprus dispute. Turkish Cypriots have stoked fears that there would be ethnic cleansing if they were not protected by Turkish forces and have concentrated on breaking their international isolation (with little success). Greek Cypriots have demanded the withdrawal of Turkish troops and the reunification of the island under a single Greek-dominated government. Until recently, the hostility between Ankara and Athens, which is both a cause and an effect of the Cyprus situation, only added to the tension on the island and encouraged Turkish and Greek Cypriot leaders to take uncompromising stands.

A confluence of events—including the thawing of relations between Ankara and Athens after the 1999 earthquake in Turkey; the 2002 landslide electoral victory of Turkey's AK Party, whose leadership believed that Cyprus was an obstacle to their ultimate goal of EU membership; and renewed UN engagement—offered some hope for a resolution of the conflict. In late 2002, UN Secretary-General Kofi Annan presented a reunification plan to both sides that called for the establishment of a federation of two constituent states on Cyprus, territorial adjustment, and population relocation—all to the benefit of the Greek Cypriot side. After two years of negotiation between the Turkish and Greek Cypriots under the auspices of the UN, Turkey, Greece, the European Union, and the United States, the Annan Plan was put to a referendum. Although the Turkish side had for many years been portrayed as the obstacle to a settlement, in the end a large majority of Turkish Cypriots voted for reunification. In contrast, 76 percent of Greek Cypriots voted against it, following a campaign on the part of the Greek Cypriot leadership to discredit the plan.

In response, both the United States and Europe committed to easing the isolation of the northern portion of the island. Beginning shortly after the failed referendum, Washington sent a series of strong signals that it was reconsidering the previous three decades of Cyprus policy. Less than two weeks after the vote, then–Secretary of State Colin Powell met with the pro-reunification Turkish Cypriot leader Mehmet Ali Talat at

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<sup>&</sup>lt;sup>5</sup> For details on the Annan Plan, see *The Comprehensive Settlement of the Cyprus Problem*, March 31, 2004, available at http://www.tcea.org.uk or http://www.hri.org.

<sup>&</sup>lt;sup>6</sup> Rebecca Bryant, "An Ironic Result in Cyprus," *Middle East Report Online*, May 12, 2004, see http://www.merip.org/mero/mero051204.html.

UN headquarters. Since that time, the United States has undertaken a series of initiatives to ease the isolation of Turkish Cyprus. Beginning in 2004, the United States initiated the "Cyprus Partnership for Economic Growth," a \$30.5 million program intended to assist Turkish Cypriot businesses in the banking, agriculture, and tourism sectors. It has expanded visa validity for holders of TRNC travel documents, and U.S. government officials are now permitted to travel directly to Turkish Cyprus on tourist passports. In May 2005, the U.S. Congressional Turkey Study Group flew directly to Ercan Airport in Turkish Cyprus from Istanbul, conducted a series of meetings, and flew from Ercan to Ankara. In the fall of the same year, Turkish Cypriot legislators met with members of the Congressional Turkey Study Group in Washington, DC. Finally, in October 2005, Secretary of State Rice met with Talat in her office.

While officials in Ankara express appreciation for U.S. efforts to help end the isolation of Turkish Cyprus, they believe that the United States has not done enough. From their perspective, both the Turkish government and the Turkish Cypriots took significant political risks and negotiated responsibly in the run-up to the referendum—in stark contrast to the Greek Cypriots. Ankara chafes that the internationally recognized government of Cyprus, which became an EU member in May 2004, continues to thwart further efforts to end the TRNC's pariah status. A solution to the Cyprus problem became considerably more difficult with Nicosia's accession to the EU. The Greek Cypriots who now enjoy a coveted seat at Europe's decision-making table have little incentive to be forthcoming with their Turkish counterparts, and Europe has no leverage to compel Nicosia to negotiate in good faith.

In January 2006, the Turkish government tabled an action plan for lifting restrictions on public and private relations with Cyprus. Although the action plan does not necessarily include any new proposals, it is noteworthy that the Turks have put together a broad package of initiatives. The plan includes provisions permitting Greek Cypriot vessels to enter Turkish ports, opening of seaports and airports on the northern portion of the island to international traffic, and allowing Greek Cypriot air carriers to use Turkish airspace. In addition, Ankara is calling for "special arrangements" to be made that would include Turkish Cyprus "as an economic entity" in the EU's customs union. The government of Cyprus swiftly rejected Turkey's action plan, arguing that it does not

address "the substance of the Cyprus problem," which from Nicosia's perspective is the Turkish occupation of the northern portion of the island.

Washington's response to the action plan has been supportive though not proactive. For example, the State Department called the plan "a positive expression of willingness to find a way forward." In response to the Cypriot government's position, the Bush administration stated that the United States "was disappointed at the tone and rapidity of the Cypriot government's rejection of the proposal." These statements indicate that while Washington remains engaged on the Cyprus issue, it has not yet made the commitment to a major new diplomatic initiative to resolve the problem. Annan indicated that he was willing to restart negotiations on a resolution to the Cyprus problem after the May 2006 parliamentary elections in Cyprus. The outcome of those elections, which resulted in gains for Greek Cypriot hardliners, will likely make the secretary-general's efforts more difficult.

For its part, the EU commission—along with Spain, Italy, and Great Britain—welcomed the Turkish proposal. In fact, the EU Commissioner for Enlargement Olli Rehn stated:

The commission welcomes efforts to achieve progress in the current deadlock with regard to the Cyprus problem. The current status quo is in no one's interest. Turkey's initiative, announced by Foreign Minister [Abdullah] Gul, deserves careful examination.... I understand it is intended as a basis for further discussion with the concerned parties, under the auspices of the UN. The commission is ready to contribute to such a discussion.

At the same time, however, Rehn reminded Ankara that Turkey, in its drive for membership, is expected to uphold its commitments to EU member states, including the Republic of Cyprus. This suggests that Brussels expects Turkey to open its airspace and seaports to Cyprus out of principle rather than as part of a framework for a settlement of the Cyprus issue.

Washington and Ankara share an abiding interest in the resolution of this problem, particularly since it has become clear that the continued division of the island presents obstacles to Turkey's EU membership. Moreover, while there are differences between the two governments over Cyprus, the United States has been considerably more

sensitive to Turkey's concerns than ever before. As a result, Cyprus presents a concrete opportunity for the United States and Turkey to work together. Progress could contribute new momentum to the troubled relationship.

## TURKEY, SYRIA, IRAN, ISRAEL, AND HAMAS

Turkey has historically sought to pursue a foreign policy in concert with Ataturk's aphorism, "Peace at home, peace in the world." This principle has translated into Turkish efforts to maintain good relations with its neighbors to the south and east regardless of their character. Since coming to office in 2002, the AK Party leadership has made a particular effort to further develop Ankara's ties with the Islamic world. While Prime Minister Erdogan, Foreign Minister Gul, and other party leaders have discarded the anti-Western posture that was long a staple of their predecessors in Turkey's Islamist movement, they have not abandoned other traditional features of the Turkish-Islamist conception of foreign policy, notably the pursuit of a deepening of relations with Ankara's Arab neighbors and the wider Muslim world.

Foreign policy intellectuals within the AK Party suggest that because its population is almost entirely Muslim, Turkey has a natural affinity with its neighbors to the east. In this context, close relations with Syria, cordial relations with Iran, and the effort to reach out to Hamas can be seen as part of a broader Turkish foreign policy strategy that not only emphasizes Turkey's relations with the Middle East, but also endows Turkey with a leadership role as a mediator between the West and the Islamic world.

## Syria

In late 1998, Turkey threatened military action if Syria continued to provide safe haven for PKK leader Abdallah Ocalan. Less than a decade later, relations between Ankara and Damascus can only be described as warm. Ankara is Damascus's sixth largest trading

partner and accounts for 5 percent of all of Syria's trade. On the diplomatic front, relations between Ankara and Damascus have improved dramatically. Since 2003, there have been an unprecedented number of high-level Turkish visits to Damascus.

From Washington's perspective, Ankara's friendly ties with Damascus are unwelcome. Its concern about Turkey-Syria ties reflects three primary issues. First, the United States has shifted its Middle East policy from one that put a premium on stability to an approach that underscores reform and political change in the Arab world. Ankara has figured prominently in that shift, as Washington has quite often held Turkey out as an example (if not a model) of a successful democracy in the Muslim world. At a time when the United States has highlighted the Syrian regime for its repressive nature and sought to pressure Damascus to take even modest steps toward political liberalization, Turkey's seemingly warm relations with Syria are not regarded as helpful. Second, while the United States, France, and other European countries are united in their efforts to isolate Syria diplomatically for its role in the assassination of former Lebanese Prime Minister Rafiq Hariri, Ankara's relations with Damascus remain friendly, Finally, Washington remains unhappy that Damascus not only provided safe haven for former Iraqi Ba'athist leaders who are suspected of leading the Iraqi insurgency, but also directly aided the insurgency by allowing jihadi from around the world to use Syria as a transit point for entry into Iraq.

The Turks counter that they know their immediate neighborhood better than the United States and that their interests dictate neighborly relations with the Syrians. Ankara acknowledges the repressive nature of the Syrian government, but argues that its open lines of communication with Damascus are not an endorsement of the Syrian regime. Turkish officials further contend that their ties with Syria offer Washington an opportunity to gain valuable insight into what is happening there as well as to pass messages, signals, and warnings to the Syrian leadership. From Turkey's perspective, isolating Syria is more likely to disrupt regional stability than engagement. Finally, and perhaps most important, the logic of Kurdish politics is driving the Turkish-Syrian relationship. In a dramatic change from the 1980s and 1990s, Turkey and Syria have a confluence of interests on the Kurdish issue. Both countries are concerned that the

development of an autonomous Kurdish zone in northern Iraq will inspire segments of their Kurdish population to seek the same.

#### Iran

Ankara's policy toward Iran is similar to its posture vis-à-vis Syria. While Turkish officials acknowledge that the Iranian regime is a source of tension and instability in the region, they regard cordial relations with the Iranians as a means of guarding against potential Iranian meddling. In addition, the Turks have significant economic and energy interests in Iran. Trade between the two countries exceeded \$4 billion by the end of 2005, and in a deal extending until 2022, Iran supplies Turkey with 10 billion cubic meters of gas annually. The energy agreement has, however, been a source of tension between the two countries. In late January 2006, the flow of gas from Iran to Turkey inexplicably dropped by 70 percent. Tehran blamed the decrease on technical problems, but the Turks remain wary of what they perceive to be Iran's use of gas as a lever to intimidate Turkey at the same time that Ankara's Western partners seek sanctions against Iran over its nuclear program.

Despite the dispute over gas supplies, Ankara and Tehran have sought to maintain good relations. In late February 2006, the eleventh Iran-Turkey High Security Council met in Tehran. This bilateral meeting, which was presided over at the deputy minister level, reaffirmed Turkish-Iranian trade relations and included discussions concerning border security and drug smuggling. Finally, the same logic that is driving close relations between Ankara and Damascus is at work in Turkey's relations with Iran: the common desire to forestall Kurdish independence in northern Iraq. Like Turkey and Syria, Iran has a large Kurdish population that could agitate for political rights should Iraq's Kurds achieve independence.

As Washington has grown increasingly concerned about Iran's nuclear development, U.S. officials have sought to influence Turkish policy regarding Iran. Demonstrating some success, and reflecting shared recognition of the growing threat posed by Iran, the Bush administration announced in May 2006 that the United States and

Turkey would hold a joint military exercise designed to show resolve in preventing Iran from gaining access to material and technology that might further its nuclear ambitions. However, should the crisis with Iran escalate, the management of relations with Teheran is likely to remain a sensitive subject between Washington and Ankara.

#### Israel

Turkey and Israel established diplomatic relations in 1950, though ties were not upgraded to the ambassadorial level until 1991. In 1996—over the objections of the Arab world—Turkey and Israel signed military training and defense industry cooperation agreements, allowing the two countries to exercise on each other's territory, share intelligence, and collaborate on procurement projects. At the same time that Turkey and Israel were developing their military ties, they also expanded their diplomatic, business, and tourism links. However, the relationship was not popular with all segments of Turkish society because of long-standing public support for the establishment of a Palestinian state. In addition, during Turkey's first Islamist-led government (1996–97), Prime Minister Necmettin Erbakan met with Israeli officials reluctantly and only under pressure from the Turkish General Staff. Senior government officials of the period, including Gul, who served as a minister of state and foreign policy adviser to the prime minister, maintained a purposefully ambiguous position when it came to Turkey-Israel relations. Still, the relationship proved so popular with the senior command of the Turkish military that there was little that Erbakan could do to undermine these relations.

Since the election of the AK Party in November 2002, Turkey and Israel have maintained strong ties, though there have been periodic strains. For example, in May 2004, Prime Minister Erdogan described Israeli policy in the Gaza Strip as "state-sponsored terrorism" after the Israel Defense Forces razed a large number of Palestinian homes. Given that Erdogan's statement echoed similar criticism in the Arab world and the fact that *Adalet ve Kalkinma* is a successor to a series of Islamist parties that demonstrated thinly veiled hostility toward Israel, the prime minister's rhetoric created concern in both Israel and the United States. For their part, the Turks were troubled over

reports that surfaced in 2004 indicating that Israel was providing military and intelligence support to Iraqi Kurds, which could prove valuable should the Kurds seek independence. Despite these tensions, the Turks and Israelis have reaffirmed close defense, diplomatic, and commercial links. In May 2005, Erdogan visited Jerusalem, during which he invited then–Israeli Prime Minister Ariel Sharon to Ankara, toured the Yad Vashem Holocaust memorial, and confirmed seventeen new joint Turkish-Israeli military projects. The following September, Turkey brokered the first public, official talks between Israel and Pakistan in September 2005, contributing to Israel's ongoing effort to break out of its isolation in the Muslim world. In 2006, progress continued on a joint project to construct four parallel pipelines beneath the Mediterranean Sea to bring crude oil, natural gas, electricity, and water from Turkey to Israel.

#### Hamas

The February 2006 meeting between Turkish officials and a leader of the Islamic Resistance Movement (Hamas) at the headquarters of the AK Party represents an additional initiative both to broaden Turkish foreign policy and raise Turkey's profile in the Arab and Islamic worlds. The Turks have long played a constructive role in Arab-Israeli peacemaking, most recently with a \$50 million investment in the Erez industrial park at the northern end of the Gaza Strip. Turkey's willingness to engage with Hamas—a group that is on both the U.S. and European lists of terrorist organizations—is therefore an unprecedented diplomatic step. In response to U.S. and Israeli protests, the Turks argue that they can be useful as a mediator between both sides. According to Foreign Minister Gul, who was one of the senior Turkish officials to meet with Hamas leader Khaled Meshal:

Hamas came to power through an election. They have to get along with Israel. Israel knows this. If Israel had wanted, they could have prevented Hamas from entering the elections in their own country. But they didn't do this. We want to contribute to the peace process between the two countries. This is why we gave the Hamas delegation the message of

"leave off weapons, and recognize Israel as legitimate." Whether or not they take this advice is up to them.<sup>7</sup>

While the Turks believe that they can be an evenhanded interlocutor for the Israelis and the Palestinians, they seem to have miscalculated with regard to Hamas.

Engagement could actually embolden Hamas as it becomes increasingly clear to its leaders that they will not have to pay a "price" for international recognition. While the United States and the European Union were making strong statements about the need to isolate Hamas until it renounces violence, affirms Israel's right to exist, and accepts existing agreements between the Palestinians and Israel, Turkish officials were welcoming Hamas representatives to Ankara. In this way, the timing and optics of Meshal's visit raised concerns in Washington. While Ankara should be praised for its past efforts to bring an end to the Arab-Israeli conflict, the meeting with Hamas reinforces the impression among those skeptical of Turkish intentions that Turkey is not an ally that can be counted on by the United States or its European partners.

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<sup>&</sup>lt;sup>7</sup> "FM Gul re the Hamas visit to Ankara: We Told the U.S. and Israel," *Hurriyet*, February 23, 2006, see http://www.hurriyet.com.tr/english/3976849\_p.asp.

## AN AGENDA FOR ACTION

American and Turkish elites acknowledge a warming of relations since their nadir in 2003–2004. But Washington and Ankara continue to stumble over the negative legacy of that period as well as over new issues. In a healthy relationship, there is some capital in the bank to draw upon; at present, each account has been drained, and there is little cushion on either side, so that any negative incident, however small, takes on larger significance than it deserves. Further, although many on both sides recognize the value of close relations, in the current American and Turkish political environments there is minimal incentive for renewed cooperation. Leaders in both countries need to make deliberate efforts to resolve several relatively urgent issues as well as remodel the foundation upon which U.S.-Turkish ties have been based for fifty years. The goal should be to anchor Turkey in its partnership with the United States, demonstrating to both the American and Turkish electorates the benefits of enduring cooperation between Washington and Ankara.

### THE TWO-TRACK APPROACH

The United States and Turkey should embark immediately upon a simultaneous, two-track approach to repairing and revitalizing their relationship. One track would entail the pursuit of several short-term and time-sensitive initiatives to address current issues that present obstacles to progress in the relationship. Forward momentum will be generated if the hot issues are successfully resolved or at a minimum are better managed. The second track would involve a longer-term effort to establish mechanisms for cooperation across a wide range of governmental and nongovernmental activities. The objective would be to cultivate on both sides a renewed and sustainable stake in collaboration. By concentrating at the outset on process, both Washington and Ankara can reestablish the pattern of continuous consultation that undergirds successful partnerships. While process alone will

not resolve all the problems that currently plague the relationship, an absence of process will most likely ensure that the relationship will deteriorate further.

#### First Track

## Managing the Kurdish Issue

The most urgent issue that links Washington's interests with Ankara's is the successful establishment of a unitary Iraqi federal state. From Washington's perspective, the Bush administration's place in history will in large part be measured by the outcome in Iraq. To Ankara, the threat presented by the Kurdish drive for autonomy (or, even worse, the ultimate establishment of an independent Kurdish state in northern Iraq) is the single most important foreign and domestic policy challenge on Turkey's national agenda.

The implications of the establishment of a new Iraqi federal state must be understood in the broader context of the challenge that the Kurdish population of Turkey presents to the government in Ankara. In the near to medium term, the more that the government in Ankara does to promote the success of a semiautonomous Kurdish region in Iraq, the less likely it will be that Turkey's Kurds will seek to secede. However, it is conceivable that a successful Kurdish regional entity could pursue claims to selfdetermination in the long term, or that the failure of an Iraqi federation would encourage future moves in that direction. The United States and Turkey share a major interest in forestalling both of these negative scenarios. For Washington, the dissolution of Iraq would be a strategic setback, threatening regional instability and war as well as inflicting significant damage to the U.S. position in the Persian Gulf and broader Middle East. Turkey, Syria, and Iran have signaled that they would take strong action to prevent the emergence of a Kurdish state in Iraq. It is also clear that the Kurds of northern Iraq will fight for their dream of independence if need be. Such a conflict would most likely destabilize the region and further undermine the credibility of the United States, which had pledged to build a unified, democratic Iraq.

This sense of common purpose is unfortunately at odds with the difficult military situation on the ground. American forces are threatened by a challenging insurgency and

have little incentive to destabilize northern Iraq by pursuing the PKK. Complicating matters further, as the United States has slowly begun to scale back the number of troops in Iraq and consider substantial reductions through the remainder of 2006, the argument that the United States cannot spare any forces to deal with the PKK will have even less credibility in Ankara.

Whatever the trajectory of developments in Iraq, it is in the U.S. interest to launch and lead a trilateral dialogue on Kurdish issues with the Turks and legitimate representatives of the Iraqi Kurds. In so doing, American policymakers charged with managing the relationship with Turkey should anticipate and prepare for a variety of scenarios, from the emergence of a cohesive federal structure to degeneration into full-scale civil war. If the effort to build a functioning Iraqi government is successful, this trilateral consultative process will support its implementation; should it fail, it will provide a mechanism for managing some of the worst potential consequences.

The establishment of this dialogue will be fraught with challenges, but the steps taken by the U.S. Department of State in 2005 to conduct a discreet, low-level dialogue along similar lines can provide a foundation for future work. Further, the obstacles presented by identifying counterparts and agreeing on an agenda must not be used as an excuse to avoid making the effort. Participation should include officials from all relevant agencies of both the U.S. and Turkish governments, including the National Security Council, the State Department and Foreign Ministry, the Defense Department and General Staff, and officials from relevant military commands (both the European Command and the Central Command). More difficult will be sorting out participation from Iraq, but it will be necessary to include senior regional representatives from Jalal Talabani's Patriotic Union of Kurdistan (PUK) and Massoud Barzani's Kurdish Democratic Party (KDP), along with officials from the Iraqi Prime Ministry and Ministry of Interior.

The initial agenda for the process should include: (1) clarifying the positions of all parties on the future status of northern Iraq; (2) identifying areas of common interest and potential confidence-building measures (such as Turkish investment in infrastructure development, free trade, oil pipelines, and adequate border controls); and (3) possible avenues for dealing with the PKK in northern Iraq (such as PUK and KDP pressure to

restrain the PKK, Turkish amnesty for PKK fighters, rules governing extradition, and potential combined military action).

# The European Union and the Cyprus Issue

The Turkish bid for EU membership has become intertwined with the frustrated effort to resolve the fate of the divided island of Cyprus. Given the value to be added by successful Turkish accession to the European Union, and the potential downside of an ultimate failure to secure Turkish membership, the Cyprus issue should not be allowed to create a new obstacle to the achievement of this important long-term goal.

Turkey's European vocation is not just producing legal and structural changes, but forging a transformation of Turkish identity. Although there are many Turks who already consider themselves to be European, the adjustment process is unlikely to be smooth. Indeed, just as Ankara seems to be moving closer to joining the European Union, Turkey seems to be all at once more European, more Islamic, and more nationalist. Turkey and its Turks will likely have multiple identities, allowing for the country to join the European Union, lead the Islamic Conference Organization, and maintain strong links to the singularity of Turkey's Ottoman legacy. At various times and under different circumstances, Turkey's Islamic, European, and nationalist identities will drive Ankara's view of the world, which may conflict with Washington's perspective. But under no circumstances would a collapse of the effort to secure Turkey's membership in the European Union serve the interests of the United States or Turkey.

A goal of U.S. diplomacy with its principal European partners should be to develop a plan for anchoring Turkey in the West through the EU and strong bilateral ties. Given German Chancellor Angela Merkel's more forthcoming position toward Turkish membership in the European Union, there is an opportunity for Washington to work closely with Berlin on Turkey's accession process. The importance of this step should not be underestimated, as Germany plays a leading role in the European Union and has a large Turkish population. Its support would provide a significant boost for Turkey's membership prospects. While working with the Merkel government, the Bush administration should also be pursuing a high-level dialogue with other key European allies about the stakes involved in Turkish accession. Consideration of options to mitigate

the consequences of a failure to admit Turkey should also be explored. Finally, the United States should encourage EU leaders to use their collective clout to require more constructive behavior from the Cypriot government. An opening may present itself for Greece to play a greater role in generating pressure on Nicosia, as Foreign Minister Theodora Bakoyannis has shown an inclination to be tougher on the Greek Cypriots.

Regarding the pointed challenge presented by Cyprus to Turkey's accession to the European Union, renewed leadership to end the island's divided status is also required, and the U.S. government is well positioned to provide it. This would not supplant but rather build upon the significant efforts made by the UN secretary-general to promote what came to be known as the Annan Plan in 2002–2003. Given Annan's apparent interest in launching a new round of peace talks following the Greek Cypriot elections in May 2006, this would be done in close consultation with him. Further, given the membership of Cyprus in the European Union, the EU foreign policy apparatus would need to be apprised of and involved in any effort as well.

To advance this process, the U.S. government should immediately select and announce the assignment of a prominent citizen with strong bipartisan ties as special Cyprus coordinator (SCC), a position that has been vacant for several years. The office of the SCC, which was established in 1981, served two purposes. First, it was part of an effort to assure the Greek-American community that the United States was committed to a resolution of the conflict on Cyprus. Second, the office of the SCC, which was charged with stimulating talks and developing confidence-building measures between the two sides of the island, provided a vehicle for managing the rift in NATO caused by animosity between Turkey and Greece over Cyprus and other issues.

The new SCC should begin a high-level and discreet dialogue with all relevant parties. This can be done bilaterally in national capitals as well as in appropriate multilateral forums. In addition, although the organized Greek-American community is likely to oppose such an initiative, the Bush administration should encourage exchanges between the United States and northern Cyprus. The recent visits of the congressional U.S.-Turkish friendship group to Turkish Cyprus and a reciprocal visit by Turkish Cypriot representatives to Washington builds goodwill for the United States with both the Turkish government and the Turkish people.

While much of the SCC's portfolio will require working through the European Union, European capitals, and the UN, Washington should also take direct steps to bring pressure to bear on the government of Cyprus. These steps include advocating the implementation of specific aspects of Ankara's action plan for Cyprus as well as working to further erode the international isolation of the TRNC. Specifics could involve upgrading the U.S. diplomatic representation on the Turkish portion of the island, scheduling ports-of-call visits for U.S. Navy vessels at Turkish Cypriot ports, and expanding trade and tourism links with Turkish Cyprus. Such an approach would be consistent with the promises Washington made after the April 2004 referendum and would contribute to the improvement of ties between the United States and Turkey.

#### Second Track

Although there are existing bodies within the U.S. departments of Commerce, Defense, State, and Treasury that are charged with managing the U.S.-Turkey relationship, they have had little energy or focus since 2001. For example, the Pentagon's High Level Defense Group has only recently met with its Turkish counterparts after a three-year hiatus. A new start is needed to generate consensus on the way ahead and build momentum for positive relations between Washington and Ankara.

The United States should propose to Turkey the establishment of a high-level commission that would meet twice a year and provide a structured and ongoing mechanism for interaction across agencies of government, nongovernmental organizations (NGOs), and the private sector. Examples of such undertakings may be found in a range of efforts, including former Secretary of State George Shultz's effective reinvigoration of relations with Canada in the 1980s, the Clinton administration's successful government-wide commission that promoted the transition from confrontation to cooperation with Russia in the 1990s, and the Bush administration's pursuit of a strategic dialogue with India that has produced engagement after decades of drift.

The U.S.-Turkish Cooperation Commission (USTCC) should be headed by a senior government official in both Washington and Ankara who has the power to

convene all the relevant agencies and to discipline them to follow through on "deliverables" agreed upon during formal sessions. Secretary of State Rice and Foreign Minister Gul should provide the leadership for this effort. It would be critical that each designate a senior official to shepherd the process who has the mandate and clout to discipline potentially recalcitrant bureaucracies. Used effectively, this could facilitate the reestablishment of the sustained, near-continuous degree of interaction that characterizes America's strongest partnerships.

Agencies participating in such an undertaking should at a minimum include the U.S. Department of State and Foreign Ministry, the U.S. Department of Defense, and the Turkish General Staff, as well as parallel institutions dealing with finance, commerce, and education. Further, such a process will benefit from the involvement of the private sector and relevant NGOs. Each agency should have responsibility for identifying appropriate representatives from those communities. For example, the U.S. Commerce Department should invite business leaders with interest or potential interest in Turkey; the U.S. Department of Education would include representatives from relevant academic institutions and organizations that facilitate academic exchanges. Based on the assessment of areas that offer the most opportunity for dialogue and expanded cooperation, the commission should be launched with at least three initial working groups.

The first working group would undertake a broad strategic dialogue on security. This group should include diplomatic, military, and intelligence representatives. Initial topics on the agenda should include the future of Iraq, the challenge posed by Iran, engagement in the broader Middle East, prospects for democratization and stability in Central Asia, security cooperation in the Caucasus region, and global threats such as proliferation, terrorism, and pandemic disease. The longer-term goal of these discussions should be the reestablishment of a common threat assessment and a shared sense of how the two countries can work together to meet current and future security challenges.

In this context, the ties most negatively affected by the war in Iraq are those between the U.S. and Turkish militaries. The Pentagon's division of the world into areas of responsibility (AORs) creates seams between combatant commanders in some of the most world's sensitive areas. In the case of Turkey, the U.S. European Command

(EUCOM) manages the bilateral country portfolio, but the U.S. Central Command (CENTCOM) has responsibility for Iraq. EENTCOM has borne the brunt of the fallout over Turkey's refusal to provide transit rights to U.S. forces entering Iraq at the outset of Operation Iraqi Freedom, and its relationship with Ankara has not yet recovered. It is not in the long-term interest of either the United States or Turkey for the relationship between the Turkish General Staff and CENTCOM to languish indefinitely.

As part of the structured binational commission proposed here, the director for strategic plans and policy on the U.S. Joint Staff should head the American team for a defense and military subgroup; Turkey should identify an appropriate counterpart from its general staff. An action plan for CENTCOM should be developed that outlines goals for reengagement. This would need to involve a commitment to ongoing strategic dialogue on topics of mutual interest such as Iran and Syria, as well as the definition of opportunities for expanded operational and tactical cooperation in Iraq and elsewhere.

The second working group should focus on the expansion of economic and commercial ties between the United States and Turkey. The U.S. Department of the Treasury should lead a process that focuses on economic reform and Turkey's prospects for economic integration both regionally and globally. While Turkey's economic reforms are well advanced, important steps remain to be taken. A Treasury-led effort to further the reform agenda and help Turkey deepen its economic ties with Europe would promote growth and stability in Turkey and create a greater stake in successful EU accession. The U.S. Department of Commerce has tools at its disposal that can stimulate greater private sector interest in Turkey. The full range of possibilities, including trade delegations, greater utilization of Overseas Private Investment Corporation (OPIC) and/or Export-Import Bank of the United States (EX-IM Bank) funding, and other mechanisms for

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<sup>&</sup>lt;sup>8</sup> To date, the lead role for pursuing cooperative military-to-military initiatives on the U.S. side is being played by EUCOM. General James Jones, who is both the NATO Supreme Allied Commander for Europe and the commander of EUCOM, has aggressively identified and pursued opportunities for enhanced professional interaction. EUCOM produces a country campaign plan that sets forth five-year goals and a security cooperation plan to achieve those goals. It reflects the commitment to reorient bilateral and NATO cooperation toward meeting transnational threats such as weapons of mass destruction (WMD) proliferation and terrorism. It also seeks expanded security cooperation in Iraq and Afghanistan. In this context, it acknowledges the need to support "elimination of the PKK/Kongra-Gel threat in Iraq." Further, it advocates the advancement of Turkey's capability to support initiatives in southeast Europe, the Caucasus, southwest and Central Asia, the Black Sea, and the greater Middle East. Finally, it emphasizes the importance of transforming Turkey's armed forces to permit effective coalition war fighting.

stimulating trade and investment should be explored. A sector of particular concern to Ankara is the fate of Turkish textile and ready-to-wear industries, which have been harmed by Chinese competition. To avoid a significant loss of manufacturing jobs, Turkey needs increased foreign direct investment. Further, a special subgroup should be constituted that examines opportunities for promoting economic development in the poorest regions of Turkey, some of which are predominantly Kurdish.

A third working group should concentrate on the development of cultural exchanges with Turkey, with heavy emphasis on the expansion of educational opportunities that create a foundation of understanding for the future. A renewed investment needs to be made to reverse the notable trend in which younger Turks appear to be drifting away from the pro-American orientation that characterized their parents' generation. Leadership of this group could be provided by the U.S. Department of Education, in coordination with the U.S. State Department, with participation from congressional leaders who have a pronounced interest in U.S.-Turkish ties. Educational opportunities provide a means to "grow" a new generation that will have a stake in U.S.-Turkey cooperation. Concomitantly, the United States should pursue all avenues available to expand opportunities for American students to study in Turkey to help develop a domestic constituency invested in the bilateral relationship. There are already 12,500 Turkish students in the United States, which ranks Turkey eighth among countries that send foreign students to study at American colleges and universities. Still, Turkey trails far behind other countries such as China, India, Taiwan, Mexico, and South Korea. The State University of New York system has an innovative reciprocal degree program that brings Turkish undergraduates to study in its universities that might be replicated by other states.

In the context of a renewed effort to learn about each other's histories and cultures, Turkey's official position on the Armenian genocide will need to be addressed. Turkey's sensitivities are well known; so too are the domestic politics in the United States. Both Washington and Ankara need to consider what steps they can take to reduce

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<sup>&</sup>lt;sup>9</sup> U.S.-Turkish economic cooperation in other sectors offers a positive example. Koc Holdings and the Ford Motor Company have collaborated for fifty years; currently, all Ford cars destined for the European market are now manufactured in Turkish factories. Turkey's proximity to Europe and its high-quality yet relatively low-cost labor force allows Ford to compete in the European market.

the extent to which this issue is a constant irritant to the relationship. The Bush administration should continue to oppose efforts on Capitol Hill to pass an Armenian genocide resolution. If such a resolution is eventually approved, the U.S.-Turkish relationship is likely to deteriorate further. To forestall such an occurrence, Turkish leaders need to find a means of acknowledging legitimate Armenian concerns and opening a path toward more positive dialogue with Yerevan about the past as well as the future. Doing so would defuse an issue that casts Turkey in a bad light, poisons its relations with an important neighbor, and has the potential to undermine U.S. ties with Ankara.

The USTCC can also play a catalytic role in stimulating greater people-to-people interaction between American and Turkish citizens. Civil society organizations, including professional associations (e.g., doctors, lawyers, and mayors), arts institutions (e.g., museum curators, musicians, and theater directors), and sporting groups, can play a significant role in bridge-building. The working group can provide the vehicle through which American and Turkish counterparts meet one another and explore prospects for further interaction. Such exchanges would help to build the domestic basis of support necessary to sustain long-term cooperation.

# **CONCLUSION**

The history of the U.S.-Turkish partnership provides an auspicious backdrop for rebuilding the relationship. However, it cannot alone provide the necessary momentum for progress, nor can it create a stake in enduring ties for a new generation—a generation that has not been shaped by the strategic imperatives of the Cold War. The challenge faced by leaders in both Washington and Ankara is to recognize the potential future value of the partnership and to take concrete actions to realize that value. The two countries share long-term interests in Europe, the Caucasus, Central Asia, and the Middle East. They each face global threats that defy borders such as terrorism, proliferation, and pandemic disease, which neither can address effectively on its own. They also have a stake in the vitality of each other's economy and in developing more robust commercial ties. They must take deliberate steps to establish processes that allow them to manage the issues that have created a growing chasm between them and to build new opportunities for cooperation. If these efforts are successful, they will generate momentum for a renewed, revitalized relationship that allows both to more effectively meet the challenges of the twenty-first century.

# **APPENDIX**

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