

FOREWORD

This issue of TPQ comes to you at the end of a tumultuous summer for Turkey and the region. The June 7 parliamentary elections seemed to herald the beginning of a new era; the Peoples' Democratic Party (HDP) passed the 10 percent election threshold and the ruling Justice and Development Party (AKP) lost its absolute majority, forcing it to engage in coalition talks for the first time in its 13-year rule.

With the breakdown of coalition talks, widely attributed to the behind-the-scenes interference of President Erdoğan, repeat elections are slated for November 1st and political and economic uncertainty abound. Furthermore, Ankara's decision to sign a deal with the US allowing the use of its Incirlik Air Base for the US-led campaign against ISIL, welcomed by Euro-Atlantic partners, has been overshadowed by the resumption of Turkish military operations against the Kurdistan Workers' Party (PKK).

Another important development with potential game-changing effects for Turkey, its neighborhood, and the international community as a whole is the landmark nuclear deal that was reached between Iran and the P5+1 on July 14th. As a piece by Merve Tahiroğlu and Behnam Ben Taleblu, "Iran and Turkey: The Best of Frenemies" in the Spring 2015 issue of TPQ demonstrated, Iran and Turkey have long toed the line between competition and cooperation. However, the possibility of Iran normalizing its international relations could threaten Turkey's already weakened bid for regional leadership.

This year's Summer issue probes the underlying economic dimensions of these ongoing events to provide more insight into significant changes taking place in the region and their wider implications for sustainability, governance, and human rights. These issues are particularly relevant in light of Turkey's chairmanship of the G20 summit this Fall.

2014 and the first half of 2015 has been a period of great change for energy markets, characterized by a precipitous decline in oil prices, geopolitical instability, and shifting market conditions. In an exclusive interview with TPQ, Amos Hochstein, Special Envoy and Coordinator for International Energy Affairs

leading the Bureau of Energy Resources (ENR) at the US State Department, touches on several important issues pertaining to the evolving energy landscape. Responding to a question about Russia's ability to actualize new pipeline projects including Turkish Stream, Hochstein explains that while this ability has yet to be determined, what is more important is that Russia act like an equal player and abide by the commercial rules of the game. In assessing US prospects for exporting American liquefied natural gas (LNG) to Europe, Hochstein notes that the first exports are ready to begin in December 2015 and that the boom of shale production in the US has already begun to affect global gas markets.

Turning to domestic energy policy in Turkey and its international repercussions, Jörn Richert, Assistant Professor for Energy Governance at the University of St. Gallen, Switzerland, argues that while Turkey possesses huge potential to become energy-independent, several important variables are holding it back. These include an unequal mix of renewable energy sources, implementation hurdles, and an over-reliance on coal. Pointing out that more than 90 percent of Turkey's renewable energy potential remains untapped, Dr. Richert argues that Turkey should diversify its renewable energy sources and develop a genuinely sustainable energy policy in order to realize its 2023 targets.

Clean energy will also be at the core of discussions at the December 2015 meeting on global climate change in Paris where all eyes will be focused on China, the world's largest carbon emitter. A joint article by Maosheng Duan, Qian Wu, and Rıza Kadılar assesses China's ambition to establish a nationwide emissions-trading scheme (ETS), by beginning at the regional and sectorial level. The article also offers lessons that Turkey can draw from China's strategy. In order for Turkey's electricity sector to become less dependent on fossil fuels, the authors argue that climate policies must be better integrated into its domestic energy policy.

Clean energy is an important pillar of sustainability, which is a broader theme that runs through many of the articles in this issue. The Principality of Monaco's Minister of State, Michel Roger, elaborates on what makes Monaco a distinctive state model. Roger highlights Monaco's robust economy and sophisticated urban development policy, both of which are geared towards sustainability. The author also points to achievements in other important areas such as protection of the environment and biodiversity, sports, and humanitarian endeavors.

İhsan Necipoğlu, General Manager of The Dow Chemical Company, Turkey and Central Asia, elaborates on the merits of sustainable development through advanced manufacturing for economies all over the world, and specifically for Turkey. Touting the economic success of US projects such as “America Makes,” Necipoğlu argues that by developing an advanced manufacturing base through building upon existing advantages, the Turkish economy can begin to produce higher value-added products. This will in turn boost growth, encourage foreign investment, and bring Turkey out of its middle-income trap, Necipoğlu contends.

In his article, D. Hakan Habip, the Chairperson of the non-profit organization *Bilim Kahramanları Derneği* (Science Heroes Association), presents his holistic societal model based on a set of universal values as a *panacea* to the divisive rhetoric often employed by politicians. Turning towards education, Habip critiques the top-down, hierarchical approach of the Turkish educational system and instead advocates an inclusive mode of learning from the bottom up. This is the model realized through his organization, which encourages children to develop a love of science from a young age.

Pursuing and implementing goals, whether they be fostering a sustainable development strategy or reducing a country’s carbon footprint, hinges on sound policymaking. From preventing cyber attacks to controlling migration through visa policies, and from maritime regulation to global soccer politics, several authors assess how countries, institutions, and societies are addressing governance-related challenges.

Through a political economy lens, David Fidler, the James Louis Calamaras Professor of Law and a Senior Fellow at the Center for Applied Cybersecurity Research at Indiana University, explains the development of cyber technologies in tandem with the digital revolution and the emergence of cybersecurity as a major policy challenge for governments and businesses alike. Fidler, who is also a Visiting Fellow for Cybersecurity at the Council on Foreign Relations, argues that Internet sovereignty and control over cyber activities are essentially at odds with each other, which poses a conundrum for governments. He also contends that while businesses are more aware of their vulnerability to cyber threats, collective action is near impossible.

Expounding on the governance of the high seas, maritime expert Kubilay Falkenberg, Managing Partner at Falkenberg Law Office in Hamburg, presents

a case for why Turkey should join the United Nations Convention for the Law of the Sea (UNCLOS). Falkenberg highlights the Gaza Flotilla incident between Turkey and Israel and the Aegean dispute between Turkey and Greece as examples where UNCLOS could provide a useful dispute resolution mechanism, as well as facilitate broader improvements to bilateral relations.

Taking up the thorny issue of visa and migration policies, Meral Açıkgöz, Project Coordinator at the International Organization for Migration, points out that Turkey has traditionally pursued a liberal visa policy, one that is based around political and economic incentives rather than security risks. However, Açıkgöz argues that a host of external pressures – increasing and irregular migration flows into the country, the worsening dimensions of the migration crisis in the Mediterranean, and incentives provided by the visa-liberalization process with the EU – may compel Turkey to reevaluate its visa policies.

James Dorsey, Senior Fellow at the S. Rajaratnam School of International Studies at Nanyang Technological University in Singapore and Co-Director of the Institute of Fan Culture at the University of Würzburg, zooms in on the corruption scandal embroiling world soccer's governing body, FIFA, and the debate over Qatar's 2022 World Cup Bid. According to Dorsey, two of the core problems poisoning FIFA – namely an ingrained patronage system and a malignant relationship with autocratic rulers – are part of a larger problem whereby the incestuous relationship between sports and politics has become a breeding ground for political corruption. Dorsey, who also writes a blog called *The Turbulent World of Middle East Soccer*, explains why this is abundantly clear in the case of Qatar.

Varun Piplani, a PhD Candidate in the Department of Political Science at George Washington University, offers a political economist's review of *Thieves of State: Why Corruption Threatens Global Security* by Sarah Chayes, an expert in anticorruption and civil-military relations. In his critique, Piplani evaluates the book's main argument that acute government corruption, particularly kleptocratic governance, is linked to the spread of violent extremism. Among the book's strengths, Piplani identifies Chayes' novel angle on the concept of corruption, as well as her in-depth case study of corruption in Afghanistan and the US' role in allowing corruption to continue unchecked.

As one of the key priorities of Turkey's G20 Presidency agenda, anti-corruption efforts will be in the spotlight this November. It remains to be seen whether

the government's stated commitment to enhancing transparency in government-business relations will yield results. However, what is clear is that as the country falling the most along Transparency International's Corruption Perceptions Index in 2014 – dropping 11 ranks compared to 2013 – Turkey has a lot of work to do in terms of battling both political and economic corruption.

In a co-authored article, Nate Schenkkan, Project Director for “Nations in Transit” at Freedom House, and David J. Kramer, Senior Director for Human Rights and Democracy at the McCain Institute for International Leadership and former President of Freedom House, evaluate the post-June 7 election climate. Taken together, Turkey's decision to allow the US use of Incirlik Air Base to clear ISIL out of northern Syria, the concomitant resumption of clashes between Ankara and the PKK, and the failure of coalition talks resulting in a call for new elections, demonstrate President Erdoğan's attempt to “ride a wave of rally-round-the-flag-ism back to a majority.” Schenkkan and Kramer argue that the US' permissive attitude towards Ankara's renewed hostilities with the PKK will have negative ramifications not only for the broader anti-ISIL effort but for Turkey's domestic political situation, as well.

Drawing insights from International Relations theory to assess Turkey's current geopolitical position, Markos Troulis, a Research Fellow at the Center of International and European Affairs of the University of Piraeus, Greece, analyzes Turkey's actions on the regional stage through the theoretical lens of John Mearsheimer's “offensive realism.” Dr. Troulis argues that Turkey is living a “Mearsheimerian tragedy.” By seeking security and regional hegemony without maximizing its military capabilities, Turkey has in effect downgraded its own security.

In Spring 2015, TPQ organized a panel at Kadir Has University on social media freedoms titled “Turkey's Social Media Landscape.” The event was part of a larger project – The State of Democracy in Turkey – supported by the Consulate General of the Kingdom of the Netherlands. The speakers focused on the dynamics of information pollution and freedom of speech in the online arena, the government's attempted bans on social media, and the popularization of “citizen journalism.” An in-depth analysis of the event is featured in this issue of TPQ.

In an effort to provide TPQ readers with cutting-edge analyses of events as they develop, we have begun to augment our quarterly publication with essays and

critiques posted on our website, <http://www.turkishpolicy.com/> Since the release of our Spring issue, we have uploaded blog posts on Iran's Supreme Leader Ayatollah Ali Khamenei's perspective of his country's nuclear deal; on Ankara's gambit with the Kurds; and on Greece's upcoming elections. We welcome blog contributions from all of our readers and followers.

In June 2015, we had the opportunity to collaborate with the Center for International and European Studies (CIES) at Kadir Has University during its fifth International Neighbourhood Symposium at Heybeliada. We sincerely thank them for enabling us to present our journal during this event, titled "Leadership and Change in the Eastern Neighbourhood and the Mediterranean South." In our upcoming, security-focused Fall 2015 issue, we will have the chance to present you with fresh, regional perspectives from some of the event's speakers.

We would like to thank CITAM (China Institute Turkey) for their continued collaboration over the past three summer issues.

The TPQ team is deeply saddened by the loss of Ambassador Alexander Rondeli, whom we were proud to have on our advisory board for 13 years. He was a truly remarkable person, and his insights shaped our outlook on the dynamics of the South Caucasus. We will deeply miss his wisdom.

The premium corporate sponsor of this issue is Akbank, to whom we extend special thanks. TPQ is particularly delighted to have the "most valuable brand in Turkey" according to Brand Finance's 2015 report as one of our premium sponsors. We appreciate the continuing support of our corporate sponsors: Akenerji, Borusan Oto/BMW, BP Turkey, Esen Yacht, Finansbank, Generali, Monaco Tourism Authority, Odea Bank, STFA, Subaru, TEB, Turcas Petrol, and Yapı Kredi. We are also pleased to have Aksigorta as an advertiser for this Summer issue.

We appreciate the long-standing, generous support of Kadir Has University and the outreach support provided by our media partner *Hürriyet Daily News*.

As always, we welcome feedback and contributions from our readers.

The TPQ team