

tives on Turkish Energy and Pipelines, by Jan H. Kalicki of the U.S. Department of Commerce. Kalicki said, "We in the U.S. government think Turkey's development is vitally important and, indeed, in the economic and strategic interest of the United States" (see p. 20). He recalled that he "had the opportunity to lead a U.S. government delegation to Turkey which visited American and Turkish energy industry executives," and assured "Turkey of strong U.S. government interest in helping it meet its electric power needs." He praised the Turkish decision to build the huge network of pipelines that would bring natural gas from the Caspian basin and the pipeline system that would link Turkey to the Middle East.

But, he drew the line on Iran, even if the gas from Iran is the cheapest and closest to Turkey. This statement is difficult to accept because, as the businessmen at the seminar knew very well, oil from Iran is carried (without "problems") from the Persian Gulf, and, in fact, could have been resold to Turkey after having been transported thousands of miles by the international oil companies. The political explanation ("it would send the wrong message to Iran") was paper thin.

It was at that point that the housewife from Ankara intervened. After her, a student argued that while Turkey is being pushed to get its energy supply from the former Soviet Union, 10 or 15 years ago U.S. spokesmen were talking about Russia as they now talk about Iran. The student stressed, that it is through economic cooperation that one can establish real prosperity and real democracy. The Commerce Department official answered as if a new idea had suddenly dawned on him: "Do you mean that we could bring democracy to Iran through economic cooperation?"

The obstacles

On Feb. 28, a few days after the conference, the Turkish National Security Council reportedly issued an ultimatum to the Erbakan government, accusing it of having gone too far toward religious fundamentalism. While the prime minister minimized the report and denied any deep disagreement with the military, there was an attempt to use the issue of the "Islamism" of Erbakan to create an internal split. So far, the attempt has not worked. Turkey is much less fractionalized on the need for economic development than it appears from the media accounts.

Dangers, of course, still linger. The refusal of the European Union to accept Turkey as a full member; the test of strength on NATO (if Turkey is not accepted into the EU, Turkey will not accept NATO enlargement); the constant malevolent rivalry of Greek leading circles toward Turkey; the Cyprus time bomb; the crisis in Albania, which faces possible civil war; the possibility of a new domestic destabilization, are some of the crises that Turkey has to face. But despite all this, Turkey is one of the few countries with an open strategy, and a clear, courageous, and positive national goal. It is a great advantage. Many, including in Washington, could learn a thing or two.

Interview: A. Nihat Gokyigit

Turkey represents a fruitful market

Mr. Gokyigit, a leading industrialist in Turkey, is chairman of the board and chief executive officer of Tekfen Holding Co. Inc., a group of highly diversified companies, from fertilizers, to construction, to banking. He is also president of the board of the Black Sea Economic Cooperation Business Council (Bsecbc), and chairman of the Turkish-Commonwealth of Independent States Business Councils Foreign Economic Relations Board (DEIK). He was interviewed in Washington, D.C., on Feb. 20, by Umberto Pascali.

EIR: You have discussed the potentials of Turkey vis-à-vis Asia, the Middle East, and Europe. As one of Turkey's industrial leaders, please tell us, what is Turkey doing, and what is your role in this?

Gokyigit: What we are saying, is that Turkey is an explosive market. Not only because of its own nature—a country with 60 to 65 million people, a young population—that is very important, but also because the markets around Turkey are all emerging markets. The Black Sea—for example, there are 300 million people around that lake. . . . They are quite well educated, and they are determined to live a better life.

It is not just the size of the population: It is a big market, and it's around Turkey. Turkey is quite advanced, compared with the CIS countries, in getting integrated into the world market, in several directions. So, we are in that position, and we started having shortages of energy and power. We had to solve that with minimum investments, as far as possible, and as cheaply as possible.

And, when we turn to our neighbors, there is gas! The gas in Iran is coming from an area 200 kilometers from our border. Iraq, of course, is considered an impossible source now, but there is gas right next to us, the other side of the border. And, on the Turkish side of the border, we have a development, very extraordinary, one of the fastest growing developments in the world, because the Southeast Anatolia project is a new Mesopotamia, with our agriculture production growing two-fold for many items. All this will require gas for the agro-industry we are starting up there, for the fertilizers. We really need a lot of gas, not only for Turkey's overall power shortages, but also because this region is being developed so fast.

And we are telling our friends: You organize sanctions, but you don't realize how much your allies suffer because of that. We are very loyal, staunch allies of the United States. We think we should be friends with the United States; it's to



Turkish business leader Nihat Gokyigit.

our benefit. But, when the sanctions [are imposed], we suffer. I tried to explain in my speech: We do not choose our neighbors. You don't choose your father or uncle, they are there. Can you change it? Yes, but how? Like with Iraq, you go there, you try to change it, and then you have all the troubles you can have in the world.

And when sanctions are applied, you have to consider how much my allies will suffer, and how to find some way to support them. This was my point. This is connected to the question of crude oil supplies. Concerning the crude oil, we are very happy to see that the U.S. is now supporting openly the Baku-Teheran direct line. That is very important. Important, because they found a third new source, beside the ones in Russia and the Gulf, that has to be directly connected with the world markets.

If you don't want a conflict of interest, the pipeline must go through an oil-consumer, not an oil-producer country. Turkey is an oil consumer.

The most efficient tool to help these new republics around the Caspian Sea, is to have a means to transport their oil and gas directly, not with limitations. It is the only way for them to earn foreign exchange to build up their industrial base and prosperity. This would be beneficial to the U.S., and to the world, of course. And this will bring stability. This direct pipeline is very important, and we are happy that the U.S. is behind this line.

Now, on the gas. Of course, there are other considerations, because there are several sources . . . like the Russian side goes through the Black Sea . . . or Iran, a possibility that—we are, of course, trying to see what our allies can do about it before we go ahead with it. But they are next door!

Of course, Iraq is also very important, a big source of gas reserves, oil reserves, are already connected. . . .

To sum up, Turkey is a very important partner, it shouldn't be neglected, shouldn't be underestimated, and the Western world should—because we have turned our face to the West, we are a secularist democratic nation in that part of the world. The only country; and the world should support this country, not only for peace, but also for the big volume of trade that will be emerging from there.

EIR: Minister Abdullah Gul was saying that Turkey could be a bridge to Asian countries. Sometimes, the relationship between economics and politics is viewed upside-down, in the sense that a country is supposed first to be perfect, and then can be allowed to have business relations. But, in most cases, it is through economic development that countries develop social stability, and become real democracies. In particular, the new alliance, the D-8, promoted by Turkey, could push many countries onto the road of development.

Gokyigit: Economic interdependence among neighbors will help peace, because if you are tied up with your economic interest, you cannot very easily initiate hostilities. That's also how we feel about Russia.

Gas developments at the Turkish crossroads

by A. Nihat Gokyigit

These are excerpts, edited by EIR, from the remarks of Mr. Gokyigit, presented in Washington, D.C., on Feb. 20.

Diversified gas pipelines feeding Turkey and the neighboring countries will be crossing one of the zones of the world with the highest potential of gas consumption. There are several reasons for this:

- Turkey and practically all of the surrounding countries are heading for power shortages, which require gas for fast, feasible, and environmentally friendly solutions.
- The huge Southeast Anatolian Project (SAP) of Turkey is creating a new Mesopotamia. This extraordinary development of agriculture and agroindustry in the zone will keep on increasing the demand for gas. Investments in ammonia plants for fertilizers are already encouraged.
- Turkish industry is changing to natural gas to meet its