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## SPAIN-TURKEY CIVIC FORUM. REINFORCING BILATERAL RELATIONS FOR A COMMON EUROPEAN VISION

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# REINFORCING BILATERAL RELATIONS FOR A COMMON EUROPEAN VISION

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# FOREWORD

**Senén Florensa.** Director-General and President of the Delegate Committee of the European Institute of the Mediterranean, Spain

Both from a tangible and intangible point of view, Spain-Turkey relations are not only growing but also strengthening. Bilateral trade is increasing, investment is expanding and bilateral tourism is developing quickly. Moreover, political and institutional cooperation is multiplying at all levels, cultural exchanges are growing, and social and academic collaboration is rising.

An important natural step in this process has been the first Spain-Turkey Conference, organised by the European Institute of the Mediterranean and the Istanbul Policy Center at Sabanci University under the aegis of the Ministries of Foreign Affairs of Turkey and Spain. On this occasion, more than 250 relevant personalities met to analyse and debate concrete measures to encourage and consolidate this booming relationship. Spanish and Turkish business people, politicians, cultural representatives, journalists and academic experts participated on 4th April 2009 in Istanbul in what has become a milestone event in the relations between these two important Euro-Mediterranean countries, as the Ministers of Foreign Affairs signed a Memorandum of Understanding that launched the Conference as the first step of the Spain-Turkey Civic Forum.

This starting point brings together in a unique event the knowledge and common experiences in each of these fields with the aim of sharing them with other participants, trying to create cooperative synergies. Concrete proposals were highlighted, ranging from the economy to cultural cooperation with projects for co-production in the cultural and entertainment industries; or in education, with the proposal for greater travel facilities and the development of higher education exchange programmes for Turkish and Spanish students and teachers.

What has been clearly expressed is the willingness of both sides to take all aspects of bilateral relations to a new stage. In today's world and regional context, the dynamic cooperation between two such emerging countries as Spain and Turkey is a necessity as well as a source of great opportunities.

The European Institute of the Mediterranean has always believed in the need to foster relations between Spain and Turkey, and we have always strongly advocated in favour of the rapprochement between Turkey and the European Union.

This new stage in the bilateral relations and the accompanying common vision is already evident in many different issues, ranging from sharing a multilateralist approach in international relations and common concern for the existing conflicts, to strengthened economic and financial cooperation in the framework of the G-20; or the co-leadership of the Alliance of Civilizations initiative under the auspices of the United Nations.

In the current complex international economic, financial and political context, the ability to develop and enhance reliable relations, especially with complementary emerging countries, offers the most promising perspectives.

We can truly say that there is a clear symmetry between Turkey and Spain. The two countries are located at the East and West ends of the Mediterranean, both looking towards Europe. The countries are in a modernisation process and they are developing their full potential. Thus both firmly believe in the Euro-Mediterranean project.

An example of this is the quality of the participants in the Conference and the variety of their fields of expertise. It reflects the mutual growing effort for knowing and understanding each other's social,

cultural, political and economic reality and history. The successful development of the Instituto Cervantes since its opening in Istanbul in September 2001 (with more than 3,000 students since then); the establishment of one of the first offices abroad of the Investment Support and Promotion Agency of Turkey in Madrid in 2008; and the recent opening of the Turkish General Consulate in Barcelona in November 2009, are all clear examples of the growing commitment of both societies and governments to each other.

One of the main elements on which this relationship of trust is based is the determined Spanish support for Turkish full membership of the European Union. This political commitment has been clearly supported by all governments in Spain since democracy was established, independently of their ideological orientation. The European Institute of the Mediterranean has always been active in the promotion of Turkish relations with Spain and Europe, presenting to the Western European public the cultural dynamism and diversity of Turkey, its social reality and its poli-

tical pluralism. It has cooperated with several public and private institutions, with special mention to the Istanbul Policy Center of Sabanci University, as well as with independent experts from several fields.

Of special relevance among these collaborations is the Turkey-EU Membership Observatory where, for the last 10 years, we have been holding regular meetings that have taken place in Istanbul, Barcelona, Madrid, Lisbon, Florence and Berlin, among other cities.

This annual conference of the Spain-Turkey Civic Forum has to be the yearly materialisation of this growing Spanish-Turkish collaboration, in which all participants can present and develop the new stages attained in every field of cooperation. In order to achieve this ambitious goal, the cooperation of all individuals and institutions participating in the Forum is crucial, making this annual meeting an important milestone in our bilateral relations.

With everyone's contribution, this Permanent Spain-Turkey Civic Forum will become a powerful tool to bring the most dynamic elements of our societies together for the benefit of both Spanish and Turks.











# INTRODUCTION

**Güler Sabancı.** Chair, Board of Trustees of Sabancı University;  
Chair and Managing Director of Sabancı Holding, Turkey

It is an honour for us that the first Spain and Turkey conference, which will be followed by the high level bilateral summit tomorrow between the governments of Turkey and Spain, is the first event in this new conference hall. We are proud that these two firsts come together, and hopefully will have a very successful conference for both sides.

The official bilateral summit will be followed by the Alliance of Civilizations Forum, an important initiative for achieving global peace, which is being supported by the Prime Minister of Turkey and the President of Spain by promoting cultural understanding among the people of the world to achieve a global peace. That is the goal of the Alliance of Civilizations Forum.

This conference today has been launched with the objective of making it an annual event, alternating between Spain and Turkey, to serve as a bridge between the two countries, the two societies and the two peoples, nourishing the Alliance of Civilizations Forum.

This is the reason why the Sabancı University Sakip Sabancı Museum, with its history and its location and architecture, provides an excellent venue for such an occasion. The Sakip Sabancı Museum has also served as a bridge between Spain and Turkey, through the historical and contemporary art museum that has served this goal. Today at the Museum we have the permanent collection of Ottoman calligraphy dating back to the 15th century in the main building up in the grounds while today we are here in a very contemporary conference hall.

I believe 2008 was critical for Spain and Turkey and the Sakip Sabancı Museum has played an important role. Last year, Sakip Sabancı's collection of Ottoman calligraphy visited Madrid and then Seville where it was exhibited in the Royal Alcazars and had great success.

During the same period, here at the Sakip Sabancı Museum, we had an extensive Dalí exhibition from the Dalí Foundation, which was immensely popular with Turkish art lovers. But the Dalí exhibition in Istanbul was not the only one: a few years ago, we opened our galleries at Sabancı Museum with a Picasso exhibition, which was also immensely popular and attracted more than 250,000 people, about the same number that visited the Dalí exhibition. So, we are very proud that both Dalí and Picasso, the great Spanish artists of the 20th century, were greatly appreciated by Turkish art lovers. This is why I think it is very appropriate that this distinctly Mediterranean town is hosting a civil dialogue between Spain and Turkey.

Similarities between our countries, situated at either ends of the Mediterranean, have been emphasised by historians, commentators and art dealers numerous times. This occasion calls for a renewed focus on our common heritage in the Mediterranean, on our experience with respect to the evolving European architecture and on our common destiny in Europe. It was a little over two decades ago that Spain became a member of the European Community. At that time, its path to membership faced many challenges. Spain demonstrated a single-minded commitment to meet those challenges and join what is now the European Union. Turkey is still moving along that road. This is why the Spanish experience is so important for Turkey: it offers a clear example, showing us how to stay the course of rough waters and how to succeed. Spanish leaders have repeatedly and generously offered to share their experience with us. We should and do draw valuable lessons from their experiences.

The forthcoming Spanish Presidency of the Union in the first half of next year will provide a chance for Spain

and Turkey to cooperate even more closely and move toward their common destiny in Europe.

The increasing economic ties between the two countries are reflected in their cooperation, both in the European context and internationally. Spain has become Turkey's 10th largest trade partner and Spanish investment in Turkey reached 10th position in foreign direct investment in Turkey last year.

The agreement on cultural and educational exchange, signed three years ago between the governments of Turkey and Spain, has provided a good basis for new programmes, such as educational cooperation in student mobility, which Sabanci University is also utilising, in addition to other cultural activities. However, more human-to-human contact is always essential to enable people of both countries to discover how much they have in common and how much they can do together.

The working groups today will consider how to intensify and enhance cooperation between Spain and Turkey in all spheres of human endeavour, and we hope that at the end of these sessions draft recommendations will be made. I am sure that at the end of the day, there will be concrete proposals that will show us the way ahead.

I would like to thank you all again for your attendance, commitment, contributions, for the Spain and Turkey conference today, and I would also like to especially thank the Istanbul Politikalar Merkezi and Professor Ahmet Evin who managed the organisation. And special thanks to our friends at the IEMed and their representatives who have contributed so much to this conference and who are with us today. Thank you for all your contributions and I hope we will have a fruitful conference.

### Joan Clos. Ambassador to Turkey, Spain

It is an honour and pleasure to be here today and to have the opportunity to inaugurate this centre, which is a big contribution to cultural life in Istanbul. I would particularly like to thank two Ministers for remaining here with us today: Mr Bagis and the Spanish Minister for Public Works. It is such a pleasure to have two such important ministers here from each of our governments. This conference is the beginning of something that we would like to start for our future. And this future is the civic forum between Spain and Turkey.

We still need a closer cultural relationship between our two countries, which have shared many things in our past. We are so similar but, at the same time, culturally distant and need to build bridges to close this distance. There are many interesting similarities in the evolution of Spain and Turkey. I would like to comment on two or three.

For example, in 1968, the year of the French May in Paris, the populations of Turkey and Spain were the same: 29-30 million people. Today, the population of Turkey is 74 million and the population of Spain is 44 million. Before 1978, Spain had a larger population than Turkey, but since then it has changed. The average age of the Turkish population today is around 28-29. The average age in Spain is quite different, around 45-46.

Today, the GDP in Turkey is around \$13,000 per capita. This was our GDP at the beginning of the eighties. What is very interesting in the evolution of the Turkish and Spanish GDPs is that they follow a strict parallel line comparing the years 1986 onwards, when we entered the European Union and we finally recovered from the difficulties of the oil crisis of 1973 and the later industrial rationalisation. We had a huge increase in GDP from 1968, which is parallel to the same figure in the Turkish economy since 2001. After

the Turkish crisis – mainly in banking – in 2001, and with the effects of establishing the customs union with the European Union, which made it Turkey's first trading partner, the growth of this country is very similar to ours, as it is also similar to the Spanish GDP figure when we entered the European Union.

In other words, we have a huge opportunity to increase and strengthen mutual relations, and those mutual relations have an impact on the future, not only in economic and business terms but also in the cultural field.

In Turkey, it is fashionable to learn Spanish and the country's interest in our culture is booming. Of course, tourism is also growing very fast, as it did in Spain some years ago.

This calls for greater understanding between our two societies. We have a lot to do together and I really hope that the new efforts that our two governments are making in order to enhance our mutual understanding and knowledge will produce results in the near future. Results not only in the form of more business cooperation, which I am sure will happen, but also in the level of our cultural recognition between two different and similar countries: this is the big contradiction.

This is an extraordinary country, a country of great beauty. Today, for example, is an exceptional day. The light that you saw as you arrived by ship is not the traditional light of Istanbul. Fog is typical for Istanbul because it is not blocked by mountains like ours and that creates some pretty intense changes in temperature. So, in the Bosphorus, you can only see part of the front of the ship, as Pamuk describes so well in his *Istanbul* book and, on some days such as today, the fog goes away and that light appears, showing the incredible beauty of this strait that joins two continents. Thank you for being here with us.

**Ender Arat.** Ambassador to Spain, Turkey

I am the happiest participant in this seminar: as the Turkish Ambassador in Madrid for two years, it was a dream to have such high level meetings between the two countries. There were a lot of contacts but not at a sufficiently high level.

First of all, I would like to confess that I am one of the most privileged Ambassadors in Madrid. It is not because we do not have any problems between the two countries, it is not because our people are very friendly with each other, it is not because there is a very good understanding and cooperative approach between the two governments; it is rather because of my predecessor and my colleagues Felipe de la Peña, who was in Ankara, and because of Ambassador Joan Clos, who succeeded him.

They prepared all the groundwork for me, for our countries. Then our two Prime Ministers decided last year to hold a regular, annual summit meeting. I thought it would be a big problem for me to create some documents to be signed because we have all the main bilateral agreements, but then we discovered that we still have a lot to do.

Indeed, as a Turkish poet says, "we will be judged by what we have not done, not by what we have done." We have a lot to do in the future. This kind of seminar, which will be institutionalised for the future, connected to the summit meeting between two countries, will provoke many more activities, more cooperation and more opportunities between our two countries.

We also have some shortcomings. I can say that the most important shortcoming in our relations was the insufficient contact at higher levels. Through regular, annual, bilateral summit meetings, I believe we can overcome this lack of high level contact. The next will be in Madrid or in Barcelona, the two Premiers

will decide in the future, and this creates an opportunity to have ministerial level meetings between the two countries.

Another lack of contact was between our parliaments. Parliamentary relations are important in the political relations between two countries. We think we can benefit from the Spanish Parliament's experience in many fields.

Since 2003, we have had the Turkish-Spanish Group of Friends in the Turkish National Assembly. For a long time we were looking for the establishment of this Spanish group. Just last week, the Chairwoman of the Spanish Group and also the Vice-Chair were elected and now we are waiting for the election of the members of this group to get in touch with our parliamentarians.

Unfortunately, contacts between Turkish and Spanish business people are also limited to high level and specific groups. For big companies, getting in touch is not a difficulty. They have possibilities, they have their bodies, they have their mobility, but this is not the case for small and medium sized enterprises, and we have very experienced institutions for SMEs. Last year, our Minister of State paid a visit to Madrid. He proposed the creation of a joint commission in order to mobilise our SMEs. Spain has a lot of them, Turkey has enough, and if we succeed in getting together both small and medium sized enterprises, they will create many more opportunities and many more projects in the interests of the two countries. The Turkish contractors association will sign a Memorandum of Understanding with their Spanish counterpart tomorrow. I spent two years in order to mobilise SEOPAN to come to Turkey. Then they came last year in December and decided to come again during this summit, and they took the decision

to sign this cooperation agreement. They have a lot of experience. Some of the Spanish contractor companies are among the ten biggest and most successful worldwide, while Turkish contractors are very active in difficult regions of the World, in the Middle East, Afghanistan, Siberia, Russia, the Caucasus, and Spanish contractors are very excited about going to these areas. With this cooperation they can find new opportunities.

### **If we succeed in getting together SMEs from Spain and Turkey, they will create more opportunities in the interests of both countries**

On the other hand, we attach importance to developing relations among civil society and universities. For long-term relations, their contacts and cooperation are very important. Through them we can deepen our relations.

There are state universities and private universities that have preliminary contacts and we support all of them. In that regard, we are encouraged by the initiative taken by Bilgi University which has established relations with the European University of Madrid. Both of them are foundation universities and they took the decision to teach in Spanish and English. So they are going to employ staff in order to develop this

project. I hope this cooperation bears fruit in the near future. This private sector activity will benefit Turkish and Spanish students.

For human contacts between our people we have an important handicap that we should recognise. Unfortunately, our business people, academics and students need a visa in order to go to Spain. We are working in order to facilitate the visa process explicitly for business people, students, teachers and academics, and for artists and cultural people. We did not manage to finalise this project this time, but we are working hard on it. There is very good understanding on both sides. We have many concrete examples and we are going to have a second consular consultation between the two Ministers of Foreign Affairs in the coming months. I am sure that we will succeed and that our students, specifically those who are participating Erasmus projects, will be very happy with the agreement.

This is the situation for the time being and tomorrow we are going to have the first summit between our two countries. We know Spain only has such summit meetings with very few key countries: Portugal, France, Germany, Italy, and Morocco. This means that Spain considers Turkey as a potential strategic country and tomorrow, from the Spanish side, six Ministers will have bilateral talks. They will give a report to their Prime Ministers, and there will be a continuation of this type of work which will be very creative for our relationship. Thank you.

**Egemen Bagis.** Minister of State and Chief Negotiator for EU Accession, Turkey

Let me congratulate the Sabanci Museum and University, Istanbul Policy Center and the IEMed for organising this very opportune event. Tomorrow we will be hosting the first summit between Turkey and Spain, with a very high level attendance from both countries, and this conference will provide a very good foundation for that timely summit.

The young and prestigious Sabanci University and the highly prestigious institution IEMed, along with the Istanbul Policy Center, have done a great job of organising a very high level participation and I would like to thank all of you for being a part of this historic event.

Relations between Turkey and Spain go back to the 14th century and we have had diplomatic relations since 1782. But this relationship has gained a new momentum, especially over the last ten years. We appreciate the support of Spain in international organisations, especially in the European Union.

I will share with you an anecdote. We enjoyed good support during the leadership of President Aznar, but when Mr Zapatero came to power, once, in the first meeting between Erdogan and Zapatero I was interpreting from Turkish to English and Mr Zapatero had an assistant interpreting from English to Spanish, and suddenly I stopped, I froze. So Erdogan, who is very used to me interpreting very quickly, somewhat surprised, looked and asked me what happened. I said: "He is saying what you are saying." He asked me what I meant and I told him: "He just said 'Democracy is a vehicle. The EU is a vehicle. Religion is a vehicle. The main purpose, the main goal, is winning the hearts of our nations and bringing a better future for the next generation'." This is a very popular statement that Erdogan had made when he was Mayor, and it had been much debated in Turkey.

That day I understood that relations between Spain and Turkey would take off, and subsequently Prime Minister Erdogan decided to send one of his most trusted aides, his Foreign Policy Advisor, Ambassador Arat, to Madrid as our Ambassador, and Spain decided to send a very experienced politician as their Ambassador to Ankara to continue the very good work of Felipe.

So, relations have been picking up. Now we see a major increase in the number of tourists going back and forth, students, academic exchanges, trade and cooperation. Every field, both psychologically and numerically, has expanded, and I think this is something we should be celebrating today and tomorrow. The potential is very great.

I also appreciate the fact that the Spanish Parliament has established a Friendship Group, and today we have the leader of the Friendship Group for Turkey in the Spanish Parliament, Ms Pastor, and the leader of the Turkish Friendship Group with Spain, Mr Afif Demirkiram, and I welcome them both. Those two parliamentarians will have very important duties in terms of parliamentary dialogue, which is the representative of the dialogue of our peoples. So I welcome them as well.

We appreciate the cooperation. Historically, both countries, both nations, are former super-powers. Iberia was a land of opportunity for different cultures, religions, ethnicities, just as Anatolia has a rich background of different cultures, identities, religions and so forth.

That is probably why, when Secretary General Kofi Annan was puzzling over the biggest nightmare of our time, the possibility of a clash of civilisations, and decided to establish a platform to deal with this greatest of fears, he asked the leaders of Spain and

Turkey to co-chair the Alliance of Civilizations. With our background of having various different cultures co-existing peacefully and harmoniously, both in Iberia and Anatolia, no other countries would have been better to lead such an initiative.

We also appreciate that the cooperation is not only for historical, but also contemporary, reasons. When I hear some European politicians question Turkey's European identity I can only say that our Spanish friends can understand, more than anyone, the frustration I have because they went through the same debates thirty years ago, and they know what kind of a negative effect it can have on the morale, on the mindset, of our nations.

**Out of the top ten challenges faced by Europe today, Turkey can be a part of the solution. Out of the top ten challenges faced by Turkey today, the European Union can be a part of the solution**

When we were going through the worst time of our history, we were called the "sick men of Europe." No-one ever called us the "sick men of Asia." If we could be Europeans at the worst time of our history, we are definitely Europeans today at the best time of our history, because we have never been richer, more prosperous, or freer.

So, returning to the Spanish experience, you know Spain has become a better country in the last thirty-five years, and we know Turkey is going to be a better country by the time we complete our negotiations for the European Union. We appreciate the support that Spain has given us in our negotiations and our attempts to become a part of the most important peace project of humankind.

Turkey and Europe will eventually integrate. Just as Spain contributed a lot to the European economy, to European social life, to the European workforce and to European culture, I am sure Turkey will also

contribute immensely to the European Union in every field.

Our economy is today the sixth largest in Europe and we have the fourth largest workforce of Europe. As the Ambassador said, our median age is 28, and 65 per cent of my nation is below the age of 35. This is further proof that time is on our side. When you think about the top ten challenges faced by Europe today, be it security, energy, human trafficking, narcotics, the workforce, economic crisis, financial stability, you can see that Turkey can be a part of the solution, at least in eight of the ten problems. When we think about the top ten challenges faced by Turkey today, we realise the European Union can be a part of the solution, at least in seven or eight of them. So this is a win-win situation. Spanish wisdom has understood this before many other European nations and we are hoping that our Spanish friends will help convince the other European countries of the importance of Turkey.

Europe needs Turkey at least as much as Turkey needs Europe, and that is a message that we hope the Spanish people, government, politicians – both from the governing party and the opposition – will tell other European countries. So we will look forward to the Spanish Presidency in the first half of 2010.

Ladies and Gentlemen, we have good news to share, including the fact that the Turkish construction association will sign a memorandum with their Spanish counterpart SEOPAN tomorrow. I think this is a very important initiative. Prime Minister Erdogan always said in the old days that diplomatic relations, political relations, between nations would determine economic relations. But in today's realities, economic relations between nations determine political relations. The more trade we can have, the better for our political relations and our cultural and social relations.

When you look at the financial sectors, the two countries in Europe in the year 2008 that did not have any banks that went bankrupt were Spain and Turkey. When we realise that both countries have

very strong financial institutions, I think it is a great guarantee for our business community and for the cooperation that we can have.

So with these thoughts in mind, I am very hopeful for the future of our relations and I think, in a few

years, the whole world will be talking about the Spanish-Turkish experience, because this is a win-win situation, win-win cooperation, and it will not only yield gains for Spain and Turkey but also for Europe and the rest of the world. Thank you very much.

**Magdalena Álvarez.** Minister of Public Works, Spain

The Spanish people and Government feel very close to your project and will support you in the European process because we are sure that it is good for Turkey, Spain and for European people. We will work together in the future just as we have worked together in the past. And this is a good occasion to share with you an overview of Spanish and Turkish relations.

As the Ambassador said, the presence of our Turkish friends and the Spaniards who have come here shows how important this meeting is for us. This seminar is a magnificent opportunity to work together to move forward, to progress towards ever-improving Spanish-Turkish relations. I think we need to congratulate the organisers for this initiative, and for how successful it has been in terms of participants. I can tell that this initiative has been warmly received, so I would like to thank you most sincerely for asking me to participate in the inauguration of this conference.

Istanbul, once again, is becoming a world model, an example for the whole world, because this seminar is the prelude to two other important meetings which will be held tomorrow: the Spanish-Turkish Governmental Summit, and the Forum of the Alliance of Civilizations.

I would like to explain where we see Spain and Turkey. We are fortunate to have people with us who are so important today in culture, economics and politics. In today's seminar everyone will contribute with different formulas to strengthen our relations. This is an additional guarantee for the success of the high level meeting between representatives from both countries to be held tomorrow. There is a lot to do today and we have many different objectives that we would like to reach together.

Although our countries are at opposite sides of the Mediterranean, it is important to remember that we have had, and continue to have, very strong ties that go beyond the geographical distance between us. We should not talk about the Mediterranean as a distance but as an opportunity: the Mediterranean Sea unites us and brings us together. It has been the background for the history of all the countries on both sides of the Mediterranean, which has created hundreds of cultures that have co-existed over time and over space. That is the great value of diversity, Mediterranean diversity.

The true strength of a culture lies precisely in its ability to be able to assimilate and integrate the best aspects of other cultures. Both Spain and Turkey are good examples of this.

Spaniards and Turks have often met throughout history, and we have exchanged our best aspects, be it our knowledge or our experience. I would like to give you an interesting example of something that happened to someone from my country. In the 13th century, there was a man from my city, Malaga, called Ibn Al Baytar, who crossed the Mediterranean in an attempt to obtain new knowledge, and remained in Turkey until he died. He studied there always hoping to return to Spain with all the knowledge he had acquired from the other side of the Mediterranean, from Turkey. So that is part of our culture and history: a history of exchange, a history where Mediterranean culture is filled with personalities like this man from Malaga, who understood that true progress consists of learning from other people's experiences and sharing that knowledge.

Today, our people are meeting again in order to cooperate, to work together in many different spheres. I would like to talk about one of my areas of work:

transport. In such a difficult economic situation like the one that the world is going through right now, cooperation becomes even more important. Cooperation and coordination are key elements if we want to come up with effective formulas to deal with this crisis. This means we need to have exchanges of experiences and share ways of using the resources that we have in a more rational way, focusing those resources in the best way in order to reach a common level of progress. Another important ingredient in this formula must be investment in infrastructures.

**In this increasingly globalised world, institutional, economic and cultural ties, as well as transport networks, are the arteries that give life to our respective societies**

This is the moment to defend specific actions of collaboration between both countries, which will help us to continue to move forward, to progress, and recover from our current economic situation. So, investment in infrastructure is important due to the impact that it has in job creation, but also in terms of modernisation and opportunities for both of our countries. They are spheres of progress that we need to work on.

I would like to recall how the development of the Mediterranean people, and especially of Turkey and Spain, has always depended on the changes experienced by our means of transport. Since ancient times, our countries have always been leaders in it due to their geographical position. They have fostered different kinds of transport, which has helped us expand our development, trade and cultures.

I would like to talk about one key element for our future that is also a symbol of cooperation between Spain and Turkey: the high-speed train.

It is an innovative, exciting shared project in Spain and Turkey and it is not a coincidence that it is a priority for both governments. This is completely

changing not only the Spanish transport system but also transforming its mobility, customs and the way that we interrelate. And I know that in the future it will do the same in Turkey.

We have been putting into place a transport policy for the past twenty-five years so that within fifteen years our country will have an alternative. Turkey and Spain have begun working on this together and it is a key element for the future. I believe that the results that we are already seeing in Spain have helped us to learn and offer that experience to Turkey. It is a safer means of transport. Spanish transport is the safest possible so we do not want to compete only in terms of speed, but also in terms of sustainability, of comfort, of quality of life. From 2004 to 2008, the number of people who used high-speed trains in Spain tripled. On the 13th of this month, the first high-speed link in Turkey was started. It is a real symbol.

Spaniards and Turks alike think that we were quite right in choosing it and in sharing this path. We are extremely satisfied that so many Spanish companies have participated in this challenging project. Up to nine different companies have worked together on this project. It shows how much willingness there is in our two countries to collaborate and is an example of what lies in the future for us in terms of working together.

I will finish by saying that in this increasingly globalised world, institutional, economic and cultural ties, as well as transport networks, are the arteries that give life to our respective societies.

The search for different forms of transport, for the flow of information between societies, continues to be an essential part of the development of humanity, as it has been in the past. It is the desire of the people made reality that goes beyond theoretical borders.

Dialogue between countries opens the way to communication, to living together in peace. It is the best instrument for facing the future. These principles are what guide our relations and inspire this conference, as shown by tomorrow's bilateral summit and the forum of the Alliance of Civilizations.

This seminar will obviously strengthen relations between our two countries, relations which are

even stronger due to Turkey's Europeanness and its desire to become a member of the European Union. That desire will continue to have the strong and decisive support of the Spanish Government, convinced that the process of accession will be beneficial, not only for Turkey but also for the European Union itself and for Spain.

Finally, I would like to finish by thanking the organisers of this forum, the participants and all the

stakeholders involved in economics, politics and culture from both our countries.

Thank you for being here, thank you for your commitment. Your inestimable contributions will undoubtedly create more spaces for peaceful coexistence between Spain and Turkey. After these days, I am convinced that we will redouble our efforts to broaden and deepen our relations. Thank you very much and I wish you good luck.

# PLENARY SESSION



# THE MOMENTUM OF THE RELATIONS BETWEEN SPAIN AND TURKEY

**Diego López Garrido.** Secretary of State for the European Union, Spain

I would like to begin by pointing out that relations between Spain and Turkey are nothing new. They have been going on for a long time. There is a long history of relations between our two countries that go back for centuries. We can certainly see how much growth, qualitatively and quantitatively, there has been in those relations in the last few years. The Turkish Minister pointed out the example of the last decade. This weekend is a kind of symbolic coming together of those relations with these three different and extraordinarily important events.

Today there is this first Spanish-Turkish Conference, with many representatives from the worlds of politics, business and culture from both countries. Tomorrow will be the first bilateral high level summit between Spain and Turkey. Until now there had never been such high level relations; it will be the first time that such a summit has been held. It will be the culmination of this ever-growing, ever more intense, process of relations between Spain and Turkey. And on Monday and Tuesday, the second Forum of the Alliance of Civilizations will take place.

I think it is no coincidence but rather is due to what the Minister called "the momentum of the relations between Spain and Turkey," which, it must be said, is also the momentum of the relations between Turkey and the European Union. Because I do not think that we can separate the intimate relations that exist between Turkey and Spain and those with the European Union. That is to say, as we see progress in relations with Spain, we see progress with the Union. In the same

way, if there is progress in relations with the Union that obviously means that there would be progress in relations with Spain.

So what we should ask right now is if today we can say that we could make a qualitative jump, important progress in terms of relations between Spain and Turkey and with the European Union. I do not want to separate the two issues. Later, we will be speaking more specifically about the bilateral relations and you will understand that logically I will be putting special emphasis on relations between Turkey and the European Union and the role that Turkey and Spain play in those relations.

I think that right now, at this moment of coming together, we should think about whether our new circumstances, this new coming together, this new situation at the beginning of the 21st century, will make it easier or more difficult for us to deepen relations between Spain and Turkey and how it will affect relations between Turkey and the EU. Will it be a benefit or an obstacle?

There are four situations which I believe favour this qualitative jump in relations between Turkey and Spain and between the EU and Turkey. The first is the economic crisis. Obviously I do not need to explain what is happening right now: we just had the world summit, the G20 held in London, in which Spain and Turkey participated in that type of emerging "world government." This, albeit problematic, situation is favouring even closer relations between us and between Turkey and the EU.

Another circumstance that we are experiencing right now is the energy crisis, as we call it in Europe. The crisis between Russia and Ukraine was one example of that. Energy has become one of the great priorities for the European Union. We can no longer say that energy or energy sources will last forever. We are already feeling the lack of energy as we look towards the future and we see the impossibility of sustainable development if we maintain the type of energy we have been using up until now. There is an ideological

### Energy is a strategic question for the EU: diversification, interconnectivity, renewable energy and the fight against climate change. And in this Turkey plays a strategic role

battle of ideas in the European Union. When we meet every few months at the Council of Foreign Affairs Ministers, there is always a moment when we speak about the subject of energy. There is an important event at the end of this year, which is the Climate Change Conference in Copenhagen because the fight against climate change and the search for sustainable energy go together. This is a wholly strategic question, absolutely essential for the European Union, and it is very clear in what direction we are going: towards diversification, interconnectivity, renewable energy sources, the fight against climate change. All of that is a strategy in which Turkey plays an important and strategic role.

There is also a situation of a lack of security. Security is something that is being debated today at the NATO headquarters. Security, the fight against international terrorism, the fight against nuclear proliferation, the fight for disarmament, all of which will be essential in the United Nations debates over the next few years. They are happening at the very heart of NATO. The topics are also discussed at the heart of the Alliance of Civilizations, where Spain and Turkey each have a very important role. Everyone knows that the Alliance

of Civilizations has been co-sponsored by Turkey and Spain and that it already enjoys the support of all of the European Union members, and about 80 countries in the world, as well as being sponsored by the United Nations.

Then there is the Mediterranean. The Spanish Minister of Public Works spoke before about the Mediterranean as something that unites us. The Mediterranean is especially relevant today with the re-launching of the Euro-Mediterranean Process with the establishment of the Union for the Mediterranean. In this process the two extreme sides of the Mediterranean represented by Spain and Turkey have a strategic role to play.

So these are all different circumstances that make us think about the fact that Spanish-Turkish relations and relations with the EU must move forward, must become more intense. Everything is moving in that direction.

So what does Turkey have to say? What does the EU have to say? And, now, I am speaking not only on behalf of Spain but on behalf of the EU. I would say that, for both of them, what one President of the French Republic said about it: "Yes, but", is true. Both sides are saying "Yes, but": Turkey and the European Union.

Let's begin with the European Union. The European Union says "Yes." The EU considers Turkey as a candidate to enter the European Union: the country has had the status of candidate since the end of the 20th century. This was already decided. However, if we look at the recent text that was adopted by the European Parliament only 15 days ago, on 12th March, about the progress made by Turkey, we see that there is a certain reticence. There are certain sectors within the EU which are more reticent than others, of which Spain is not part. Spain is leading the effort of those who want the integration of Turkey into the EU, obviously fulfilling all the necessary requirements. But there are certain sectors which, as I said, are somewhat reticent about this idea. There have been and still are, with the Czech Presidency, difficulties in ope-

ning up certain chapters of the negotiation. So there is that "Yes, but."

Turkey has said "yes" to the European Union, there is no doubt about that. That is the option, the priority option, the strategic option of Turkey towards the EU in terms of its foreign policy. "Yes" to the European Union, "but." It is also true that inside Turkey there are some sectors that are not so in favour of that integration. And there are objective difficulties for the integration as well. The Ankara Protocol, for example, has not been fully developed and implemented. There are problems with immigration and the situation with Cyprus, but there are also certain positive aspects, such as the fact that the Turkish Parliament has already adopted the Kyoto Protocol, which was very important and we must congratulate them on that; or the fact that the European Commission considers Turkey to be a country where the market economy functions perfectly well, which is another positive element. But aside from that, there are certain difficulties, certain obstacles, which allow us to say that on that side there is also a "yes, but."

So both the EU and Turkey, all of us, have to work on the "yes" part and try to solve the "but" part in the future. And that is why, on behalf of the European Union, there are countries like Spain which are very clearly working in that direction, on fostering the Turkish involvement with the European Union.

Obviously, within Turkey there are also sectors that are working in that same direction, such as the govern-

ment. It is also important to point out that there is a national reform programme in Turkey, which cannot be stopped and will not stop, in order to convince those people who, whether in the EU or in Turkey, are a bit more reticent or sceptical about the integration of Turkey into the EU. So this reform programme must continue, and I think that the Spanish Presidency would be a good moment for this. As you know, Spain will hold the Presidency of the Union in the first half of next year, and we have to take advantage of that. We are going to see that the Presidency of the EU will be held by a country that is very much in favour of Turkish accession to the EU. That will foster the opening of negotiations, and we have to take advantage, in the EU, in Spain and in Turkey. We have to take advantage of this moment when Spain will hold the Presidency of the European Union to turn these two countries, which in some ways are on the outskirts of the European Union, into countries that are right in the centre, and that should contribute to the cohesion of the Union. Because it is not only Turkey that has to get ready for the EU, but it is also the EU that has to get ready for the accession of such a large and important country as Turkey, with such a significant GDP, population, complexity and diversity. The EU has to prepare itself for that future as well.

So these are just a few of the issues that I wanted to point out as a way of introducing this, no doubt, fascinating debate that we are going to be hearing throughout the day.

# BECOMING EUROPEAN IN MENTALITY: LEARNING FROM THE SPANISH EXPERIENCE

**Ishak Alaton.** Chairman of Alarko Holding, Turkey

Today we witness the meeting of two European countries situated at the two extremes of the European continent. So East and West have met here in Eastern Europe today, because Turkey is a prolongation of Europe and, therefore, is part of it.

This meeting is an important occasion for Turkey to learn from you, our Spanish friends, how to become European in mentality. First and foremost what we need is an adaptation of our mentality to the European Union's general approach to ethics and to standards. At the same time, we will also have the opportunity to learn how to avoid making mistakes on the road to becoming an equal member of the European Union. We will take advantage of your experience in becoming a full member of the European Union in a certain time, because becoming part of Europe is a 200-year old dream for Turkey. It is an ideal, a direction that started right after the French Revolution of 1789, and gathered momentum with the establishment of the modern Republic of Turkey with our hero Mustafa Kemal Atatürk in 1923. I will go no further on the question of the European Union accession process because speakers before me have already dealt with it, and during the day there will also be more elaboration on the subject.

Let me concentrate more on trade and economics than on Europe, on cooperation possibilities between the business leaders of Spain and Turkey, on how to create wealth by nurturing closer ties between the two nations. In order to do that, let me briefly introduce myself to you.

I am the Chairman of the Board of a Turkish conglomerate with the name of Alarko Holding. We are active in interrelated branches such as contracting, infrastructure, construction, energy production, manufacturing of industrial goods, tourist activities and a few other areas. I want to briefly elaborate on the possibilities of Spanish and Turkish companies joining forces because we have quite an experience in this direction. We are used to cooperating with Spanish companies.

We all know the adverse conditions we are actually facing due to the global crisis. Let's leave aside the gloomy and depressing theories about the crisis and instead we should redouble our efforts to create new and unexplored avenues of cooperation and innovation.

Our earlier experiences in cooperating with Spanish companies have resulted in great achievements. Recent examples include the high-speed train rehabilitation system of the Eskisehir-Ankara line of 220 kilometres, which is a contract of close to US\$1 billion. Our contracting company made a joint venture with OHL and we delivered this train system last month. Another recent success is the metro system of Antalya, which is a tourist city on the southern Mediterranean coast of Turkey. The joint venture was between Alarko and the Spanish company Construcciones y Auxiliar de Ferrocarriles. These are examples of good cooperation and partnership between Turkish and Spanish companies, with Spanish know-how, Spanish credit facility plus

Turkish know-how in successful implementation of infrastructural projects.

Compared to other Western countries, Spain and Turkey have an additional advantage. The representative of the Spanish Government is the Ambassador in Ankara, and in the past few years I have known and developed close ties of friendship first with Ambassador Manuel de la Cámara, then with Ambassador Luis Felipe Fernández de la Peña, and now with the acting Ambassador Joan Clos, who is a former Minister and former Mayor of Barcelona. With time, I discovered very interesting common characteristics in all the Spanish Ambassadors: they have no bureaucratic mind, and 100 per cent motivated efficiency in developing commercial and economic ties with our business community. So they act more as business-

men than, perhaps, representatives of the country, representing more the economy of Spain.

I take this opportunity to express my gratitude to them and also for the Orden del Mérito Civil that I received a few years ago from King Juan Carlos I. I suggest that Spanish business people take advantage of the support of your Ambassador in Ankara.

My final message is to forget about the global crisis. Concentrate on how to create new opportunities. The world needs more of everything, from Sakhalin to South Africa. I want to end my brief introduction with a positive message of hope. After all, we Turks and Spaniards have many similarities. We are both Mediterranean, both warm-blooded and friendly, so let us build a future together by joining hands. Thank you.

# SPAIN AND TURKEY: COMMON CHALLENGES FOR A WELL-FOUNDED ECONOMIC SYSTEM

**Javier Monzón.** Chairman of Indra, Spain

As Minister Bagis has said, recent developments remind us how central the economy is for the world and for all societies. It is true that it is not the only thing, and possibly not the most important, but it is also true that nothing else can be done if we do not have a solid, well-founded economic system. And if our economic system is healthy and well-founded then we can do anything. So in that context we, business people, have a great responsibility, a greater responsibility, not only in making sure that our companies stay healthy in the face of this problem, and even perhaps emerge strengthened and with more possibilities, but also in helping to make sure that everyone can deal with it in the best possible way and in the shortest possible time.

Without doubt, the future will be different from the past. I strongly believe that it will be more global than now, that the world will be even more interconnected and interrelated, although perhaps in different ways. It might not be done so much through financial vehicles but rather through more sustainable productive economic systems. But in any case, the world is going to become more global, more interconnected.

It is also true that States and public policies will become ever more important, more present and more visible. But I think the future will be better for everyone if the spirit of entrepreneurship and the consolidation of solid and sustainable economic projects are at least as strong as they were in the past.

Everything that has already been said about the relationship between Turkey and Spain, our many ties

and our shared commitment towards Europe, is true. We are also the two entry points for the EU: Spain is an entry point for the Atlantic and Latin America; Turkey for Central Asia and the Middle East; and both of them for the North of Africa and rest of the Mediterranean in general. Our countries have similar recent histories, as Ambassador Clos already told us. And what is even more important is that our countries have future challenges which are also similar. In both countries we have to change our productive model and focus more on growth based on a more efficient economic system which obviously requires more innovation and more technology.

Indra is a global technology company. We are a company that operates in 100 different countries, based on innovation and talent. More than 7 per cent of our revenue is focused on research and development, the creation of technology, and we have 30,000 professionals, 23,000 with specialised higher university degrees. So technology is the DNA of our company and has allowed us to reach a global position in only 15 years. We have recently secured a contract signed in Turkey for the modernisation and fostering of air traffic and air surveillance projects, working with very important companies. Indra is involved in a third of air traffic surveillance systems.

We are a global company, but we are not an international company because that would mean separating the national from the rest. But when we say that it is a global company, we are global in terms of the processes, not only, as the G20 said, in terms of nego-

tiations with clients, delivery, and resource capturing. We are global, for instance, in the development of talent, something carried out anywhere in the world, or in terms of the resources we look for wherever they might be.

**In the future the world will be even more interconnected and interrelated but not through financial vehicles but rather through more sustainable productive economic systems**

In 30 out of the 100 countries we are in we have complete business structures, which not only work for that specific market but also work for the global market in general.

We have 22 technological development centres and 18 of what we call software labs, which are advanced software technology production laboratories. We have been in Turkey for 16 years now, being one of these 30 countries that I mentioned before. Turkey is where we hope to build a position which is part of the network which allows us to be global. So our presence here in Turkey is not only to be able to respond to the needs of the Turkish market, which is obviously important, but we believe

it is also a good place to develop deep roots, since there are talented professionals here. This country has management capacities and business efficiency capacities that we very much appreciate and want to take advantage of.

Turkey and Spain share challenges not only in terms of changes in the productive model and growth patterns, but also in terms of the continued need to commit ourselves to infrastructures, communications, transport, traffic, etc. Not only developing them in terms of quality but more intelligently, in a way that involves more knowledge and more technology.

Someone has already referred to energy systems which affect the whole world. Spain and Turkey are also committed to future needs incorporating new technologies into the process of transformation. We also share the need for the more efficient administration of public services, be it health, justice, electronic bureaucracy, and as I mentioned before, security and defence.

So we are very optimistic about the relationship we have with our Turkish clients and with the Turkish companies that are forming alliances with us on a long-term basis. We believe that there is a great deal of cooperation already going on between the two countries. I think Spanish and Turkish companies have a good future if they cooperate in our countries, in Europe and in the world. Thank you very much.

# TURKEY'S RELATION WITH THE EUROPEAN UNION: ANTECEDENTS AND PERSPECTIVES

**Marcelino Oreja Aguirre.** Former Minister of Foreign Affairs, Spain

I am very grateful to the European Institute of the Mediterranean and the Istanbul Policy Center for giving me the opportunity to participate in this seminar. I feel a great deal of empathy and interest towards Turkey. I am very much in favour of the opening of negotiations with the European Union and I now have the opportunity to work on this matter as a member of the Independent Commission on Turkey, which presented a report in the year 2004. We are now finishing up a second report that will be presented in September to the 27 countries of the Union.

I would like to speak about how I see Turkey's situation over the last few years as far as its relationship with the EU is concerned, and what I believe to be the future perspectives. I will do this recalling the responsibility that I had over 30 years ago, as a member of the Spanish Government, to present the application for the opening of negotiations of Spain with the European Community, which finished in 1985 with the signing of the Treaty of Accession to the EU by the government of Felipe González.

First of all there is something that I would like to say about the debate we often hear in the media and from some politicians over the Europeanness, or not, of Turkey. There is something that cannot be denied, which is that Turkey belongs to European institutions. And I think that it is good to remember that this has been going on for 60 years.

Three months after signing the Treaty of London in 1949, which created the Council of Europe in Strasbourg, Turkey was called in August to become part

of the Council. In 1963 it signed the Agreement of Association with the European Community. The Customs Union came into effect after the Declaration of Helsinki, and at that point Turkey was declared a candidate country. And in 2004 the negotiations began openly. So, from the point of view of European Institutions, there is no need to debate the Europeanness of Turkey. One of the requirements for a country to be admitted to both the Council of Europe and the European Union is to be a European country. I would like to talk about the advantages for the EU and for Turkey in the accession of the country, and some of the problems involved. First of all, the advantages for the EU.

I think amongst many advantages there is something we should really point out, which is the nature of the EU as an inclusive and tolerant society, fostered by diversity, and open to a multi-ethnic and multi-cultural reality, which could make the EU play a very important role in future relations between the West and the Muslim world. Turkey as a member would demonstrate the compatibility of Islam and democracy and would show the possibility of combining religious belief and religious traditions with the principles which have been universally accepted by Western societies. The clash of civilisations is not the inevitable destiny of humanity.

Another advantage is that Turkey is a regional superpower and has one of the largest armies in the world. It has good relationships with the Middle East and, aside from certain moments, it has had good relations

with Israel. It has influence in the basin of the Black Sea, the South of the Caucasus and other parts of Asia. In terms of foreign policy and defence it is also an important asset. Turkey has participated in important international peace missions: Croatia, Bosnia-Herzegovina, Kosovo, Macedonia, and Afghanistan. Moreover, Turkey can efficiently contribute to the economic weight of Europe in the world, especially, as was mentioned before, as a basic factor for ensuring the delivery of energy.

### There is something that cannot be denied: Turkey has belonged to European institutions for 60 years

For Turkey, entering into the European project would mean participating in common policies and structural funds, and so on. At this moment what is important for the announcement of the opening of negotiations is the fact that it encouraged an important internal reform within Turkey in terms of the constitution, various legislation harmonisation packages, measures on the elimination of the death penalty, on torture or abuse, the reform of the penal system, the elimination of the State security courts, and the speeding up of public administration reforms.

A second point would be the problems of accession for the EU and Turkey. Putting together 27 members is already problematic. Various Balkan countries are also waiting for accession (Croatia will be next). It is clear that the entry or accession of Turkey would present problems in terms of the institutional framework of the Union. It might make it inevitable to have a two-speed Europe. This may also be unavoidable without Turkey entering, but that is a separate matter.

In terms of foreign policy and common security, it would strengthen the orientation of the Union towards border areas, such as in the south-west, and would foster the value of cooperation. There are many different factors depending on the regional and agricultural policy of the Union, whose development is unknown, as well as the budgets which would be

adopted or approved at certain moments if Turkey was a member.

Another thing that is also mentioned is the fact that it is a Muslim country. It is clear that this is a factor that creates certain unease among many Europeans in some countries. However, I also think that one should point out that Turkish authorities are committed to eliminating certain practices that come from former times. The system that Atatürk put into place has a good deal of support in the population who, although faithful to their religion, nevertheless think that it does not need to have a determining role in public life.

There is a third matter: migration and immigration. It depends on many different factors: demographic development in Turkey, the economic situation, employment perspectives and the available labour force. But here we see the possibility of negotiating certain periods of long transition with Turkey as has already been done with previous candidates, which would postpone the application of the full freedom of movement. Moreover, Turkish accession could mean a return of immigrants as the economy grows and the country becomes more prosperous as a member of the EU.

So, after this very brief mention of some of the advantages and problems, I would now like to talk about my most recent impressions of the situation in Turkey after more than four years since the opening of negotiations. Conclusions are difficult and it is obviously a partial judgment, but I would like to make it as complete as possible based on the different contacts I have had with various personalities in my travels through Turkey.

Today I have the feeling that, after the opening of negotiations five years ago, there has been a certain slowing down of the political processes of reform in Turkey.

One also needs to mention the excessive reaction that there has been concerning this matter from some of the European political leaders. The Turkish authorities give me the impression that they have slowed down, especially after the decision of the European Council in 2004. Why? I think there must be many causes

which have to do with internal factors, presidential elections, parliamentary elections, the recent municipal elections in March, difficulties that the government party has gone through with the judiciary regarding its possible illegalisation, the conspiracies of military groups, Ergenekon, and also, of course, the economic crisis. All these factors have contributed.

On the other hand, accession negotiations have also been somewhat paralysed. I do not have all the relevant information but the information I had three months ago was that eight chapters of negotiation had been opened, eight are blocked due to the Cyprus matter and five by France.

### There is no need to debate the Europeanness of Turkey as it has been a member of the Council of Europe since 1949

But it would be unfair not to recognise that there has been progress in a whole series of aspects: for example, the naming of a negotiator for accession, Mr Egemen Bagis, as Minister for EU Affairs and Chief Negotiator to the Prime Minister; the adoption of an important action plan on the 31st December, with enormous improvements in terms of judicial reform and anti-corruption policy; the financing of political parties, etc. A 24-hour Kurdish language TV channel has opened, and there is also a great deal of money being allocated to the development of the south-eastern region.

There is a subject that is often mentioned: the tense debate between secular and Islamic sectors with people saying that there is an increasing Islamisation of Turkish society. But others say that the established system is quite stable and strengthened by reforms and that there is no problem. There are others that have doubts about the strength of the government in terms of accession negotiations, mentioning the lack of political reforms in the last few years as an example.

There is something that the Secretary of State mentioned before, which is Cyprus. Obviously, relations are not good. Turkey is accused of not fulfilling the Protocol of Ankara, which would oblige them to allow ships and planes from Cyprus, given that of course Cyprus, as a Member State, should be allowed. If in 2009 this is not fulfilled, it might actually create a very serious conflict and the complete halt of negotiations for accession.

On the other hand, there is a very positive aspect which is the increasingly more active role of Turkey within this region. In the Caucasus they have developed a new platform for opening up dialogue between the countries. There is also a great deal of concern about what is going on in the north of Iraq. In Hilary Clinton's recent speech, during her visit to this region, she talked about the possibility of co-existence, and the role of Turkey as a regional leader. In conclusion, I personally think that Turkey, and this is very important, must continue its reforms. The impulse we saw in the year 2004 needs to be recovered once again because it is indispensable for continuing the accession process and I'm confident that this will be done.

We, Spaniards, know something about this because we have also had a very similar experience in our own process of transition: the transition to democracy. So we know that change is possible and we are confident that Turkey will also be able to achieve that same change; and we hope that the pace Turkey maintained in the past can be regained and that it continues to have an important leading role in its close cooperation with the United States and the European Union.

In terms of the role of Spain, I consider it to be very positive. Spain will continue to support Turkey, encouraging that process of integration within the EU. I believe this meeting in Istanbul is proof of the goodwill that is moving towards achieving this goal. Thank you very much.

# THE EUROPEAN DIMENSION OF TURKISH-SPANISH RELATIONS

**Yasar Yakis.** President of the EU Harmonisation Commission at the Grand National Assembly of Turkey

Given my past and present job, I will focus on the EU dimension of Turkish-Spanish relations. Spain's experience in becoming a member of the European Union has a lot to offer Turkey's accession process. You may remember that at the time that Spain joined the European Union, certain members used to say that the limits, the borders, of Europe stop at the Pyrenees Mountains.

Now, almost the same countries, whose names I will not mention, believe that the European Union stops at the confines of the Bosphorus and the other side is not part of the European Union. Geographically it is questionable but we do not regard the European Union in geographical terms.

For Turks, the European Union represents a union of values, universal values, and these universal values are also embraced by Turkish people. So we would like to join the European Union for this purpose rather than for being close or not close to Europe. When Spain was referred to as being a country beyond the Pyrenees, and not part of Europe, it was undeterred in its negotiations and did not take this "no" for an answer. This sets an excellent example for Turkey.

Secondly, my very good friends from Spain who are involved in the negotiation process used to tell me that "these Europeans have almost forced us to drink sewage water, the way Spain was treated during negotiation period was that tough, but Spain remained undeterred despite this and overcame these difficulties."

So this is encouragement for those who, in Turkey, become immediately inclined to withdraw their enthusiasm to join the European Union as soon as there is a negative reaction to Turkey's membership. The Spanish example offers many lessons for Turkey's accession process and I hope that everyone in Turkey will take note.

The geographical similarity of Spain in its region and Turkey in its region has been referred to by several speakers, so I do not need to repeat it. Perhaps one thing that could be added is that geographically, culturally and politically we are at the confines of Europe. Geographically, Spain is the place where the Mediterranean joins the Atlantic Ocean and Turkey is where the Mediterranean joins the Black Sea. Like a geographical bridge, Spain is an opening to Africa, and Turkey to the Black Sea basin, Middle East, the Caucasus and Central Asia.

Culturally, Spain is a bridge between the European Union and the Spanish-speaking world, which is a vast universe in Latin America and in certain parts of Africa. Turkey is a link in the chain that connects Europe to the Islamic and Turkish-speaking worlds. In this context, of course, it is not surprising that Spain understands Turkey better, as Mr Oreja Aguirre, who is an authority in Spanish diplomacy, has explained. He made very pertinent remarks on Turkey's role, in which Turkey could make a positive contribution to the European Union. There are countries that may not be able to see this because they do not look at the future of the European Union as one in which

it will have to assume global responsibilities. Former French President, Jacques Chirac, said at the 2004 European Union summit that if the European Union wants to become a free trade area it could do so without Turkey. But if the European Union plans to assume global responsibilities, then it cannot do so without Turkey. Although I think that this is not understood by many EU politicians, Turkey's interlocutors at the European Union are its institutions, rather than individual countries or individual politicians in those countries.

And, institutionally, the European Union tells us that negotiations with Turkey are aimed at full membership and we take that as the official position of the European Union.

### **If the EU wants to become a free trade area it could do so without Turkey. If the EU plans to assume global responsibilities, it cannot do so without Turkey**

Another reason why we have to understand it in this way is that we do not know what positions those politicians who have reservations about Turkey's accession will hold when Turkey reaches the threshold of joining the European Union. Some of them will not be in their present posts and, even if they are, it will not be the Turkey of today that will join the European Union. It will be a different Turkey which must be received as a full member.

If we look at the previous enlargements, none of them were carried out according to pre-established criteria. All enlargements in the European Union took place in the light of the currently prevailing circumstances and international environment. So we should not close the door to Turkey in the light of current circumstances. It has to be decided at the time. We do not know what type of Europe will exist when Turkey reaches the threshold, or what type of international landscape will prevail, and we do not know what role Turkey will be in a position to play in the international landscape of

the Caucasus, the Middle East, or in the light of the Iranian policy to enrich uranium...

What will happen to relations between Georgia and Russia? And what will happen to the oil rich and gas rich Caspian Sea region? So without knowing this or what positive role Turkey could play in that geography, we should not panic. I am not panicking at all and I am not alarmed at the attitude of various individuals, no matter how important their positions are at this time. I am not alarmed because I am looking forward.

One other thing also has to be borne in mind: it is up to Turkey, rather than friendly countries like Spain, to make Turkey's membership possible. The main responsibility rests on Turkey's shoulders.

In the very recent past, we hoped that the Czech Presidency, as a country very supportive of Turkey, would want to break the tradition of opening two chapters in each Presidency. They said they would help us, opening three, four or five chapters to break this tradition. I know that some of them were mentioned by my distinguished colleague Mr Oreja Aguirre. The Council decided to block eight chapters and France added five more chapters. One of them is overlapping, so there are twelve chapters in all. Yes, this is an unjust attitude taken towards Turkey, but Turkey should also do more in other fields where it can. But when the Spanish Presidency comes, we should not be caught out unprepared as we were for the Czech Presidency.

This is something that we should be aware of in Turkey. In the past we had legitimate excuses. First of all, there were the two elections and, before that, the reflection period that the European Union wanted to take after the rejection of the European constitution in France and the Netherlands; then the Lisbon Treaty had difficulties, and there were three elections in the year 2007 in Turkey (general elections, presidential elections and a referendum for the constitution); and in the year 2008 there was a court case to dissolve the ruling party in Turkey. All these were legitimate excuses for Turkey not progressing in the accession process.

But now I think we have exhausted all these excuses, we cannot be as idle as we were in the past, and I am

sure that with the steps taken very recently by the Turkish Government, appointing Mr Egemen Bagis as the Chief Negotiator and Minister in charge of EU Affairs, and other measures, we will move faster.

### **Turkey has exhausted all the excuses; I hope we reach the stage where Spain is able to push us more firmly and more quickly towards the European Union**

I hope we reach the stage where Spain is able to push us more firmly and more quickly towards the European Union. We usually believe that something like 20 per cent of EU public opinion is very much in favour of Turkey's entry. There is another 25 per cent which is determinedly opposed but in the middle there is another group, around 50 per cent, which decides on a daily basis. If Turkey

makes progress in many areas, then they support Turkey's entry, but if things go wrong, they withdraw their support.

So we hope that most of the Spanish public are staunch supporters of Turkey's entry, but we would like to see Spain help us to convince the floating 50 per cent, as well as gaining the hearts of the objectors, in order to bring us closer to Turkey's accession.

To conclude my remarks, I would like to say that Turkey is not distracted by what is said in various circles in the European Union, and focuses on what the institutions of the European Union say, and tries to look ahead and use this accession process to put its domestic affairs more in order. By extending the implementation of fundamental rights and freedom, Turkey will be a better functioning democracy, and a more transparent market economy with less corruption. If we achieve this type of Turkey, I am sure we will gain much more support in the European Union and with friends like Spain. Thank you very much.

# POLITICS: SPAIN AND TURKEY, A CONVERGING AND MUTUALLY SUPPORTIVE PATH TOWARDS THE EU



# TURKEY'S PATH TOWARD THE EUROPEAN UNION

**Zergün Korutürk.** Deputy Undersecretary,  
Ministry of Foreign Affairs, Turkey

Let me first start by saying that full membership is a strategic objective of Turkey, and Turkey has made it very clear that it is not open to any other alternatives. It is a very long, frustrating path for us, and we know that Spain can understand this better than many of the other EU members. One of our previous Ministers of Foreign Trade, Mr Türkmen, made a speech a couple of years ago in which he expressed Turkey's frustration. His words were: "Turkey made the big error of joining NATO in the early fifties. Had it joined the Warsaw pact, it would have become a full member by now." I think that under Minister Türkmen's words lies disappointment, lack of fairness, and also lack of loyalty. On our EU path, there have always been ups and downs, and one sees that despite all these ups and downs, both Turkey and the EU have invested and are still investing great energy into the relationship. In fact, this shows that neither side is giving up and, because both sides see that there is an interest for each of them, this is a process where both sides put a lot of energy into continuing.

You all know the process very well, but just let me remind you of the last 10 years of Turkey's EU accession path. In 1999 it was declared a candidate country. In the December 2004 Summit it was decided that Turkey had fulfilled the Copenhagen criteria and could start the negotiations. In October 2005 the accession negotiations started, and until the present we have only opened 10 chapters and closed one. We have eight chapters that are blocked by the Greek-Cypriot administration. We have five

chapters that have been blocked as of May 2007 by the new French President because his interpretation is that these chapters lead to direct full membership. And we have 10 chapters where the screening has been fulfilled, the Commission has submitted its report, but it has been on the table of the Council for quite a long time.

So, when we look at this picture, it is not very encouraging that since 2003 we have only managed to open 10 chapters. Those who are not very familiar with the process would automatically come up with the idea that the reason is that Turkey is not doing her homework. Unfortunately, this is not the case. We are very well aware that the last couple of years have not been very fruitful, but Europe also has to understand that for any government, for any parliament to go ahead with the reforms, they have to get encouraging messages. This is what is now needed from Europe.

If we leave aside the Czech Presidency which has two or three months to go, we have two very positive consecutive presidencies ahead of us: Sweden, during the second half of 2009, to be followed by Spain. I hope that, by the end of the Spanish Presidency, the Turkish-EU negotiation path can reach such a stage, of course with the huge support of the Presidency, that it will be irreversible. We know that we can do this with Spain.

Tomorrow we will enjoy the fruits of the first summit, and we know that Spain is very selective in these summits. Turkey has enjoyed a bilateral summit

with Italy and now Spain will be the second country. Many Ministers will be coming from Spain tomorrow to attend the summit and to be joined by their Turkish counterparts.

We hope to sign six agreements. I am saying "hope" because one of the things that commentators did not touch upon, the one thing we have in common with Spain, is that we are excellent at doing everything at the last minute. So this is why I am saying we hope we will have six agreements signed tomorrow.

We will sign a Memorandum of Understanding tomorrow, which will institutionalise today's event,

and we really are very grateful to the IEMed and Sabanci University for taking this initiative. Once the Memorandum of Understanding is signed we hope to institutionalise it and hold it every year.

But we cannot separate bilateral relations from Turkey's EU accession path. We do not see it that way as these are complementary things. You cannot have excellent relations with an EU country that is against Turkey's EU accession. So we do not consider them as two different things: they complement one another. Whether this is correct or not, of course, is another thing.

# SPAIN'S EUROPEAN PATH

**Carlos Solchaga.** Former Minister of Economy and Finance, Chairman of Solchaga Regio & Asociados, Spain

I was Minister of Economy and Finance between 1985 and 1993: the years in which we joined the European Community, as it was called at that time, and the years in which we had to make an important effort in order to accommodate our institutions and our political practices to those prevailing in the European Community.

As we have all heard very clearly this morning, the relations between Spain and Turkey have increased in intensity and in quantity over the last 10 years, in almost all fields. There have been important improvements in commercial, trade and political areas and, particularly, from a political standpoint, it is important to see that we share a common view of the world, a view about multilateralism as the means to resolve the major problems. We also share a common idea about how Europe can be better balanced, about common respect for the importance of individual nations, the strategic importance of Turkey in this area of the world, and its complementary role for Europe. Spain, too, feels that we can be proud of our links with the American continent and that we can complement other European needs.

Spain very clearly supports Turkey's accession to the European Union, and we have to do the best we can, of course, within this field. I feel that Spain can contribute to this and I can certainly give you a very brief reflection on the history of Turkey.

I am going to take this reflection back over 100 years, 20 years before the Ottoman Empire, which disappeared at the end of the First World War. By

then, Spain had lost the last remnants of its Latin American empire, with the loss of Cuba and Puerto Rico, and we also lost our Philippine possessions in Asia. That represented a tremendous moral blow to the spirit of the country. The country was no longer able to control its Empire, and it was no longer able to progress hand in hand with the most advanced countries in the rest of Europe. As someone from Turkey said earlier, Spain was one of the "sick men" of Europe. It was one of the most backward countries at that time.

That sense of historical failure, of collective failure, gave rise to a wide debate in Spanish society, in which the greatest thinkers of the day gave their points of view.

Perhaps one of the most clarifying points of view was that expressed by the philosopher José Ortega y Gasset, part of the 1914 generation, who said "Spain is the problem and Europe is the solution." Not very different from Atatürk's comment that "in the new situation of the Republic that we are creating, the West, westernisation, is part of the solution for Turkey."

I am not going to say any more about Turkey because I am far from being an expert in the field. But I can say a few more things about Spain, because when Ortega y Gasset said that Europe was part of the solution, he was thinking more along the lines of mentalities, of cultural institutions, of political institutions; he was not thinking, as you might be thinking today, about the political aspects of Europe. Ortega y Gasset was referring to what, over many centuries,

and quite inexorably, had separated the destiny of Spain from the other countries of Europe. Although it had never been in harmony with them, it had been more or less on a par, on an even footing, with these other States for 200 or 300 years.

**Over many years we had a long period of negotiations and Spain had to make tremendous efforts, structural efforts and others, to achieve these goals**

At the end of the 19th century, Europe was in a period full of conflict. It was a different Europe from the traditional, conventional name of the continent. Very different from what we are living through today. So it was only much later on, following the coup d'état of the Spanish armed forces, which led to the Civil War in Spain in 1936, and under the fascist regime of President Franco, that Spain began to think about what its relation with Europe could be. And if you have ever felt the frustration of a certain sense of arrogance from Europeans with regard to your nation, imagine how we felt, among the group of people in Spain who did not have anything to do with the regime. But Europe refused to have anything to do with Franco's petitions to join the European Economic Community. It was perfectly understandable. Spain did not meet any of the minimum requirements to be part of that European bloc.

We were in opposition at that time. But then we obtained a mandate from the Spanish people through the

elections, once democracy was restored in Spain. Then we had to make the first efforts to be accepted by Europe. We had to make demands on ourselves. We had to understand whether we had social and political consensus, and if that was going to be enough to become a candidate. We had to challenge the huge economic interests against us, and to convert our markets to what Europe was demanding from us in order to become, and quite rightly, members of the European Economic Community. And over many years we had a long period of negotiations and Spain had to make tremendous efforts, structural efforts and others, to achieve these goals. And finally we acceded to the European Economic Community.

I want to say one thing. Almost none of those institutional changes and none of those structural changes came easily. All of them required a huge effort, huge sacrifices and overcoming great political challenges. However, none of the structural changes, none of the political changes, have since then been questioned by the vast majority of the Spanish population.

We became convinced that Europe, with its constraints, with its limitations, with its Euro-centric vision of the world, at times irritating with its chip on its shoulder, which annoys Spaniards so much, is something that we had to learn to live with. And we had to understand that the chip on our shoulder was our problem and not Europe's.

I do not know how useful that interpretation of Spain's history may be to Turkey, but there you have it for what it is worth. Thank you very much for your attention.

# TURKEY: ASSETS AND CHALLENGES REGARDING THE EU

**Josep Piqué.** Former Minister of Foreign Affairs, Chairman of Vueling, Spain

I was Minister for Foreign Affairs in Spain between May 2000 and July 2002, when Turkey had already been proclaimed a candidate country for accession, but before initiating the formal negotiations in 2004. I lived through that process of declaration of Turkey's bid; it was a very intense period, and I had first-hand contact with Turkey's Government and Turkish society in order to undertake those negotiations with all the consequences, with that enthusiasm, with that ambition, with that enormous consensus that existed at the time, about the possibility of Turkey joining the European Union.

Five years later, we are in 2009, and we have heard that we still have a long way to go. Some people have said twelve chapters, others say eight still to be opened, and, out of the ones blocked, four of them are blocked by France.

I want to mention this impression that over the last five years little progress has been made, because many issues are still on the table or are unopened. We have to look to the future and, in particular, to Spain's Presidency in the first half of 2010 and to see it as an opportunity to drive this process forward.

Certainly, the different governments of Spain since the recovery of democracy, with different political parties in power, have all shown a clear determination to assist Turkey to form part of the European Union. But it is also true that Turkey has to let itself be helped. We hope that Turkey will also make its own efforts so that those of us who are willing to help Turkey will also be able to achieve our joint goals.

The history of the two countries, the relations between Europe and Spain and Turkey, has been similar over the years in some very important issues. Turkey actually started earlier than Spain and has been a member of NATO right from the outset, whereas we only joined it in 1984. Turkey was invited to join the Council of Europe from its foundation in 1948, but Spain was unable to join until the recovery of democracy in 1978. So, in some of these issues of the Atlantic perspective, Turkey has been well ahead of Spain. But apart from that historical perspective, things have changed in both countries: Spain has been a full member of the European Union since 1986 and Turkey is still negotiating accession.

The two paths have been very long. In the case of Spain, it involved a long and painful dictatorship and, in the case of Turkey, there were also periods of authoritarian regimes and dictatorships which everyone is familiar with. In addition, both countries have had to undertake profound economic reforms, open up to the outside world, cope with this phenomenon of globalisation and introduce institutional reforms to meet the market economy.

We have also had to adapt our social values, which define the social architecture, beliefs and values of a society. If we want to become European in the real sense of the term, we have to ensure the total adoption of European and democratic values, the values of tolerance and the principle of a clear separation between Church and State, between administrative, religious and political bodies. What are the reasons

for Turkey to deserve to become a member of the EU? Many reasons, many arguments, can be brought to bear on this point. There have been certain positions by some important politicians, even some important countries in Europe, where there has been an explicit rejection and refusal of progress towards that goal.

There were some reasons that were made very clear: the geo-strategic arguments. Turkey is a vital country from the geo-strategic perspective, it is vital for the interests of Europe and for the Western world. Therefore, it is in the interests of all European countries that Turkey becomes an unambiguous part of the same political project, which is the European Union.

### To become European in the real sense of the term, we have to ensure the adoption of the European values of tolerance and separation between Church and State

The geo-strategic and political argument is also associated with something else that was mentioned before. The strategic position of Turkey is particularly relevant today, when one of the main areas of the new correlation of international power is the energy issue. Turkey is already playing an important role, and it is going to play an even more important role in the future, in the possible diversification of risks and the dependence of the energy supplies of Europe. It is also going to play a key role because of its position in the Caucasus, its relationship with the Caspian Sea and the Gulf States, where the largest deposits of hydrocarbons exist, with the possible exception of the Arctic.

Apart from the political, strategic and energy reasons, there are also economic reasons. We were reminded this morning of the demographic impulse of Turkey with an important growth rate which is continuing to be very high, covering a large land area. This makes Turkey a very important market and opens up the possibility of the country bringing economic synergies,

which are of great importance to the EU. That is from a general standpoint, but I want to add a few additional comments which contribute to this urgent necessity for Turkey to become a member of the EU.

The first is the will of the Turks and their own sense of identity. Even Kemal Atatürk himself said that Turkey has shown its explicit willingness to be a European country, a westernised country, and this is something that must be taken into account very clearly. Nowhere in the different treaties that define the reality of Europe is there a reference to what must be the majority faith in the Member States of the EU. I remember that famous sentence which has been long forgotten, attributed to Helmut Kohl, which called Europe a "Christian club." That has never been the case, and never could be the case. It is a club which anyone who feels European can join, and anyone who shares the common values of the construction of Europe can belong to, regardless of their faith. So with regard to the faith or beliefs of the Turkish, this is a very important point.

There is a long history of a European vocation in Turkey under Ottoman rule, expressed through the force of arms, but also through an interest and a willingness to play a key role in Europe. This desire is clearly evident in history.

Turkey has also made a great effort in terms of economic reforms. It has been said that Turkey is already a free-market economy, with all its consequences, and also with regard to political issues. I would like to mention another reason: the agreements signed have to be complied with, and they cannot be abandoned unilaterally. In 1999, the European Union said that Turkey was going to be a candidate country and in 2004 it said that it should begin negotiations and, unless there is a major change in the situation of that country, for example a major political change or shift towards an authoritarian regime, or a change in the philosophy of the free-market economy, so unless there is something very, very significant, then that agreement is there and it should be complied with. It should continue to be the same: we cannot change the ground rules in terms of the surveys or public opi-

nion polls. That is not a valid reason. Some countries have changed their point of view and, despite the surveys being clearly against them, some are still loyal to the agreements that were made, because these are obligations that were accepted at international level and this is sacrosanct. It is not fair to say now something different from what we had said before and, in exchange, give Turkey a major role in some other fields that we have invented, such as the Union for the Mediterranean.

Reviewing the arguments, which are very solid, in favour of the integration of Turkey into the European Union today, I think that in order to be helped, you have to let yourself be helped.

There are some things that are giving additional arguments and additional weapons to the enemies of Turkey. There is one very important issue, which is the role of Turkey with regard to the problem of Cyprus.

Just this morning Marcelino Oreja reminded us of something which is of fundamental importance. Over and above the debate about Cyprus, and the Greek-Cypriot part and the Turkish-Cypriot part, what really matters is that the European Union, which Turkey wants to join, recognises a country called Cyprus as a Member State. In terms of access to ports and airports of Europe, and the transport of goods, everything should be based on free access between Member States. There should be no question about that.

In 2004, when the decision was taken to begin negotiations with Turkey, this was encouraged or facilitated by the fact that the Turkish Government had made great efforts and major advances. There was recognition and appraisal, and there was a consistent approach, with the opening of negotiations with Turkey as a result. If we now review some of the things that had been requested by the European Union with regard to constitutional reforms, we can see that there are still things to be done.

We have to be very careful with all these discussions because, at the end of the day, there might be some adverse effects: a sentimental approach of some countries related to the membership of Turkey as well as a sentimental approach in Turkey over mem-

bership of the EU, whose support has deteriorated over the years. Now nobody wants to progress with this controversial political subject. We are very far from that situation at the moment, of course, but we cannot let things go. We have to keep on making advances and we have to be courageous enough to carry out these reforms.

It is very easy to say reform needs to be carried out. Actually, carrying out reforms is much more difficult, and this is true for any type of reform. The famous structural reforms that everybody is demanding in a situation of economic crisis, such as the one we have today, are even easier to talk about but there is a huge political cost associated with undertaking them. And the effects are so deferred to the longer term that they are diluted. But there is no alternative, no other route but to seriously undertake the reforms that are needed and even to change the implicit ground rules.

There is a principle that is absolutely unmoveable, which is the supremacy of the civil authorities over any other power in a State. And the ultimate definition of the national goals must include the supremacy of the civil powers.

### The demographic impulse of Turkey makes it a very important market, opening up the possibility of bringing economic synergies, which are of great importance to the EU

Apart from that, my last comment would be as follows. In the political arena, the reforms are a *sine qua non*. There cannot be a transition or an adaptation with regard to political issues. There may be, there have been as in the case of Spain, processes of transition and processes of gradual adjustment in the economic sphere. We had to take time, even after accession to the EU, to adapt the structures. This had happened in the case of Spain and it didn't mean any problem, it is very effective. But, on the other hand, it is also necessary to have done all your homework from the very first day.

It is also so important to be a member of the EU, as Spain knows, that it is worth keeping up the effort, keeping up the energy and the momentum. So, as Unamuno and Ortega both said, for Spain the return to Europe has always been the horizon of modernity, of freedom and modernisation of a country, of prosperity, and the solution to our great malaise after the loss of the last imperial colonies in 1898. We thought that Europe was going to be the balm that would modernise us. We thought that Europe was going to give stability to our democratic institutions and it has done so. This is so important that it is worth the effort.

All the Spanish and European institutions have to work very hard because, in Spain, we have always firmly believed in the great importance of the integration of

Turkey into Europe. We are going to continue with that. The current government is very clear on this and I share it completely. It is important to see this alliance reinforced by the common impulse given to the Alliance of Civilizations: it is a clear sign. But apart from that, there are other things that need to be done. We have to take the necessary decisions to move forward because if these necessary decisions are taken and if progress is made, it is absolutely impossible to put long-term obstacles in the way for Turkey. There may be delays. In Spain we suffered huge delays that we could not understand and which were a source of great irritation and frustration, but if you aim for a target with determination, it will always be reached. Thank you very much for your attention.

# POSSIBLE LESSONS FOR THE TURKISH ACCESSION PROCESS

**Atila Eralp.** Director of the Center for European Studies, Professor of the Middle East Technical University, Turkey

The Center for European Studies, at the Middle East Technical University, is specialised in comparative studies and tries to look at the Spanish case more closely because Spain provides important insights and certain lessons for the Turkish process of accession to the European Union. Although in Turkey the prevalent discussion is that Turkey is a unique case, a different case, I think we need to look at other cases, other experiences and derive important lessons. I will also derive my lessons since most of the speakers until now have looked at the lessons in the context of Spain. I have my six lessons, and I will be briefly looking at the Spanish experience and deriving certain lessons for the Turkish accession process.

The first obvious lesson, which Mr Yakis talked about in the previous session, is that the Spanish accession was a long process, with French objections, but the Spanish did their homework and then they were successful. They were quite sensitive about the political reform process, about the economic reform process, they were quite clear also about the timetables and they tried to meet them as much as possible. Here we should derive certain lessons from the Spanish experience and, in Turkey, we should be also more sensitive to the timetables in terms of political reform and economic reform, and we should not overlook the dynamics of European integration. We can have a major debate on that: Turkey has missed important opportunities and, even recently, we are not as sensitive in terms of the timetables and political and economic reform.

My second lesson from the Spanish experience is that democratisation was really the most important achievement of the Spanish process. Looking at the transition process in Spain, the process of democratisation was the most important achievement and the EU accession greatly helped Spanish democratisation in terms of devolution of power to the regimes in terms of the civilian-military relationship. In Spain, all these tensions were solved through a comprehensive process of democratisation. In Turkey we are probably unable to understand the contributions of the EU in that context but, again, the Spanish experience is quite telling for all of us.

My third lesson from the Spanish experience is that economic and political reforms are closely linked to each other and go together. They are basically reinforcing processes and, fortunately, when we look at the Turkish accession process, we also see a certain linkage in that area which is probably quite useful and quite important.

Fourthly, before accession, in the sixties and seventies, Spain was one of the most religious places in Europe. Today, Spain is the most multi-cultural place. There has been a dramatic change in Spain in the last 20-30 years. I just hope, and it gives me some optimism about the Turkish case and other cases, that there will be more multiculturalism in time, as we stay in the EU accession process.

My last two points in terms of the Spanish experience are that, in my opinion, the Spanish experience definitely shows that accession to the EU led to the

strengthening of Spanish democracy and its economy, not to their weakening. As we have been discussing, the European Union was a solution to some of the major problems of Spain, rather than an obstacle. This is an important debate in Turkey and in our views, which emphasise the EU as a problem rather than a solver of some of the problems of Turkey. Here again the Spanish case is quite important.

Finally, when I look at the Spanish experience, Spain became successful in the accession process and one of the primary reasons was that there was a unity among the political elites of Spain in the transition and the accession processes to the European Union. When we look at the Turkish case, when there is unity, when there is more bipartisan support of the EU process, there is more success. I can go over different historical episodes, but when there was unity, when there was a bipartisan attitude, there was more support. When that bipartisan support declined, we saw weakening of the EU process in Turkey. So we need to create more bipartisan support and, here, not only the political elites but also civilian actors should come together.

### **Economic and political reforms are closely linked to each other: they are reinforcing processes**

Now let me move ahead and look at the present context and the future of European integration and the role of Spain and Turkey. When we look at European integration, the present situation and also the future of European integration, there are major challenges. There are even discussions about the European Union being in deep crisis. These major challenges are many but I have five on my list which have the upper hand on my agenda. The first one is definitely the economic crisis facing the global system and also Europe.

In addition to the economic crisis, the European Union has its own institutional crisis which, to a certain degree, reinforces the economic crisis. This

institutional crisis in Europe is related with the stalemate of institutional problems and affects the enlargement process and other pressing issues over European integration.

In addition to the institutional crisis and institutional problems, there is the issue of dialogue of civilisations, which I do not want to call the Alliance of Civilizations because the term "alliance" is more of a 19th century term which reflects balances of power and alliances of power. So, the dialogue of civilisations is a critical issue and, in Europe and all over the international system, we need more dialogue on cultural issues. The fourth item is the increasing geo-political problems around Europe, in the Middle East and in the international system in general.

There is also a more concrete problem which is the problem of energy security. In Europe and in the neighbouring regions we definitely need to have more collaboration on energy issues.

So these are some of the pressing problems in the international system and, when I look at Spanish and Turkish contributions to these issues, in my opinion, Spain makes major contributions in all five.

Again, following my logic, my third observation is that Spanish and Turkish cooperation could be quite helpful. We can increase cooperation between Spain and Turkey on these major issues and, if we do so, this cooperation could make the EU more attractive, in Europe and the international system, because, as we are unfortunately witnessing, the European Union is losing its long held place as an attractive model in the international system.

Spain, in the 1980s, was able to make the European integration model quite attractive through the processes of democratisation, transformation, and also in bringing regions, such as the Mediterranean region and Latin America, closer to European integration. Spain was successful in also making the EU model attractive in the Mediterranean region, and in Latin America. I hope Turkey will continue this and derive certain lessons from this issue, through its democratisation process, through its transformation, and also in linking the turbulent regions around Turkey to the EU process.

In Turkey there is a debate over whether Turkey should follow the EU path or whether Turkey should have a more regionally-oriented foreign policy. I think these should be made compatible: Turkey's orientation towards her neighbourhood and Turkey's EU vocation should be made compatible with each other.

Finally, let me conclude by saying that we need more of Europe and a more attractive Europe in our tur-

bulent international system. Spain and Turkey are two countries which are at the ends of the European continent but they could help the process of European integration: they could make the European model more attractive in the international system, and could, if they cooperate more in meeting some of the major challenges in the international system, set a good example of cooperation. Thank you.

# SPANISH TRAJECTORY: A SOURCE OF INSPIRATION FOR TURKEY?

**William Chislett.** Real Instituto Elcano, Madrid

I have perhaps more leeway to speak frankly about Spain and Turkey as I feel, at least, less restricted. I have been professionally involved with Spain first as a correspondent during the transition to democracy, in 1974-1978, then, as of 1986, when I returned permanently to Madrid after six years as a correspondent in Mexico. I have also been writing about Turkey since 1999.

Both the United Kingdom, my country of birth, and Spain, my country of adoption, are active supporters of Turkey's membership of the European Union. So I believe I am in a relatively good position to be objective and stand back and see the wood from the trees.

Lastly, my wife's Armenian great-grandparents came from Tokat in Anatolia, which makes her one quarter Armenian.

Most of my thoughts on Spain and Turkey are contained in the booklet I wrote for Open Society. I would just like to read one paragraph from it, which mentions Carlos's reference to Ortega and to Atatürk. Turkey's Ambassador to Madrid between 1972 and 1979, the distinguished diplomat who is in the Foreign Ministry today, wrote in his memoirs, called *Just a Diplomat*, the following, and I quote: "Spain was a country whose people were poor and whose rulers were weak, where political leaders fell victim to assassination, and one civil war followed another. In recent years, the case has altered." Remember, he is writing in 1979. "The people have grown rich, the per capita income has risen, new industries have been created, the road network and other infrastructures have developed."

He then noted what he called a strong middle class that had emerged under Franco, and then he said "Turkey was more democratic than Spain, as by the time General Franco died in 1975, Turkey had been holding regular elections for 25 years with alternating governments."

Although I am sceptical about the validity of one country's model for another nation, although I have written 50 pages on the subject, there is a hard core of similarities as well as obvious differences between Spain and Turkey, which does make the case of Spain's entry into the EU particularly interesting for Turkey, and its experience of the process particularly valuable.

I will mention a few areas where the Turkish authorities could do well to take the Spanish example more to heart, if the country is to succeed in joining the EU. My remarks are made very much as a friend and supporter of Turkey and I have no wish to cause offence. After all, conferences like this should produce productive discussion that leaves a mark and not be a sterile talking shop.

It is no secret that Turkey's EU negotiations are moving at a rather slow pace, and blame lies with various EU countries – not Spain and the UK – as well as with the Turkish Government and the political establishment as a whole. I am not forgetting the all important issue of Cyprus here but I am not going to get bogged down in that.

Perhaps I am naïve, but I fail to understand why Turkey's constitution, drawn up during the military junta of 1980 to 1983, has not been thrown out of the

window and a new one produced. Spain approved a new constitution in 1978, which bore no resemblance whatsoever to the one drawn up under General Franco. Turkey's constitution still gives too many rights to the State and not enough to the individual. Spanish politicians realised right at the beginning of its EU negotiating process that root-and-branch reform was what was required and not just tinkering around with some of the constitution's articles, as has been the case so far in Turkey.

A news analysis about the very recent municipal elections in the *Financial Times* last week, said, and I quote: "Many are frustrated that the AKP, wary of provoking opponents, has not used its majority in parliament to make constitutional changes." My question is: what are they waiting for? Perhaps I can be enlightened during this conference.

### Political parties in Turkey use the EU negotiations to gain partisan advantage; they are not united behind this effort

Second, and linked to some extent with this issue, is the threshold of 10 per cent in Turkey before a party can win seats in parliament, compared to 5 per cent in Spain. Whereas Spain's lower threshold for gaining seats is aimed at bringing into the political system nationalist parties from its regions and producing a parliament that fully reflects the country's realities, like them or not, Turkey's, by setting the bar much higher, skews the parliamentary representation. After all, the AKP was catapulted to power in 2002 with only 34 per cent of the votes, but won 67 per cent of the seats in the assembly. There is only one other party that cleared the hurdle. Half the electorate was thus disenfranchised. AKP won 47 per cent of the vote in the 2007 election and won 62 per cent of the seats, as two other parties cleared the hurdle. However, one advantage of this is that Turkey has had seven years of stable government, as opposed to squabbling coalitions. But there is no guarantee that this will always be the case, as past experience

shows. Spain, by the way, has had 10 governments since 1977, Turkey has had 20.

Third and last, the military. While Turkey's membership of NATO since 1952, 30 years before Spain, did nothing, or very little, to keep the military out of politics, Spain's membership of NATO acted as a significant catalyst of reform. More important, however, was the general democratisation process that was ushered in after Franco's death. According to Narcís Serra, the Socialist Defence Minister between 1982 and 1991, an author of a very good recent book, and, incidentally, the politician that did more than anyone else to overhaul the Spanish military and bring it into line with the practices of other European countries, "success in the overall transition process is essential for avoiding failure in the military sphere. Unless there are advances in the general process of democratisation, armies cannot be democratised. Even in cases of democratisation, where firm progress is made, the evolution in the sphere of military control can be slower and prolonged." Narcís told me last night that Cambridge University Press will publish his book in English this year, and I suggested to him, only half joking, that he should give 50 copies to the Turkish armed forces.

Part of Spain's success in the military sphere was due to a comprehensive process of democratisation, something that is not yet the case in Turkey. Of course, it would help if all political parties in Turkey did not use the EU negotiations to gain partisan advantage or try to score points off one another, unlike Spain, where all parties were united behind the effort to join the EU. One positive point: last week the Bank of Spain had to throw some money at an ailing savings bank, as a result of which Turkey is now the only European country whose Central Bank or whose government has not, so far, provided any funds to its banks because it has a solvent banking system.

Lastly, with the municipal elections over, another victory for the AKP and a healthy outcome for Turkish politics as the party's reduced share of the vote should make it less confrontational: the time has come to revive the EU process. There are

no more excuses for avoiding doing this. Spain, in turn, should use its EU Presidency, the first half of 2010, to make its support for Turkey more visible. Turkey is a supporter and I think Spain is a suppor-

ter, but Spain's support could be a lot more visible and proactive, like my country and also Italy. Spain should find a way to open more chapters than the few that have so far been opened. Thank you.

# ARE TURKEY AND THE EUROPEAN UNION CONVERGING?

**Marc Pierini.** EU Ambassador to Turkey

Since I work for the European Commission, I have to say at least one positive word on the accession process of Turkey: it is working. Of course it is slow, of course it is frustrating, of course it is intrusive, of course it is full of uncertainties, of course there is no date for the outcome, of course there are vexing statements, but is that any different, or substantially different, from any other of the six accession processes that we have known since 1973?

My main topic is: are we converging or are we diverging? First of all, from the EU point of view we have first and foremost the institutional challenge of the Lisbon Treaty, the capacity to manage further enlargements and of course the size of Turkey and its implications for the institutions and the budget. Are these real reasons, or are these pretexts? That is subject to debate, of course, but these are, nevertheless, real problems.

Secondly, if we look at Turkey, we know very well that the future of Turkish society is under debate. Co-existence of different lifestyles, political reforms and press freedom amongst them. These are fundamental evolutions for Turkish citizens, for the image of Turkey outside and especially inside the EU. They are also fundamental issues, like the co-existence issues, inside the EU countries. We do not know where the pendulum will stop in this domestic debate within Turkey. We know that the accession process to the EU can be an anchor, a focal point, in this debate.

The third thing we have to look at is Turkey's economic integration into the EU. This is very real; it has happened already and it has its good side and its bad

side. Of course, in a crisis like we have now, when demand has dropped, Turkish industry is suffering a lot because, at least in the upper segment of the industry, it is fully integrated into the EU production system. At the same time, we are seeing that the leading companies from the EU which have invested in Turkey, like Airbus, like Bosch or like Renault, are now moving some of their research activities, not just production activities but research activities, to Turkey. Renault has 200 engineers here, Bosch has 170 engineers, Airbus just subcontracted the conception of part of the A350, the future generation of aircraft. These people do not work for the elections in six months, they work for the next 20 or 30 years and they know that they have an advantage in working with Turkey and in Turkey.

If we read the speech given by President Gül in the European Business Summit last week in Brussels, and what he said about the current crisis, about financial sector reform, the current wave of nationalisation of banks and the need to return to politics at some stage, the risk of protectionism, the controls over the liberal economic system but the need to keep it, we see that the economic policy thinking in Turkey is very much the EU's economic thinking. One of my colleagues in Brussels was telling me the day before yesterday that this looks like a speech we could have written ourselves, and this is, of course, part of Turkey already being one of us.

Now, for the future, if we look from a very high altitude, we see that there is a point in thinking about an EU

with Turkey. If you look at economic competitiveness, global competitiveness, if you look at energy security, even if you look at demography, illegal immigration, foreign policy, terrorism and military capacities, all of these can tell you that there is a long-term interest in having Turkey in the European Union.

But, of course, geo-politics rarely makes it into elections; we know that fear, anxieties, and populism do make it into the elections, so these general considerations do not help much.

Now, if we take a different view from the ground, from the technicalities of the accession process and what is going to happen this year, or may not happen this year, we see a number of things.

### The EU agenda has now become the Turkish citizen's agenda

Number one, we can play the blame game of "it is Turkey's fault" and "it is the EU's fault" for a very long time and find all sorts of justifications. You can even say it is a conspiracy by the EU. The problem is that since October 2005, when we started negotiations, we have seen very little Turkish fuel in the negotiations; that is, real Turkish reform. As Marcelino Oreja Aguirre was saying, there was a peak of activity to trigger the negotiations. Once they started we have seen much less reform in Turkey. Of course, the process can be extremely protracted in the Council, as one Member State can put a lot of obstacles to opening one chapter, but if there is no Turkish reform to fuel the process there is nothing to discuss at all. This is what we have been confronted with since the beginning of the year. We had the visit by the Turkish Prime Minister in January, who made the announcement of intentions on two chapters, and the next sentence was "but we cannot do anything until the

elections are over." So now that the elections are over we have heard from different people in Brussels, President Durão Barroso, and Commissioner Rehn, that we expect reforms to become a reality. Of course there is a price to pay. We expect a trade union law which is going to mean the introduction of the right to strike in Turkey for the first time. This is a considerable change, including in the public sector, with some few exceptions in the security establishment. But, is Turkish Airlines, one of the most successful airlines in Europe, going to be as competitive with a trade union law as without? This is an issue.

Then you have press freedom, which has to be respected. Then, at one stage, you had to have civilian oversight of the military to become effective. All of these are constraints and there is a certain degree of relinquishing of sovereignty involved in the accession process. The issue here is about at which point this relinquishing of sovereignty will become a problem, or not, for Turkey.

One generally reassuring thing, and this has been my experience for two and a half years now, is that there is nothing similar to an EU agenda being imposed on Turkey. I consider that the EU agenda has now become the Turkish citizen's agenda. If you look at the most technical things that we are doing, like clean air or food safety or that sort of thing, of course everybody wants that here, but if you look at the more difficult areas like modernisation of justice and children's rights, women's rights, press freedom, no component of the Turkish establishment, no political party, not the judiciary, not the military, can deny the fact that this is what the Turkish citizens want for themselves. It is quite clear and you can verify it anywhere in the country, at any level. So that is an extremely important evolution, I think, which is fairly recent in Turkey but a very positive sign. Thank you very much.

# POLITICS: SPAIN AND TURKEY, REINFORCING BILATERAL RELATIONS



# PARALLELISMS BETWEEN SPAIN AND TURKEY

**Xavier Vidal-Folch.** Deputy Director and Head of International Affairs, *El País*, Spain

Paraphrasing a typical Spanish saying: "Spain hurts me because I love Spain so much," I want to very briefly set out five ideas, but more than anything, I want to say that Turkey hurts me, that I feel pain for Turkey because I love Turkey.

Five ideas:

- First, the importance of civil society.
- Second, what are we going to do with this parallelism between Spain and Turkey which has been highlighted in previous sessions?
- Third, what do bilateral relations and inter-regional relations have to do with this?
- Fourth, what is the importance of general consensus, if possible unanimity?
- And fifth, what is the importance of knowing who your friends are?

Firstly, the decisive importance of civil society in any process of change. This is something we have lived through in Spain and I think that in Turkey you are also aware of its great importance. I remember in my first professional posting to this country, 15 years ago, I was very impressed by two things in particular. Firstly, because I was surprised to find that the president of a business association, a major business association for the textile industry, was a woman. This is now also very common in Spain, but not 15 years ago. Secondly, I was impressed by something she told me. She said that "entrepreneurs in this country have changed more than politicians." That

reminded me then, and still reminds me today, of the great change in democracy in Spain. The phase of expansion into Europe and the modernisation of Spain's economy began with a social change and this was transposed and transformed into the political sphere. The driving force of change in Spain and I believe also in Turkey has been the change adopted by society itself.

Secondly, we have spoken a lot today about parallels in the recent history of Spain and Portugal. These are very illustrative, very attractive stories and I fully subscribe to all the examples that have been mentioned: the Mediterranean, the troubled histories of our respective countries and so on. But, I also want to call attention to one point of some parallelism between our two countries: the fear or the risk that national pride might become national arrogance, either a sense of nationalism or overestimation of the possibilities of a country. National arrogance in a globalised world is a bad thing. We have had a long and very bad tradition in Spain. Arrogance just does not fit in with a globalised world and market, because, as a sociologist said, countries are too small for the big questions and too big for the small questions. In our case we have tried to reign in our pride. Sometimes our pride is mixed with frustration and depression and goes up and down, but a famous Spanish philosopher said that "Spain is the problem and Europe is the solution."

So, parallel lives? Yes, for good and perhaps also not so good. These parallel lives have certainly become

faster. In the economics sessions they are talking about foreign direct investment that has increased by a factor of five in the last 15 years and the convergence in the macro-economy. These things are increasingly in parallel in both our countries.

I have to say that I was particularly pleased to hear this overview of parallelism by Yasar Yakis this morning. I was pleased to hear self-criticism by a senior political representative of this country. That is something I had never come across before and I was extremely pleased to see that sense of realism.

### We have to drive forward bilateral relations and carry out mutual lobbying in this European space

So parallelism is there, but what can we do with it? How should we make use of this parallelism? It has to converge in a particular role that we must be able to design for ourselves in the European space. That is the role of the southern approach, the Mediterranean approach, of our view of our neighbours in the Arab world and elsewhere. Our role in the European space is to create a sub-space to strengthen the role of our countries in order to be able to enhance our contribution to the rest of Europe.

Thirdly, this bilateral relation and our interaction with the European Union. The relationship between Turkey and Spain is the classic bilateral relationship between two separate States which are distant and distinct from each other, but in fact very close. We are involved in a single geographical space – the Mediterranean – so we cannot have the traditional approach to bilateralism where one of the countries is within the core area of the European Union and the other is trying to be.

We have to drive forward bilateral relations and carry out mutual lobbying in this European space, which is another grand bazaar, allowing strengthened cooperation that will contribute to the general interest.

Fourthly, the importance of unanimity. From my point of view, political unanimity about certain very spe-

cific issues is politically and socially essential. With regard to access to the EU, there was total political unanimity about Spain's entry. I think that in the vote in parliament regarding the application for the then European Community perhaps there was one abstention, but it was a 100 per cent vote in favour, so political unanimity coincided with social unanimity. Political unanimity was very important as we had previously had examples of failures.

The European Union has been relatively successful, but the history of Spain as a country, despite the current difficulties, has also been successful. We have avoided the Greek or Polish errors of a lack of consensus on European issues although this situation has changed a little in Greece.

So, bilateral relations are essential and unanimity is important. There have been differences between those in power and those in opposition, but it is essential to have a consensus with regard to perseverance, to do our homework before we are required to, before people call us up for not doing it, and this was mentioned this morning. In the case of Spain, we have often done our homework long before Brussels has asked us to and with awareness that there should be no national power, no national policy and no national plan that could advance without a European perspective. That was the basis for this social and political consensus and unanimity. It was not a tactical issue by the different political parties but a conscious and determined attitude by the whole of society and by all political players.

Finally, the last point about knowing who your friends are. I think it is very important to point out that Spain, through Foreign Minister Oreja Aguirre and the other governments under Felipe González up to the present day, has done this very well. I think it is very important to point out the distinction between the people we just acknowledge in the street and the people we know a little better, to treat them courteously and to help our friends as much as possible. We have many acquaintances and many friends, too. A few of our friends have let us down while others have stayed with us all

the way, such as Germany, which I would like to particularly thank. Through these friends we have achieved business cooperation in Europe, in tourism issues, culture issues and also in trade union issues, something often ignored in our debates and even in the political arena.

In the political arena our rulers have understood that the defence of national interest in the European framework could never, and must never, be a head-on collision, except in some cases that require a commitment to protect the survival of the State. It was necessary to approach European issues from the point of view of the general interests of the club, and in many cases the national interests are defended better through the defence of the common interests, and through an understanding first of the national interests of others and then the defence of

the national interests of our friends in Europe, and later through Europe as a whole. Only in that way could we have a positive and decisive impact, an influence on the policy of Europe as a region.

There is also an awareness that is quite widespread in Spain about what needed to be done in terms of democratic progress, both in legal terms and in real terms, and also what needed to be done for the advancement of our economy, our society and our welfare state. This had to be done in any case, regardless of whether the European Union existed. The European Union was, of course, a paradigm and we could not imagine any alternative national project to this European reality. We could not ignore the relevant trends of globalisation since the 80s that leave us with very little room for manoeuvre. In such a context, you can always rely on good friends.

# PATH FROM PERIPHERY TO CENTRE OF EUROPE

**Luis Felipe Fernández de la Peña.** Director-General of Bilateral Foreign Policy for Europe and North America, Ministry of Foreign Affairs and Cooperation, Spain

Let me start with history, because if we want to have a vision, we need perspective; second, I am going to deal with an issue that has been widely discussed today here: parallels between Spain and Turkey; and, third, the current state of affairs in our relations, also on three levels.

I start with history. How could we describe the current stage of Turkish-Spanish relations? It is one of rediscovery and re-encounter. There is a growing convergence between Spain and Turkey. This current stage has been preceded by other stages going far back into history.

First, there was a stage of enmity and confrontation in geo-political terms, with rivalry in the Mediterranean and also rivalry in faith. This first stage of enmity, starting in the 15th century, was followed in 1782 when we formally established peace between the Kingdom of Spain and the Ottoman Empire, and diplomatic relations. Then came a period of distance and indifference. Finally, in the last two decades of the 19th century, we entered into this stage of rediscovery and re-encounter which brought with it a remarkable dimension of reconciliation. You know well that the European Union is a machine for reconciliation: working in concentric circles, starting at the core – France and Germany – extending afterwards to the east between western and eastern Europe, and now confronted with the final reconciliation with the inside Other: the Turks. In that sense, Spain is a pioneer in Europe of a necessary process of reconciliation between the EU and the former Ottoman Empire.

We have been dwelling on analogies, affinities and parallelisms between our two countries. I would like to mention three.

First, our two countries have been peripheral to Europe, not at the centre. This periphery situation of Spain and Turkey has produced, generated or provoked a sense of being outsiders, of ambivalence, from us towards Europe and from Europe towards us. The Turks complain that they are regarded by the Europeans as not being members of their family. The same happened to us, we should not forget that. You have all been considered to be Euro-Asian; we were considered to be Euro-African. Africa started in the Pyrenees. Pascal famously said that what is true beyond the Pyrenees is not necessarily true on this side of the Pyrenees. Huntington, in his famous book which established a new paradigm of a clash of civilisations, is clear about Spain belonging to Western civilisation but is not as clear regarding Latin America, which shares a common heritage with Spain. So he places Latin America in a limbo of civilisations. This stereotype lives on because they rarely die.

So we have been peripheral countries to Europe, but the process we are in now is that we are approaching the core, the centre. We are re-centring. It happened with Spain and it is going to happen with Turkey.

The second parallel is our imperial past. I do not need to go into details about that.

A third parallel between the two countries is the retarded process of modernisation, along with

economic backwardness, military pre-eminence, religious zeal and social conservatism. This had two legacies: issues of internal identity, of how we should combine our diversity into unity; and, as I mentioned before, issues of international identity, of where we belong.

The three elements I am trying to explain to you are really interlinked and have produced two types of effects. On the one hand, we have projected our influence in non-European areas, which gives us an additional geo-political asset which is an important contribution to the European Union and to the European integration project. In the case of Spain, mostly Latin America; in the case of Turkey, the Caucasus, Central Asia, the Turkic world and the Middle East.

### There are issues of internal identity and international identity to be resolved

So, this is a geo-political asset but, at the same time, it brings with it a potential ambivalence. In Spain, during the seventies and eighties we used to have what we could call "international policies of substitution." During the eighties, it was thought that there was a contradiction between our so-called American vocation and our European vocation, and it was seriously discussed in Spain. It is true that we used those international policies of substitution but, in the end, we entered the European Union and we realised that those two dimensions were fully complementary. The same is going to happen with Turkey.

Coming now to the third point, the current state of our bilateral relations, we could look at them on three levels: bilateral relations, EU relations and global relations.

Regarding bilateral relations, we are witnessing a growing convergence. In political terms, in November 2006, the two Prime Ministers signed a declaration to develop a strategic partnership between Spain and Turkey with an emphasis on those fields which are more relevant to our relations: economy and investment, Turkey's European bid, political

dialogue, social and cultural issues, and a new reinforced institutional framework. It was then decided that we should have the type of summit meeting, the type of framework, we have with those countries in the world which are closest to Spain in terms of the intensity of our relations. Happily, we are living through a sequence of events in terms of highly intensive bilateral relations: this first civil forum between Turkey and Spain; tomorrow the summit at ministerial level with sectorial meetings before the meeting of the two Prime Ministers, which is a model we share with those countries in Europe which are closest to Spain; and, finally, the Alliance of Civilizations, which is an initiative promoted both by Turkey and Spain.

So there is no relevant problem casting a shadow on our political bilateral relations and, economically, they are really growing. Our bilateral trade has tripled in this first decade of the 21st century. Turkey has become for us one of the 12 most important trading partners, as Spain is also for Turkey. Investment is still modest despite the growth and we have to make an extra effort, but there is great potential. I think that this path of convergence is also going to benefit investment opportunities.

Regarding the EU level. There is cross-party support in Spain in favour of the Turkish bid for the European Union. It was beautiful to see here today Minister Oreja Aguirre, Minister Piqué, together with some socialist ministers, defending, with the same emphasis and the same degree of support, the European perspective of Turkey. I think that is an asset we have in Spain, very unique in European terms.

The European Union is faced with big challenges when dealing with the accession negotiations of Turkey. The EU has to respond to two main questions. First, what is the future that the EU wants for itself? Is it going to be a future of exclusiveness or is it going to be a future of inclusiveness? Second, will EU ambition play a real global role or only a limited regional role? The answer to these questions depends very much on the final degree of support found in the EU towards Turkey's candidacy.

I think that the final accession of Turkey to the European Union is not a matter of "if" but "when," provided, of course, that both sides do what is right.

As to "when," I do not want to tempt providence but I think that after the accession of the Western Balkans, which is going to be a reality, it will be the turn of Turkey.

Finally, at the global level, Spain and Turkey are increasingly developing closer relations. We have a similar approach towards multilateralism and we both favour multilateral approaches to international issues. We look very much in the same direction on regional issues: on the peace process in the Middle East, Lebanon, Syria, and I would also say on Iran, Russia, and the Caucasus. What we also see is that Turkey is developing a more sophisticated international role, as Spain has done. Spain was an instrument during the Cold War of the American administration's strategy of containment so it had no room for manoeuvre. Now these limitations

have disappeared in this new international order. Turkey has rediscovered its forgotten potential, so it is becoming more versatile in terms of its relations with the Middle East, with the Caucasus, with Russia, and with Central Asia. It is playing a really useful role which gives us a good clue to Turkey's potential within the Union, if the Union really wants to play a global role.

A clear evidence of our capacities is that Turkey and Spain are working together internationally to have a global impact: the Alliance of Civilizations. It was, at the beginning, initiated, conceived and launched by both countries, until it became a United Nations initiative.

I end with this thought and by going back to my previous reflection. What is symbolic about the Alliance of Civilization is that two former foes, irreconcilable in the remote past, have come together and are now promoting reconciliation between the West and the East on the wider stage.

# SPAIN AND TURKEY: FROM HISTORICAL DISENGAGEMENT TO TODAY'S FRIENDSHIP

**Francisco Veiga.** Professor of History at the Autonomous University of Barcelona, Former Advisor to the Spanish Foreign Affairs Ministry, Spain

Sometimes when Turkey appears in the headlines, the Spanish media contacts me to get some more information. A common question is, why does President Rodríguez Zapatero's government have such a good relationship with Turkey? The media seem to be very interested in this question. Those of us who have studied the subject of Spain and Turkey, who are familiar with the question and the answer, find it quite amazing. It is really not true to say that Rodríguez Zapatero's government is the first to have a close relationship with Turkey. Aznar's government before him did so, and most likely the governments that follow him will continue in the same line. The relations between Spain and Turkey will continue to be positive and warm in the future, and it is important to point this out because it is one of the few examples of continuity in the policies of Spanish Governments of different political hues.

There is also something else, easy to explain: since Spaniards and Turks have been out of touch with each other, without any contact during the 19th and 20th centuries, marked by the expansionism of Europe, their ambitions have not been getting in each other's way. This, in fact, explains why we are here today, talking about bilateral relations in this seminar in such a cordial and friendly way.

I have spent a long time in the Balkans in recent years and I see clear inspirations of influence of one country on the other, they refuse to recognise such a notion, they deny it: Bulgarians would never admit that they had been influenced by their neighbours. We never

had that sort of conflict with Turkey because of our separate histories for so long.

The fact is that, for two long centuries, a large part of the 20th century and all of the 19th century, Turkey and Spain formed two incompatible realities. Spain lost its Empire and the Ottoman Empire continued, but Turkey was seen as a decrepit country and the Ottoman Empire had imperial problems, confrontation with other empires and saw Spain as old-fashioned. So in the early 20th century, an Ottoman diplomat did not see a position in Spain as interesting or as career advancement.

On the other hand, this separation between the two States meant that, for quite a long time, the perspective from Madrid was different. It was hard for Spain to understand that the Turkish Republic was a regional power that deserved to be studied. I have read quite a few diplomatic reports and other documents from the Embassy in Ankara from the 1950s and I found it very striking that Madrid could not understand how Turkey could join NATO in 1952 while Spain was not in it. How could it be that such a small country, at the far end of the eastern Mediterranean, not an Atlantic country, entered NATO? That was a reflection of Spain's ignorance of the reality in Turkey at the time. That ignorance, that lack of awareness, is something that continued for many years in the mid-20th century but at least now we have found each other again. But this is a double-edged sword. For many years we have ignored each other, Spaniards have not learned about Turkey and Turks have not learned about Spain. And

now, in a very short space of time, we are on a very fast course to find out about the new Spain, to find out about the new Turkey, and how many things we share.

It is not just a matter of making up for lost time. It also has to do with the images that we have had of our respective countries, the images that Turks have had of Spain and vice-versa, basically through third parties. The ideas that we had about Turkey in Spain came from the books that we read in English, French or German, about Turkey or the Ottoman Empire. On the other hand, the vision that Turks had about Spain came through the concepts held in London, Washington, Berlin and Paris.

Now we have found ourselves again, and found each other again, but there is still a strong consequence of this lack of awareness. In some areas we are enjoying this rediscovery with great enthusiasm, particularly in the fields of trade and business, and this is a very good thing. Economic cooperation is of great advantage, political stability contributes to progress and this is a very good starting point for both countries. But I think that we also have a lot to do with regard to our bilateral political relations.

For some time now we have been focusing on Spain's support for Turkey's accession negotiations with the EU, and this is certainly worth highlighting; but, at the same time, we also forget Turkey supported Spain at a very delicate moment in the original initiative of the Alliance of Civilizations. I remember the crucial moments of the withdrawal of Spanish troops from Iraq, when this was first announced, that very risky and audacious proposal of the Alliance of Civilizations was strongly supported by Turkey. I think it showed great valour on the part of Turkey and great nobility.

But perhaps we are confusing the issue of these bilateral relations and mixing it up with the question of Turkey's negotiations with the EU. There is a tendency to confuse pure bilateral relations and bilateral relations within the movements of supra-national institutions. The danger that this entails, I think, at least until very recently, was theoretical, but it is no longer a theoretical issue. Since the crisis of autumn and winter of 2008, we have been able to see how, in a very short time, many things that were taken for granted, many statements

that seemed unequivocal, are now changing overnight. We are in a new emerging era. From 1990-91 until December 2008 was one era, and we are now turning a summersault and leaping out into a vacuum.

Many things are new and we do not know how things are going to turn out. The values and the variables that we need, even our energy parameters, have changed. The price of oil has changed and this will also affect Turkey and its negotiations. It will also affect the bilateral relations between Spain and Turkey. We are talking now about creating a whole new system for nuclear energy, so the whole question of gas pipelines and oil pipelines might change in terms of geo-strategic preponderance.

Of course, we cannot control that framework from our bilateral relations. We can control ourselves within our relations, but we cannot control whether or not Turkey will enter the EU or if there is going to be a conflict with NATO.

Therefore, I think it might be interesting to settle it once and for all at this meeting because it is very cordial and friendly, with very forthright comments. We should make a very forthright statement that whatever happens in the future, the Governments of Ankara and Madrid must fight together to maintain these privileged relations between Spain and Turkey after so many years of isolation, regardless of the final outcome of our policies in geo-strategy, in politics, and regardless of the outcome at the supra-national level in the future. I know, as a historian, that we cannot sign a blank cheque, not even the Soviet Union had a blank cheque, and the Ottoman Empire never signed a blank cheque.

If we want to protect ourselves we must struggle and fight to maintain these positive relations. Not necessarily for any particular benefit – if there is a relationship, then there is a potential benefit – but simply maintaining these relations will allow us to remedy this historical lack of contact, of turning our backs on each other at either end of the Mediterranean.

However, there is a problem associated with bilateral relations, particularly in this phase of mutual awareness and knowledge. We have to ask: what are Spaniards really like? What are Turks really like? I think there is a

certain concern over what do we want from each other. In general terms, nobody really knows. In the shorter term, there is no clear consensus on this. Something similar may happen with interpersonal relationships. We become friends with somebody and then we find out more about that person, their biography, the things they like and the things they do not like, but you have to take one step further: go beyond that superficial stage and start talking about other subjects. Friendship might involve something more. The bilateral relations between Spain and Turkey might be able to reach a certain point, perhaps intimate relations, but we cannot get involved in the political situation of Turkey and we cannot give recommendations about how to reform political parties or who should be voted for, etc. There is a certain sphere in which, as sovereign States, there is a privacy so that however intimate our relationship may be, our bilateral relationships cannot get involved in those events.

As good friends, we do have to be able to find activities that are advantageous for both. That is what we have to identify. What can Turkey do? What can Spain do in these bilateral relations, quite apart from the question of Turkey's accession to the EU?

I think there is still a lot that we can do, though it might not be so obvious. If we make the effort to discover how we can help each other, apart from the obvious direct advantages.

For instance, what would you think if there was a joint Spanish-Turkish declaration in favour of a candidature or a bid for EU membership for the Caucasus States? Sooner or later this is going to happen. If Turkey joins the EU, then sooner or later there will be an attempt to promote the three southern Caucasus States. As this is inevitably going to happen sooner or later, unless the EU simply falls apart, with some sort of critical failure, this declaration now might ensure some political kudos for Ankara and for Madrid without any cost, or practically no cost. I do not think anybody would find fault with the fact that Turkey is in favour of the future accession of Georgia, Armenia and Azerbaijan to the European Union, and the fact that Spain, as a member of the EU, supports this. I really cannot see that this should cause any problems. Yet it might be a very interesting action to

undertake, and perhaps even a contribution on the path to EU access for Turkey.

Another point: what about a joint action between Turkey and Spain in Afghanistan since both countries are already involved in that problem? Everybody knows that it is a problem: it is recognised as a problem by all of the allies in NATO and also by the recently appointed President of the United States. I am obviously not talking about large-scale, spectacular actions, but we do have contingents there, we have actions, specific development plans for Afghanistan. Turkey and Spain have these plans and they could share them and work on them together.

I think Spain could take advantage of Turkey's experience and know-how in Central Asia. Turkey has a lot of expertise and specialists in Central Asia. Turkey has institutions that could be used to develop measures in these areas, and not just development plans that might be fine on paper and hard to implement. Some can be carried through. The US has already introduced systems of micro-credits through US aid in Afghanistan. Perhaps something similar could be done with the financial cooperation between Spain and Turkey, perhaps through the Islamic banks, and Turkey has a lot of experience in this area while Spain has very little.

I think we have to try to explore these kinds of actions that respond to the globalisation of the world because, regardless of whatever else happens in the world, one way or another, the world will continue to be globalised and we are going to keep bumping into each other. We will find that the former barriers or areas of influence or action of individual countries will be under question. A very recent news story reported that Turkey is exploring off Colombia for oil. This is a clear example of the fluidity of contacts and I really think that this is the kind of path we have to pursue in order to achieve a greater closeness between Spain and Turkey. But also to go beyond the mere, immediate future of the negotiations with the EU, which of course will still take some time.

But it is not a question of making our bilateral relations depend on the results of a process that is going to last for so many years. Thank you very much for your attention.

# ECONOMICS AND BUSINESS: SPANISH-TURKISH RELATIONS IN TRADE, INVESTMENT AND FINANCE



# BUSINESS AS A VECTOR OF MUTUAL AWARENESS

**Zeynel Abidin Erdem.** Chairman of DEIK / Turkish-Spanish Business Council; Chairman of Erdem Holding, Turkey

I have personally witnessed the development of relations between Turkey and Spain in the last twenty years. The relations between governments and business people have grown, and throughout this process we have been trying to help coordinate these relations under the auspices of the Foreign Economic Relations Board.

Relations between Turkey and Spain began to grow as of 1986, during the time of Mr Ozal's government. One of the most important things that we appreciated in this process is that the governments were supporting trade and we were able to have important loans. When we travelled to Spain with Mr Ozal in 1986, the Turkish government had zero possibility of getting credits from a European country, or less than zero actually. At that time, Turkey had little or no possibility of upgrading its facilities, and there were many difficulties with air transport, for instance. At that time there was some idea of installing a big aircraft producer. The Spanish, French, Italians and Canadians were all involved and all of them were saying that it would take three years to return the loans and at a higher rate, but Spain suggested a payback period of 32 years and the interest rate was very favourable. At that time, our volume of trade was only 600 million but once these facilities were built there was a major increase in trade and it went up to three billion.

The two countries are very much alike in the Mediterranean and they are able to do a lot of good business. Then the second phase of development came when

Spain supported Turkey in its bid to join the European Union: Spain has been very supportive of Turkey in Turkey's accession to the EU. They have been very strongly adamant in their support of Turkey. When that support came through unconditionally there was again a leap in trade, to five and a half billion dollars. So our two countries may be far apart but we are very much alike. The people are very much alike and we believe in doing business and I think that there is more room for development when it comes to further developing our trade.

I have personally paid my dues when it comes to developing this trade because I have been working through the Foreign Economic Relations Board in Turkey and I am working to make sure that Turkish business people are able to get visas to enter Spain, 200,000 of them go every year. I wish there was an opportunity for even more business people to go to Spain.

I would like to thank the government, the people of Spain, and the diplomatic corps, for their unwavering support of Turkish integration in Europe. We rely on and trust our Spanish friends and we will continue to do so.

I want to tell you something about Turkish-Spanish relations in 1986: how much we exported and imported. I remember trade between the two countries was 600 million dollars. Now we are at seven billion dollars. In a very short time Spain gave Turkey a very generous loan for aircraft production. Now we produce in Turkey 52 Casa aircraft and we will sell

twelve units to Jordan, Egypt and Saudi Arabia, and we will continue to sell to other countries.

Again, we have very low interest credit from Spain for the first high-speed train, Alarco and OHL. They have finished one project between Eskisehir and Ankara. Some weeks ago it started to run between the two cities. We have an extensive and attractive project on the table: the Cannakale Bridge, valued close to 500 million dollars. For the highway we have 400 million dollars and we have discussed the loan with Spain. We want to thank Spain because they gave Turkey a very generous loan for the railway, aircraft, and for many things.

There is still more room for development, and I wish we could buy more trains, for example, because transport is very important. I do not know what the word "right" means in Spanish, but there is a "right" that the Turkish government has to take into consideration first. There are those people who support you in difficult times, and they have some sort of a "right" to be looked upon favourably, because there have been times when it has been impossible to purchase important goods, difficult times at more favourable rates from Spain. So, in that sense, there is indeed a very important and valuable business relationship between Turkey and Spain.

# VALUE-ADDED SECTORS OF GREAT POTENTIAL COOPERATION

**Ángel Martín Acebes.** Executive Vice-President of ICEX, Spain

ICEX is a public agency responsible for promoting the internationalisation of Spanish companies all over the world working through our economic and commercial offices in 95 countries. Here in Turkey we have two offices, one in Ankara and another in Istanbul. It is a great honour and pleasure for me to address this audience here today on the occasion of the Spain-Turkey conference held in Istanbul.

We Spaniards are absolutely amazed by the beauty of the city and the beautiful day that you have prepared for us. I see that there is high business participation from the Turkish and Spanish sides, which clearly shows the interest in both countries in doing business together. I think this conference represents an excellent opportunity for us all to come together and exchange experiences and ideas.

As many speakers have said this morning, Spain and Turkey have similar cultural features, common interests and, above all, we both share a strong determination to build a common future based on extensive cooperation and mutual understanding. It is true that in these days of global economic turmoil we share a moral duty to encourage our fellow business people to be innovative and brave in dealing with the new economic environment. We must work to build a stronger commitment between our countries that will make it easier for our entrepreneurs to work together. At a time when the forecasts of the World Trade Organisation expect a contraction of almost 10 per cent in world trade for 2009, it is important that we forcefully reject any form of protectionism.

The Spanish Ministry of Industry, Tourism and Trade will place itself at the forefront of this effort. In 2007 we chose Turkey as one of the ten priority countries and, consequently, we designed a comprehensive market development plan to push and consolidate the Spanish presence in Turkey. You can see the details of this plan, which reflects the activities that we carry out here in Turkey, on our website, either in Spanish or in Turkish.

Within the last few years, bilateral relations between Spain and Turkey have significantly improved. Today, Spain is Turkey's tenth-largest trading partner, the fifth within the European Union. On the other hand, Turkey is Spain's third non-energy trading partner outside the European Union, just after China and the USA. Our bilateral trade is now consolidated at around seven billion euros. Both countries share common key sectors, such as the automotive machinery industry or the iron and steel industry. That is to say that when you look at the trade statistics between Turkey and Spain we see that most of our trade is intra-sectoral trade; that is, within the same sector. It only reflects that our pattern of trade is dominated by components and intermediary goods that are required by industries and corporations that are fully active in the global supply of components. Turkey is a major destination for Spanish investment, which reached 1.5 billion euros in 2007. Although these figures show an important increase in the last three years, we believe that we can and must aim higher in the future.

Let me just develop a little further on areas where I believe that cooperation between Spanish companies and Turkish companies can have a great future. Spanish companies are today global leaders in some sectors and we want them to be leaders in Turkey as well. We believe that this will be good for both Spain and Turkey. I must say that Spain is, nowadays, at the vanguard of technology in several sectors in which our companies can cooperate successfully with Turkish partners. Spain has gone through an extensive transformation of infrastructure. I am not going into detail about the infrastructure sector, as the Minister of Public Works this morning explained the huge advance that Spain has had in high-speed trains, but it is important to say that as a result of a significant drive to strengthen our infrastructure, Spanish building companies are among the first in the world. Six out of ten of the largest global corporations specialised in infrastructure and transport are from Spain. Spanish companies have a long experience in public and private partnership; that is to say, to build, operate and arrange the financing of infrastructure. We believe that it will be good for both Spain and Turkey to increase cooperation in the area of infrastructure. There are good examples of this cooperation. This morning the high-speed rail from Ankara to Istanbul has already been mentioned, a very successful experience of this cooperation between Spanish and Turkish companies, but this is just a token of what we can expect if we join forces and share experiences.

Let me just go to another area where I believe that cooperation with Spanish companies can move forward. It is the area of energy and the environmental sector. In renewable energy, Spain has very successful experience both in wind and solar power. Spain is the third-biggest producer of wind energy in the world, after the United States and Germany, and, since 2008, we have been the largest producer of solar energy. On the other hand, in many water-treatment projects which are being carried out by the Turkish government, Spanish expertise can be used. In desalination our companies lead the market

in different regions, such as India, the Middle East, Africa, and North, Central and South America.

Spain's technological sector is another example of our dynamism. Three out of five air flights in the world are controlled through Spanish navigation systems. We listened this morning to Javier Monzón, the CEO of Indra, the company behind these figures. Spain also participates in EADS Airbus and part of the A380 new super-jumbo is being manufactured in Spain. In addition, we are one of the founding countries of the European Aerospace Agency.

### **Spain is Turkey's tenth-largest trading partner and Turkey is Spain's third non-energy trading partner outside the EU with a bilateral trade of 7 billion euros**

Another leading sector in which we think there can be a way to cooperate is biotechnology. Biotechnology in Spain is growing 17 per cent faster than the average of European countries. The most important pharmaceutical firms have developed labs in Spain, and one Spanish company is the largest producer of bio-ethanol in Europe and the fifth producer in the USA. All these recent successes of Spanish companies have been brought about thanks to the strong development of our economy. In the last ten years the Spanish economy has been one of the most dynamic within the OECD. We have a job creation rate higher than most other advanced economies. In fact, Spain has experienced sustained positive growth over the last fifteen years. We are now the world's eighth-largest economy and the fifth provider of foreign direct investment. As the figures show, in spite of worldwide economic difficulties, international investors' confidence in Spain remained strong through 2008. Therefore Spain is the world's sixth-largest destination for foreign direct investment. As I have already mentioned, Spanish companies have become global leaders in infrastructure, engineering, financial services, as well as other more traditional industries such as automobile, tourism or food.

However, the Spanish economy is facing the present financial crisis with concern, like the rest of the world, but also with a solid banking system: two of them are among the best in the world. We are aware of the hard struggle ahead, but I think that meetings like this one prompt us to be optimistic about our future. There are many business areas in which Spanish companies are willing to collaborate with Turkish counterparts, and several key sectors in which Spanish and Turkish companies can share their expertise and enhance shared endeavours in promoting high value-added industries. Our economies will benefit the more we cooperate. Our leaders pledged to join

efforts last Thursday at the London G20 summit, to promote world economic stability and to continue supporting world trade.

I believe that by participating in this conference today we are fulfilling the demand to remain engaged in our work for sustained economic and commercial cooperation in the world.

I would like to finish by thanking you all for attending this conference. I am certain it will be a fruitful step in the long-lasting relationship between the Spanish and Turkish business community. It will be an important contribution to a more dynamic recovery of our two economies.

# SPAIN AND TURKEY: RECIPROCAL SOURCES OF INSPIRATION FOR ECONOMIC GROWTH

**Refik Erzan.** Director of the Center for Economics and Econometrics, Professor at Bogazici University, Turkey

Our university, Robert College, was founded in 1863. It was the first American university abroad transferred to the Turkish government in 1972.

I will make some brief observations, which will be more conceptual since we have business leaders here who have pointed out a number of concrete factors.

First of all, I am impressed by the booklet *Spanish Trajectory: A Source of Inspiration for Turkey*. This is an incredibly fruitful booklet, showing the parallels between Spain and Turkey, and it appears that in many respects Spain is some twenty or thirty years ahead, or has a lead in its contemporary economic and political developments. Now, Spain is an inspiration for Turkey. That is great, but what is there for Spain? We can ask that question. We have many lessons to learn from Spain, but Turkey, as I will argue, is also a source of inspiration for Spain.

Firstly, this similarity versus differences. Which one is more dominant? In trade there are theories explaining the direction of trade and gains from trade based on differences between countries. Well, we did not have so much trade with Spain while the differences were greater and, now, we are at the stage where we have more similarities and, because of that, we have intra-industrial trade rather than inter-industrial trade, such as in automobile parts. The similarities are somewhat taking over. In tourism, for instance, the two countries have recently discovered each other and Turkish tourists in Spain and Spanish tourists in Turkey are passionate about these countries. This is a new but fast-expanding phenomenon.

Now, probably the most important source of inspiration for Turkey in terms of economics in Spain is the social transformation it has been experiencing. This is particularly in agriculture, tourism, construction, real estate and automobiles. Now let me be a little bit more specific about that. What do I mean by agriculture? In the United Kingdom the share of agriculture in GDP is something less than 1 per cent and employment even less than that. Of course we might learn things from Britain about agriculture, but not as much as we can learn from Spain, because Spain has reduced the share of agriculture in its GDP from some 10 per cent or so down to some 3 or 4 per cent, and still Spain has nearly 5 per cent of its labour force employed in agriculture. That means it is a very new transformation, not fifty years ago or a hundred years ago, but a recent phenomenon and because of that we have tremendous scope for cooperation.

Spain is some twenty years ahead in different fields, but these are old-fashioned areas, unlike the extreme case I have given for Britain, even in the car industry for instance. Spain, if I am not mistaken, is the third producer of automobiles in Europe, after France and Germany, and now there is a major transformation going on. In the international automobile industry Turkey is also part of that transformation, but we have to watch what is happening in Spain. And Spain has to watch what is happening in Turkey – unlike the case with Britain again. The British car industry is settled whereas in the French case it is still in the process of transformation, which

makes this more of a two-way engagement rather than a one-way engagement.

We learn lessons from academics, largely free. We carry out research at libraries and nowadays on the Internet. In business, lessons to be learned are translated into money to be earned. There is a lot of money to be earned, there are a lot of issues to be researched by academics like me, and there is a lot of money to be earned by business people when there are lessons to be learned. Now, the substance of foreign direct investment is not really so much for physical capital but is more for human capital because, in portfolio investment, we send them money, or machines, but in foreign direct investment we are actually sending in our people. The Spanish are sending in their people and their know-how. That is a lot of money to be made.

### The Turkish theatre also includes the Balkans, Caucasus and Middle East; the Spanish theatre includes most of Western Europe, Latin America and North Africa

I should not limit these remarks only to low-tech industries, like agriculture, but also to high-tech issues. Spain has been exploring areas where, although it is not the richest country in the world, it is leading certain high-tech issues. This is an area where, in Turkey, we can learn from Spain, and where Spain can use Turkey as a testing-ground through their entrepreneurs and business people. We are certainly not the richest country in the world, but there are certain areas where you do not need that much physical capital, where you can start a lot of things, because being a latecomer you have certain advantages in exploiting new technologies.

Now I must also say, having noted where we learn from mistakes, that mistakes have been committed in Spain and in Turkey in their development strategies. Let me underline a couple of things in the Spanish economy which offer opportunities to Turkey for cooperation with Spain as well.

In agriculture Spain has to go a long way in mechanisation; there is a labour shortage that is still causing major problems and it is because of the backward state of agriculture in Spain compared with other sectors. In construction, a major mistake has been made because growth, especially in recent years, has emphasised construction too much and, because of that, the Spanish economy is currently and will be suffering more than other European economies. In tourism of course it had to rely on mass tourism with sun and sea, but that has its costs and its limitations. So Spain is learning things that we should learn

A key factor is that energy prices will immediately jump – just before the crisis the petroleum price went down to 30 dollars, now it is 55 dollars; before the crisis is over it will be 60 dollars, and as we get out of this crisis it will be back again between 100 and 200 dollars. So, we are coming to a new stage when hybrid cars, energy-saving cars, and all kinds of transport technologies, not only cars, will arrive.

Now why am I saying this? Obviously not to embarrass my Spanish friends, because we made even worse mistakes in many areas, but at this point there is also an opportunity to invest in new strategies and, probably, there are even more areas of cooperation with Turkey, especially given the fact that when we talk about cooperation between Spain and Turkey we are not only talking about activities in each other's market. The Turkish theatre also includes the Turkish Republic, the Balkans, the Caucasus countries and the Middle East and obviously the Spanish theatre includes most of Western Europe, Latin America and North Africa. There are areas where one of the countries is stronger than the other, especially the extreme case of Latin America, for instance, where I think we can complement each other very much. Now I would forecast that, in the early stages of this cooperation, we will still somewhat exploit the differences in the development of the two countries, as Turkey is lagging behind in certain areas. But I hope that this gap will close and, as we converge, the cooperation will increase and improve, and move in the direction of the pattern of similarity and complementarity. There is a lot to do now and there will be a lot to do later.

# ECONOMIC REFORMS MAKE TURKEY AN EMERGING POWERHOUSE

**Juan María Nin.** President and Chief Executive Officer  
of “la Caixa”, Spain

“La Caixa” is a threefold group. We conduct very important social welfare activities. We are a savings bank, the most important savings bank in Spain and in the world, and, at the same time, we have a listed company, Criteria, which is the first industrial holding in Spain. When I first came into this idea of “Turkey and Spain, the two gates of the Mediterranean,” I must say that I immediately went back to 1978. I was 25 years old and I was the youngest member of the Spanish negotiating team for accession to the European Economic Commission (EEC), at that time, the European Union now. I was the youngest in the team and, of course, the innocent one, and we negotiated with the EEC both the terms of the accession treaty but we also conducted a tough internal negotiation. We embarked on dramatic changes. We gave ourselves a new constitution, we changed our trade barriers, we changed tax laws, etc. All this was done in a period of two years, probably because we did not know what we were doing, and probably because we were very young at that time, but the key point once again is that we did it. Finally, we accomplished 100 per cent of our goals. Up to the last comma, everything had been negotiated and written, and when everything was finished we had a fiasco. France came on the scene with a veto: we could not join the EEC. But we insisted and we continued knocking at the door for the next six years, without any single change in what we negotiated between 1978 and 1980, just knocking at the door. And finally, in 1986, we overcame the veto and joined the EEC. I think that there are figu-

res that say Turkey now is in a much better position than Spain used to be 20 years ago, because time is relative. You have 70 million people living here. Your GDP is larger than ours at that time. The growth of your GDP has been splendid, 6 per cent from 2002 to 2008. Trade openness is 67 per cent. The average age is 28 years. That is dramatic: we are very old, we are 41. Mobile phones: you have 62 million mobile phones! And public expenditure on education is 4 per cent of GDP.

So from 1986 up to now Spain has been progressing. We have progressed steadily and, of course, the key issue for the progress of Spain has been accession to the European Union. You opened the negotiations in 2005 but you opened them from a very good platform. We see Turkey as a dynamic economy, open, young, modern and very much improving capital. Figures show that Turkey has been performing as a dynamic economy. There is internal criticism but if you compare Turkey with other economies, it is gaining competitiveness and closer to the G7. The G7 has been growing at a rate of 2 per cent and Turkey is growing at 6 per cent. So, a competitive, open and modern economy. At the same time, Turkey is in a process of profound economic and political reform, triggered by the 2001 crisis and the goal of European membership. And we have a legacy. There is no crisis without a legacy. We will learn a lot, we will introduce changes, and society will improve both ethically and economically after the crisis we are experiencing now. Of course we will make mistakes thirty years later, the

same mistakes we are making now, but for the time being, once we overcome this crisis, we will learn. How do we see it from Spain? We see that now, after the crisis, we have a country with disciplined financial policies. Of course you can always have more discipline, but now discipline is better, at least we think, than it used to be before 2001. Advances in structural reforms, sound fiscal and monetary policies, and strengthening of the banking sector and economic institutions. That is the key for us. Of course we are a financial institution and we can rationalise that having a sound financial system is crucial for an economy to develop properly. The international crisis will affect short-term growth and it is affecting it. The figures we have for Turkey for 2009 are not that good: it is a 2 per cent negative growth of GDP.

### Between 2025 and 2030, Turkey will be the size of Germany in population terms and in economic terms

What are the key points for this long-term potential? Why, as a financial institution, come to Turkey, make an investment in real estate and put human resources here? Because we think that as the accession negotiations continue the Turkish reform process will continue as well. That is important.

Another thing we evaluate as very positive is Turkey's favourable demography. All the best projections we have are that, between 2025 and 2030, Turkey will be the size of Germany in terms of population and, as time goes by, the size of Germany in terms of economy. These are international projections which show your population is growing steadily at 83 or 85 million people and, at the same time, you are progressing, gaining competitiveness. You have a young labour force, upper-middle position in international rankings: Turkey is 60 out of 181 in the business ranking – this is a World Bank statistic – or 63 out of 134 in the global competitiveness index. You have competitive advantages – low trade and capital-flow barriers – and ease of starting up a business, which

we consider very important. The fact is that in terms of bilateral trade between Spain and Turkey we had 2 billion in 2001 and 7 billion in 2007, and a bit less in 2008. There has been a dramatic increase in terms of imports and exports between Spain and Turkey. As a matter of fact, Turkey has a share in the Spanish trade balance up to now of 1.4 per cent while it used to be 0.8. And our share in Turkish trade is 3.3 per cent while it used to be 2.8, taking into account that Turkish trade represents 2 per cent of world trade and Spanish trade 4.5 per cent. So every year we are moving the relation between both economies a step further. It usually begins with trade but also with direct investment in Turkey. The figures of Spanish direct investment in Turkey were rather weak until 2005. However, in 2007 Spanish direct investment reached 1,108 million euros, decreasing to 650 million in 2008. So this huge direct investment will produce more trade, and at the same time will enrich the relationship between all of us. Turkey is Spain's fifth non-European Union trading partner, and our bilateral trade was bigger than the bilateral trade Spain had with Japan, Morocco, Mexico or Poland.

We could say that in the private sector "la Caixa" is the most important institution in Spain. We are a private institution and as a financial group by size we rank number 3 in Spain. Most European countries recapitalise banks, financial institutions. This has not yet happened in Spain, not for the time being, and without this kind of public aid we rank at 8.8, which is the new European paradigm. We are also very social. We rank number 5 in the world in terms of social welfare investment. We dedicate 500 million per year to it.

We are shareholders of influence in Gas Natural, which is at the present time working on some very interesting projects in Turkey. The board of Gas Natural thinks that we have plenty of things to do here, if we are finally successful in several bids. We have Abertis, one of the most important world companies in toll roads. We have here with us the chairwoman of one of the companies we have shares in: Hispasat, the European leader in satellites. We have also begun an internationalisation process.

But the most important thing is that, being a private institution, and being a savings bank with this listed company, we dedicate 25 per cent of our profits to social welfare and, out of this, 70 per cent of what we are doing is fundamentally social.

### In 2007 Spanish direct investment in Turkey reached 1,108 million euros

Of course, we take care of environmental issues, culture, education, etc., but we like our money to go to people who really need it. Within our social welfare, we have two sustainable projects. One is a microcredit bank, which we will probably finish in three or four years and will be the most important bank of this type in the world. At the same time we are developing self-funding businesses related to homes for people who need cheap homes.

My final remarks would be that we are at the present moment managing 3.2 per cent of Spanish-Turkish bilateral trade, and we have moved up from 2.5 to 3.2. This is not our natural market share. We will improve. We are opening a representative office in Istanbul, being the second Spanish financial company to do so. Tomorrow, with the presence of the Prime Minister of Turkey and the President of Spain, we are signing a cooperation agreement between ISPAT, ICEX, the Universitat Oberta de Catalunya and "la Caixa", to promote exchange of managerial skills and investment and trade between Spain and Turkey. Finally, as a demonstration of our interest in this country, we are hosting in CaixaForum, which is a cultural centre we have in several cities, including Madrid, an exhibition of the art collection of the Central Bank of Turkey. So we are setting the foundation of what we expect will be a solid, lasting and of course mutually beneficial relationship for all of us.

# STRATEGIC BUSINESS COOPERATION: THE CASE OF THE HIGH-SPEED TRAIN

**Jesús Esnaola.** General Manager of CAF, Spain

I would like to take this opportunity to speak of the experience that my company, CAF, has had in Turkey. I should say that it has been a very gratifying experience. CAF is a Spanish company, and one of the five biggest manufacturers in the world of tramways, metros, different types of transport, be it urban transport or rural trains. We are present in more than forty countries, from the United States to Japan, from Brazil to England. CAF has an income of more than 1.5 billion dollars. In our company there are hundreds of engineers that work every day to try to develop new projects, using the latest technologies, such as intermodal trains at 350 kilometres per hour, trying to make life better for everyone.

What can we say about Turkey in the framework of this first Spanish-Turkish conference? First of all, we are talking about two great countries, with a common history, both in the present and in the past. There were very important and significant moments of history that contributed to the creation and strengthening of our mutual relationship. For some years now Spain has become one of the strategic allies of Turkey, actively contributing to this country's accession to the European Union. This relationship is growing on a daily basis thanks to mutual investments and to the political and economic relations that continue to grow between the two countries. Turkey has made an enormous effort to reform in recent years, getting a 7.5 per cent growth rate. The majority of its investment is from the European Union.

For CAF, Turkey was a starting point because it is a stable, solid country with sustained economic growth, great potential for growth and new infrastructures, both nationally, with its own country-wide train network, and the extension in terms of urban transportation, tramways, etc. So Turkey has been a key element in our global growth process. We created CAF to be able to respond to those projects and to allow greater implementation in these countries. That decision became a success story.

We are carrying out three contracts. One is the most important project of the Turkish administration, with a new train infrastructure between Ankara and Istanbul, where CAF is supplying the high-speed trains. The trains are already going at 250 kilometres per hour. On the 13th March, Prime Minister Erdogan was in one of our trains and it has been very successful on a commercial level. Moreover, the civil consolidation of that line was carried out thanks to the work accomplished together with Spanish engineers, OHL and Turkish companies, which carried out specific agreements for cooperation. I am very proud to say to you that this rail line is a clear example of the cooperation that exists between Spain and Turkey: an experience we are trying to extend to neighbouring countries, which are very interested in the Spanish-Turkish experience.

At the same time, we are constructing the Antalya metro system, in collaboration with Alarko, our partner, and also other Spanish companies. So far we have constructed the system infrastructures, the signal

systems, in a record time, and they have already been put into practice. We have done tests with the first trains that created a local service company, Hispano-Turco, to give operational support, and we expect it to be at full capacity before the summer. Last July we signed a contract for supplying electric trains to Izmir, whose design period is to be finished in 2010.

### **This rail line is a clear example of the cooperation between Spain and Turkey, and we are trying to extend it to neighbouring countries**

So what could we conclude from our experiences in Turkey? They have been extremely gratifying for CAF, and besides the fact that we are now part of the Turkish landscape, because our trains travel throughout the Turkish landscape every day, that also gives us the opportunity to work closely with new companies and establish relationships through projects, not only in Turkey. In the future, as we are already doing right now, we are planning to participate in different projects throughout the world with our Turkish partners. At the same time CAF is creating employment in Turkey by hiring engineers and other collaborators with a great deal of technical expertise. We are buying equipment from Turkish companies that we use throughout the world; and these Turkish companies have shown that they have high-quality technology and high-quality products.

How do we see our future in Turkey? The Turkish administration continues, with its investments in infrastructure, to make Turkey more modern, in a

similar way to what has been done in Spain. A high-speed train network with the objective of creating better communications between all the Turkish cities via that network. At the same time, Istanbul continues its programme of growth of the urban transport, which is a good opportunity for modern solutions which are profitable, and also with the latest technology. At CAF it is quite clear for us that our metros and tramways are looking to contribute to improving the quality of life of citizens, and we have to work to try to reduce traffic and the pollution it causes.

Our vision of Turkey. The experience of CAF has been extremely positive in the last few years, both in terms of the projects that we have been able to achieve and the work that we have done together with the different institutions, the high quality of the businesses as well as the technical professional capabilities of the different engineers, technicians and other collaborators. For CAF, Turkey is a young country moving forward, growing, creating opportunities, and once it gets over the economic crisis the chances for collaboration between Spanish and Turkish companies will increase. In CAF we are convinced that this Spanish-Turkish conference will set the foundation for a coming together in the future between the business worlds of the two countries, contributing to the growth of business in the country that has got an extremely important culture on a worldwide level. Turkish people are extremely qualified and are also very welcoming, making you feel at home.

So, ladies and gentlemen, I hope that I have been able to give you some idea of what a Spanish company does in Turkey. Thank you very much for your attention.

# INTERNATIONAL EXPERIENCE OF TURKISH BUSINESSMEN

**Hüsnü M. Özyegin.** Chairman of the Board of Directors of Fiba Group, Turkey

Turkey has, in the last twenty to thirty years, shown great development. At the beginning of the 1980s exports were two billion dollars and today we have eleven to twelve billion dollars of exports. 25 years ago, the number of hotel beds in Turkey was less than the 62,000 just on the island of Rhodes in Greece, whereas today Turkey's tourism revenue is a couple of times that of Greece today, and Turkey welcomes more than 24 million tourists every year. Turkish entrepreneurs have achieved great success internationally as well. There was a Turkish contractor, Enka, which was the first Turkish contractor to do business in Russia, and then other contractors have also been working around the world and they have been very successful. We Turks have special characteristics. We work not just in Turkey but we go to where the business is and, together with our Spanish friends, I think we could do a lot by making use of the special characteristics that we all have. Turkish contractors, while the war in Iraq was ongoing, as of March 2003, were building housing for the US troops and other facilities for them in Baghdad and in the northern part of Iraq. They went to work in places like Afghanistan, in war zones essentially, with the financing provided by the United States. There is a lot of work that the Turks and the Spanish could do together in third countries. For example, the Fiba Group works in Russia,

Romania, the Netherlands and Switzerland, and there are 10,000 bankers working for Fiba Group in those countries. In Russia there are 3,500 people working at the Turkish Bank, and we achieved this in five years. In Romania there are 120 branches, and 2,000 people and executives at these banks are Turkish. We have 150 Turkish executives working abroad. In Russia we have provided consumer loans to about two million Russian citizens in the last five years.

Turkey has indeed grown, developed itself, not just in the last five to six years but in the last twenty to twenty-five years. The volume of trade between Turkey and Spain, is very little because we have the same trade with Romania, which has a population of 20 million. So, in these circumstances, our trade with Spain should be at least 10 or 15 billion. That requires business people and government officials on both sides to meet more often. I think today is just a good opportunity and I would like to congratulate all who have been involved in organising today's event, especially Sabanci University. I hope they constitute a new turning point in relations between Turkey and Spain. From today forward I think we need to work even more closely because, as world trade slows down, our trade will also slow down, on both sides. So the time is right for us to look for new opportunities. And Spain and Turkey could provide an example.

# ECONOMICS AND BUSINESS: BILATERAL COOPERATION IN BUSINESS, EXPERIENCES IN EUROPE AND THIRD MARKETS



# CONCRETE BUSINESS COOPERATION IN A WORLD CONTEXT OF CRISIS

**Petra Mateos.** Chairwoman of Hispasat, Spain

We have seen crises of different kinds going on throughout the last decade, but we have not seen such a major crisis as the one we have at present since 1929. It is very global, extremely complex, and globalisation has been one of the factors behind it because there is no safe place.

We have had one of the most important expansive cycles of our history, with very low interest rates and high levels of liquidity contributing to the development of a system with a regulatory environment of permissive supervision. There were excesses in American monetary policy trying to foster growth in that way. The excess of liquidity had consequences and, with the rise in inflation, the Federal Reserve began to adjust interest rates very quickly. In three years they went from 1 per cent, which was on 22nd June, to 5.25 per cent in 2006, with 17 successive increases.

The cost of this ended up with the adjustment of the price of assets, especially of housing. As everyone knows, when the price of assets falls the solvency of the banks also goes down. Many of them had to increase their capital, some of them by using public funds. The situation now seems to be somehow contained at this point.

After all these different events the financial sector was not the only one that suffered as it also affected the real economy, which is contaminating other sectors and which affects international trade. The World Trade Organisation (WTO) is giving us data about a fall of 9 per cent in world exports, which is affecting both developed countries and emerging countries.

We have to keep in mind that a fall in world demand in a generalised way is also affecting the global supply chains in world trade, which has been aggravated by the lack of international financing.

In some countries, this is causing a return to greater protectionism, trying to protect the national companies, so that the World Bank is issuing warnings about the situation of protectionism and the regression this could mean for the world economy. Many countries – although they might say the opposite – are adopting protectionist measures, but if there is something we have learned from other crises, it is that international coordination is essential and no country is able to get out of a crisis by itself. As was recently pointed out by the British Prime Minister to the international community when talking about the path for a sustainable future, the first task in front of us is to create trust and to stimulate demand. Protectionism is not the way to face this situation. The OECD has already said that other countries, including emerging countries, need to make an effort to keep their markets open as a way of improving economic expectations. That is why we must engage in a large degree of international cooperation, because neither through private nor individual policies will we be able to re-establish trust.

Compared with the United States, which maintains an extremely aggressive attitude concerning the measures that need to be taken to get out of this crisis, the posture of Europe is somewhat lukewarm. In the United States, for example, there is an aid pro-

gramme that could reach up to 5 billion dollars and create a public-sector deficit in the United States of 12 per cent above GDP.

We need to go back to the international organisations, such as the International Monetary Fund, or the OECD, or the Council of Financial Stability. The most recent measures adopted by the International Monetary Fund, for example, on 2nd April, talk about an injection of one billion dollars.

### The WTO shows a fall of 9 per cent in world exports, affecting both developed and emerging economies

Spain has always been able to adapt itself to difficult economic situations and to reach new growth rates. We have companies that are leaders in their sectors, financial institutes such as "la Caixa", our banks, and telecommunications companies like Telefónica or big engineering companies such as Indra or Técnicas Reunidas. The meeting we are having today seems to me to be very positive as a way of fostering exchanges between our companies and opportunities. For Spain, Turkey is the gateway to very important markets, and

Turkey's entry into the EU has an overall importance. Institutional relations between the EU and Turkey have taken important steps forward since 1996. Within that context the strategic horizon for Turkey on an economic level is of great interest to Spain.

Turkey has become one of the main receivers of Spanish exports outside the EU. They are two countries that have excellent bilateral relations. I think that we are economies that can easily find a way of agreeing due to our Union for the Mediterranean as a unifying cultural factor. The bilateral trade between Spain and Turkey is already quite large, although obviously it could be improved.

Direct investment that Spain has made in Turkey has been quite significant in the last three years. From 2004 to 2008, Spain's investment was more than 2,890 million euros.

We have clear examples of Spanish companies which are here right now and are engaged in that process, like SEAT, Roca, Mapfre, OHL, Indra or Técnicas Reunidas, all of them very active. They have done lots of international bidding. There are many other industries in which Spanish companies can make contributions. There are undoubtedly other industries where Turkish companies can contribute.

# DO WE REALLY KNOW EACH OTHER ECONOMICALLY?

**Ziya Akkurt.** Vice-Chairman of DEIK / Turkish-Spanish Business Council, Vice-Chairman of Ak Investment affiliate of Akbank, Turkey

The topic I have chosen is: do we really know each other? To the best of my knowledge up to now Spanish companies and Turkish companies do not know each other. So I would like to provide some information on the Turkish economy and where it intersects with the Spanish economy. Turkey achieved a great rate of growth between 2000 and 2007, roughly fifty per cent. Purchasing-power parity of GNP is around 940 billion US dollars, which is the sixth-largest in Europe and the fifteenth-largest economy in the world. According to IMF estimations, Turkey will be a 1.3 trillion US dollar economy in GNP in 2030. Therefore, in that year per capita income on the basis of purchasing-power parity will be around 17,500 US dollars.

Turkey is one of the largest economies but, in terms of productivity, output per hour is very low. When we look at the European average, which is 45 US dollars, Turkey is able to produce 21 dollars. It also indicates – I am looking from the positive side – that there is still room for the Turkish economy to double its productivity. When we look at the demographic structure there is a huge young generation in Turkey where 65 per cent of the total population is below 34 years of age. This means qualified workers, risk-taking consumers, and investment opportunities for the future. Also, Turkey has the largest labour force, with 25 million, among the 27 EU members.

Another factor that separates Turkey from the emerging economies is its location. When we look around Europe, CIS, Middle East and African countries, accor-

ding to the IMF calculation, which is again for 2030, the total of this region's GNP will be around 30 trillion US dollars. So Turkey sits in the middle of this very important and wealthy region of the world.

When we look at the composition of trade, Turkey exports mostly intermediary and finished products and mainly imports intermediary and raw materials. Due to that, Turkey is very much open to commodity prices all over the world, and last year the huge current account deficit was because of commodity prices, mainly energy. The government is working on how to reduce the oil bill and the gas bill regarding the current account deficit. This is also a key for companies interested in renewable energy, green energy and alternative energy production in Turkey.

Turkey has increased its exports, from 2000, which were 28 billion, to 132 billion, fourfold. It is the same for imports. The EU is still the major trading partner regarding exports: 63.4 billion, which corresponds to 48 per cent of the total exports, but it used to be 54 per cent of the total exports of the country. So that means that Turkey is also able to diversify its exports to different countries. The same picture is also valid for imports. The EU is again the major trading partner, but it has also increased with other countries, mainly with the CIS. As you may guess, it is related very much to energy imports.

I would especially like to underline one point: Spain is more or less close in terms of GNP numbers to the Italian economy, but when you look at imports and exports and the trade volumes with Italy, Turkish

and Spanish trade volumes are far below the Italian figures. So it shows that there is a good opportunity for the Spanish companies, which is a new area for Turkey, and also Spain is a new area for Turkish companies where trade relations could be developed. Turkey had a very good year in 2007 regarding FDI. Due to the world crisis in 2008 it went down from 22 billion to 17 billion US dollars, but still Turkey is attracting foreign capital and most probably will in the future. When we look at the composition of foreign capital flowing into Turkey, Spain accounts for 1.5 per cent, according to the latest figures I have, in terms of direct investment. So I believe that there is also room for us to go further. I think the recent figures are about to go up to 3 billion US dollars at the end of 2008. Moreover, apart from the European countries' performance, we also see that the Gulf countries have begun to invest in Turkey. When we look at the composition of the sectors where the foreign direct investment is located, the service sector, mainly the banking sector was very attractive for foreign capital, and afterwards comes manufacturing industry, and based on our estimations, after the crisis we expect the manufacturing industry to be very promising.

### IMF: Turkey will be a 1.3 trillion US dollar economy in 2030, with a per capita income of 17,500 US dollars

I would like to stress two important sectors. There are a lot of sectors where Spain and Turkey can create synergies, but energy and agriculture are among the most important.

Regarding energy, Turkey barely meets demand on the supply side, but extra capacity is required as a buffer to meet the extra demand coming. Therefore, the Turkish government is working very much to liberalise the electricity market. A lot of incentives have been provided and laws have been promulgated. As I said, green and alternative energy is the most crucial issue regarding Turkey's economic dependency on international resources.

Crude oil is one of the important issues. Turkey is not an oil-exporting or extracting country, but it is an important transit country. Turkey is a hub for the Caspian and part of the Iraqi oil to be exported to the international markets. Every day, 3.2 million barrels of oil have been passing through Turkey to the international market. There are some other projects, especially from Russian and Turkmenistan oil, where it could be pumped through Turkey to the Mediterranean and afterwards to the international markets. Natural gas pipelines are also very important. Turkey is one of the key transit countries for secure energy supply, which is the most important issue today in the international arena: pipelines from Russia and Azerbaijan, Kazakhstan and Turkmenistan region; one pipeline from Iran and most probably another from Iraq; another from Egypt, which is now around the Syrian border, is going to be connected to Turkish international pipeline systems. Then those gas capacities will be transferred through Greece to the southern part of Italy, and through the very famous Nabucco to the northern part of Europe. Turkey is trying to establish its energy role for Europe making the energy card one of the important points regarding its EU accession.

Regarding agriculture, the south-eastern Anatolian project is very important. It is one of the most important regions in Turkey: 10 per cent of the total land and 10 per cent of the total population is located in this region. This project is about to receive a budget of 32 billion US dollars for investment, and up to now 20 billion has been invested in this region. There will be employment for around 3.8 million people. So this region, with a lot of economic activity, creates many opportunities for investment in areas like energy, agriculture, transport and tourism. It is one of Turkey's important projects this century.

What will happen after 2009? Potential growth is around 5 to 6 per cent for Turkey, the demographic structure creates a lot of opportunities for foreign investors and energy is one of the crucial issues, due to its geographical location. Agriculture is very important because of the demand and climate change around the world.

One of the important things in the very short term: after this crisis I believe that there will be a very important jump in manufacturing industry and I expect that foreign direct investment will come to Turkey for this manufacturing.

I would like everyone to keep this picture in mind. Turkey has very strong relations and historical ties with the CIS states, Russia, the Middle East and part of North Africa. Spain has huge influence on Latin

America plus North America. I believe that these two countries could have a bridge in those regions, from one end of the world to the other. This started with the Alliance of Civilizations on the diplomatic side. Political relations have begun to turn into commercial relations and I think that in the medium term we will be seeing direct investment opportunities in both countries. As you see, Turkey is an emerging economy but has a lot of differences with other emerging countries.

# SPANISH AND TURKISH COMPANIES: SHARING COOPERATION IN THIRD COUNTRIES

**Manuel Valencia.** Vice-Chairman of Técnicas Reunidas Internacional, Spain

I will comment on the experience of Técnicas Reunidas (TR) working with Turkish partners. We are an international general contractor, engaged in engineering, design and construction of various types of industrial facilities for a broad spectrum of customers throughout the world, including many of the principal national oil companies and several multinational companies. TR is the leader in industrial engineering in Spain. Our annual turnover is around 3 billion euros. International projects represent 80 per cent of the company's annual turnover. We are currently carrying out projects from Vietnam to Chile, and basically in the Middle East and Russia. We rank at the top of the list of design and construction of oil and gas facilities in Europe and, probably, at the present moment, we are one of the world leaders in the refining sector. We are private so we have less support than big public competitor companies.

What is TR's experience in Turkey? Our first contact with Turkish companies began in the eighties. In 1984 and 1986 we built two fertiliser plants in Feyan and Kutanya. The more outstanding contracts with Turkish refineries such as Tüpras began later, at the end of the 1990s. We had to adapt in the same way we had done in Spain and in other parts of Europe for Repsol and Fecsa. Basically they needed the utilisation of the refining production process, improving the performance per barrel, that is, the upgrading of the bottom of a barrel, trying to get the maximum profit from it.

Second, oil refineries were concentrated on light crude and now they are concentrated on heavy crude, such as the Maya type. They need a new reconditioning of Tur-

kish refineries – that is what we are doing. The Turkish refineries need to adjust the specification of the product to the European Union requirements, decreasing the sulphur content, which enables the crude to be mixed with other vegetable elements and reducing the pollution levels. In order to be able to perform these works, TR teams work together with other Turkish construction companies, basically Entas, Alarko, Akfen, and of course Tüpras. The amount of the first three contracts with Tüpras was around 600 million US dollars, but probably equivalent at current prices to 1 billion.

The cooperation with Turkish companies is not limited to projects in Turkey. We have also collaborated with companies like Tekfen in Saudi Arabia, where TR is developing huge oil and petrochemical projects for Saudi Aramco and Sabic. Our expertise and the good friendship we built up in Turkey helped us to work with them in Saudi Arabia.

When I was asked to comment on the experience of Técnicas Reunidas with Turkish companies I tried to understand why this relationship has come so easily. The only idea that comes to my mind is very obvious but very real: it is the generation of mutual confidence. Indeed, TR and our Turkish clients have been feeling very comfortable with each other, to perform very complex technical projects that require important investment by their companies. Our engineers are called to cooperate on a basis of mutual understanding. These circumstances have allowed us to repeat the cooperation experience for ten years continuously.

The Turkish and Spanish economies have a very similar evolution and development. Both countries have few energy resources, and this makes us find very similar solutions to guarantee energy supply. We need to bring oil from outside; we need to transport and refine it for the internal market and to export. Spain has also recently gone through a process of adapting our industry and our energy to European Union standards, the very same situation that Turkey is facing at the present time.

### Our expertise and the good friendship we built up here help us to work with Turkey in third countries

These are facts but there is also something more difficult to explain: there are certain similarities of character between Spanish and Turkish people. Both countries are at the far end of Europe, at both sides of the Mediterranean Sea. Both are deeply involved in European matters, but they have a strong presence outside the continent, in Central Asia and in South America. We can say that both have a very voluntary vocation of being European and being participants in history.

An anecdote that is proof of how things work: quite a few of our engineers on site working in Istanbul and other places have married Turkish ladies or Turkish men – something that did not happen in many other countries where TR is present, inclu-

ding South America. It is curious: not in Chile, not in Mexico. There is a group of engineers who are married to Turkish women here. They told me: “We feel at home.” So this is a very simple explanation of how things work.

What does the future hold for us? In the current situation we have to think about the near future. Turkey and Spain have few natural energy resources but they are the natural way for oil and gas transport. Turkey from Central Asia: they have strong investments in Azerbaijan and Kazakhstan; and Spain in the south of the Mediterranean. Thus, Spain has built gas pipelines from Nigeria through Morocco to Spain and Europe and now we are building a new one called Medgas directly under the sea from Algeria to Spain, to supply Spain, Portugal and France. So we have experience in those kinds of projects.

There are also other projects of other oil companies that want to make better use of the barrel, which can be of great help, such as what Petrogal is doing in Portugal, or Repsol has done in Spain; exactly the same projects that we have just been finishing. I think there is very important scope for cooperation, but also in the nuclear world. TR has a division of Empresarios Agrupados, which is working in the nuclear field. We have been involved in many of the atomic energy plants in Spain.

Summing up: Spain and Turkey, Spanish and Turkish companies, have almost the same foundations, probably the same objectives. Why not share the path together?

# TURKEY: KEY SECTORS OF POTENTIAL COOPERATION

**Mehmet Ali Berkman.** Chief Executive Officer  
of Akkök Group, Turkey

I hope this conference will foster the bilateral collaboration between the companies of both countries. This will bring prosperity and wealth to the companies and to the countries as well. I would like to talk about some of the issues which will be the background of further discussions.

As my colleague pointed out, from the point of view of investment regulations, Turkey is one of the most investment-friendly countries in the world. For example, in recent years, up to 75 per cent of R&D investment can be subsidised. From 2001 until 2007, actually October 2008, Turkey's average GNP growth was around 6.9 per cent. As a result, efficiency increases, rapid growth and rapid increase in employment are of great importance, and there is a lot of potential to achieve that.

In the sectors where internationally acclaimed holding companies are active, we see a highly competitive world-renowned business activity in Turkey. On the other hand, the traditional sectors have a lower output, and their share in Turkey's economy is greater and, therefore, the overall performance of the Turkish economy is negatively affected by lower efficiency. The small to medium-sized enterprises have a lot of opportunities to contribute to employment and GDP, but because most of them are informal they are able to function in the informal sector of the economy, and they do not contribute formally to the economy. However, capacity utilisation has improved in some of the business centres in Turkey. Macro-economic stability is very important for the

economy and, therefore, it is important to ensure that there are certain centres, as well as deterrent measures to ensure macro-economic stability, which has been done already.

The energy and telecommunications sectors are in the process of being privatised in Turkey. Telecommunications has completed that process, and in the electricity group we have been awarded contracts by the privatisation administration. These privatisation efforts have increased the share of foreign capital in Turkey.

In the future, agriculture is going to be very important in Turkey, and it will be important to have a more efficient agricultural sector. If that is achieved with lower employment it will be possible to feed the country. It is a sector with a lot of potential for cooperation between Turkey and Spain. Advanced agricultural techniques, biotechnology and other new technologies could be made use of in the agricultural sector to render it more efficient.

Foreign direct investment is being supported, and there is still some distance to cover in that area. Infrastructures, telecommunications and transport are some of the other areas where investment is currently being carried out, and this is leading to more efficiency in those sectors, so much so that on average Turkey performs better than most EU Member States. Recently, international holding companies have been focusing more on R&D and Information Technology. Use of the Internet and computers is also widespread and it has already been disseminated in

schools in primary level education and, in some cases, even in kindergartens.

Turkey has a population of 72 million people, which in itself is a very big market, and there are still untapped underground natural resources in Turkey which have not yet been used, such as uranium.

As the participation of women in the workforce continues to grow, we will see a great increase in GNP. There will be very important employment opportunities in the services sector.

My group has been working on carbon production. Carbon fibre is very important in industrial applications, in the energy sector, in pressurised tubes, in sports material, in strengthening buildings against earthquakes, in the aircraft industry, in the automotive industry. So this is a sector with widespread use and potential for cooperation.

# THE NEED TO AGREE ON CONCEPTS AND FACTORS FOR COOPERATION

**Francisco Marín.** Chairman of Núcleo, Spain

First of all, let me say that the decision I made long ago to come here was very much the right one. It was 20 years ago when we chose Turkey for our first internationalisation experience, a country that, at the time, was so unknown to Spaniards and to other industrialised countries. We have been working in Turkey for twenty years, so I can speak with the voice of being both a Spanish company and a Turkish company at the same time, because a great deal of the work that we have done in the last twenty years has been developed by Turks, managed by Turks, with Turkish engineers, with Turkish solutions, for Turkish markets. So, for me, it is an honour to say that I am not speaking as a Spanish company that comes to do business in Turkey, but rather as a Turkish company that is doing business in Turkey and in other parts of the world. This is proof of the theory we are trying to define today, that cooperation between Spain and Turkey can create positive results. I think that Núcleo is already one example of the results of that cooperation between the two countries.

Núcleo offers solutions, control systems for energy, railway, aerospace, environment, communications, and industries. We give intelligence to networks, based in five different divisions that cover the entire world. We have eight subsidiaries throughout the world, and up and running operating systems in more than 45 countries. Much of this work has been carried out in Turkey and I can very proudly say that the complex systems that we have up and running in this country such as water-management systems, train

management systems, the high-speed train that is being developed here, the Antalya tramway, hydro-electric power plants, other energy plants in general, sea navigation control systems, gas control systems, oil control systems, have all had the participation of Núcleo, based on significant investment and research and development to which we dedicate more than 6 per cent of our annual revenue.

The first client that Núcleo had when we came to Turkey was the authority in charge of the water supply in this wonderful city that we are in today. Our most recent project, twenty years later, continues to be with them. The only thing that has changed is that the project now is about fifteen times bigger than it was back then, which shows that if you work well you can get the clients to come back time after time, which is essential to business. We have not only carried out such operations for the Turkish market. I can tell you that we have used all kinds of Turkish production factors, and they were from Turkey in every sense (manpower, engineers, maintenance, components...), for projects we have developed in Kazakhstan, Egypt, Algeria and Lebanon. So we are a practical, concrete example of the way in which collaboration between two countries, which are so close and yet so far apart, is possible. So from this point of view, and since I consider myself to be a great friend of this country and of the clients I have here, I would like to say something that we say in Spanish. In Turkish you say: "Friends are the ones who say the hardest things to hear." In Spanish we

say: "Those who love you make you cry." So let me say something about that relationship between our countries, because there are some small problems involved in the relations between Spain and Turkey that can be improved.

I would like to comment about *time* in Turkey. The time taken to make decisions here is quite a bit slower than in other markets. I am used to offering solutions in many places of the world, and I can say that in Turkey they taken a long time to finish a negotiation process, in terms of finishing the contract and starting up the project. I firmly believe that a Turkey which is more incorporated into other markets would have an impact in making money, because time is money. I would urge my colleagues here, from a country that I consider to be my own as well, to make their decisions a bit more quickly.

### The time taken to make decisions in Turkey is quite a bit slower than in other markets

The second matter has to do with the interpretation of commitment, with things signed. There is a tendency in this country to interpret contracts in their own particular way. I think that the Turks are like the Spaniards in interpreting contracts in a certain way, of saying, "Well, one thing is what we might have written down but what we actually have to do is different." That can sometimes create a great problem because often we begin with certain commitments and we do not know if they are going to be met or not.

Lastly, a third issue regarding Turkish clients. We have had experiences with Turkish partners outside Turkey. When I talk about consortiums and the ability to repeat an experience together, it can sometimes be difficult. There is an expression in Turkish that says that Turks are lone wolves. I believe that perhaps they must learn a bit more to be part of a pack.

We have to look at the difficulties that the Spanish and Turkish companies have in competing and in maintaining the growth levels that we have seen. If we want to maintain those levels of growth and enable our companies to grow in the way that Técnicas Reunidas can do, or Núcleo has done by multiplying its turnover by more than ten over the last few years, we have to cooperate because it is not going to be so easy to grow like that in the future: market conditions are going to become much more difficult. Therefore, it is going to be necessary to set up more partnerships, create more cooperation, not trying to start things all over again from zero. We have to move towards greater collaboration, which demands that each person needs to be humble enough to be able to admit that this is a partnership and that it requires collaboration. So I think that Núcleo is a good example of how such operations can be carried out, which we have proved by bringing many Spanish companies here in our name to get involved in different Turkish projects, and it has worked quite well.

I must say that we have enjoyed very good business and have got very good results here. Turkey for us is an example. I would like to finalise with these words, which I have said out of total friendship and total sincerity towards my country, because I do feel Turkey to be my country.

# CULTURE AND SOCIETY: SPAIN AND TURKEY, FROM TRANSITION TO MODERNITY



# COMMONALITIES OF THE TRANSITION PROCESSES

**Narcís Serra.** Former Vice-President of the Spanish Government, President of Caixa Catalunya, Spain

Spain and Turkey are two countries which have historically experienced difficult situations, difficult confrontations, leading to war in many cases and which, after fighting for many years in order to be hegemonic in Europe, today cannot see any other way to defend their own interests than dialogue. Both countries know, and their societies know, that dialogue between the two countries and cooperation within the Mediterranean area will strengthen the sovereignty of these countries. This is something that is implicitly, if not explicitly, clear in the public opinion of both of them. Today, a country does not have more sovereignty because it can restrain other countries from engaging in their issues; today, countries have more sovereignty because they have influence in the global scenario. Right now, for medium-small powers such as us, dialogue, debate and structuring new alliances or cooperation will help us to reach this objective, which will be much better than the possible use of force. I understand the situation in Turkey is different because it is surrounded by countries with conflicts while that is not the case of Spain. But I believe that the society, in a very short period of time, 50-60 years, has changed their mind. They thought that the armed forces were a tool of the power of a country with respect to third countries. After the Second World War, this direct use only created disasters.

Then, public opinion accepted that the armed forces should be a deterrent, to dissuade but not to be used. Right now, however, I believe that we are

developing the theory that the armed forces must be at the service of the law in order to prevent conflict at an international level, because today all conflicts taking place throughout the world affect us all.

Our two countries and both civil societies can definitely dialogue productively. Both countries, with Spain just a few years ahead, but not many, have experienced transition processes towards democracy. Not long ago both countries had authoritarian regimes, dictatorships. That is no longer the case.

This is a delicate issue as I believe that the experiences of a country are useful for another country, but I also believe that no countries can give lessons to others. However, if we know how to be prudent, understanding we do not need to give lessons but rather to know that the processes of others always have useful elements when it comes to the management of our own affairs, then the debate on our transitions becomes useful.

In this regard, I would like to point out how I believe this is more useful. Is the debate about our transition useful for public opinion in Turkey? Yes. Is it useful in Spain? Yes. But I believe that where it is most useful is in third countries, if we are able to project the debate about our own transitions. In the Mediterranean area, the Turkey-Spain debate about transition may be very interesting for many countries in the area, which will be able to see from two different social and geographical perspectives and two different starting points how to generate processes for dialogue.

This dimension of not limiting the Spain-Turkey dialogue but rather trying to have an effect that goes beyond this bilateral relation to have wider consequences should be our purpose, the objective of this forum. In particular, I have talked about the armed forces before but, given my background, very often I find myself explaining situations of transition in the military and I am sure this is a field which we can work on together.

### Both countries offer Europe different perspectives on how to define Europe

This particular field, the armed forces, allows me to highlight dialogue, which may be useful in Spain because this is a pending issue. After all, accommodating service to the civil community is never-ending, so accommodating an evolving democratic system is something we must always monitor. Even in the US, President Clinton had problems, very serious problems, related to the civil control of his armed forces.

This debate may be useful in Turkey, may be useful in Spain but, above all, may be useful for countries near Spain and Turkey which are observing our situation and how we are addressing the issue. I am convinced that there are many other fields in which this dialogue – education, justice, health system, welfare and so on – may be useful. This debate will definitely be used in several other fields.

I agree with what has been pointed out this morning. Marcelino Oreja Aguirre mentioned that many people said that when we discuss relations between Turkey and Europe and the integration process, we are immersed in the definition of the boundaries of Europe, which is a key factor defining Europe. We had the same discussion in Spain, but in another form.

When I studied at school we had a subject which under Franco's dictatorship was called "Training of the National Spirit". That was the only subject where the teachers were not from the school but rather from the political party. I had a textbook with

a chapter whose heading was "Africa starts in the Pyrenees". The Spanish regime, which did not feel as if it was part of Europe, taught children that Spain was not part of Europe. Spain was Africa, because Africa started in the Pyrenees.

When it comes to defining Europe, as has been mentioned this morning, we must say that there is a very important aspect which we must all resolve. We must avoid an existing danger, which is to define Europe by virtue of religious elements, conforming Christianity. Therefore, Europe would be the geographical area in which Christianity has created a civilisation. This is a tremendous risk for Europe, and the best way of combating this is by addressing another issue, by including Turkey.

Yasar Yakis said "Europe is defined by its values, not its religions." This is crucial. There has been dialogue about this in a country such as Spain, which has a background where religion was important – not only this, but there have been fights for religion, and historical intolerance. We cannot be satisfied with how Spain historically resolved religious diversity. We cannot be happy, but it is something real, something that happened. So Spain has this history, and Turkey has its own history of course. Both countries contribute to a dialogue revolving around these issues and offer Europe different perspectives on how to define Europe. I believe it is a contribution which is of the utmost interest for both societies and for Europe to assimilate.

In conclusion, I think that a forum like this must discuss issues which are interesting for Europe and Spain and also issues relating to Spain and Turkey but we should not limit ourselves to this. I propose that we henceforth discuss issues of interest to Spain and Turkey but which involve Europe in one way or another. For instance, how Turkey and Spain are creating or implementing policies to address the global financial crisis or reinforcing security measures in Europe. I think that, as much as possible, we should discuss issues that are of general interest for Europe and we should find common ground between Spain and Turkey.

For instance, another issue for the future would be Mediterranean policy and European policy regarding the Mediterranean. In this sense, the Union for the Mediterranean, whose headquarters will be in Barcelona, can be a good example. How, for instance, would Turkey and Spain want to create and promote European policy regarding the Mediterranean? These are things that I think we could work on in the future.

Allow me to conclude by saying, given my background as former mayor of Barcelona, that we would like to foster and encourage relations between Barcelona and Istanbul. There is so much common ground. This is something that would unite us even more and could be an axis, a very solid basis, for the strengthening of relations and discussions between Turkey and Spain.

# HISTORICAL OVERVIEW: COMMON PAST AND SHARED EXPERIENCES

**Pablo Martín Asuero.** Director of the Instituto Cervantes in Damascus, Former Director of the Instituto Cervantes in Istanbul

I will try to summarise what happened in Spain and Turkey from the 18th century until the beginning of the 19th century.

In the 18th century there was a change in the political mentality of both Turkey and Spain. The 19th century was one of political, social and cultural crisis, but at the end of the century the foundations of modern Spain and modern Turkey emerged. At the beginning of the 20th century this crisis was maintained until the twenties and thirties, when the Republic of Turkey and the Republic of Spain were established. The beginning of this political transformation of the two large Mediterranean empires of the 16th century started in the 18th century.

In Spain, there was a change from the royal family of Habsburg to the Bourbons, and the grandson of Louis XIV of France arrived. With him the ideology of the Enlightenment came to Spain and we entered the era of the Family Compact because the Bourbon family was present in Italy, France and Spain. We must bear in mind that one of the first countries to act with the Ottoman Empire was France, which had as a common enemy Charles V of Spain and Charles II. In this context, the peace treaties of 1782 and 1783 were signed – their anniversary was not long ago – by Charles III, King of Spain, who was also known as the best Mayor of Madrid. He was one of the Enlightened Monarchs who transformed Spanish culture.

In Turkey from 1703, under Ahmed III, the so-called Tulip Era started, in which the relations with the Wes-

tern world changed, embassies were established, and one of the outcomes of that exchange was *à la turque* music. We have examples of *à la turque* music in Beethoven, in Athens, or operas by Mozart. That is when the so-called *turqueries* were popularised.

The good relations that developed at the end of the 18th century between Spain and Turkey disappeared at the beginning of the 19th century with the invasion of Spain by French troops. The French troops, led by Napoleon, also attacked the Ottoman Empire. They reached Egypt and from there they conquered Palestine, St. John of Acre, where they withdrew.

The arrival of the French troops in Spain marked a time of instability. The colonies in South America took advantage in order to gain independence. Those years, the first decades of the 19th century, was a very confusing period, for both Turkey and Spain. Most of South America gained independence, except the Caribbean, and a kind of civil war took place in the Ottoman Empire. Moreover, an insurrection movement by the Wahabis took place in the Arabian Peninsula. This was also a period of conflict because several Sultans arrived: Selim III was murdered, and Mahmud II came after Mustafa IV.

The Spanish royal family also went through a very confusing period because, when the French troops arrived, a change of kings took place from Charles IV to Ferdinand VII. Then Napoleon brought his brother, Joseph, and then Ferdinand VII returned. In the 19th century, as we can see, both in Turkey and Spain, the role played by the monarchy was not the

same as that played in the 18th century or during the period of Charles V, Philip II or Suleiman. However, liberal ideas gradually started to penetrate in Turkey and Spain. On the one hand, Mahmud II published the Edict of Gulhane, a kind of Magna Carta, a Constitution, and, on the other, the succession to the Spanish throne of Ferdinand VII went to his daughter, Isabella II, supported by the liberals. At that time a very curious thing happened in the history of Turkey and Spain. Ferdinand VII died having two daughters and his brother did not recognise his niece, Isabella II, who was five years of age at the time. However, liberal Spain did recognise her. Then the United States, France and England recognised her, and Mahmud II, who was Sultan at the time, also recognised the Spanish queen. So then Spain and Turkey were part of the so-called liberal nations of Europe, as were France or pre-Victorian England. Because among other things they had a common enemy: conservative Europe, the Russia of the Tsars, which did not recognise Isabella II and tried to gain access to the Mediterranean through the Ottoman Empire. This conflict came to a head in the Crimean War. Spain did not take part in that war, but Isabella II sent General Prim to the Danube before the conflict ended and then she sent some warships to the Crimean Peninsula. So the Spanish could see a very nice picture of Andi Mejid giving the Sabre of Honour to General Prim, one of the most important military men and politicians in 19th century Spain and one of the representatives of liberalism.

A series of reforms, known as Tansimat, took place, and several legal texts were published. At that time in Spain the Carlist War between those in favour of Isabella and those in favour of Charles ended. So in 1868 the first revolution took place and Isabella II had to go into exile in France. Later, a new king came, Amadeo of Savoy. The result was not very positive and something quite rare happened in Spain, the creation of the republic.

A country with a history of monarchy turned into a republic. That did not work, and then the son of Isabella II, Alfonso XII, returned between 1868 and

1874. During this time in Turkey a series of changes took place revolving around the monarchy. Sultan Abdülaziz was brought down by a revolution. A new Sultan, Mahmed V, gained power and was said to have several mental disorders. He did not last long, only a few months, and then Abdul Hamid II came. After him, a very exceptional thing happened in Turkey: a parliamentary monarchy was established. As we can see, the value of monarchy and its role in Turkish and Spanish society at the end of the 1860s and in the 1870s started to change dramatically in both societies, and these kings were replaced by political elites.

1876 was a year in which Turkey and Spain drew up new constitutions. A few years ago we organised a session in Antalya, and Carmen Vázquez, an expert in the subject, talked to us about constitutionalism in Spain and Turkey in 1976. I think that is an issue which in the future we could really work on. When monarchy weakens, new changes take place. For instance, in Turkey, nearby imperialist countries took advantage of the situation, the Russo-Turkish War of 1876-7 took place and the Ottomans withdrew from the Balkan region.

### The 19th century was one of political, social and cultural crisis that ended in the foundations of modern Spain and Turkey

That was the time when Romania, part of Bulgaria, and several other regions gained independence. The Ottoman Empire lost three quarters of the Balkan region. So at the end of the 19th century the Ottoman Empire only had Egypt and the area of Israel and Palestine, and Spain only had Cuba, Puerto Rico, the Philippines and a few other territories in Guinea and Morocco. So both empires were very much weakened.

In 1897 a war between Turkey and Greece took place in which they lost Crete. In 1898, a war between Spain and the United States also took

place, with the loss of Cuba, Puerto Rico and the regions in the Caribbean. So, we can see a very similar story for both countries.

In the 20th century Spain did not take part in the First World War, remaining neutral. In Turkey, before taking part in the First World War, the Young Turks movement of 1908 and a series of independence movements took place in the Balkan areas. Before the First World War two Balkan wars were fought. Turkey reached the First World War very tired, after internal and external problems and conflicts. Interestingly enough, during the First World War Turkey asked for peace through the mediation of Spain, which was one of the very few neutral European countries.

### Between the 1860s and the 1870s both kings were replaced by political elites

With a network of consulates in the Eastern Mediterranean region, the ambassadors of Spain represented the interests of the countries taking part in the conflict, such as those in Damascus, Jerusalem

and Istanbul. In the summer of 1918, Turkish diplomacy used Spanish mediation to request the end of the World War, and that took place with the Armistice of Mudros in October.

The monarchy was weakened. In 1923, the republic was established in Turkey. The monarchy, the Sultanate and the Caliphate were abolished and the republic was proclaimed. During the same period, in 1923, the coup d'état of Primo de Rivera took place in Spain, which was recognised by Alfonso XIII, King of Spain. That situation, similar to the one in Italy, with Mussolini and Vittorio Emanuele, did not give a positive result, and the Spanish people finally voted for a republic in 1930. The Spanish Second Republic and the first Turkish Republic were very close in time, but the results were very different. The Turkish Republic evolved to the current republic, whereas the Spanish republic ended with the Civil War, which destroyed Spain between 1936 and 1939, with the start of Franco's dictatorship.

So the development of both countries has many things in common. We have a common past and we have shared many experiences.

# KEY ELEMENTS FOR SUCCESSFUL TRANSITIONS IN SPAIN AND TURKEY

**Lluís Foix.** Political analyst, Spain

I will talk about transition to modernity and parallelisms between Spain and Turkey. I believe there is a parallelism, a good one, but it has brought about a negative parallelism. Both countries have had the wrong allies in the 20th century, first in 1914 and secondly in 1939. This is the negative aspect of the alliance, but it is true that this alliance with the defeated party was an element of balance, to the extent that, if Spain is in the EU and has received so much money from EU institutions, it is basically due to Germany. I believe Turkey could say exactly the same. Therefore, we have had two mistakes and two good solutions, because it is after all a mistake to make an alliance with the defeated party.

Apart from parallelisms, I will talk about what I think the Spanish transition has been. There are many things that are similar to the situation in Turkey, although the decisions adopted in Spain are not the same as those adopted in Turkey. I have visited Turkey about twelve times now. I have read the last Nobel Literature Prize book by Orhan Pamuk, whose translator is here. I fell in love with this book. I wrote an article in 1983, in which I summarised a two-day excursion on a bus to Anatolia, a bus full of people and journalists travelling to villages. By then Turgut Özal had won the elections and that changed Turkish politics, which has experienced several difficulties.

For both Spain and Turkey, the 20th century has been a disaster, with changes of regime and coups d'états. And, needless to say, during the 19th century Spain

had three civil wars, the marks of which are not erased yet. You had an empire which could not be controlled, and we could not control the situation either.

The Spanish transition was no more than an agreement for social and political coexistence. The Constitution of 1978 was an agreement so that Spanish citizens could live in peace, in coexistence and with peace of mind, not to forget the past but not to think about the past in order to build the future. That is the transition: it is a coexistence agreement in a country in which living together has been very precarious, sometimes non-existent. We have changed from a monarchy to a republic, and we had a Civil War, a dictatorship, and then the transition to the democratic system, which has turned Spain into a modern country with all the fragilities that all democratic systems have.

Why has Spain moved forward, progressed? Because Spain started to be a free country with the transition. Freedom is what makes people progress, not the International Monetary Fund or the World Bank. In the background of what has been called the Spanish miracle there has been an ongoing economic growth, accessible education for all the population, a free health system and a wide range of freedoms promoted by democracy.

I sometimes think that Spain has too much freedom in the sense that we do not need that much. But it does not really matter because freedom does not imply anything negative.

However, I would like to point out a few elements which I believe are basic in order to understand what

the Spanish transition has been, elements which are related to the Constitution of 1978. It stipulates that freedom, equality and political pluralism are core values. It also asserts that the confessionality of the state must be equal. There must be plurality of religions, so as to achieve the aconfessionality of the state, and for people to live freely.

### The regional autonomous system means sharing wealth, administrative and cultural power and decision-making capabilities

Countries do not change easily. This idea that countries change is not true. Countries do not change, they evolve. Countries do not have permanent pictures, permanent photographs. The picture of Spain and Turkey of 1930 has nothing to do with that of 2009. It is a different picture that changes. However, what is durable is the background, the spirit of nations. Bernard Shaw said: "As an Englishman, when I open my mouth, that is my income, because if an English person speaks well he will earn a good amount of money."

There are four elements I want to focus on, beginning with the armed forces. According to the Constitution established by the powers, their aim is to guarantee the sovereignty of Spain, to defend its territory and to guarantee the constitutional order. A former Minister of Defence is here, Narcís Serra, and I believe that Spanish citizens as a whole have not congratulated him enough for his work. He modernised the armed forces and that was not an easy task at that time, after the coup d'état of 1981. In Spain, now, we see that most Spanish citizens do not want to save their nation. The armed forces in Spain are created to take part in peace missions and so on, but when someone sees a soldier in Spain it does not impress them. Nowadays the armed forces in Spain do not make people feel afraid. I think you should also learn this lesson in Turkey because in Spain it worked really well and, whenever there is some kind of problem,

nobody thinks that the armed forces will take power, the armed forces will not intervene.

Another important aspect regarding the transition is decentralisation. The Constitution in Article 2 states that Spain is indivisible and it guarantees the right to autonomy of the various regions forming part of Spain, and solidarity amongst them. This is not a closed issue. The Constitution is 31 years old and this issue has not been concluded yet. I think it no more than resolving a historical issue with two territories, the Basque Country and Catalonia. That was not addressed properly and people who were in government did not want to admit that it should have been done. It is not about money, it is about recognition. The regional autonomous system in Spain has been very important, and I believe it should also be important for Turkey because the regional system has implied sharing wealth and decision-making capabilities. It has also shared the administrative power, media power and cultural power to the extent that nowadays some people who, from several very legitimate stances, say that Spain is breaking apart. I would say that there has never been so much unity. Spain has never been as strong as it is today because of its centralised power. In this regard I think that we should move towards a federal state. This fragility of the state makes it stronger, more plural, fairer, and it avoids problems.

Another element is justice: the transition of justice in Spain has been a failure. The judicial reform has not taken place, not so much due to the dictatorship but because there has not been a modern legal reform. There are many things in the Constitution that are not decided on legal grounds but on the basis of political party perspectives, because this depends on the appointment of political parties. In some countries, like the United States, it is only the Supreme Court that deals with this kind of issue. I think that this reform in Spain still has to be carried out, not only in the Audiencia Nacional, in the Public Prosecution Office, but legal experts, politicians, sociologists, university experts must get together in order to plan this reform.

The last element is Europe. We joined Europe in 1986, after presenting the adhesion agreement in 1982. In 1986 Spain became a member of the main political spheres in the EU. Spain joined as a natural member, despite the things that happened in the past and despite what happened in the 20th century. For Spanish citizens, Europe is a guarantee of Spanish stability. It is a guarantee, not only because you can access any country you want inside the EU with your passport, but because the ghosts of the past will not be taken into consideration by Europe. As was said this morning, we must avoid protectionism. If there is protectionism in Europe, then we will encounter problems. The state is stronger in Spain, because it is voluntarily subject to international legislation and to autonomous legislation. Not everyone agrees with that but I think this has been the key in Spain, and it should be highlighted.

I believe that what we must do in Spain is to rethink our policy, our economy, our internal relations, and you in Turkey need to do the same.

This is the era of responsibility, as President Obama said. This is the era of responsibility and, above all, this is the era in which we cannot live if there is the possibility of a war on the horizon. We cannot live like this, because the culture of Europe is the culture of peace. It cannot be a weak culture of peace, of course. The culture of peace is a culture based on responsibility, on seriousness, on hard work, on being a trustworthy country. This is the culture we must all strive for: a culture which has been ignored in one way or another in Spain and Turkey for many years, because in this regard we have been marginalised. Because this is what both the Spanish and Turks want.

# CULTURE AND SOCIETY: INSTRUMENTS OF BILATERAL COOPERATION IN CULTURE AND EDUCATION



# INTERCULTURAL DIALOGUE: A COMPLEX MUST IN TODAY'S WORLD

**Carmen Caffarel.** Director of the Instituto Cervantes, Spain

These first years of the 21st century are noticeably changing the parameters that have governed us for many years. Today we live in the era of communication, of information, of immediateness, an era of the transfer of facts in real time, in a globalised world, in an interconnected world, a world focused on communication. This need could be seen this week in London owing to the search for global solutions to the world crisis. In this globalised world, values such as cultural action and educational action provide foreign policy actors with opportunities, independent of the importance of nations. This is an important factor to bear in mind, traditionally focused on international democracy, which promotes new channels for dialogue and can bridge cultures, democratic values and civilisations. The relations between cultures are undoubtedly more complex to manage than relations between states. Only by assessing the existence of more than 6,000 living and existing languages in more than 200 states can we appraise that complexity. The coexistence between these languages has become an objective need, a requirement for peace.

This is the framework and the values on which the Instituto Cervantes bases its principles. I would like to focus on the role that this institution plays; an institution which is very well acquainted with the culture, education and cooperation between several different nations and cultures. Our efforts in terms of intercultural dialogue over 18 years – right now this is our 18th anniversary – have been made in diverse contexts.

From New Delhi, Beijing, the Philippines or Sidney, to the American Continent, Northern Europe, Southern Europe and the Mediterranean Basin. The task of the Instituto Cervantes has been, and still is, committed to cultural dialogue and especially in the Mediterranean area, a shared area, where the Instituto Cervantes has physical presence in Morocco, Algeria, Tunisia, Egypt, Italy, Greece, Lebanon, Israel and, of course, Turkey, by developing activities shared by people from different cultures and all walks of life and several artistic and cultural fields from the countries where our over 700 centres are located. This means that the Instituto Cervantes is a clear instrument of bilateral cooperation in terms of culture and education. This has always been so and in the case of Turkey it is still applicable. Here in Istanbul the Turkish authorities opened the doors of the Instituto Cervantes in September 2001. Ever since, cooperation, dialogue and exchange between the countries has increased tremendously by means of initiatives always aimed at promoting culture, promoting education and, of course, considering this common institution. Our centre in Istanbul has become a meeting centre, a point of reference, for all cultures and countries, researchers, artists, writers from all aesthetic fields, all theoretical fields. They want to come here and share debates, discussions, conferences and so on, on issues such as literature, stories, cinema, to mention a few. A living example, probably the most recent, of the ambition of this cooperation initiative is the exhibition on the confinements of one sea, which will

open in the Topkapi Museum in collaboration with the Museum and the SEACEX, whose President, Charo Otegui, is here today.

Coexistence of cultures has thus been a principle for peace in this 21st century, and in order to achieve this goal the Instituto Cervantes is currently in a privileged position to act directly or indirectly as a mediator and as a tool of great significance.

In this task the role played by the learning of the Spanish language is crucial. Let us not forget that learning foreign languages enables understanding, tolerance and respect towards the various national identities and regional identities. A new language learnt is a passport to gain access to a new culture, to know the world from a different perspective. Let's make the effort to learn those languages, and let's not think with only one language that includes us all. In the century of information technology and commu-

nication, let us not neglect the new tools for bilateral cooperation. I am talking about the Internet, cyberspace and television. They are increasingly forums for interactivity, dialogue, diversity and learning for various languages. With this I would like to say that this virtual space opens new unimaginable horizons. Today in Istanbul we are thinking about culture and education, and with this reflection many people will be able to take part on-line, simultaneously, and we are just at the beginning. The future will enrich the possibilities of this cooperation in terms of culture and education, and it will generate new tools, not only bilateral but also multilateral. The globalised reality requires us to look for the best method for this communication between various cultures and societies, and is a good tool for understanding and integration. These are our main challenges. In order to address them we must put all our efforts into it.

# PERCEPTIONS: A KEY FACTOR TO INTERACT WITH THE OTHERS

**Ilter Turan.** Istanbul Bilgi University, Turkey

In reference to the opening of the Instituto Cervantes in Istanbul it has to be mentioned that when it started, much to the surprise of the institute itself, the demand for learning the Spanish language was so great that the Istanbul Bilgi University had to come in to help. At the time I was the Rector of Istanbul University we were actually offering courses in Spanish, so the overflow came to the University. That window of opportunity has continued to operate through time, and we have engaged in other endeavours. We certainly look forward to broadening this little window that was opened in 2001. In fact, we should be working together so that you take us to Latin America, where you know more and we know less, but we certainly welcome more cooperation.

We are here to discuss instruments of bilateral cooperation in culture and education. Let me make three observations about culture. First of all, people make judgments about each other through using stereotypes. In most cases, people make judgments not on the basis of information but on the basis of mental frames, the validity and the reliability of which are certainly often to be questioned.

Secondly, people feel closer to cultures with which they are familiar. Let me emphasise that by familiar I do not mean necessarily similar. Similarity might constitute one basis on which familiarity is built, but certainly it is not the only basis. You may learn about a culture that is very different from yours and you may still feel good about it because you know about it.

Finally, how people view other cultures is often a matter of perception rather than substance. In other words, people tend to perceive things rather selectively using cognitive maps, and essentially that cognitive map is often a determinant of what you see and what meaning you give to it, and this may have very little factual basis.

I made these observations mainly to lead us to the topic of discussion this afternoon, because it is through these instruments of bilateral cooperation in culture and education that we may affect these cognitive systems. We may also provide the informational basis on which these systems are formed, so that we can establish better relations. I would propose that substance is important in framing perceptions, but we have to work on perceptions as well, and perceptions are affected by fashions, by contemporary politics and economic interests.

Let me just remind you that there has been a lot of debate on who is to be the Secretary General of NATO lately. Apparently some *modus vivendi* has been achieved, but it was a painful process. In 1946, when Turkey was suggested as a possible country that might be included in NATO, nobody thought it possible because Turkey was outside the Atlantic Community; it was of a different culture. Three years later, it seemed that Turkey was a part of the Atlantic culture. By 1952 Turkey was an integral part of the Atlantic Community. It is now such an integral part that it is fighting inside NATO to determine who the Secretary General is to be. So I would just like to

suggest that we are dealing with a highly fluid phenomenon in which instruments of bilateral cooperation in culture and education can be tremendously helpful, and there are many ways of doing this: tourism, many exchanges, reporters, television and, of course, in our field we know about the Erasmus Programme, which is proving to be extremely useful and extremely effective, because many students come and go and they have different opinions soon after their arrival in a country. It is therefore important to

pursue cultural exchanges in a very forceful way. As I was listening to the earlier panel and to Pablo Martín Asuero's comparisons between Turkish and Spanish history, I had two different reactions: as he was talking about Turkish history I said, "I know all this," but as I listened to his account of Spanish history I said "I know very little." Therefore, this sort of comparison was extremely useful and this points to the necessity, for example, of more books about Spain in Turkey and vice versa.

# CULTURAL COOPERATION AS A FACTOR BRINGING TOGETHER SPAIN AND TURKEY: TWO GATEWAYS TO OTHER CULTURES

**Nuri Çolakoglu.** Executive Committee Member of Dogan Yayin Holding, Turkey

I would like to ask you all to visualise a Mercator projection of the global atlas. When we look at this map, if we take the line from the North Pole coming down to the South Pole, and if we draw another line coming from the very east to the very west, where they cross is right in the middle of the Atlantic, which happens to be the centre of the world as we know it, as we have known it in the past. When we look at the Mediterranean we see two arms hugging the Mediterranean; from the east and from the west. On the western side you have Iberia, Spain. On the eastern side you have Turkey, giving a big hug to the whole Mediterranean; we are holding it. Underneath is Africa, so we are holding Africa as well.

There is one major important component of both Turkey and Spain. They are both gateways to other cultures. Spain is the gateway to South America, a huge number of people, around 400 million, and Turkey is the gateway on three sides, one to the Arab Peninsula and Middle Eastern culture: in the east you have Iran, and towards the north-east you have Central Asia and the Turkish-speaking nations, and of course the Caucasus.

Spain and Turkey can play the role of interface for these different cultures to communicate and to link with each other. Therefore, I am taking the words "instruments of bilateral cooperation" very literally, and there are many things that Spain and Turkey can do to bring together different civilisations, different nations, different languages, different cultures, and to play the honest broker between these cultures. This,

in return, would highlight the Spanish and Turkish cultures and lift them up to a certain point where, with their long tradition, they deserve to be.

What is being done is good enough, but I think there are many other ways which should be carefully considered and developed to give more opportunities for cultural exchange between the Spanish and the Turkish cultures.

Istanbul is the European Capital of Culture in 2010, and it provides a marvellous opportunity to link up with all the other cultures of Europe. I was the Chairman of the Executive Committee of this Istanbul 2010 up until three weeks ago, and during this term we have developed a large number of projects which would bring the two cultures together and would introduce the cultures to each other. For example, one of the most fascinating projects we have been working on is Cervantes's lesser-known novel *La gran sultana*. Everybody knows about Don Quixote, but little is known about *La gran sultana*.

Cervantes lost his arm fighting against the Ottoman Navy and later became its prisoner of war, but despite these bitter experiences, he turned out to be very humanistic, writing a very loving book about tolerance and cultural understanding. Unfortunately, this book is very little known, not only in Turkey but also around the world. So we thought that it would be a marvellous opportunity for a dramatic re-enactment of *La gran sultana* in the locations where all the action takes place, Topkapi Palace and around the historical peninsula, in a theatrical presentation.

Luckily, the Instituto Cervantes has taken up the idea. They are in contact with the State Theatre in Ankara and, probably, if there are no further obstacles along the way, in 2010 we will have an opportunity to stage *La gran sultana* as a corporate action of Spain and Turkey, which would be marvellous. I am pretty sure it will have many repercussions, not only in Spain and in Turkey but all around the world.

### **Istanbul is the European Capital of Culture in 2010, providing a marvellous opportunity to link up with the cultures of Europe**

I think a creative production of such a play would make a good piece in introducing coexistence and cohabitation of cultures, and it could tour many other places.

Last year we organised a festival of the universities of Istanbul – you might be surprised to hear that in Istanbul we have 24 universities – and this year we are organising a festival of theatres of Turkey in Istanbul, in which 99 different groups have applied to participate. In 2010 we will be having a European Universities theatre festival, where we are expecting Spanish university theatres to come and perform in Istanbul.

Similarly there is your proposal about Barcelona and Istanbul coming together. For this we were working on Istanbul's participation in Barcelona's Mercè Festival, and hopefully this will go ahead, offering a good opportunity to portray Turkish culture in Barcelona. We hope Barcelona will reciprocate in 2010. There are many opportunities and many creative solutions that can be further developed.

# THE MEDITERRANEAN: A COMPLEX DEEP-ROOTED CULTURAL REALITY THAT CAN DEVELOP A POWERFUL CULTURAL INDUSTRY

**Ramon Folch.** Socio-ecologist, Spain

Allow me to take on some of the issues that have been raised and, from this standpoint, to express myself in terms different from those who have talked before me. I would like to consider the social, economic and, therefore, political importance of knowledge and the desirability of establishing policies, local and bilateral, in order to move on. I will be talking about things that are very well known, but I still think it is necessary to emphasise that culture is much more than knowledge, much more than the plastic arts. Culture is the way knowledge is expressed in normal life.

It may be paradoxical that in a society which is globalised and which we call the knowledge society we do not give cultural elements the importance they have. Some of the people who have participated in this panel have expressed resistance to change. It is the same thing as saying that deep-rooted cultures do not change as the result of political change which may be transitory. As a result, all considerations up to now about the future of Spain, the future of Turkey vis-à-vis the European Union, go beyond opportunities, beyond circumstantial capabilities in the field of political management.

From my perspective, I think we should contemplate and address them from deep-rooted cultural perspectives. When I say cultural I do not mean erudite. I come from the world of science: I have been president of a technical university, the largest one in Spain along with that in Madrid, and precisely because of this I think that, without the contributions made from these institutions, all the things we are talking about may result in a series of statements which sound good but lack content.

The most important thing would be to develop a powerful cultural industry. I am willing to talk about a cultural industry. In this post-industrial period we live in, the fact of claiming the industrialisation of cultural vehicles is something we can aspire to.

I will give you two examples which are also contributions in a way.

The first one is related to the agreement reached by two of the main universities in Spain to provide our research system with two relevant instruments.

In the first case, we implemented the Mare Nostrum, which is the super-computer for university use, the largest one in Europe, and one of the five largest in the world. The fact of having one of these devices makes it possible to establish multilateral agreements with all researchers, with all companies that process a great deal of data from all over the world. Indeed, that is what we have been doing with Mare Nostrum, which we inaugurated two and a half years ago. They work 365 days a year, 24 hours a day to process data from users anywhere in the world – and they can also be anywhere in Turkey. I say this as a suggestion of the kind of industrial initiatives we are implementing, without which the generation of knowledge related to the processing of all this data would not be possible.

I am also saying this as a contribution, for you to know that this is a free-access university initiative. Of course, it has its conditions but it is free. Anyone can use it, in particular Turkish universities.

The second is that we are just about to inaugurate near Barcelona one of the biggest Synchrotrons in

Europe. This is a particle accelerator that enables us to generate light, which acts as a giant microscope, the most important one in Europe. We have been able to establish in the Barcelona area one of the largest computers in the world, as well as this important Synchrotron. This is cultural industry.

### We should be able to get together with joint efforts to generate an economy of scale as vast as possible

Probably cultural industry is as old as humanity. It is probably similar to Gutenberg, the precursor of one of the most important cultural industries ever made. After the invention of mobile devices this culture has generalised. Thanks to him books exist. It is just a comment I would like to make, because very often we forget the material basis on which culture is produced. Without the existence of theatres, plays would not exist. Without the existence of supercomputers, modern technology would not exist, and without the existence of large publishing houses, books would not exist.

What I am trying to put forward to you is that we should be able to get together with joint efforts to generate an economy of scale as vast as possible. Narcís Serra said before that the best way of generating bilateral cooperation between Spain and Turkey does not lie in the fact of looking at each other but generating projects which, though conceived by both, could be of interest to third parties. He applied that to the case of politics, but I also think we can apply this to other fields like cultural industry, in particular those with a territorial perspective.

I am probably very sensitive about this issue because that is what I deal with in my day-to-day work and in the years I have been working for NATO, the UN, and around the world.

We have been talking about the Mediterranean area, and we have ignored something essential. Regardless of the fact that Spain and Turkey belong, geographi-

cally speaking, to Europe, which is just an anecdote, what is true is that they are two countries which coexist within the Mediterranean area. This Mediterranean area could seem the result of forces that come from the south and from the north, but that is not the case. There is a whole climatic universe in the context of the Mediterranean that generates a special agricultural universe, and this is shared both by northern and southern shores.

There is the Euro-Siberian area, which in the case of Turkey extends to the basins of the Black Sea, up to Georgia. From the south we have the Saharan world, with its conditioning factors, climate factors, agricultural factors, urban factors and so on. There is a third world, the Iranian-Farsi world, like the old Ottoman Empire which occupied Anatolia.

But apart from these territorial forces, which come from the north, the south or the east, there is an autochthonous area within the Mediterranean Basin which is what in scientific terms is called the Mediterranean Biome, with its own specificities and which makes it possible in terms of culture to create classic notions such as the harvesting of vines, olive trees or yeast, basic things that are common to the Mediterranean Basin societies. This is very important, and it is so close to us that we cannot see it, as is usual in these cases.

### Encouraging a process of collection, treatment and homogenisation of data would benefit all Mediterranean countries

I think that one of the elements all the countries around the Mediterranean should address, including Turkey and Spain, is to encourage a process of collection, treatment and homogenisation of data, which would benefit all Mediterranean countries. Right now, in fact, each Mediterranean state, apart from the EU members, has its own protocols when it comes to collecting territorial data. I am talking

about climate, about availability of water resources, fire risk control, mortality rates and so on. These protocols in most cases are not compatible with each other. It is as if one gave weight in pounds, the other one in kilos and another one in some other unit of measurement. Moreover, analysis over time is not compatible because some take statistics every two

years, some every year and others every four years. So the final outcome is that we cannot manage such information.

I propose advancing together towards the definition of large products related to cultural industry on the one hand, and identifying our shared Mediterranean area as the setting where our efforts should be made.

# THREE LEVELS OF CULTURAL INTERACTIONS

**Hasan Bülent Kahraman.** Sabanci University, Turkey

Let me start with a couple of relevant anecdotes that happened some time ago. The first one happened more or less two years ago. I was living in Ankara and I met a radical who defined himself as a Marxist writer and he was, and still is, one of the most famous poets and novelists in Turkey. Soon after we met each other, he mentioned to me the French novelist André Malraux. He was also the translator of the famous novel by Malraux, *L'Espoir (Man's Hope)*, which is about the Civil War in Spain. Those were the years of radicalism both in Turkey and in Spain and he was very much into the 1970s political transformation, the social transformation in Spain, and each and every day we tried to follow what was happening in Spain regarding left or Marxist or socialist politics. Those were again the years of Mediterranean socialism, which blossomed in Spain, in France and to a certain extent in Greece. Then I started reading Jorge Semprún, who started living in France during the years of the Civil War in Spain, and then I met him personally and we had a long talk both about André Malraux and his clandestine political activity in Spain. He told me much about this transformation. Later, I told others about the famous book by Jorge Semprún, *The Autobiography of Federico Sánchez*. Semprún was an interesting guy in the sense that he used to write everything in French. But when I read *The Autobiography of Federico Sánchez*, as well as his other novels, I immediately realised that he had never forgotten his Spanish background, his early childhood years in Madrid. This is clear evidence that

culture is something not only pertaining, as my colleague just mentioned, to the visual arts or to music or to cinema, but to the holistic understanding of what someone does in his everyday life.

In general, when we approach the concept of culture from this very viewpoint, I have some doubts on the point that Turkey and Spain, or any other two countries which border the Mediterranean, or another sea, share the same culture. Yes, they would share the elements of a certain culture on certain levels of the local culture they produce, but when you move deep into the countries, then you would find the formations of other types of cultures. This is quite true, for example, both for Turkey and Spain because on the Mediterranean coast we share the culture of wine, less in Turkey, more in Spain, or olive oil or many other things, such as seafood culture, but when you move deep into Anatolia you will meet so many people living in different parts of the region who never eat seafood due to their Muslim beliefs, because according to the hallal, the religiously legitimate food, one should shed the blood of the animal. So, this shows how culture is itself such a complex concept, and I believe this is also true for Spain.

In that regard I think there are three levels of cultural analysis. The first one is the interaction between the local and the global. Culture is becoming more and more global and less and less local, even though there is a concept of "glocal." I do not believe this works very well. The global culture is imposing on the local ones.

The second is the contradiction, the friction between popular culture and high culture. Turkish intellectuals and people in Turkey know more about Spanish culture than, I believe, Spanish intellectuals know about Turkish culture in their country because through economic work and the European classics we have consumed and digested much of Spanish culture. I teach a course on contemporary art and I talk much about Picasso, for example, and everybody knows that Picasso comes from Spain, disregarding his other cultural roots, like the French background or the Catalan background, and so forth. I have another course about the major works of cinema. Next week I am going to talk about Buñuel. More and more people know about Dalí in Turkey – we had a huge exhibition here with hundreds of thousands of visitors – or Manuel de Falla, or Cervantes... I know at least two very important Turkish men of letters: one tried to learn Spanish to read *Don Quixote* in its original form, and the other, from the younger generation, every New Year's Eve reads part of *Don Quixote*, to bring him good luck. So, in a sense, he worships Cervantes. Then there is Spanish painting, the huge culture of Spanish painting, and so many other novelists. This is the difference between high culture and popular culture. What is popular culture? Popular culture

is the culture produced by the cultural industry and entertainment industry. I am not omitting or ignoring the importance of the cultural and entertainment industries, but I believe that the cultural industry, now more and more, helps the growth of global culture over the local.

### There is always a new technology imposing on the production of new cultural systems

The third one is, of course, the cross-interaction between technology and ideology. There is always a new technology imposing on the production of new cultural systems. This is absolutely true regarding the importance of the Internet, for example. Now it is much easier to find examples of the common cultural heritage of humanity, such as the examples of Spanish culture from past times.

Last but not least, I believe that today we are passing through a period which, rather than cross-border cultural interactions, I would love to call trans-border interactions which I believe will bring new dimensions to the interaction between Spanish and Turkish culture.

# THE MEDITERRANEAN: A PLACE OF SYNCRETISM FERTILE FOR CULTURAL INTERACTION

**Antonio Nicolau.** Director of Cultural Relations,  
Agencia Española de Cooperación Internacional  
para el Desarrollo, Spain

I would like to focus on four issues. I will focus on the cultural relationship between Spain and Turkey. Then I will talk about the existing change from the institutional standpoint and also from the perspective of civil society in terms of language and scientific cooperation, talking, then, about the future.

This is the right place to talk about cultural relations: one of the museums still working very hard, and which will keep working hard, as the Director said to me, to become one of the benchmark European museums with very interesting proposals in terms of culture. In particular, we are in Turkey, in the country where the city was born. Çatal Huyuk in the centre of Anatolia, next to the capital, Ankara, is where the change that took place in the Neolithic era; that is, the process of domestication of plants and animals. Nowadays we say that the city is the place for exchange, for democracy, for freedom. Well, all of this took place 10,000 years ago in central Anatolia: a society that generated the first statues, the mother-goddesses, which would be extended throughout the Mediterranean and that much later would lead to Christianity, the Virgin Mary. A society that at both ends of the Mediterranean generated a culture: Iberia, with many, many similarities, due to cultural exchanges in the Mediterranean area. A humanity that created mathematics, a society that conceived the perfection of ancient architecture or the churches in Cappadocia; while in Spain, on the Camino de Santiago, Romanesque art started to emerge in the Western World. A society that generated the Hammam culture, the decorations and the

perfection of architecture such as can be seen in the mosque of Sultan Ahmed.

I encourage you to visit the Topkapi Museum and to see the Chinese ceramics from Hindustan. You will see next to Izmir blue ceramics from Manises and green ceramics from Teruel; ceramics with Islamic influence generated by our Islamic and Christian societies in the Middle Ages. All this happens in this sea of Virgil, of Cervantes, and *La gran sultana*, which we hope to co-produce in 2010.

The Mediterranean is a space of cultural diversity for both Spanish and Turkish society: meeting points, which also means points of conflict but, above all, syncretism, the meeting of civilisations. As of tomorrow we will start thinking about this, we will think about how to address this meeting of civilisations for the future. That provides us with a different way of being. We do not need to explain that we are the same. That is not true. Luckily enough we are not the same. Luckily in our anthropological behaviour, this cultural diversity, this meeting point, gives us a way of understanding the world and projecting ourselves towards the future. That is a syncretism that both societies have expressed in a modernisation of their societies in the 20th century, and which they want to adapt because these changes are made through the will of societies, not *par hasard*.

This is bringing about a growing interest among both Turkish and Spanish societies. It can be seen in symbolic images, and it can be seen in a growing tourism, cultural tourism, not only mass tourism. I am talking

about tourism that interacts between the two societies: this large bridge that Istanbul forms between the Western and the Eastern world, and also another bridge, which is called Spain, to the Eastern world seen from the West. This is also generating a cultural change which seems small to us but which does exist. Spanish creators, who have been hired by public institutions or civil society, are present in Turkey. They explained that the company Els Comediants sets their play in Anatolia, and they will perform it in Turkey as well, and the Councillor for Culture of the Spanish Embassy is here as well. They are generating and launching programmes to encourage knowledge of Spanish culture, and comparisons with that in Turkey, in order to encourage, promote and foster all kinds of cultural programmes and initiatives. We must work on cultural initiatives producing content, as engineers and technical experts are already appropriately carrying out their work. However, humanities scholars need to do more.

### The Mediterranean is a space of cultural diversity, a meeting point, which also means conflict but, above all, syncretism

There has been an exhibition on Dalí in this museum. Spanish fashion, Spanish music, music from Andalusia and contemporary dance have been brought to Turkey.

There is an important UNDP/Spain millennium goals fund and, from that fund, more than three million dollars will be allocated to an important project in eastern Turkey on sustainable tourism and sustainable protection of heritage. But also Turkish culture in Spain is becoming more evident. A Turkish Week was held in Madrid. We are working on Turkish Studies at the Autonomous University of Madrid and, as has been said, Istanbul will be the invited city in the next Mercè Festival in Barcelona.

I wanted to devote special attention to cooperation in terms of language and in science. I cannot talk about the Instituto Cervantes in front of the Director of the centre, but I can recognise and acknowledge the work carried out by that institution promoting the Spanish language and culture. In 2008, we had 3,000 people enrolled in the Instituto Cervantes, and we are continuing to work along these lines, but we are going to grow, and we are going to work for Spanish to become present around the world. The Ministry of Education will work for the Spanish language to be present in secondary education centres in Turkey. Some are future proposals, some have already been worked on and some I am putting forward here, such as co-productions: *La gran sultana*. We must work in order to co-produce this play in 2010. Contemporary dance, music... We need to integrate a mobility network for resident artists in the Mediterranean area. We need to work to present in 2010 a large exhibition on Spanish contemporary architecture in Turkey. We also wish to take part in the Book Fair in Istanbul in 2009 and to present all new publications, and to take advantage of the fact that Istanbul will become the Capital of Culture in 2010. So I invite my colleagues from the European Institute of the Mediterranean, Sabanci University and Topkapi Museum to organise an event on the meeting of intellectuals from both countries in order to reflect on these issues and take advantage of the great impact of Istanbul as Capital of Culture. Culture is not only a tool to attain certain goals, but culture and knowledge will indeed play a key role in the knowledge society. Culture today falls between excellence, which means singularity, and proximity, which means universality, meeting the needs of all citizens and adapting itself to the world that lies ahead. Countries that care about their culture and compare it with other countries will emerge from this crisis, and these two countries do so.

# CONCLUSIONS



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AT SABANCI UNIVERSITY

**ANNUAL SPAIN - TURKEY CONFERENCE**  
**İSTANBUL, 4 APRIL 2009**

# AHMET EVIN

Executive Committee Member, Istanbul Policy Center, Turkey

As it is difficult to summarise the political discussion group because everyone agrees, my experience with our joint exercises with the IEMed, both in Istanbul and Barcelona and once in Madrid, shows that there is a great deal of commonality of purpose and vision.

Throughout the day we have talked about two aspects: firstly, the bilateral relations with Spain, of which this conference forms a part and will, in the future, be a part of the bilateral summits; secondly, the common future in the EU. The complementarity of both of these was pointed out, in that the common future in the EU is not so different from bilateral commonalities and bilateral mutual support.

There is indeed a great deal for Turkey to learn from Spain and the Spanish experience but, as was also pointed out, Turkey could be more helpful in helping Spain to help Turkey, if my meaning is clear. There was a reference in this context, of course, to the slowing down over the last three years of Turkey's move toward EU membership. The discussion on that was not very prolonged but nevertheless it was pointed out.

Commitment and singularity of purpose marked Spain's success and we might take that lesson very

seriously to accelerate the process that has not been moving at the desired speed, particularly in the last few years, as I said.

Finally, there are the similarities between Spain and Turkey, historically and in the bordering sense, as two ends of the Mediterranean. Historical similarities and similarities with respect to Spain's and Turkey's relations with the poor countries of Europe were taken up by various speakers. Similarities are important. Metaphors help us understand through a sharpened perspective on the issues. They clarify as specific examples of our understanding of these issues.

But, if I may personally add something to conclude, one could ask the question about which similarities between the two countries may profitably be emphasised, and the extent to which particularities, whether they are Mediterranean, Eastern Mediterranean or Western Mediterranean particularities, might be profitably emphasised. They are helpful in creating and strengthening cooperation but, at the same time, that emphasis should not detract from the fact that the important purpose, the important vision for the common future of both countries in Europe, lies in the sharing of universal values.

# SENÉN FLORENSA

Director-General and President of the Delegate Committee of the European Institute of the Mediterranean, Spain

If I had to give my report of what was going on in the other groups and what I heard in this group on political affairs, I would say that I was shocked because my perception was that the words were quite different, the stories being told were quite different, but the tone was about the same. It was the repetition of the same story from a political point of view, from real rather than theoretical experience: real experiences of the Spanish companies dealing with their Turkish counterparts, and of the Turkish people in the business and cultural affairs groups. It was the convergence of the two countries which, for the first time in centuries, look at each other and recognise somebody who was already there but they had not seen, and they realise that there are many similarities, parallelisms or just common points of interest.

What was certain, and it was especially clear in the business and economics group, was the perception that everybody was in favour of taking great advantage of working together, be it because of complementarity or because of our possible cooperation in European affairs, or even in world affairs, such as the Alliance of Civilizations. There was a perception that we had a great task ahead and that it was to the benefit of both countries and societies, as well as the business and cultural communities.

In the economics group, there was a clear explanation of the parallelism. Two countries that are advancing in a huge project of transformation, of modernisation, starting from very traditional socie-

ties; and the surprise was that the project on each side was about the same. Modernisation looking towards Europe; a sense of being very old and proud countries, inheriting the tradition of old empires that had been despised for so long and that are now recovering their place and their role.

From the economic point of view, it was said that in this evolution, the parallelism could not hide a lack of synchronism. In some aspects Turkey was ahead, while in others Spain was ahead. This gives room for complementarity. For example, it was said that we have many trading and investment opportunities with each other because we are very much alike.

The characteristic that was pointed out in the economics group is that most of the growth in trade is intra-industry, within the same sector. Be it in the automobile sector, the railway sector, technology or water treatment and so on. I think that was one of the best conclusions: if we work together there are many possibilities.

A lot of experiences were presented and, especially impressive is the jump right now in bilateral trade, which has increased from very low levels to an incredible 7 billion last year. It is a very impressive increase from almost nothing to such levels in only a few years. The jump is even more impressive in terms of investment. Spain now occupies 10th place in foreign investment in Turkey. Last year it was 3 billion, which is an extremely impressive amount.

Aside from this dramatic change, a lot of specific cases were presented, whether in the automobile

industry, textiles or machinery, and these are, by the way, rather traditional sectors. But what is interesting to see is that the new developments, the more recent developments, are happening very rapidly in the high technology sectors.

### The new sectors growing fast are renewable energy, water desalination, biotechnologies, biomedical sciences and the pharmaceutical sector

Based on common experience in rather traditional and important sectors, we are progressing very fast to interesting high added-value sectors of high technology, be it the high-speed train system and its control through precise systems, building and operating these high-speed train systems, air traffic control, the field of telecommunications or satellites. Given the complementarities of the countries, their similar levels of experience and processes, the new sectors that are growing very fast are environment, renewable energy, wind energy and solar energy, with many common interests in water desalination, biotechnologies, biomedical sciences and the pharmaceutical sector.

Of course, in addition, I think that everybody appreciated the presentation of the new experiences in banking and finance, as the cornerstone of this architecture, because this can have a very interesting overall influence on the whole array of possibilities in all the different sectors.

In the political group there has been a coming together, a convergence of countries from a long history of enmity or of ignoring each other. We now see there is a convenient partner on the other side of the Mediterranean, with whom to make good deals and do business, but not only in business, but in politics, international policy and culture.

There were two sessions in the cultural affairs group. The main conclusion in the first session was that the transition is a parallel process in Spain and Turkey, with a difference in time, but with many com-

mon points of interest for reflection. It was said, for example, that it was not only a political transition but also, of course, an economic and demographic one. They are similar stories, one preceding the other, so those who come later, Turkey, may observe the case of Spain and how it dealt with matters, something that came up repeatedly during the discussions.

In Spain we had a culture of confrontation, and in the transition we passed to a culture of pact and consensus. I think there is something significant in that, and it emerged as a very interesting point from the comments of both the Spanish and the Turkish. The transition was not only economic and political, but even demographic, social and cultural. It is the same story: for both countries the end of the transition is Europe, the guiding star for this process of reform and modernisation. Modernisation does not fall from the sky; it is the consequence of a process of progressive reforms maintained over years.

It was extremely interesting to hear the explanations of how Turkey and Spain presented themselves at that period of the transition, looking towards Europe as a path to their own modernisation, with their own very different heritages.

In our case, our heritage and special relations in America and Northern Africa, but especially America, is something we brought to Europe and this is an asset in our negotiations with Europe. Turkey's real asset in its negotiations is its new approach to its geo-political area.

It has been said that we are very old cultures. The city culture was born here in Antalya 10,000 years ago, and there is a parallel story because we are participating from both ends of the Mediterranean in this complex Mediterranean culture. We are cultures of syncretism and there is a growing interest in each other.

The cultural group raised many issues, not only about cooperating but also creating together. The important advances made in recent years through our cultural institutions, Turkish and Spanish, were presented. The Director of the Instituto Cervantes is with us, so I express my gratitude for what they are doing

and the possibilities for cooperation in other areas. Something that was mentioned in all discussions, in the economics group and cultural group, was about how we can work together in third countries and not only in Europe.

In the cultural group, it was specifically proposed that the European Institute of the Mediterranean and other friends such as Sabanci University should perhaps organise something in support of Istanbul as European Capital of Culture in 2010, and prepare an interesting meeting of intellectuals and writers from different countries to participate together. We are

ready, as always, to work with Sabanci University. I would like to finish by again expressing our gratitude to Sabanci University and to the Turkish Government. Both working together in this common endeavour to bring Spain and Turkey and Europe together. And we feel very much encouraged by the response to this conference today.

We think, therefore, that the organisation of this permanent forum between Spain and Turkey responds to real needs and we will satisfy those needs as best as we can in the coming years. Thank you and we hope to see you all again in the future.

# CLOSING REMARKS



# DIEGO LÓPEZ GARRIDO

Secretary of State for the European Union, Spain

This has been a successful conference and I would like to conclude by explaining what, in my opinion, are its keywords. Conclusion is the moment to summarise, to try to find the soul of the discussion, and I think we can say that there are probably three keywords to describe the atmosphere of the conference: Partnership, Modernisation and Europe.

First keyword: partnership. Partnership includes a dialogue but, more than simply dialogue, partnership means a stable relationship. Turkey and Spain have a stable relationship. Turkey and Spain are partners. Turkey and Spain have built a partnership.

Spain has regular summits with a few European countries belonging to the European Union. For the first time, Spain will have regular summits with a country which is, for now, outside the European Union.

We belong to the same military alliance, military organisation and defence organisation: NATO. We have promoted a great project called the Alliance of Civilizations.

We belong to the European area, African area and Asian area, called the Union for the Mediterranean, and I think that today we play and will play in the future a relevant role in the next institutional framework of this Union for the Mediterranean.

We have improving relations in trade and in economic questions. We share the same values and we want not only to work together but also to create

together. So we have a strategic relationship, not simply dialogue.

Second keyword: modernisation. Throughout history, from the Ottoman Empire and Spanish absolutism from the 18th century to the 20th century, the two countries have been experiencing a continuous process of modernisation.

I would like to emphasise that modernisation has been parallel during our history, with rising values such as secularism, pluralism, nation building or state building, which became fundamental in shaping the modern Turkish world and the modern Spanish world.

And the third keyword: Europe. In our globalised world, in our globalised 21st century, we share a political and cultural objective, which is Europe: we share Europe. Turks have played a major role throughout history. Turks have founded many modern countries in Asia, Africa and Europe. The same happened with the Spanish. We founded many countries in America. Today the Turkish and Spanish vocation is to coincide, to meet to strengthen Europe, because with the accession of Spain and, I hope, the accession of Turkey, the European Union is stronger. For that reason I think that to make our European Union stronger from a political point of view, a real global player, an economic power, a cultural power, we need Turkey. We need Spain and we need Turkey inside the European Union.

# MEHMET AYDIN

State Minister and Co-Chair of the High Level Group  
at the Alliance of Civilizations, Turkey

I am mainly going to talk about the Alliance of Civilizations. I know it is important bilaterally but it is also a global issue. As the report prepared by the high level group of the Alliance of Civilizations clearly states, this initiative in fact is a multi-polar initiative. That means it is about all civilisations and not only two civilisations. However, despite its comprehensive vision, the initiative clearly says that its conceptual analysis and reflections focus on "relations between Western Muslim societies." Why this emphasis? The answers, the reasons, are many.

One reason is directly related to the current climate of clash, at the centre of which stand Muslims and Islam, as I will try to explain. The theories, arguments or hypotheses claim that the so-called present clash of cultures or civilisations is taking place between the Western and Muslim societies, or between the two civilisations. If these claims were only part and parcel of some academic studies, they would not be the source of great concerns for us here. But they are not. Those claims have considerable impact, not only on the people in the street, in the Western and in the Eastern streets, but also on the decision-making community. Allow me to elaborate this point a little further. A recent report prepared by the Netherlands Scientific Council for Government Policy (WRR) states the following: "Since the terrorist attacks on 11th September 2001, there are growing concerns about Islam and Muslims in the EU Member States. By now, objections to Turkey's membership, of a cultural and religious nature, have also been raised in political

circles as well, although religion is not a part of the common EU values." Another report prepared by an independent group headed by Martti Ahtisaari, the former President of Finland, makes a similar point: "The principal hesitation and ambiguity concerning Turkey's membership of the EU are partly related," says the report "to societal and cultural differences, used as a euphemism for the religious dimension."

Let me take the debate a step forward with the help of another important contemporary writer; in other words, with another Western witness. Olivier Roy, the well-known French specialist on the so-called political Islam, says that "Since 9/11 the debate on Islam has been more confused than ever and, if anything, sometimes more nasty." Does the author exaggerate? I do not think so. Let us read the following lines by Richard Perle, the outspoken member of the American neoconservative family and his colleague David Frum: "The roots of Muslim rage," they say, by borrowing the title of Bernard Lewis' well-known article, "are to be found in Islam itself. There is no middle way for Americans. It is victory or holocaust." We all know well that not everybody in the West is like Richard Perle, Daniel Pipes or Bruce Riedel and others. Like Muslim majority societies and countries, Western societies are not monolithic. Despite the existence of confusion, misjudgements, mis-presentations and misleading evaluations, the reasonable majority in the West do not believe, happily for all of us, that Islam is *the* issue or that Muslims living in the West constitute a great threat.

The Alliance of Civilizations urges us to work with this reasonable majority, so as to forge the collective will to promote a creative dialogue and understanding, and to address the anxiety and confusion created by countless relations that are taking place between Western and Muslim societies and enhanced recently by the clash of civilizations theory or hypothesis, which has greatly and regrettably distorted the terms of discourse on the real nature of the predicament that the whole world is facing now.

### The majority in the West do not believe Islam is the issue or that Muslims living in the West constitute a great threat

To see the root causes of the rapidly growing contemporary malaise, the report draws our attention to widespread ignorance concerning cultures, religions and civilisations. Many of us worry that the ongoing order of power, which pays little respect and attention to the order of moral values, chooses military occupations, economic exploitation, and global poverty. This leads to despair prolonging a sense of injustice and alienation. Grievances are mostly caused by the so-called "political realists", whose dominant positivistic version separates the facts from the value, and have no intention of focussing on international justice, which is the cornerstone of peaceful co-existence in our global city.

The Alliance of Civilizations report also insists on the need for a comprehensive and creative self-criticism by Muslim societies which went through an agonising experience during colonial periods. However, that experience, although it is a pain in the collective Muslim psyche, should not have the power to define or determine our present and our future, and our relationship with the West.

The report says that the current predicament, from which much of the Muslim world suffers, cannot be attributed solely to foreign interference. No reasonable Muslim condones or approves horrible attacks on civilians and the killing of innocents. Acts car-

ried out in the name of Muslim societies and, from time to time, in the name of Islam itself, created a dark climate in which many Westerners began to associate religion with terrorism and to see Muslim communities in the Western countries as a potential threat to the West at large.

Many anti-Muslim and anti-Islam groups, organisations and political parties are unfortunately contributing a lot to increasing the alarm, in what is sometimes called Islamophobia, which, in its turn, exacerbates Muslim fears of the West.

What I have tried to say so far should be evaluated within the framework of the primary purpose of the analysis of part one of the Alliance of Civilizations report, which firmly believes that there is already significant concern across the international community with the rising tide of leader conflicts and a broad-based popular desire for universal human security and shared prosperity.

Since its inception in 2005, the Alliance has grown to be one of the major international projects and has received global interest. The Group of Friends consists of countries and international organisations that support the Alliance of Civilizations initiative. More than 100 countries and nearly 12 international organisations are members of the Groups of Friends of the Alliance of Civilizations. The increasing international interest in the Alliance may be taken as strong evidence that the initiative is alive, healthy and fortunately progressing well.

The Alliance has developed a certain structure to facilitate the fulfilment of its goals. In order to run financial affairs, for example, a voluntary trust fund was established in April 2007. Another important structural instrument is the Goodwill Ambassadors of the Alliance.

Due to the potential role that the media might play in the area of intercultural dialogue and understanding, a programme on media literacy was started in February 2008. Its official website creates a platform for those who are interested in media literacy programmes and allows them to meet online to exchange views, ideas and experiences.

Another important international project launched by the Alliance of Civilizations is the Rapid-Response Media Mechanism. It is a project that aims to bring together media, professionals and experts who can comment on intercultural issues, particularly in times of cultural and civilisational crises. For example, this mechanism actually played a great role in the expected effects of the so-called Dutch film on Islam, *Fitna*. Before it was shown, there was much talk among relevant societies and organisations in the Netherlands and in many parts of the Western world, including Turkey. So, we try very hard not to repeat the same experience that we had during the caricature crisis. I am happy to say that we were fairly successful, both the Dutch Government and civil society and our High Representative, the former President of Portugal Sampaio as well as everyone interested in the future of the Alliance of Civilizations.

Another project launched under the auspices of the Alliance of Civilizations is the Youth Solidarity Fund. The project supports youth initiatives that aim to bring together young people from different cultural

backgrounds, enabling them to enter into long-term constructive relationships. The fund finances youth projects in the area of intercultural dialogue with up to US\$30,000.

Youth employment initiatives, for example Silatech, launched by the Qatar Government in partnership with the World Bank and Cisco, aim at creating employment opportunities for youths, particularly in Middle Eastern countries.

Another project, the Media Fund, has been established in cooperation with business leaders and prominent Hollywood companies with the aim of preparing movies and documentaries focussing on international and inter-civilization relations.

Finally, the Alliance of Civilizations will form a global network of universities, research centres, think tanks and institutions in order to promote relations and activities among different cultures and religious groups. Only by following this path will we be able to work out a common way forward, building on the goals we share and rejecting the doomsday scenarios of clashing civilisations.

# ANNEX



**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE MINISTRY OF FOREIGN AFFAIRS AND COOPERATION OF  
SPAIN AND THE MINISTRY OF FOREIGN AFFAIRS  
OF THE REPUBLIC OF TURKEY  
REGARDING THE ESTABLISHMENT OF THE ANNUAL CIVIC  
FORUM BETWEEN SPAIN AND TURKEY**

The Ministry of Foreign Affairs and Cooperation of Spain and the Ministry of Foreign Affairs of the Republic of Turkey,

Recalling that both countries maintain excellent bilateral relations and have the political will to further improve them,

Highlighting that on November 12, 2006 the President of the Spanish Government and the Prime Minister of Turkey met in Istanbul to review the strong political, strategic, economic, commercial and cultural ties which exist between both nations,

Underlining that on the said occasion, both Prime Ministers signed a document setting a "Strategy for the reinforcement of Bilateral Relations between Spain and Turkey",

Stressing the importance of promoting people-to-people contacts and of enhancing relations between civil societies,

Aware of the role to be played by non-governmental actors such as NGOs, cultural institutions, the private sector, academicians, journalists and private enterprises,

Expressing their conviction that contacts among the above-mentioned actors would be beneficial to further improve and upgrade bilateral ties,

They have decided to set up a mechanism to hold an Annual Bilateral Civic Forum alternately in Turkey and Spain to discuss, in an informal framework and in an open spirit, political, economic and socio-cultural issues of common interest pertaining to their bilateral relations.

The First Edition of this Civic Forum has been held in Istanbul on April 4, 2009 as a leading event to the I Annual Turkish-Spanish Intergovernmental Summit which took place on April 5, 2009.

Istanbul, April 5, 2009



Miguel Angel Moratinos  
Minister of Foreign Affairs and  
Cooperation of Spain



Ali Babacan  
Minister of Foreign Affairs of  
the Republic of Turkey



