

# My time in Turkey

## My first stay in Turkey

My first stay in Turkey dates from 1979: With my –at that time - life partner Inge and my friend Rüdiger and his life partner Martina, we first flew to Istanbul and stayed therefore a night to fly to Antalya the next day. The baggage carousel upon arrival at the airport was constructed in such a way that it allowed the suitcases to pass through, but not the numerous, newly acquired items of everyday use by Turkish migrants, such as refrigerators, televisions, etc., which literally got under the wheels there.

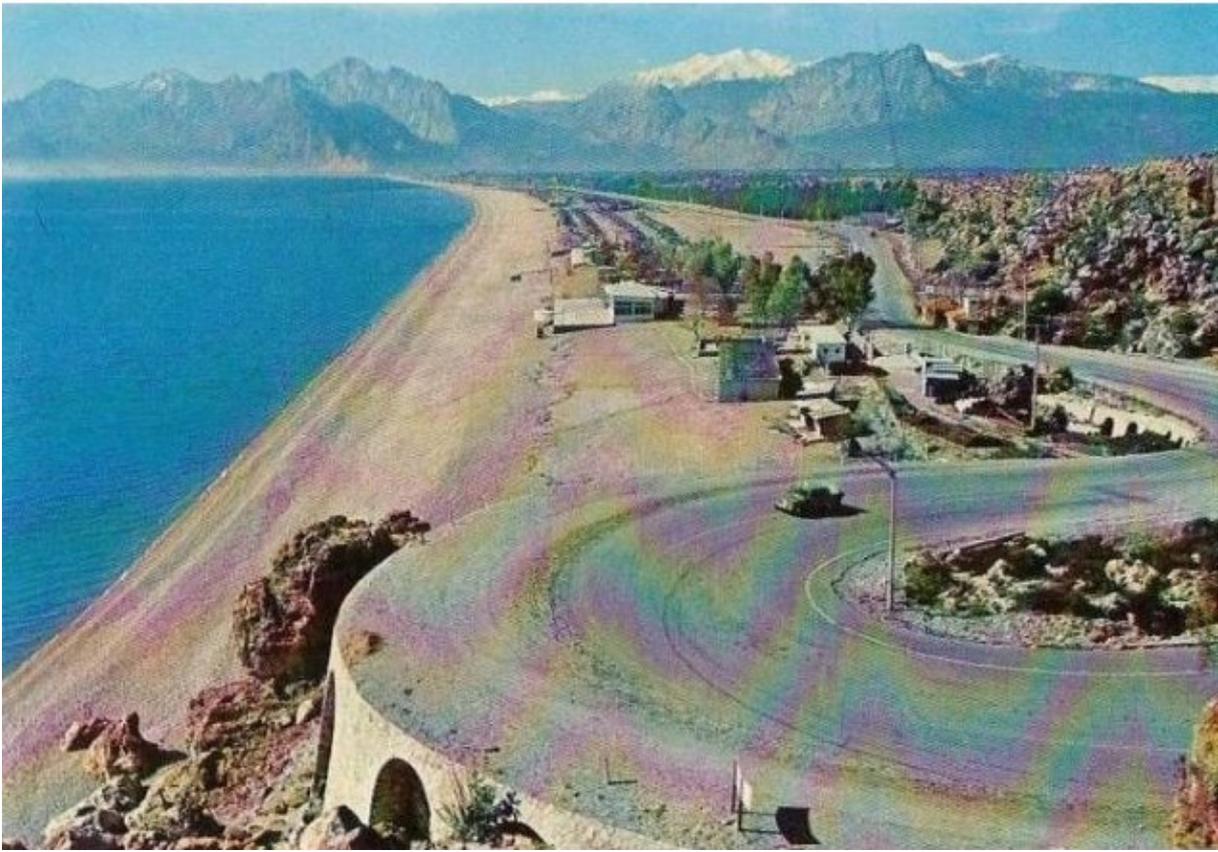
The first night near the airport in a hotel by the sea was not very funny: it was not heated and the beds were damp. The next day we should go on to Antalya. After 5 hours of waiting at the airport, we learned that our plane starting from Samsun had crashed while landing in Ankara: 3 out of 4 crew members and 36 out of 39 passengers were killed. We tried to overcome the horror with a few whiskeys.

Between 1973 and 1999, the THY highly valued today as one of the best airlines in the world had 10 crashes with 800 deaths, making it the most unsafe airline in the world during this period.

After arriving in Antalya, whose airport started operating in 1978, we were thrilled with the amenities of the Divan Hotel, which opened in 1975 and is located directly on the cliffs near the old town with sea access. The hotel had an entertainment program every night, including a theater performance by the State Theater Izmir. We became friends with the actors and spent a wonderful New Year's Eve, where we sang the “Internationale” together with our new Turkish friends - not a good idea given the tensions that existed in Turkey at the time. I was allowed to play on the keyboard in the entertainment band at the end of the evening.

The area around Antalya was hardly developed at that time. Beyond the Hadrians Gate towards Kemer there were a few newly built apartment buildings. With 50.000 inhabitants at that time the city ended here.

## Antalya Konya Alti in the 70 ties



With a Ford Transit, in which the seats were removed and replaced by small foot stools, we drove in agonizing narrowness to Alanya, which at that time consisted of an un renovated old town and a few new buildings. The old town in Antalya attracted attention through a lot of pipes in the window openings, which derived the smoke from the coal stoves and put the old town in a smog zone. There was the only one restaurant near the Hadrian Gate. Here we met a building contractor who invited us to his home and finally wanted to buy Martina from my friend Rüdiger. The return flight to Istanbul was again a nerve test. A propeller did not start at first and had to be started with an adventurous tool.

On the return flight we had a one-day stopover in Istanbul: The city made a poor impression on us. The range of goods on the markets in Sultanahmet consisted almost entirely of used goods and the all taxis had a lifespan of many years.

Political tensions were felt everywhere in the city and our hotel room was stormed by the police - a moment of shock for us.

## Project appraisal in Ankara 1988

I had my second stay in Turkey in Ankara in November 1988. Together with my SPD comrade Eckart Hohmann, who was working at the Hesse State Chancellery at the time, we carried out a project appraisal after the German and Turkish government had agreed to carry out a reorganization and IT program in the Treasury in the government negotiations on development cooperation as part of the Prime Minister's office. We also had interviews with numerous Turkish institutions outside the

Treasury, such as the Ministry of Finance. I can't remember the details. Our contacts in the Treasury were primarily with General Director Kemal Kabatas, who later became State Secretary in the Ministry of Finance, and colleague A1, whom we met again in 1992. Eckart and I spent wonderful evenings in the Iskele fish restaurant in the pedestrian zone of Kizilay, where we exchanged views about the entire Hesse leadership comrade scene in the Social Democrats - we were both longstanding members - and also about the Undersecretary and Press Spokesman of the Christian Demokrat state government, Rolf Müller, who had been my classmate in Gelnhausen and who, in his new role, messed up the operations of the State Chancellery without any administrative experience. Eckart was verbally great. Unfortunately, despite numerous alleged attempts to deliver it, he ultimately did not deliver his part of the report to me. I then had to prepare his part of the report myself without any available notices.

The city of Ankara made an uninviting impression on me at the time. It was very cold. Everywhere in the city there was a smell of brown coal, which was widely used to heat the buildings, and accordingly a lot of smog was formed. Since there were no flights to the Mediterranean, we took a bus trip to Cappadocia on a weekend and stayed there in the newly built Turban Hotel. There was 50 cm of snow and it was so cold that we had to completely change our clothes. This was difficult because winter clothing was not widely in use there.

### **Ankara yes or no**

GTZ then publicly advertised a team leader position for the reorganization and IT project in the Treasury approximately 2 years after the project appraisal. This tender failed due to a lack of promising applicants. During the summer of 1991 I received a call from the GTZ country group Turkey asking me to identify a Team Leader myself. I tried this, but ultimately did not achieve any results because IT resources in Germany, particularly in public administration, have always been scarce and the motivation to switch to a job abroad was not existing among this group of people in question. When I reported this back to GTZ, I was told that GTZ was actually thinking of myself as a TL. After I had received this job offer, I and my partner Annegret entered a week-long consideration phase:

- I remembered Ankara as a cold stone desert with little attractive leisure opportunities in the city itself and in the steppes of the surrounding areas

- After all the technical problems that we experienced in our previous PROSOZ project in Germany in the interaction of PC and mainframe environments, I considered the risks of failure of such a project as very high under the conditions of Turkey.

We then went with great meticulous attention to possible attractions and their traffic and time management, such as weekend trips to Antalya, Black Sea and Istanbul, and also looked closely at all ski areas in Ankara itself and its surroundings - without internet access, which at that time did not yet exist

I wrote a letter to the general manager Dr. Bahar Sahin, in which I clearly indicated my non-existent technical IT qualifications, but also emphasized my skills in personnel development for young people. After I received positive feedback from Dr. Sahin and the possible leisure activities had been identified, we decided to tackle the project and move to Ankara.

## Arrival in Ankara and in the Prime Minister's office

GTZ allowed me to start without the standard country preparation and to prepare specifically for the IT-technical system environment that I would find.

After a qualification phase in May 1992, which I spent on an IBM training course in Freudenstadt, the actual project work began in June 1992 and ended on April 30, 1998 after a total of 6 years and 3 funding phases. The owner of the project was initially Undersecretary for Treasury and Foreign Trade in the Office of the Prime Minister.

The project aimed to strengthen the institutional capacity of the partner institution, to build up databases for the strategically relevant fields of economic and financial policy and to strengthen the analytical competence of the partner institution.

After arriving in Ankara, the first good news was that the State Secretariat had moved into a new, 21st-story building.



The bad news was: This building, newly built by the state-owned Halkbank, had simply been taken away by the treasury, including an IBM mainframe that had already been delivered, in order to be able to satisfy its own spatial needs. It was a basic pattern of Turkish politics in the 1990s to always call on the state banks and ultimately the central bank with financing requests when the financing deficits of the state budget could not be covered by borrowing on the capital markets at home and abroad. I sat in the data center and became voluminous pieces of furniture by the state procurement office that had a monopoly on the purchase of furniture.

## The new office



Unfortunately, the newly delivered printer did not work for weeks, which meant a considerable restriction in the age of paper-based office and fax operations.

My new colleagues, especially A2, helped me in my private life to set up an apartment and an to arrange necessary registrations. We also arranged a hike to the mountains north of Ankara, to which we wanted to go by bus on a Saturday. Unfortunately none of my new colleagues had appeared at the bus station at the agreed meeting time and so we were only able to start the bus trip to Camlidere with a considerable delay. The Saturday in Turkey is not a day where the people would like to get up early

Once in Camlidere the first thing was to look for a picnic spot and the hike started with an extensive and long picnic. We only reached our destination Kizilcahaman hours after it had become dark and the planned bus to Ankara had gone since a long time . As hitchhikers, we finally managed to get on a bus from Istanbul to Ankara

On weekends we went out with the data center colleagues very often and visited one of the many state clubs where you could dance, eat and drink.

## Celebrating together



Our first flat was big and cold. In smog times there was no view. With a clear sky one could see the mountains beyond the Sheraton hotel



In October 1992 we had our well attended opening party in the apartment

### Opening party



For the first time since 20 years I played an accordion borrowed from our Austrian friends from VOESTALPINE, who built a steel factory near Ankara.



I had previously asked what the colleagues would drink: only beer and gin. At the end of the party 23 bottles of wine had been drunk. When the general manager left, all colleagues went with her. But then some of them returned.

In summer there was initially the private Kurt Club with a swimming pool and a sand court for playing tennis, which would have been better described as a field. There were as well some tennis hard courts and a public outdoor pool north of Ankara.

The situation later improved. Through a friend, I was able to become a member of the Sheraton Fitness and Health Club with a sauna in the winter and a swimming pool in the summer, as well as a tennis court on the hotel roof. Later on a private investor set up a fitness and health club in Beysukent, which offered almost all facilities and where I spent the weekends.

## Sportsclub International



Another option in the summer was to take a taxi to the airport on Fridays after work and take a flight to Antalya. The driver of the Sunrise Hotel in Belek picked us up at Antalya Airport and then it was enough time for a cozy dinner at the hotel. I used the GTZ's generous vacation regulations of 47 working days per year to take a vacation on Mondays and to have the driver of the hotel drive me to Antalya Airport on Tuesdays at 6:00 am. At 7:00 a.m. the plane took off with a breakfast on board. After arriving around 8:00 am at Ankara airport I took a taxi to be on time at 9:00 am. The one-week GTZ annual meetings and a planning workshop with the treasury also took place in this hotel.



At that time, GTZ had a large team with a total of 20 colleagues in Turkey with project contributions in several ministries.



At some point in the hotel I asked how often I had been a guest: The computer system identified me as a guest 22 times.

At least as often as in Antalya I/we have been at the weekends in Cappadocia, often with our visitors from Germany. The hikes there are spectacular, partly go through tunnels and request knowledge of climbing. I believe that there is not one hike in Cappadocia, that I did not walk.



Towards Eymir Gölü a reservoir just outside of Ankara, there was a coniferous forest with creeping pines, where you could take a short hike down to the lake This forest could be reached with a dolmus.

## Forest in Ankara



A little bit further away was a forest called Beynam Ormani, where you could go for nice walks in the especially in winters with a lot of snow. Unfortunately this area was also used for private shooting exercises so you had to be careful of the bullets. In the first years some snow fell in Ankara.

### Ankara Forest with a view of Elmadag mountain



At Elmadag with an altitude of 1,850 m there was first a small beginner ski lift and later a larger ski lift on military grounds, which, however, failed after the first winter because an excavator had hit the electrical wiring.

In Kartalkaya near Bolu there was a ski area with a snow depth of up to 4 m in the winter that could be reached by ski bus or by your own car with a day trip. The journey was often adventurous. The farmers waited for you to get stuck in the snow before hurrying to help you with their tractors and they were also lending adventurous snow chains. If you were willing to accept 320 km of travel, you could go skiing at Erciyes ( 3.900 m )near Kayseri at the weekend. There was a ski bus with the possibility to stay there in a hotel but unfortunately there were too many breaks on the way and the ski lifts were often not running.

## Erciyes with ski lifts



A bus trip is for Turks only good if you can go shopping and eat and drink several times on the way.

Trips to swim could also be made to the Bayindir reservoir north of Ankara. But that was already 100 km drive. On the way there the steppe, which is characteristic of the area around Ankara, stopped at some point and changed into forest. If you came to do hikes around these villages at the weekend, you were often addressed - mostly in German - and fruits were served.

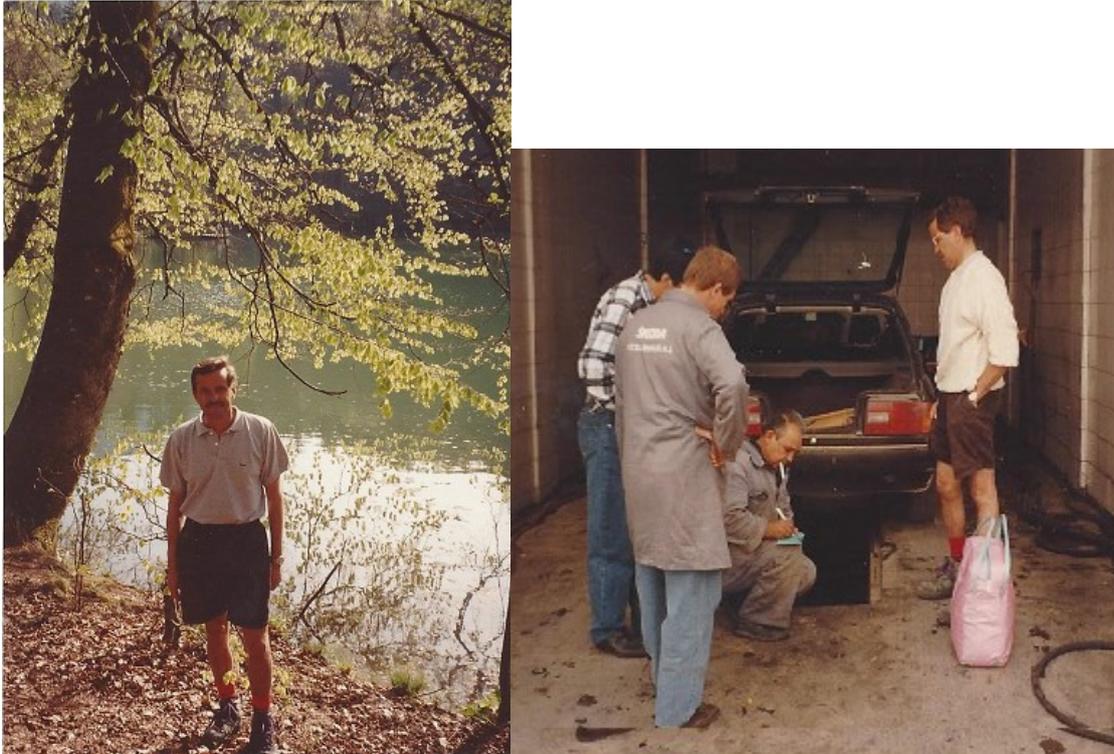
The women farmers had hunting guns on their shoulders and from time to time you could spot a wild boar in the ditch because they were not suitable for consumption in a Muslim country.

### At Bayindir Lake with Buddy



A few times we also also visited the Black Sea north of Ankara. On one of these excursions in May 1994 we passed the Seven Lakes area. On the way back to Bolu, where we stayed overnight, the oil pan received a blow - unnoticed. The oil had leaked by the next morning. I shouldn't have driven the last 2 kilometers to the workshop. The engine was gone.

## End of an excursion to Yedi Göller



The BMW made its way back to Germany because it would have been too expensive to purchase a replacement engine in Turkey and install it.

A long journey took us in the summer of 1995 across the Black Sea coast and the cities of Samsun, Trabzon and Rize to the Georgian border to Hopa. We were particularly impressed by the Kackar Mountains with the health resort Ayder and a thermal bath, in which the Turkish tea pickers from this area were able to relax from their exhaustive work. Up to 4.000 mm of rain falls here every year. We stayed at the Hilton Hotel, which, however, had nothing to do with this brand name and was more of a mountain hut. With a tractor we drove up to the mountain pasture, which comes closest to the almost 4000 meter high summit. We were a bit nervous because we had heard of PKK activities in this area.



The farmers denied PKK presence, but knew that the PKK was present in neighboring Yusufeli. We hiked further up to the beginning of the steep slopes and were also impressed by the glacier fields that were still there at the time. We returned to Ankara via Artvin, Erzerum and Sivas. Erzerum in particular made a very poor impression. The Turkish military had buried itself in tanks at the major crossroads. On another occasion we also visited Dyabakir, whose population had increased from 100,000 to 1,000,000 due to the war with the PKK, Malatya and the Nemrud Dagi

**At Nemrud mountain**



In general, the civil war between the Turkish Army and the PKK sometimes influenced our everyday life a bit. The PKK advanced westwards after 1992. There were attacks in Antalya and PKK fighters were discovered in Serik near the tourist stronghold of Belek and killed. Visits from foreign tourists came to an almost complete standstill and we were sometimes the only guests in the hotels on the coast. Our German friends in Malatya, who worked at Deutsche Eisenbahn-Consulting and were involved in the electrification of the railway line from Mersin to Malatya, had to stop working for safety reasons. I was surprised how little the treasury was protected against a possible terrorist attack for example in the data center. It was easily possible to enter the building through the back entrance without personal control. However the PKK practically failed to reach Ankara. I can only remember one incident in which some PKK fighters were shot by the security forces in Ankara. When I passed the foreign embassies on my way from the city center to my apartment I only looked in rifle barrels. After the PKK had occupied the Turkish consulate general in Munich GTZ employees received a visit from German Criminal Office and were called to the German embassy. The BKA's recommendations to choose a different route and a different time for the way to the office every day, not to open the car windows, to check the car every day for the possibility of bombs, to put chicken wire on the windows, to remove the name from the bell etc. was not followed by us.

During our time in Istanbul it we frequently passed places such as Taksim Square, where terrorist attacks had already occurred. I then usually calculated the likelihood of being affected based on the number and timing past attacks. That helped.

The risk of being involved in a traffic accident by car was much greater. Statistically speaking, the risk of becoming a fatal traffic accident in Turkey in the 1990s was 10 times higher than in Germany. From Ankara the traffic rules didn't apply much anymore and you always had to expect everything at intersections. There was also the impression that many road users had a driving license but had not had any preparatory driving experience. In the winter of 2002/2003, another road user touched me at a junction despite red light at the back.



In Istanbul we touched a truck on a trip to the Black Sea on a mirror-dusty road and then after another rear-end collision – drivers in Istanbul driven at incredibly short distances to the next car – we gave up to drive with our own car and used taxis and buses.



The people in Turkey are very curious. A taxi driver might want to know at the fourth question, why the wife has no children. Turkey has made me very emotional. Intense friendships can develop very quickly there in a quality that I only knew from my youth in Germany.

The foreign consulting scene met in the evening in the Winehouse restaurant with a very modest menu or in the Marilyn Monroe Bar, which is nowadays a cafe without alcohol. The only way to get into the best disco as a man without a female companion was to show your access card to the Treasury. This card also helped on other occasions, such as negotiating prices in hotels or during traffic controls. This was particularly important to me because I had to spend half a year without the vehicle being registered always with the risk to get detected without registration. The vehicle registration document had been lost on the way from Istanbul to Ankara and was suspected in Eastern Europe but then reappeared after half a year. The preliminary approval was on a cardboard on which I always extending the end date of the preliminary registration.

The first 50,000 DM I received from GTZ for the project at Ziraat Bankasi also disappeared for half a year, but then reappeared. I changed the bank in the end.

Incidentally the following was true: You could spend half a day doing the simplest things like "paying electricity bills or telephone bills".

In the project itself payments were also a challenge. Companies such as IBM brought bills to the office with their staff and expected immediate payment in cash.

On one hand, this was due to the fact that transfers only worked unreliably and took a number of days. On the other hand, the surge in inflation meant that money could quickly lose value. In the initial phase of the project, the exchange ratio between DM and Turkish lira was 1 DM = 5000 lira. The largest banknote in Turkish currency was 1,000 lira. So if you had to pay a procurement of 50,000

DM, you would need 25,000 notes in Turkish lira. I usually went to the bank in Kizilay with an empty suitcase, had it filled up and returned to the Treasury with a full suitcase. The whole thing with a very strange feeling, because the suitcase could have been robbed on the way.

## **The project implementation**

The project itself had a slow start. The Treasury had meanwhile applied for and received a World Bank loan of US \$ 5.2 million in addition to which the German contribution looked comparatively modest. The total financial volume of the project in end of € 18 million was made up of financial contributions from Turkey (€ 7.5 million), the World Bank (€ 7.5 million) and the German government (approx. € 3 million).

With the World Bank loan, the Treasury initially carried out software purchases for the mainframe taken over from Halkbank (MVS operating system, DB2 database system, office communication system, etc.) in the order of approximately \$ 1 million. By coincidence I found out that the procurement process was based solely on an IBM Ankara shopping list. The entire building was then wired for Dump Terminals operation and PC and LAN operation. Unfortunately, after a short time it turned out that this cabling did not have the necessary data transfer rate. Whenever the affected employees saw us, they said: "Network not work". With the help of GTZ, the Treasury finally carried out the rewiring, which produced better results.

The next step with World Bank financing, a one-year study on the data requirements of the Under Secretariat summing up to 1 million US dollars, which was carried out by Coopers & Lybrand. We had to wait for the results of this study before we could start implementing databases.

In the first year we financed the migration of the existing databases on external debt and foreign trade in Turkey to the new system environment by IBM Ankara as well as the training for the operational IT staff. We procured 150 PCs for a selected number of end users in the General Directorate for Economic Research and in selected other general directorates and equipped these end users with the Microsoft Office package and had a local company carry out appropriate training measures for the Office package.

After the study results had been delivered with delay, it turned out that they could not be implemented because they had a level of detail that was far too general. For the emerging complex software developments, we first tried to find company cooperation with companies in Germany such as IBM and suppliers of CASE tools and Executive Information Systems. However, due to their own staff shortages, they were not prepared to provide staff for such a project.

We then benefited from the fact that in the final phase of the study, Coopers & Lybrand itself employed external personnel from a company in England that was specialized in the provision of IT specialists as a work contractor. We then employed an English specialist for structured software development, initially through this company and then from October 1994 onwards with a GTZ contract. Through this English company we also managed to find an English LAN administrator from September 1994 and later a Dutch database specialist with Filipino/Australian origin. The Treasury itself referred us to a former World Bank employee who was a specialist in the system analysis of debt management systems. We also employed a local, Turkish software developer. Our team was

complete and we had an extremely productive time in 1995 with huge advances in software development. With this team, we were so well positioned that we could have handed over turnkey solutions to the State Secretariat for Treasury and Foreign Trade, which of course was not our intention in the interest of the sustainability of software developments. During this time, we also harmonized privately, which was reflected in the almost daily visit of the fish restaurant Iskele in the pedestrian zone of Ankara.

The software developers / programmers who were employed in the Under Secretariat for Treasury and Foreign Trade at the start of the project had practically no programming knowledge and also steadfastly refused to acquire such knowledge during the course of the project.

We successfully insisted on the hiring of numerous new staff and achieved finally that at least one Turkish software developer was available for each of the software solutions to be developed, as well as 1 specialist for LAN administration and for the administration of the database.

However, we constantly had to fight to ensure that this partner agency staff did not migrate to the private sector. Some of the migration of staff did not affect the program because they had no key functions in the program. A programmer with key experience migrated to the Istanbul stock exchange. Another key person for database administration had an attractive offer from the private sector could only be kept by the prospect of comparable GTZ employment after project completion. Another programmer with key experience could only be kept by quitting the Treasury and continuing to be employed by GTZ. While this was a violation of a fundamental principle in development cooperation, it was also accepted as an emergency solution by the partner authority. The GTZ contribution itself was affected by the fact that a local GTZ software developer migrated to the U.S.A despite a contract that run until the end of the project, after his wife had won a residence permit under the Green Card Lottery for the U.S.A.

The focus of the partner agency's interest was the development of an IT-based debt management system for Turkey. Such a rudimentary system already existed. In practice, however, it was not used. The files were kept manually, were also incomplete and there were always surprises when interest and repayments were due. Professional liquidity planning was not possible on this basis and the result was short-term necessary new borrowing with correspondingly higher interest rates than would have been possible with medium-term liquidity planning.

The political framework in Turkey during this period was characterized by considerable instability, sometimes characterized by chaos, accompanied by high inflation rates, the fall in the Turkish lira and financing difficulties for public budgets, which led to the central government's partial insolvency.

During the time of the project a total of 5 prime ministers were in office with rapid succession: Süleyman Demirel (1991-1993), Ms. Tansu Ciller (1993-1996), Mesut Yilmaz (1996), Necmettin Erbakan (1996-1997), and again Mesut Yilmaz (1997-1999) There was also a one-month interregnum with Erdal Inönü.

At the level of the 7 Under Secretaries in total, it was Osman Ünsal, Ayfer Yilmaz,

## Ayfer Yilmaz at the GTZ New Year's reception



who later became Minister of State for the Treasury and made a professional impression, Nevsat Sayiloglu, Mehmet Kaytaz, Ahmet Egilmez, Yener Dincmen and Cüneyt Sel (executive).

The main point of contact for our project was the respective Director General for Research and IT and his two deputies and the Directors General in the Directorates General such as public finance that should use our systems.

We started working with Director General Dr. Bahar Sahin, who previously worked at the World Bank. After just over a year, she advanced to become Deputy State Secretary in connection with the beginning of Tansu Cillers tenure and was replaced by Cüneyt Sel as Director General.

The change in personnel at the level of the Directorate General increased the chances of implementation for the planned reforms. The project started in 1992 with the general manager Dr. Bahar Sahin, who became Deputy Undersecretary and continued to support the project. This was replaced by her then deputy Cüneyt Sel, who also became deputy in 1994. Secretary of State

During a joint study tour to Germany in 1992 at the start of the project with Cüneyt Sel and Ferhat Emil, who were at that time deputy general directors for IT and public finance, friendly relationships developed. These friendly relationships paid always of crisis situations of the project.

## Visit to the World Economic Institute in Kiel



The takeover of Tansu Ciller as Prime Minister I have perceived as a rather uncomfortable personal anecdote: Since our personal relationships were close, Cüneyt Sel and I played tennis on a site on Gölbaşı Lake on Saturday, which the association of exporters wanted to offer soon to the employees of the Treasury for their leisure time. This area had all desirable comfort such as tennis courts and halls, swimming pool and restaurant and a beautiful view of the lake was completed but not yet inaugurated. On our next visit, a bus was parked across the entrance and access was no longer possible. We later learned that Tansu Ciller had acquired the property for your family's leisure time usage. It was never used by the officials of the Treasury. This would have had a certain taste anyway. This facilities no longer exists today. I have learnt from the press that there was a fire. Today there is an urban amusement park on this site.

### **Turkey on the verge of insolvency**

Before we reached our most productive phase in software development, we first had to cope with the political turmoil of 1994, which also had some consequences for the for project operations. From all the bad years of economic and financial policy in Turkey that we experienced in our project period , 2004 was by far the worst year.

Inflation rose to an incredible 120%.

### **Consumer Price Index**

CPI Turkey 1998	69.73 %
CPI Turkey 1997	99.09 %
CPI Turkey 1996	79.76 %
CPI Turkey 1995	76.05 %
CPI Turkey 1994	120.31 %
CPI Turkey 1993	71.08 %
CPI Turkey 1992	65.97 %

The Türkish Lira devaluated against the US-Dollar by 107 %

### **Devaluation of Turkish Lira against the US-Dollar 1994**

Dec 94	6.03%
Nov 94	2.24%
Oct 94	3.78%
Sep 94	0.29%
Aug 94	9.94%
Jul 94	0.00%
Jun 94	-0.64%
May 94	-10.03%
Apr 94	36.86%
Mar 94	26.87%
Feb 94	14.86%
Jan 94	17.45%
	107,65

Turkey's external debt declined by \$ 2.6 billion this year because it was no longer possible to get access to the international capital markets with the target of receiving new credits.

**External debts during the 1990**

<b>Billion Dollars</b>	<b>1990</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>External Debt Stock</b>	49.04	55.6	67.4	65.7	73.3	79.6	84.9	96.9	102.1	116.8
<b>Rate of increase(%) in EDS</b>										
<b>Net Domestic Borrowing 1993-1997</b>	17.5	10.1	21.2	-2.6	11.7	8.7	6.6	13.5	5.3	3.8

	Net Foreign Borrowing	Central Bank Advances	Net Domestic Borrowing			Total Borrowing Requirement
			One Year Maturity	Less Than One Year Maturity	Total	
1993.I	0.6	1.9	-0.1	8.1	8.0	7.7
II	1.0	1.1	0.9	1.7	2.6	4.9
III	0.4	2.1	1.8	1.4	3.2	4.6
IV	1.9	4.7	2.4	-3.1	-0.7	7.6
1994.I	1.5	10.1	-0.1	-0.3	-0.4	11.3
II	-1.3	-3.7	-1.0	8.4	7.4	-0.8
III	-2.9	0.3	-2.1	7.1	5.0	2.6
IV	-2.2	2.0	-2.7	6.8	4.1	4.7
1992	0.4	1.6	1.4	2.2	3.6	5.4
1993	1.1	2.7	1.5	1.1	2.6	6.3
1994	-1.7	1.3	-1.8	6.3	4.5	3.9
1995	-1.0	1.2	1.1	2.5	3.6	3.7
1996	-0.9	1.5	1.8	5.3	7.1	8.3
1997	-1.5	0.0	5.1	3.5	8.5	7.3
1992-1993 Average	0.7	2.1	1.5	1.6	3.1	5.8

In the first quarter of 1994, the government budget needed to finance new debt summing up to 11.3% of gross domestic product. In the fourth quarter of 1993 and in the first quarter of 1994, it was still possible to get financed by borrowing abroad, but this path was practically cut off starting in the second quarter of 1994 and this trend continued in the following years. In the first quarter of 1994, central bank loans of \$ 10 billion secured part of the necessary cash flow. In addition, short-term bonds with horrendous interest rates secured the financing needs on the domestic market. Borrowing on the domestic market was partly "involuntary" among future creditors: the Treasury did not pay due payment obligations, for example from highway construction, but converted them into short-term government bonds. In contrast to private bankruptcy, when a state is threatened with insolvency, part of the obligations can still be met because of further income such as taxes. With the available funds, the Treasury – other than the cases of Argentina, Mexico and Greece - served the foreign debt as a priority in order to be able to borrow again on the international capital markets as soon as possible.

Turkey was therefore much more responsible towards foreign creditors than neighboring Greece later in a comparable situation. Greece allowed capital summing up to € 35 billion to leave the Greek banking system in 2010 and € 45 billion in 2014 to be invested abroad.

The ECB's commitment alone, which has now reached € 90 billion, has actually only served to compensate for the flight of capital of wealthy Greeks abroad, and that under a left-wing populist Tsipras government. Greece was indebted at foreign banks in 2010 with an amount of € 330 billion. With a debt reduction of € 100 billion, the Greek state, with the approval of the foreign banks, has freed itself from a substantial part of this debt. For an amount of the same, the repayment maturity was extended to 10-20 years and the interest rate was reduced by half from approx. 5%. Private creditors who had bought Greek government bonds were never asked about this reduction of their claims.

I often went to the canteen for lunch with my colleague A3 at that time. He was directly responsible for payment processing. His face grew paler every day. He was under tremendous pressure from all sides to make payments.

The pressure on Turkey's payment obligations was then alleviated by a Standby agreement with the IMF in 1994, ultimately at the expense of Turkey's civil servants.

In 1995 there was no raise of salaries in the Turkish civil service. With an inflation rate of 76% this year, this meant that public sector wages in real terms almost halved.

There was no money left for the colleagues at the treasury to go out and celebrate together at the weekend.

The crisis of 1994 also had also implications on the organization of the State Secretariat for Treasury and foreign trade. Towards the end of 1994, the government legally triggered the organization in its previous form and separated it into two independent state secretariats for the Treasury and the Foreign trade. Accordingly, the staff in our immediate vicinity had to be divided between two general directorates for economic research and two data centers. There were massive conflicts among the newly assigned employees over the division of personal computers, printers, terminals, LAN servers, office furniture, etc. There was only agreement that the mainframe should initially continue to be used by both institutions. Since the parties were unable to resolve the conflict internally, we asked the two general directors to give us operational management for both data centers for 3 months, which then happened.

Since the databases currently under development were the responsibility of the Treasury, the software developers assigned to the Undersecretary for Foreign Trade were unfortunately no longer available to us in the further process. In the period that followed, we exclusively focused on the Treasury.

In the search for the guilty ones , the deputy state secretary Dr. Bahar Sahin was also replaced and appointed as personal adviser to the prime minister. It was a common practice to “park” disgraced personnel with no real function in an open-plan office with no noteworthy equipment and responsibility. In 2016 I even met a former colleague from the Treasury who still received payments but stayed at home since many years.

However, Dr.Sahin soon found a new position as Secretary General of the Istanbul Chamber of Industry and later as a member of the Board of Directors of the Central Bank.

The fiscal risks continued in the following years until the end of the project in Ankara (1998 and until the end of the project in Istanbul in2000). Both projects overlapped for one year.

During the one-year term of office of Prime Minister Erbakan from June 1996 to June 1997, the millions of civil servants had to experience that their salary payments were unfortunately not available shortly before a religious holiday lasting several days. I witnessed a phone call that Prime Minister Erbakan was with the acting Secretary of State. Upon his objection that he did not have the money, Erbakan ultimately asked him to get the money from the state-owned Ziraat Bank.

### **The breakthrough in the project**

In 1995, together with the Treasury, we pushed software development forward, but at the same time we had to deal with a grueling conflict about the system environment in which the software products were to be implemented. Such a conflict constellation was not new to me, since it had already dominated the PROSOZ research and development project in Germany under my responsibility and almost caused it to fail.

The World Bank's Task Manager for the management of the World Bank loan advocated solutions in the context of a system environment of mainframe and 3270 terminals. From her point of view, this was quite rational, since hardware and software had been financed for this technical environment. The GTZ contribution, however, advocated solutions in the context of a PC / LAN environment. In any case, it was essential for the success of the project that the end users could process the data from the databases in their new PC environment with the office products. The Mainframe based office communication system had until then only produced the weekly menu list of the canteen.

From the task manager's perspective, the GTZ contribution was a recipient of the commands where the instructions of the World Bank had to be followed. I could accompany the Treasury on a mission to the World Bank headquarters in Washington. There the conflict came to a peak with personal attacks on me so that I left the final meeting.

Upon return, the Treasury advised me to request the replacement of the World Bank task manager in a letter signed by GTZ headquarters. Such a letter then found its way to Washington and actually led to her replacement, which I had not expected.

The new Task Manager was much more open and flexible and was looking for ways to best solve this conflict without losing face for the institutions involved.

The following procedure was then agreed in the Aide Memoire of the World Bank Supervision Mission from May 22-31, 1995:

"The Treasury needs to decide quickly whether the databases will reside the mainframe or on PC-LAN file servers" in the future. "The mission recommended that final decision be based on detailed cost benefit analysis of both alternatives".

With a colleague from Ankara University, I then carried out such a study later on in this year, which we did not carry out as a cost-benefit analysis, but as a cost-effectiveness analysis due to the lack of data.

We calculated the costs for 6 alternatives and came to the following conclusion:

**„We assume that all databases including Foreign Trade will be kept resp. migrated to a LAN environment. Existing Mainframe applications will be transferred to LAN-environment until end of 1997“.**

The cost for a 5 year period was found to be the least expensive alternative at \$ 5,276,000.

The following criteria were considered as indicators of effectiveness:

- System availability
- response time
- Protection against external use / attacks
- Protection against the risk of data loss
- migration effort

An effective alternative to the cost-effective LAN environment would have been to migrate all databases to a shared Unix server.

However, the presentation of these study results did not end the discussion in the treasury. Since the Director General for Economic Research and IT was not sure how to evaluate the results of the study, he had the data center staff vote on the alternatives to be guided by this vote.

This procedure initially panicked me because I doubted the rationality of such a coordination: While the end users opted for solutions with which they could conveniently process centrally stored data on the PC with Microsoft Office solutions such as Excel, the preferences of the IT Specialists as in the PROSOZ project would depend on which system environment they were most familiar with. This made it clear, for example, that the operators of the IBM mainframe would vote for data storage on the IBM mainframe because their previous workplace depended on it. In fact, they were later qualified and used for PC end-user support after the Treasury gave up the IBM mainframe.

The vote was ultimately in favor of a PC LAN server or PC Unix server with Oracle as the database, because the colleagues who were familiar with it could convince the undecided ones with convincing factual arguments. I can no longer remember the detailed voting result.

This did not end the discussions about the system environment. IBM Turkey again brought up a change in the system environment at the Treasury after DB 2 had opened not only for a LAN environment with the proprietary OS 2 operating system from IBM, but also for a LAN environment under the Windows NT operating system. The Treasury again asked GTZ to assess the advantages and disadvantages of such a solution with the option of porting the databases to the mainframe at a later date, which then happened.

The cost of changing the system environment again would have been too high and the implementation of the various databases would have been lengthy. We finally ended up with the implementation of the databases with oracle as DBMS on a Unix-Server and PC's for the enduser

What we then realized already corresponded to the advanced international standards. We took over a process model for software development from Coopers & Lybrand and consistently implemented it, particularly when developing a debt management system.

As early as 1995, the Treasury's internal electronic network had an availability rate of > 99% and the external electronic network with the components web page, email, Internet and Reuters (460 users in the Treasury) had an availability rate of > 89%.

Databases on public debt, the financial results of public companies, banks, insurance companies and other economic and financial statistics were set up. Keywords such as company model, client-server architecture, use of CASE tools characterize the technical direction of the overall project approach.

**Turkey's computer-based debt management system in particular met the most advanced international standards at the time and was met with keen interest in other countries around the world, such as Iran. With this system, the liquidity planning of the Treasury has improved significantly and the Treasury has subsequently been able to borrow at substantially lower interest rates at home and abroad. It is difficult to quantify this effect.**

## The Foreign Debt of Turkey in 2011

2011	
Q1	
<b>298.818</b>	<b>TOTAL</b>
<b>77.208</b>	<b>SHORT TERM</b>
<b>4.977</b>	<b>PUBLIC SECTOR</b>
0	GENERAL GOVERNMENT
0	Central Government
0	Local Administrations
0	Funds
4.977	FINANCIAL INSTITUTIONS
4.977	Banks
0	Non-Banking Institutions
0	NON-FINANCIAL INSTITUTIONS
0	SOE's
0	Other
<b>1.635</b>	<b>CBRT</b>
1.634	<i>Dresdner Bank Schemes</i>
1	<i>Other</i>
<b>70.596</b>	<b>PRIVATE SECTOR</b>
46.500	FINANCIAL INSTITUTIONS
45.271	Banks
1.229	Non-Banking Institutions
24.096	NON-FINANCIAL INSTITUTIONS
<b>221.610</b>	<b>LONG TERM</b>
<b>88.495</b>	<b>PUBLIC SECTOR</b>
85.137	GENERAL GOVERNMENT
81.445	Central Government
3.633	Local Administrations
60	Funds
2.011	FINANCIAL INSTITUTIONS
2.011	Banks
0	Non-Banking Institutions
1.347	NON-FINANCIAL INSTITUTIONS
1.214	SOE's
133	Other
<b>10.633</b>	<b>CBRT</b>
0	<i>CBRT Loans</i>
10.624	<i>Dresdner Bank Schemes</i>
9	<i>NGTA</i>
<b>122.482</b>	<b>PRIVATE SECTOR</b>
37.365	FINANCIAL INSTITUTIONS
31.054	Banks
6.311	Non-Banking Institutions
85.117	NON-FINANCIAL INSTITUTIONS

I have no more access to this system for a long time. Based on the statistical queries that can be made there, I assume that this system is still used in Turkey today. The other databases may not have been used for a very long time, because the reporting system of public companies, banks and insurance companies was redesigned as a result of another IMF assistance agreement in 1999.

In addition to the implementation of the IT systems, we also pursued the goal of improving the quality of economic research and employee satisfaction.

At the recommendation of the Treasury, we hired two experienced Turkish macroeconomists who acted as coaches for the young economic researchers, including Fatih Özatay, who was later deputy head of the central bank and analyzed the 1994 crisis in detail in a publication.

The economic research department has been producing short-term economic and financial forecasts since 1996, which formed an essential basis for the development of a support agreement with the international currency fund in 1999. Unfortunately, this component has not achieved sustainability because the continuity of personnel could not be ensured.

With the help of our moderation, the Treasury tried to establish a consensus on future priorities in fiscal policy with two high-profile weekend workshops in the Antalya region. In addition to representatives of the Treasury, officials from the central bank, the Ministry of Finance and the privatization authority took part in these workshops, including the later central bank governor Süreyya Serdengeçti. The two main goals agreed were to combat inflation and ensure central bank independence.

Such thoughts and intentions remained utopian at first and Turkey's financial policy continued to drag from one crisis to the next. In 1999 there was another recession with a minus growth of 3.6%, which was exacerbated by the earthquake of August 1999. The budget deficit to be financed rose to 12% of the gross domestic product. Thirteen banks had to be closed, including GTZ's main bank. Rigid regulations for capital transfers as a whole and in particular for capital transfers abroad were introduced for the banking system and its customers, which also led to protests among the members of the Istanbul Chamber of Industry. Unlike in the case of Greece, Turkey managed to prevent a massive outflow of capital abroad.

In December 1999 there was a further Standby agreement with the IMF, which ran until February 4, 2002 and included drastic measures such as tax increases such as on vehicle imports, privatization of institutes for the telephone supply, gas supply, tobacco producers, a currency regiment, spending cuts, increasing the retirement age, closings provided by funds outside the budget etc.

The independence of the central bank was expressly laid down in a new law. Banking supervision, which had previously been carried out by the Treasury and the Central Bank, was relocated to a new, independent institution. With regard to the state banks, it was decided to consolidate them financially.

„For many years, the politicians had abused these banks, which had been ‘allocated’ to different political parties to provide subsidized credits to their political constituencies. The banks were not compensated for the losses from such lending but were instead forced to book them as claims on the government, as so called ‘duty’ losses. These claims generated little income and no cash flow, which meant that the banks had to fund themselves increasingly short term in the interbank market. As the liabilities grew they became more vulnerable to liquidity and interest rate risk. By the end of 2000, the state banks’ duty losses had grown to some \$19 billion, their short-term liabilities to some \$22 billion and their foreign exchange exposure to \$18 billion“ *Turkey’s Renaissance: From Banking Crisis to Economic Revival* By *Hugh Bredenkamp, Mats Josefsson, and Carl-Johan Lindgren*.

In a commentary on the article cited above, Serdengeçti himself mentions two other important measures that have favored the consolidation of the state banks:

- The provision of liquidity to these banks by the central bank in the order of \$ 18.5 billion

- A \$ 10.5 billion loan exchange (SWAP) initiated by the Treasury that resulted in significantly better interest rates and less currency risk for banks.

With a view to combating inflation, a starting point of 68% inflation was aimed at reducing it to 25% in 2000, 10-12% in 2001 and 5-7% in 2002.

In fact, 39.03 was achieved in 2000, 68.13 in 2001, 29.75 in 2002 and 12.71 in 2003.

The Turkish public in Germany stubbornly maintains that the decisive turn in Turkish fiscal policy towards lower inflation rates and sustainable economic growth is due to the first government under Prime Minister Erdogan, which came into office in March 2003.

The decisive changes, however, brought about Kemal Dervis as Minister of State for the Treasury under Prime Minister Ecevit and Süreyya Serdengeçti Governor of the Central Bank, taking over office March 2001.

The success story of the economic rise in Turkey with an increase in per capita income from \$ 9,973 in 2001 to \$ 26,883 in 2017 and the associated emergence of a middle class was due to a complete realignment of economic and financial policy in 2001: independence for the central bank, rigidly combating inflation, reducing new debt, lowering interest charges, reducing budget deficits, privatization, further liberalization of economic policy, promotion of small and medium-sized enterprises, last not least with substantial EU funding, etc.

In 1998, as part of an employee satisfaction survey in the General Directorate for Economic Research and IT, we received information on how employees perceive their organization: The result was surprisingly positive.

The most important perceptions of the staff at that time can be summarized as follows according to the report we submitted:

#### **„Physical working conditions**

Treasury and especially the General Directorate for Economic Research has made heavy investment in the building structure, office equipment and other equipment.

This investment pays off now in a sense that the staff is obviously highly satisfied with its physical working conditions.

#### **Motivation**

Motivation to work in Treasury is mainly driven by favorable salary conditions in comparison with other institutions of the public sector and the character of the institution as a prestigious one.

#### **Career patterns**

Treasury is already seen as a rather modern and - in comparison with typical bureaucratic institutions - performance and education based institution as far as career patterns are concerned. Family and political relationships seem to be less dominant in the view of the staff than the impression one could get from daily conversations in Treasury and the view of the public opinion in Turkey.

#### **Decision making process**

Overall results show that the decision making process on the overall management level is organized in a way that the management is taking the final decision but staff has a chance to influence the decision making process.

Staff feels that participatory leadership styles and Management by Objectives Leadership styles are dominating. There is a slight difference from answers we got for the decision making process. This may be caused by the more general outline of the question regarding leadership styles.

Looking back to life time period of the project ( 4 ¼ years ) for the external observer the change in leadership styles is quite obvious: It used to have a paternalistic trend. This has probably changed over the years.

### **Judgment of the overall Management**

Performance Judgment of Management shows a clear positive trend in the view of the employees

The **conflict resolution** in the project was very time consuming and stressful. I spent many evenings in my apartment in Ankara over a glass of wine thinking about how to successfully manage the next day and the time afterwards and how to overcome the obstacles. However I have made the same experience in Germany The main levels of conflict can be summarized as follows:

- The disputes already discussed about the hardware and software system environment and their external influence, in particular by IBM and the World Bank
- The risks that arose from the lack of motivation of the originally existing software developers of the Under Secretary and from recruitment needs and pressure to migrate to the private sector from the new staff and our own staff, as well as the problems that resulted from the division of the State Secretariat. In the final project phase, we no longer supported the newly created State Secretariat for Foreign Trade, which led to a protest at the German embassy. For me, the difficulties of being able to retain IT staff in projects with a limited duration, had the following consequence: After 16 years as a team leader in Organization- and IT-projects I left this sector after 2000 and only acquired EU projects in the internal security sector.
- The lack of planning capacity in the partner authority in the first project phase. Tasks that we had agreed upon either were solved immediately or were forgotten. As a rule, the personnel were not allowed to leave their workplace and were waiting for discussions with and orders from management. Against this background, it was not possible, for example, to carry out training measures in the treasury itself.
- We successfully prevented attempts by parts of the management staff in the data center to subject the GTZ staff to the instructions of the Treasury.
- Clarifying the question of how the common copyrights to the debt management system should be structured in the in case of marketing to other countries. There was an intensive correspondence, initiated by the Turkish side, with the German Embassy and GTZ because I wanted to secure global copyrights for GTZ. Ultimately, there was no clarification because GTZ has not used the product in other projects.

- Limiting requests for study trips on a global scale for State Secretariat personnel, from the DB2 User Conference in Nice to Economic Congresses in California, and the accounting problems associated with study trips. When we finally made the participation in congresses dependent on the condition that only lecturers there were given permission for a study trip, that didn't do much to reduce the study trips. The colleagues then just managed to give lectures there.

## **Impressions of the organizational culture**

The culture of the organizations in Germany is different. However, there is a kind of mainstream. When I compare the culture of public administration organizations that I got to know in many projects and sales talks in Germany with those that I got to know in Turkey in the 1990s, I noticed the following major differences that do not agree with various study results for the administrative culture in Turkey:

- Extreme centralization of responsibility was observed in Turkey. There is no responsibility felt at the lower levels. One can almost speak of a "system of organized irresponsibility". Although there is a lot of discussion about politics in Turkey and a clean analysis of what needs to be changed in the institutions on the working level. However, it remains that way, concrete contributions to the implementation of ideas are not made. The individual does not take any responsibility for this in his area of responsibility, but moves it up in the hierarchy and waits for it to be "taken from somewhere".
- It was often felt that leaders in Turkey embodied very strong authority. This perception finds expression in the fact that subordinates are usually positioned in the manager's office at a small table that is only about half the size of the manager's impressive desk; it was also often the case that subordinates only left the room - as is customary in the Ottoman Empire in a way that they did not turn their backs on them or rose as soon as a superior entered the room. In addition, the status of the superior is enhanced by an impressive car and a large office. However, this characterizes the relationships insufficiently. The more you show authority on the surface the weaker it may be de facto. Arrogant behavior is very often camouflage for complexes. The enforcement of management decisions against employees is much weaker than in Germany. I have never encountered such a high degree of employee resistance towards decisions by superiors as in Turkey: An employee only implements the decision made by the manager if he shares it and can understand it. Otherwise he will leave a discussion without contradiction, the decision will not be implemented and the discussion will start again in the following week in a different form.
- In the first place, Turkish employees expect from Turkish superiors to create a "feeling good" situation. The family also plays an important role for management staff. You have to spend a lot

more time in Turkey to deal with the problems of employees because the focus is not so narrow that it only relates to the work situation. Problems are comprehensively defined, which is why a supervisor must, for example, “deal with the relationship problem of an employee, the alcohol problem of the brother or the illness of the mother of an employee or take care of his financial needs. This expectation exists in the view of the employees.

- On the one hand, there is a much stronger need in Turkey - this is related to the overall culture - to regulate certain situations in harmony or to come up with harmonious solutions. On the other hand, there is hardly a culture of debate. When there are conflicts in an organization, it is difficult to agree on a compromise. Either discussion come to a harmonious, unanimous solution or none at all. It is not easy to deal with someone else having a different opinion. There is no mechanism to deal with a conflict. When two Turks quarrel, there is certain conciliation on the surface; but if the conflict breaks out, this is usually not a pleasant matter; this involves personal insults and attacks.
- The cooperation structures with other authorities and within the authorities are not based on responsibilities, but are dependent on personal relationships.
- The willingness to come to the office on weekends and to work to the point of exhaustion is very high for some of the employees. I remember a meeting organized by the Istanbul Chamber of Industry for the European Economic and Social Committee in Gaziantep. The chairman of the Istanbul Chamber of Industry was a member of this committee. The EU administration failed to produce templates for this meeting. The predominantly female members of the Chamber spent a full night creating these templates and continued to be present the next day. In Istanbul, however, some colleagues liked to come to the office on Saturday to avoid family stress.
- The Majorat of employierest in bot the Treasury and the Istanbul Chambers of Industry were women. I got to know colleagues there who I hadn't expected from my German perspective: These daughters of Ataturk, as I would like to call them, were very intelligent, very confident, very open-minded, open, pretty to look at and far from any prudishness. Women are particularly willing to perform as long as they are not very closely tied to the family context, i.e. children and husband. They lack the male showmanship that is found in some Turkish male managers. “I think a lot of Turkish men who cannot deal with free women have too little self-confidence. And that is why such women scare them ”(Sibel Kikeli).

However, the experience that I had in finally in the Turkish Ministry of the Interior in 2015 shows that the organizational culture has obviously changed. In contrast to what I had got to know in the 90s, it was possible, for example, to plan appointments over weeks and months that were kept.

## Relations with the embassy and the GTZ

Cooperation with the German institutions was contradictory. With its regional management for Turkey, GTZ supported me in every way and did not interfere in matters of the project.

I had had already long-standing working relationships with the responsible technical department at GTZ, which allowed a high degree of flexibility for the three project phases. The start of the project was designed as an orientation phase without very specific specifications, which ensured the necessary flexibility in project management for the German contribution. A department head from the Federal Ministry for Economic Cooperation was located at the German embassy to oversee the projects for the Ministry. However, the German Embassy was not interested in the project for a long time. My impression was that the economic department accompanying the project gained its knowledge of the country about Turkey essentially from reading the newspaper of the English based Turkish Daily News. At a reception of the Embassy German sausage specialties were served to the predominantly Turkish guests at the German Unity Day. Kemal Kabatas, who had become Secretary of State in the Ministry of Finance, was looking in vain for a salad. German institutions held one third of Turkey's external debt in 1994 of approximately 70 billion US dollars. Dresdner Bank alone had claims against Turkey of approximately 8 billion. When I spoke to the head of the economic department in an interview about the possible default of German claims and possibly necessary stabilizing measures, I received no reaction. The topic was of no interest for the Embassy.

At the start of the project in 1992, the embassy looked a bit crowded because it had to accommodate some agents from the Secret Service with former base in the Soviet Union who were no longer needed there after the collapse of the Soviet Union. The embassy or the club of the embassy rejected my request to use the tennis courts and the swimming pool there as a member of an existing club at the weekend. Social envy may have played a role here, as German and international GTZ employees had significantly higher salaries in comparison with embassy staff. There was then an initiative by the responsible ministries to accommodate GTZ on the embassy site with a country office. GTZ successfully got rid of this initiative: there were fears, among other things, that the Secret Service would then control GTZ's entire telephone traffic. In general, during the entire duration of the project, GTZ was lucky to have as few interventions as possible from the responsible ministry. However, this changed after a country office was established in Ankara. However, the Ministry's last department head in Ankara tried with little success to influence the implementation of the bilateral projects with Turkey. During my time in Istanbul, I had a pleasant and competent cooperation with the Department Head of the Ministry who had been the State Secretary's assistant before.

## Arrival in Istanbul

I always wanted to live in the metropolitan city of Istanbul and so I was lucky that the former Deputy State Secretary in the Treasury, Dr. Sahin, after her appointment as Secretary General of the Istanbul Chamber of Industry, asked me to help her get a GIZ project in which I would be the desired Team Leader. We were able to convince the Treasury as the partner institution of the German Ministry for Economic Cooperation to mobilize and to agree upon DM 3 million for such a project during the government negotiations. Thus the planning for such a project began and ultimately ended with the integration of two other chambers in Kayseri and Gaziantep.

In the course of my preparation - the employment contract had not yet been concluded - I asked the Chamber of Industry and Trade Südwestfalen in Hagen to do an internship there. The head of this institution, Rapp Frick, a former colleague of mine in the Leftist Jurists students association in Marburg, not only rejected this demand, but also actively tried to prevent GTZ from carrying out this project through an intervention at the German Industry and Trade Chamber (DIHT), arguing that SEQUA (DIHT advisory organization) would be the more suitable institution for implementation.

These efforts were not successful because the Chamber of Industry in Istanbul insisted on implementation by GIZ and with me as a TL. The employment contract came at the last minute.

At the end of 1996 we drove to Istanbul to look for a new apartment. G. from the Chamber, who spoke German very well, had prepared and identified some apartments at the Bosphorus with a view or at least within walking distance of the Bosphorus. However, these apartments were either too expensive or in a poor physical condition. During a hike from the Divan Hotel on Taksim to Besiktas, we came across an apartment building in which an empty apartment and a poster with the landlord's address was on the ground floor. We loved the location. Full view from the living room towards the Bosphorus and the Europa Bridge. Swimming pool on the property with a view of the ancient Sultanahmet, 4 km to the office etc. This struck us immediately.

## The apartment in Besiktas



The first weeks in May 1997 were fantastic and then unfortunately it continued in a very bad way. Construction work began on the open spaces of the neighboring property, which enabled the view towards the Europa Bridge. The trucks passed our bedroom until midnight and the construction work continued all night long. After my patience was exhausted, I called the police in Besiktas because night work on buildings is also prohibited in Turkey. The police appeared on the property only after 5 minutes, which caused the construction workers to flee. After another 2 hours the construction work began again. After another call to the police, we were informed that a permit for night work had now been applied for and had been granted. The view towards the Europa Bridge disappeared soon.

We highly enjoyed our time in Istanbul: in summer I went swimming before breakfast. I then left early in the morning at 8:00 for a 20-minute taxi ride to work - work started at 9:00 am officially - and then stayed in the office until about 6:30 pm. From May to October I then met Annegret and sometimes with other friends - within walking distance of work - in one of the restaurants at the fish market to enjoy the evening outside in a narrow street with fish plates and wine or raki. The alternative was to visit our fitness club in the Hotel Conrad with an outdoor pool, indoor pool, sauna, gym and tennis courts. Afterwards we were able to visit the roof restaurant of the hotel on the 16th floor with a wonderful view of the Bosphorus.

## Sportclub im Hotel Conrad



At the weekends we went on boat trips up the Bosphorus until its end where the Black Sea starts and where you can hike in the mountains

## Bosphorus Mouth at the Black Sea



Boat trips to the Princess Islands and here in particular to the Büyük Ada island combined with hikes and restaurant visits were also on the agenda.

The Bosphorus docks of the ferry boats were within walking distance of our apartment. Sometimes we went to the Black Sea for swimming and hiking on the beach. We did not follow the usual habit

of the Istanbul citizens to drive up the Bosphorus with a car on the Sunday afternoon and drive back in a traffic jam lasting several hours. In winter we went on walks along the Bosphorus in all directions. One of the favorite trails was the hike over the ancient city wall from the Golden Horn to the Bosphorus. At the weekend we went to the restaurants in Ortakoy, the Hotel Kempinski, the Ciragan Palace and the center of Besiktas within a walking distance.

We had a nice party at my 50 th birthday.



Socializing with colleagues in Istanbul was less fun than in Ankara. Our young colleagues never stayed at a meeting point for a long time and very soon fled to the next event. Typically the meeting in a wine bar to say goodbye to G., who went to the USA for a master's degree and also received a financial contribution from GTZ of USD 5,000. G. invited, soon disappeared from the scene, like others, and left the rest of the colleagues with a bill of € 300 for expensive wines - I had drunk Raki after looking at the expensive wine list.

**Farewell party for G.**



Some wedding experiences were also a bit strange. I would have expected that on this occasion the tables would bend with food and drinks, as is usually the case in Germany at Turkish weddings.

**Wedding in Istanbul**



In Istanbul you had to get the alcoholic drinks yourself from the street. After a long trip from Gaziantep to Karamanmaras they served only water apart from local ice. With nuts bought on the street and a bottle of raki under the table, I survived this wedding.

Without going into the details of project planning and implementation (I refer to a separate presentation on LinkedIn: <https://www.linkedin.com/in/karl-heinrich-prof-dr-hasenritter-19b92b19/> and at my Homepage <https://www.hasenritter.de/en/business-life/online-publications.html>) In terms of content, the reorganization of the chambers towards service providers for the member companies and the support of this reorganization with IT-supported processes. The existing IT infrastructure did not work in Istanbul. In Kayseri and Gaziantep, there was no IT infrastructure and support staff available.

In Gaziantep and Kayseri, there were 3 ways to find out about and communicate about your own business at the start of the project: local libraries equipped with irrelevant and outdated material, television, telephone calls to relatives in Germany and visits to Germany. At the end of the project, all 3 chambers were able to market their products internationally using the Internet.

Working at 3 project locations at the same time was exhausting. A typical business trip was as follows: Start at 4:00 am by taxi to Istanbul Airport. Flight to Ankara and attend a GTZ-meeting. In the late afternoon, flight to Gaziantep. Arrival around 8:00 p.m. and meeting with the only English speaking colleague in the chamber, the frustrated Deputy Secretary General. Working day in Gaziantep. In the evening continue to Kayseri by night bus. Working day in Kayseri. In the evening return flight to Istanbul.

The reorganization process followed professional standards such as those developed by Kaplan (Business Process Reengineering) at the time and as internationally in vogue. The development of a strategy for the Istanbul Chamber of Industry was actively supported by interviews with the CEO (medium-sized cable manufacturer), representatives of the Koc Group and the Sabanci Group as the most important industrial conglomerates in Turkey, as well as other representatives from other key companies. **The final strategy document adopted by the board emphasizes the aspiration to integrate economically and politically into the European Union, to overcome the conflicts with neighboring Greece and to become competitive within the customs union.**

## **Relations with GTZ and the Ministry in Germany**

Relations with GTZ were more than difficult during the three years, unlike in Ankara, where the project was implemented practically without GTZ intervention:

- As part of an organizational realignment, Roland Berger recommended that GTZ should set up country offices. The official reason for this was to improve the effectiveness of development cooperation by shifting responsibilities from headquarters to the country offices. For example, the supervisory function was shifted to the country offices. My profane perception was that the goal was to hide the overhead costs of GTZ from its supervisory board. GTZ found it increasingly difficult to adhere to the 12% percentages overhead costs specified by the GTZ Supervisory Board. This may be an appropriate value for "normal" companies. GTZ's global mandate to work in developing countries entails specific additional

costs, such as those for the tropical medical service and for personnel development (preparation for international assignments), which cannot be reflected with such a general overhead rate. The costs of the new country offices were now charged to the projects and were therefore no longer overhead costs according to the new understanding. In reality, overheads skyrocketed to over 25%, because the heads of the country offices were paid as foreign workers with a presumably double salary in comparison with their German office workers, a staff apparatus with numerous local workers and with a lot of duplication between the country offices and the projects. The bookkeeping, which until then had been the responsibility of the projects, was divided as follows: Entry of the individual costs in the project in Excel tables for the individual cost types and aggregation of the costs. Collection of receipts by cost type. After the end of the quarter, copies of the receipts were sent to Ankara by bus (several files each each time). Verification of the factual and arithmetical correctness of the bookkeeping by the country office. Visit of the country office to the project to clarify open questions. Entry of the aggregated project data into the central GIZ system in the country office. This type of transfer of overheads to the project was not understood by the project partners especially by the partner in Istanbul, and repeatedly led to conflicts between me and the project group or the General Secretary of the chamber.

- In March 1998 there was a federal budget freeze for the Ministry and the GTZ, which was interpreted by the GTZ in its effects on the projects as follows: Only the personnel costs for the foreign staff and the Turkish local staff can be paid. All other contracts must be terminated without notice. In my case, this concerned foreign IT specialists with whom obligations from work contracts existed. On my objection that this staff had legal claims from contracts, I was advised to make the staff compliant by the fact that further employment at GTZ in this and other projects would only be considered if the existing contractual claims were waived. This was not very impressive for IT specialists who were active on the global job market and did not depend on GTZ. In order to meet the existing contractual obligations and not to bring the project to a standstill, I pre-financed the staff from my private funds and had them reimbursed from the cash after the budget block was lifted. This in turn prompted the head of the country office to get me audited by KPMG, but this did not lead to any major complaints.
- Despite a unanimous vote by all team leaders in Turkey (at that time all men) against her, the head of the country office and later managing director of an important sub-organization of GTZ, Ms. Mattes-Kücükali, was appointed by GTZ as a superior and the conflicts between her and the team leaders were then dealt with by external moderation. Among other things a weekly meeting in Ankara was “agreed” to improve communication (at that time it was part of the language culture of GIZ that internal instructions were referred to as agreements). For me this had the consequence that I had to take the plane to Ankara and back on Fridays.
- Minister Wieczorek-Zeul, who had just taken office, reevaluated the development cooperation with Turkey away from key institutions such as the Prime Minister's Office and the Ministry of Finance to projects aimed at direct poverty reduction through NGOs and an exclusive regional focus on south-east Turkey, which however in practice has not

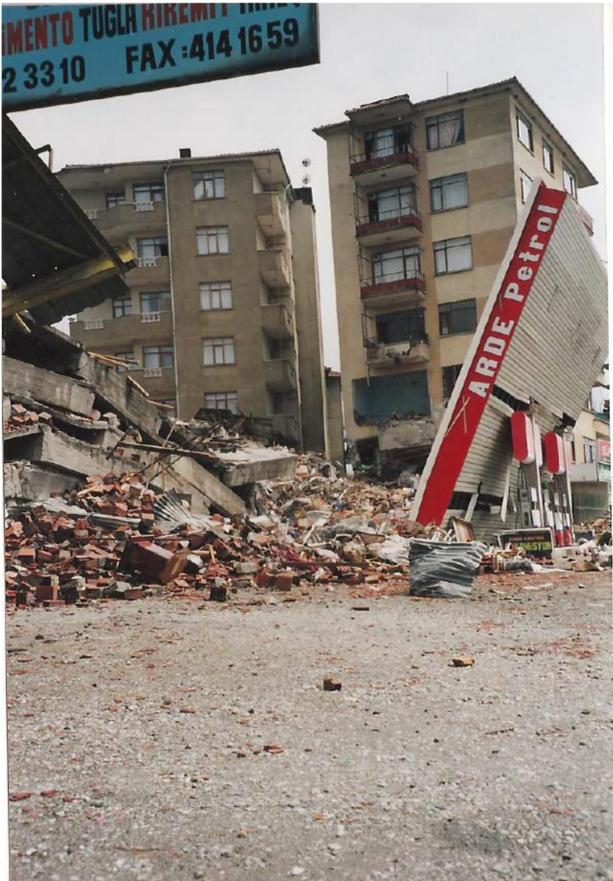
always succeeded. Towards ministry the GTZ successfully sold an environmental project to be started in the province of Dalaman, which at that time had the highest per capita income in Turkey, as a project in a poverty-stricken region. As part of the realignment of development cooperation under the Red-Green Coalition, the Federal Government has reduced the allocations to Turkey more and more and finally stopped it in 2008. In the end, somewhat grotesque, because the funds for development cooperation with Turkey had increased significantly after the acceptance of Turkey's candidate status by the EU. As a team leader of the Public Sector Appraisal Mission for the EU, I myself had the opportunity to participate in this EU efforts in 2001 and to meet many former colleagues from the ministries in Ankara.

- As part of a routine project progress assessment, which was apparently influenced by the ministry, the assessor, without having spoken to either me or the chambers, asked for the project headquarters to be relocated to Gaziantep in the southeast and the project to be realigned in a more direct manner, chamber-specific advisory services for member companies through the German project contribution. Because of the non-consultation of the chambers by the expert on his essential recommendations, which violated the guidelines for project progress assessments at the time, the general secretary of the chamber in Istanbul wrote a protest letter to the German Ministry which I got to know before it was sent , but was neither initiated nor otherwise influenced by me - the Secretary General with 4 years of World Bank experience was "man" enough to do it herself. I then received a warning from GIZ for violating my employment contract obligations. There was also meeting at the ministry where I was asked to follow the recommendations of the assessment. I have among other things referred to my employment contract, which provided for Istanbul as the place of my employment. Another attempt to realign was a planning workshop with external moderation with the chambers, which led to a new planning document. However, the previous project concept was confirmed, which was certainly also due to the fact that the other two chambers saw the Istanbul Chamber of Industry in a leading role. The project was then finally completed as originally planned.
- The new GTZ office in Ankara was responsible, among other things, for ensuring that the cars imported by the German experts were exempted from any tax obligations that otherwise became due. There was a project agreement between Turkey and Germany that exempted German contributions from taxes and other levies. During the time, I was able to get this exemption in Ankara and all other colleagues as well . Instead of registering the vehicle free of charge based on the project agreement, the vehicle was registered as a normal import vehicle by the GTZ country office . I was not a little surprised when I had to pay € 4,000 tax in 2000 and afterwards another € 1,000 tax

### **The 1999 earthquake**

The most drastic event in the Istanbul period, however, was not the project experience, but the earthquake of August 17, 1999. I overslept the climax of the earthquake at 3:00 am. I had drunk some alcohol the night before. Also the earthquake was hardly felt in Besiktas with its rocky

underground. The break line ran in Istanbul along the airport in about 25 km distance from our flat and there were 1,100 victims out there. I left the house around 8:00 am with a taxi as usual and was amazed at how little traffic there was on the streets. When I got to the office, the entire building suddenly began to move back and forth and the supply lines crunched in a way that I expected them to burst. I escaped to the 3rd floor stairs and wanted to make my way down and outside. The deputy general secretary of the chamber, who was also already in the office, then called to me to sit under my office desk, which I did fearfully. The staff gradually arrived in the office. The tremors continued, although not with the same intensity, and we first sent the staff onto the narrow street in front of the chamber's house, which would have been hit by parts of the building if the house had collapsed, and home at 11:00. The phones were blocked for a while and then I watched the damage all day on TV and the start of the rescue work. The fear of an aftershock among the population was great and the nervousness continued for weeks. Tens of thousands spent the first night after the earthquake in the parks on the Bosphorus. In our house, all house residents gathered around the swimming pool and spent the night there. Party mood soon came up. It was too tiring for me and I went to sleep in the patio door. The next day, a German delegation on behalf of the Federal Government reached me in the office, who had traveled to ascertain useful assistance and which we then looked after logistically. The city of Gölcük was hit hardest with 5000 deaths, and here I handed over an aid delivery of medicine that arrived at Istanbul Airport myself, as well as the German aid deliveries from Ankara that arrived at that in the form of tents, refrigerators, etc.



The city was in a cruel condition. The bottom was partially sagged by 7 meters and disappeared into the sea.

Colleagues from the chamber and from our team also took part in the rescue operations. Unfortunately, a very popular colleague was killed. The Turkish side proposed Germany to accommodate people on ships in the Gulf of Izmit. I called the State Secretary at the BWZ to convey this request. There, however, the decision is made to provide 5000 apartments in simple and prefabricated construction for the Bolu region, which was also affected by the earthquake. I was then surprised at how quickly the hastily built tent cities emptied again. Apparently, many of the victims were left with their relatives.

For me, the time in Turkey finally came to an end after 3 years of project work in Istanbul because the university would not have agreed to a further leave for me anyway.

**Farewell dinner with the remaining "rest" of the GTZ team Gaye Dayday, Erdinc Dalli, Nuno Amalio and partners**



The chamber in Istanbul tried to extend the project with the help of the Treasury, but failed due to the significant reduction in funding and the realignment of German development cooperation. My assessment of the project goals and effects was such that we had completely achieved the planned IT-supported changes, whereas the planned organizational changes were implemented at a rate of 50%. In September 2018, I again met with Haktan Akin who had been deputy general secretary of the Chamber and who is now the general secretary of the chamber. From today's perspective, he thinks that the project has been a great success.

**1998: Haktin Akin mit GTZ Team members Nuno Amalio und David McAuley**



The Chamber managed to reduce its staff from 140 to 98 employees and to distribute the services to 3 decentralized locations in Istanbul. I returned to Turkey in the following years: In 2000 to the Istanbul Chamber of Industry itself, in 2001 as head of the Public Sector Appraisal Mission for the EU, in 2003 as a lecturer at a conference on local government in Turkey,



in 2006 as consultant and trainer for the University of the Turkish Federation of Chambers of



Commerce and Industry and in 2015 and 2016 as team leader for the EU in the Turkish Ministry of the Interior.

#### **Human Rights conference at the Hilton Hotel in Ankara**



My experience from 1992-2016 showed me that a development take-off was possible and has taken place in Turkey. This is particularly evident in the development of income: a broad middle class has emerged that can afford European consumption standards, unlike the EU members Romania and Bulgaria.

It can also be seen in a more narrow sense in IT support for work in public administration, where Turkey has overtaken the Federal Republic of Germany according to a survey financed by the European Union.

## **Turkey and the European Union**

I am myself a convinced European and the European Union is for me like for many others in my generation more important than the Federal Republic of Germany. The national idea has proven to be the Achilles' heel of the 20th century and it was only with the creation of the European Union that a lasting and long-term peace order emerged in Europe. That is the greatest merit of the European Union.

I have always considered it my mission to promote the integration of Turkey into the economic, political and legal area of Europe and that is why I have always been a supporter of Turkey's accession to the EU. At the same time, I was and I am still aware of the problems of such an entry:

- **Accession will request substantial EU regional funds and agricultural subsidies.**
- **There is additional migration pressure from poor regions. Inland migration, which today affects the Marmara region and other parts of western Turkey, could go directly to Central Europe.**
- **Decision making in the EU is further complicated by the accession of a country with almost 80 million inhabitants.**
- **There are significant cultural differences compared to Central Europe and Northern Europe, which can be stressful but also fruitful.**
- **With the entry of Turkey, the nationalist component in the EU is strengthened. Turkish MPs would primarily define themselves as Turks and not as Europeans.**

For me, however, the advantages of Turkish membership of the EU would have outweighed:

- **Permanent peace order between members of the EU and Turkey**
- **Significantly improved chances for a lasting peace order with Turkey's neighbors, e.g. Iran**
- **Turkey remains a bulwark against Islamic terrorism.**
- **Fair competition with an important trading partner of the EU and Germany is better ensured.**
- **Turkey is included in the climate protection policy**
- **Accession is a recognition of belonging to the Western community of values.**
- **The accession facilitates the integration of the Turks living in Western Europe.**

Some of my friends and colleagues in Turkey did not share this vision and saw no decisive advantages in Turkish membership of the EU, for example my colleague Prof. Dr. Goymen, who competed for the CHP as mayor in Ankara and lost the election narrowly with 249 votes for the AKP candidate. Many younger employees also saw Europe as dusty and out-fashioned body.

The question of Turkish accession to the EU no longer arises today because Turkey has chosen a different path. After Prime Minister Erdogan took office in 2003 and was accepted as a candidate for EU membership in 2004, Turkey has taken decisive steps in the medium term to adapt to European standards through constitutional changes and a series of legislative measures. There have also been clear steps towards independence of the judiciary, improving prison conditions and suppressing torture. Around 2009, however, there has been a clear reversal in Turkish foreign and domestic policy.

Turkey sees itself at least as a regional power and a leading power in the Islamic world and pursues a policy of "strategic depth" (stratejik derinlik). Davatoglu designed it as a professor in a book on the "international position of Turkey" and executed since becoming foreign minister in 2009. This policy sees itself within the legacy of the Ottoman Empire, which once ruled on three continents, although Davatoglu does not like to hear the term "Neo-Ottomanism".

### **The PKK conflict**

One of the more recent causes of alienation between Turkey and the European Union happened a long time ago and has almost been forgotten. It is the conflict with the PKK and its leader Abdullah Öcalan, which in the 90s increasingly developed in the direction of a civil war and in which the PKK initially penetrated further west and conquered entire regions. In parts of the German public and also in parts of my party, the prevailing view was that the Kurds were persecuted as an ethnic group in Turkey. The allegation of ethnic oppression of the Kurds in western Turkey was without substance at that time. This also applied to other ethnic groups.

As a result of numerous migratory movements, Turkey is a multi-ethnic state with 10-15 million Kurds, 2 million Gypsies, 1.5 million Circassians, 1.5 million Georgians (including 90,000 Lal), Azerbaijanis, Armenians, Chechens and other Caucasus peoples, as well as Bosniaks, Syrians, Albanians and also 20,000 Jews who immigrated to Spain in the age of the Jewish programs and who still speak some Spanish in the family in Istanbul today.

A PKK-led war economy developed in Turkey in the 1990s, which was characterized by drug production, drug trafficking, arms trafficking and other illegal border trade, extortion protection, black money laundering and paid mercenary work on both sides. In the immediate vicinity of the southeastern provinces, for example, cities with wealthy islands emerged in Elazig and Gaziantep, which benefited from this war economy. This war economy was on the lack of constitutional authority.

The Turkish military was responsible for the systematic destruction of villages, the displacement of their inhabitants and the burning of crops and forests to destroy the logistical base of the PKK.

The parliament and the government introduced an anti-terrorism legislation that resulted in hundreds of journalists and 8 MPs being imprisoned. Again and again people were tortured and shot under the guise of anonymity.

The PKK was responsible for the liquidation of hundreds of uninvolved women and children, teachers and parts of their intra-party opposition within the framework of a Stalinist party apparatus.

After the military had succeeded in pushing the PKK back, an opportunity was seen to get hold of PKK leader Öcalan. Turkey, in 1998, threatened neighboring Syria with an invasion, if they would not give up PKK support and expel Abdullah Öcalan from Syria. This happened. Öcalan flew first to Moscow and then to Rome. The next planned destination was Germany. The federal government under Gerd Schröder, however, refused to allow him to enter the country despite an arrest warrant for murder. NATO partner Greece finally secretly took care of - in Greece many people knew the place of arrival of his flight - and later - apparently - brought him to the Greek embassy in Nairobi! The Turkish secret service kidnapped Öcalan from Nairobi and detained it on the island of Imrali. The capture of Öcalan and the sparing of his life temporarily ended the armed struggle of the PKK and not any resolutions of the European Parliament. After the PKK laid down its arms unilaterally in 1999, there was a real chance of a peace agreement, but the Turkish governments did not seize it. The armed conflict resumed in 2004 after the PKK unilaterally announced the end of the ceasefire. At the end of 2012, the Turkish government and the PKK started unofficial and later official peace negotiations.

This process collapsed in 2015 after an Islamist suicide attack in the city of Suruc, located opposite the Syrian city of Kobane, resulted in 34 deaths against a youth organization close to a PKK. The PKK resumed operations. The Turkish government took the attack as an opportunity to step up action against both the IS and the PKK.

In 2016, the then Prime Minister Davatoglu tried to revive the peace process. Since this was apparently against the will of President Erdogan and as Davatoglu was also against the transition to a presidential system with executive powers, he had to resign before the attempted coup.

### **The Cyprus problem**

There is a second level that has promoted the alienation process from Europe: In the nineties Turkey and Greece were several times at a brink of a war between them. Although Turkey and Greece since then have taken a number of important, confidence-building measures, the Cyprus question has not been finally resolved. The Greek part of the island has rejected the result of many years of negotiations, the so-called Annan plan of the UN, in a referendum. It is an illusion to assume that there could be another negotiation result in the foreseeable future! Former Chancellor Schröder rightly pointed out in his memoirs that Turkey's agreement to expand the European Customs Union to Cyprus had in fact been made dependent on Prime Minister Erdogan's wish to end the economic isolation of the North. However, nothing has changed in this regard!

For some years now, the following difficulty has been added: Oil and gas reserves of more than 15 billion barrels are said to be in the eastern Mediterranean. According to studies, there are about six to eight billion barrels in Cypriot territorial waters. The estimated value of the Cypriot share is around \$ 400 billion. The military support of the internationally recognized government of Libya from Turkey should also be seen in this context.

Overall, relations between Turkey and Greece remain under heavy strain.

Another reason for the alienation between the EU and Turkey lies in the fact that due to the unanimity required for the admission of new members, EU membership with a known negative attitude in Greece and Austria and in Germany with Chancellor Merkel's view was always a long way off.

### **The relations of Turkey towards the neighboring states**

The new foreign policy also included the "zero problem policy" with all neighboring countries. This failed terribly if you look at the current state of relations with neighboring countries.

Until the outbreak of the civil war in **Syria** in 2011, Erdogan and Assad had a kind of friendship between men. When the Arab Spring broke out in 2011, however, Turkey now saw an opportunity to bring AKP-related religious movements to power in Syria, Egypt, Tunisia, etc. At that time I was traveling to a mission in Yemen, had to cancel the flight over Cairo due to the unrest there and had to take the route via Istanbul. At that time I could not understand the enthusiasm in the West about the "Arab Spring", because it was sufficiently clear that religious fundamentalists wanted to come to power. After Assad blocked all attempts to overthrow the Arab Spring, he became an adversary. From May 2012 at the latest, the Turkish secret service trained and armed fighters of the Free Syrian Army and other units of the Syrian opposition.

On October 9, 2019, Turkey invaded Syria without respecting Syria's territorial integrity and, with the support of the Free Syrian Army, occupied a wide strip of land. At the beginning of March 2020, when these lines were written, there were armed, fatal clashes between the Turkish and Syrian armies almost every day. The neighboring Iran is also an important war party on the side of Assad in Syria and there is in fact a state of war with the Iran.

In Iraq, Turkey sees itself as a protective power for the Turkic-speaking minority living there, with a focus on settlements in Kirkuk and Mosul. Since December 2015, Turkey has stationed several hundred soldiers and more than 20 tanks in Baschika north of the city of Mosul in northern Iraq. According to Turkish information, Sunni anti-IS fighters from Iraq are to be trained there in addition to Kurdish Peshmerga. After the liberation of Mosul from IS, Erdogan said in an interview that only Sunni Arabs, Turkmens and Sunni Kurds should be allowed to live there. This statement met with harsh criticism in Shiite-populated Iraq. Iraq even called the UN Security Council because of its opposition to Turkish troop presence.

Iraq has always tried to prevent the repeated invasion of Turkish troops into northern Iraq to combat the PKK.

Relations with Armenia are heavily burdened for historical reasons and Armenia does not recognize today's border with Turkey. There are no diplomatic relations between the two countries. Turkey regards itself as the protecting power of Azerbaijan in the Nagorno-Karabakh conflict. The border between Turkey and Armenia remains closed and all efforts to improve relations have so far failed.

Azerbaijan is linguistically one of the Turkic peoples and relations were very close after Azerbaijan declared independence. Relations have cooled somewhat since Azerbaijan pursues its own raw material interests and also secular Shiite religious circles prevail there.

Relations with Georgia are good. There are close economic ties and Georgia is also a transit country for exports to Russia.

The economic relations between Turkey and Russia are close. Russia is in 12th place in Turkey's exports and No. 1 in imports. Six million Russian tourists a year are currently visiting Turkey. Cooperation in the energy sector is far reaching up to the construction of a Russian nuclear power plant in southern Turkey. Despite apparently good personal relationships between Erdogan and Putin and numerous mutual visits, Turkey and Russia are opponents in the Syrian war, which has long since changed from a civil war to an international conflict. After the shooting down of a Russian fighter jet by the Turkish army near the Turkish-Syrian border on November 24, 2015, Turkish-Russian relations deteriorated dramatically. There was a direct military confrontation between the two parties in Syria that could only be averted with difficulty. The flow of tourists from Russia came to a complete standstill. Even now, in March 2020, there may be military conflicts between Turkey and Russia in the Syrian province of Idlib at any time

Relations between Turkey and Romania are good and there is significant Turkish investment in Romania.

Relations between Turkey and Bulgaria are good. There is a Turkish ethnic minority of around 550,000 in Bulgaria, which can also influence Bulgarian politics.

### **Actual developments**

Relations with the European Union are of secondary importance to Turkey given its current foreign policy doctrine and the bad experiences it has had with individual EU countries. The main focus is on getting as much funding from the EU as possible and using it directly to finance the state budget. This is countered by the EU's project and program-based financing approach, which also applies to Syrian refugee aid and controls the use of funds largely through the EU itself and NGOs and not through the Turkish state budget. This is why President Erdogan repeatedly complains about insufficient outflow of funds. He wants to control them. The agreement of 2016 foresees not only financial contributions of refugee aid but also visa liberalization for Turks and an intensification of the entry negotiations. The visa liberalization at least for business people could be a starting point to get the actual deadlock overcome.

After all, aid to refugees is in the mutual interest, because on the one hand it has curbed the influx of migrants into the EU and on the other hand it has contributed to the partial financing of the livelihood of probably 3.5 million refugees in Turkey. It is unclear to me whether Turkey continues to count in the refugee registration system those refugees who flocked to Europe in 2015 and 2016 after a temporary stay in Turkey, because they were not registered again when you left. After an initial welcome, Turkish society now looks at Syrian refugees with great skepticism, since outside the refugee camps - with mostly illegal employment - they have become competitors in the already tense labor market. Even in those days when Turkey has opened its borders again to the flow of refugees to Europe, the mutual interests should be balanced in such a way that the flow of refugees can be stopped again. Turkey has a high burden of refugee flows not only from Syria, but from many other countries such as Afghanistan.

A common interest in the future will also be the return of Syrian migrants and refugees to Syria.

Since the Gezi protests in 2013 and even more since the attempted coup in 2016, Turkey has moved further and further away from the rule of law standards set by the jurisdiction of the European Court of Human Rights which Turkey as a member of the Council of Europe should adhere to

After the Gezi protests, Turkey has largely brought the right to demonstrate to a standstill.

We had the opportunity, as a consultant for Turkey and the EU Commission in 2015 in the Turkish Ministry of the Interior, among other things, to work on a roadmap for Turkey's progress with regard to the requirements in Chapter 23 (Justice and Fundamental Rights) of the annual progress reports for accession as team leader in a team of 3 experts. Our work suffered from the fact that my other two team members - designated human rights activists - only wanted to follow the path and the timeline for sufficient procedural guarantees in administrative procedures and for a stronger institutional performance of the administrative authorities concerned with the implementation of fundamental rights. With this reduced approach, which did not want to deal with substantive fundamental rights problems in legislation and administrative enforcement, they naturally met with approval in the Ministry of the Interior.

There was an "ACTION PLAN ON PREVENTION OF European Court of Human Rights VIOLATIONS" from 2014, which the cabinet of government had decided, the further implementation of which we should have taken care of together with the Ministry of the Interior, the police, the gendarmerie and the other responsible ministries. However, this has not happened.

During this time, the team and I myself conducted many interviews with an exhausting number of institutions and people. Among other things, I had a very open conversation with a General Director from the EU ministry, whom I finally asked what else we had to do to actually achieve our goals. He gave me 5 other contacts in various ministries that I should have spoken to and convinced, but the time that was still available did not allow it. Above all, however, he made it clear to me that ultimately President Erdogan, who was then Prime Minister at the time, should give the green light for strengthening human rights.

Cooperation with the Directorate General for Migration in the Ministry of the Interior was encouraging. Turkey has migration legislation that meets European standards. Among other things, it provides for accelerated administrative procedures for asylum seekers and other protection seekers, which lead to a temporary right of residence if the competent authority does not make a decision within the stipulated deadlines.

The conversation with the Turkish border police, in which all the central executives of the border police were present, was somewhat strange. The focus was on the presentation of a video that showed several rescue operations of refugees by the border police off the Turkish coast. When I contested that international law would rather request to prevent people without a permit from leaving the country, they replied that the refugees would then experience chaos and danger to life. They saw themselves as life rescuer.

During this time we also held two conferences on the human rights situation in Turkey and took a study trip to Germany to the Ministry of the Interior and the Ministry of Justice of the Federal Government as well as the Ministry of the Interior and the Brandenburg Police, who all were eager to talk to Turkish authorities last not least because the mass refugee and migration movements from Turkey were already in full swing at the end of summer 2015.

Ultimately, these initiatives achieved nothing. The roadmap was approved by the Interior Ministry on a working level. It was never presented to the top of the house. It is almost certain that this document has had no effect.

The Venice Commission of the Council of Europe has explained in detail how substantially Turkey has violated fundamental rights, particularly of civil servants, following the declaration of an emergency in connection with the attempted coup. Turkey has fired approximately 180,000 civil servants for allegedly being involved in the coup attempt.

2745 judges - that was about 36% of all judges in Turkey - were suspended and partly arrested, including 2 constitutional judges who could be considered opponents of President Erdogan. The evidence for participation in the coup attempts or alleged terrorist support was so thin in cases that I could analyze myself, such as the cases of the two constitutional judges or the dismissal of the faculty members of the Political Faculty of the University of Ankara, that they would not have been accepted a rule of law based proceeding

The Venice Commission of the Council of Europe, in an analysis of the Constitutional Court's ruling justifying the suspension of its 2 colleagues after a long quotation from the judgment, said:

„This long citation is needed to show that, for the Turkish Constitutional Court, a decision to dismiss a judge on the basis of the extraordinary measures ordered by the first decree law does not require any particular *evidence* to be described and analysed in the judgment. Actually, the above-cited judgment does not refer to *any* evidence against the two judges concerned. To decide on the dismissal, it sufficed for the majority of the Constitutional Court to be *subjectively persuaded* that a link between a member of the Constitutional Court and the Gülenist network exists“

The dismissal of the docents happened because they had sign a leaflet with the following contents:

„The Turkish state has effectively condemned its citizens in Sur, Silvan, Nusaybin, Cizre, Silopi, and many other towns and neighborhoods in the Kurdish provinces to hunger through its use of curfews that have been ongoing for weeks. It has attacked these settlements with heavy weapons and equipment that would only be mobilized in wartime. As a result, the right to life, liberty, and security, and in particular the prohibition of torture and ill-treatment protected by the constitution and international conventions have been violated.

This deliberate and planned massacre is in serious violation of Turkey's own laws and international treaties to which Turkey is a party. These actions are in serious violation of international law.

We demand the state to abandon its deliberate massacre and deportation of Kurdish and other peoples in the region. We also demand the state to lift the curfew, punish those who are responsible for human rights violations, and compensate those citizens who have experienced material and psychological damage. For this purpose we demand that independent national and international observers to be given access to the region and that they be allowed to monitor and report on the incidents.

We demand the government to prepare the conditions for negotiations and create a road map that would lead to a lasting peace which includes the demands of the Kurdish political movement. We

demand inclusion of independent observers from broad sections of society in these negotiations. We also declare our willingness to volunteer as observers. We oppose suppression of any kind of the opposition.

We, as academics and researchers working on and/or in Turkey, declare that we will not be a party to this massacre by remaining silent and demand an immediate end to the violence perpetrated by the state. We will continue advocacy with political parties, the parliament, and international public opinion until our demands are met“.

Many of the scientists were charged with "propaganda for a terrorist organization" and "disparagement of the Turkish nation".

It is a consequence of this development that the EU has significantly reduced the accession funds intended for Turkey and no longer supports state institutions in Turkey in the development of democracy and the rule of law. Accordingly, the payments, which originally totaled 3,5 Billion € for the period be from 2014 to 2020. Since 2017, the EU has cut aid by a total of 1.2 billion euros. I do not understand why the funding of non-governmental organizations continues, even though their scope of action is significantly reduced. Refugee aid is not affected by these cuts and should also be used to support the return of Syrian refugees from Turkey and Europe as early as possible.

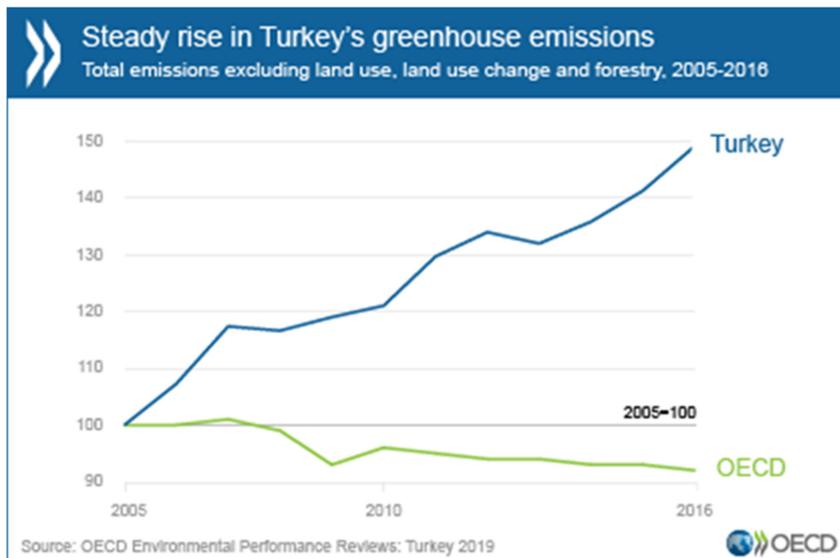
What also surprises me is the fact that a project with the title “Technical Assistance for Strengthening Fundamental Rights Sector Coordination” with a budget of € 1.4 million is now being tendered again from the EU funds for 2017 because it will include the promotion of state institutions:

“The objective of the contract is to strengthen institutional coordination and cooperation by establishing a sector coordination platform with all stakeholders in the field of Fundamental Rights. The contract also includes capacity building activities for the relevant institutions of the Fundamental Rights Sector in Turkey as well as activities for inter-institutional communication and awareness among the stakeholders”.

Overall, Turkey is increasingly pursuing a nationalist course that takes little account of international developments and commitments such as relations with NATO, the EU and the UN.

This can also be seen in a policy area that is of central importance for human survival: Climate protection.

While overall greenhouse gas emissions in the OECD countries have decreased by 8% since 2005 to 2016, they increased by 49% in Turkey in the same period.



In order to limit the temperature rise to 1.5 degrees Celsius, coal-based electricity generation in OECD countries will be reduced to zero by 2030

In Germany (80 million inhabitants), the total electricity generation capacity from coal was 44.9 GW in 2019. It will be brought back to zero by 2038, which is not in line with the schedule for the OECD countries.

Planned new investments in coal-fired power plants have been falling worldwide since 2015.

However, what China (1408 million inhabitants), India (1387 million inhabitants) and Turkey (80 million inhabitants) alone have previously planned in terms of new investments in coal-fired power plants would be sufficient to lead the Paris climate target to absurdity.

Country	Pre-construction (GW)
China	74.2
India	48.8
Turkey	33.8

If one puts the planned new investments in relation to the number of inhabitants, there is by far the greatest increase in new capacity in Turkey. With 33.8 GW of planned electricity generation capacity from coal, Turkey is planning almost as much new capacity as Germany would like to shut down. 189 of 197 countries have now ratified the Paris Agreement. Iran, Iraq, Angola and Libya, all belonging to OPEC, and the civil war states Yemen and South Sudan have not yet signed the agreement.

Turkey ranks as a non-signatory, although it has no comparable problems.

We hope, despite the fact that nearly all the media are under the control of the government , in the medium term those political forces in Turkey that focus on the pursuit of sustainable development and the creation of an international peace order will gain momentum.