

SOUTH EAST MED ENERGY & DEFENSE

THE ANALYSIS INSTRUMENT FOR THE STAKEHOLDERS

MEH

REPORT

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Elections in Turkey

The Legitimation of the New Turkey

During the last years, the term “New Turkey” has begun to be established in the Turkish political discourse. Therefore, it is considered useful to research the characteristics of this “New Turkey” or the “new red lines” that are going to determine the function of the socioeconomic and sociopolitical institutions in the next decades, which will be legitimate after the double elections in Turkey in 24th June 2018.

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Former and present “red lines”

In order to better comprehend the mentality of the “new red lines” it would be useful to refer to the mentality of the Justice and Development Party (AKP) that stems from the 1st Great National Assembly of 1920. Two ideologically opposed groups dominated this assembly: the “first” and the “second” groups. The “first group” was the one whose mentality constituted the ideological backbone of the Republican People’s Party (CHP) founded by Moustafa Kemal, who was also the founder of the Turkish democracy in 1923. The “second group” was the one whose mentality opposed the founding philosophy of the Turkish Democracy in 1923. The mentality of opposition of the “second group” began to be realized in the political scene of Turkey through the Justice and Development Party (AKP). After 2002, when the Justice and Development Party came to power, this was the mentality that shaped the “new red lines” of the “new Turkey”. But, which were the old red lines of the “old” Turkey and which are the Turkish state’s new red lines of the “new” Turkey?

The notion of secularity

The first red line was the so called principle of secularity. As defined by the Republican People’s Party the principle of secularity finds its ideological origin in the French model (Laicite). The Turkish version of secularity is reflected on the following statement: *“In your private life you will freely experience the islamic religion as you wish, but in the public sphere you will behave according to the principles of the state”*. With the rise of the Justice and Development party in power the content of the principle of secularity changed drastically by adopting the American model (secularism). As a result, Islam, that was previously limited in the private sphere, now entered the public one. A characteristic example of the above claim is the issue of the headscarf that used to be strictly limited in the private life of citizens. Even though the headscarf had already begun to appear in the

public sphere and particularly on the level of regional government, with the Justice and Development Party it appeared not only in the public sphere, but prominently in the political life. On the 31st of October 2013, four members of the parliament coming from the Justice and Development Party were covered with a headscarf.

A few years ago on May 1st for the first time the Anticapitalistic Muslim group or the “leftists Muslim” group appeared. The most interesting thing was that for the first time in Turkey Muslim values interacted with leftist values. This group supports what a Marxist believes in. One of the slogan that they use is “Allah, Bread and Freedom”. One of their activities is to protest against rich Muslims who in the period of fasting would spend thousands of dollars breaking their fast in luxury hotels; to protest this, the anticapitalistic Muslim group preferred breaking their fast eating on the ground. The “protest” culture started being developed



within the Islamic practices, debates using the Marxism lexicon such as means of production or class of conflict shows that Islam in Turkey started to gain materialist world view, while 15 years ago they believed that everything came from Allah. One of the tools to spread and deepen the capitalist spirit/protestant way of thinking is to make the consumer mentality accessible to social communities, which were excluded from this mentality.

In the Justice and Development party era this outsider social groups and their Islamic

mentality appeared into the public sphere and started interacting with capitalism through the consumerism, interacting with the western life style, clothes, brands such as Mc Donalds, Starbucks etc... We notice that on one hand, the spirit of capitalism was appropriated by the Islamic movement that spread its characteristics to the society. To do so, it used Islamic values. In other word the capitalist system was disguised behind Islamic values. The crucial difference is that the way that secularity (Laicite) had been conceptualized in Turkey rendered religion as an obstacle against the modernization of society and emphasis was given on the national element. However, with the Justice and Development party the model of secularism was adopted. According to that model, religion becomes a significant factor of modernization or “progressive Islam” and of the new secular ethics. This ethos is a protestant ethic that was adopted by the Islamic movement and by the Justice and Development Party and, as noted by ennur Özdemir, contributed to the broadening and deepening of capitalism in Turkey.

The transformation of the political system

The second red line is associated with the political system. The political system during the period 1923-2014 was that of a parliamentary democracy. One of main characteristics of this system was the multi party system. Nevertheless, on the 10th of August 2014, when Tayyip Erdogan was the first President of Democracy to be elected immediately by the people, Turkey officially entered a phase of forming a Presidential Democracy according to the model of the U.S.A. The referendum of the 21st of October 2007 was the beginning with 68,95% of the Turkish people voting in favor of the President of Democracy to be elected immediately by the people. And with the last referendum in April 16th 2017, 51% of the Turkish voters said yes to the new system, the presidential system. This political transformation changed, also, the political system switching from a multi-party to a two-party system, just like the American model with the Republicans vs Democrats. This party transformation process was accelerated because of the upcoming elections on June 24th 2018 (for the first time the Presidential and Parliamentary elections will happen the same day).

The JDP (AKP) united with the Nationalist Movement Party and formed the “Republicans” bloc. The opposition parties made of the Republicans People party (CHP), the GOOD party (İYİ Parti) and the Felicity party (Saadet Partisi) allied, however only in the context of the parliamentary elections; this opposition formed the “Democrats” bloc, although as far as the presidential election is concerned each party will run with its own candidate. In my opinion, after the elections the union of the opposition representing the “Democrats” bloc will continue by electing

their leader, whose mentality will be in line with the red lines formed by the JDP; for instance the candidate of the CHP, the opposition party, has stated that they do not stand against the women wearing headscarfs in public institutions and that they do not want to go back to a parliamentary system.

The new guardian of the new Turkey

The third red line constitutes the change of the guardian of the new red lines. Since the foundation of the Turkish Democracy the army was the carrier of transmission of western values as they were signified by Mustafa Kemal. Western values were transmitted to the Turkish society in a military way. To be sure, it was a modernization imposed by the central power. After 1980, this kind of modernization started to partially transform when Turkey favored the approach of neo-liberalism. This means that the modernization of society will no longer be the work of an institution, namely the army, instead the society itself will constitute the moving force of modernization.

The Islamic movement in Turkey served as the connecting part of this form of modernization among the society and the police. The Islamic movement strengthened the institution of the police, something that serves as a great example of the adaptation-incorporation of the western institutional mentality according to the model of the U.S.A. Particularly, the full institutional adjustment of the police began with the rise of the Justice and Development Party to governmental power in 2002. Initially, this aimed at deconstructing the centralized character of the Turkish police which also reflected the form of the Turkish state. The adapted model forming the police was called community policing, which in Turkish corresponds to "toplum destekli polis". This model had at its center the citizen, taking into account the social character of each neighborhood. However, the main characteristic of this model is the obligatory internal reconstruction of the police according to the federal model of the U.S.A.

Of course, a question comes up at this point concerning whether the Turkish society at the present moment stands against the Turkish army. The answer is negative for the following reason: Even though the army was considered to be the guardian of the Turkish Democracy after 1923 and the force protecting its secular character (the French model of Laïcité), at the same time, its power was justified through Islam. It is worth mentioning that the Turkish army is called "The house of the Prophet" (Peygamber Ocağı) and the Turk soldier is called Mehmetcik. To some extent this names seem to partially identify the Turk soldier with the Prophet as the name Mehmet is the Prophet's name. Correspondingly, the Turk soldier that is killed in the conflicts in southeastern Turkey is called şehit (martyr) meaning the one that dies in



the name of Allah in a holy war, while a survivor of a holy war is called Gazi. It is important to note that the full title that is rendered to Mustafa Kemal is Gazi Mustafa Kemal Atatürk for the reason mentioned above. Thus, the Turkish people that in its vast majority is Muslim could not oppose to the military institution that is called Muhammad's army.

After the 15th of July, it seems that a religious veil covered all aspects of state's activity. This became obvious during the first gigantic demonstrations at Yenikapi in Istanbul in favor of democracy and in memory of that day's victims. The event began with the reading of the Quran and for the first time in a demonstration of the kind the leader of the armed forces, Hulusi Akar, gave a speech. At



the same time, the Turkish television showed the leader of the Turkish armed forces paying a Friday visit to the mosque. In my opinion, this fact sets aside the national character of the Turkish army, meaning the mentality that was determining in the context of the national state, and designates the Islamic character of the military institution as Muhammad's army, a title that was given to the Ottoman army after the abolishment of the Janissary army in 1826.

The state's party and the party of the state

The Republican People's Party (CHP) was a state's party. In the period between 1923 and 2017 (the referendum's date), this party formed the red lines of the state according to the mentality of the first group. Thus, the socioeconomic and sociopolitical institutions were functioning according to these

red lines. Since 2017, though, this position of the CHP as a state's party was taken over by the Justice and Development Party (AKP), which acts according to the mentality of the second group and forms the new red lines of the Turkish state which will determine the function of the socioeconomic and sociopolitical institutions.

The National Action Party (MHP) is a special case as it is a party of the state, meaning that it is a party whose ideology is identified with the ideology of the state. During the '60s, for example, when the Turkish state conducted an anti-leftist policy the National Action Party identified itself with the current politics and developed a political discourse against the leftist trends of the period. In the '70s, the party adopted the same politics of identifying with the state during the conflict between Sunnits and Alevis by supporting the former. In the elections of 1999 the National Action Party came second in votes with the promise that if they came to power, they would hang Abdullah Ocalan. In the coalition government (DSP- MHP- ANAP) the leader of MHP, National Action Party, and vice president of the government was the one to support that Ocalan shouldn't be hung because the state judged so.

In early 2000, the party conducted a discussion concerning whether they should continue towards a politics focused on the streets or whether they should focus on a more formal politics. The conflict was between the nationalistic organizations (Ülkü Ocakları) and the members of the party that wanted to build a new profile, free of the radical image according to which violence is accepted as a means towards political ends. Moreover, during the Gezi park protests the party's president declared that he would expel from the party whomever takes part in the events. During the 10th of August elections, traditional electoral areas of the party voted for Tayyip Erdoğan. At the same time, even though during the elections of the 7th of June the leader of the party had supported a strong opposition to the Presidential sys-

tem, in the summer of 2015 he cooperated with the government of the Justice and Development Party in electing Ismet Yilmaz as the President of the Turkish parliament. After the 15th of July, while at the time there was no ongoing discussion concerning the Presidential system, the president decided to bring up the issue with a speech addressed at the parliamentary group of the party. In his speech, he pointed out that there is a *de facto* Presidential democracy and that the people should decide whether this will be reflected in the constitution. With this stance he clearly opened the way for the application of the Presidential system and consequently, in the spring of 2017 the referendum conducted decided whether the Turkish people wants a Presidential system or not.

The continuity of the state

At this point we would like to make a very significant observation. As we noted in the beginning of the article, the formation of the new red lines does not mean that we have the creation of a new state. On the contrary, the very same state that founded the Turkish Democracy in 1923 will be the one to build the New Turkey in 2023. In other words, the methods that Atatürk used for establishing the “new” Turkey in 1923, are the same methods used by Recep Tayyip Erdoğan to establish the “new” Turkey in 2023. We shall mention some of them:

a. This is something that we can understand by the fact that the characterization of those that took part in the attempt of the coup on the 15th of July as “terrorists” brings in mind the era of the Jacobins who characterized as an enemy of the people or as a terrorist whomever opposed. Mustafa Kemal characterized as an enemy of the people those that opposed the foundation of the Turkish Democracy. Finally, the day that Kenan Evren handed the presidency to Turgut Özal he noted in his speech that it is necessary the President of Democracy to be elected by the people.

b. The personality of the leader. Turkey as an “oriental community” country is a type of country whose social transformation always reflects the international conjuncture whatever it is. The creation of Turkey in 1923 as a nation-state and the context that Atatürk created, the secularism as we mentioned above reflected the international mentality of that period and particularly the European one. The new context that Erdoğan is creating and which will take its final form by 2023 reflects let’s say the New Liberalism spirit which started to be implemented in Turkey from the 1980s. One of the new liberalism points of view is the American secularism which has been deepening in Erdoğan era. The personalities of Atatürk and Erdoğan, in the framework of social transformation, acted as a tool for the establishment and consolidation of it, however was not or



is not its creator. Because when we talk about social transformation we talk about the transformation of the society, not the transformation of the personality of the leader. It means that the “authoritarianism” or “dictatorship” of each leader was and is used as a “legitimation tool”.

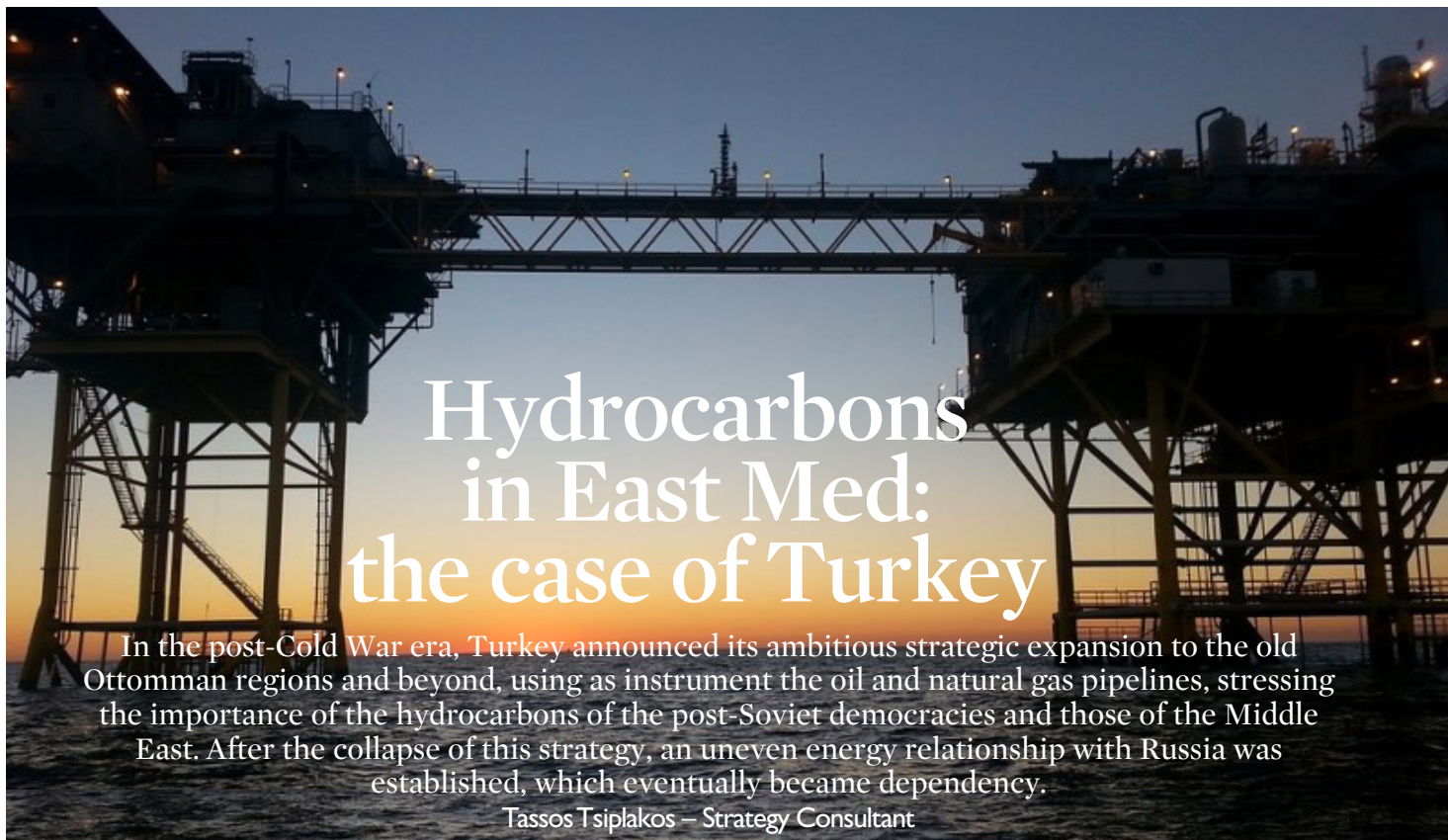
c. Both Atatürk and Erdoğan as founding leaders was/is Republican. Atatürk founded the Republican Peoples party on September 9th in 1919, a party which shaped the red lines of the Turkish Republic, meaning that even if he was not in power, political parties on the political scene would act accordingly and within the framework of these red lines created by the Republican People’s Party. Recep Tayyip Erdoğan after the July 15th started to become Republican, he gained the characteristic of the founding leader. In February 2018 Erdoğan’s party united with the Nationalist Party thus representing the Republicans bloc.

d. The two parties, the Republicans People’s Party of Atatürk (CHP) in the framework of the European multi-party system and the Republicans of Erdoğan in the framework of the American presidential system have seen/see their political programme shaping the constitutional mentality and of course the mentality of the state. For example, the French secularism model (Laïcité) was taken into the program of the Republican’s People party in 1931 and it became the essential factor of the state, which included it into the Constitution as an article in 1937. The Justice and Development Party (AKP) did the same. On May 20th in 2017, Erdoğan’s “Rabia” symbol, which means “one nation, one flag, one home, one state” was taken into the party program. I believe that after the June 2018 elections, it will be added to the Constitutional change as an article.

Conclusions

In my book, which was my doctorate dissertation and published under the title “The Republic of the Seconds” I answered to the question: “How can a transformation be made in Turkey or under which conditions can a transformation occur?”. The transformation starts with the change of international conjuncture in the communities, where there is a strong State tradition like in Turkey; the State reflects this transformation to all sections of the community. There is an important point which must be mentioned: this transformation doesn’t occur by building a new State. Existing State transforms itself and adapts to the international conjuncture. And then, the internal dynamics, conforming to the “new” international conjuncture, are mobilized and the transformation process starts.

Turkey in 1923 under Atatürk’s era, represented by the 1st Group at the parliament established Turkey using the European mentality, which means that the common ground of the people was the Turkish national identity and the religion, Islam, was an obstacle to this founding ideology and thus confining to the private sphere. The situation, however, started to change with Erdoğan’s era, who represents the 2nd Group. With the implementation of the New Liberalism in Turkey from the 1980s onwards, Islam which was hidden started to gradually appear and reach its summit under Erdoğan; Islam interacted with the capitalism, thus transforming the context of Islam which adopted the protestant way of thinking. As mentioned above, Islam started to express itself using the global lexicon gaining the character of “progressivity”. This progressive Islam is going to be the common ground for the Turkish society in the New Turkey in 2023.



Hydrocarbons in East Med: the case of Turkey

In the post-Cold War era, Turkey announced its ambitious strategic expansion to the old Ottoman regions and beyond, using as instrument the oil and natural gas pipelines, stressing the importance of the hydrocarbons of the post-Soviet democracies and those of the Middle East. After the collapse of this strategy, an uneven energy relationship with Russia was established, which eventually became dependency.

Tassos Tsiplakos – Strategy Consultant

The beginning of those ambitions was right after the collapse of the USSR and the emerging opportunity for the introduction of the states around Caspia Sea in the capitalistic system and the international economy. The end of the central programmed economy and the entrance of capitalism was related to the opportunities of connecting Caspia's hydrocarbons to the consuming markets of the West, via Turkey. Cooperation with Turkey was necessary because on the one hand the West desired the detour of Russia, aiming to the differentiation of the transport routes and on the other, at the time relations with Iran were –and still are– problematic, while the Caucasus democracies, apart from the fact that most of them didn't have the necessary

funds for big development investments, were capable to transfuse their hydrocarbons up to the Straits only.

Turkey recognized its advantage as a neighbour with the regions of Caucasus, Central Asia, Middle East and the Eastern Mediterranean, which accumulate 72% of the world's oil reserves and 71% of natural gas. Former Prime Minister prof. Ahmet Davutoglu in his study «The Strategic Depth» stresses that: «...due to Turkey's geographic position, part of its national strategy is the convenient energy transportation through its soil, which has been set to the epicentre of the East-West energy corridor». Additionally, this role is mentioned as a tool for the realization of Turkey's strategic and political goals, i.e. to become Europe's 4th energy supply

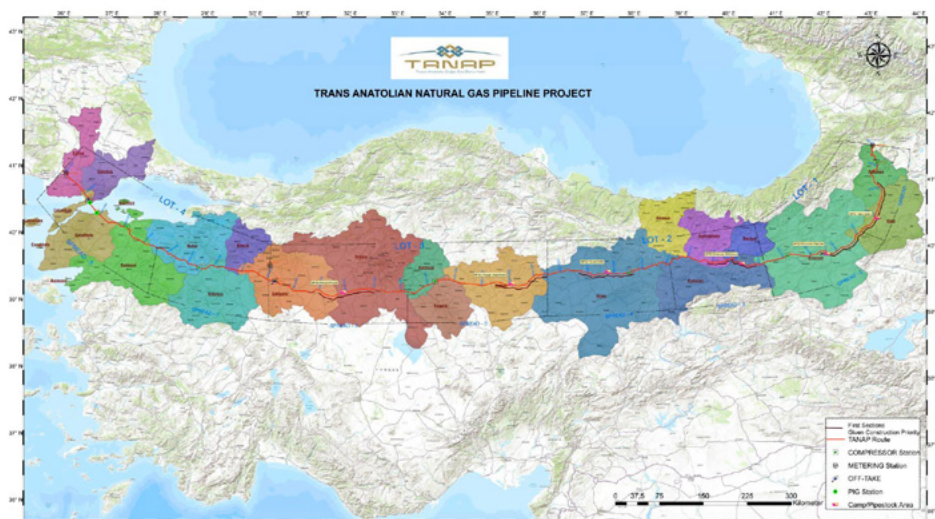
artery, as well as to interconnect the energy routes with its accession process to the EU.

Turkey's plans to use energy as its strategic tool have certain limits

In the recent past however, in order to cope with increased gas needs, Turkey called on Gazprom to help it. Perhaps a clear answer to the question of how much Turkey is dependent on Russia cannot be given, but in 2017 Turkey recorded a record of gas imports from Russia. The truth is that the weather and the needs of the domestic market have imposed it. In any case, Turkey is now coming second after Germany on the list of countries with which Gazprom is working closely. The construction of the Turkish Stream gas pipeline, at least a part of it, is in full swing and is being completed according to the original plans.

At the same time, however, Turkey has not abandoned its efforts to find alternative sources of supply to the domestic industry, as well as enhancing its aim to be an alternative to Russia supply source to Europe, ensuring co-operation with both Azerbaijan and Qatar with the recent inauguration of Trans Anatolian Pipeline -TANAP. This pipeline is the first part of the so-called "Southern Corridor", a project that gradually became real after years of efforts on the part of the EU to expand the sources of supply for European industry. The TANAP pipeline will be connected along the Trans-Adriatic Pipeline - TAP pipeline to bring Azeri gas to Europe.

The TANAP pipeline is expected to ship 6 bn. c.m. of gas from Azerbaijan to Turkey and from 2020 to ship 10 bn. c.m. of natural



gas in Europe on an annual basis. However, up until 2020, there will be no binding obligations for Europe although the continent's natural gas needs appear to be growing, as shown by Russian Gazprom's exports to EU countries, where there has been a significant increase over the past three years.

The significance of EastMed

The political decision for the construction of the EastMed pipeline following the tripartite Cyprus - Greece - Israel brought about the Turkish reaction. This confirms the significance of this pipeline, which beyond its simple energy nature also possesses a clear geopolitical and geostrategic one. It may even take on the guise of a security subsystem that will alter, not only the military but also the energy and economy balances between Cyprus, Greece and the EU, on the one hand, in comparison to those between the EU and Turkey, on the other. In this regard, we should note the following:

The interests of Cyprus with the EU, through the EastMed, shall be much greater than today and will balance those that the EU serves through Turkey. This is because Cyprus, together with Israel, will supply the EU with natural gas. At the same time, there shall be European co-financing and Israel, which is the first regional power with an international range, shall be involved in the security game. The EastMed does not represent a simple gas supply pipeline, but a comprehensive strategic plan involving capital and other means, as well as the creation of security conditions.

All this is understood by Turkey, which is why it is raising its voice, and if it fails to kill off this strategic plan, it realizes that, even if its own power is not limited, it stands to lose in its geopolitical role, as conditions of deterrence against its threats are created, due to the EU's and Israel's involvement, while its energy planning to channel Cypriot and Israeli natural gas through Turkey towards the EU is diminished. The EastMed, most likely, puts an end to the pipeline via Turkey, and releases Cyprus from the trap, to which it was being led by those claiming that, regardless of Crans-Montana, Ankara should be presented the gift of the pipeline to the Turkish shores, in order to make it more conciliatory towards a solution.

Striving to be a major stakeholder in the S.E. Mediterranean region

In its effort to find alternative energy sources for its internal consumption, as well as for the realization of its strategic aims to become a significant peripheral stakeholder –empire according to Erdogan's desires- Turkey strives to subvert the current status in the South East Mediterranean with high risk actions and statements, aiming to become a significant player in the planning of new energy routes in the region.

Speaking, recently, at the Chatham House at London, the Turkish President sent a tough



message to the Republic of Cyprus regarding the marine hydrocarbon exploration. *"I clearly state that while the Greek Cypriot side insists on unilateral oil exploration in the Eastern Mediterranean, both security and stability in the region will be in constant danger".* He stressed that the Turkish Cypriot side, with Turkey's strong support for half a century now, is constantly working on a solution. *"The Greek Cypriot side, however, has not approach them to the least in order to establish a cohabitation on the basis of political equality with the Turkish Cypriots."*

In order to strengthen the above message, the Turkish government decided to rename the drilling ship "Deep Sea Metro 2, acquired in 2017 from South Korea by TPAO, Turkish Petroleum Corporation (Türkiye Petrolleri Anonim Ortaklığı) with the name "Fatih" (the Conqueror).

Fatih Sultan Mehmet II was the Ottoman ruler who conquered Constantinople in

ing before the elections of June 24th, just for "show" purposes. When "Fatih" will be properly crewed, estimated towards the Fall, according to the then circumstances it is most probable to begin more difficult drillings in areas bordering or within Greek and Cypriot EEZs, in an effort to dispute their legitimacy.

Washington guarantees the stability in the region

In any case, the U.S. seems to aspire to bring reforms to the Eastern Mediterranean, according to Jonathan Cohen, the U.S. State Department Deputy Assistant Secretary for European and Eurasian Affairs. According to him, the profits from the use of hydrocarbons in the subsoil of Cyprus Democracy should be equally divided between the two communities, the Greek Cypriot and the Turkish Cypriot, when their commercial exploitation begins



1453. Mehmet II also conquered many more territories, like Serbia, Morea, Bosnia, Albania, the Black Sea Coasts. In its drilling activity the "Conqueror" will be supported by the research vessel RV Barbaros Hayreddin Paşa, also operated by TPAO.

Barbaros Hayreddin Paşa, was an Admiral of the Ottoman fleet, born in the Greek island of Lesbos. Barbaros is reminded for its victory in the battle of Preveza, being also the author of a number of raids on the Italian coasts, up to the Ligurian town of Diano Marina, in the 16th Century.

"Fatih" harbors to Attalia and prepares for the first deep sea drilling in the Mediterranean. According to various sources, Turkey

plans two drillings at "Alania 1" south east of Attalia and at "Finiki 1" west of Attalia and 50 km. approx. from Kastelorizo island, the disputed boundary of the Greek and Turkish EEZs. The drillship has not yet the appropriate specialized crew for its expedition, however there are rumors that Turkish leadership may try the first drill-

According to the American official, such a development *"...will prevent tortuous actions or rhetoric,"* as *"...it is important that the countries of the region create the conditions that will allow economic growth and that energy companies operate in a stable environment without surprises".* "Stability" - as he has noted - in

the Eastern Mediterranean is Washington's "key" and "absolute priority", and *"...if secured, I am prepared to strengthen co-operation between the U.S. and the Republic of Cyprus"*.



On the other hand, as we mentioned in our last #3 Newsletter (Forceful U.S. intervention in Eastern Mediterranean), the **strong presence of the U.S. Task Force** in the Eastern Mediterranean, including CVN-75 U.S.S. «Harry S. Truman» and its Carrier Group together with other significant naval units, sails in the sensitive area west of Cyprus' F.I.R. and south of Kastelorizo, where Greek and Cyprus EEZs meet -the same area where Turkey focuses its main assertions. Apart from monitoring the developments in the region and in Syria, due to the increased presence of Russian naval vessels, it is also connected straightforwardly to the U.S. aim to indict possible provocations from Ankara.

The U.S. having observed that the repeated exhortations to Turkey fell void, decided to start implementing a strong, massive and catalytic move in the broader region of the Eastern Mediterranean, as well as the Aegean Archipelago, in order to relay its **message of readiness** for any possible development. Due to the expressed intention of Turkey to begin energy surveys and drillings with «Fatih» in Cyprus' EEZ beginning in the summer, as well as the pending increase of survey activities from the ExxonMobil/Qatar Petroleum consortium in Cyprus' Field 10 scheduled in the coming November, the U.S.



aim to communicate the **proper preventing messages** to Ankara, in order to avoid the possibility of a «hot incident» or even worse a prolonged crisis between Turkey, Greece and Cyprus.

Although Turkey set the goals for its energy upgrading long ago, due to the feeling of the «danger» of being left behind in the region's «Big Game», seems to act jittery, eventually undermining its own strategy and position.

Some not widely known activities in the LNG Market

The rich and contested market of the Mediterranean LNG Bunkering and Iskenderun Bay. A little known "detail".

Ceyhan is a Turkish City part of the Adana District. Known to be the terminal of the oil pipeline originating in Kirkuk (Iraqi Kurdistan), its structures are operated by the company BOTAŞ (Boru Hatları İle Petrol Taşıma A.Ş.). In the Bay where Ceyhan is sea siding, the **İskenderun Bay**, some natural gas terminals are located too. One, under construction, managed by BP Gaz SA and others managed respectively by Milangaz SA and Aygaz SA. Apart from these terminals, operates the **MOL FSRU CHALLENGER**, under Bahamas flag. The Challenger is the largest, worldwide, vessel for the storage (263.500 Bcm) and liquidation of natural gas (LNG).

The Mediterranean Sea and its large reserves play a fundamental role for the LNG market and the possibility to create LNG Bunkering Stations (Hubs). Such hubs can **strongly influence** the shipping market.



“LNG Bunkering”, that is the refuelling of vessels with LNG as fuel, is a more economic and environmentally friendly of traditional Marine Diesel Oil (MDO) and Marine Gas Oil (MGO) and is of great importance in the attraction of port infrastructures. It could **greatly serve the Italian strategy** for the recovery of its main harbors, like Gioia Tauro, Trieste and Genoa. The sole harbor of Genoa lost in 2017 an astonishing 600.000 TEU of traffic in favor of Rotterdam. Northern Italian companies found cheaper to use the port of Rotterdam to ship their goods.

Nowadays the pioneers of the LNG Bunkering technology are the same port of Rotterdam and the Italian company SNAM SpA. Various Countries of the Mediterranean area, Italy, Greece and Cyprus, the partners



of the Eastmed pipeline, plus Egypt are planning these LNG Bunkering Hubs. The Turkish government in cooperation with China has drawn a **very ambitious plan** to make Istanbul one of the **major port hubs** towards Europe, in competition with the Piraeus and the Italian harbors. So, one thought returns to the **Turkish position on Eastmed**, EEZ and the denial to acknowledge the UNCLOS (the UN Convention on the Law of the Sea), along with the recent events involving the Italian drilling ship Saipem12000.



EGAYDAAK and the Turkish “Depth Strategy” doctrine

The struggle for EastMed’s EEZ: UNCLOS or “equal rights”?

Marco Florian - International Development S.E. Med Energy&Defence

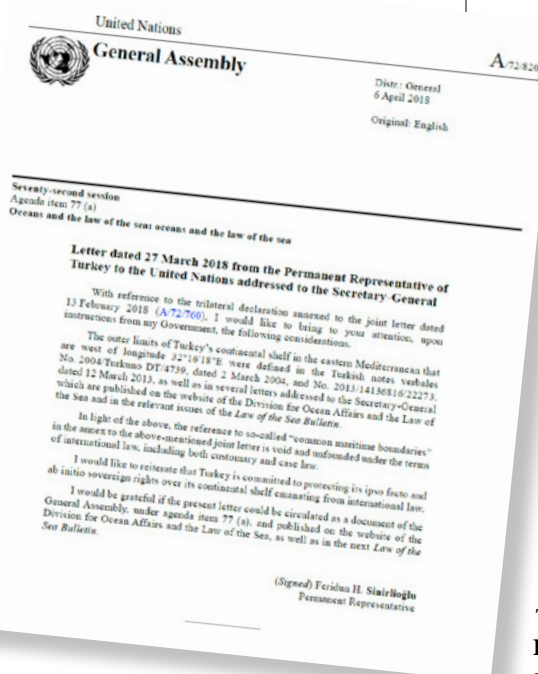
On Tuesday 17th of April 2018, the Turkish Minister of Foreign Affairs with Press Release no. 109, thoroughly accuses the EU of interference and unwillingness to understand the issues that the Turkish Government considers as National Emergencies. The Press Release was published as a response to the 2018 “Turkey Country Report and the Enlargement Strategy Paper” prepared by the European Commission, published the same day.

In the same document, the Turkish MoFA declares to consider the Greek islets Imia (known as Kardak in Turkey) as National Sovereign Territory. It is worth to remind that these same islands is a theatre of a very tense military and diplomatic episodes from 1996 onwards.

LETTER A/72/820 April 6th 2018 to the UNGA: Turkey vanishes Cypriot and Greek EEZs

It was not later than 10 days ago, on April 6th, when the Permanent Representative of Turkey at the UN, Ambassador Feridun H. Sinirlioglu, addressed the Secretary General of the UN with a letter (Ref. A/72/820), underlining Turkey’s claims about “ipso facto and ab initio” rights on the Aegean Sea. Rights established outside the provisions of the UNCLOS and emanating from Turkish continental Shelf. What is the problem with this letter?

It simply vanishes the **Greek and Cypriot EEZs**, ignores the UNCLOS (UN Convention on the Law of the Sea, in particular the effects of the Greek Island of Kastellorizo in the definition of the EEZs), thus establishing a common EEZ with Egypt. In a few words it changes the map of the rights on the Eastern Mediterranean Sea,



paving the way to Turkish claims on Cypriot and Greek offshore resources. This letter was sent in reply to a previous letter (Ref. A/72/760) jointly signed by the Representatives of Greece, Cyprus and Egypt, in which the three Countries announced the will to define the reciprocal EEZs boundaries according to the UNCLOS. In the same letter the three Countries **invited Turkey to stop any illegal activity** in the Cypriot and Greek EEZs, respect the UNCLOS and avoid any future provocation.

UNCLOS: The Law of the sea, the formation of the EEZs & the control of the E. Mediterranean

It was Friday December 10th 1982, when the UN Assembly voted the **UNCLOS**, also known as the **United Nations Convention on the Law of the Sea**. Turkey didn’t ratify the UNCLOS for a number of reasons, among which the claim of a wider EEZ at the expenses of Cyprus and Greece, which strongly influence the partition of offshore resources, the control over SAR areas and the fishery. The UNCLOS due to the particular position of the Greek island of **Kastellorizo** restricts the control of Turkey over a mere 7,5% of the Aegean Sea. As a direct consequence, Turkey doesn’t control any substantial offshore energetic resource, which are localized especially in the proximity of Cypriot and Cretan Southern shores.

The different views between Turkey, Greece, Cyprus and the EU

Turkey supports the Principle of “**Equal Rights**” among Turkey and the other coastal States, including the non-entity of the Northern Cyprus State. The position of Ankara has been clearly explained by the Minister of Foreign Affairs Mevlüt Çavuşoğlu which opposes to the application of **UNCLOS 1982 Treaty Articles no. 121 (in particular paragraph 2), 122, 123.**

Art. 121 of the UNCLOS, “Regime of Islands”, in paragraph 2, states that “*the territorial sea, contiguous zone, the exclusive economic zone and the continental shelf of an island are determined in accordance with the provisions of*

A wide political support within Turkey

Despite the fact that the **EGAYDAAK** is known since **1996**, the first real public discussion on the topic happened in 2013, when the Turkish Minister of Foreign Affairs **Ahmet Davutoğlu**, showed in the Parliament a list that included 25 islands. It is worth to mention that Ahmet Davutoğlu is the inspirer of the **“Strategic Depth”** doctrine, published for the first time in 2001. Davutoğlu’s idea is rooted in **the assumption** that Turkey, due to its Ottoman past (read wide influence) and geographical position, holds a primary geostrategic position. Thus, Turkey should practice a policy of influence and control over an area that includes the Middle East,

"GEL DE AL"

2019'DA GELECEĞİM VE '0 ADALARIN' TAMAMINI ALACAĞIM

The Balkans, the Eastern Mediterranean (in particular the Aegean Sea) and some areas of Africa.

The idea of EGAYDAAK has been repeatedly proposed also by the leader of the the main opposition party (CHP), **Kemal Kılıçdaroğlu**, who referred to 18 islands “sold” to Greece, due to an alleged weak and appeasing (with Greece) President Erdogan. The same islands have been reclaimed, also, by the Leader of the Nationalist Right İYİ Party, **Meral Akşener**, who released hostile declarations against Greece.

the Convention applicable to other land territory". What does this mean? **The rejection of Turkish request** to define the EEZs on the base of criteria like population, dimensions, geomorphology.

Articles 122 & 123 “Enclosed or Semi-enclosed Seas” also deny the Turkish requests for the application of special legal regimes to the definition of the Cypriot and Greek EEZs.

Cyprus in 2004 established its own EEZ on the base of the Median Line of the geographic distance between Coastal States. Greece has not yet

of the Articles above, the **European Union**, that has signed and ratified the UNCLOS is supporting and acknowledges the rights of Cyprus and Greece to define their own EEZs according to the provisions of the UNCLOS.

Variable Numbers: 18, 25, 152 and more....

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Towards a new “Imia - Kardak” crisis?

In 1996 the Imia islets were the scene of the harshest military and diplomatic crisis in the Aegean Sea of the last decades. In the last months the same islets, along with the islands and islets of the Oinousses archipelago were the center of renewed Turkish claims, actions, military drills, NAVTEX, NOTAM, Greek air and sea space violations, culminating with a Turkish Coast Guard vessel ramming into a Greek ship. Few days before, units of the Turkish Coast Guard prevented the Greek Minister of Defense Panos Kammenos from laying a crown of flowers in memory of the three officers of the Greek Navy fallen during the 1996 crisis.

During April, a number of episodes have been developing with one more notable quarrel around a small islet in the Oinnessouses. Surprisingly, on the morning of Saturday April the 14th, the Turkish Prime Minister Binali Yıldırım

announced that **Turkish forces lowered a Greek flag** planted by Greek students on the islet of Mikros Anthropofagos- Oinousses. The event was confirmed by the Turkish Foreign Affairs Minister Mevlüt Çavuşoğlu. On the other hand, the Greek Prime Minister Alexis Tsipras and the General Staff of the Greek Armed forces **denied the event!** On Sunday April the 15th the Turkish Prime Minister returned on the event, newly stating that Turkish Commandos lowered the flag. A mounting series of events, resembling the 1996 Imia crisis developed in the last period, with the Turkish Armed Forces gathering a force in front of the Imia islets and the Greek Coast Guard, preventing access to the area of “Mikros Anthropofagos”;

Meanwhile, on April the 17th three major events took place: The first was the harassment by two Turkish F-16 to the CH-47 carrying the Greek Prime Minister to the island of Kastellorizo, where Tsipras was to inaugurate two new desalinization plants. The same afternoon the «2018 Turkey Country Report and the Enlargement Strategy Paper prepared by the European Commission», was published by the EU, criticizing the Turkish actions in the Aegean (Greece/Cyprus), **sparkling the harsh Turkish reaction** culminating to the Press Release no. 109 by the Ministry of Foreign Affairs, where Ankara accuses the EU of unwillingness to understand Turkish national security threats, of interference and undue support to third parties and finally stating that the Kardak (Imia) islets are Turkish sovereign territory. The crisis is served.....Now what will the EU and NATO do?

What does Turkey want

It was in 1996 when the Greeks discovered the existence of a Plan drafted by the Turkish Military Academy, called EGAYDAAK, acronym of “Egemenligi Anlasmalarla Yunanistan’a Devredilmemis Ada Adacıklar Kayalıklar”. We can freely translate it as “Islands, islets and rocks whose sovereignty was not transferred to Greece”. This is the interpretation of Ankara, in total clash with three existing international Treaties: Lausanne 1922, Rome 1932 and Paris 1947.

Nowadays EGAYDAAK is an always valid plan for the Turks, recalled and supported by all the main Turkish political parties, thus contributing to explain Ankara's activity with frequent Navtex, the Greek air and sea space violations, the request of revision of the international Treaties. The EGAYDAAK is also the base of the theory of the "Grey Zones", which first appeared after the "Hot Episode" between the two countries back in 1996, and nowadays President Recep Tayyip Erdogan and Minister for Foreign Affairs Mevlüt Çavuşoğlu have repeatedly stated.



proceeded in such direction, dealing with a **vote of the Turkish Parliament**, of 1995, that considers the establishment of a Greek EEZ following the UNCLOS as a “**casus belli**”. Notwithstanding this, during a recent travel to Egypt the Greek Minister of Foreign Affairs, mentioned the will of his government to resolve the EEZ issue, according to the provisions of the UNCLOS.

The definition of EEZs according to the UNCLOS, due to the particular position of the Greek island of **Kastellorizo** keeps Turkey far from the access to any proven offshore O&G resource in Cyprus (Blocks 1 -13). Moreover, the **“Special Regime”** for Cyprus requested by Turkey, would most **probably be extended** to the Northern part of Cyprus. Thus, reinforcing the opposition of the Cypriot and Greek Governments; On the base



Turkey and China cooperate in the Balkans and the Energy “Game”

Turkey with the support of China is expanding its activities all over the Balkans, with particular focus to countries with a strong Muslim presence, like Albania, Bosnia, FYROM. This activity is managed through a joint Turko-Chinese Platform.

The Heritage Platform

Heritage Platform, is a consortium of Heritage Turkey and Caricom Oil of China, incorporated under the laws of China and Turkey and with headquarters in Hong Kong, Beijing, Ankara and İstanbul, as well as active land offices and local partners in 17 countries. It is working as a Private Equity fund service provider platform and has joint ventures with 58 giant Chinese state-owned companies operating in various fields across the globe and is only involved in the projects realized through G-to-G investment model. On Heritage website we read that: “G-to-G projects Financial procurement network is constructed and initiated for a comprehensive business relation with China, particularly Chinese policy banks, Chinese state-owned corporations and Chinese investors, the example of successfully bidding for Mexico, İran, Venezuela, Pakistan and African projects samples.

Heritage’s main strategy is to work with its Chinese working contractors & partners to undertake and complete the G-to-G projects, i.e. the industrial plant projects, highway and bridge construction, school, public housing, hospital, airport expansion, oil exploration, refineries, oil pipeline construction, water purification plants, high speed railway construction projects, electricity power station, nuclear power station and hy-

CHINA EXPORT-IMPORT BANK	中国进出口银行
CHINA CONSTRUCTION BANK	中国建设银行
CHINA EXPORT & CREDIT INSURANCE CORPORATION	中国出口信用保险公司
NATIONAL DEVELOPMENT BANK	国家开发银行
AGRICULTURAL BANK OF CHINA	中国农业银行
CHINA EVERBRIGHT GROUP	光大控股
CHINA INVESTMENT CORPORATION	中国投资有限责任公司
CHINA MERCHANTS BANK	招商银行
CHINA DEVELOPMENT BANK	国家开发银行
CHINA PING AN GROUP	中国平安

dro power construction projects on the G-to-G project basis. Fundraising via Heritage’s networks in Beijing to generate a total solution of project packed by the availability of China money”.

The platform is today involved in the development, funding and construction of **Banja Luka airport in Bosnia, Vlore airport in Albania** and a small touristic airport in Saranda, in the South of Albania. The platform in collaboration with Turkish Airlines is also **supporting the Albanian government** to reenact a national Air Carrier, after the previous one bankrupted in 2013. Other projects are under evaluation and development **all over the Balkans**.

The platform is a clear demonstration of the strong partnership between Ankara and Peking, cemented during Turkish Foreign Affairs minister’s, Mevlüt

Çavuşoğlu, visit to Peking in 2017. It was a **strong reconciliation** between Turkey and China, after a long-term friction on Ankara’s support to the Uighurs. Mr. Çavuşoğlu declared that: **“We take China’s security as our security”** and also that “the Turkish government would take measures to eliminate any media reports targeting China”. In return, Chinese Foreign Minister Wang Yi said that: “China will **decisively support Turkey in its efforts to protect its sovereignty, stability and security**”. Some considerations are noteworthy:

- Turkey is a key player in the **promotion of Chinese interests**, not only commercial, in the Balkans and the Eastmed, enjoying massive political and financial support.
- A special position in the Heritage Platform is hold by COSL (China Oilfield Services) and CNOOC (China National Offshore Oil Corporation) just like Heritage Resources Ltd (China), involved in LNG projects. This can generate some thoughts about Turkish contested struggle for Eastmed EEZs and offshore resource (Cyprus/Greece).
- Caricom is another prominent partner in the Heritage Platform, thus completing Chinese global energy dimension.
- The Control of energy resources of Eastmed, the choke point of Suez (Chinese are funding/building the new channel), support to friendly Balkan countries, through the support to Turkey are a **fundamental tool** for both Ankara and Peking to **extend their influence on the area and the EU**.



ERDOĞANOMICS: The New Economy for the New Society

The trends of the Turkish Government economic policy is subject to many analyses, all focused on a main factor: the Western Analyst point of view. This same basic concept is wrong: President Erdogan's Turkey has little in common with Atatürk's vision, it is AKP's Turkey. Two very different political, civil and social concepts.

Marco Florian
International Development
S.E. Med Energy & Defence

There are certain structural elements of the Turkish economy that contribute to forge Erdoğan's strategy. The **backbone** of this strategy is a domestic development (based upon support/capitals from China and Qatar), with the creation of a **domestic industry** in various sectors, including the military. Industry to develop through the **import of foreign technologies** and to be fed with an increase in the **domestic demand and export to "friendly" markets: EAEU, SCO and Africa**. A special place must be reserved to the Muslim world where Turkey aspires to be the leading force.

How to increase internal demand? Through the **decrease** of purchase power of the private sector for western made products, starting from a crunch in credit to consume and import. **Limitations**, also, to the access to foreign capital sources (to be substituted with Islamic finance) for private business, to be subjected to the AKP plan. The economic pattern of Turkey must radically change: **strong increase** in the offer of goods "made in Turkey", or alternatively of cheaper (than Western) goods made in Asia and Africa (to strengthen also bilateral exchange and interests). Together with an increase in export towards non \$/€ areas.

Within the frame of this strategy must be seen the recent decisions of the Government in matter of Islamic finance, public investments, energy independence (even through the questionable effort to **reshape the Eastmed EEZs**), implementation of bilateral agreements with the **"new friends"**: China, Qatar, Russia, Iran, Iraq, Pakistan, Malaysia and others, **high add-**

ed value military export, destined to Asiatic, Southern American and African Countries. This plan is not agreed by the **Turkish westernized middle class**. So, it must be **strengthened** with a vast recourse of nationalist and neo Ottoman rhetoric, with a tightening of the **control** over the society and mass media. The government is closing the ranks of its conservative and nationalist electoral base, also looking at the far right of the **"Grey Wolves"**.

Let's examine some basic elements: The **public debt**, beneath rated as "junk of low investment grade" by the main rating agen-



cies, is anyhow very low, around the **30% of GDP**. More threatening is **private debt**, equal to the **160% of GDP**. **External debt**, also, is a problematic factor, being equal to the 50% of GDP but strongly growing. After the fast GDP growth in 2017 (**+7,4% YoY**) driven both by the private sector (**+7,4%**) and the other factors (services **+10,7%**, industry **+9,2%**, con-

struction and public investments **+8,9%**), 2018 will be far less brilliant. Forecasts are for a **4.0 GDP growth** according to Moody's estimate and 4,8 according to Goldman Sachs data, due to the inflation effects on real wages, interest rates hike and credit crunch for the domestic industry, linked to the fall of the Turkish Lira. In any case, this result is far enough from the government declared targets (**+5,1% YoY**), to make Erdoğan **deviate** from his basic idea on reforming the Turkish economy. It is useful to remind that for Ankara, the **threshold of sustainability** is fixed at a 3.5% growth, so economy is still performing within the boundaries of acceptable scenarios.

Religion, Islamic Finance and Politics

Erdoğan has -or shows to have- a strong aversion for **interest rates**, considered **usury (Riba)** under the rules of **Islamic tradition**. Erdoğan in accordance with the Islamic tradition would favor the application of the pure Islamic finance rules (**Fiqh al-Muamalat**) and so the application of tools like the **il Qardh-ul hasan**, a special loan where the premium for risk is not an applied interest rate but a **"management fee"**. Not being in position to impose his will to the global finance, Erdoğan has to operate within the limits of what is allowed by the domestic fiscal policy. So, under **explicit order** by Erdoğan, the **Central Bank** cannot raise rates to the levels deemed necessary to protect the **Turkish Lira Exchange rates**. Analysts in 2017 estimated that the central interest rate was **5% lower than expected** by the market. Coherent with his setting, Erdoğan in 2015 accused of treason Governor **Erdem Basci**,



guilty of proposing an interest hike to control the exchange rate and the inflation rate.

Islamic finance is **fast growing** and, according to **İbrahim M. Turhan**, former CEO at **Istanbul Stock Exchange**, it will reach the sum of **\$6.5 trillions** by **2020**. The city of **Istanbul** aims to become the **Hub of Islamic Finance** and in **2013** there was founded the **Global Center for Islamic Finance**. At **Istanbul Stock Exchange** there are already **Indexes** for **Islamic financial products**, various funds operate in **Turkey** according to **Islamic finance principles**. Since **2010** **\$7.2 Bn of Islamic Bonds (Sukuk)** have been issued in **Turkey**.

Cevdet Yılmaz, former **Prime Minister** and former **Minister of Development**, clarified

that the government's goal is to **grow Islamic finance** up to the **15%** of the total **Turkish market** by the fateful year **2023**. The **Turkish potential** in **Islamic finance** was also clarified by the **General Council for Islamic Banks and Financial Institutions (CIBAFI)**, Mr. **Abdelilah Belatik**, during the recent **May 2018 CIBAFI Global Forum in Istanbul**: "I think the potential



is much bigger than it is now. The potential is very big. Maybe it is not utilized enough. We see that the policy of the Turkish government is expanding on investments and other very big

projects and infrastructure projects, so in this I think that **Islamic banks** can surely make some contribution to **Turkey**". Mr. **Belatik** stressed also the following: "**Participation banks**' (**Islamic Banks** are also called **Participation Banks**) business model is different and can have specifics in terms of linkage with the economy and sustainable development goals".

At the **2014 Istanbul Conference** arranged by the **Islamic Development Bank (IDB)**, the **World Bank** and the **Turkish Central Bank**, **IDB Vice President Mr. Abdul Aziz Al Hinani**, underlined the growing global importance of **Islamic finance** in a credit crunch context, followed by a decrease of financial support to developing countries, including **Turkey**. During the same conference the **Vice Premier Ali Babacan**, explained how the government was bound to issue **new banking licenses**, with particular attention to the **Participation Banks**. **Six Participation Banks operate in Turkey** today:

- Ziraat Katılım Bankası A.Ş.
- Vakıf Katılım Bankası A.Ş.
- Bank Asya, Asya Katılım Bankası A.Ş.
- Türkiye Finans Katılım Bankası A.Ş.
- Albaraka Türk Katılım Bankası A.Ş.
- Kuveyt Türk Katılım Bankası A.Ş.

The New Society of the pious Turks, the Naqshbandiyya and the New Project

Ankara is today in the middle of a historic project, characterized by two main dates: one in the mid-term, **2023** and the other in **2071** that is **AKP** term for the completion of the geopolitical surge of the New Turkey. So a strategic repositioning of Turkey, by changing its structure, its society and its very nature.

Turkey under **AKP** policies is ideally moving towards the ancient greatness of its **Seljuk** and **Ottoman** predecessors, moving far from the **West**, the **Western economy**,



culture and finally from **Western influence**, thus in **total contrast** with **Kemalist ideals**. To properly judge **Erdoğan's economic policies**, along with the push to the **Proclamation of the New Caliphate**, it is first necessary to know and understand some basic ideological elements of the **Turkish President** and of his **Party, the AKP**. Today's **Turkey cannot be judged through Western eyeglasses**.

Erdoğan's islamist and Ottoman symbolism

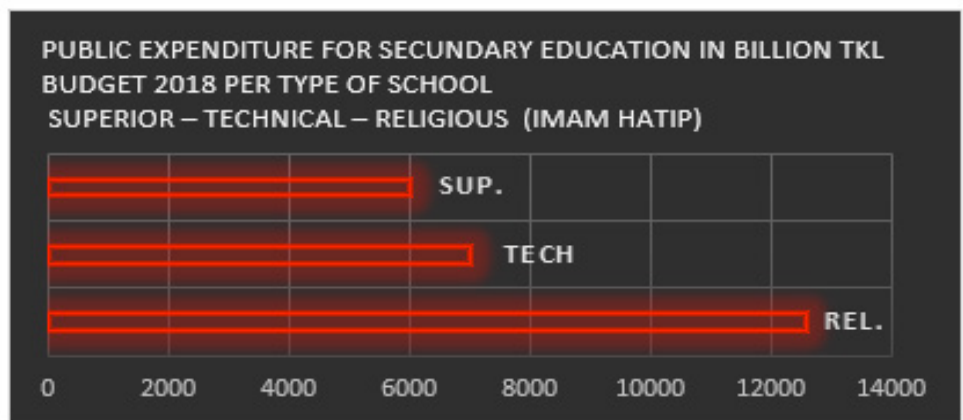
It was in **October 2014** when **Erdoğan** declared

that his grand plan was the **Proclamation of the Ottoman Caliphate**, with the help of the **Jihadist Sunni** army. The word **Caliphate** is not used randomly: the **Caliph** is himself a prophet, sent by **Allah** to grant the just government over the **Muslim world**, in compliance with the **Shari'ah**. The **Turkish President** is a truly traditional religious man, making large use of a symbolism that might be incomprehensible to the most of observers, but clear to the recipients, both for internal and external use. **Erdoğan** promotes for himself rather the **image of a Caliph** the leader of a truly faithful

The government plans to **triple the number by 2023**. According to **Zubair Mughal** of the Center of



Islamic Banking & Economics Turkish banking and financial industry has notable influence in regional financial markets. **Kyrgyzstan, Tajikistan, Azerbaijan, Uzbekistan, and other central Asian countries** are endorsing Turkish banking and financial system while in the **Balkans, Albania, Bosnia, Kosovo**, and the rest of Balkan countries are also influenced by Turkish banking and financial industry. Mr. Mughal also stresses how there are various branches of the banking groups of **Bahrain, Qatar and Kuwait** in Turkey. Many **UAE and KSA-based** Islamic financial institutions already have good footprints in Turkey with high investments in diversified sectors, especially in real estate. “Such figures



and geographical facts convinced us that Turkey would be the hub of Islamic banking and finance in the near future”.

Meanwhile, a couple of **insurance companies** operate according to **Takaful** system (a type of insurance system devised to comply with the sharia laws, in which money is pooled and invested, ref. Dictionary.com). There is limited evidence of **Islamic microfinance** as well. There are about **1,400 Islamic banks’ branches** working in Turkey, where more than 20,000 people are employed. It is anticipated that the **Islamic banking and financial sector** of Turkey would

reach up to \$100bn by 2020.

Why does Erdoğan want an Islamic financial approach?

- **Islamic finance** offers a valid alternative to traditional **sources of capital**, at **affordable costs** and **limited exposure** to speculation. It also offers a **valid policy instrument** to help the government drive the economy and the society to its wished goals
- Islamic finance with its rules allows to “drive” the concession of credit to those products and projects deemed **Halāl** (pure), avoiding those considered **Haraam** (impure). This gives

people, than the image of a traditional President of the Republic.

The days just following the 2016 aborted **coup**, are a blatant example of Erdoğan’s mixture of symbolism and mysticism. He visited the tomb of **Abu Ayyub al-Ansari**, fellow of the **Prophet Mohamed** and one of the first Islam Patrons (**Ansar**). Abu Ayyub al-Ansari supported Mohamed after his migration (**Hijra**) to Medina, took part in the **First Siege of Constantinople**, during which Abu Ayyub died, being buried on the spot. **Abu Ayyub’s tomb** is one of the most important holy places in Istanbul. Above all, it is the place where the new Sultans were crowned. Erdoğan is convinced to be the new **Sultan** and feels the duty to behave accordingly.

Erdoğan visited, also, the tomb of **Selim I**, also called **Selim the Resolute** (**Yavuz Sultan Selim**). Selim I was the Sultan who managed a rapid expansion of the **Ottoman Empire**, that conquered both **Mameluc Egypt** and the Holy Cities of **Mecca and Medina** under Ottoman control. Most recently Erdoğan honored the memory of two Prime Ministers of the recent times, **Adnan Menderes** and **Necmettin Erbakan**. Menderes was the first to loosen the restriction imposed to Islam in Turkey, ending up hanged in the aftermath of the **military coup of 1960**. Erbakan was the first Turkish politician of openly Islamist inspiration to be democratically elected to the Office of **Prime Minister**.

The New Project, the Timeline, the Eternal Timeline and the New Society of the pious Turks

In 2014 the newspaper **Yeni Safak**, traditionally close to President Erdoğan, wrote: “**The New Turkey is not just a slogan, it is a Project. That is redesigning and restoring Turkey after one century**”. It is worth to note that for **Islamists** the word “**Project**” implies a slow **process of transformation** of the society, from the bottom upwards. No mystery, President Erdoğan decided to take Turkey back to its status of power, influencing three Continents (Europe, Asia, Africa), **controlling** in the meantime important energy resources, choke points and shipping routes. An historic and radical revolution of the society, of the economy and of foreign policies of Turkey, in total contrast to Atatürk’s secular revolution.

Back in 2011 the Turkish President said that the large electoral victory of AKP was not just a victory for Turkey but also for its Ottoman heritage. Already In 2009 the then Minister of Foreign Affairs **Ahmet Davutoğlu** stated: “*As in the 16th Century, a time when the Ottoman power in the Balkans was growing, we will take the Balkans, the Caucasus and the Middle East, together with Turkey, at the center of the politics of the future. This is our goal and we will achieve it*”.

The “**Project**” has some fundamental bases:

- Generate a new concept of being “**Türk**”: just like President Atatürk did less than a century ago, created a secular state and a

secular westernized Turk citizen, Erdoğan aims to reverse the process and take the Turks to their heritage.

- Erdoğan applies the same method of Atatürk, a social engineering process, where the state plays a central role, to revert Atatürk revolution. New Turks must rediscover their natural religion.
- Insulate in the Turkish society the idea of its “mission” as Minister Davutoğlu said in 2009: “To reach the greatness of our Ottoman and Seljuk ancestors by the year 2071”.
- The “Project” has some precise dates: short term, mid term and the “eternal prospective”. There are two important dates:
 - 2023 the Centenary of the Turkish Republic Foundation: The moment when, according to President Erdoğan’s grand plan, Turkey should enter in a stable way in the 10 largest global economies, thus overcoming France and Italy.
 - 2071 the Millennial of the Manzikert Battle: Manzikert has been frequently recalled by the leaders of AKP. It was cited again by Minister Ahmet Davutoğlu in the recalled speech of 2009, and it was used again by President Erdoğan himself during the Fourth AKP Extraordinary Congress, when he invited the young generation to focus on the fateful date.
 - The Millennial of the Manzikert Battle is a powerful message towards both the internal and the external audiences,

a “noble” cover to the dirigisme, autocratic and austere choices of the government. Decreased access to the traditional capital markets, allows a stricter control of the economy and the industry, through the political use of pre-defined **Halal** policies and instruments. One tool is the **Mudarabah**, a profit-losses sharing technique, where a **Rabb-ul-mal** partner (“sleeping” partner), operates as lender and another partner called **Mudarib** (manager/expert), offers his expertise and managerial ability.

- Another useful tool is the **Musharakah** (joint venture) where, differently from the **Mudarabah**, both partners contribute part of the funding.

- If we think of the **state**, or the **banks** somehow close to the government in the role of **Rabb-ul-mal** and the industry in the role of **Mudarib**, it is easy to understand how the state or the state directed banking system can **impose its own control** and plan on the economy (and consequently on the society). Finally, the decreased western investment can be used by propaganda to represent the difference between the “**bad West**” and the **saving Islamic support**.

- An Islamic vision of the economy, less profit and more social approach, can be useful for a “**socio-economic proselytism**”, using new occupation coming from public investments as



a **crony electoral basin**. Or again make a crony policy of income redistribution. In both cases presenting the decisions as “**ethic and Islamic**”, using forms of welfare like the **Qardh-ul Hasan**, the “**benevolent loans**”. Such benevolent loans can be used by public companies or by state agencies, both to the benefit of citizens and employees the Turkish economy is of the

“**know-who**” type rather than “**know-how**”. Whoever is not compliant with the system has few margins of development. In 2011, the 44% of public procurement contracts were distributed by public servants not subjects to transparent constraints. The trend is reported as worsening.

- In the period following **IMF** intervention

especially within the Muslim world. In Year **1071** the **Seljuks**, led by Sultan **Alp Arslan** defeated the Christian Byzantines of Emperor **Roman IV Diogenis**, entering in what is today called Turkey. The symbolic value goes beyond the Christian world and focuses on the **Sunni Supremacy**. After signing a **truce** with the Christians the Seljuks attacked the main Shia power of the time, the **Fatimid Caliphate of Egypt** (in the 11th Century **Iran** was not yet a Shia country, being part of the Seljuk Empire).

The idea of the Eternal AKP Government was again depicted by **Ahmet Davutoğlu** in **2014**, at the time risen to the charge of Prime Minister: “**AKP was born as the movement of one generation, but it is not limited to this generation. It is not even limited to a number of generations or Centuries. It is in the name of a struggle for justice and right originating from the depth of Centuries, that we will continue until the end of times**”.

On **August 8 2017**, during a meeting in Trabzon, with local representatives of the AKP (Party for Development and Justice), President **Erdoğan** said he would participate to the anniversary of the **Manzikert Battle**, together with **Prime Minister Binali Yıldırım**. He said: “*on August 26th I hope I will be in Manzikert, in the place where our ancestors made history. We, as their descendants, will start celebrating this victory every year, as we do for the victory*



in Gallipoli. Because we have our goals for 2023, 2053 and 2071. We must start working immediately”.

The “**Project**” has also its actor, the mean to reach the targets. This mean is the “**New Turks**”, the “**Pious Turks**”. Who is a Pious Turk? And how does he form? **Erdoğan’s Pious Turk** is the cornerstone of the **New Society**, a citizen educated according to the religious canons, aware of his Muslim and Ottoman heritage, have left any western influence and model. This Pious Turk must be educated in the **religious schools**, the **Himam Hatip**, where the AKP government decided to invest large resources, since **2012**.

The Himam Hatips and the Diyanet
“The goal of our educational system is to form pious people, respectful of their history,

culture and values”. This speech was given by President **Erdoğan** at the opening of the school year **2017-2018**, at the religious school named after the same President, “**Recep Tayyip Erdoğan Anatolian Imam Hatip**”. The same school attended by **Erdoğan** 50 years ago, son of a working class family in the Istanbul of the ‘60ies.

Even clearer was **Halit Bekiroğlu**, General Secretary of the Himam Hatip Alumni Association: “*the Education in Turkey is moving back in the real spirit of the Turkish society, after having artificially been subjugated to the Western culture. The modernization and westernization were not pursued in a sane manner. It was a superficial attempt, formalist, rigid, implanted “as is” in our system, not appropriate with our sociology*”. According to **Batuhan Aydagül**, Director of the “Initiative for the Educational Reform”, Turkey is undergoing the construction of a “**national and native identity**”, through its new educational system.

Since **2012**, under the push of the Government, the Islamic schools have enjoyed a large increase in investments and expenses. Under the control of the **Diyanet**, the Directorate for Religious Affairs, the Imam Hatip have seen an exponential growth in the number of structures and available resources. The choice to create a distinction between religious and secular schools has subverted one of the Kemalist pillars, the **Unified Education (Tevhid-i tedrisat kanunu)**, established by Law in 1924. These policies have generated important results:



in Turkey, the GDP growth registered a very good trend, about **7% per year**. A large part of this growth was due to the **export boom** towards **Middle East, Northern Africa and CIS** markets. The Turkish government retains a **memory** of this events. Suddenly, **Arabian Springs** and the halt of the negotiations with the EU stopped this trend. This has created a

large popular **resentment** towards the USA and the EU, also **diminishing** their political importance as partners Turkey has a large industrial base, supplier of quality products, but poor in terms of **R&D**, branding and marketing. Consequently, the **hi-tech content of Turkish export is stuck** to a mere 2% since 2002! This means that Turkish products are

more innovative from other non-Western markets, like the Middle East, Russia, Asia and Africa. Furthermore, a weak Lira is likely to serve better the export of such products to markets with a limited power purchase like the ones just cited

What lies ahead...

We are observing a process of huge dimensions, a real revolution, that requires time, a strong leadership and the growing support of the New Society, along with large financial and industrial efforts. AKP's leading class is into this process due to a strong conviction in their religious and ideological beliefs and under the weight of heavy structural problems of the Turkish economy.

Will Erdoğan and the AKP succeed in initiating that process inspired by Mehmet Zahir Kotku aiming to restore Turkey to the old Ottoman glories at the Millenia of Manzikert Battle? We do not know, nor it depends only on the Turkish agenda. What we may suppose though, is that this process began and that it will be difficult to counter it. Moreover, it is hard to judge it through western eyes. Because it is a development path that has nothing western in it, since AKP deeply distrusts the West.

- **1,3 millions pupils educated** during the period 2012 – 2017
- 4.000 schools all over the country, 128 new schools in 2018, 50 more foreseen
- **645.000 pupils** currently enlisted, the **11%** of the national total (before the AKP push pupils were only 60.000)
- To this 11% is reserved a budget equal to the **23%** of the total, with a more than double expense per capita in favor of pupils educated by the Imam Hatips
- There is also a negative effect: only the **18%** of the students achieves a University Degree, versus a **35%** of the public schools and the **45%** of the private system

This has anyway another meaning in AKP strategic vision: a mass of voters, docile and indoctrinated, not interested in questioning the policies and the choices of the government. The perfect citizens of the New Society.

The Naqshbandiyya and Erdoğan's political mission

Here we come to the heart of the discussion. The **political mission** of Erdoğan, who feels of having been selected to accomplish a mission. The very purpose of his political action is not a sudden behavior of a politician suddenly blinded by a religious conversion or by an authoritarian will. Erdoğan's political inspiration is the consequence of belonging to a **Tariqah** (a spiritual order), part of the Sufism world (**Tasavvuf**), a form of Islamic ascetic meditation. The **Sufi Murahjirun** where **Prophet**

Mohamed companions (ahl us-Suffa - "those of the Veranda"), those who left everything to follow Mohamed. They were gathering at **Al-Masjid al-Nabawi Mosque** in Medina. This **Tariqah** has a precise name: the **Khalidi** branch of the **Naqshbandiyya**.

The Sufis have their spiritual guide in a teacher, a **Sheik**, member of a Noble Linage (**Silsila**) linking those teachers directly to the Prophet. Some of these Sheiks have originated various spiritual orders (Tariqat), of which the **Naqshbandiyya** is one of the most important. The Naqshbandi Order is the sole Order that started its own line from the **first Sunni Caliph Abu Bakr**, thus being a strong guardian of the **Sunni orthodoxy** and of the Islamic Law the **Shari'ah**. Religious orders and brotherhoods had always a strong role in the Turkish religious politics, since the Ottoman period. The Mission of each Naqshbandi (the member of the **Naqshbandiyya**) is the restoration of the **Shari'ah** and the revive of the **Umma** (the united Muslim world).

Khalid-i-Baghdadi and the Khalidiyya (Naqshbandi-Khalidi): The Iskenderpaşa Lodge

Some figures of the Naqshbandi order are central to explain the influence over Erdoğan and the evolution of the President's politics. One key figure is **Khalid-i-Baghdadi**, Sheikh who developed the idea of his predecessor, **Sheik Ahmad al-Sirhindi**, who, in contradiction with previous Sheiks gave a **political and**



social horizon to the order, encouraging the members to be active in the political arena. Founder of the **Khalidi (Khalidiyya)** current of the **Naqshbandiyya (Naqshbandi-Khalidi)**, Khalid-i Baghdadi was a tenacious opponent of any foreigner dominance or influence, of every idea not coming from the Islamic culture.

The view Khalidi had of an imminent possible catastrophic fall of the Islam was reinforced by his travel to **India**, where he was experiencing the changes imposed by the British domination to the local folks & customs.

In Khalidi's view the Sultan was the guarantor of the force and progress of the Muslim community. So, for both the Muslim world and the single Muslim individuals,

The “SADAT PLAN”

What if an Islamic Army was established against Israel?

SADAT A.S. is an International Defense Consulting company based in Istanbul. The company is developing a **pan Islamic military integration plan**. A part of this plan is the creation of a “**Palestinian Army**” with the target of regaining the territory being part of the State of Israel. The group provides information on “conventional and unconventional defense and warfare.” Its mission statement envisions helping “the Islamic world take its rightful place among the superpowers.” The founding shareholder of SADAT is a **former Turkish general, Adnan Tanrıverdi**, former commander of the Northern Cyprus National Security Forces and **President Erdogan’s senior military advisor**. General Tanrıverdi was dismissed in 1996 from the Army under the accusation of being “Islamicist and enemy of the Atatürk”.

On December 12th 2017, just few days ahead of the O.I.C. (Organization of Islamic Cooperation) summit in Istanbul, the **newspaper Yeni Şafak** published an article titled: “**A call for an urgent action**”. The same article appeared also



on website of Yeni Şafak, with a different and more explicit title: “**What if an Islamic Army was established against Israel?**”. The article was referring to 57 Islamic Countries approx., led by Pakistan (the sole Muslim nuclear power): “The number of active soldiers would be at least 5,206,100, while the defense budget would reach approximately \$175 billion. In comparison, Israel is dwarfed by this unified Muslim army – the population of Israel, which is occupying Palestine, is 8.547 million, while the population of Istanbul alone is over 14 million” the Yeni Şafak declared. There are 160,000 active soldiers in Israel’s forces, and their defense budget is \$15.6 billion.

And again: “One of the decisions that could emerge from the OIC summit is to establish a “**Jerusalem Duty Group**” in which a few countries protect the city; in this regard, military steps are expected to be taken. The establishment of a possible Muslim army would ensure that Israel is militarily surrounded. It is expected that 250,000 soldiers will participate in the first

stage of a possible operation and, air and naval bases of member states located in the most critical regions will be used. **Joint bases will be constructed** in a short period of time. Close contact routes can be formed by land bases near Israel. There are also air bases where planes traveling from distant regions can gather. Israel may also encounter many ships coming from the Mediterranean and Red Sea. **It is possible for 500 tanks and armored vehicles, 100 planes and 500 attack helicopters and 50 ships to mobilize quickly.**

Turkey, which recently completed the successful cross-border Euphrates Shield Operation, ranks seventh internationally for its army and ranks second among NATO members. Turkey has approximately 4,000 tanks, 1,000 aircraft and 13 submarines. There are 194 vehicles in the fleet as part of the steps taken in recent years. As the only Muslim country in ownership of nuclear weapons, **Pakistan has an important place among the OIC members**”.

And the article concludes: “**Turkey alone is superior to Israel and will serve as an important headquarters** during the operation due to its land, air and naval infrastructures. Turkey is actively pursuing and renewing alliances with Muslim countries in the Middle East and Africa. **Those who believe that they are the owners of Jerusalem today will not find a single tree to hide behind tomorrow**”.

The online article was later erased, however it was too late. It had already gone viral...

the way to the return of the Muslim virtue was the rule of a strong and just ruler, basing his rule upon the Islamic Law, the **Shari’ah**. During the period of increasing **western domination** over the Muslim world (the **Umma**), the **Naqshbandiyya** became rather a political force than a simply mystic **Tariqa**. The mixing of the typical hierarchical structure of **Sufi Lodges** which call to restore the Muslim values, made the **Naqshbandiyya** the main **anti-colonialist** tool of the time. Nowadays, the **Naqshbandi-Khalidi** order is the most influential in Turkey.

The basic element of the influence of the Order in the religious and political panorama in Turkey is the **İskenderpaşa Lodge**, founded in the ’60s, which gave life to the **National Vision Movement (Milli Görüş)** of the future Prime Minister **Necmettin Erbakan**. The Manifesto of the **Milli Görüş** was published in **1969**, stating the total aversion of Erbakan to the nefarious western influence, calling for a return of Turkish politics to the virtues of Islam, putting **Turkey at the center of the Muslim world (Umma)**. When he became Prime Minister with his **Welfare Party (Refah Partisi)**, in coalition with the **True Path Party (Doğru Yol Partisi)** of former Prime Minister **Tansu Çiller** (Prime Minister at the time of the Imia islets crisis with Greece), he was the first Turkish

Prime Minister of clear Islamic inspiration, thus preceding another famous member of the **İskenderpaşa Lodge**, the present President **Recep Tayyip Erdoğan**.

Erbakan was eventually deposed by the military in **1997** and banned from the political life with a decision by the Constitutional Court, for having infringed the principle of separation among religion and state. The **İskenderpaşa** has had a powerful influence on the Turkish politics, apart from President **Erdoğan**, other primary figures too have been members of the Lodge like the Prime Ministers: **Süleyman Demirel**, **Necmettin Erbakan** and **Turgut Özal** (who served also as President of the Republic). The founder of the Lodge was **Ahmad Ziyaüddin Gümüshanevi**. His successor has been one of the most prominent Turkish Islamists: **Mehmet Zahid Kotku**.

A fondamentale figure and its influence in AKP’s policy

Mehmet Zahid Kotku, was the **39th Sheikh** of the **Noble Linage (Silsila)**, began in 1920 his **Seyr-i Süluk**, the spiritual process of accession to the order (so getting the permission to lead and teach the members and the faithful). In 1958 Kotku became **Imam Khatib** of **İskenderpaşa Mosque**, that means leader of prayer (Imam) and preacher (Khatib) during

Friday’s Sermon (**Khutba**). In Kotku’s ideas we find many of the basic concepts of Erdoğan’s politics, in particular:

- The aversion for the western colonialism and economic slavery
- The aversion for the western culture, guilty of having destroyed the Turkish cultural heritage
- The favor for the creation of a domestic heavy industry, also through the import of foreign technology
- The favor for the occupation of the highest positions of the social and political institutions of any grade
- The necessity to create a New Society, made of Pious Turks, to be educated in religious schools (Imam Hatip)
- The idea that Turkey and Muslim world are being exploited by the West, under the control of a global Zionist plot
- Abandon the alliance with the West to create and lead a Union of Islamic States

One of the most important moments in the formation of this AKP dominated Turkey, can be found in Kotku’s request to PM Erbakan to free the Country from **Western led masons**. Kotku suggested the creation of a political party to eliminate all these western influences and control, being this the unavoidable historical duty of any **true Naqshbandi**.



Photo Source: REUTERS

Turkey's economic crisis has just begun

What happens next may look like Greece during its financial collapse, meaning that Turkey's economy could shrink by 10%-20%.

The Turkish central bank managed to halt the free-fall of the country's currency last week with a sharp rise in interest rates. But the move failed to stop the free-fall of Turkey's equity market and – far more dangerous – the collapse of the credit quality of Turkey's banks. Only last October, the euro-denominated 10-year bond of Turkey's largest private lender, Garanti Bank, yielded just 3%. Now it yields more than 7%, and the dollar value of the bond has fallen from over 120 euros to around 80 euros.

Turkey's Istanbul 30 stock market index meanwhile has fallen by 35% in US dollar terms since August 29, 2017. Its most vulnerable lender, Halk Bank, lost 63% of its US dollar value in the same period and now trades at 40% of book value.

Turkey's banks are shut out of world capital markets, and the country is hard put to raise the US\$50 billion in new hard currency it needs to finance a current account deficit running at around 6% of GDP. Turkish businesses have about US\$300 billion in foreign currency debt, and the cost of servicing it has nearly doubled in local-currency terms due to the lira's depreciation since 2015. The banks will have trouble rolling over their existing short-term borrowings in hard currency, and

trouble collecting loan payments from customers crushed by the collapse of the lira.

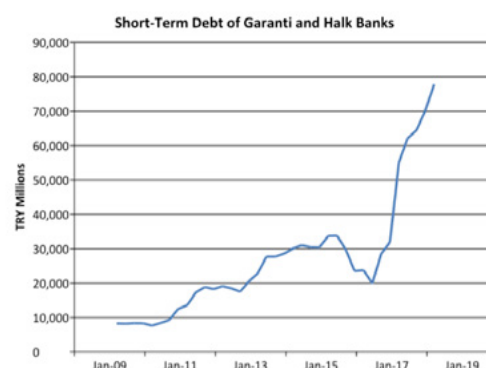
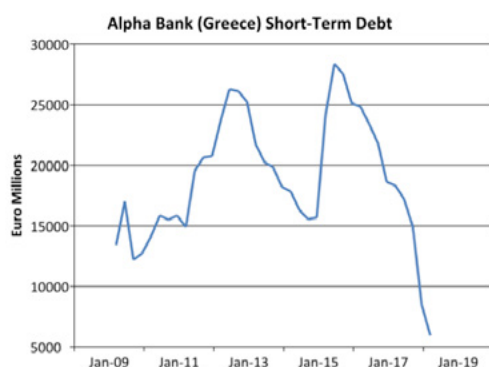
Like the dead parrot in the Monty Python sketch, Turkey's major banks have flipped the mortal coil and joined the choir cele-

output. The combination of aggressive inflation and a credit squeeze portend a sharp contraction of Turkish economic activity.

As the stock market prefigures, the weak point is the banking system. During the past two

term loans. Its stock now trades at around 35% of book value, about the same as Halk Bank.

When Greek credit collapsed, the economy shrank by 25%. In Turkey's case, a 10%-20% overall economic contraction is quite



tial, but the Turkish central bank is there to maintain the illusion of life. The trouble is that the central bank's resources are running thin: Foreign exchange reserves as of June 1 stood at just US\$82 billion, or four months' worth of imports, vs. nearly US\$120 billion at the end of 2014.

As of May, producer prices in Turkey rose 20% year-on-year, which will force sharp cuts in manufacturing and agriculture

years, the short-term debt of Halk Bank and Garanti Bank, combined, has risen four-fold, from about 20 billion lira to 80 billion lira.

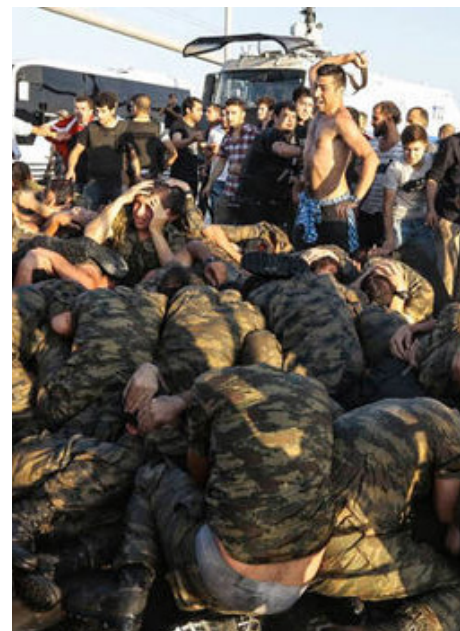
What happens next probably is what happened to Greece during its financial collapse. Its largest financial institution, Alpha Bank, borrowed massively in the short-term market. When the crisis hit, Alpha couldn't roll over its debt and had to repay its short-

possible. The political consequences of an economic disaster of that magnitude are hard to fathom. Turkey's President Erdogan arrested more than 47,000 people after the abortive July 2016 coup attempt, and inflicted a wave of violence on the Kurdish-majority southeast. There are a lot of political scores to settle in Turkey, and an economic crisis would make Erdogan most vulnerable.

Source: Asian Times

Turkey's Armed Forces since 2016

The purges in detail
following the failed coup



About two months ago, it became known that **3,000 officers and non-commissioned officers** of the Turkish Armed Forces (TSK) would be removed from their posts because of their alleged relationship with Fethullah Gulen. Despite Ankara's attempt to **downplay the systematic purges** which have taken place in the TSK, the situation is probably much worse, as is shown by the figures we shall quote below.

It is true that the TSK are still struggling to recover from the **mass purges that began on 27 July 2016**, that is two weeks after the failed coup attempt. However, the Turkish authorities did not stop there. According to currently known facts, at least **550 officers and non-commissioned officers** have been arrested, out of a total of **10,000 who have been removed from their posts**. Turkey's prosecuting authorities maintain that the Gulen movement still retains a strong cell in the TSK. Right from the start, Ankara tried to downplay the situation, implying that the purges have had **no effect on its combat effectiveness** of the TSK. The victorious outcome of Operation «Olive Branch» at first sight seems to confirm this.

According however, to figures dating back to February 2017 (six months after the purges begun) and the most recent (publicly) available, the **reduction in the ranks of generals (generals/admirals/air marshals) is 40%**. Specifically the number of generals has been reduced from 325 to 201 in all three branches of the TSK. Among lower ranking officers the **reduction is 20%** and specifically from



32,451 to 25,728. At the same time, 1,400 staff officers have been dismissed, a **reduction of 77%**, while the staff officer system has been abolished. Among top ranking officers who were dismissed or arrested are four generals, 39 lieutenant/major generals and 126 brigadiers. Per branch this translates to 44% of the Army's senior officers, 42% of the Air force's and 58% of the Navy's. Another 586 colonels were forced to resign in August 2016.

THK is the most affected branch

The officer group most affected by the purges were the **Turkish Air Force (THK)** pilots. Before the attempted coup the THK had two pilots for each of its 320 combat aircraft. The dismissal of 240 pilots **reduced that ratio (aircraft/pilots)** to almost 1/1.2 already from September 2017. It is obvious that for the THK to get back to its pre-coup level in terms of available pilots, training e.t.c. may take up to 2-3 years.

The above mentioned numbers do not include those purged from the **Jadarma** (gendarmerie) and the **Coast Guard**. In order to



overcome the problem of officer shortages, it was attempted to increase the number of graduates from the relevant schools. For example, the number of officers, which due to the purges dropped from 32,451 to 25,728, showed an increase reaching 27,000. Despite these new additions, however, numbers have still not reached the 2016 pre-coup strength. It is also worth noting that in December 2016, the Council of Europe had announced that the total number of people serving in the TSK dropped from 518,166 to 355,212, a **reduction of 1/3**. Since then, however, several thousand people have been recruited in an effort to reverse the situation.

From all the above figures it is evident that not only the Turkish President Erdoğan doesn't trust his country's officer's Corps, but if he continues the purges with the same pace, sooner or later he will be confronted with the eloquent question of what is the real strength of the Turkish Armed Forces, and how it may realize its aims/threats in both regions of the Middle East and the South East Mediterranean.