

TÜSİAD

“44. GENERAL ASSEMBLY”

OPENING SPEECH BY

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TÜSİAD

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Esteemed Chairman, Valuable Council, Esteemed Members and Esteemed Members of Press

Welcome to the 44th General Assembly of TÜSİAD. I extend my kindest regards on behalf of the Board and myself.

By way of this opportunity of the General Assembly, I would like to present you information on our activities and share my views on the recent political, economic and social events in light of global developments.

It seems like we are carrying on into new year a very heavy agenda from 2013 and an abundance of problems; debate about Kurdish resolution process, regional tremors, Gezi protests, the inconclusive efforts for new Constitution, and the political earthquake framed by the still ongoing corruption and unlawfulness.

We will also have to keep in mind that the local and presidential elections in 2014 and the general elections of 2015 will constantly keep the political climate in an election mode, which will be a major determinant of the days ahead.

It is also important to remember that these elections will be instrumental in determining the political staff, that will shape Turkey's future through decision making on major issues like Turkey's EU accession, Kurdish resolution process and drafting of new constitution towards the 100th anniversary of the Republic of Turkey.

Esteemed Members,

With the 17th largest economy in the world, population nearing 80 million, a critical geographical position and its affiliated alliance networks, Turkey is possibly the most vulnerable country with regards to external developments in the world. It is for this reason that a standalone assessment of Turkey in isolation of the rest of the world is not possible.

In the post Cold War monopolar order, we witnessed an unstoppable tide of globalization sweeping the world and dominating the minds of the people.

However the developments post 9/11, the invasion of Iraq and the great recession of 2008 changed this picture.

The global balance is being reestablished 5 years into the crisis. Both economically and strategically, we can more clearly detect the clues of the newly set order and balance of power.

We see that while still being the anchor of the new order, US now moves with a more limited set of abilities and more restricted ambitions. In contrast to the past, US continuously show that it now distances self to all parts of the world but Asia and will not venture into military campaigns as easily any more.

On the other hand Russia, already involved in developments taking place in close proximity, also managed to present itself as a partner in many other regional equations.

In Asia, we see China facing an increasing number of conflicts with Japan and other neighbors...

European Union is rather reserved due to its own problems however does still act as a facilitator for conflict resolution in the global political scene for issues like the Iran nuclear program, thanks to its institutional identity and prominent members.

The international system starts to reconstruct itself and asserts its rules through redefinition of the existing structures.

There are question marks about the functionality and efficiency of the United Nations.

IMF and the World Bank are renewing themselves institutionally, after all the tremors they had faced.

Financial sector, the perceived perpetrator of the economic crisis, is more heavily scrutinized and regulated compared to five years ago.

While globalization continues, regional hotbeds of trade and investment, with both strategic and political significance, emerge.

Reports one after another set out the need to integrate education systems with the most recent technology for them to work in tandem.

It is voiced that countries sub par the 21. Century standards in math and sciences will be facing some serious challenges in the years to come. Those countries fit for the game make an effort to take the right steps.

The topic of innovation is at the top of the economic agenda of countries.

Countries strive on one hand to comprehend the values, necessities, emerging and current dynamics of the new era. On the other hand they try to adapt and determine its blueprint.

Esteemed Members,

In this environment where a new global framework is drawn strategically and economically, Turkey wastes its energy in a no winning game that is consuming, aggressive and destructive...

We are of the opinion that an overhaul of the existing system and institutions is no answer to the problem; as very clearly what lies at the heart of this goggling fight consists of our weaknesses regarding some indispensable democratic notions like rule of law, separation of forces and clean politics.

On the other hand, having witnessed the recent incidents that took place at state institutions in charge of security, we can't help but question how these institutions previously functioned, will continue to function in the future.

We deem it unacceptable that there are various groups within the judiciary and consider the organized nature of these groupings as against the institutionalism of state.

It is of concern for all of us that these non-political groups and set ups attempt to influence the political realm via state institutions.

We are wavered by some recent pieces of legislation.

It is widely thought that the draft proposal on Internet freedom will be a nightmare for Internet users rather than allow facilitation of freedom of communication. The omnibus bill attempts to further increase the clamp down on Internet through censorship.

The target of information nation cannot materialize when things we "unlike" are forbidden at random.

We strongly believe that this draft regulation needs to be replaced with a legislation that is in accordance with the definitions of freedom of expression as put forward by the European Court of Human Rights in tandem with the European Union standards.

We are also strongly uncomfortable about the proposed bill on the Supreme Board of Judges and Prosecutors (SBJP).

The proposed bill yet again aims to change the structure of the SBJP model, the shortcomings of which we have indicated in the context of both 1982 Constitution and 2010 Constitutional Amendment and aims to bypass the current conflict through a stronger control of judiciary by the executive forces.

Thus, the proposed bill further complicates the autonomy and independence of the SBJP that is already problematic.

The answer is a constitutional reform that is in line with the Copenhagen Criteria and that can ensure the independence or impartiality of judiciary.

While the above two example are self explanatory in depicting the severity of the current situation, we are also having to see that privacy of all citizens including the Prime Minister can be breached, people can be confronted with arbitrary allegations against them, can be stripped of their right to a fair and just trial, and that Turkey is now viewed as unable to crack down on corruption through means of law...

Are you at ease for this kind of a perception and such a picture to cause the potential investors and friends of Turkey to question “which world does Turkey belong?”.

Does this perception not invalidate all the efforts we put in so far for Turkey’s development and for it to become a prestigious country in the world system?

These are actually the troubles we endure because of the short comings of our efforts so far for democracy and rule of law.

The troubles turned into a major conflict and dispute among the powers.

We can’t resolve the conflict by increasing the control of powers over each other.

This mentality would only create new problems.

I would like to reiterate that a resolution for a true rule of law will only be possible through a constitutional reform in accordance with contemporary and universally accepted norms that will ensure the independence and impartiality of judiciary, and not by way of conjectural and impulsive steps.

Esteemed Members, Esteemed Guests,

A country where rule of law is disregarded, the judicial mechanism is functioning subpar of EU norms, the autonomy of regulatory authorities is doubtful, the companies are pressured through use of tax penalties and other fines, the tender law is changed many times over...can not possibly receive foreign investment.

Our prosperity has improved in recent years and we managed to set off our savings deficit through overseas resources which were all made possible by way of our ability to attract these funds. When we loose this appeal, we will be confronted with the risk of a decline in prosperity.

In a society with worsening prosperity, there will be lesser opportunity each passing day to resolve conflicts in a calm manner.

It will be increasingly difficult for society to install layers of common denominators for consensus with the state or within itself, exacerbating conflicts.

The political, societal and cultural polarization, albeit at variant levels and doses, will gradually take our minds and hearts hostage, thus hurting and fragmenting the notion of “we”.

The way out of all these societal problems is through political consensus in the short term and facilitating a societal consensus by way of a mentality change in the medium to long term.

On behalf of TÜSİAD, I can say that we wish to be a society that accomplishes the founding values of our Republic within today’s conditions, which means for us to be a society positioned in the Western civilization and works to enhance welfare, consisting of equal citizens whose rights and freedoms are protected by the state and rule of law, a society that is harmoniously integrated.

We want and expect for our country to be governed in a democracy, practiced in line with western standards and unequivocally, without any “buts”, waivers or exceptions.

We wish that our economy grows in an egalitarian and inclusive manner to decrease the developmental variances with qualified works and investments, that this process is supported with training quality and increasing innovation capacity and that legal security and transparency principles are preserved in the markets audited by independent regulatory authorities.

We think our foreign policy needs to be settled on a basis that is far from affections and one that considers the facts of the world.

We sincerely believe in the validity of the picture as drawn by His Excellency Prime Minister in one of his recent talks by referring to Mustafa Kemal Atatürk, the founder of the Republic.

In His Excellency Prime Minister’s words, “the relations of the states do not run on feelings of revenge, hatred, rage. Gazi Mustafa Kemal was one of those who knew this the best.”

“Knowing the western states very well, Mustafa Kemal initiated a process based on peace, friendship, and cooperation with all these states after proclaiming the Republic... He did not nurture a grudge against them... He did not approach them with a feeling of revenge”.

If Atatürk could still approach its neighbors and western world in this way after two big wars broke out, today we should be even more closer to this understanding and attitude.

We still wish to emphasize that the fundamental principle should be the adoption of a balanced foreign policy far from conflict, in peace with neighbors, integrated with the western world even if it is reshaped in accordance with the requirements of the era and circumstances of the day.

We see and believe that those who think in this way form the majority in our society.

However, when these basic objectives are translated into the language of daily politics in a conflicting and discriminating way, our actually-existing reconciliation points are missed out.

However, the other way around is also possible!

It is also possible to put down the principles of a new consensus and clues of a new “us” imagination and to instill the feeling of confidence in future in the people’s hearts.

For this, it is required that not only stage of policy but the entire society democratizes, steps to establish confidence in the system and justice are taken, tolerance is widened, the hate speeches pervading in the daily life and language are rejected and women’s role in the daily life is enhanced.

We are obliged to initiate a societal transformation based on these principles.

We have to open the doors to a change of mind by reconstructing the politics, law and education and prepare a new constitution to always keep this door open.

Esteemed Members,

There is as much justification to preserve our hope as the facts to support our concerns.

We believe that those individuals who are open to the world and who have adopted the democratic and libertarian values and internalized the participatory democracy will establish the Turkey of the future.

We have had the chance to see that the new generations have adopted these values to a great extent through many opportunities, particularly during Gezi Park resistance.

The criticisms made, the demands put forward indicate strongly that ignoring or forbidding cannot halt this development line.

We believe that everyone sharing Turkey's aspiration for EU membership will approve this viewpoint.

Despite all the issues between us, and despite all disingenuous approaches towards Turkey and government's neglect of the process for a long time, I believe the high level of support for EU membership gives us a very clear message.

The rate of those in Turkey who have a negative attitude towards EU membership does not exceed 28-30 per cent in any case. It does not exceed this level. On the contrary, the rate of those supporting EU membership is around 48 to 70 per cent. This strong support does not cause any hesitation in our minds about our society's aspirations, objectives and the future that is fit for them.

On the other hand, Turkish economy is now a big outward market economy with a size of 850 billion dollars.

It is a strong economy with its sectoral and regional investments, investment power, employment it creates and the depth of its financial markets. And the "rational economic behaviors" which are dominant in Turkish economy always have the power to take the country towards its long-term values.

At this point, I'd like to highlight that you will find the TÜSİAD evaluations and estimations concerning 2013-2014 Turkish and world economy in "Turkish Economy 2014" report provided to you...

Similarly, our country's preference to take place in NATO system has a very important function in terms of balancing the short-term turmoils experienced in national security and foreign policy and stabilizing the system.

Finally, I'd like to emphasize that the civil society is developing more every day in Turkey and the public consciousness is an important equilibrant.

Society now has a better opportunity to express itself with the aid of developing communication technologies and varying media.

I believe it is useful to underline that without any concern of modesty, TÜSİAD fulfils a very significant societal duty.

Moreover, TÜRKONFED which brings together the regional and sectoral federations of our business world and which is now 10 years old has had an important contribution to this mission.

Esteemed Guests,

Concluding my words, I'd like to share with you 10 primary issues and our expectations in each.

You may also take this along the lines of "What Kind of a Turkey Do We Dream of?":

(1) Getting back to the high growth path by eliminating the current Political fluctuation and possible economic impacts of the elections to be held in 2014,

(2) Resolving the discussion of independence of judiciary within the scope of Copenhagen political criteria,

(3) Taking transparent, determined and concrete steps in the "Kurdish Resolution Process" which will clear Turkey of the terror and violence environment permanently,

(4) Opening 3-4 new titles, particularly titles no 23 and 24 related to "jurisdiction and justice system" in EU negotiations,

(5) Reviewing the election system in the scope of contemporary norms in order to apply in 2015 General Elections and particularly decreasing the 10 per cent election threshold,

(6) Central Bank achieving its end-of-year inflation target of 5 per cent,

(7) Focusing on increasing the competitive power based on technology and innovation and developing the supportive legislation in this regard,

(8) Putting into effect the long-term education policies shaped in accordance with the contemporary norms to bring the 21st Century's skills,

(9) Widening the fundamental rights and freedoms such as expression, meeting and demonstration march particularly the internet regulations,

(10) Adopting a foreign policy that observes the dignity, sustainability and prosperity...

As you see, many of these titles in our agenda mean raising our democratic standards.

This is a demand for pluralist and participatory democracy.

Esteemed Members,

In connection with our agenda of democratization, we are holding today the “Session of Democratization Phases in Turkey” in commemoration of late Prof. Dr. Bülent Tanör.

Our efforts concerning democratization which started with handbook ”Our Laws, Our Rights” in 1990 and which gained momentum with Tanör’s report titled “Democratization Perspectives in Turkey” have continued for more than 20 years.

While scrutinizing the Turkish democracy in today’s session with a perspective of almost 150 years, I think Prof. Dr. İlber Ortaylı and Prof. Dr. Zafer Üskül will also touch upon these efforts. Taking this opportunity, I’d like to mention my excitement and pleasure about their participation, I’d like to extend my gratitude them for their contributions.

Esteemed Members, Esteemed Guests,

We are honored to contribute to Turkish democracy, but not satisfied with the steps taken yet.

It is our duty to tell the truth, to make the warnings and to put forward our solution offers with the facilities, viewpoint and evaluation skill of 43 years.

As TÜSİAD, as Turkish private industry, we are the engine of Turkey.

No crisis, no challenge, no prevention can take this feature and strength from us.

I would like to greet you all with respect at the beginning of the new year with this belief and spirit and express my gratitude to my colleagues at Board of Directors, my colleagues participating in Commissions and Work Groups, TÜSİAD staff always supporting us at our General Secretariat and overseas representation offices as well as our distinguished members who have always made us feel their support and contribution.