

## The Transatlantic Relationship in the 21<sup>st</sup> Century: Challenges and Opportunities

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### 1. Introduction

When one has the opportunity to visit the heart of Anatolia, it is often an eye-opener. While we may read about developments in Turkey, it is quite different to absorb with all of your senses the numerous signs of a flourishing, vibrant, growing, modernizing Democracy. As such, Turkey is more important to U.S. foreign and security policy than ever before. Turkey can act as a strategic bridge along multiple azimuths. Turkey can also become a greater stakeholder and can act as a stabilizer, persuader, facilitator, mediator, as well as an example, as the global community struggles to cope with the challenges and opportunities presented by the new, emerging post-Cold-War strategic landscape.

In this article I will touch on three topics: First, I will offer a brief assessment of where Turkey's bilateral relations with the European Union and the United States stand from a U.S. point of view; next, I will describe three major strategic challenges that I believe Turkey, the European Union and the United States face in the Greater Middle East; and finally, I will attempt to analyze where the opportunities for and challenges to cooperation between Turkey, the European Union and the United States lie, given where bilateral relations stand and the challenges facing them.

### 2. Bilateral Relations between Turkey, the European Union and the United States<sup>1</sup>

At the outset, I have to say that I believe that – more than twenty years after the fact –relations with Turkey are developing within the context of an international system that is still seeking to find a new equilibrium as it continues to adjust to the far-reaching impacts of the end of the Cold War. New powers such as Brazil, India and China are rising while older powers such as Europe and the U.S. struggle to get their economic houses in order. The institutional structures of the Cold War era are showing signs of age. In all probability they may be replaced or supplanted by new, emerging entities better able to cope with the challenges posed by the new strategic landscape. The potential changes that these trends will bring with them are profound and are just beginning to be felt.

#### 2.1 Turkish–U.S. relations

Looking back on the broader span of history, Turkey has had a long and complicated relationship with some of its immediate neighbors, for example, Russia. Thirteen different conflicts have taken place between Turkey and Russia – not always ending in a fashion that was

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<sup>1</sup> This section draws heavily on a RAND Monograph by F. Stephen Larrabee

satisfactory to the Turkish side. The collapse of the Ottoman Empire also left its imprint on modern Turkey, with the “Great Powers” fighting over the division of the spoils in a manner that can hardly have left Turkish participants with savory memories. Moving ahead a few decades, although the principal focus was a communist political insurgency in Greece, the Soviet Union’s demands for a military base on the Straits of Marmara and its boundary claims versus Turkey provided an additional impetus for the implementation of the Truman doctrine in March 1947. Soon thereafter Turkey joined NATO and dispatched combat troops to Korea. Given the nature of the Soviet threat, the benefits for Turkey of a security relationship with the United States were relatively clear throughout the course of the Cold War.

However clouds soon began to gather on the metaphorical horizon of bilateral relations. In 1963, during the Cyprus crisis, the administration of U.S. President Lyndon B. Johnson qualified its commitment to Turkey stating that it might not come to Turkey’s defense if Turkish intervention in Cyprus prompted a Soviet response. Some years later, after Turkish intervention in Cyprus in 1975, the United States imposed an embargo on the exportation of armaments to Turkey, which was surely an unpopular move for Ankara. With the end of the Cold War, the basic rationale for the U.S.-Turkish security relationship disappeared.

Significant financial losses and a rather intangible series of benefits accrued to Turkey as a result of the War to Liberate Kuwait, and the 2003 U.S. invasion of Iraq led to a serious erosion of Turkey’s security situation. In short, as the world adjusted to the new, emerging post-Cold-War strategic landscape, Turks could be forgiven for wondering: “Who is the net beneficiary of the Turkish-U.S. security relationship – Turkey or the United States?”

Turkey’s decision not to permit the transit of troops through Turkey into Iraq in 2003 sat poorly with some in Washington. Difficult as it may have been for some Americans to accept, Turkey’s decision was actually the outcome of a healthy democratic process. For Turks, one of the more complicated consequences of the invasion of Iraq was the establishment of a Kurdish Regional Government in Iraq that bears many of the hallmarks of an independent state. Turkish-U.S. relations were also not helped by the inaction of the U.S. military in the face of the Kurdistan Workers’ Party’s (PKK) use of Iraq’s Kandil Mountains as a sanctuary from which to mount terrorist attacks on Turkey. How could a U.S. government that had invaded Afghanistan and Iraq in the name of eliminating terrorist sanctuaries, now be so inactive in the case of the PKK? Matters reached a point where the Turkish armed forces were mobilized along the Turkish-Iraqi border in 2006 and parliament voted to approve a cross-border incursion into Iraq on Turkey’s part in 2007.

This tension in bilateral relations was – to a degree – defused by a 2007 Turkish-U.S. summit at which greater efforts at fighting PKK terrorist activities were agreed upon. But a certain bitter taste may have remained, particularly after the U.S. government did not rush to denounce the “e-coup” of 2007. Because of the end of the Cold War, the primary focus of Turkish security interests had already been shifting to address the security challenges it faced to the South in the Greater Middle East. These challenges were made more acute, however, by an Iraq war instigated by Turkey’s ally, the U.S., which led to the drive for Kurdish autonomy and separatism receiving additional impetus, and the PKK obtaining a safe haven from which to mount terrorist attacks. Sectarian violence and disintegration of central authority took place in Iraq – with large questions of direct relevance to Turkey’s

future security still left unresolved. And a, if not the, net beneficiary of this entire tendency in Iraq has been the Islamic Republic of Iran.

Where do these developments leave Turkish-U.S. relations in the new strategic landscape that is being fashioned after the Cold War? Although Turkish-U.S. relations are somewhat improved after the visit of U.S. President Obama in March 2009, my impression is that much ground has been lost over the last ten to fifteen years. Turkey is strategically important to the United States because it is a Democracy successfully executing profound economic modernization in a region largely bereft of such governance and growth. Turkey forms a strategic bridge to the Middle East, the Caucasus and Central Asia. In this latter role Turkey can play a general stabilizing role, one that serves U.S. interests in, for example, Syria, or Turkey can mediate – for instance, until recently, between Iran and Israel. Turkey also can serve as an example of how to kick-start economic development and growth in a region badly in need of both. For the United States, therefore, Turkey remains a vital strategic partner that is more, not less, important, to U.S. national policy given the generational challenges the international community faces in the regions that Turkey borders. However, the benefits to Turkey of close security cooperation with the United States are not as obvious as they once were. For this reason, the nature of the Turkish-U.S. relationship will in all probability with time be redefined to be more reflective of this new balance of interests.

## 2.2 Turkish-EU relations

While there is inadequate space here to discuss the extensive pre-history to Turkish-EU relations, suffice it to say that the boundaries of the Ottoman Empire and Europe were an interface between cultures at which friction and cooperation took place over the course of many years. In a sense, Turkey has been looking to Europe at the latest since the 1920s—since the instigation of its new Republic. Turkish membership in NATO has already been mentioned, but what few in Europe seem to remember is that Turkey, through its membership in NATO, tied down twenty-four Soviet divisions that might otherwise have been employed on NATO's central front in Europe.

Turkey thus played a central role in assuring the security that was necessary for Western Europe to rebuild, grow and attain the standards of living that it enjoys today. To my mind, there is something profoundly dishonorable about being prepared to let Turkey take the point of the spear in this manner for almost forty years and then turning around – once the danger has passed – and effectively stating to Turkey: “you don't belong in our club”. I do understand, however, that national interests determine relations between states and that questions of “honor” therefore often receive rather short shrift.

Clearly, integrating a country of Turkey's size – with 70 million citizens it has the second largest population in Europe – would require major changes in the way that Brussels does business. But to those who say that Turkey is “simply not European”, I would say that there are a number of important strategic reasons for reconsidering that position.

For one, with the sole exception of Germany, which only seems able to grow thanks to a series of external capital account imbalances, Turkey is one of the few economies in Europe showing any signs of real growth. Rather than forming a potential economic millstone around Europe's neck – a common image promulgated in

Germany and beyond – Turkish membership in the EU might actually kick-start the growth-prospects for what might otherwise remain a collection of low-growth post-industrial societies that are struggling to finance bloated social welfare systems on the backs of shrinking domestic workforces. And demographics tell us that this situation is unlikely to change. In fact, if one looks to economic performance, it is Turkey that should be asking why it should marry its future to such a sorry group that seems to be structurally incapable of making timely and effective decisions to assure their own economic futures.

Turkish membership in the European Union is also in the strategic interest of Europeans, because of the role that Turkey can play in assuring Europe a greater degree of energy independence. Such independence is critical if Europe ever hopes to attain a geopolitical role resembling the one that it is striving for. The Baku-Ceyhan and Nabucco pipelines offer the potential of diversifying Europe's sources of energy supply in a manner that would make Brussels less susceptible to political pressure from Moscow. Those in German public and business circles who argue that such pressure would never be applied by their newfound Russian friends, or make similar arguments based on inter-dependence, display profound political naiveté about Russia and the way that its elites have historically done business. In addition to assuring Europe greater energy independence, with Turkey as a member, the EU could exert more political influence to bring about independent political and economic growth trajectories for countries in Central Asia and the Greater Middle East.

While one cannot translate Turkish experience one-for-one to other countries, there are many lessons that both Central Asian countries and the countries of the Greater Middle East can draw from the growth of civil society and from economic modernization in Turkey. By further anchoring Turkey's tremendous economic growth record into the European tradition, Turkey can serve as an even stronger light-house for those seeking to reign in authoritarianism, modernize their economies and implant the rule of law in their own societies. The staggering social and economic consequences for Europe of not more proactively pushing for greater economic growth democracy and human rights on its southern and other borders are now becoming very apparent; they highlight why it is in Europe's strategic interest to be acting in partnership with a new member that has undergone the historical trajectory that Turkey has.

A sour note has been introduced into the bilateral relationship by conservative elements that have been less than diplomatic about their aversion to Turkish membership in the EU – particularly following the debate about Turkey's European credentials that took place after the 2004 Brussels summit. In 2004 a bold attempt to reach political accommodation in Cyprus was also undertaken. Unfortunately, this effort failed and the EU and Turkey found themselves in a standoff over the EU's promise to lift its economic embargo of the Turkish Republic of Northern Cyprus and Turkey's refusal to open its ports to Greek Cypriot vessels after joining a customs union with the EU. The EU suspension of negotiations on eight accession chapters that ensued from this standoff appears, to an outsider, to be a rather disproportionate way of going about business with a neighbor, partner and potential future member-state and certainly cannot have improved the atmosphere. More recently, the Cyprus issue has received new impetus due to the dispute over drilling rights off of Cyprus. With all of this static already in the air, the decision of the European Court on Human Rights

to uphold the headscarf ban in Turkish universities may not have been a useful reminder of potential future European interference in Turkish social affairs.

It is not up to the United States to decide who may and may not join the European Union. But, as a friend, I would submit to those of my European colleagues who oppose Turkish membership that it would be a mistake to deny Turkey membership or to draw out the accession process to a point where Turkey no longer has any interest in joining the EU. The bloom already appears to have come off of the red European rose in Turkey as a consequence of recent developments in bilateral relations. Partly for this reason, but also because the new geostrategic environment has forced a change of strategic focus Southwards, Turkey has increasingly chosen its own path in its foreign and security affairs.

### 3. Strategic Challenges in the Greater Middle East

While what was once termed the “War on Terror” and is now termed the “Struggle Against Violent Extremism” will continue to be a preoccupation for the international community as the United States and its allies disengage from Iraq and Afghanistan, I would like to focus on three other strategic challenges facing Turkey, the European Union and the United States of America here: (i) the Arab Spring; (ii) Iran; and (iii) Palestine.

#### 3.1 The Arab spring

For many U.S. policy makers, the United Nations Development Program’s 2001 Arab Human Development Report was the first warning of things to come in the Greater Middle East. The report, which was authored by Arab intellectuals, highlighted a series of shortcomings in human development in the Arab world.

- It pointed to a “demographic bulge” of younger persons who would soon be entering the work force due to high birth rates in the Middle East and North Africa;
- The writers highlighted the fact that education systems in the region were not producing graduates endowed with the skills needed in the workplace and that as a consequence youth unemployment and under-employment was high in Arab countries;
- The report pointed to a “lost decade” of stagnant real economic growth in the Arab world that had taken place due to economic mismanagement;
- The authors highlighted the lack of political participation and democratic rights;
- Finally, the report pointed to the very circumscribed rights of women in the region.

Policy makers in the United States understood that this was a potentially explosive combination of trends that could unleash widespread social unrest if allowed to continue unaddressed. For this reason, U.S. Secretary of State Colin L. Powell launched a \$400 million initiative<sup>2</sup> designed to provide material support to educational, economic and political reformers in the region – including by providing aid to reform elements directly, bypassing reluctant incumbent political regimes. The United States also sought to re-engineer its assistance program to Egypt in order to have it address the challenges

<sup>2</sup> The U.S. Middle East Partnership Initiative

identified by the 2001 Arab Human Development Report more directly and efficiently.

At the start of his second administration, U.S. President George W. Bush elevated the effort to achieve broader political participation in the Greater Middle East to the position of a central pillar of the foreign policy of his second administration. Unfortunately U.S. efforts to highlight the challenge posed to the international community by developments in the region fell largely on deaf ears. In the Arab world, President Bush's democratization initiatives were regarded as a sorry *post facto* justification for the invasion of Iraq after the initial rationale offered (Iraq's attempts to acquire Weapons of Mass Destruction) proved to have been fatally flawed. My personal observations were that EU bureaucrats' aversion to the Bush administration was so great that they wanted little to do with Bush's initiatives to promote reform and democratization, despite the fact that the rationale behind these initiatives was solidly grounded in facts that impinged upon the EU's interests much more directly than those of the United States.

Ultimately, it was of little surprise to me when the flames of political revolt were kindled in Tunisia and spread from there to Egypt, Yemen, Bahrain, Libya and Syria. We may not have known where revolt would originate, but we had a very good sense that major disruption was coming soon in the Middle East and North Africa.

The first strategic challenge that Turkey, the European Union and the United States face, therefore, is how to deal with the consequences of the tectonic shift that the Arab Spring represents for the Greater Middle East. To put it succinctly, we all have a strong national interest in ensuring the emplacement of new political regimes in these countries that are at once more stable and more participatory than their predecessors. To make this happen we have to help ensure that significant real economic growth takes place in these countries. Achieving this goal might be termed *the* generational challenge facing us.

Should economic development and growth of the kind we have recently witnessed in Turkey fail to develop in the region, then we can expect democracy to be still-born and discredited in the eyes of domestic populations, much as it became discredited in Weimar Germany between the two World Wars. The problem with such a potential development is that it opens the way to power for revanchists. We have seen this movie at least three times before: once or twice in Europe in the 1930s and twice more recently in South America. In every case we ended up saddled with demagogue leaders who have led their countries in the wrong direction.

### 3.2 The ascent of Iran

For many U.S. policy makers, the United Nations Development Program's 2001 Arab Human Development Report was the first warning of things to come in the Greater Middle East. The report, which was authored by Arab intellectuals, highlighted a series of shortcomings in human development in the Arab world. It may not come as a very welcome message in Turkey, but Western intelligence agencies believe that Iran's nuclear program is configured in such a way that its only true purpose can be military. While one can debate whether a developing country should or should not have access to nuclear technology, one thing is clear: Iran has led the international community on a wild goose chase for over a decade by delaying and obfuscating and refusing to provide full transparency concerning its nuclear

program. My personal view is that Iran intends to attain the nuclear threshold and that it will succeed in doing so relatively soon.

My principal argument with Iran lies not with its theocratic structure (that is a matter for Iranians to decide), but in its past attempts to export its revolution throughout the region and beyond. By arming a *Shiite* militia in Southern Lebanon, Iran has interfered in the internal affairs of that country, destabilized Lebanon politically and contributed directly to the unleashing of a war with Israel that no one in Lebanon or Israel needed or wanted. By arming Hamas in the Gaza strip, Iran has provided a rationale for Israel to blockade the Gaza strip and has stopped Arik Sharon's plan unilaterally to withdraw from the West Bank dead in its tracks. After witnessing the rocketing of the Israeli city of Sderot and other Israeli cities by Hamas that followed on the heels of their unilateral withdrawal from the Gaza strip, very few people in Israel are willing to run the risk of a repeat performance emanating from the West Bank.

Moreover, Iran's acquisition of nuclear weapons poses both a global and a regional challenge:

- Left unchallenged it would represent a further erosion of the global non-proliferation regime – a regime that has already come under significant pressure due to nuclear developments on the Korean Peninsula;
- In a regional context, the possession of nuclear weapons may lead Iran to feel inoculated against retaliation with conventional weapons for its interference in the affairs of other countries. This in turn may embolden certain elements in Iran, such as the *Pasdaran*, and cause them to become more risk seeking by engaging in a greater number of bolder actions than those they have engaged in the past. Nor can one expect other regional powers to simply sit by and do nothing, should Iran attain the nuclear threshold. The launch of nuclear weapons development programs in Saudi Arabia, Egypt, the Gulf states and, perhaps, Turkey are all entirely conceivable responses to Iran's attaining the nuclear threshold. Any one of these potential developments would spell further deep trouble for the global nuclear non-proliferation regime.

The second strategic challenge that Turkey, the European Union and the United States face in the Greater Middle East therefore lies in finding closure to the challenge that the Iranian nuclear program has posed to the international community over the course of at least the past decade.

### 3.3 Palestine

For over sixty years the international community has been involved in attempts to resolve the conflict between Israelis and Palestinians. The irony is that we know from opinion polling that large majorities on both sides – both Israelis and Palestinians – support a two-state solution. This fact notwithstanding, small minorities on both sides (e.g. Israeli settlers, Hamas, Islamic Jihad, the al-Aqsa Martyrs Brigade) have continually succeeding in manipulating the situation on the ground through acts of violence or otherwise in such a way as to prevent the will of the majority from being implemented.

Lest anyone doubt the United States' and the EU's commitment to achieving peace between Israelis and Palestinians, it warrants reminding that it is Europe and the United States who bear the lion's share of the cost of paying for Palestinian government institutions. More often than not the Palestinians' Arab "brothers" have been slow in paying or have totally failed to come up with the funding that they have promised in order to implement the two-state solution. Just to be clear, these payments are not insignificant amounts. In the U.S. case, the amount in question involves some \$900 million in transfers to the Palestinian authority annually.

From an Israeli perspective, time is running out. Demographics tell us that differences in birth rates place Israel's democracy in peril. Either Israel reaches closure with the Palestinians soon, or it will be forced to abandon democratic methods of government in order to rule an Arab majority within its own borders. Frankly, most experts know that the issue that dominates the headlines in this connection is a canard. Land swaps agreed between Palestinians and Israelis at Wye have long shown the way to a solution to the "settlement issue", showing that it is not the real outstanding issue between the two sides. The two real outstanding issues are: the fate of East Jerusalem and *Haq al-Awda* or the right of return of Palestinian refugees.

I do empathize with the suffering that displaced Palestinians have endured for over fifty years. But I also empathize for the victims of an enduring and, to my mind, senseless campaign of terror that is not the answer to the question of how to solve this issue. Frankly, the Palestinian issue is abused by Arab regimes. It is used as an escape valve through which pent-up frustrations that have much more to do with the domestic policy failures are released. Nonetheless, the Israeli-Palestinian dispute represents an enduring humanitarian disaster, a vast drain on resources, and a tremendous distraction from dealing with other pressing challenges facing the Greater Middle East. For this reason, it is the third, but by no means least, strategic challenge that we face in the Greater Middle East.

#### **4. Что делать (What to Do)**

How, then, should we deal with these challenges that we face?

##### **4.1 The Arab spring**

The Arab Spring is a special case of a broader post-Cold War phenomenon, namely the challenge of dealing with failed and/or failing states that can become incubators of violent extremism. Whereas the principal security challenge that we faced during the Cold War was primarily military in its presentation, the principal set of security challenges that we will face (in the Greater Middle East) over the next decade may very well be developmental in their primary presentation. Military alliance structures that were created to fight set-piece naval engagements on the flanks (Turkey, Scandinavia) or tank battles on the plains of Germany are ill suited to addressing such problems. We have been undergoing a form of cognitive dissonance about this fact for a number of years. Both the Afghan and Iraqi engagements have repeatedly forced us to confront the reality that existing strategies, doctrines, force and alliance structures are not fully up to the task of dealing with the development challenges involved in any successful preventative assistance delivery or counter-insurgency strategies.



What this means is that – with apologies to Mikhail Sergeyevich Gorbachev – we have to engage in “new thinking” when it comes to how we organize ourselves and the policies that we adopt in tackling the challenge presented not only by the Arab Spring, but also by situations such as Somalia, Sudan, Darfur, the Balkans and beyond. The principal strategic challenge has now become how best to mobilize resources and organize effectively in order to preemptively or retroactively mitigate the deleterious effects of arrested development, and how to kick-start economic growth in countries at risk or countries involved in intra- or international conflict.

I believe that development assistance has taken on a much greater significance in this connection than it had previously. What was once a bauble to be handed out to Third World client states to keep them “on-side” during a global standoff with the Soviet Union, has now become a key tool by which to address our principal security challenge. The problem is that the implications of this paradigm change are taking quite some time to register within national and international bureaucracies and policy elites. For the United States—and perhaps Turkey as well—it means that we have probably over-invested in military means and under-invested in developmental tools and management systems. Structural and, much more importantly, management changes are required to our ability to deliver a more suited “product mix” of development assistance and military intervention in failed, failing or “at risk” contingencies.

Whereas providers of development assistance were previously held to the level of accountability of a pawn on the strategic chessboard, they now need to be held to the level of accountability of a bishop or a queen—given the change in this set of tools’ relative significance. This means that the *Gutmenschen* in the development world need to realize that yes, we will continue to do development for development’s sake and yes, there is a place for projects that will only come to fruition—if at all—in ten to fifteen years time, but national security needs dictate that in designing and delivering their services, the *Gutmenschen* deliver results within politically meaningful short- and medium-term timeframes as well. Management systems need to be developed to hold development assistance providers much more accountable for achieving a series of clearly defined—and, if possible, quantifiable—goals on an intra-year and annual basis. If these goals are not achieved within a reasonable time frame, then resources must ruthlessly be reprogrammed into areas where progress is occurring.

Too frequently, the mental approach adopted towards development assistance is an extensive, as opposed to an intensive one. It is not a question of mobilizing huge amounts of additional resources—although significant additional resources will undoubtedly be required to manage the consequences of the Arab Spring. It is more a question of ensuring much more efficient use of existing resources. A number of national and supra-national approaches to tackling this challenge are available.

Because most development decisions involve questions of domestic political and/or economic reform, they also involve mobilizing political will within domestic policy elites in order to implement needed changes. Intra-national elite politics are therefore a key nexus in achieving the development and economic growth goals that are needed to address our newfound national security challenges. The influencing of foreign elites is the preserve of diplomats. In order to successfully apply the “treatments” required by the new security para-

digm or emerging New World Order (with apologies to George H. W. Bush), we need to change the way we incentivize our diplomats. In the U.S., the promotion prospects of an ambassador are relatively independent of the success or failure of in-country development projects under his/her command as chief of mission. This needs to change—particularly since political will within domestic elites, much more than money, is often what is required to achieve real change.

Another implication of the emerging New World Order is that our military needs to change the way it is organized in order to work more effectively with civilian agencies in the delivery of development assistance in conflict or near-conflict situations. Much stronger cross-linkages need to exist between development and military organizations and development assistance managers need to be incentivized and promoted much more on the basis of their success in working with diplomats and soldiers to deliver such services.

This argument is—of course—anathema to many in the development world. They abhor the stigma of association with military activity and argue, not unpersuasively, that any such association undermines the credibility of their work. But facts remain facts. Development assistance will continue to need to be delivered along a continuum of contingencies ranging from peace, to at risk, to conflict and post conflict situations. To the purists I would borrow from the argot and say: “wake up and smell the coffee”. Either they will succeed in converting themselves into organizations capable of delivering services along all points of this spectrum, or resources will be diverted to other or new organizations more capable or suited to rising to meet these national (an international) challenges.

In this vein, we may also need to be much more active in managing the providers of development assistance. There is a myth in circulation that such organizations are by definition benign. I do not subscribe to this view. In the first place, a number of these organizations operate on a for profit basis creaming some thirty-six cents in overhead off of every development dollar before these scarce resources even arrive at the metaphorical shores of the intended recipient country. If such a major cost item faced the private sector, it would actively manage this cost-center and target a one to two percent annual reduction. This is something we are quite capable of achieving in the public sector via legislation—should we manage to realize our overriding national interest in breaking free from the hidebound domestic political economy of development assistance.

Even Non-Governmental Organizations (NGOs) acting on a not-for-profit basis can end up debilitating efforts to kick-start development. Too frequently, well-intentioned NGOs come into a country and apply too many resources to hire all of the indigenous talent away from local governments for their own purposes. They thereby drain the brain and capacities of the government whose very functioning they are supposed to be improving. In this respect, not-for-profit NGOs too are not necessarily by definition the benign actors that we like to think of them as being. Clearly, much more sophisticated thinking is needed about how to approach the management of non-governmental development assistance providers.

There are a number of steps that one can take on an international level as well. While nobody should be engaging in any form of *Diktat* to countries “targeted” for development assistance, we should not allow “target” countries to play providers of development assistance off against one another either. What this means is that we need much better mac-

rosopic coordination to agree on a set of broad targets for development assistance at top (i.e. foreign minister, Secretary of State) policy levels. Turkey, the European Union and the United States of America are an eighty percent monopsonistic provider of development assistance into the Great Middle East. If our efforts become better coordinated we can use our combined market power to promote change more effectively.

In addition to macroscopic coordination of sectoral targets relating to the delivery of development assistance, greater coordination may be required in diplomatic and political messaging to incumbent policy elites in target countries in order to improve the chances for mobilizing the political will to implement change and reform. Turkey may be able to play a more effective role than either the European Union or the United States, as both of the latter bring certain, more recent, “baggage” to the table when it comes to providing policy advice to rulers in the Greater Middle East.

We may need to accept that, if it is to have a future, NATO must be retooled to deal with these challenges more effectively. For European militaries a first step would involve making large and brutal cuts to administrative staff in order to dramatically improve the so-called “tooth to tail ratio”. Such cuts to administrative staff may also be required in Turkey as well. In a second step, the activities of national development and EU development assistance organizations may need to be interlinked more closely with existing NATO command, control, training and doctrinal development organizations.

There may be a place for a paramilitary form of organization of development assistance. Such an organization could either exist within or in parallel to existing structures. Finally, we may need to engage in “new thinking” at the supra-national level about mobilizing and engaging organizations and tools that are not ordinarily thought of in the national security context for national security purposes.

Turning to some specific cases, if the challenge to France is to persuade more Moroccans to stay home instead of immigrating to France, then France may need to think about acting within EU structures to provide Moroccans with a greater economic incentive to stay at home. As over fifty percent of the Moroccan economy is agricultural in nature this means opening European end markets to Moroccan agricultural goods. The French farmer may have to pay for a solution to the Moroccan immigration problem. The Common Agricultural Policy would thereby become an instrument of EU national security policy. For, what is applicable to Moroccan farmers is equally applicable to Egyptian (cotton) farmers as well.

Similarly, if one of the challenges in Afghanistan is to persuade poor, illiterate farmers to halt their production of opium, then one must offer them a viable alternative cash crop with which to assure their survival. We need to think “out of the box” in such situations by—for instance—agreeing to lift all tariff and quotas on agricultural exports meeting basic phytosanitary standards from Afghanistan to the Gulf, the United States and the European Union for a period of ten years. International trade policy thereby becomes a non-traditional vehicle for implementing transatlantic security policy.

These suggestions are not offered in the sense of facile cure-alls that might miraculously resolve long-standing Gordian problems. Rather, they are intended as illustrations of how solutions to the challenges posed by the emerging New World Order may need to be sought for in places usually thought of as relatively distant from the hard national security realm.

Turkey can play a constructive role in efforts to prospect the contours of the new international security landscape outlined above. Turkey's development path can serve as an example to many countries in the region and may be more effective than any imprecations coming from past colonialists or recent invaders. If you accept the analysis given above, then there is room for greater Turkish integration into transatlantic policy coordination, designed to achieve these goals and there is room for a Turkish voice in efforts to reshape transatlantic institutions so that they may more effectively rise to meet the new challenges that we face.

Finally, Turkey too faces choices related to resource allocation. If Turkish military spending were brought in line with the highest spenders within the transatlantic alliance – i.e. five percent of GDP, then some three percent of GDP would be freed to address the developmental challenges outlined above. On an annual basis we are talking about circa \$22 billion in potential additional assistance resources that are worth \$550 billion on a discounted present value basis,<sup>3</sup> — more than enough to ensure Turkey's seat at the top table.

## 4.2 Iran

Turning to the question of how to deal with Iran's nuclear program, many Israelis and Americans may be appalled to hear this, but I can understand why Iran wants to acquire nuclear weapons. Given the history of Western intervention in that country and the enduring trauma that it caused, given U.S. and Western intervention to prevent Iran from prevailing in the Iran-Iraq war, given the fact that neighboring Pakistan (which Iranians consider culturally inferior) has acquired nuclear weapons, I can understand why Tehran would seek to acquire nuclear weapons for reasons of deterrence, prestige and regime survival.

The challenge that the United States, the European Union and Turkey face is: how to mobilize the diplomatic, economic and other tools at our disposal to dissuade Tehran from its current course and how to prepare for the contingency that we (in all probability) will fail in this effort.

To date, the international community has adopted a policy combining both pressure and incentives towards Tehran. Without listing the entire litany of international measures undertaken over the course of more than a decade, suffice it to say that our actions of late have tended more in the direction of pressure than of incentives. And pressure does not appear to be having the desired effect. This policy of pressure has also been accompanied by one of isolation that plays into the hands of the incumbent régime.

More mileage might be had from efforts to engage Iran. Turkey, the EU and the United States can do better in explaining to the Iranian leadership and public that the security that they seek via Tehran's attempts to acquire nuclear weapons will not be achieved. Much as in the case of the Democratic People's Republic of Korea, attaining the nuclear threshold will impair, not improve Tehran's security in the short- medium- and long-term.

In the short-term, Iran's security will be impaired for a number of reasons. There will be a strong incentive to attack Iran militarily before it builds a nuclear arsenal that

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<sup>3</sup> Based on 2010 estimated Turkish GDP of \$740 billion at official exchange rates (CIA World Factbook); 2010 Turkish defense spending of \$57 billion, i.e. 8% of GDP (Turkish Ministry of Defense) and a discount factor of 4%.

comprises a hardened counterforce, capable of mounting a viable counter-strike in the context of an actual putative nuclear exchange. Stability in any future crisis instigated by Iran, (e.g. by yet another asymmetrical attack on international interests) will be impaired by the presence of nuclear weapons and the risk of escalation of any such crisis to the nuclear level will have increased. In the medium- to long-term, Iran's neighbors will target their existing nuclear weapons on Iran, launch nuclear weapons programs of their own, augment conventional military forces directed at Iran and the United States will alter its nuclear force posture in the region to meet the challenge that an Iranian nuclear arsenal would pose.

A tremendous strain would be placed on Iranian national resources, should it – in turn – attempt to react to the steps undertaken by its neighbors and the United States in response to its nuclear efforts. Yet Iran is not that rich and it is hardly a model of development. The country faces serious economic challenges in order to be able to provide an adequate standard of living for a bulging cohort of youth whose potential dissatisfaction might ultimately result in internally generated regime change. Iranians came close to effecting such change in 2009 and I do not believe that 2009 was the last word.

The international strategy of pressure and isolation in the context of Iran's nuclear program has yielded little over the course of the last ten years. Perhaps further mileage can be achieved by engagement. I am not naïve about what engaging Iran means or entails. But there is big money to be made by Iranians in assuring the economic viability of the Nabucco pipeline with their natural gas. There is great geostrategic benefit to be had by emplacing a route of energy supply to the Balkans and Europe that lies outside of Moscow's control. There is also huge advantage to be had for the international community by cooperating with Iran to provide yet another corridor for energy resources to exit the Caspian and Central Asian areas via the Gulf and or Turkey.

While it is probably too late to prevent Iran from attaining the nuclear threshold, cooperation not confrontation may be the path to ensuring that the nuclear threat that Iran eventually poses does not become acute. And in essence what this boils down to is a two-pronged argument: (i) the profits to be had from cooperating with the international community; and (ii) the foregone economic opportunity costs and the greater economic growth opportunities (and by implication greater chances for regime survival) to be had from a policy of détente between Tehran and the international community. Because of its long-standing ties to Iran and the policy position it has chosen to adopt, Turkey is well positioned to facilitate a transition from an international policy of confrontation and isolation to one of engagement and bigger incentives. I hope that Turkey will rise to the challenge and that international policy makers will show the flexibility of mind to allow it to do so.

*Ad interim* the international community can make efforts to mitigate the risks that nuclear-armed Iranian ballistic missiles might eventually pose. Turkey has agreed to the emplacement of an early warning battle management radar that would form part of a ballistic missile defense system on its territory. This was an important step that went a long way to repairing some of the damage done to institutional ties between the U.S. and Turkey. Admittedly however, I am skeptical of efforts to invent technological solutions to what are essentially human not technological problems. True, such systems may provide employment and advance technological development in participating countries, but as the Maginot line taught

us, they can be out-flanked and are unlikely to be militarily effective over the long-run as anything other than an early warning system. Given the tremendous resources involved in constructing such systems, the burden of proving that this is not the case lies firmly on the shoulders of those promoting these expenditures.

### 4.3 Palestine

As I have indicated above, the Israeli-Palestinian dispute is an enduring humanitarian tragedy, a diversion of resources and a distraction. I am not going to dwell on the causes of current dissonance between Israel and Turkey. Except to say that in my view, the Mavi Marmara incident was an act of political provocation and that in the context of an existing blockade against Gaza, Israel's actions were fully justified under international law—even if the loss of human life engendered by a poorly conceived and executed military operation is deplorable. Turkey will not achieve its declared goals with Israel by continued public posturing – if these are indeed the Turkish government's true goals. Quiet diplomacy is needed, if Turkey is to have any hope of receiving an apology or compensation. Given Turkish behavior to date, the chances to me now appear pretty slim.

Nor do I see how any of this helps resolve the basic conflict. Although the United States is not happy with the official contacts that have taken place between Hamas and the Turkish government, if Turkey wishes to make a positive contribution then instead of posturing in public, it can use its ties to Hamas to persuade them to come to the negotiating table and accept Israel's right to exist – something Turkey has done since the late 1940s. Turkey could also make a positive contribution by lobbying Iran to halt weapons shipments to Gaza and Lebanon.

## 5. Conclusion

The transatlantic alliance, having survived the collapse of the Warsaw Pact and withstood the political and military strains of the interventions in Afghanistan and Iraq stands on the threshold of an emerging New World Order to which it probably has no choice but to respond, adapt or die.

We face a generational challenge in ensuring that economic growth lends political credibility to the regime changes brought about by the “Arab Spring”. Bureaucracies and elites have yet to internalize and adapt to the new paradigm. In this new order, improved incentives, accountability and resource utilization will probably be need to be applied across a broad continuum of potential future contingencies to achieve the international community's security goals. New approaches may have to be developed to how we manage providers of development assistance and the costs that they incur. These changes in policies and procedures will probably have significant organizational implications for NATO and for national diplomatic, development and military organizations. New tools may also need to be developed or borrowed from realms not considered within the purview of hard national security policy.

We have probably long passed the point of avoiding the risk of a nuclear Iran. In all likelihood, we are already in the phase of deciding how to mitigate this risk. While Ballistic

Missile Defense may be a useful source of alliance cohesion and provider of jobs for engineers and technologists, it is not a cure-all or a substitute for a negotiated settlement. Pressure and isolation have not only failed to yield the desired results, but have also played into the hands of the Iranian political régime. It may now be necessary to engage Iran in order to mitigate the risk of its building a nuclear counterforce and to explain the potential profits and avoided opportunity costs of a more accommodating position on its part. The international community might do well to focus on the positive geostrategic benefits that such engagement with Iran would entail—both for Europe, the Caspian region and Central Asia.

Continued posturing and acts of political provocation directed at Israel and relations with Hamas are not only hypocritical – given Turkey’s excoriation of U.S. inaction versus PKK terrorists in 2006 – but will probably fail to help Turkey achieve its avowed strategic goals. Turkey should, instead, consider making positive contributions towards a settlement between Palestinians and Israelis by getting Hamas to the negotiating table and lobbying Tehran to stop delivering weapons to Gaza and Lebanon. Turkey can be a facilitator of renewed international engagement with Iran and can use its suasion and otherwise non-productive resources to help make the Arab Spring an economic success.

As we approach the challenge of finally integrating the contours of the new strategic landscape into transatlantic policies and institutions, there is an active role available for a Turkey newly confident in its abilities and of greater importance to U.S. foreign and security policy than ever.