

TODAY'S BUSINESS

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TURKEY LEAVES BEHIND POLITICAL CONTROVERSIES, BACK AT FULL SPEED

Wrangling over, business now takes stage

FARUK CAN, ISTANBUL

Turkey has once again become attractive for foreign investors as political controversies were resolved with the election to the presidency of Abdullah Gül, who failed in his first election bid in April, thanks to a Constitutional Court decision that resulted in early elections on July 22.

The pro-business Justice and Development Party (AK Party) won a landslide victory in the early elections and took control of the government for a second term, and on Aug. 28 Gül was elected the 11th president of the Republic of Turkey. "The results matched the expectations of foreign investors, and the citizens

have voted for stability," according to Turkish Exporters' Assembly (TİM) President Oguz Satca.

The current symbiotic relationship between the president and prime minister has also removed anxieties and obstacles in the way of the implementation of reforms and resolve for EU membership. Most legal amendments and reforms were vetoed by the previous president, Ahmet Necdet Sezer.

The new Cabinet, formed last week, also shows Turkey's economy will maintain its dynamism and that the investment environment will definitely improve. Former Merrill Lynch economist and maestro in international economics Mehmet Şimşek's stepping into the shoes of now Foreign Minister Ali

Babacan is one of the greatest positive signals for foreign investors. Deputy Prime Minister Nazım Ekren, an expert in international banking, will steer the economy and coordinate the harmonization of ministries such as economy, finance, labor and social security. The continuation in office of State Minister for Foreign Trade Kürşad Tüzmen and Finance Minister Kemal Unakatan indicates that tight fiscal policy and the versatile export-based economy will be sustained.

Another important development during this entire process was the integration of Turkish financial markets into their global counterparts. The soaring of Turkish stocks in recent months indicates that Turkish financial markets have become resistant to

internal crises and can cope with global fluctuations. Earlier, Turkish financial markets were fragile, and stocks dove when any political debate emerged or when any sign of uncertainty materialized. Turkey will continue to be an investment safe haven for international investors and will most likely surpass last year's foreign direct investment (FDI), which had reached \$20 billion by the end of the year.

During the decade preceding 2003, the FDI flowing into Turkey was only \$1 billion in total; however, this amount has been on the upswing ever since. The country enjoyed \$1.8 billion of FDI in 2003, \$2.9 billion in 2004 and \$9.8 billion in 2005. This boom peaked in 2006 with \$20 billion. **CONTINUED ON PAGE 11**

PHOTO: TODAY'S BUSINESS



Rızanur Meral

Win-win time in Kazakh-Turkish relations

RIZANUR MERAL
TUSKON CHAIRMAN

Kazakhstan is one of the most important countries in the Turkic world. Its geographic and economic size attracts attention when compared to other Turkic republics. Even though it does not have a large population, it is the biggest country in the region in terms of land area.

Kazakhstan attained this success under the leadership of President Nursultan Nazarbayev, who introduced bold reforms after independence in 1991. Considering Nazarbayev has paid a few visits to our country, it could be said that Kazakhstan deserves further attention and interest from Turkey.

Energy is one of the most important issues of discussion and attention between Turkey and the Central Asian countries. Turkey's role as the transition country on the energy corridor connecting Asia and Europe increases its importance for Kazakhstan, one of the largest oil and natural gas producers in the region. **CONTINUED ON PAGE 10**



Turks, Kazakhs get together once again for business

The Turkish Confederation of Businessmen and Industrialists' (TUSKON) Turkish Kazakh Business Forum is held in order to provide a multinational platform for its members to introduce their products; help exporters to increase their share in foreign markets; promote them to establish branches and representatives; increase current business potential; and form new opportunities. The sectors with a place in the program will be: construction, construction materials, the furniture industry, the agriculture and food industries, the chemicals industry, communication and automation technologies, electrical and electronic appliances, the lumber industry, transportation, medical equipment, pharmaceuticals and health care, leather and leather products, machinery, machinery spares and manufacture, textile and apparel, tourism, and the packaging industry. **CONTINUED ON PAGE 10**



Turkish Prime Minister Recep Tayyip Erdoğan (C) and Kazakh President Nursultan Nazarbayev (L) at the opening ceremony of the Silk Road Railroad Exhibition, in this 2005 file photo.

FUTURE IS BRIGHT FOR TURCO-KAZAKH RELATIONS

AHMET ERKAN ÇETİNKAVİŞ

COMMERCIAL COUNSELOR FOR THE TURKISH EMBASSY IN ALMATY

Turkey was the first country to recognize and establish diplomatic relations with the Republic of Kazakhstan after it won its independence on Dec. 16, 1991. So far it has signed over 80 agreements and protocols on relations and cooperation with Kazakhstan, ranging from fields such as education and culture to trade, economic cooperation, transportation and communications.

By increasing our trade volume 63.5 percent in 2006, we earned \$1.6 billion. In the first six months of 2007, trade increased by 64.9 percent, reaching \$1.63 billion.

We export machinery and appliances, plastic items and electronics and devices to Kazakhstan while importing bronze, steel and fossil fuels. Kazakhstan's economy has registered a 9 percent growth since 2000 after income from natural resources such as oil was used for the nation's development. Its construction sector registered 30 percent

growth in the last two years, becoming the locomotive of the market. Kazakhstan's construction, construction equipment and materials sector is the most active sector and most important export area in the country. Since the production of construction materials does not meet local demand and technological products are not manufactured in the construction industry, there is a growing tendency for importation. Turkey is one of the four main importing countries; therefore, our exporting of construction materials is steadily growing. **CONTINUED ON PAGE 10**

PHOTO: DANA



Beibit Issabayev

'Kazakhstan has become a center for investment'

Kazakhstan has gradually created an environment of investments in the 16 years since it gained independence. This country has almost become a safe haven for investors in the middle of Central Asia. "The reform steps have led to direct foreign investment amounting to \$60 billion," says Beibit Issabayev, Kazakhstan's ambassador to Ankara. He stipulates further that domestic investments have reached around \$80 billion. Moreover, the country drills about 60 million tons of oil every year. **By İBRAHİM TÜRKMEN CONTINUED ON PAGE 10**



Hakkı Taner Seben

'Turkish investment in Kazakhstan makes great strides'

Turkish Ambassador to Kazakhstan Hakkı Taner Seben says Turkish investors have played a pioneering role in Kazakhstan since its independence. Seben, noting that Turkish businessmen have undeniable roles in the current level of development in Kazakhstan, says: "We take pride in seeing that numerous prominent projects and investments in many areas, ranging from the food sector and the drug and chemicals sector to the construction and hotel management sectors, are led by Turkish investors." **By EMİN AYDIN CONTINUED ON PAGE 12**

Schools: The most precious Turkish investment in Kazakhstan

EMİN AYDIN ANKARA / ALMATY

Hasan Hüseyin Kes, the general director of Kazakh-Turkish High Schools, says that the schools, founded by Turkish investors in Kazakhstan, have formed a bridge of friendship between the two countries for 15 years. The caravan that set out on a long voyage with three schools in 1992 has grown today into a large movement of volunteers with an education chain that consists of 28 schools. The Anatolian people have extended a hand of friendship to their Kazakh brothers just after the latter's independence and have secured a special place in the hearts of millions of Kazakh people, thanks to the centers of education and illumination that they have opened so far. The Kazakh people educated at these schools feel comfortable knowing that Turkey will always be at their side, despite the miles that separate the two countries. Kes, giving an exclusive interview to Today's Zaman, stresses this belief: That every graduate of Kazakh-Turkish High Schools who passes over the bridge of friendship will take this friendship further. Will you tell us a short history and current status of Turkish schools in Kazakhstan? How many graduates do you have each year?

Kazakh-Turkish High Schools started its educational and instruction activities with three schools in 1992. The number of these schools rose to 18 in 1993 and to 24 in 1994. Currently there are 28 such high schools. The first graduation from our schools was in 1996. Every year about 1,000 students graduate from these schools. Our schools have earned a big reputation in Kazakhstan with the education and instruction services they provide and their services have been appreciated and supported by the Kazakh people and top state officials. Today, about 70 percent of the students who represent Kazakhstan in international science olympiads are students from the Kazakh-Turkish High Schools. In 2007 all of our schools gained ISO 9001 quality management certificates.

What are the chances of the students who graduate from these schools finding jobs in business circles or bureaucracy and being successful there?

Very high. We have many graduates who know four foreign languages, who have received quality education, who have high reliability and who have graduated from, or are currently studying at, top, quality universities in Kazakhstan or elsewhere in the world. Their qualities ensure that they are preferred in business life. The schools, the teachers who come from Turkey and students graduated from the schools have also served as doors to businessmen and they provide help in terms of communication.



The schools, founded by Turkish investors in Kazakhstan, have formed a bridge of friendship between the two countries for 15 years.

Do your graduates or students have a role to play, for instance, in the summit organized by the Turkish Confederation of Businessmen and Industrialists (TUSKON)?

Many of our graduates will attend this summit as businessmen, while a number of our graduates who are currently attending universities will work as translators.

Are there graduates who do business with Turkey or who work in companies that do business with Turkey?

Companies operating in Kazakhstan tend to recruit their staff members from among the graduates of the Kazakh-Turkish High Schools in every field (law, accounting, economy, engineering, translation, management). Also, some small and medium-size enterprises (SMEs) operating in Kazakhstan establish partnerships with our graduates, who successfully maintain their business relations. There are also graduates who do business directly with Turkey. Will you explain your curriculum and educational methods as they relate to the training of managers and businessmen?

Our curriculum is the one used in the Darin schools in Turkey, which correspond to the Anatolian Science High Schools in Turkey, which selected and gifted students attend. We raise our students as individuals who are self-confident, who have loyalty to national values and who respect coexistence. **How does the Kazakh state perceive these schools? Are the graduates of these schools favored when they apply for state posts?**

The state has a positive view on our schools. Our graduates receive standard Kazakh diplomas called Memleketтік and they also receive certificates of foreign language (Turkish and English) and computer proficiency. In Kazakhstan obtaining the right to attend our schools is regarded as more prestigious than entering a university.

Do your schools or graduates participate in organizations that aim to help Turkish businessmen? Do they take part in printing activities?

Our graduates become members of local business organizations and there is no separate organization of graduates. **Are there businessmen who seek help from you, saying, 'You, too, are Turks and we want sell goods to Turkey or buy goods from Turkey?'**

Yes, we had these kinds of requests during our first years here, but they now prefer to establish direct contact with businessmen.

In addition to their contribution to commercial and business life, do the Kazakh-Turkish High Schools have artistic, cultural and social contributions to Turkish-Kazakh relations?

Our schools are members of the International Kazakh-Turkish Education and Culture Foundation (KATEV) and KATEV has published books that promote the Kazakh culture. School and family associations organize mutual tours every year. Folklore teams from our schools have attended cultural activities in many cities in Turkey. Moreover our schools organize science and social fairs and exhibitions in the cities where they are established. They organize seminars for teachers from other schools. They organize sporting and cultural contests. For sure these have greatly contributed to the development of positive relations between the two countries.

You have well-explained the contributions from your schools to the development of the Kazakh-Turkish relations. Let's have a look into future, some 25 years ahead of our time. What do you predict?

The extent of the contributions our schools have made to the relations between two countries will be understood fully by everybody not in a distant future, but in a quite near future. We are of the opinion that our graduates will take these good activities further and make them better.

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Turks, Kazakhs get together once again for business

CONTINUED FROM PAGE 1

The program is held between Sept. 6 and 7 with the participation of more than 120 Turkish businessmen and 600 Kazakh businessmen. The contenders will be able to engage in bilateral talks and share business and trade views during the three-day-long program.

The major aim of the Turkish Confederation of Businessmen and Industrialists (TUSKON) is to move all of its members to the next professional level, converting a small trader to a businessman, a businessman to a manufacturer and a manufacturer to an exporter or a multinational company.

TUSKON is not an organization that was established by the center and then spread to peripheral businesses less fortunate than big companies located at the heart of the country's business circles; on the contrary, it was formed exclusively to meet the needs of the periphery.

Beginning in the 1980s, Turkish companies began to grow, becoming stronger through the individual pursuit of their own success, however by the early '90s companies recognized that they could be more powerful by acting together. Those years were a golden age for nongovernmental organiza-

tions and they represent the date of establishment for many well-known NGOs in Turkey.

The Business Life Cooperation Association (İSHAD) and many other associations, all of which were established in 1993, are now gathered under the all-encompassing roof of TUSKON. The associations performed on their own in their respective provinces for approximately 10 years. When the new century began, they began to come together and establish regional federations. Those were the early steps leading to TUSKON's development. In late 2005 seven federations from the seven regions of Turkey -- Mediterranean, Aegean, Marmara, Black Sea, east Anatolia and south-east Anatolia -- established TUSKON.

TUSKON employs two main strategies to achieve its goals. One is to increase the business abilities of its members, the other is to provide suitable forums for members to meet new international commercial counterparts. The confederation expands its members' commercial connections through foreign trade bridge programs. The first such program was between Turkey and Africa in the spring of 2006. Five-hundred businessmen and approximately 30 ministers and high-level bureaucrats from 31 African

countries met with 1,700 Turkish businessmen and held 20,000 business meetings. In autumn 2006 the second foreign trade bridge took place, this time between Eurasia and Turkey; it encompassed 450 businessmen from 12 countries such as Ukraine, Turkmenistan, Kazakhstan and Uzbekistan. After the first two events, TUSKON stayed on track with the Turkey-Pacific meeting in March 2007 and the second Turkey-Africa gathering in May 2007.

Member federations:

Federation of Marmara Business Life Associations (MARİFED)
 Federation of United Businessmen and Industrialists' Associations (BİRSİAD)
 Federation of Aegean and West Anatolia Businessmen and Industrialists' Associations (ESİDEF)
 Federation of Anatolian Businessmen and Industrialists' Associations (ANSİFED)
 Federation of Black Sea Businessmen and Industrialists' Associations (KASİF)
 Federation of East Anatolia Businessmen and Industrialists' Associations (DASİDEF)
 Federation of Southeast Anatolia Businessmen and Industrialists' Associations (GÜNSİAF)

Win-win time in Kazakh-Turkish relations

CONTINUED FROM PAGE 1

There are also great opportunities for both Turkey and Kazakhstan in terms of trade and direct investment. While the trade volume between the two countries was \$260 million in 2002, it reached \$1.6 billion in 2006. The goal for 2007 is \$2 billion -- meaning the volume of bilateral trade will increase 10 times in five years. Obviously trade between the two countries has increased vastly since 1991. Relations have reached a peak during the reign of the AK Party government led by Prime Minister Recep Tayyip Erdoğan.

Kazakhstan's total trade volume is about \$54 billion. Energy-based revenues constitute the majority of this amount. This also shows bilateral relations between Kazakhstan and Turkey will likely improve further. As for Turkey's investments in this country, we first notice that there are 270 Turkish companies based in Kazakhstan. It seems that the majority of investment is made by large companies. Total Turkish investments exceed \$1.5 billion. This is a huge figure for Turkey. However, considering that the investment volume of the US is about \$60-65 billion, it is obvious that Turkish investments are not sufficient. The lack of investment by Turkish companies in the field of energy attracts attention.

Conversely, Turkish construction companies are very active in Kazakhstan. For instance, a Turkish company erected the Astana Airport. Moreover, Turkish companies have expanding markets in consumption goods. Most probably for this reason, 200 million Turkish-made shoes were sold to 15 million people in this country last year.

A recent privatization bid also occupied the agenda in relation to trade relations between the two countries. I am talking about the priva-

tization of Petkim, Turkey's state-owned petrochemical company. Because of its size and importance to the Turkish economy, serious discussion has surrounded the sale. Because of the composition of the consortium that won the bid and was formed by leading Kazakh and Russian capital groups, relations with Kazakhstan came under the spotlight. But the recent sale was not the first contact between the Turkish and Kazakh capitals. Kazakhs, who previously purchased Sekerbank, also made tourism investments in Bodrum and Antalya. Moreover, Kazakh companies are reportedly interested in chromite



TUSKON Chairman Rızanur Meral

mines in Turkey. These kinds of commercial relations should be taken as normal from the perspective of global economy.

In addition to the improving commercial relations following the independence, Turks and Kazakhs also developed social bonds. The mutual marriages, education investments and the permanent cooperation in other fields constitute the ground work of permanent cooperation.

The Kazakhs who completed their education in Turkey and those who study at Turkish schools in Kazakhstan are the primary actors of this cooperation. Of course there are also Turks who study in Kazakhstan. A generation that is able to speak the Turkish, Russian and Kazakh language has emerged. Maybe this is actually the field that Turkey should attach the most importance to.

In contemporary times a mutually beneficial symbiotic relationship between partners is called for. In other words, your partner should also be able to win along with you. Otherwise all attempts to develop good relations will not go beyond mere expressions of good faith. We are taking action to improve bilateral relations between Kazakhstan and Turkey and to win together.

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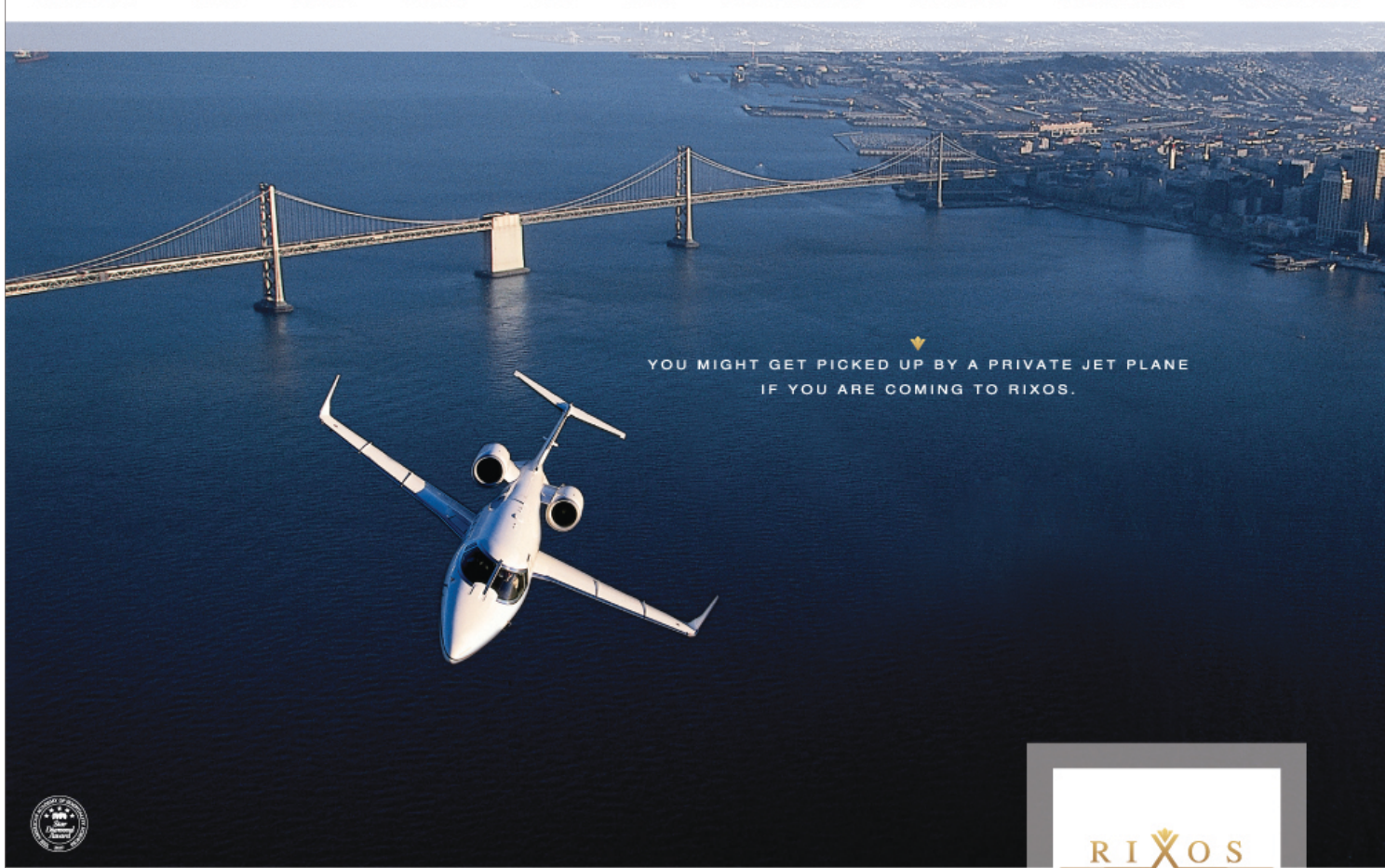
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PHOTOS



Süvari Chair Ahmet Coşkun (R) and his brother Fatih have toiled together to make a renowned brand, and have apparently succeeded.



Irmak leading wedding dress business

▶ Hatice Özpölat has been interested in fashion since her childhood. Her interest continued into adulthood, leading her to give up a teaching job in 1987 and pursue dressmaking. In 2000 Özpölat began her business in a small workshop; she quickly made a name for herself with her shop, the Irmak Fashion Home, where she designs haute couture wedding dresses. The shop has become the top choice among fashion-conscious women who are shopping for their wedding dresses.

Irmak Fashion House has also become a training ground where the details of tailoring are taught. The company has become well known locally and abroad through attendance at dress and design fairs. Özpölat explained that she first studies the body form of each client, pointing out that everyone has an individual body shape produced by genetics and changed by time. She summarizes her design process like this: "Besides being thin or fat, muscle and bone structure are also important factors in determining the body shape. We try to design a dress in accordance with the demands of brides as long as their body shapes permit it. We gather all the materials and models to be used for the dress and then add the finishing touches. We encourage any woman seeking a dress that reflects their personality to come to our shop; we invite all women who wish to shine on the happiest day of their lives to come to us. Irmak Fashion House designs wedding dresses that are completely customized for each individual -- we did not choose to go down the route of mass production."

The Irmak Fashion House is a family establishment. Cemal Özpölat, husband of Hatice, started as a tailor apprentice in 1966 when he was only 6 as opposed to his wife's slightly later beginnings in high school. Their daughter, Irmak Özpölat, also became familiar with her parent's profession at a young age by playing with fabrics and fibers in the workshop next to their house even before she started school; she started out preparing costumes for her dolls and has now grown into the most renowned and successful fashion designer in the region in her own right.

Irmak Fashion Home is the largest wedding dress design company in the Mediterranean region. It also trains the most qualified staff in the field. Hatice wants to establish another company in Germany in 2008 and begin to sell her products all over Europe. Another goal of the firm is to sell their products within the central Asian market using a dealer based in Kazakhstan. **Istanbul Today's Business**

SÜVARI HAS WHAT IT TAKES TO BE A WORLD-CLASS PLAYER

▶ Since its foundation Süvari's basic aim has been to become a "global brand" and today, with its investment in international and domestic market, the menswear company has come closer to achieving its goals.

Süvari has opened more than 100 points of sale and 32 stores across Turkey since 1997. It also owns eight stores abroad. With its 40 stores and expansion policy, Süvari has become one of the leading textile companies in Turkey's menswear sector.

With stores in Switzerland, Russia, Azerbaijan and Turkmenistan, Süvari also has sales points in Yemen, France and Georgia.

While strategically Süvari aims to have opened 100 stores by 2010, it is open to strategic partnership and joint ventures. With a focus on international markets from 2008, the company seeks partners in Russia, Kazakhstan, Turkmenistan, China, the Middle East and Europe to establish new partnerships at the global level.

In all its establishments in and out of the country, Süvari's main aim is to keep a mentality open to innovation and endless improvement. Expansion is the keyword for Süvari and it accordingly works to expand its potential and capacity to meet the ever-

changing needs of customers. With an open-minded management, Süvari adopts all developments relating to our industry and moves forward with its dynamic structure. The company follows world fashion while remaining committed to quality and well-organized and developed retail management structure.

Süvari stores are connected via a strong network system through which it is possible to control and observe sales, customer needs and staff expectations. In the new technological era Süvari works with a great motivation to compete with other global brands and to meet the needs of its customers.

Product categories

Süvari products are basically produced in four different groups. Süvari produces select collections to meet man's every clothing need.

■ Süvari VIP: produced with high-quality fabrics and product detailing.

■ Süvari Classic: designed for daily business life, its specially selected fabrics make it smart, practical and robust.

■ Süvari Active: a casual collection for weekends and active pursuits, it is smart, useful and comfortable.

■ Süvari SSN: the concept and combination of materials is ideal for special nights like weddings, conferences, cocktails, etc. **Istanbul Today's Business**



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A modern school in under a month

▶ Fora Endüstri, widely known in the construction world for its Duvarpan brand, is currently constructing a new school in Yelten, part of the Korkuteli district in Antalya.

Construction began on Aug. 21 and is scheduled for completion by the start of the new school year in mid-September, according to a company press release. In other words all systems are go to be sure of not falling behind schedule.

Chairman Atilla Kaşlı said that though the town had two schools, because of the long distance between them students were having serious difficulties. Kaşlı underlined that they decided to build a new school to address these problems. The multi-storey building will occupy a 500-square-meter plot of land.

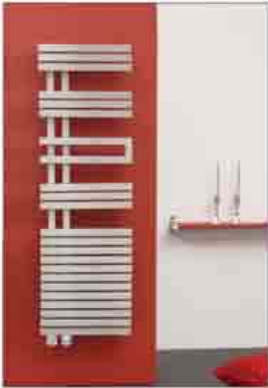
Speaking to Today's Zaman about the project, Kaşlı said the construction was funded by the town's Dallar Corporation. The municipality also contributed to the project by supplying a workforce. Kaşlı noted, adding that if they can maintain the current pace there is no reason why the school will not open on schedule.

Asserting that the school would be among Turkey's most modern, Kaşlı gave technical details of the new building: "The main entrance will have sensor-operated automatic doors. The windows are made of PVC and double glazed.... Furthermore the external walls are made of a highly insulating Duvarpan material of 15-centimeter thickness. The same also goes for the interior walls. All classrooms have televisions and Internet access." **Istanbul Today's Business**

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They say that persistence pays off -- a motto with which Turkey's former foreign minister Abdullah Gül can certainly associate. His presidential bid in April came to naught after Turkey's constitutional court ruled the vote null and void thanks to the lack of a quorum in parliament right on the back of a veiled warning from the military. Now, with the apparent backing of the electorate, Abdullah Gül has secured the highest post in Turkey.

The election process was no speedy affair, however. After failing to acquire the necessary 367 votes in the first two rounds of voting this month, Gül secured the absolute majority required for the presidency in the third round of parliamentary voting on August 28, netting 339 votes in a 550-seat parliament. The other two contenders were not in a position to throw down the gauntlet, with Sabahattin Çakmakoglu of the nationalist MHP and Tayfun İçli of the centre-left DSP acquiring 70 and 13 votes respectively.

The military's displeasure was apparent enough, distrustful as it is of Abdullah Gül, who, though a devout Muslim, claimed to have shed his political Islamist stripes of old, defining himself in the 2000s as a moderate and a reformist. But Turkey's generals are not convinced, evinced by their visible absence during Gül's swearing in ceremony -- a move that could signal possible tensions between the prime minister / presidential axis and that of the military in the future.

This came on the back of a grim statement by chief of General Staff Gen.Yasar Buyukanit on August 27, an early Victory day speech one day before the presidential vote, warning of the Islamist threat to secularism in Turkey. Echoing

THE ONE WHO LAUHGS LAST...

NEWS ANALYSIS

By Anthony Skinner

OXFORD BUSINESS GROUP

an earlier statement in April, Büyükanit warned that centres of evil were trying to undermine the secular system and that these circles' insidious plans emerge in different forms -- a clear reference to Gül's presidential bid. Otherwise translated, the military will scrutinize the every move of the new president and, if necessary, intervene in the interest of the secularist republic.

That Büyükanit's recent warning did not reverberate as strongly as that of April, was not surprising. The political playing field has clearly shifted in favour of the ruling party and their presidential candidate since the parliamentary elections, winning a landslide victory with 46.6 percent of national votes -- 12 percent more than in 2002. The Nationalist Action Party's (MHP) decision to attend the presidential vote after winning 70 seats in the general election also meant that the AKP would have a sufficient quorum in parliament to have their president elected. That is regardless

of how the MHP ultimately voted as their very presence provided the necessary number of attendees to hold the presidential vote, allowing for Gül to be elected in the third round.

That the main political opposition party, the centre-left People's Republican Party (CHP), boycotted the third round of the presidential vote in protest of Gül's candidacy, did not make the slightest difference to the election result. Unlike in May, no case could be made this time to the constitutional court that there was no quorum to hold the vote.

Yet, in a bid to heal the rift, Abdullah Gül has been at pains to reassure secularist doubters that he will act impartially and strictly in keeping with duties and responsibilities of the much-coveted post as protector of the secularist republic and --generals shudder -- commander in chief of the armed forces. During his swearing in ceremony, the new president vowed to protect the tenets of the constitution that define a secularist, democratic state based on the rule of law. Gül has also promised to reach out to all Turks.

None of this course diffuses the contentious issue of his veiled wife, which the military and the CHP say should in principle disqualify Gül from a post until now held by staunch secularists. This will be the first time in the history of the republic that Cankaya Palace hosts a covered first lady. The controversy is underlined by the fact that heads-carves are banned from public offices, schools and universities in Turkey, with the troublesome cloth regarded by secularist Turks as a threat to the separation of state and religion. This is even though more than half Turkey's female population don headgear.

Turkey's new first lady Hayrinnisa Gül's absence from the swearing-in ceremony, opting for watching it on

television instead, also confirms the view that she will not assume a high profile during her husband's tenure as president.

Many nonetheless welcome Abdullah Gül's election, with local opinion polls showing that the majority of Turks do not in fact believe that secularism is under threat in Turkey. His exemplary record as foreign minister, the respect he has earned as a statesman and his liberal-economic outlook, concern for business and support for journalists and writers have earned him considerable kudos both at home and abroad. As a mild and moderate voice during the AKP's first term in office, Gül can also take much credit for the progress that Turkey has made in its EU-accession bid.

The local and foreign business community are all the more heartened by the cabinet recently put forward by Prime Minister Erdoğan and just recently approved by the new president on deferral by his predecessor, Ahmet Necdet Sezer. The line up includes such key figures as Ali Babacan, shifting from state minister for the economy to foreign minister and still chief negotiator for the EU, with Finance Minister Kemal Unakatan and State Minister for foreign trade Kürşad Tüzmen retaining their posts. Stepping into Babacan's shoes is a much welcomed newcomer, former Merrill Lynch executive Mehmet Şimşek. The cabinet has a decidedly reformist and pro-EU feel to it.

The next big step is for Turkey to adopt a civilian constitution -- to replace the one imposed by the generals following the military coup of 1980 -- as planned by Prime Minister Erdoğan. While the AKP is relieved to have Gül in Cankaya, the new president has his work cut out under the close scrutiny of a distrustful military.

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Konya businessmen explore Kazakhstan's potential

EKREM AYTAŞ KONYA

Members of the Active Businessmen and Industrialists' Association (AKTISAD) -- the leading business organization in the city of Konya in Central Anatolia -- are convening for the Turkey-Kazakhstan Business Forum in Astana, the capital city of Kazakhstan. The forum is being organized by the Turkish Confederation of Businessmen and Industrialists (TUSKON) and the Federation of Anatolian Businessmen and Industrialists' Associations (ANSİFED). Some 140 Turkish businessmen are meeting with their Kazakh counterparts to broker business deals on Sept. 5-9. Because participation is limited, only seven member firms from AKTISAD will have the right to attend the program, despite 15 member applications for participation. Five-hundred Kazakh businessmen are also expected to attend the forum.

AKTISAD Chairman Vedat Yöndem has indicated that Cabella Dye, STF Filter, Örs Machine, Kamer Holding, Özenir Degirmen, Özkara Automotive and Yalız Structure Firm will attend the forum, made by possible by TUSKON. He elaborated: "This conference has been organized in order to introduce our members' export products, to provide exporting firms a greater piece of the outside market share and to increase new investments and current job opportunities in the region."

Signaling that the forum is important for national industry and exportation, Yöndem said: "Kazakhstan, gaining political and economic stability after its independence, has great underground reserves of petroleum, natural gas, uranium, iron, gold, lead, copper, zinc and many other natural resources. Among the Turkic republics, Kazakhstan has the richest underground resources. These resources are worth more than \$2 trillion. Wheat, tobacco, sugar beet, rice, barley and other agricultural products can be grown in the country. The investments made by Turkish businessmen in Kazakhstan focus on trade, telecommunications, hotel operation, agricultural production, supermarket operation, typography, petroleum products and the sectors of food, bricks, copper, iron and textiles."

Yöndem, highlighting that Kazakhstan has a rapid-growing economy with continuously increasing trade volume, said: "Kazakhstan, the world's shining star in Central Asia, continues to grow and develop while also maintaining its stability to become a trade center of Central Asia in the near future. Because of this, we think that it is very important for our fellow businessmen in Konya to benefit from the market share in Kazakhstan. Business courses will be offered during the forum about different sectors such as textiles, packaging, machines, chemistry, automotive replacement parts, medical devices and automation technologies."

AKTISAD will give its members the opportunity to participate in the Business Development Forum, a program organized by the Federation of Marmara Business Life Associations (MARİFED) in İstanbul. Business improvement plans of members will be evaluated in the program to be held at the İstanbul WOW Hotel Convention Center on Sept. 8-9, 2007. Thirty firms from different sectors such as packaging, shoe making, iron and steel, machines, marble and automotive parts will participate in the program. Two-hundred firms will operate booths within the context of the program. A total of 5,000 firms from all over Turkey are expected to attend the business forum.

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Kazakhstan's Ambassador to Ankara Beibit Issabayev says Turkey and his country will have more common ground as both economies are enjoying a stable boom



AMB. ISSABAYEV: KAZAKHSTAN HAS BECOME A CENTER FOR INVESTMENT

CONTINUED FROM PAGE 1

The oil drilling is planned to be around 150 million tons in 2015, while natural gas production is estimated to be around 40-50 billion cubic meters.

"Over the last 16 years, our country has managed to undertake extensive reforms in socioeconomic modernization, politics and democracy," he says, underlining that Kazakhstan has a really active market economy. The figures are proving this claim as, during the last six years, the gross domestic product (GDP) has shown an annual average growth rate of 10 percent. The per capita GDP is expected to be \$6,000 by the end of 2007. It is expected to increase to \$13,000 by the end of 2012.

Issabayev answered questions from Today's Zaman. "Free market mechanisms have settled in time in the country and the society's social structure has changed considerably," he said while talking about the changes in Kazakhstan. "A multi-party regime has been introduced, nongovernmental organizations have developed and the political culture and general mentality of the population has changed. Of course, these changes have implications for government and politics. Thus, the Kazakh parliament amended the constitution in May. These constitutional reforms represent the beginning of a new era in the history of Kazakhstan."

The ambassador asserts his country aims to be among the 50 most competitive countries of the world in the medium term. "To ensure competitiveness, we will secure improvement in human quality, economy, democracy, art, sports, health, science, technology and many other areas," he notes and goes on to say these successes may have one reason: the stable and correct policies pursued in this year. "Naturally, the role of our first president Nursultan Nazarbayev is indisputable in ensuring this stability, welfare and rapid development."

Mr. Ambassador, how do you see the state of Turkish-Kazakh relations?

The bilateral relations have been established on stable grounds and have been conducted with mutual understanding and similar of positions on issues. Our countries support each other mutually in international forums and organizations. Turkey backed Kazakhstan's membership to the World Trade Organization (WTO) and to the UN Economic and Social Council as well as Kazakh chairmanship at the Organization for Security and Cooperation in Europe (OSCE) in 2009. Turkey actively takes part in the Confederation of International Contractors' Association (CICA) <<http://www.cica.net/>> work. Kazakhstan backs Turkey's temporary membership in the UN Security Council between 2009 and 2010 as well as the World EXPO-2015 exhibition to be held in Izmir in 2015. The summits of Heads of State of Turkish Speaking Countries and mutual interaction within the framework of the TÜRKSOY Council of Ministers have played a significant role in the structural development of bilateral relations.

High level talks can be seen as the locomotive of dynamic development of our relations. We can say that thanks to dynamic development of relations between our countries, our cooperation in all areas continues.

I would like to point out that there is significant potential for reinforcing bilateral cooperation.

Kazakhstan and Turkey have common understandings concerning the solution of global and regional problems. Turkey, like Kazakhstan, pursues a multi-dimensional foreign policy. This policy is discernible in its relations with its neighbors, in its partnership with the US, the EU, Russia, China and Arab countries, in its structural dialogue and cooperation with the Central Asian countries and in its economic integration development with the Balkan and Black Sea countries.

Turkey is among the founders of international organizations such as the OSCE and TÜRKSOY and assumes active roles in the re-establishment of Afghanistan and reorganization of the state of affairs in Iraq.

Turkey plays an active role in ensuring stability and security in the region and in fighting against international terrorism, religious discrimination and the illegal drug trade.

You said there are many opportunities for cooperation between our countries. How do you see the current level of Turkish-Kazakh trade and economic relations?

As a self-criticism, we can say the level of commercial and economic relations are not what they should be considering the potential. This can be seen in the levels of trade, investments as well as other indicators. Let me give several examples. According to official Turkish statistics, the trade volume between our countries in 2006 has increased by 62 percent compared to 2005 and reached \$1.5 billion. This is not a big figure for bilateral trade.

For this reason, trade volume should be increased in order to revive commercial and economic cooperation. To this end, the mutual investments figures must be increased and the number of direct investments in the industry sector must be multiplied as Turkish investments in Kazakhstan have up to now focused on small and medium scale enterprises in the construction and service sectors.

While Turkey has some investments in the Kazakh manufacturing sector, it has virtually no investment in the mining sector in Kazakhstan. Kazakhstan is waiting for investments from big holdings having state-of-the-art technology in Turkey. Moreover, it would be great if Turkey's experience in textile, tourism, light machinery, machinery and defense sectors is transferred to Kazakhstan. Indeed, Kazakhstan is listed by the World Bank as one of the top 20 countries which are most suitable for investment.

Currently, there are about 360 Turkish companies operating in Kazakhstan. The Turkish direct investment in the Kazakh economy has exceeded \$1

billion. Kazakhstan has recently made big investments in Turkey. For instance, Bank Turan Alem acquired Sekerbank for YTL 425 million (\$320 million). In addition to the acquisition of 51 percent of Petkim's shares for more than \$2 billion, investments amounting to \$2.5-3 billion will be made in the future. Also, considering Kazakh investments in the Turkish tourism sector, there are many potential areas for development between the two countries.

Unfortunately, the current state of investment cooperation in the implementation of bilateral projects does not fit realities. For this reason, we believe that Turkish capital will be realized with the high technology and innovative projects of Kazakhstan and joint projects will be realized with the contribution of Kazakh capital in Turkey.

In this context, the summit of Kazakh-Turkish businessmen, to be held under the sponsorship of the Turkish Confederation of Businessmen and Industrialists (TUSKON) in Almaty on Sept. 6-7 is important in terms of discussing mutual investment projects, reinforcing cooperation among businessmen and tête-à-tête negotiations of investment potentialities. Yes, we will be grateful for Turkish investors' confidence in us in our hard times, yet these projects undertaken in the first years of our independence should be reinforced with new and more significant ones. Turkish businessmen should also give Kazakhstan a new image in areas other than the construction and service sectors. This is my personal hope.

Some analysts refer to the revival in relations with respect to energy, transportation and financial sectors. What does this mean?

Yes, there is a visible revival in the bilateral relations between our countries in the referred sectors. The parties also pledged to implement some internationally recognized joint projects and improve the cooperation to benefit from the potential of the transit passage between the two countries.

We may perfectly call last year the year of breakthrough and progress. Kazakhstan joined the Baku-Tbilisi-Ceyhan oil pipeline. Turkey attaches great importance to this project. Despite the fact that Kazakhstan is not part of the consortium, it joined the project showing its functionality in the endeavor; its positive contribution to the project is an undeniable fact.

At the moment, we are working to implement the project of the refinery facility construction at the Ceyhan port in the Mediterranean in cooperation with Turkey. This project is perfectly compatible with Kazakh policy not to use the energy resources for export purposes; moreover, it is profitable for the country.

Our countries are also interested in the implementation of a railway project between Turkey and Kazakhstan that will connect the European countries and the Asian countries through a route industry of Turkey, Russia, Georgia, Azerbaijan and Kazakhstan and the implementation of the transit

railway corridor from East to West that will increase the volume of highway transportation along the lines of the international TRASEKA project. Moreover, the Kars-Tbilisi-Baku railway construction project is interesting in terms of the use of Kazakhstan's transportation potential.

There is also growing cooperation in the finance sector. The purchase of Sekerbank by Bank Turan Alem is indicative of the active engagement of Kazakhstan's capital in European markets.

There are mainly two reasons for the growing interest of the Kazakh investors in the Turkish market: First is the developing Kazakh economy and second the appeal of Turkey in connection with its economic and political stability.

What aspects of Turkey do you think appeal to Kazakhstan?

Turkey's strategic location, its ability to serve as the bridge between Asia and Europe, its legal and political system, its role in the transatlantic partnership and its breathtaking development in the last decade attract attention. I believe Turkey will play a greater role in the world economy with its \$400 billion economic revenues. I also would like to underline the potential of the country as a transit passage, its industrial population, young population and the commitment to national values. Currently, the country's EU bid is also paving way; reforms are being introduced to make the country comply with European standards. From this perspective, Turkey is also an important country to follow.

The separation of powers between the legislative, executive and judiciary, its Parliament, its experience with the multiparty system, its independence of the judiciary, the local administration system and the civil society organizations are also worthy of close examination. I would like to draw attention to the constant growth of the size of small and medium sized enterprises and the support available to them as the major advantages of Turkey in the field of economy.

Turkey has achieved a constant growth rate of 6-7 percent in the last five years; moreover, its foreign trade volume has increased and the volume of foreign direct investment it attracted reached incredible amounts. Public enterprises are rapidly being privatized.

Personally I see the striking economic development in Turkey as the good use of the country's potential that remained idle in the past.

The new government and the new president assumed their office in Turkey. The presidential election took place in a democratic manner. Kazakh president Nursultan Nazarbayev congratulated Turkish President Abdullah Gül.

The AK Party government which came to office following the fair and transparent July 22 elections sets new goals to fulfill in the new term. Kazakhstan, as a sister and friend country to Turkey, will always support its quest for further welfare and development.

What does the new period hold for Kazak-Turkish relations?

With a rapidly increasing cooperation over the past six years, we are happy to say that relations between Astana and Ankara have gradually reached a level of strategic cooperation. Both Kazakhstan and Turkey are responsible for improving cooperative relations in economy and trade. As for in educated society, Turkish students in Kazakhstan and Kazakh students in Turkey are continuing their education without any problems. The H.A Yesevi Kazakh Turk University, a mutual project, is successfully continuing services.

Kazakh-Turkish high schools in Kazakhstan have a historic responsibility of developing friendly relations between the public. In this regard, President Nursultan Nazarbayev attended the opening ceremony of the Kazakh-Turkish high school in Astana on Sept. 3. Improvements in education are continuing at full speed.

A new period awaits the cultural and social relations between the two countries. Both countries have an improving economy, enabling more project initiatives in education and cultural affairs.

Activities and projects of international importance will be implemented. TÜRKSOY, a united international organization responsible for leading such projects, must improve its prestige and service quality. TÜRKSOY is like our mini UNESCO. It shares Turkey's abstract wealth with the world. We must transfer our famous history to future generations. Kazakhstan and Turkey must foster cooperation between Turkic countries. It is also important to establish a united approach to scientific and art literature. I am happy to say that the international program titled "The cultural assets of Turkish speaking people" has been approved and the suggestion to collect art, science and literature books to form a common library has also been approved.

Developing a systematic cooperation between businessmen from both countries is another important issue for the upcoming period. Turkey will be able to use its experience and benefits to meet this target. The Turkish Union of Chambers and Commodities Exchanges (TOBB) should be a leading figure in this regard.

Both Kazakhstan and Turkey should declare "The year of Kazakhstani and Turkey" and launch works and projects in this regard. We should have a shared TV channel to enable us to better understand each other.

Everyone who supports friendship and sisterhood will be responsible of these projects.

** Beibit Issabayev is Kazakhstan's current ambassador to Ankara. Formerly, he was the Kazakh ambassador to Islamabad, administrative official at the Kazakh Foreign Affairs Ministry, principal clerk at the Kazakh Prime Ministry and Almaty's deputy mayor. He graduated from Kazak Dvlet University and the Kazakh Foreign Affairs Diplomacy Academy. He has three children.*

Future is bright for Turkish-Kazakh business ties

CONTINUED FROM PAGE 1

There is also a demand for white appliances, furniture and home equipment as well agricultural machinery and food products. The main categories of Kazakhstan's imports in 2006 featured construction and agricultural machinery, automobiles and spare parts and foods.

Meanwhile Kazakh President Nursultan Nazarbayev ordered the government to launch social reforms in the beginning of 2007. One hundred hospitals and 100 schools are expected to be constructed in the country within the next three years. There are also projects for mass housing. While it is clear the construction sector will continue its activity, there will be an important market for medical equipment as well.

In all, Turkey will be an important import country for Kazakhstan in construction machinery, white appliances, furniture, home essentials, agriculture and food products, agricultural machinery, and automobiles and spare parts, as well as the medical equipment sector.

To sustain long-term advantages, both countries will have to put priority on technology, know-how transfers and common investment targets rather than employing a strategy that is based on simply selling the end product.

Neither country has developed their business and economic relations to their fullest potential. In line with the strategy Kazakhstan is pursuing, Turkey has the extensive experience needed in technology and in innovative projects. I believe Kazakhstan can benefit from Turkey's experience in developing its small and medium-size enterprises (SMEs), developing its textile and chemical industry, improving its tourism sector and utilizing more advanced technology.

Another important point is that the Kazakh and Turkish peoples have a close relationship given their common history, language and religion. Our shared cultural values and history have paved the way for this relationship, which can become stronger if economic bridges are built.

Investment relations

In accordance with the president's goal to become one of the 50 most competitive countries in the world, the 2006-2008 Economic Development Program was prepared to create the necessary institutional structure and conditions and a goal to achieve an average income of \$5,550 per capita by 2008 was set.

In addition Nazarbayev stated in his March 2006 national address that all restrictive legal, administrative and bureaucratic obstacles before development and foreign capital flow should be removed, WTO standards should be implemented in all fields; private economic zones should be created; Customs and tax legislation should be reviewed; petrochemical facilities should be established; a central institution should be created to keep private property records; special institutions should be established to conduct financial inspections; and SMEs should be supported through anti-monopolistic laws to integrate Kazakhstan with the world economy and make it one of the top 50 developed countries.

Kazakhstan's relative political and economic stability is an incentive for the flow of foreign capital into the country. Kazakhstan has been able to attract foreign direct investment (FDI) amounting to \$51 billion since its independence.

The lack of a qualified workforce to meet

Kazakhstan. According to Kazakh National Bank data, Turkey ranks fourth in countries for FDI to Kazakhstan, with a sum of \$999.7 million by the end of 2006.

Kazakhstan has been growing at a rapid pace in the economic fields and Kazakh companies now have a sufficient amount of capital accumulation. This will most likely lead to the improvement of investment relations between the two countries. In addition to the investments of Turkish firms in Kazakhstan, Kazakh companies may also make investments in Turkey in the fields of mining, energy, finance and tourism. Cooperation in the finance sector is also developing. BankturanAlem AS acquired a 34 percent share of Sekerbank at \$307 million.

transportation between the European and Asian countries through a route starting from Kazakhstan and going through Azerbaijan, Georgia, Russia and Turkey.

Investments made in Kazakhstan contributed to the production and employment capacities of the country. Turkish firms in particular made huge contributions to the development of Kazakhstan through their investments in the services

sector, delivery, production, construction and labor-intensive fields and the employment situation. The contribution of Turkish companies is not limited to employment, though. Sixty percent of the newly employed are trained at the beginning of their job and the remaining 40 percent at a future time.

Problems

Logistics is the biggest problem between the two countries because of Kazakhstan's large size and the great distance between the two countries.

Creating operational railway transportation between Turkey and Kazakhstan is crucial for our foreign trade. Highway freight prices are very high; this situation negatively affects the competitiveness of Turkish firms in Kazakh markets.

It is obvious that the Trans-Kazakhstan railway project will have a special place among the transportation projects with a Central Asia connection, and that it will contribute to the effective use of trade routes through the Central Asian countries that connect Turkey and China. With the Kaz-Ahilek-Tblisi railway project, the modern Silk Road that connects Europe and the Far East will be realized and Turkey's position as a transit country will become even more important.

The practice of the Kazakh authorities who issue insufficient numbers of free passes to the trucks departing our country is an important obstacle to the improvement in bilateral trade relations between Kazakhstan and Turkey. In 2007, 800 passes were issued to introduce a relatively easy passage. However, this figure will still remain insufficient in the long run considering future growth.

A social security agreement was offered by Turkey to Kazakhstan, but the Kazakh authorities did not give a positive response.

Turkish companies willing to do business in Kazakhstan are required to acquire certificates to employ Turkish workers in accordance with the country quotas preset by Kazakh authorities. The worker quota system was introduced in 2001, and 42 percent of the foreign labor quota is being filled by Turkish firms, though Kazakh authorities claim the actual figure is around 70 percent. However the quotas are still insufficient for Turkish personnel and are still a big problem considering the large projects assumed by Turkish contractors.

The capital accumulation of Kazakh firms will most likely lead to the improvement of investment relations between the two countries

A social security agreement was offered by Turkey to Kazakhstan, but the Kazakh authorities did not give a positive response this proposal

TransCentral Asia Petrochemical,

which won the tender for the privatization of Petkim Petrokimya Holding AS on July 5, 2007, is a Kazakh firm. Kazakh projects in refinery construction and operation in Turkey are continuing.

On the other hand Kazakhstan and Turkey have cooperated closely to implement key joint international projects and ensure closer collaboration in the use of transit passage potential between the two countries. In 2006, Kazakhstan joined the Baku-Tblisi-Ceyhan pipeline. In the field of logistics, Kazakhstan and Turkey assume important roles in the new transit railway projects that will enhance railway and highway

the needs and demands of foreign investors in Kazakhstan has increased the demand for foreign labor -- particularly Turkish workers -- resulting in the accumulation of foreign employees in big cities, including Almaty, Astana and Aitrau.

Following Russia and China, Turkish companies have the third-highest amount of investment in

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BAFRA ERİŞ WANTS TO BOOST TRADE VOLUME WITH KAZAKHSTAN

Founded in Bafra in 1974, flour producer Bafra Eriş has made great strides this year, following its establishment of factories in Bafra and Silivri, Istanbul. Bafra Eriş ascended to 27th place on the Istanbul Chamber of Commerce's (ITO) list of the second-500

largest industrial facilities in Turkey, up from 224th place on last year's list.

Deputy Chairman Ahmet Eriş said: "Our processing capacity reached 430,000 tons of wheat a year in two facilities. According to official data, our turnover in 2004 was \$38 million and in exports, \$6.5 million. We

reached \$41 million and \$7.8 million in 2005. These figures increased to \$65 million and \$17 million in 2006."

Regarding the company's goals, Eriş said: "Our goal is to diversify within the domestic market and increase our efficiency and profitability in external markets. We would

like to enter the retail market and be included on the first-500 list. We will continue working hard to attain our goals." He added: "We would like to increase our trade with Kazakhstan and are working on the development of long-term projects in relation to wheat production." *Istanbul Today's Business*



A hotel chain synonymous with quality: Rixos

Rixos has definitely become one of Turkey's fastest growing hotel chains, currently owning and operating nine hotels to the highest standards. It has business interests in three countries aside from Turkey, namely Ukraine, Kazakhstan and Croatia. The group is preparing to broker new hotels in Austria as well. By 2008 Rixos will have further hotels in Almaty, Kiev and Dubai.

Rixos Hotels is known among tour operators for having the most comprehensive and most exclusive all-inclusive system, incorporating an "All Inclusive-All Exclusive" concept defined as excellence in service. Rixos realized a way of life through this concept in order for all individuals of any age to feel privileged in respect of their different expectations.

High-quality standards combined with unconditional guest satisfaction helped Rixos Hotels receive the best ratings from distinguished European tour operators, followed by an International Award for Tourism, Hotel and Catering Industry for 2002 in Madrid, Spain and the Five Star Diamond from the American Academy of Hospitality Sciences in 2006 and 2007. With all its features Rixos Hotels stands out among its competitors.

Since Rixos is always aiming to exceed its goals, creativity remains the only challenge. Thus the group opened the "grand boutique" Rixos Premium in Belek -- dedicated to the art of vacation, promising to change guests' perception of a holiday in Turkey forever by discretely pre-empting their needs and desires from the very start of their visit.

The Rixos Premium in Belek is known as the most prestigious resort hotel in Turkey with Europe's biggest Water Kingdom and Dolphinarium -- a vast, spectacular water park modeled after the ancient city of Troy, featuring a 24-meter-high reproduction of the Trojan Horse with waterslides inside, a lost city cave, a watchtower with additional slides, an adventure river and several wave pools.

The concept of the hotel also includes a revitalizing Wellness & Spa Center along with its unique hamam - a modern twist to ancient Turkish rituals.

The range of culinary, leisure and entertainment facilities on offer at Rixos is spectacular. Different restaurants to suit all tastes and moods, each headed up by world-class chefs, serving everything from traditional Turkish, gourmet French and classic Italian to Russian, Viennese, Asian and seafood.

In each and every Rixos hotel a carnival atmosphere is created to rival that of Rio or Venice, with regular shows by Kenyan and Chinese acrobats, Brazilian dancers and other world-class performers.

Every single detail has been thought of for sport fans or those simply wanting a little exercise and our hotels are equipped with all the necessary facilities with the latest technology.

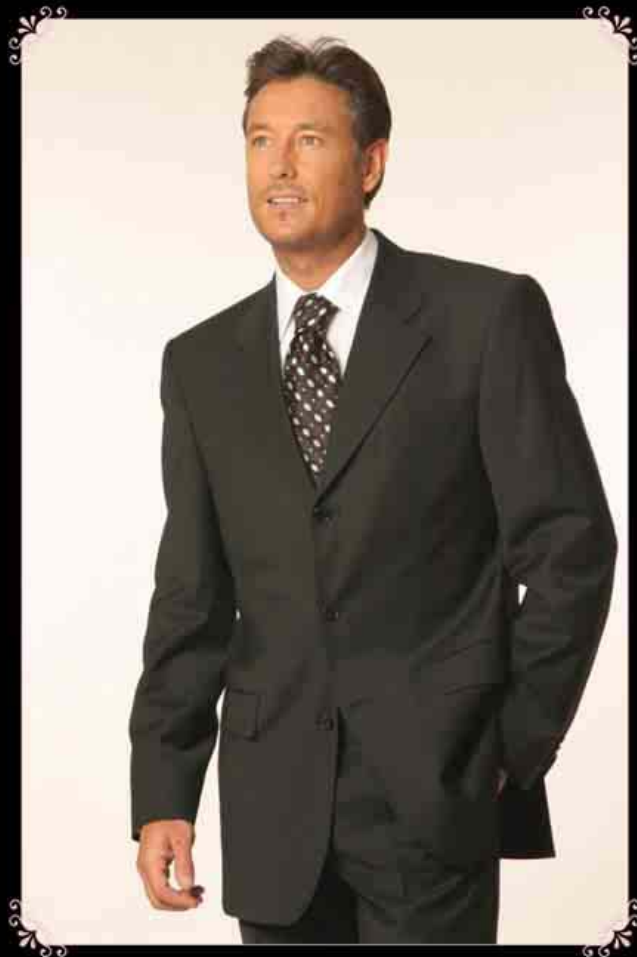
For children and teenagers a world complete with fun and excitement are created in the Rixos Clubs at Rixos facilities.

Rixos Hotels also have highly executive services like Rixos Aviation and Rixos Yachting. Rixos Aviation is a premium air transportation service company that provides transportation solutions for time-sensitive customers with the Bombardier Learjet-60 Special Edition. Rixos Yachting provides an exclusive luxurious experience for its guests and the cruise with Moon Star is a magnificent voyage in which one witnesses the Anatolian civilizations of the millennium emerging out of the enchanting blue water of the Mediterranean. The outstanding monuments of Lycia will welcome you during your visit to the fabulous bays and islands.

The Rixos Group assigns much importance to human resources, encourages personnel to perform to their full potential and is committed to professional development. The ongoing training and career development program also aim to improve staff quality.

The Rixos Group is generating plans and solutions focused on progress to become a world-famous name and a leader in the hospitality industry; making a difference in people's lives, always aiming at surpassing their dreams of a perfect hotel experience; paying the utmost attention to employee satisfaction and career planning.

Rixos Hotels plans to successfully run and manage five-star hotels in new locations within major tourist and business destinations in Eastern and Central Europe, the Mediterranean coasts, the gulf region and East Asia by providing the best in personal service and comprehensive luxury and business facilities. *Istanbul Today's Business*



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Wrangling over, business now takes stage

PHOTO: MUSTAFA KIRAZLI



Goods are being shipped through one of Turkey's most humming ports, Haydarpaşa of İstanbul.

CONTINUED FROM PAGE 1

After the devastating financial crisis of 2001, Turkey's rally, largely due to tight financial and monetary policies as well as to the strong winds blowing from Europe that pushed Turkey forward, brought it to a respectable position among those countries that attract the largest amount of FDI. It was welcomed by world business circles as a phoenix rising from its own ashes, and they paid homage to Turkey's opportunities by flocking to privatizations and by expending large amounts of money to establish manufacturing plants or to partnerships with powerful Turkish entrepreneurs.

Why have foreigners been so anxious to scramble for the best seats in Turkey's markets, especially in the banking, retail, construction, automotive and energy sectors? Almost all analysts in the country, together with many international advisory institutions, have attempted to find a good answer to this question. Excessive global liquidity was one of the commonly stated reasons. That might have been true, but it was obviously not sufficient since not all emerging markets enjoyed its benefits to the extent that Turkey did. So some specific features singling out Turkey among its rivals in attracting foreign investment must be responsible. To sum up: A large and young population, a well-skilled but relatively cheap labor force, untouched

potential in its basic industries, strong infrastructure, access to major world markets, incentives like tax exemption and free land, a central position between the biggest demanders and suppliers of energy resources, a reformist single-party government - which was recently voted into power for a second term -- vying to raise the country to European standards, tight economic policies conducted in a well-disciplined manner and ongoing negotiations with the European Union for full membership were key reasons for Turkey's successful emergence as a magnet for investment. Turkey's outpacing all other countries with its economic performance caused eyes to turn to its potential as well. Between 2003 and 2006, the economy's average growth rate was 7.3 percent, with 4.4 percentage points stemming from private sector investment. The foreign trade figures, on the other hand, mark an unprecedented success story in its history. Targeting \$100 billion in exports by year's end, Turkey is now earning in just one month the amount it used to take in for an entire year a decade ago from exports.

As of July 2007, its year-on-year exports were already \$97.3 billion. On the other hand, its imports were also growing. Having already exceeded \$150 billion last month, imports are causing alarm bells to sound, bringing attention to the threat of a rising current account deficit -- which is expected to surpass \$50 billion

by the end of the year. Some analysts believe the situation is worsening every day and that a financial crisis similar to that of 2001 is looming on the horizon. A majority, however, argue that there is little to worry about. The deficit stems from the import of intermediary goods, machinery and equipment, all of which are used as inputs for finished goods, carrying a much higher added value. The increased FDI is a good remedy to close the current account deficit. The FDI financed 81.9 percent of the deficit in the first quarter of 2007. This figure was only 21.8 percent in 2003. Decreasing the inflation rate to single-digit levels after suffering hyperinflation for over 30 years was another eye-catching success. The stand-by program with the International Monetary Fund (IMF) is seeking the implementation of very tight fiscal and monetary policies, as seen in the target of attaining a 6.5 percent primary surplus every year. Although the main purpose in creating a high primary surplus is to decrease debt and interest payments, which cost the country tens of billions of dollars every year, it is also causing the government to tighten its belt and spend less on public investment, thus indirectly curbing inflationary pressures. The IMF senior resident representative in Turkey, Hugh Brendenkamp, opined that Turkey still has to commit to high primary surplus targets for some time.

Speaking at the Turkish Economy in Global Competition conference, held by the Turkish Industrialists and Businessmen's Association (TUSIAD) and the Konrad-Adenauer-Stiftung foundation in İstanbul recently, Brendenkamp said it still needs to be high. "Of course we can't say this target will last forever; one day there will be alleviation. Yet we don't believe that we have reached that point yet. It is still not the proper time to decrease the target," he said.

Ferit Şahenk, the vice chairman of TUSIAD, also claimed at the same conference that there were two main reasons behind the recent success in the economy: the stand-by program with the IMF and the negotiation process with the European Union. Another reason being cited by many analysts is the excessive global liquidity in the world markets, which is a byproduct of the increasing propensity to save at the global scale and which is floating freely in search of suitable -- and of course profitable -- investment areas to settle in. "Turkey has achieved more investment and fund inflows recently as a consequence of the structural reforms it completed, as well as having risen to better positions in the scale of global competitiveness," Şahenk noted. According to the Global Competitiveness Index, prepared every year by the World Economic Forum, Turkey placed 59th in 2006 compared to 71st in 2005. This 12-step jump over one year made Turkey the fourth fastest rising country in the world. "These developments in competitiveness are not a coincidence," Şahenk noted, and went on to say: "In this positive atmosphere in the economy, consumers have also started to make long-term plans and to realize their consumption decisions by securing longer-term loans. This way, the level of wealth has been augmented and the gross national product per capita has risen to \$5,566."

Tahir Yısal, chairman of the International Investors Association (YASED), which represents 85 percent of all foreign investments in Turkey, said the country has to attract more greenfield investment from abroad in order to preserve the current level of foreign interest. "But this is only possible by solving some major problems and removing big obstacles," he said. The government has to fight against the "un-registered economy," since condoning it means penalizing companies that are operating legitimately. "Establishing clear rules to organize markets and obeying all the conditions of transparency in applying these rules are also important," he said.

Yısal also insists on decreasing indirect taxes, which place unbearable burdens on the shoulders of companies. "This way, the chances of the government succeeding in the fight against the unregistered economy will increase," he claims. For Yısal, other urgent steps to be taken to attract the permanent interest of investors are as follows: Incentives must be restructured to remove regional disparities in Turkey, the costs of employment must be decreased, foreign language education and vocational training have to be paid more importance, regulations to guarantee intellectual property rights and brand protection have to be completed and applied efficiently and more incentives to increase research and development must be launched.



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AMB. SEBEN: TURKISH INVESTMENT IN KAZAKHSTAN MAKING GREAT STRIDES

CONTINUED FROM PAGE 1

In an interview with Today's Zaman,

Seben discussed economic, cultural and social relations between Kazakhstan and Turkey -- two sister countries. Referring to the fact that Kazakh investment has grown more salient in Turkey with their recent purchase of Sekerbank and Petkim, the ambassador says that Turkish investors, too, have increased interest in Kazakhstan. Seben thinks that historic and cultural ties between two countries implies a powerful potential that can be employed, adding that Turkish investors' lack of interest in energy investments in Kazakhstan is attributable to the weak capital structure of Turkish companies. The ambassador states that bilateral relations have grown stronger not only in commerce but also in social fields thanks to Turkish schools in Kazakhstan.

Mr. Ambassador, which sectors in Turkey are favorable for Kazakh investors?

The Kazakh economy has shown considerable development recently. Both due to this development and thanks to the rich natural resources in the country, Kazakhstan has recently launched significant investments abroad. Kazakh investors, who formerly took interest in hotel management and tourism in our country, have now started to show interest in banking and industrial organizations.

The most visible Kazakh operation has been the acquisition of Turkey's state-owned petrochemicals company, Petkim. However, Petkim's privatization was protested by neo-nationalist groups in Turkey. How did the Kazakh people see these protests?

From the perspective of Kazakhstan, the reactions shown by some groups following the Petkim tender focused not on the acquisition by the Kazakh group but on the sale of an important industrial facility to foreigners. It is believed that failure by the group that won the tender to sufficiently inform the public also played a role in these reactions. Nevertheless, we cannot say that the sale of Petkim and ensuing reactions were covered by the Kazakh press as extensively as in the Turkish media.

In addition to Petkim, the Kazakhs also gained a foothold in the Turkish finance sector with Bank Turan Alem's acquisition of Sekerbank. What factors play a role in the ever-increasing interest that Kazakh investors have in Turkey?

Bank Turan Alem is currently one of the biggest banks in Kazakhstan. For this reason, the bank's success first in obtaining part of Sekerbank's shares and then in winning the Petkim tender can be considered a first step by Kazakh businessmen and Kazakh investments in our country. The Kazakh interest in the Turkish

finance sector can be naturally explained by the good performance that our country has shown recently. Moreover, due to our historic and cultural ties with the Kazakh people, I guess that they are inclined to make investments in our country.

Kazakhstan is one of the world's richest countries in terms of energy resources. What are possibilities for cooperation with this country in the energy sector?

Actually, energy has not been a top agenda item in our relations with Kazakhstan. Yet closer cooperation between Kazakhstan, which is considerably rich in terms of energy resources, and Turkey, which can serve in the transit of these resources to the Western world, is needed. In this context, during the visit by our energy minister to Astana in July, detailed and useful talks were held, and it was reiterated that cooperation in this field would be beneficial to both countries. We are currently trying to implement the issues discussed during these talks.

Why do you think Turkish companies cannot sufficiently make their mark on energy investments?

Actually the partnership that the Turkish Petroleum Corporation (TPAO), established by the state-owned Kazakh KaMunayGaz in the early 1990s, was one of the first joint investments Kazakhstan made with foreigners in the energy sector. TPAO continues to produce and sell petroleum from the oil wells that they acquired as part of this partnership. However, the energy sector requires substantial resources to finance investments. Our energy sector's interest in Kazakh energy investments is considered to be limited for this reason. Nevertheless, I think that several big Turkish companies may act jointly with respect to energy investments in Kazakhstan and that this may prove successful.

Turkish contractors are awarded numerous contracts amounting to billions of dollars each year. How do you see the contribution of contractors to the development of trade volume?

The contracting sector has made great strides during the last several years in parallel to the development in the Kazakh economy. Our contracting sector, marked with years of experience and knowledge, has quickly secured a good position in Kazakhstan, launching very important projects. The Turkish community in Kazakhstan has grown from 4,000-5,000 people in early 2004 to over 20,000 today. Our contracting sector plays a big role in this. Our contractors prepare themselves with the future of the sector in Kazakhstan in mind, and at the same time undertake important projects, thereby increasing the bilateral trade volume and emphasizing

investments in the contracting sector. We take pride from the fact that today many construction materials are produced by our companies in Kazakhstan. In other words, Turkish investors not only import the materials they need from the country of origin, but also produce them in the country of destination, thereby making great contributions to Kazakh industry. Taking into consideration the fact that Kazakhstan has twice as much area as our country and that it a young, 15-year-old country, one can see that there is important potential in terms of infrastructure and superstructure investments. In this context, I must stress that we would like to encourage the power companies of our contracting sector to turn their eyes toward Kazakhstan.

Kazakhstan is officially trying to open its economy to the world. In this context, we see

the Shanghai Cooperation Organization (SCO) as an important step. What are the role and medium and long-term targets of Kazakhstan within this organization?

Kazakhstan gives special importance to the SCO as part of its multidimensional foreign policy. Aiming to develop good relations with its neighbors and become a locus of stability in the region, Kazakhstan regards the SCO as a good opportunity for its foreign policy. Kazakhstan is a neighbor of two important members of the organization - the Russian Federation and the People's Republic of China -- and it is expected to increase its impact in the region with the help of its work in the organization.

What can you say about the cultural and artistic dimensions of Turkish-Kazakh relations?

Cultural relations deserve special emphasis as they can help two nations with the same origins get to know each other again and come closer. The Turkish Embassy in Kazakhstan gives special importance to this issue. A special department has been assigned to Turkish studies in the Kazakh National Library, and this will serve as an important step in the organization of future cultural and academic studies. The works of many Kazakh poets and writers have already been translated into Turkish. In this framework, the acceleration of translation of Turkish poets and writers into the Kazakh language would prove beneficial for the reinforcement of our cultural relations. In this respect, academic circles in both countries have special responsibilities.

Do the Kazakh students in Turkey and Turkish students in Kazakhstan have any impact on the development of mutual relations?

Education is an area in which Turkey has shown considerable success in the region following the dissolution of the former Soviet Union. Thanks to the Big Student Project, numerous Kazakh students have studied in our country. Our education investments have acquired new dimensions with the opening of Hoca Ahmet Yesevi Turkish-Kazakh University in Kazakhstan and the opening of Turkish language and literature departments in several Kazakh universities. Moreover, numerous high schools and two universities funded by Turkish investors have been performing successful educational activities. The Kazakh Education Ministry previously pledged to include Turkey in the Bolashak Scholarship Programs, under which successful Kazakh students receive state scholarships for their education abroad, and we expect this to happen this year.

Additionally Zaman daily, published in both the Turkish and Kazakh languages and voted one of the most successful newspapers in the country, makes important contributions to bilateral cultural relations. Availing myself of this opportunity, I would like to wish success to the meeting of businessmen, organized under the sponsorship of the Confederation of Turkish Businessmen and Industrialists (TUSKON), in Astana on Sept. 6-7, 2007. I believe this will accelerate commercial and economic relations between Turkey and Kazakhstan.



Turkish Ambassador to Kazakhstan Hakkı Taner Seben says energy has not been a priority in Kazakh-Turkish relations, largely because of insufficient capital accumulation of Turkish companies.

HASAN SELIM ÖZERTEM*

After the collapse of the Soviet Union, new countries have emerged in a geography that extends from the Baltic region in the west through the Pacific Ocean in the East. This region can be called the "land of unknowns" because of its isolated structure during the time of the USSR. After the independence of these countries, new opportunities with new problems also appeared and this issue was widely discussed during the 1990s in both intellectual and political circles.

Even though many Iron Curtain countries have become part of the European Union after a well-conducted integration policy with regard to the region, Central Asian countries are a special case stuck between the two superpowers of China and Russia and geographically distant from the Western world -- and they have followed a different path.

One of the Central Asian countries is Kazakhstan. With its 16 million people and a territory that is almost three-and-a-half times larger than Turkey, it has been drawing an increasing profile since its independence on Dec. 16, 1991. Rising from the ashes of the Soviets, Kazakhstan's people, with their charismatic leader Nursultan Nazarbayev, are taking important steps toward creating a modern country with institutions well-integrated into the global economy in the heartland.

Even though the country's population is small when compared to its territory, it contains staggering ethnic diversity. It is said that the primary reason for this is a Soviet-implemented policy under which people of differing ethnic origins were exiled to this region. Today 50 percent of the population is composed of Kazakhs, 30 percent Russians and the remaining people comprise other ethnic identities.

Most of the population lives in and around Almaty in southern Kazakhstan. This city was the country's first capital and even today, with its many institutions, it is a center that continues to attract people. In 1998 Kazakhstan made the radical decision to move its capital from Almaty to Astana, in a way they succeeded in creating a center to draw together the people that were living dispersed throughout the Astana area. The new capital, with its image of skyscrapers and modern buildings rising out of a construction yard, is in the running to become an important metropolis and commercial center in the Commonwealth of Independent States (CIS) region.

Economy and energy

The average growth of Kazakhstan's gross domestic product (GDP) has been over 9 percent since 2001 and remains on an increasing economic trend; per capita GDP exceeded \$5,000 in 2006.

When Kazakhstan's economy is compared with those of other countries in the region, it seems to be at an advantage, largely due to the rich mineral resources the nation possesses. Hydrocarbon reserves in particular, in addition to other resources such as uranium, coal and iron, have played a key role in Kazakhstan's economic development and prosperity in the last decade. After Russia,

THE RISING STAR OF CENTRAL ASIA: KAZAKHSTAN



Kazakhstan has the richest hydrocarbon reserves in the region, mostly found in the Caspian Basin; Kazakhstan holds 3.3 percent of the world's oil reserves and 1.7 percent of the natural gas reserves.

Energy giants like BP, Chevron, Italian ENI, Lukoil and the Chinese National Petroleum Company (CNPC) play an important role in the exploitation of the hydrocarbon resources of the country. Moreover, Kazakhstan's national, state-owned company Kazmunaigas must also be mentioned within this framework.

A significant amount of Kazakh oil is transported via Russia to Western markets. A relatively small amount -- around 2.2 million tons per year -- is transported to China in the East. There are two crucial main routes that go through Russia from Kazakhstan. These are the Caspian Pipeline Consortium (CPC) and Atyrau-Samara pipelines. The first has carried Kazakh oil since 2001 between the Tengiz field and Russian port Novorossiysk in the Black Sea and the latter goes directly to the Russian city of Samara, there linking to the world's longest pipeline Druzhba (Friendship) an onward to Western markets.

Following the Norwegian model, Kazakhstan established a development fund in 2006 for the utilization of the revenue earned from energy resources. It aims to maintain the economic stability and development of the country by directing the long-term usage of the accumulated money.

Turkey is also quite active in Kazakhstan. Since 1993, the Turkish Petroleum Corporation (TPAO) has operated in this country and taken on a small role in its energy sector. In the

meantime, Turkish businessmen are successfully representing their country in sectors such as tourism, marketing and construction, and realizing big projects, especially in Almaty and Astana. Many significant buildings and modern residences in Kazakhstan were built by Turkish contractors.

Aftermath of the Majilis elections

Since attaining its independence, Kazakhstan has made some sweeping reforms. In May 2007 a number of constitutional amendments were adopted in the Parliament of the Republic of Kazakhstan. The reform package included increasing the number of Majilis (the lower house of the bicameral Kazakh Parliament) deputies from 77 to 107 and the number of appointed senators. The presidential term was reduced from seven to five years (at the expiry of current term) and it was permitted for the president to engage in political party activities; the future composition of the Central Election Commission was also altered.

As part of the same package Nazarbayev was appointed lifetime president of Kazakhstan. In addition presidential authority and the scope of parliamentary power were consolidated in certain areas.

After the passage of these amendments, Kazakhstan's president dissolved the lower house of Parliament and called early elections for Aug. 18. Elections were monitored by observers from Kazakhstan and other countries as well as international organizations like the Organization for Security and Cooperation in Europe (OSCE), the OSCE's Office for Democratic Institutions

and Human Rights (OSCE/ODIHR) and the Council of Europe. A part of the Turkish delegation, the International Strategic Research Organization (ISRO) also monitored the elections closely.

According to statements published by OSCE just after the elections and the ISRO's observations, despite the existence of some problems it is possible to say that election process was held in an environment more transparent, democratic and successful than in previous times.

It should be emphasized that both opposition parties and the government party, when compared to the past, enjoyed better pre-election media coverage for their party propaganda in both visual and printed media.

The voting process was conducted in a festival atmosphere in Kazakhstan. Citizens from every age and social group came to polling stations to exercise their voting rights. There were musical and entertainment activities, especially at polling stations located in schools. Moreover, to promote democratic participation, small presents were being given to senior citizens and first-timers by the election committee.

Despite some minor issues, the elections can be defined a step toward democracy in Kazakhstan. Even though it was summertime, the participation rate in the elections was 65 percent. According to unofficial results, Nazarbayev's party, Nur Otan (People's Democratic Party), took 88.05 percent of the vote and thus became the sole party to enter the Kazakh parliament.

Seven parties ran in the Majilis elections. Among these the All-National Social Democratic Party (ANSDP) and Ak Zhol (Bright Path), which received 4.62 percent and 3.27 percent of the votes, respectively, came second and third, but were unable to pass the 7 percent threshold required to enter the Majilis.

The unification of pro-government parties before the elections, a successfully conducted economic policy and the lack of charismatic leaders in the opposition parties are crucial factors to be considered when analyzing the election results.

It is pleasant to see that every election is more transparent, democratic and successful than the previous one. It should be noted that it has only been 15 years since Kazakhstan become independent and all its state organs are enthusiastic to contribute to the country's democratization process and are open to cooperation in this sense. It was a very good sign that authorities were ready to collaborate in every possible way during the elections. However there remains a long way to go. Kazakhstan should continue its social, democratic and economic reforms; in particular, infrastructural projects and creating a well-qualified workforce should be high on the agenda. In the political sense, it was disappointing to both Kazakh authorities and the international community that only one party, Nur Otan, successfully entered the Majilis. In the next term, the opposition should evaluate their policies carefully to be able to contribute the democratization process of Kazakhstan in the framework of a multiparty system.

* Researcher for the International Strategic Research Organization (ISRO)


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The West's dilemma on Kazakhstan

ABDÜLHAMİT BİLİCİ *

I would have taken part in the Kazakh parliamentary elections on Aug. 18 as an observer if I had not been surprisingly sick. Had I traveled to Kazakhstan, I would have headed to the polls near the new capital of Astana, which has turned into a bright city in a fairly short time to experience the nascent Kazakh democracy.

Kazakhstan is not an ordinary country for this is a sister country, which makes me all the more enthusiastic every time I pay a visit to it. Following this country is like following the happy story of a brother who gets back on his feet after a long period of hardship.

This is the story of a country that managed to become an island of stability amid a difficult geography and complex geopolitical equations.

You should never get these words as some emotional or nationalistic sentiments. As a result of Soviet policies between 1920 and 1933, Kazakh nation lost almost 2.5 million people due to artificial devastation in agriculture which is one of the biggest tragedies of hunger in human history. It was not a modest figure. It was half of all Kazakh people living in the then Kazakhstan. Besides they had lost 90 percent of their animals (36 million animals) which was the prime source of life for centuries.

Although they gained their independence, the dissolution of Soviet Union was also an awful experience for Kazakh people especially in terms of economy. From 1991 to 1995 real GDP fell by 39 percent and exports collapsed. Fiscal and external imbalances led to hyperinflation which peaked in 1994, and there were widespread arrears in pensions and wages. Production ties with the Commonwealth of Independent States (CIS) were severed, which created massive underemployment - particularly in defense-related industries where those ties were strongest.

However, starting with the late 1990's, Kazakh people were able to transform the country and keep control over their fate. In a series I prepared for *Aksiyon* newsweekly based on a visit four years ago, I noted that Kazakhstan would grant loans to Turkey very soon as long as this stability and dynamism was preserved. My estimate came true even earlier than I thought. Has not the entire Turkey discussed the Kazakh capital group that joined the tender held for privatization of Petkim? The Kazakh economy has grown by 10 percent since 2000. The growth makes it known in the pockets of the people and the local markets.

Living standards in Kazakhstan -- especially in urban areas -- are indeed better than the rest of Central Asia. According to World Bank figures, Kazakhstan's \$2,390 per capita Gross National Income (GNI) is the highest in the region. The GNI in neighboring Uzbekistan and Kyrgyzstan, for example, are \$510 and \$440 per capita, respectively.

Unemployment is rampant in the rest of Central Asia and hundreds of thousands of Kyrgyz, Uzbeks, and Tajiks make their living from seasonal jobs in Kazakhstan.

While the oil money in Kazakhstan has created very rich people and political and business elite in the country, many ordinary Kazakhs have also started to enter into small and medium-size private businesses.

This development affected every domain of life. We started to see more number of Kazakh tourists in luxurious holiday resorts around the world. Also the number of Kazakhs who can buy property abroad and invest internationally and the number of Kazakh families sending their children to study in Western schools increased.

"In 1990's, it was widespread to see public demonstrations of pensioners demanding their overdue payments from the government," writes Kazakh journalist Merhat Sharipzhanov. Nowadays, however, the pensioners receive their money on time from ATM machines, a relevantly new experience in the region.

Kazakhstan being able to attract significant of foreign investment was also in an exceptional position compared with other countries in the region. Not only the West but also the East was very eager to invest in Kazakh economy especially in hydrocarbon sector. It is believed that proven oil reserves as of today are 30 billion barrels and it has proven natural gas reserves of 1.841 trillion cubic meters. Oil production increased from 0.5 million barrels per day (bpd) during the 1997-99 period to 1.3 million bpd in 2005, with substantially more to come in the future. This and the global increase in commodity

Despite the imminent threat of instability in connection with its vulnerable demographic structure and the long border with Russia and China, Kazakhstan made remarkable progress, which can mostly be attributed to the country's leader Nursultan Nazarbayev



President of Kazakhstan, Nursultan Nazarbayev, makes a speech during a celebration of his victory in the presidential election in Astana on Dec. 5, 2005 in this file photo.

prices (e.g., grain, steel, copper and gold) had important spillovers into the non-oil sectors.

This does not mean that Kazakhstan solved all the problems it faces. Naturally, the country's economy is now heavily dominated by oil and gas, mining, and metals, which directly accounted for thirty percent of GDP (Figure 7), nearly 80 percent of industrial output and more than 80 percent of exports, according to an IMF report.

The picture of the economy is not as bright in the countryside as well. For instance, it is very difficult to find jobs in villages and many leaving homes to search for new opportunities in the cities. With property prices skyrocketing, it gets difficult for ordinary Kazakh people to afford a house or rent a flat.

Despite the imminent threat of instability in connection with its vulnerable demographic structure and the long border with Russia and China, Kazakhstan made remarkable progress, which can be mostly attributed to the country's leader Nursultan Nazarbayev.

Those who are not familiar with the country's economic performance and the people's affinity are suspicious of the clear victory of Nursultan in the elections. But when looked at through objective as-

essments and the conditions under which he has been leading his country, everybody will conclude that he deserves his overwhelming support.

Nazarbayev said he benefited most from the Turkish leader Turgut Ozal. Those who know Nazarbayev admit that his leadership abilities recall those of Ozal. It could even be said that his abilities are more important given that he actually founded a state. I always make an analogy between his carefully crafted strategy to ensure the survival of the state between the giants of world politics -- China, Russia and the West -- and the policies of the Ottoman Sultan Abdulhamid the second, who implemented a balanced policy to prevent the collapse of the Empire.

Even the foreign language policy in education gives important clues about this balanced approach. Under the foreign language policy in Kazakhstan, every college graduate will be able to speak at least two foreign languages. However, if one of them is a Western language -- English, French or German -- the other has to be one of the Eastern languages -- Japanese, Chinese and Arabic.

It would be naive to expect that a country like Kazakhstan, which gained its independence only 16

years ago and is surrounded by authoritarian states like China and Russia, establish a democracy with the standards of a Western country like Switzerland. But it should also be noted that this is a country where more than 130 ethnic groups that speak more than 100 languages live. Furthermore, its membership in the Organization for Security and Cooperation in Europe (OSCE), which set some standards on democracy and its nomination to preside the said organization, should be taken as important steps toward democratization. Over 16,000 domestic and foreign observers followed the recent election. Four hundred OSCE observers who followed the elections held without violence and turmoil commended the entire election process and the arrangements at the polls. Even though the OSCE reports refer to some deficiencies, they also stress that the election marks an important step forward in fulfillment of democratic standards. The OSCE report also commended the Central Election Commission for the transparency and the political parties for their cooperation in the election. I should also note that the CIS and the Shanghai Cooperation Forum described the election as fair and democratic.

The Kazakh people, who supported Nazarbayev with 91 percent of the vote in the 2005 presidential election, reiterated their support with 88 percent of the vote for his party, Nur Otan. No other party was able to garner the 7 percent support required to gain representation in the parliament. Meanwhile, the 7 percent election threshold is one of the criticisms that the OSCE report made. But it seems that the OSCE

did not consider the ECHR ruling under which the 10 percent election threshold in Turkey was found compatible with democratic principles and practices. American analyst Ariel Cohen, who has been closely following the region, said the electorate had plenty of choices and stressed that the failure of the parties should be attributed to their inability to unite.

The region and the world need a politically democratic and economically prosperous Kazakhstan, one which keeps growing for further stability.

While recent events in Kazakhstan -- such as President Nursultan Nazarbayev possibly becoming president-for-life or the scandal surrounding his former son-in-law -- were the subject of debate in the foreign media, many ordinary Kazakhs say they "couldn't care less" about the country's political scene.

"We are not into politics," some say, "all we care about is how to make money and improve our living standards." But some experts describe the phenomenon as public skepticism, not as a sign of economic stability.

Losing interest

As the economy flourishes in Kazakhstan, more and more people in the oil-rich Central Asian country say they are less and less interested in the country's politics and politicians.

"Unfortunately, the people in our country are politically passive," he said. "We do not see any activity in political terms among our people and it does not look like it will change any time soon."

Even when the Kazakh parliament paved the way for Nazarbayev to be president for life, the move went largely unnoticed by many ordinary Kazakh citizens. There were only a few, small public protests -- mostly by independent journalists -- who took to the streets on their own to criticize the parliament's decision.

People seemed equally indifferent to all the presidential and parliamentary elections that were roundly criticized by foreign observers for falling short of democratic standards.

Many Kazakhs, especially the young, say that politicians -- the authorities and the opposition alike -- play no role in their everyday life.

Galmazhan, 28, runs his own private business, an Internet cafe and copy shop in Almaty. Galmazhan tells RFE/RL he is satisfied with the political stability and business opportunities available in Kazakhstan.

Business is good

"There are great opportunities to do business in Kazakhstan now," he said. "Ninety percent of my profit comes from my own business, and I think 80 percent of the population is aware of what private business means. The legislation to do business in Kazakhstan is there and it is very good. If you know the laws, it's easy to set up any business here."

Nazarbayev, who has exercised autocratic rule over the country since 1989, is seen as a sign of stability for many Kazakh people.

Living standards in Kazakhstan -- especially in urban areas -- are indeed better than the rest of Central Asia.

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Growing affluence

While the oil money in Kazakhstan has created super-rich oligarchs and political and business elite in Kazakhstan, many ordinary Kazakhs have thrown themselves into small and medium-size private businesses.

With a growing income and increase in living standards, there are also a greater number of Kazakh tourists appearing in luxurious holiday resorts around the world.

So, too, is the number of Kazakhs buying property abroad and the number of Kazakh families sending their children to study in Western schools and universities.

There were numerous public demonstrations in Kazakh cities during the 1990s, with pensioners demanding their overdue payments from the government.

Nowadays, however, the pensioners receive their money on time from ATM machines, a relevantly new experience in the region.

Kazakh President Nursultan Nazarbayev (file photo) with a growing number of new buildings -- offices, banks, hotels, and private homes -- Kazakh cities, especially Almaty and the capital, Astana, have been transformed beyond recognition.

However, far from the luxurious buildings and flourishing businesses in big cities.

Even so, Nazarbayev is a known entity to the Kazakhs, Vatanka says, and they would not easily risk trying to change the system in favor of the unknown and untested alternatives.

Apparently, it is not only Kazakh citizens who are seemingly indifferent to their country's politics.

* Abdülhamit Bilici is Today's Zaman columnist and Deputy Editor-in-Chief of Zaman Daily.



Kazakhstan President Nursultan Nazarbayev (L) with Turkish Prime Minister Recep Tayyip Erdogan.



Kazakh workers extract oil at the China National Petroleum Corp. oil field near the town of Aktyubinsk. Kazakhstan has huge oil and gas reserves with an estimated value of \$2 trillion.



Kazakh President Nursultan Nazarbayev (R) looks on as his wife Sara casts her ballot at a polling station.

Turkey and Kazakhstan: Bringing the family closer

E. BARIS ALTINTAS ISTANBUL

When Kazakhstan declared its independence in 1991, Turkey was the first state to recognize its independence and did so less than an hour after the country's declaration. The two nations have linguistic, ethnic and historical ties, but how much has really changed in the political and cultural relations between the two countries since Dec. 16, 1991, the day Kazakhstan declared independence?

To understand how Kazakhstan and Turkey have been cooperating on a political and cultural level, Today's Zaman talked to Dr. Abdulvahap Kara, an associate professor in the history department of Mimar Sinan University of Fine Arts and author of six books on the Central Asian republics. His book "The Fire of Turkistan: Mustafa Chokae's Life and Struggle" received the Best Biography award by the Turkey Writers' Association in 2002.

The change in the state of relations between the two countries since Kazakhstan's independence has been drastic since relations were kept at a minimum during the Soviet regime. "Before independence, Kazakhstan was a republic within the Union of Soviet Socialist Republics (USSR), and completely

tied to Moscow in foreign politics. In that respect, it is impossible to speak of Turkish-Kazakh relations on an official level at that time," explains Dr. Kara.

However, even informal ties between the cultures were very limited. Even Kazaks in Turkey who were eager to establish stronger contact with their ancestral homeland had a difficult time due to political and ideological restrictions under Soviet rule. However, all obstacles were removed with the collapse of the Soviet Union.

Turkey, being the first country to recognize Kazakhstan as an independent nation in less than an hour of its declaration, got a head start. Dr. Kara says Turkey's quickness is still very important to the Kazaks. "Politicians, intellectuals and academics still mention and actually emphasize this when bilateral relations are being discussed," Dr. Kara says.

Kara says the swift recognition was a significant advantage for Turkey; however, he observes that relations did not reach a desirable level in the years that followed. "You might remember that Turkey in those times was portrayed as an example of a democratic and secular country by the US, which feared the newly independent Central Asian republics might follow Iran's path. However, as time passed,

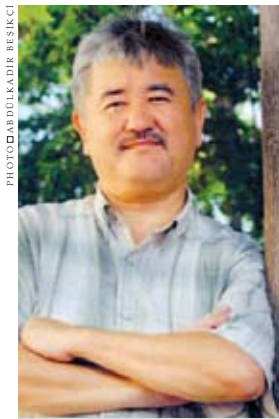


PHOTO: ABDULVAHAP KARA

Professor Abdulvahap Kara

it became clear that the Central Asian republics did not care much for Iran, and Turkey was pushed into the background as a model for the region."

Kara quickly notes that the 9/11 terrorist attack and US action in Iraq and Afghanistan in its aftermath reminded the West of Turkey's strategic importance once again. The US became a great threat to China and Russia, as it was now closely involved in the region. It was now practically at the edge of Central Asia. With the Shanghai Cooperation Organization developing into an influential body and the US bases in Uzbekistan being evacuated, the US position in the region became undermined. This situation made Turkey a good ally of the West once again.

Turkey needs a unique Central Asian policy

Central Asian nations, particularly Kazakhstan, are on a solid development path of democratization and are becoming market economies. At this point, Turkey should develop its own policies, Dr. Kara stresses. "Not with the encouragement of other countries, but in terms of its own interest Turkey needs its own policies in developing cultural and political ties with its sister countries and becoming influential again. Naturally,

Turkey will have its own allies where its interests coincide. This is a requirement of foreign policy."

Kara says, from the viewpoint of an academic, Turkey does not seem to prioritize the importance it actually attaches to the Central Asian nations in deed. "In words, Central Asia is a priority; however, we don't see this in action," he observes. According to Kara, the major reason for Turkey's failure to further its relations with Kazakhstan to the desired level is the lack of experts in the area. "Of course, there are experts, but there are not many. This is why most speeches about Central Asia remain only words, but when it comes to implementation, unfortunately there is not much to see."

Kara believes that improving cultural ties between the two countries would pave the way for better economic and political cooperation. "Intellectuals, writers and academics should be encouraged by the state."

Recalling a fight between Turkish and Kazak workers that left many with serious injuries last year, Kara says the root of such problems lies in the lack of trust between the two nations. Turkish companies working in Central Asian states should be more responsible and treat their host country as they would their own, contributing to their communities by developing social responsibility projects. "This is not just any country. This is our sister country with a common history and culture. They should be as responsible as they would be in their own country."

Turkey needs to promote itself in Central Asia

A mistake that Turkey seems to make in handling its relationship with the Central Asian republics is its assumption that as our brothers, they already know us. "This is wrong. We don't really know each other. Yes we are brothers, but nobody knows the details," Kara underlines and stresses that Turkey needs to launch campaigns to promote its image -- just as in other countries.

Surprisingly, there are also stereotypes that Turkey has to fight in these countries. Unlike Turkey, which has always been an independent nation throughout its history, the Central Asian nations under tsarist, and later Soviet, Russia saw Turkey through filters of negative propaganda. "Promoting Turkey is even more important to eradicate the remnants of negative Soviet propaganda about Turkey." Many in Central Asian nations, Kara gives as an example, are inclined to regard Armenian genocide allegations as having some truth.

Lessons from the past, such as a Turkic World Summit organized by Turkey in the early '90s where the concluding statement of the conference was not signed by the participants because Turkey had not sent it to the capitals of the participants earlier, should serve as valuable lessons that although the Central Asian republics are Turkey's brothers, they are separate states with a unique identity, unique principles and an agenda of their own. These should be respected, as with any other nation.

Turkish high schools and cultural ties

There are tens of Turkish schools in each of the Central Asian states. But how influential have they been so far in improving the relations? "Turkish schools have been most effective. If nothing else, Central Asian students attending these schools learned excellent Turkish. I meet Kazak students who attend Turkish high schools in Mongolia, Kazakhstan or other places, and they all speak Turkish remarkably well." However, Kara quickly stresses the need for the Turkish side to increase efforts to learn the languages of Central Asian nations. "And really, it is not difficult at all. These are branches of the same language. Approaching learning the language seriously and living in that country for to six months would be enough to speak it perfectly well. Our intellectuals could at least learn enough to be able to follow and understand newspapers."

Kazakh-Turkish cooperation in energy

This winter has shown that energy is becoming an increasingly influential trump card for Russia and that the ultimate success of the Baku-Tbilisi-Ceyhan depends on Kazakh oil. "And in the recent period, Russia has been making an effort to have Kazakh oil pass through its own territory. Certainly, all countries should be working for their own interests," Kara says, adding: "Kazakhstan exports oil to the BTC, to Russia and even China. Naturally, Kazakhstan has to defend its own interests. The president [Nursultan Nazarbaev] very clearly expressed this would be Kazakhstan's policy."

So what is Turkey to do? Kara says improving relations with Russia, a country that still exerts considerable influence on the Central Asian states and is their strategic partner, would most certainly be helpful in producing better energy policies. "We can't expect any of these states to cut off a long-established relationship overnight. We have to improve relations with Russia. And this has been done. Atatürk received the greatest support from Russia during our War of Independence. We need to produce active and independent foreign policy."

And the key to that end would be producing knowledge, encouraging academics, writers and think tanks both in Turkey and in the region as well as elsewhere in the world to do more research on Central Asia.

"Turkey has to produce research, and this is unfortunately costly. We have a lack of expertise, and consequently, a lack of knowledge. The state should support and encourage universities, think tanks and academics to produce ideas."

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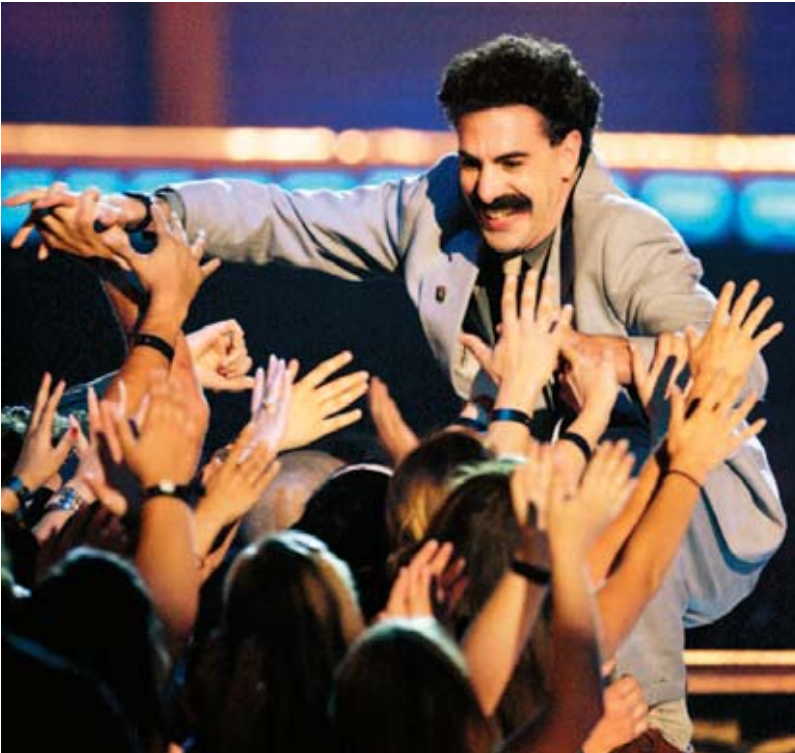
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BORAT: A REACTION OF AMERICAN

PHOTOS: D.A.P.



It seems that Cohen's movie is nothing but an attempt to profit from the tensions resulting from increased positive developments in Kazakhstan.

Whichever nation he may represent, Borat's character does not possess qualities that are acceptable to any cultured and civilized society. Cohen's Borat typecast implies that the clash of civilizations will be carried out on the big screen in the era of globalization

ASSOC. PROF. ABDULVAHAP KARA*

It is a reality that Kazakhstan has garnered much international attention with its rapid economic development over the past few years. The Borat movie, which was released in US cinemas on Nov. 3, 2006, proves that the US and the UK are much more interested in Kazakhstan's developments compared to those of other nations. It can be seen that these two political and economic superpowers feel both admiration and a sense of discomfort at Kazakhstan's rise.

British-born actor-comedian Sacha Baron Cohen stars in the interestingly named movie "Borat: Cultural Learnings of America for Make Benefit Glorious Nation of Kazakhstan." In the movie Cohen plays Borat Sagdiyev, Kazakhstan's sixth-most-famous man and a leading journalist from the state-run TV network, who travels from his home in Kazakhstan to the US to make a documentary. On his cross-country road trip, Borat's encounters are portrayed on the big screen in a bold, derogatory and even trashy manner.


Portrayed as a drunk, racist and anti-Semitic molester and misogynist, Borat's uncultured, bold and outrageous actions were surprisingly deemed funny and were much enjoyed by the American people. Jewish comedian Cohen first introduced the character Borat in his television comedy "Da Ali G Show" in 2000. He became so famous and well-liked by his audience at Channel 4 in the UK and later at HBO in the US, that the character received more attention over the years and eventually made it to the big screen last year. Prior to his big screen debut, Cohen's Borat character presented the MTV Europe Music Awards in November 2005 where he skillfully (!) displayed his brute comedy at the expense of the Kazakh people. This implies that the character not only garnered support from the public, but also from major promoters from the US and Europe. Surely enough, the Kazakh government reacted to the situation and protested the MTV Europe Music Awards over the discomfort caused to the Kazakh nation. However


this action brought nothing but more fame for Cohen and his character Borat.

One can also see the professionalism behind the movie's advertisers. Prior to Kazakh President Nursultan Nazarbayev's visit to the US on Oct. 27-29, 2006, the press leaked an unfounded story claiming that Nazarbayev would complain to US President George W. Bush about the release of the Borat movie. However, this rogue press release was immediately denied by Kazakhstan's Foreign Ministry. Nevertheless, in an attempt to control the damage done by the misrepresentations and negative implications in the movie about its nation, the Kazakh government issued four full-page ads in The New York Times and International Herald Tribune before its president's visit to the US. It attempted to explain, via the ads, that the Kazakhs are a people with a rich culture and history.


Promoters of the movie also used the Internet as an effective marketing channel. In addition to the many Web sites created for the movie, the Internet's free and open encyclopedia Wikipedia also contains entries about Cohen, Borat and the movie. Borat's creator Cohen also had the audacity to appear at the White House in an attempt to invite Bush to a movie screening at the hour of Nazarbayev's official visit. With Cohen's high profile dismissal from the White House gates by Secret Service security personnel, the promoters achieved their goals. This publicity stunt received much coverage in international media. Hence, the movie was once again promoted at no cost for its debut a week later.

Whichever nation he may represent, Borat's character does not possess qualities that are acceptable to any cultured and civilized society. For example, at the beginning of the movie -- as tasteless as it may be to write these words, the crassness of the movie has to be depicted -- Borat proudly introduces his sister as Kazakhstan's fourth-most-famous prostitute. Walking on the streets of America, he molests women and asks them "how much" their price is for the night. At the beach, he wears a scanty swimsuit which one would not even see on Baywatch.





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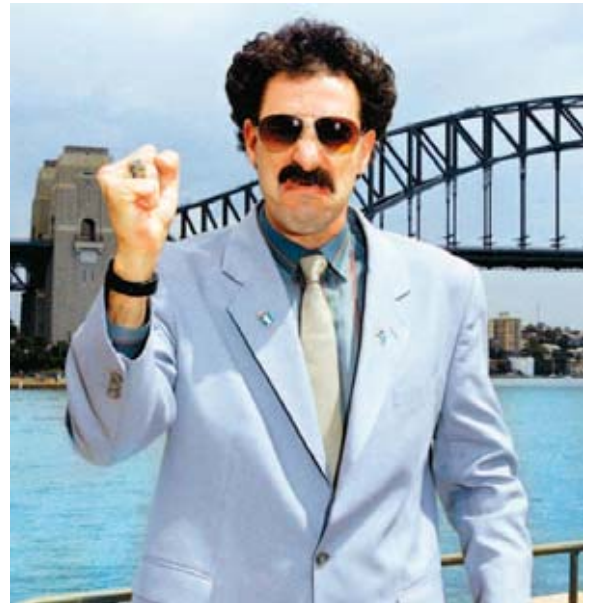
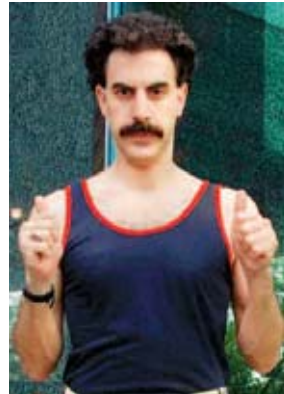
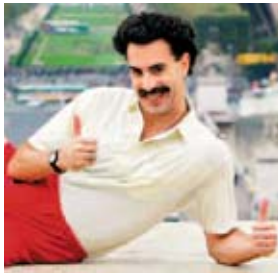
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CINEMA TO THE RISE OF KAZAKHSTAN

Even the movie trailers show scenes where he washes his face in the toilet with actual toilet water. In short, beside the outrageous behavior, there is nothing pleasing to the eye throughout the movie. Thus it is extremely difficult to explain the acceptance and liking of such parody by the American people as well as other Western folk. However, it may be possible to explain the movie's being liked as follows. With its rich and diverse natural resources, combined with a highly educated public, Kazakhstan is well represented in every Western nation, even within their highest social ranks. One can find Kazakh businessmen at financial centers, stock exchange markets and entertainment destinations. On the other hand in Kazakhstan, American and other Western companies have been competing against each other to get Kazakh business, even to dominate the Kazakh economy. The fact that people who were once nomads living in the Kazakh steppe isolated from the Western wonders of modernization, who later survived centuries of Russian imperialism are now sitting at the same table with the cream of the crop can naturally lead to a feeling of oddness or discontent.



In modern history Western societies have been accustomed to having power over the world's wealth. Therefore, a deep-rooted sense of superiority and rule over other nations and societies is plausible. Following this logic, Kazakhs should have handed over their land and natural resources to the West and disappeared off the historical map, just as the Native Americans, bedazzled by drink and gifts, did. Or perhaps the Kazakhs should have handed over the management of their oil and gas reserves to Western companies, to then become an oil-dependent economy, only to spend the sole income back on purchasing Western luxury goods and entertainment, just as some Arab countries do. However, this failed to happen. The Kazakhs, with their well-rounded human potential, were quick to learn the rules of capitalist economies based on free market competition and abandon the defunct, communist, centralized economy. Thus, Western societies faced difficulty in acquiring their anticipated lion's share of Kazakhstan's natural resources.

Asian states of Uzbekistan, Turkmenistan, Kyrgyzstan and Tajikistan have also been satirized. It can be inferred from this interpretation that Borat's characterization targets all Turkic republics. Some American critics claim that the inspiration for Borat's character was not someone from Kazakhstan, but a Turk. One such voice is that of Entertainment Weekly writer Scott Brown. He claims that the inspiration behind Borat is the famous Internet celebrity Mahir (www.istanbul.tc/mahir/mahir), whose website once caught international media attention. This claim can only imply that there is no difference between Turks and Borat.

This further implies that Western nations harbor a secret jealousy toward not only Kazakhstan, but toward all of the Turkic nations, due to the recent revival and economic progression in those places. Subconsciously, Western audiences must feel a sense of content when viewing the Borat phenomenon.

In today's world it seems countries have advanced from inter-state political and ideological clashes in the name of economic cooperation. Yesterday's archival camps -- for example Russia-China vs. US-Europe -- have signed friendly agreements whose sincerity is based solely on ensuring economic prosperity on formerly hostile grounds.

Cohen's Borat typecast implies that the clash of civilizations will be carried out on the big screen in the era of globalization.

Another example of a similar situation is the US-Turkey relationship. The cooperation between the Turkish and US governments in regard to Iraq was received harshly by the Turkish public and that of other Muslim countries. They were deeply disturbed by the inhumane treatment of the innocent public and those imprisoned by US forces. This situation was then portrayed in the Turkish blockbuster movie "Valley of the Wolves Iraq" in early 2006. Based on the real-life "hooding incident" of July 4, 2003, where 11 Turkish soldiers were detained by allied American forces then deported from northern Iraq, hooded and at gunpoint, the movie deals with a Turkish mafia leader who seeks vengeance on the US commander who ordered the deportation. As a matter of fact, concerned by the movie, the US chairman of the Joint Chiefs of Staff is said to have attempted to restrict the movie's release.

In our era of globalization, the fact is that cultural clashes have opened a new window of opportunity for the movie industry. Using the aforementioned movie example, "Valley of the Wolves Iraq," not only

has Turkey profited from the release of this movie, but so have other foreign producers and distributors. Actually, American cinema has always profited from movies based on international tensions, disputes and conflicts. Perhaps for the first time has now a Turkish movie profited from the same tactics used in Hollywood. It seems that Cohen's movie is nothing but an attempt to profit from the tensions resulting from increased positive developments in Kazakhstan and other Turkic nations. In conclusion, just as the

movie "Valley of the Wolves Iraq" was successful in Muslim countries in helping them forget momentarily their frustrations and struggles with the superpower US, so the movie Borat succeeded in helping to ensure the satisfaction of those nations feeling subconsciously uneasy about a developing and strengthening Kazakhstan and other Turkic countries, by laughing at fabricated vulgarities.

* Lecturer at Mimar Sinan Fine Arts University's Department of History of Literature and Science in Istanbul



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Don't leave without

- Visiting the Antalya Museum
- Walking up the gorge at Saklikent
- Seeing the ruins at Perge and Termessos
- Walking through Kaleici and the old houses of Antalya
- Taking pictures of the snowdrops in Akseki
- Buying a Döşemealtı carpet
- Tasting the local jams and jellies

What to buy

There are numerous shopping malls in Antalya, and the city is also famous for its marmalades and jellies, made from every fruit and vegetable imaginable. Among the most interesting are the eggplant, watermelon and bergamot jellies. There are also souvenirs and gift items particular to Turkey in the Ministry of Tourism and Culture shops and within the old city. The area is famous for its Döşemealtı carpets, colored with natural dyes.

Source: Turkish Ministry of Culture and Tourism

Turkish riviera: ANTALYA

Because of the archaeological and natural richness of the area, Antalya is known as the "Turkish Riviera." Sun, sea, nature and history combine to form a very popular resort, highlighted by some of the cleanest beaches in the Mediterranean. The 630-kilometer-long shoreline of the province is scattered with ancient cities, harbors, memorial tombs, beaches, secluded coves and lush forests -- many of which are easily accessible from the city.

With its palm-lined boulevard, internationally acclaimed marina and old castle district and traditional architecture, all against the backdrop of a modern city, Antalya is a major tourist center in Turkey. In addition to a wide selection of hotels, restaurants, bars, nightclubs and shops, the city also plays host to a number of sporting events throughout the year, like international beach volleyball, triathlon, golf tournaments, archery, tennis and canoeing competitions. The Antalya Cultural Center, which opened in 1995, hosts events in the fields of music, theater, and the creative arts. The main area of interest in the city is central old quarter within the Roman walls, known as Kaleici. The city also boasts many good museums.

Historical sites of Antalya

Today Kaleici (the inner castle) is flanked by two ancient, now incomplete, walls. The inner wall encloses the harbor in a semicircle. As a result of restoration, Kaleici has become a major tourist center, with guesthouses, bars, shops and restaurants, and the Roman harbor has been turned into a modern, well-equipped marina.

Hadrian's Gate is the only city gate to have survived until the present day but was long known to be the most attractive of Pamphylia region. Also known Üçkapılar (Three Gates), the gate is guarded by a tower on either side. Built to honor the Emperor Hadrian's visit to the city in A.D. 130, the whole gate, except for the columns, is made of pure white marble with reliefs and carvings of extraordinary quality.

Situated 18 kilometers east of Antalya, Perge falls within the city limits of Aksu. Because of its location on the Cilicia-Pisidia road, it was a vital part of the province of Pamphylia, and was



founded around the same time as the other cities in the area (seventh century B.C.). It was an important city for Christians, and St. Paul and St. Barnabas visited the city -- wealthy benefactors like Plancia Magna had a number of important memorials built here.

The ruined city of Termessos, lying 34 kilometers west of Antalya in a rugged mountain valley, was founded by the Silymi people, from the interior of Anatolia. Among the important remains are the 4,200-seat theater and the Roman stela that Augustus had built at the beginning of the first century. The Odeon, the covered meeting hall, has seating for 600 people. The five interconnecting underground cisterns were used for the storage of water and olive oil.

Lying between Kemer and Adrasan is the ancient harbor village of Cralı, the ruins of Olimpos and the site of the Chimera. The history of Olimpos dates back to the second century B.C., when it was an important Lycian city, although it was empty by the sixth century in the wake of a devastating earthquake. The Olympians worshipped Hephaestus (Vulcan) the god of fire, probably connected to the eternal flame, or Chimera, which still emerges from the mountain. Known also as Yanartaş (burning stone), the flame is caused by the burning of natural gas emerging from the mountain. Apart from the ruins, Olimpos is well known for its simple treehouse camps, where both domestic and foreign tourists stay, and a natural environment thanks to forests, hills and vineyards surrounding a beautiful beach.

Demre was one of the most important cities of the Lycian civilization. Twenty-five kilometers west of Finike and 48 kilometers east of Kaş, Demre has been an inhabited

settlement since the fifth century B.C. The city was later deserted after Arab invasions. Rock tombs, theaters and the Church of St. Nicholas (said to be the original Santa Claus) are the most interesting sites in the town today.

The ancient city of Aspendos, 48 kilometers east of Antalya, is most famous for its theater, probably the best preserved in Asia Minor. It is still in use today and hosts the annual Aspendos Opera and Ballet Festival every summer. The city was the scene of a huge bloody battle between the Persians and the Greeks in 469 B.C., and then was ruled by the Spartans 120 years later. The city became part of the Seleucid Kingdom after the death of Alexander the Great, and then became part of the Roman province of Asia in 133 B.C.

Sporting activities in Antalya

Skiiing: Within the province of Antalya is a ski center at Saklikent, in the Beydag mountain range, at 1,850 meters. There are two ski lifts, restaurants and accommodation available. The skiing season runs between January and April, and in the spring months it is possible to ski in the morning and then swim in the sea in Antalya in the afternoon.

Mountaineering: The Beydag Mountains have peaks ranging from 600 to 3,086 meters, with a variety of geological and topographical features, and offer a wide range of climbing opportunities. The important peaks are Tekedoruğu, Bakırli Dag, Tahtalidag and Kizlar Sivrisi. Climbers will pass through the cedar forests of the Camkuru Valley on their way to the top. The climbs can be completed in one day.

Rafting: Within the Köprülü Canyon National Park, Köprüçay is among the most breathtaking rafting centers in the country. The Manavgat River rushes powerfully over the rocks and offers excellent rafting opportunities. There are a couple of agencies in the city that organize trips, including transport and equipment.

Diving: Various points of Antalya's coastline provide opportunities for diving. **Antalya Today's Business**

Turkey's towers getting taller and taller

Every year the booming business circles in Turkey and the growing need for offices inevitably sees new buildings added to the skylines and plazas.

Building contractors are realizing more and more that to access a view to the Bosphorus there is only one way to go -- up. Skyscrapers and towers, originally the sole domain of offices -- are now being built to accommodate shopping centers, hotels and residences, especially along Büyükdere Street and in Maslak.

İstanbul still preserve their reputation as the tallest buildings in Turkey with 41 stories; each tower stands 181.2 meters high. The towers, opened in 2000, have nearly enough employees and visitors to constitute a municipality -- 5,000 residents, according to the Municipality Act. The Diamond of İstanbul in Maslak and the Sapphire building in Levent, the construction of which still continues, will usurp İ Towers as the tallest buildings in Turkey when completed at over 200 meters. The Diamond of İstanbul, composed of hotels, shopping centers, residences and offices, is expected to be completed by late 2009 or the beginning of 2010, while Sapphire Tower by the Kiler Holding Company will be 261-meters-high at its completion, projected for 2009.

Already the Sabancı Center, Garanti Bank General Management Center, Tekfen Tower, Mövenpick, Marriott Hotel, Holiday Inn Crown Plaza, The Marmara, Ceylan Otel, Polat Renaissance, the 52-storey Mersin Metropol, Şişli Plaza, Süzer Plaza, Polat Tower, Selenium Residence, Sun

Plaza, Metrocity, Kanyon and Akmerkez shopping centers and Mashattan are being followed by other notable structures such as Tat Tower and the Selenium Twins.

İstanbul ascends to sky

İ Towers, which house the general management headquarters of İ Bank, were the tallest buildings in the region between Frankfurt and Dubai when built. The Turkey İ Bank General Management Complex, constructed between 1996-2000, is composed of 8 blocks. Tower 1 is 52-stories-high and Tower 2 and Tower 3 is 35 stories.

There is also an exhibition gallery on the ground floor (auditorium) where cultural and art activities take place. On the upper floor there is an assembly and concert hall. The C Block is composed of a 790-car-capacity parking lot. There is also a gallery in the complex that includes a fast food restaurant and market.

The top floor of Tower 1, with a height of 181.2 meters, is composed of a cocktail lounge with Bosphorus view. A 36-meter flagstaff symbolically extends the tower to a point three times higher than the Bosphorus Bridge and Küçük Çamlıca Hill. Tower 2 and Tower 3 comprise the shareholdings of İ Bank and leaseholder offices independent from İ Bank and stand 117.6 meters in height.

Inauguration of the towers was held on the 76th anniversary of İ Bank in August 2000. Tower 1 was opened for use at the beginning of 2001, housing more than 3,000 employees. The complex has the capacity to accommodate more than 13,500 people. **İstanbul Today's Business**



İ Bank Towers facts

Over 1,000 apartment buildings could be built with the concrete used in the construction of the towers and 8,000 apartments at 100 square meters each could be built with the amount of reinforcement steel used in the complex.

Approximately 1,000 workers and support teams of up to 500 people worked to construct the complex. Forty-two architects, three of which were American, and various engineers also worked on the construction.

Fan-coil and Variable Air Volume (VAV) were used in heating, ventilation and air-conditioning systems to provide minimum energy wastage and maximum comfort.

Insulating glass was produced for the complex, including its 46 elevators and 22 staircases by Sisecam, one of the shareholders of İ Bank.

Despite being one of the most protected buildings in Turkey, the security of İ Bank Towers was improved after the Sept. 11 attacks in the US. The towers are also earthquake resistant. Smartcard equipped entry, lighting inside and out of the buildings, special security cameras, vibration sensing detectors and card readers were also used to promote security.

The total construction cost of the towers was \$230 million. The architectural design of the towers was completed by the Doğan Monopoly-Sami Sisa Architectural Practice and Swanke Hayden Conner International. The construction was undertaken by Tepe Construction Industry joint stock company and Turner/Steiner International SA joint enterprise.

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в списке iso.

мы продолжаем неутомимо работать для
достижения дальнейших успехов.

Бaфpa эриш компаниясы 2007-ші жылы
iso -ның кестесінде 500 үлкен өндіріс
кұрылымы арасында 27-ші орын алды.

Біз өркендеуіміздің берігі үшін
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