

GLOBAL RELATIONS FORUM

YOUNG ACADEMICS PROGRAM

2015 TERM HANDBOOK

GIFGRF

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GLOBAL RELATIONS FORUM

Global Relations Forum (GRF) was founded on May 11, 2009 with the enthusiastic support of 40 prominent members with the aim to advance a culture that rewards the fertile tension between passion for intellectual diversity and dedication to innovative and objective synthesis. It nurtures uninhibited curiosity, analytic inquiry, rational debate and constructive demeanor as the elemental constituents in all its endeavours. It contributes to the shared understanding of and aspiration for humanity's path to peace, prosperity and progress as an accessible, inclusive and fair process for all.

GRF works towards its goals in a variety of ways: by sponsoring Task Forces which seek to demarcate the relatively stable long-term trends and structural certainties from the unruly dynamics of complexity and uncertainty, convening meetings with prominent global leaders and senior government officials, organizing round table meetings with experts, fostering cooperation with global counterparts as well as through its seminar programs aimed at engaging young people to debate global issues freely, intelligently and constructively.

GRF also sees its website www.gjf.org.tr as a vibrant forum toward achieving its goals.

GRF YOUNG ACADEMICS 2015

The *GRF Young Academics Program* will be carried out with the participation of young academics that are currently pursuing their doctorate studies or have completed their Ph.D. in Turkey or abroad within the last three years.

The program aims to ensure that participants write policy papers that are sufficiently insightful so as to make a unique impact on the global agenda and to publish them as part of the “*GRF Young Academics Program Policy Paper Series.*” Therefore, the GRF Young Academics Program is open for academics from all areas of study (Architecture, Business Administration, Engineering, Fine Arts, Law, Medicine, Natural Science, Social Science, etc.).

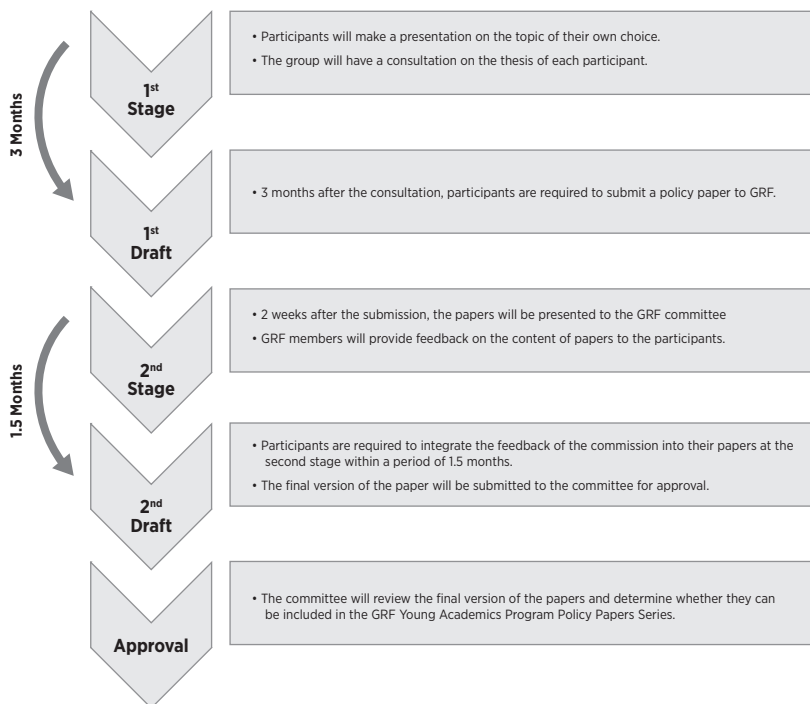
Candidates for the program should have a strong theoretical background, be able to focus on implementation, and be willing and able to transform their academic analyses into concrete policy suggestions.

The recommended length of the papers will be approximately 20-30 pages. In return for their contributions, GRF will present an honorarium to the authors of the papers that are published by the end of the program. The GRF Young Academics Program consists of two stages, the details and aims of which are described below.

First Stage: During the first stage of the program, all the selected academics will present their topic of choice to the other participants, followed by a discussion focused on each fellow’s individual topic. Thus, each participant will have the opportunity to clarify and develop his or her thesis with the feedback they receive from their fellow participants.

Second Stage: The second stage is where the institutional experience and contribution of GRF comes into play more explicitly; a commission made up of select GRF members will evaluate the papers written by the fellows. At this stage each participant will present his or her draft paper to the GRF commission, followed by personalized feedback from the commission members.

At the end of these two stages, the paper—in addition to being the original work of the participant—will have also passed through GRF’s institutional filtering process.



GRF Young Academics Program Process

GRF Young Academics Program Policy Papers Series

The GRF Young Academics Program Policy Papers Series will be comprised of papers written by the participants of the GRF Young Academics Program.

The following criteria for the publications will help to sustain GRF's prudent and constructive analytic culture in the long-run:

- Topic should be unique and should have practical aspects,
- Presented data should be reliable and the analysis should be accurate,
- Flow of thought should be clear and structured,
- Policy suggestions should be balanced and applicable.

PROGRAM SCHEDULE

July Group

Emine Deniz, (New York University)

"The Effects of Property Right Protection and Enhancement Policies on the Formal Economic Sector and the Rule of Law"

Kerem Gülay, (Cornell Law School)

"International Legal Policy Innovations for Turkey, Truth Commissions"

Quynh Nguyen, (Swiss Federal Institute of Technology Zurich)

"International Trade and Environmental Protection in Developing Countries"

Damla Cihangir-Tetik, (Sabancı University)

"Can the AIIB (Asian Infrastructure Investment Bank) be an alternative to the World Bank for Turkey?"

Alexandra Remond, (University of Edinburgh)

"Referendums, a Cure For Political Apathy"

Kerem Tuzcuoğlu, (Columbia University)

"Price fluctuations in commodity prices caused by global demand, supply and commodity-specific shocks"

October Group

Gruia Badescu, (Cambridge University)

"Urban Reconstruction and Community Building in the Cases of Destroyed Cities and Cities Receiving Large Numbers of Refugees, Urban Flexibility"

Çınar Baymul, (Oxford University)

"Perceived Income Inequality and Corruption"

François Delerue, (European University Institute)

"Cyber Warfare and International Law"

Pelin Kivrak, (Yale University)

"Censorship in Turkish Cinema"

Deepshikha Kumari, (Oxford University)

"Comparing the Perceptions of Iran and India's Nuclear Policies"

Chris Miller, (Yale University)

"A Eurasian Vector in Turkish Foreign Policy"

THE EFFECTS OF PROPERTY RIGHT PROTECTION AND ENHANCEMENT POLICIES ON THE FORMAL ECONOMIC SECTOR AND THE RULE OF LAW

Emine Deniz

Department of Politics, New York University

This policy proposal is interested in the general question of: Where do property rights come from and what do they do? The specific policy implementation that it promises to investigate is the computerization of the land records in Turkey. Especially, what are the effects of property right protection and enhancement policies such as the computerization on the formal economic sector and the rule of law? Before answering the question regarding emergence and persistence of property rights, one should dip her toes (or dive head first) in to the ocean of “what is private property?”. The question of private property and (natural) emergence of property rights is perennial for philosophers, sociologists, political scientist, economists and public policy makers all around the world. Where for Proudhon “the property is theft” (Proudhon and Langlois 1876) and it is the elites’ power and status that are being protected on the expense of poor, for Locke (private) property is an historical entitlement (Nozick 1974) therefore rights to property are natural and should be protected by any legitimate government (Locke 1988). Just as great works of art and literature find their roots in Greek tragedy, the most influential political science and economic works on property rights find their roots in the premises of Proudhon and Locke. Notwithstanding the power of functionalist theories, i.e. following the footsteps of Locke, in explaining the emergence of property rights, they are missing the precipitating and following political and social conditions. In order to present my argument in the completed policy paper to be presented, I will start with a brief discussion of the functionalist theories, including those focusing on internalizing the positive and negative consequences of economic activities, presence of political structures as granting and enforcing mechanisms and existence of informal institutions.

Computerization of Land Records From Pakistan to Turkey to India, the governments of low-income and middle-income developing countries are leading the technological innovation of securing private property ownership. This policy paper suggests the introduction of land record computerization might have positive effects on the employment of formal legal channels in solving land disputes. Also, the policy might end up affecting a host of economic outcomes, such as labor market participation and credit line extension. All the countries mentioned above provide a nice and clean way to measure the outcomes of interest. All those countries introduced land record

computerization of land records “randomly”. Through exploitation of time and spatial variation regarding the introduction of computerization in Turkey, I am proposing to collect data on number of court cases, especially on land disputes, and the amount of credit extended, and changes in the labor market participation. The non-existence of indisputable property records to be offered as collateral hinders the market for credit and investment. In addition to that, it is imperative for the state to offer indisputable records of ownership to individuals in full in order to increase its tax base. The operative term being “indisputable”. The paper records prone to get lost and/or damaged, also being much more prone to bribery and/or coercion might be costly. The cost of taking any dispute to the court when the records can get “lost” or “damaged” or “changed” is conjectured to be much higher than the cost of taking a dispute to the court when records can be pulled off at any time with little to none damage. Last but not least, what do we learn from this exercise to understand property right regimes? The paper-based property regime introduced by differing levels of centralized government in order to increase electoral base might result in a conflict which cannot be solved through informal institutions. The emergence of property rights, then, can come through conflict but the very conflict itself necessitates the existence of an enforcer, with a goal to maximize welfare and a strategic goal to increase its tax base.

Emine Deniz is a PhD candidate in Political Science at the Department of Politics in New York University. 2015-2016 will be her 4th year in residence. Before starting graduate school, Emine completed a Master's degree in Economics at Sabanci University, worked as a financial analyst at Industrial Development Bank of Turkey, and completed her Bachelor's degree as an Manufacturing Systems Engineers also at Sabanci University. Emine's research lies in the intersection of development economics and politics of state formation.

INTERNATIONAL LEGAL POLICY INNOVATIONS FOR TURKEY, TRUTH COMMISSIONS

Kerem Gülay

Cornell University, Law School

I propose “utilizing international and quasi-international conflict management mechanisms for Turkey’s peace process” as the topic of my GRF Young Academic Program’s policy paper. The “Solution Process” is at the top of Turkey’s agenda since late 2012 and the negotiations between the Government and the Kurds is ongoing since January 2013. However, up until recently, the negotiating parties avoided mentioning any institutional or legal framework to support peace and reconciliation. In January 2015, the “Draft Legislation on Truth and Confrontation Commission” (draft numbered 2/2651, dated 14.1.2015, hereinafter “TCC Draft” or “Draft Legislation”) was proposed to the Turkish Parliament. In their joint declaration on February, both the Government representatives and the HDP leaders later endorsed the Commission to be established in the TCC Draft as an essential component of the peace negotiations. Moreover, the HDP leaders have referred the establishment of a Commission as a precondition of the PKK’s disarmament. It is indeed correct that Truth and Reconciliation Commissions served to facilitate peace and justice in a number of post-conflict societies such as Argentina, Chile and South Africa. That being said, the Draft Legislation is not properly informed by the global experiences in truth and reconciliation commissions, which may ultimately render the Commission ineffective and harm peace in Turkish society. For instance, virtually every Truth and Reconciliation Commission’s jurisdiction is confined to specific regimes, acts or instances such as Apartheid, forced disappearances or coups d’etat. The TCC Draft on the other hand, defines a very broad scope of activity for the Commission’s and includes a whole range of issues in the recent (40 years) Turkish history, including not only the Kurdish issue and the PKK but also, e.g., “the process leading to 1980 coup d’etat”, or “other human rights violations” (which are subjected to the jurisdiction of the Turkish Courts and the European Court of Human Rights). It is important to note that the proposed scope of jurisdiction is unprecedented in international practice. Another example is that, the Commission is envisaged to be part of the Legislative (TBMM) and its membership is exclusively reserved to politicians. While “experts” and civil society may be appointed as advisors or “contractors”, their participation is not mandatory and more importantly, their selection is not under public scrutiny. This is also in stark contrast with the international practice. Most of the Truth and Reconciliation Commissions exercised quasi-judicial powers and hence had much less political membership, included judges and independent experts as members. Moreover, Commissions exercised some of their

powers jointly with executives and the judicial branch, most notable the Minister of Justice. The third problem in the Draft Legislation is that while being concerned with an unparalleled amount of issues, it lacks actual powers to address those issues. Most notably, it lacks any judicial or even quasi-judicial authority. As it currently stands, it could only serve as a “fact-finding” and could not even trigger prosecutors to file cases (the draft indicates that the Commission can only request a prosecutor to act, while the ultimate decision would remain in the prosecutor’s discretion). Most of the international Truth and Reconciliation Commissions on the other hand, had binding authority to trigger criminal prosecution and/or to grant amnesty. The fourth problem is that, the TCC Draft only concerns itself with the criminal acts or human rights violations of the Government forces and it completely disregards the criminal activities of the PKK. In contrast, the international Truth and Reconciliation Commissions are primarily but not exclusively concerned with the acts of Government agents and while some form of amnesty is generally granted, virtually no other Commission totally exempts one party from criminal prosecution. Last, but not least, the TCC Draft seems to be isolated from Turkish legal system and international law, while most of the Truth and Reconciliation Commissions are supported by a wide range of reforms or by global institutional cooperation.

Accordingly, the paper will first offer insights from a comparative study on global truth and reconciliation commissions to serve as guidelines for the amendment of the TCC Draft. Moreover, alternative or complementary international institutions, which are completely disregarded in the current debate, will be introduced as supporting mechanisms for the peace process. These will include Turkey’s accession to the Rome Statute of the International Criminal Court (hereinafter the ICC). Turkey, despite changing its Constitution to accommodate ICC membership, declined to become a member on the ground that the Statute did not explicitly define “terrorism” as a “crime against humanity”. However, the recent developments in international criminal law, such as the consideration of terrorist acts within the notion of “crimes against humanity” and the now well-established complementarity principle, offer some prospects. Taken together with a properly defined Truth and Reconciliation Commission, these developments may be instrumental in introducing ICC membership as a feasible policy alternative to facilitate peace for all parties. Therefore, the proposed policy paper for the GRF will recommend elements for the legislation, which need to be adopted for a functioning institution dealing with the “Solution process”. There is only one policy paper on Turkish-Kurdish peace process and Truth and Reconciliation Commissions (by International Crisis Group) and there is very few academic expertise on the matter in Turkey. However, even the said policy paper merely recommends a Commission but does not develop its authority, its scope of work, and its relation to the rest of the Turkish judicial system. The know-how on the International Criminal Court in Turkey is also very limited.

The issue has been on my mind quite some time. In fact, it led me to select terrorism and international criminal law as the topic of my master thesis at Leiden University. My supervisor at Leiden, Prof. Dr. Carsten Stahn, is the leading authority in “post-

conflict administrations” and one of my professors, Prof. Dr. John Dugard, was the most prominent observer in the South African Truth and Reconciliation Commission. I did drafting work with my current supervisor Prof. Dr. Muna Ndulo on a United Nations supervised post-conflict reconciliation project for Somalia (most notably Organization of the Judiciary Act, envisaging relations between ordinary and exceptional judicial authorities). More recently, I organized “Post-Uprising Justice Administration: Transitional Justice and Hybrid Regimes in Turkey and the Middle East Conference” at the Cornell Law School in October 2014. The Conference hosted the Judge Song, the President of the International Criminal Court, as well as a number of academics, lawyers, executives of non-governmental organizations and legislators. In fact, I had a special informal session on the possibility of a Truth and Reconciliation Commission in Turkey, together with Judge/President Song, Prof. Dr. Sadat (chief advisor to ICC prosecutor), Mr. Sezgin Tannkulu (human rights lawyer, member of Turkish Parliament and CHP vice-president for Human Rights), Mr. David Tolbert and Ms. Jeanne Mirer (presidents of the Transitional Justice Institute and the IADL respectively). As a result of this meeting, I started planning for a legal memorandum on the Truth and Reconciliation Commissions and Turkey as part of my own Law Watch Initiative. I have already completed the research. I believe that being part of the GRF Young Academic Program will enable me to get better feedback and thus will enhance the quality of the paper considerably.

Kerem Gülay attended Deutsche Schule İstanbul after which he studied at İstanbul Bilgi University where he received his Law Degree in 2006. He graduated from Leiden University in 2009 with a master of law degree. He is currently Doctor of Juridical Science (JSD) candidate and Fullbright Scholar at Cornell Law School. Since 2009, he has been providing legal advice as a freelance legal consultant of counsel at Remedy & Case Law Firm.

INTERNATIONAL TRADE AND ENVIRONMENTAL PROTECTION

Quynh Nguyen

Department of Law, European University Institute

International economic integration is a multi-faceted phenomenon with implications that go beyond the economic realm. While there is broad consensus that economic globalization benefits national economies, companies and consumers, there is also growing concerns with regards to its potential consequences in other spheres. In particular, many fear that international trade harms the environment. However, as trade connects countries that differ on a range of social, economic and political factors, there is room to increase environmental protection and to introduce stringent environmental policies across countries through international economic integration.

While negotiations over the multilateral trading system have been halted, preferential trade agreements (PTAs) continue to grow in number and influence as rule-making institutions for trade. According to the World Trade Organization (WTO), some 612 PTAs have been notified to the WTO, of which 406 are in force. PTAs liberalize trade between agreement partners through preferential market access for members and they promote economic regionalism as states cooperate in institution building and coordinate trade policies. In addition, one of the main advantages of PTAs is that they allow for greater flexibility in addressing specific policy areas directly affected by trade. For example, to address the trade-environment linkage environmental standards can be directly integrated into the PTA text.

Two major trade deals that are currently being negotiated include the Trans-Pacific Partnership (TPP) between twelve countries throughout the Asia Pacific region: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam. Agreements of such dimensions naturally also include countries with relatively low environmental protection records and low environmental stringency. However, examining the textual content of PTA main documents a recent study shows that there is a high level of textual replication across different PTAs independent of the participating countries (Allee and Elsig 2015). This runs counter the idea of promoting economic integration catered for the specific characteristics of the participating countries and thus welfare enhancing for the members to the PTA. Thus, in designing such trade agreements such “one size fits all” approach needs to be avoided. Policy makers are well advised to make sure that the agreements as such as well as the environmental clauses in the agreements take into account the existing socio-economic environment of each

partner country and the nature of the trade agreement itself. In particular, practices of green protectionism have to be prevented and different institutional arrangements and assistance mechanisms need to be explored so as to help developing trade partner countries to adjust and to successfully implement environmental protection standards. This will constitute a solid foundation to consolidate mutual commitment to sustainable development.

Quynh Nguyen is a PhD candidate in the Swiss National Center of Competence in Research (NCCR) Trade Regulation project "Trade Governance" at the Center for Comparative and International Studies (ETH Zurich). He started his PhD in April 2012 after having received his joint Master's degree in "Comparative and International Studies" from the ETH Zurich and the University of Zurich. Between 2014 and 2015, he also studied at Georgetown University in Washington DC as a visiting fellow. He holds a Bachelor degree in Political Science from the Otto-Suhr Institute at the Free University Berlin. During his undergraduate studies he spent an academic year (2008/09) at the University of Sussex. His dissertation project is concerned with the socio-economic impact of international integration and how these new realities shape citizens' support for international trade.

His research interests include combining multiple methodological approaches from different disciplines, including behavioral economics and political psychology, with the standard techniques from political science in order to develop new tools for the study of public opinion and public preferences.

CAN THE AIIB (ASIAN INFRASTRUCTURE INVESTMENT BANK) BE AN ALTERNATIVE TO THE WORLD BANK FOR TURKEY?

Damla Cihangir-Tetik

Department of Political Science, Sabancı University

In this study, my objective is to provide a concrete analysis of China's policy on the establishment of AIIB with the support of international relations theories such as neorealism, power transition theory and neoliberal institutionalism and the method of discourse analysis by conducting several semi-structured interviews with senior diplomats, policy-makers and related academicians from Turkey. Turkey as a recent emerging but also an ex-developing country has a significant experience and several economic gains until today as a part of Western-led global economic order. The experience and history of Turkey's participation to existing global economic order, especially as one of the World Bank partners, is an important case in order to assess the impact that AIIB has and/or will have in the close future on other states. In those regards, this analysis aims to reveal any indication whether the establishment of AIIB will be appealing for other states or they will feel indisposed in order not to lose their advantages in the existing liberal order. Also, I would like to link the results of this analysis with concrete policy recommendations for developed and developing economies, importantly for Turkey.

In that regard, questions that beg answers in this study are;

- Whether China has constructed AIIB by initiating a similar model with World Bank, as a part of existing liberal economic order or it will be a rival to it and enable China to extend its soft power in the region?
- What are the recognizable facts that enable us to assess Chinese position and intend, and also, the perception of other states while approaching the AIIB?

I intend to study this topic because there is no doubt that China is among the emerging states, which will shape the future of global economic order. On the other hand, China has participated fully in the existing liberal order until now, whose rules were mainly established by the US and European states in trade, finance and economic governance. Therefore, it is important to note that China has significant impact on both the continuation of the liberal international order and shaping the future of economic and political development in developing and least-developed countries as being a model. However, now by the establishment of AIIB, it is important and necessary to analyze China's and also other states' positions towards this new international financial institution and its policies.

In sum, in this policy brief I will provide an overview of changing global economic order and the impact of China on that, especially by analyzing the establishment of AIIB. While doing this analysis, I will conduct several interviews with senior officials, diplomats and policy-makers from Turkey, since Turkey has significant experience and partnership role in the Western liberal order but at the same time, is an emerging state with its own economic and foreign policy aims. This would enable me to draw out the opportunities that AIIB raises and possible reservations of other states against AIIB and China's economic rise. Finally, I would be able to provide some relevant policy recommendations for policy makers and stakeholders in Turkey.

Damla Cibangir-Tetik is a Ph.D candidate in Political Science at Sabanci University. Her dissertation topic is "Development Policy of the EU: An Analysis of Member State Aid Allocation Preferences". She also works as a project manager at Transparency International Turkey. She coordinates "Transparency in Political Life Project", which aims to increase transparency and accountability of financing of political parties, election campaigns and politicians in Turkey. Her research interests are EU Governance and Politics, EU Foreign, Development and Cooperation Policy, political institutions and democratization. She previously worked as a researcher at Economic Development Foundation (IKV) and as a project assistant at Istanbul Policy Center. She worked as a trainee at TUSIAD Brussels Office, EU Information Center, CNNTurk Television and BEKSA Company. She received her first MA degree from King's College London in European Studies (2008) and the second one from University of Athens in Southeast European Studies (2009). She is a graduate of Sabanci University Social and Political Science undergraduate program (2007).

REFERENDUMS, A CURE FOR POLITICAL APATHY

Alexandra Remond

Department of Politics, University of Edinburgh

Referendums, and particularly referendums on sovereignty asking citizens directly how they should be governed, tend to see higher turnout than normal elections. Yet, the surge in political interest and action generated during these political events never seems to last. The independence referendum in Scotland last September 2014 has proved an exception so far. Uncovering why people in Scotland are now more engaged politically, expressing higher levels of vote intentions, and wishing to participate directly in political decision-making, than the rest of the United Kingdom is not as simple as just attributing it to a referendum effect. Indeed, although our evidence shows that the referendum holds strong explanatory power in accounting for this renewed political interest, its effects are not homogenous. This paper will investigate what aspects of the campaign can account for this phenomena drawing on literature on referendums and comparing cases, notably Scotland and Quebec referendums on independence. It will argue that a lot of the positive effects found in the referendum campaign towards renewing political interests and citizen's engagement could be, to some extent, applied to elections at large in hope to fight political apathy.

Alexandra Remond is currently a PhD Student in Politics at The University of Edinburgh studying secessionism and independence referendums. She is also a research assistant working on constitutional reforms in the UK following the Scottish independence referendum. She previously studied International Relations and Politics at the University of Cambridge and before that worked in research centers at the University of Aberdeen specializing in Federalism and Power-sharing, and security issues in a global perspective.

PRICE FLUCTUATIONS IN COMMODITY PRICES CAUSED BY GLOBAL DEMAND, SUPPLY AND COMMODITY-SPECIFIC SHOCKS

Kerem Tuzcuoğlu

Department of Economics, Columbia University

Over the past two decades, the world experienced pronounced cycles in the relative prices of mineral and food commodities. These commodity price shocks generated large pass-through effects on the domestic relative prices of energy and food, and these effects have important inflationary consequences for emerging markets, in particular Turkey, posing significant challenges for monetary policy.

Global commodity prices, especially oil prices and food prices, are important determinants of domestic inflation. We have two different main measures for inflation: Headline inflation and core inflation. Headline inflation is calculated from the general level of prices (of goods and services) whereas core inflation is measured from the prices excluding food and energy prices. Due to this difference, headline inflation and core inflation might not move in the same direction all the time. In this respect, it is not always clear which inflation measure a central bank should target while setting the interest rates to stabilize the 'inflation' in an environment with globally volatile commodity prices.

The pass-through of global commodity prices into the domestic prices has motivated a large literature that takes international commodity price shocks exogenous to changes in domestic inflation. The empirical methodology used in these studies is the estimation of single-equation pass-through regressions. A small but growing literature takes a different approach by examining the sources underlying commodity price shocks, including global demand/supply and commodity-specific shocks, and shows that the reaction of domestic macroeconomic variables depends on the underlying sources of shocks.

Regarding the first group in the literature, I believe that analyzing the effects of commodity prices on the domestic variables is not the right approach per se. In order to conduct a better monetary policy, central bank needs to know the underlying reasons of the fluctuations in commodity prices. For instance, food prices might go up due to an increase in demand or due to a decrease in supply. In these two different scenarios, the reaction of central bank would be different. Hence, without knowing the real source of the fluctuations, monetary policy cannot be effective. Therefore, using commodity prices as a variable in the pass-through analysis, could be misleading.

My project will belong to the latter group in the literature, i.e., I will decompose global commodity prices and identify the fluctuations due to global demand, supply, and commodity-specific shocks. I will base my analysis on a working paper of mine with my co-author, Erten and Tuzcuoglu (2015). In my policy paper, I will first use a Structural VAR (SVAR) model to estimate Global Real Economic Activity, Global Real Oil Prices, Global Real Food Prices, and Global Inflation. For the identification of individual structural shocks, I will use Sign Restrictions, which is a relatively new technique in SVAR models. It does not rely on 'timing' of the variables as in Recursive Identification (also called Cholesky Decomposition). Sign Restriction approach uses only the knowledge from economic theory, such as whether the relationship between variables is positive or negative. The model that I will use is VAR(8) model with endogenous variables of global activity, real oil price, real food price, global inflation, respectively. The identification of the structural shocks will come from the restrictions imposed on the model. In my analysis, I will impose the following contemporaneous restrictions, which come from economic theory. First, shocks to real economic activity, which can be considered as demand shocks, will have a positive effect on all of the variables. Second, one can infer that oil price shocks will have a negative effect on real economic activity, but a positive effect on the other variables. Third, shocks to the food prices have a negative effect on real economic activity, positive effect on inflation, but no effect on real oil price. Finally, the fourth column can be translated as an inflation shock, which can be considered as a supply shock or a productivity shock, has positive effect on all real variables but a negative effect on inflation.

After identifying oil price shocks and food price shocks from a global level SVAR, I will use them together with Turkish macroeconomic data to see whether there is any pass-through effect. This part of the analysis can be done either with VAR's or with single equations. Dependent variables may contain important macro variables such as output, consumption, investment, headline inflation, and core inflation. In a single equation strategy, Turkish inflation will be explained in a distributed lag model where the independent variables are the lags of estimated global oil price shocks (and/or global food shocks). We can infer the dynamic effect of commodity shocks from the coefficients of the regression. Another strategy could be performing another SVAR with Turkish variables along with structural commodity shocks as exogenous variables. Now, the coefficient matrices capture responses to commodity shocks, i.e., one can see the pass-through effects in a dynamic fashion. We can understand after how many quarters and up to what extent, if at all, the effects of global commodity shocks are seen in domestic variables. And based on these impulse-responses, I can suggest a monetary policy rule, i.e., how much interest rate should be changed so that it will counter-balance the pass-through effects from the global variables in a way that inflation variables are unaffected.

In the pass-through analysis (both single equation and SVAR), one can use different measure of inflation, e.g., headline inflation vs core inflation, to see whether core inflation is also affected from the fluctuations in the commodity shocks, even though by definition it excludes food and energy prices. I suspect that it might be the case, because

especially oil enters in every step of production, that is, oil is part of production costs of the firms. In this respect, shocks to oil prices will be seen in non-energy prices with after a certain period of time. It is not clear that a central bank should target only the core inflation. (early World Economic Outlook reports of IMF suggested targeting only the core inflation instead of headline. However, they changed their view in the recent reports.)

As a conclusion, to the best of my knowledge, this policy paper will be the first one in the literature analyzing the pass-through effects into the Turkish economy from the pure global commodity shocks perspective. Being able to identify global level uncorrelated structural shocks, as opposed to using global level prices as exogenous variables, help Central Bank of Turkey to conduct a more effective monetary policy to stabilize the inflation.

Kerem Tuzcuoğlu was born in 1985 in Istanbul. He attended Çağaloğlu Anadolu Lisesi, after which he studied at the Mathematics Department in Boğazici University. He has received M.A. degrees in economics from both Koç University and Ohio State University. He is currently pursuing his PhD studies at the Department of Economics in Columbia University, New York, with an expected graduation in 2017. In the summer of 2014, he gave consultancy on advanced data analysis techniques to Medivo Inc., which is a start-up firm in health industry in New York. In the summer of 2015, he is doing a PhD internship at the Bank of England in the Conjunctural Assessment and Projections Division, under Monetary Policy.

His research is focused on econometrics, time series analysis, and applied macroeconomics. His working paper "Interpreting latent dynamic factors by threshold FAVAR model" is an applied econometric research, which could help analyzing the dynamics of economy through interpretable factors in a reduced form model and thereby offers a better monetary policy and fiscal stability for central banks. His other working paper "The Pass-through of Global Commodity Shocks in Emerging and Advanced Economies" is about how global demand, supply, oil prices, and food prices affect the prices in domestic economies. The paper analyzes around 30 countries to draw conclusions about country-specific reaction (especially that of inflation) to global shocks. In his PhD thesis, he focuses on theoretical and applied aspects of a relatively new estimation technique, that has become famous in the last 5 years in bio-statistics to analyze complex systems. He borrows this new technique from statistics literature, develops it in a suitable way to estimate complex economic dependencies. The economic application of this new technique will be assessing the probability of defaults in a dynamic environment.

PLANNING FOR POST-WAR RECONSTRUCTION AND URBAN FLEXIBILITY IN CONFLICT-TIME

Gruia Badescu

Department of Architecture, University of Cambridge

Contemporary conflict takes place less on the battlefield as more inside cities and communities. War inflicts human casualties, but it also destroys the built and the social fabric. The conflict in Syria, for instance, inflicted severe destruction of the urban built environment, from residential quarters to souqs and historic monuments. Furthermore, major displacement has led to the growing presence of refugees from Syria in adjacent areas like Hatay and Lebanon to Istanbul and beyond. Elsewhere, from Eastern Ukraine to Congo to Colombia, various forms of conflict destroy built environments and push people out. Destruction and the need for reconstruction is a very important issue on the global agenda. However, the examples of reconstructions after recent wars are beset with problems, criticized from a variety of positions, while they do offer some good practices. My research in Lebanon, Bosnia and Herzegovina and Serbia explored what are the challenges and opportunities for architects, planners and policy makers to shape an urban post-war reconstruction that is better experienced by residents and displaced people alike. This policy paper will build on my research on urban reconstruction to highlight challenges, opportunities and actions for reconstruction in Syria and emplacement in Turkey.

The policy paper will address two situations- the case of cities which underwent destruction and the case of cities which received significant numbers of refugees/ internally displaced people. It is important to mention that cities in the first category, with an already damaged housing stock, are often also recipient of internally displaced people, which creates additional challenges for shelter provision. The policy paper will discuss reconstruction as an opportunity to plan for the future- accommodating infrastructural and functional improvements. Moreover, it will address reconstruction as a way to deal with the past in a sensitive manner, both in relationship to the recovery of urban landscapes and to the experience of residents and displaced people alike. The policy paper will first outline the timeline of reconstruction in destroyed cities- what emerges to be urgent in cities after war and what can be planned in medium and long term. In a second section, the paper will discuss in detail the issue of shelter provision in both destroyed cities and recipient cities elsewhere. Thirdly, the paper will discuss the challenges, opportunities and actions in recipient cities, which I will frame under the umbrella of urban flexibility and resilience.

The policy paper outlined above will draw from the experience of Balkan and Middle Eastern cities in order to shape future action in places like Syria – for a responsible urban reconstruction- and the adjacent regions in Turkey- for a sensible approach for temporary shelter for refugees and an urban planning approach concerned with urban flexibility and resilience. Reconstruction is a timely and important topic for the global agenda and planning as the conflict situation is unfolding will enhance better experiences for the many affected people.

Gruia Badescu is a PhD candidate at the Centre for Urban Conflicts Research, Department of Architecture at the University of Cambridge. He carried extensive research on urban post-war reconstruction in Lebanon (2009-2010), Bosnia and Herzegovina (2009, 2012-2015) and Serbia (2012-2015). A graduate of the LSE Cities Programme (2009), Gruia's research and practice integrated urban design with insights from social sciences. In the past years, he focused on the situation of the internally displaced persons and refugees in reconstruction. Gruia was a visiting scholar in 2013-2014 at the Center for Research on Displaced People and Refugees (CESI) at the University of Sarajevo. Beyond academic research, he worked on evidence-based policy, ranging from integrated urban development projects and strategies for municipalities in Southeastern Europe and the Caucasus to policy recommendations working for national ministries as a World Bank Consultant.

PERCEIVED INCOME INEQUALITY AND CORRUPTION

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The theories linking income inequality to corruption are numerous, yet economists mostly fail to support them with empirical evidence. Many econometric studies find no significant relationship between the two. Jong-Sung and Khagram (2005) argue that insignificant results are caused by the potential biases associated with measurement error, omitted variables and reverse causality; and conclude that with an instrumental variable approach, it can be demonstrated that higher income inequality does indeed lead to higher corruption. Thus, the lack of significant results appears to be a methodological concern. However, in this policy paper, I will argue that the primary reason why empirical studies fail to establish a relationship between income inequality and corruption is the conceptual difference between income inequality and its perception.

Corruption in the public sector is the result of an interaction between two agents: a public official and a private individual. A public official takes into account several different factors when he decides to engage in corruption. If income inequality is theorized to be one of those factors, it is essential to take into account that agents are subject to a veil of ignorance, especially in matters relating to distribution of income. A public official will not have perfect information on the distribution of income; instead he will rely on his own perceptions drawn from a sub-sample of the population. These perceptions are formed by experiences over time with the limited information that the economic agents possess. Latest studies on the subject demonstrate that systematic biases exist in individual's perceptions of inequality. Failure to address these biases might be causing the lack of supporting evidence to theories linking income inequality to corruption.

This policy paper will first analyse income inequality's relationship to corruption using data on the perceptions of inequality and then examine the link in a laboratory experiment through a new extended ultimatum game conducted in Istanbul Bilgi University, where the biases between perceptions and actual inequality are removed.

Çınar Baymul is a DPhil candidate in International Development at the University of Oxford. He holds an MSc in Development Economics and Policy from University of Manchester and a BA in Economics from University of Strasbourg. In his doctoral thesis, Çınar conducts research on the impact of income inequality and its perception on corruption. He currently works as a consultant for United Nations University in their World Income Inequality Database project and previously worked for the World Bank.

CYBER WARFARE AND INTERNATIONAL LAW

François Delerue

Department of Law, European University Institute

Cyber security constitutes nowadays an important stake for global security. The media constantly reports cyber operations targeting, and sometimes seriously affecting individuals, companies, and States. Most states in the world are aware of these risks and undertake actions against them. Moreover, at the international level, the United Nations (UN), the International Telecommunication Union (ITU) and the North Atlantic Treaty Organization (NATO) are particularly active on these questions.

The current debate and work focuses mainly on cyber threats arising from non-state actors. Cyber threats arising from States or their proxies should not be, however, neglected. The most damaging examples of cyber operations, such as the Stuxnet worms which physically damaged an Iranian nuclear plant or the large scale cyber attacks against Estonia and Georgia, are alleged to be state-sponsored.

State-sponsored cyber operations are generally referred to with the term 'cyber warfare', generally describing the recourse to cyber means by one State against another. It is neither a legal nor a prescriptive term; it however reflects the disproportionate focus on the realm of warfare.

Focusing on the realm of warfare is not accurate and leads to the incorrect qualification of cyber operations. Most state-sponsored cyber operations are indeed taking place in a situation of peace between the attacking and targeted States and do not amount to warfare per se. In order to qualify them and to place them in the wider legal framework we must look beyond the realm of warfare. Employing the qualifications of inimical, unfriendly or unlawful cyber operations—depending of the circumstances – seems more appropriate in these cases. Most state-sponsored cyber operations are indeed not breaking the prohibition of the use of force or the law of armed conflict, but are indubitably violating the territorial sovereignty of the targeted States. Moreover, in some circumstances, they might constitute a violation of the principle of non-intervention. Furthermore, state-sponsored cyber operations against another State may breach human rights norms, and notably the right to privacy of the targeted State's citizens.

My contribution and policy paper for the GRF will develop the different possible qualifications for state-sponsored cyber operations. It would furnish policy makers with

the necessary elements and background information to analyze situations and find the most appropriate political, strategic and legal answers.

The recent hack of Sony Pictures Entertainment in 2014 give a good example of situation that my policy paper intends to avoid. United States officials alleged that the attack was sponsored by North Korea; North Korea has, however, denied all involvement. It has been argued that this event constituted a new form of warfare, for instance by US Senator John McCain; this qualification was however ruled-out by President Obama.

My contribution will demonstrate the wide range of qualifications for state-sponsored cyber operations. Avoiding a hasty or overly simplistic qualification of a situation as cyber warfare is also important to avoid escalation, as we saw between the US and North Korea.

François Delerue is Ph.D. candidate at the Department of Law of the European University Institute (EUI – Florence, Italy). His doctoral research is about state-sponsored cyber operations and international law. His particular research interests include new technologies and their implications for international law and international relations. He holds an LL.M. in International, European and Comparative Law from the EUI and a Master Research in International Law and International Organizations from the Sorbonne Law School (Panthéon Sorbonne University, Paris, France). He was visiting scholar at Columbia University for the fall term 2014.

COMPARING THE PERCEPTIONS OF IRAN AND INDIA'S NUCLEAR POLICIES

Deepshikha Kumari

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Over the years, several studies have discussed why India acquired nuclear weapons in the context of a security model, domestic politics, as symbols of status and prestige as well as the role of international norms. However, less attention has been given to understanding India's quest for an international nuclear legitimacy and a desire to be seen in a particular way after 1998. This policy paper seeks to explain the manner and ways in which India has managed to acquire a certain degree of quasi-nuclear legitimacy for its possession of nuclear weapons after its official nuclear tests in 1998. The paper will trace the path that the Indian government followed after 1998 leading up to the India-specific NSG waiver in 2008 offering an in-depth analysis of the legitimization strategies employed by the Indian government between 1998-2008 to assuage international apprehensions about its possession of nuclear weapons.

To do so, I ground my conceptualization in the theoretical framework of constructivism to develop a theoretical concept of International Nuclear Legitimacy (INL) along five dimensions, namely— (I) Nature of government and nuclear policy; (II) International norms and playing by the rules; (III) The idea of a responsible nuclear state; (IV) Scientific competency and credibility of nuclear establishment; (V) De-Facto recognition and procedural legitimacy— that provide the theoretical framework to trace and outline India's legitimacy claims and strategies. Additionally, the paper sheds light on some of the contextual factors that contributed to, and enabled the shift in international perception towards India after 1998; and by contextualizing the “why” I explain “how” a shift in the international responses towards India actually came about. The paper thus lays out the substantive challenge that India faced as a non-NPT state and the ways in which the Indian government dealt with this in the period that followed the 1998 nuclear tests, ultimately acquiring a certain degree of acceptance and nuclear legitimacy at least for its possession of nuclear weapons. Following from the Indian example, the paper will shed light on whether other nuclear outliers, for example Iran and Pakistan can follow suit, and if so, how and in what ways. Finally, the paper will highlight the implications this may possibly have for the future nuclear order and the nuclear order we might expect to see in context of the above developments.

Some of the theoretical and practical significance of my research are as follows. Firstly, by emphasizing the role of norms of the non-proliferation regime as enabling alongside constraining, the findings of the study enhance our understanding of the ways in which the normative framework of the nuclear non-proliferation regime allows for India and

possibly other States to engage in a kind of dualistic behavior: That of remaining outside the NPT alongside making claims to responsible behavior. Secondly, the research explains how legitimacy works as a reciprocal concept, that is, state-actors may make certain legitimacy claims but such claims must be socially recognized by the relevant audience for legitimacy to be produced. Thirdly, India's case may assist in possibly predicting the nuclear behavior of States particularly, Iran and Pakistan that may employ similar strategies to acquire acceptance and seek recognition for their nuclear claims and program. Importantly, the study sheds light on how and why similar claims made by different States are received and responded to differently by the same States in the international audience. It also provides insights to how similar claims made by the same State at different points in time are received differently. Fourthly, in the global context it also adds to the growing literature on nuclear order by discussing the implications these developments have for the nuclear order in the next five to ten years. It also sheds light on the limitations and/or possibilities for role that India is willing and will be able to play in a changing nuclear order.

Deepshikha Kumari is currently a DPhil (PhD) Candidate in International Relations at University of Oxford, U.K. Her PhD thesis is titled 'India's Legitimation Strategies and the International Responses (1998-2008). With a first Masters degree in Political Science and a second Masters degree in Global Governance from Oxford University, Deepshikha has over eight years of experience in the field of International Relations and Political Science. With training in qualitative and quantitative methods in social sciences, Deepshikha wrote her masters thesis at Oxford under the supervision of Dr. Rodney Bruce Hall titled "Legitimacy Deficits and the Balance of Moral Power in Global Governance."

Deepshikha has also served as a Disarmament Intern at the United Nations Office for Disarmament Affairs (UNODA) under the supervision of Dr. Randy Rydell. In her capacity as an intern she assisted in drafting at least three official remarks for the High Representative. With a flare and passion for writing, Deepshikha has written several columns on international affairs and nuclear issues for an India-based magazine, Governance Now. She received a full scholarship to attend the 2014 Summer Workshop on WMD's organized by the Asser Institut and the Organization for Prohibition of Chemical Weapons and has been a recipient of several awards and scholarships for academic excellence with proven track of leadership qualities. Deepshikha was also the Queen Elizabeth House Scholar at Oxford between 2007-2008. In the past, Deepshikha has also worked as a writer/correspondent at The Economic Times, a leading newspapers published in India and also served as one of the youngest members of the core strategy team at the same company. Drawing upon her writing and communication skills, she briefly worked as a Brands and Marketing consultant for Healthcare initiatives for a leading private corporation in India. Deepshikha is fluent in Hindi and English, both oral and written.

CENSORSHIP IN CONTEMPORARY TURKISH CINEMA

Pelin Kıvrak

Department of Comparative Literature, Yale University

Turkish cinema, since its inception, has operated within a complex convergence of internal and external influences and adjusted itself to the context of restless political change in the country. Several recent incidents of film censorship in Turkey stimulated debates about rights-based arguments for intellectual freedom and indicated the need to re-consider the conditions under which existing cultural regulations were being implemented nationwide. The overall government strategy calls into question the interactions between implicit, explicit, self-inflicted and market-generated forces of regulation that re-affirm or challenge the common assumptions about censorship as a paradigmatic and anti-intellectual attack on free speech.

The goal of this project is to 1) survey a variety of philosophical arguments and ethical theories concerning censorship and intellectual freedom in order to define principles to differentiate between cultural regulations that aim at establishing an ideal state of nation and oppressive forms of censorship that threaten the social order, 2) investigate the role and internal structure of national boards, reviewing committees, codes and other forms of self-censorship such as the Motion Picture Production Code (USA) that are instrumental in anticipating any possible formation of a state-based censoring agency, 3) suggest a potential model for Turkey to implement strategies that would generate transparent dialogues between film-makers and both local and ministry-based censorship authorities to reconcile the reflective sensibility of the Turkish nation with free artistic expression.

Born and raised in Turkey, Pelin Kıvrak graduated from Koc High School in 2007. She received her BA degree with Honors in Literature from Harvard University in 2011. After graduating from college, She worked as an assistant to Orhan Pamuk at the Museum of Innocence in Istanbul. She is currently pursuing a PhD degree in the Department of Comparative Literature at Yale University. Her research interests include the history of the novel, modernism(s), serial fictions, world literature and literary theory.

A EUROSIAN VECTOR IN TURKISH FOREIGN POLICY

Chris Miller, Ph.D.

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What factors drive Turkey's policy toward Eurasia? How have these been shaped by Turkey's historical experience? And what can we expect from the current Turkish government? These are the questions that will motivate my research.

Turkey is often described as a 'bridge' between East and West, with the East usually referring to the Middle East. In recent years, many analysts have claimed that Ankara is following a 'neo-Ottoman' foreign policy, bolstering the notion that Turkey is torn between Europe and the Middle East. Yet in addition to Europe and the Middle East, Turkey has long had a third foreign policy orientation—Eurasia—that encompasses the Caucasus, the Black Sea, Central Asia, and beyond.

An array of geopolitical developments, from the rise of Asian economies to the Kremlin's assertion of geopolitical primacy across the former Soviet Union, have brought the question of Eurasia to the fore of global political debate. At times in recent years, Turkey has also gestured toward a Eurasian orientation, by suggesting that it might join the Shanghai Cooperation Organization, boosting energy ties with Azerbaijan and the Turkic countries of Central Asia, and seeking closer relations with China.

My research project will begin by suggesting that a 'Eurasian' vector in Turkish foreign policy thinking has deep roots. From the founding of the Turkish Republic, some Turkish intellectuals and political leaders have seen advocated a Eurasian path as a means of avoid the perceived backwardness of the Middle East and the domination of the West. Understanding the roots of these ideas is crucial to making sense of their salience in Turkish domestic politics.

Then, my paper will analyze the driver of Turkey's policy toward Eurasia today. The most significant relationship Turkey has is with Russia, a country with which it has had complicated long-term relationships. Today Turkey and Russia spar over influence in the Black Sea and the Caucasus. At the same time, Russia's role a key energy supplier for Turkey means that the two countries area also interdependent.

At the same time, Turkey has other relations with key Eurasian countries that are also significant. In Ukraine, for example, Turkey has fluctuated between voicing support for Crimean Tatar communities suffering from Russian rule while trying to avoid unduly angering Moscow. The paper will also examine Turkey's relations with the countries of

Central Asia, which have ethnic and linguistic similarities to Turkey, but whose ties with Turkey have consistently disappointed supporters.

Finally, the paper will analyze Turkey's policy in the Caucasus, where Ankara has to contend not only with Russian influence, but also with the power of Iran. Here, too, Turkey has historic and cultural links, above all with Azerbaijan. But trade ties with Georgia are no less important.

Both in Turkey and among foreign observers, Ankara's foreign policy is too often seen as a simple fluctuation between the Middle East and the West. Certainly that is an important axis on which to analyze Turkish foreign policy, but it is easy to overestimate its significance. My paper will conclude by suggesting that it is equally important to take account of Eurasian vectors in Turkish foreign policy.

Dr. Chris Miller is the Associate Director of the Brady-Johnson Program in Grand Strategy at Yale University as well as a Fellow at the Foreign Policy Research Institute. He recently finished a book titled "Collapse: The Struggle to Save the Soviet Economy". He is currently working on several new book projects examining Russian politics, economics and history. Dr. Miller has served as a Research Fellow at Stanford's Hoover Institute, a visiting researcher at the Carnegie Moscow Center, a Research Associate at the Brookings Institution, and as a lecturer at the New Economic School in Moscow. Publications include "Economic Take Off or Great Leap Forward: Soviet Assessments of Chinese Economic Reforms during Perestroika" and "Income Inequality and Public Policy." He received his PhD and MA from Yale University and his BA in history from Harvard University.

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