

MARCH
2016

Monthly Brief

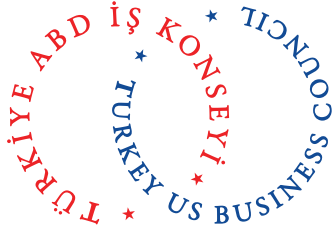
U.S. Politics, Economy and Business



TAİK ³⁰_{YIL}
20th YEAR



DIŞ EKONOMİK İLİŞKİLER KURULU
FOREIGN ECONOMIC RELATIONS BOARD



TAİK³⁰_{YIL} 25YEAR

Monthly Brief

U.S. POLITICS, ECONOMY AND BUSINESS

ABOUT DEİK

Foreign Economic Relations Board of Turkey (DEİK) is responsible for leading foreign economic relations of Turkish private sector in a myriad of sectors particularly foreign trade, international investment and services, international construction activities and logistics, exploring inward and outward investment opportunities as well as increasing the export volume of Turkish business and coordinating similar business development activities.



ABOUT TAİK

The Turkey-U.S. Business Council (TAİK), operating under the umbrella of the Foreign Economic Relations Board of Turkey (DEİK) was formed in 1985 as the first council, with the aim to enhance trade and investment relations between the U.S. and Turkey

TAİK operates with a mission to create platform to facilitate development of economic relations between the U.S. and Turkey through its wide spectrum of activities such as conferences, forums, business summits, lobbying visits, networking luncheons and dinners, educational site visits, etc. With its broad range of activities and worldwide network, TAİK represents a role model for other organizations in pursuit of similar goals.



TABLE OF CONTENTS

- ECONOMICS

- U.S. RELATIONS

ECONOMICS

ERDOGAN: U.S. SHOULD INVEST MORE IN TURKEY

Twenty one CEOs of American Fortune 100 companies met with Turkish President Recep Tayyip Erdogan and Turkish ministers in a roundtable meeting hosted by the Investment Support and Promotion Agency (ISPAT) and the Turkey-U.S. Business Council (TAIK) of Turkey's Foreign Economic Relations Board (DEIK).

The meeting was followed by a gala event celebrating the decades-long strategic relations between the two countries. Building on a strong political foundation, the commercial relationship has reached \$20 billion in annual trade flow and nearly \$50 billion in accumulated investments in Turkey by American companies¹. Both events transpired at the Andrew W. Mellon Auditorium, a symbolic venue that hosted both the establishment of NATO as well as the signing of NAFTA, which heralded the beginning of an era of open markets and free trade.

“

We are delighted that so many top U.S. business leaders have seized the opportunity to meet with President Erdogan,” said Ekim Alptekin, Chairman of TAIK. “Our countries have a long history of successful partnerships. Today Turkey is home to over 1,000 American businesses² that employ more than 60,000 people.¹” ISPAT’s President Arda Ermut added, “The participation of these prominent members of the American business community serves as a testament to their confidence in the Turkish economy and the continued opportunities it offers.

”

At the roundtable meeting, topics discussed included the benefits of investing in Turkey due to the country’s vibrant economy and generous investment incentives. For example:

- Turkey’s geographic location positions it as a strategic commercial hub for the region, where businesses can take advantage of opportunities stretching from Central Asia to the Caucasus, the Middle East and even Africa;

-
- Turkey is the 18th most populous country in the world as of 2013, with 41% of its population aged 24 years or younger³;
 - Since 2002, Turkey has attracted more than \$165 billion of Foreign Direct Investment, including \$16.4 billion in 2015, representing an increase of 32 percent compared to 2014⁴;
 - Turkey's economy has averaged 5% growth since 2002 and is forecasted to grow 4% in 2016, spurring a sharp increase in infrastructure investments and consumer spending²;
 - For instance, a third bridge across the Bosphorus Strait and a third airport are under construction in Istanbul, along with plans to expand Istanbul's rapid transit system
 - Turkey has undertaken measures to enhance its prospects for EU membership, leading to market reforms and the adoption of European legislative and administrative standards²; and
 - Turkey has implemented investment incentives schemes designed to facilitate and encourage global investments such as tax exemptions, land allocations, interest rate support and R&D support.

Several CEOs in attendance at the roundtable provided insights regarding their company's success in Turkey:

“

Citi was among the first foreign banks to establish a presence in Turkey, and since 1975 we have been on the ground working with Turkish companies as they expand regionally and globally,” said Michael O’Neill, Chairman of Citi. “Citi is proud of its long presence in Turkey, a very important market for the global economy with its qualified labor force, advantageous geographical location, large domestic market and young, educated population.

”

“

Turkey is critical to the growth of **Coca-Cola** globally. We’ve been in Turkey since 1964. Today Coca-Cola Icecek (CCI) has expanded to serve more than 370 million people across 10 countries in the region,” said Muhtar Kent, Chairman & CEO of The Coca-Cola Company. “We’re proud of our success in Turkey and in the surrounding region. This was possible due to the rising GDPs and promising demographics, particularly in Turkey

”

“

Honeywell is very committed to Turkey and believe the future is very bright,” said David M. Cote, Chairman and CEO of Honeywell. “Honeywell is a major supplier of advanced aviation technologies to Turkish airlines; our integrated airport technologies are helping Istanbul New Airport drive higher levels of customer satisfaction; and we partner with leading Turkish EPCs to drive joint business in surrounding countries. The country’s geopolitical position, expanding GDP, and educated talent pool make it a desirable location for us to build and an opportunity for long-term growth at Honeywell.

”

A sampling of other companies that participated in the roundtable include **Baker & McKenzie, Boeing, Dow Chemical, Lockheed Martin** and **PricewaterhouseCoopers**.

- Turkish President Recep Tayyip Erdoğan has called on U.S. businesses not to hesitate in investing in Turkey.
- “I am inviting you from this platform to invest more in Turkey,” Erdoğan said on March 30, addressing Turkish entrepreneurs’ concerns about investing in the U.S. that are related to legislative differences, competitive environment and geographical distance.
- “I am calling on our entrepreneurs to think big, make firm plans for the middle and long run, establish partnerships with local firms and expand your commercial network to this side of the ocean,” Erdoğan said during a meeting with leaders of forthcoming U.S. businesses.
- Trade between Turkey and the U.S. hit \$17.5 billion in 2015, while \$150 billion moved between Ankara and Europe during the same period, according to Erdoğan.
- Turkish and American business professionals need to help expand the trade between Turkey and the U.S., said Erdoğan.
- “So far there is no businessman who regrets investing in Turkey or has been exposed to unlawful policies or had difficulties in using his commercial earnings in Turkey,” Erdoğan said. “It is a reality that there are some problems in our region and that they have some adverse effects but this will never stop Turkey on its journey toward its goals.”
- The Turkish leader said his country wants the economic relations between the U.S. and Turkey to be on the same level as the political relations of the NATO allies.
- “It is not possible to say that we have fully realized the potential economic and commercial cooperation between the two countries,” Erdoğan said. “We have great expectations from you esteemed representatives of prominent American companies as well as Turkish entrepreneurs to recover this short-fall.”
- The U.S. is Turkey’s fifth largest export market, the Economy Ministry said, exporting goods and services worth \$6.4 billion in 2015, making it the 33rd biggest supplier to the U.S. market.
- Turkey’s imports from the U.S. were valued at \$11.1 billion.
- The U.S. has been listed as a target country for 2016 by the Economy Ministry.

THE MOST INFLUENTIAL TURKISH-AMERICAN WOMEN WERE NAMED

- TURKOFAMERICA has selected the most influential Turkish-American women. They looked at their resumes, websites and conducted interviews. When the names were shortlisted, they looked at their presence in the U.S. media, how they exercise power within their organization or in public and the importance of the woman's business in the U.S. economy.
- The list includes entrepreneurs and visionary CEOs, celebrity role models and pioneer philanthropists who are changing the world.
- The Award ceremony was held on March 17, 2016 in New York to honor 30 influential women leaders from across U.S. and determine the winner.
- These are the women who participated in the event: Ertan Yalçın, Turkish Consulate General of New York, Carolyn Maloney, US Congresswoman, Arzuhan Doğan Yalçındağ, Chairperson of Doğan TV Holding, Hamdi Ulukaya, Founder of Chobani, Vuslat Doğan Sabancı, Chairwoman of Hurriyet, President of the Manhattan Chamber of Commerce Nancy Ploeger, Turkish Philanthropy Funds Chairman Mustafa K. Abadan, a delegate of the Women Entrepreneurs Association of Turkey (KAGIDER) and the Women and Democracy Association (KADEM) participated in the awards ceremony.

TURKEY-BASED AUTOMOTIVE GIANT SET TO SELL NEW SEDAN TO AMERICA

- Tofaş, a joint venture of Turkey's Koç Holding and Italy's Fiat Chrysler Automobiles (FCA), is set to sell the Fiat Aegea sedan to the Americas.
- The Fiat Aegea, which is manufactured in the Tofaş facility in the northwestern province of Bursa, will be exported to the Mexican market in the initial stage under the name of "Dodge Neon."
- Koç Holding Automotive Group was named the best company in Europe in 2015, and its new Fiat Aegea was named best car by AUTOBEST, one of the world's most prestigious international automotive award ceremonies in December 2015.
- The award-winning Koç-FCA compact sedan is sold under the name "Tipo" in Europe, the Middle East and Africa. But in Turkey the car has been so successful that it will keep the name "Aegea" (Egea), inspired by the Aegean Sea.
- "We will start to export the Dodge Neon to Mexico this year from Bursa. The exported cars will only be with gasoline engines," said Tofaş CEO Cengiz Eroldu.

TURKISH EXPORTS INCREASED IN MARCH

- Turkey's exports increased by 2.6 percent in March to \$11.5 billion compared to the same month of the previous year, according to provisional data from the Exporters' Assembly of Turkey (TİM).

-
- The country's exports declined by 9.8 percent to \$33.4 billion in the first three months of the year compared to the same period of 2015, showed data released by the association on April 1. The 12-month exports also dropped to \$140.3 billion with a 9.2 percent of decrease.
 - Exports increased slightly in February compared to the same month last year, after 14 straight months of decline.
 - TİM President Mehmet Büyükekşi said some slight increase in exports in the last two consecutive months have cheered exporters up, adding that the new markets will be key for a future hike in the country's exports.
 - According to the TİM statement, some positive contribution from the parity was seen in March for the first time for a long time. The exports saw around \$117 million of contribution from the parity effect, it added.
 - The largest amount of exports was made to Germany, Britain, Iraq, Italy and the United States in March, according to TİM data.
 - The automotive sector again was the top exporter, with over \$2 billion in exports in March, followed by the ready-made wear and confection sector and the chemicals sector. The biggest rise in exports was posted by the boat and yacht sector, with around 70 percent of increase in exports in March compared to the same month of 2015, followed by the jewelry sector and the defense sector.

TURKEY'S TOURISM INDUSTRY HAS A REBOUND PLAN

- Turkish tourism officials hit by plummeting Russian bookings and grim urban bombings are hoping that Madonna, Justin Bieber or Jennifer Lopez can help revive business along their sunny Mediterranean coast.
- Tourism revenue in Turkey fell 14.3 percent in the final quarter of last year and 2016 bookings point to an even more challenging year for the country's tourism industry, which accounts for about 4.5 percent of the \$800 billion economy.
- Antalya, the main city on Turkey's Mediterranean coast, will host the EXPO 2016 world horticultural fair in April. ATSO thinks some star-studded musical support could help attract visitors worried by the headlines from the volatile region.
- "EXPO 2016 should be turned into a big tourism push, for instance by organizing big concerts by international celebrities such as Madonna, Jennifer Lopez or Justin Bieber, to attract the interest of target markets," a tourism ministry report said.
- It remains to be seen whether "Bieber fever" or "Madonna madness" can calm security fears that saw booking numbers dive after a suicide bomber killed 10 German tourists in Istanbul in January, the first of several bombings in Turkey this year.
- The German travel group TUI has reported a 40 percent drop in summer bookings in Turkey. On Wednesday, German airport operator Fraport, which operates Antalya's airport, said it expected passenger numbers there to fall this year.

-
- “The outlook ... is currently characterized by restrained holiday bookings in Germany and significant declining passenger figures in Turkey as a result of the recent terrorist attacks,” Fraport’s chief executive Stefan Schulte said in a statement.
 - Antalya Mayor Menderes Türel said he wasn’t concerned about the region’s outlook since tourism was highly volatile. New markets in Iran, China and the Gulf region would compensate for the drop in other visitors, he said.
 - “The Russian sanctions aren’t the end of the world,” Türel told Reuters at a TUI event in Berlin on Wednesday.

CHOBANI REJECTS PEPSICO OFFER

- Chobani, the Greek-yogurt maker founded by billionaire Hamdi Ulukaya, has rejected an offer from PepsiCo Inc. to take a major stake in the company.
- Chobani hired Goldman Sachs Group Inc. last year to seek a strategic partner that would invest in the company and help it expand distribution and production.
- A recent offer from PepsiCo to invest in the company was shot down, effectively ending deal discussions, according to Michael Gonda, a spokesman for the Norwich, New York-based yogurt company. PepsiCo declined to comment.
- The main issue was how much of a stake PepsiCo would acquire: Chobani wanted to sell a minority stake, while PepsiCo wanted the majority of the company, according to a person familiar with the negotiations, who asked not to be identified because the discussions were private.
- When Chobani enlisted Goldman Sachs, the company was trying to get back on track following struggles stemming from a rapid expansion, which included a massive yogurt plant in Idaho. Chobani, whose sales grew to \$1 billion over its first five years on the market, lost \$115 million in the second half of 2013 as it struggled to ramp up production.
- Those issues have since been smoothed over, and the company plans to self-fund an expansion of its popular Flip line of yogurt and a move into the Mexican market.
- PepsiCo, which owns brands such as Quaker and Frito-Lay, ended a previous foray into the yogurt business in December.
- The Purchase, New York-based company announced it was closing its western New York yogurt plant, a joint venture with Germany’s Muller.
- The plant had opened in 2013.
- “In the crowded U.S. yogurt market, PepsiCo needed an established yogurt player as a partner,” Pablo Zuanic, an analyst at Susquehanna International Group, said in a report in December.

-
- Chobani LLC will undertake a major expansion to its manufacturing facility in Twin Falls, Idaho. The expansion will be used for increased manufacturing capacity to drive continued growth in the region and to meet demand for new and existing products
 - The expanded plant will help with the purchase and conversion of three product lines for Chobani Flip products, a new bulk production line for foodservice opportunities, new equipment for the company's new Chobani Meze dips and yogurt drinks, and the launch of products to new international markets, including Mexico and Puerto Rico.

ITO CHAIRMAN: TRADE BRINGS PEACE

- Trade is a bridge that can be used to foster peace all around the world, according to the head of the Istanbul Chamber of Commerce (İTO), İbrahim Çağlar.
- "Trade is one of the bridges that extends to peace. The possibility that countries that are in reciprocal trade relations would engage in war is far less than that of countries that are not conducting trade among each other," Çağlar said April 6 at the opening ceremony of the 19th Eurasian Economic Summit organized by the Marmara Group Foundation in Istanbul.
- Çağlar said countries needed to focus on trade rather than topics of conflict in order to improve relations among countries and thus achieve global peace.

TURKISH AIRLINES PASSENGER NUMBERS INCREASE BY OVER 11%

- The number of passengers traveling on Turkey's national carrier rose by 11.2 percent to 9.2 million in the first two months of the year compared to the same period of 2015, Turkish Airlines said in a written statement to the Public Disclosure Platform (KAP) on March 15.
- The number of passengers in domestic flights rose by 12.6 percent and the number of passengers in international flights rose by 10.2 percent, according to the statement. International-to-international transfer passengers also increased by 20.9 percent in the January-February period compared to the same period last year.
- In an earlier statement released on Jan. 12, Turkish Airlines said it expected its overall passenger numbers to reach 72.4 million in 2016 and sales revenues to reach \$12.2 billion in 2016.
- In another news, Istanbul Atatürk Airport improved its service quality the most in Europe over the past year, its operator said March 1, while noting that another of its airports, Skopje Airport, had been selected the best in Europe in its category.
- The ASQ program selected the TAV-run Istanbul Atatürk Airport as "the most improved airport" in Europe.
- Istanbul Atatürk Airport, which is operated by TAV Airports, became in 2015 the 11th largest airport worldwide by providing service to 61.8 million passengers over the course of the year, the company said in a written statement on April 6.
- "Maintaining its rapid growth, the Atatürk Airport provided service to 61.8 million passengers in 2015 and improved its position as one of the world's most significant transfer hubs," said TAV Istanbul General Manager Kemal Ünlü.

US-TURKEY TO PUSH DAESH EASTWARD

- U.S. officials are discussing with the Turkish military and government how the moderate Syrian opposition can push Islamic State farther east in Syria, Washington's ambassador to Ankara said on Thursday.
- "We have had some progress in recent weeks as these groups pushed further east along the border," Ambassador John Bass told a group of diplomacy correspondents. "We will continue to focus on that area," he said.
- Syrian rebel forces seized numerous villages from Islamic State near the Turkish border earlier this week. The offensive includes factions fighting under the banner of the Free Syrian Army that have been supplied with weapons via Turkey.
- A sustained rebel advance near the Turkish border would erode Islamic State's last foothold in an area identified by the United States as a priority in the fight against Islamic State.
- "There is conversation with the Turkish military and government to talk about opportunities to intensify support to those groups and to push Daesh east from the current line," Bass said, using an acronym for Islamic State.

ERDOGAN VISIT

- The US State Department and Pentagon on Tuesday ordered the families of American diplomats and military staff to leave posts in southern Turkey because of security fears.
- The move comes amid heightened concerns throughout Turkey and was accompanied by an updated travel warning advising US citizens of an increased threat of attacks, the Associated Press reported.
- The State Department and Pentagon said dependents of American staffers at the US consulate in Adana and the Incirlik airbase and two other locations must leave.
- "Foreign and US tourists have been explicitly targeted by international and indigenous terrorist organisations," a State Department statement said. "US citizens are reminded to review personal security plans and remain vigilant at all times."
- In a statement, the US military's European Command said the step "allows for the deliberate, safe return of family members from these areas due to continued security concerns in the region".
- The order comes as Turkey's President Recep Tayyip Erdogan departed for Washington on Tuesday to attend a nuclear security summit on Thursday and Friday.
- There has been intense speculation in the Turkish media as to whether Erdogan would meet Obama, amid signs of a poor relationship with the US over Syria and Turkey's domestic policy direction.
- Yet Erdogan, speaking to reporters in Istanbul before his departure, said he would have a bilateral meeting with the US president.
- "Our colleagues have planned a meeting with Obama, just as we met at the G20," he said. The two leaders last met at a G20 summit in Turkey in November.

-
- “More than 50 leaders are attending the summit upon Obama’s invitation, and we are going to talk with a majority of them. We are going to hold a bilateral meeting with Obama,” Erdogan added, saying he did not know how long the meeting would last.
 - Obama and Erdogan will hold an “informal discussion,” the White House said on Tuesday.
 - “I would expect that over the course of the visit, the president will have an opportunity at some point to have at least an informal discussion with President Erdogan,” White House spokesman Josh Earnest told reporters.
 - Earnest said the lack of a formal meeting should not be interpreted as a snub to Erdogan, noting the Turkish president will have a formal meeting with US Vice President Joe Biden.
 - Islamophobia is on the rise in the United States and US presidential candidates have targeted Muslims during the election campaign, Erdogan said during a visit to the country.
 - Speaking on Saturday at the opening of a Turkish-sponsored mosque and religious complex outside Washington, Erdogan also said recent attacks in Brussels and Paris “cannot compare” to what countries such as Turkey and Pakistan had endured over the years in terms of violent attacks by hardline groups.
 - “Unfortunately, we are in a period of rising intolerance and prejudice toward Muslims in the United States and the world,” Erdogan said.
 - “It is absolutely unacceptable to make all Muslims pay the price for the pain and horror” of the attacks on America on September 11, 2001, he said.
 - “There are still people walking around calling Muslims terrorists. I am watching with bewilderment and astonishment that some candidates still defend this position in the current presidential election in America.”
 - The Turkish leader was in the US mainly to participate in a nuclear summit in Washington.
 - “Thousands have come here to hear him speak,” Al Jazeera’s John Hendren, reporting from the mosque, said.
 - “There are Turkish flags here with the words ‘I love Turkey’ on them. He has generated some enthusiasm on an otherwise controversial trip.”

ERDOGAN CUTS RIBBON ON CULTURAL CENTER IN US

- Erdogan cut the ribbon on the \$110 million (99.5 million-euro) Diyanet Center of America on the outskirts of the US capital city Saturday, saying Muslims face growing prejudice around the world.
- “Unfortunately, we are going through a rough time all around the world,” Erdogan said. “Intolerance towards Muslims is on the rise, not only here in the United States but also around the globe.”
- Domestic political rhetoric in the US has been particularly poisonous among Republican Party presidential frontrunners, a theme that Erdogan seized upon as he condemned terrorism and those who commit violence in the name of Islam.

-
- “Terrorism will never have a religion, will never have a nation, will never have a nationality, nor will it ever have a root or ethnicity,” Erdogan said. “It is unacceptable for the Muslims of the world to be forced to pay the price of the horror and pain created by a handful of terrorists in the aftermath of 9/11.”
 - Erdogan also noted that the recent attacks in Brussels and Paris paled in comparison to the level of bloodshed that Turkey has endured with bombings in Istanbul, Ankara and the southeast.

US-TURKISH AIR FORCES WORK TOGETHER

- To better understand how each nation completes the vital air refueling mission, the U.S. Air Force and the Turkish air force flew KC-135 Stratotankers together in formation for the first time in their histories, March 8, over the Nevada Test and Training Range northeast of Nellis Air Force Base, Nevada.
- U.S. Air Force Capt. David Puchalla, 350th Air Refueling Squadron instructor pilot, flew with a Turkish KC-135 crew. Turkish air force Maj. Orcun Kus, 101st Air Refueling Squadron commander, flew with an American crew during the second week of Red Flag 16-2.
- “The Turkish air force KC-135 aircrew, maintenance and accompanying support personnel are the utmost professionals and are highly capable,” said Puchalla. “They have been an asset to Red Flag 16-2’s Tanker Task Force, and I have no doubts about their ability to fuel the fight of the future. I have witnessed nothing but the best during my flights aboard their Stratotanker.”
- The exchange during the exercise allowed the two countries’ tanker units to see their differences and similarities in how their tanker crews perform their missions of sustaining the fight and extending the global reach of their nations.
- “I am very thankful we had the opportunity to make history with this flight between our aircraft and our nations,” said Kus. “This Red Flag flight will be remembered as an example of the cooperation between allies.”
- The primary mission of Red Flag is to provide advanced, realistic and relevant training for aircrews and support personnel to think in a contested, degraded and operationally limited environment. Having coalition forces fly together during an exercise prepares them for future real-world missions.
- “The ability to interoperate air refueling operations with our Turkish allies showcases a distinct capability while demonstrating new methods of tanker employment,” said U.S. Capt. Alex Durstein, 344th ARS pilot. “The lessons learned at Red Flag will help advance integration with our NATO partners and provide future coalition combatant commanders with increased operational flexibility.”

TURKEY-ISRAEL MAKE PROGRESS ON RELATIONSHIP

- Turkish and Israeli teams made progress towards finalising an agreement to mend ties between the two countries in talks and agreed a deal will be finalised in the next meeting to be convened very soon, the Turkish foreign ministry said on Friday.
- Turkey was once Israel’s closest regional ally but ties collapsed in 2010 over the killing by Israeli marines of 10 Turkish pro-Palestinian activists who tried to breach the Gaza blockade.

-
- Turkish Foreign Ministry Undersecretary Feridun Sinirlioglu, the Israeli prime minister's special envoy, Joseph Ciechanover, and acting chairman of Israel's National Security Council, General Jacob Nagel, met in London on Thursday, the Turkish ministry said in a statement.
 - "The teams made progress towards finalising the agreement and closing the gaps, and agreed that the deal will be finalised in the next meeting which will be convened very soon," the ministry said.
 - It did not say what form a deal might take but Ankara has always insisted there can be no normalisation in ties with Israel unless its conditions for ending the Gaza blockade and compensation for the deaths of the activists are met.
 - Israel allows commercial goods into Gaza daily but limits the transfer of certain items such as cement and building materials as it fears militants will use them to build fortifications.
 - Officials describe the blockade on Gaza, which is supported by neighbouring Egypt, as a necessary means of preventing arms smuggling by Palestinian militants.

U.S. ELECTIONS

REPUBLICAN PARTY

- U.S. presidential candidate Ted Cruz's support among Republicans is about even at a national level with party front-runner Donald Trump, according to Reuters/Ipsos polling, as the U.S. senator picked up a victory in Wisconsin's primary.
- "Tonight is a turning point," Cruz declared at a victory rally in Milwaukee. "I am more and more convinced that our campaign is going to win the 1,237 delegates needed to win the Republican nomination. Either before Cleveland or at Cleveland ... we will win a majority of the delegates."
- Cruz argued that his campaign was now responsible for "the full spectrum of the Republican Party coming together and uniting" and said he -- not Trump -- is most likely general election candidate.
- Cruz's Wisconsin victory was resounding, handing him at least 36 delegates compared to six that will go to Trump. Trump continues to dominate the delegate race, with 746 pledged delegates to 510 for Cruz and 145 for Ohio Gov. John Kasich, according to a CNN estimate.
- The campaign now enters a stretch of states in the Northeast that favors Trump, including his own delegate-rich state of New York, which votes on April 19. But Trump would need to win 60% of the remaining pledged delegates to win the nomination.
- Cruz, a senator from Texas, got 35.2 percent of support to Trump's 39.5 percent, the poll of 568 Republicans taken April 1-5 found. The numbers put the two within the poll's 4.8 percentage-point credibility interval, a measure of accuracy.
- Cruz and Trump were also briefly about even early last week. But as recently as a month ago, when Senator Marco Rubio was also still a candidate, Cruz trailed Trump in the Reuters/Ipsos polling by about 20 points.
- This complicates Trump's drive toward the 1,237 pledged delegates he needs to capture the Republican nomination outright before the convention in Cleveland.
- Ohio Governor John Kasich, the only other candidate left in the race for the Republican Party nomination, placed third in the April 1-5 poll with 18.7 percent.
- Trump's support has faltered among women in particular in recent weeks. More than 70 percent of likely women voters said they had an "unfavorable" opinion of Trump, according to the rolling poll average for the five-day period ended April 5.
- Top Republicans are becoming increasingly vocal about their long-held belief that Speaker Paul Ryan will wind up as the nominee, perhaps on the fourth ballot at the Cleveland convention.
- One of the nation's best-wired Republicans, with an enviable prediction record for this cycle, sees a 60% chance of a convention deadlock and a 90% chance that delegates turn to Ryan ergo, a 54% chance that Ryan, who'll start the third week of July as chairman of the Republican National Convention, will end it as the nominee.

-
- “He’s the most conservative, least establishment member of the establishment,” the Republican source said. “That’s what you need to be.”
 - Ryan, who’s more calculating and ambitious than he lets on, is running the same playbook he did to become speaker: saying he doesn’t want it, that it won’t happen
 - In both cases, the maximum leverage is to not want it, and to be begged to do it
 - He and his staff are trying to be as Shermannesque as it gets
 - Ryan repeated his lack of interest Monday morning in an interview from Israel with radio host Hugh Hewitt.
 - Of course in this environment, saying you don’t want the job is the only way to get it
 - If he was seen to be angling for it, he’d be stained and disqualified by the current mess.
 - But Ryan, 46, a likable Midwesterner, could look too tempting to resist as Republicans finally focus on a beatable Hillary Clinton
 - He got rave reviews for a “State of American Politics” speech on March 23
 - In the “State of Politics” address, Ryan offered himself as the anti-Trump, “Politics can be a battle of ideas, not insults.”
 - On “Morning Joe” Monday morning, Joe Scarborough said that if Trump falls even one vote short of a clinch, the convention will “look for someone else”: “If Trump doesn’t get the number, they’ll say they have rules for a reason.”
 - And Karl Rove told conservative radio host Hugh Hewitt last week: “A fresh face might be the thing that would give us a chance to turn this election and win in November against Hillary.”
 - Top Republicans say “fresh face” is code for “Paul Ryan.”
 - A Ryan friend chuckled when we asked if he wants it, and pointed to last month’s address: “That was somebody who was laying out the speech that, in most cases, you’d give six months before you announce you’re going to run - when you’re going around the country, raising money for your leadership PAC.”

BREAKDOWN OF DELEGATES:

STATE OR TERRITORY	TIED TO PRES. PREF. VOTE		NOT TIED TO PRES. PREF. VOTE		
	BY CANDIDATES	ON PRIMARY BALLOT	AT STATE OR LOCAL CONVENTIONS	BY STATE OR LOCAL PARTY COMMITTEES	RNC MEMBERS
Alabama		47			3
Alaska			25		3
American Samoa			6		3
Arizona			55		3
Arkansas			12	25	3
California	169				3
Colorado			34		3
Connecticut	25				3
Delaware			13		3
D.C.			16		3
Florida			81	15	3
Georgia			73		3
Guam			6		3
Hawaii	16				3
Idaho	29				3
Illinois		54	12		3
Indiana				54	3
Iowa			27		3
Kansas				37	3
Kentucky			43		3
Louisiana			43		3
Maine			20		3
Maryland		24		11	3
Massachusetts			27	12	3
Michigan			56		3
Minnesota			35		3
Mississippi			37		3
Missouri			49		3
Montana			24		3
Nebraska			33		3
Nevada			27		3
New Hampshire	20				3
New Jersey		48			3
New Mexico			21		3
New York				92	3
North Carolina			69		3
North Dakota			25		3
No. Mariana Isl.			6		3

Ohio		63			3
Oklahoma			40		3
Oregon			25		3
Pennsylvania		54 *		14	3
Puerto Rico		20			3
Rhode Island		16			3
South Carolina			47		3
South Dakota			26		3
Tennessee		41		14	3
Texas			152		3
Utah			37		3
Vermont			13		3
Virgin Islands			6		3
Virginia			46		3
Washington			41		3
West Virginia		31			3
Wisconsin			24	15	3
Wyoming			26		3
Total	259	398	1,358	289	168
Share of total	10%	16%	55%	12%	7%

DEMOCRATIC PARTY

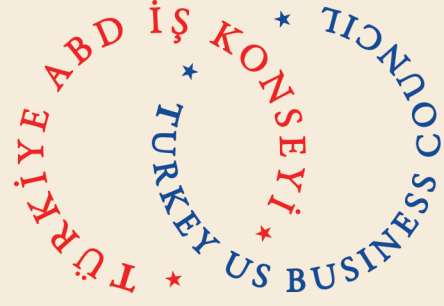
- In the Democratic race, front-runner Hillary Clinton held a nationwide lead in the poll of about 7 points over U.S. Senator Bernie Sanders of Vermont.
- Cruz and Sanders easily won their Wisconsin presidential primary contests on April 5. Sanders would still face a difficult task overtaking Clinton as the nominating contest, but Cruz's double-digit win over Trump was seen as a breakthrough for Republican Party forces battling to block him.
- Sanders is aiming to capitalize on a hot streak heading into the delegate-rich New York primary on April 19, where Clinton hopes to secure a win on home turf to maintain her big delegate lead.
- He told an enthusiastic crowd in Laramie, Wyoming, that he has "momentum" and hailed the progress of a campaign he said was written off as "fringe" last year.
- Sanders was also confident of his chances in New York, the state where he was born and that Clinton represented in the Senate.
- "Please keep this a secret. Do not tell Secretary Clinton -- she is getting a little nervous and I don't want her to get more nervous -- but I believe we have got an excellent chance to win New York and a lot of delegates in that state," Sanders said.
- Earlier Tuesday, it was clear that Clinton was moving beyond Wisconsin. She held a "Women for Hillary" town hall meeting in Brooklyn where she focused squarely on Republicans and rebuked Trump for "peddling prejudice" about women and Muslims.
- CNN's Jeff Zeleny reported that Clinton also held a fundraiser in New York City on Tuesday night before returning to her home in Chappaqua to watch the results.

-
- The former secretary of state is under intense pressure to match the fundraising of the Sanders campaign. The Vermont senator outraised her by \$15 million in March with his haul of \$44 million -- one reason, alongside his string of primary victories, why he has no incentive to get out of the race.
 - Still, he has a more complicated task than Cruz in slowing his party's front-runner, since Democratic delegates are allocated on a proportional basis rather than the winner-take-most formula used in Wisconsin by Republicans.
 - Clinton and Sanders are chasing their magic number of 2,383 delegates to win the nomination. Clinton currently has 1,778 total delegates while Sanders has 1,097 delegates, according to a CNN estimate.
 - Sanders gave an interview to Daily news, where he was asked whether family members of the Sandy Hook victims should be allowed to sue gun manufacturers, and he responded, "No, I don't."
 - "But I do believe that gun manufacturers and gun dealers should be able to be sued when they should know that guns are going into the hands of the wrong people," Sanders added.
 - The daughter of the Sandy Hook Elementary School principal who was killed at Newtown told CNN Bernie Sanders owes victims' relatives an "apology for putting the gun lobby above our families."
 - Erica Smegielski, a 30-year-old Hillary Clinton supporter, tweeted "shame on you, @BernieSanders" Tuesday after he told The New York Daily News he would not have supported the victims suing the gun manufacturers.
 - In a statement, Sanders campaign spokesman Michael Briggs didn't address Smegielski's request for an apology. But he said Sanders has a "well-deserved D- rating from the NRA while Secretary Clinton takes campaign cash from NRA lobbyists."
 - "Senator Sanders may well have lost his first campaign for Congress in 1988 because he supported a ban on assault weapons," the statement continued. "He supports President Obama's efforts to end gun violence. He voted for the legislation considered by the Senate after Sandy Hook. He has a clear and consistent record on the issue."
 - John Kerry said on MSNBC that the presidential election is embarrassing for the U.S. Kerry — who ran for president in 2004 — called comments from current GOP presidential candidates "embarrassing" for the U.S.
 - This partly stems from comments made by Donald Trump and Ted Cruz about different national and international policy issues — like wanting to ban Muslims from coming into the country or increasing patrols in Muslim neighborhoods.
 - Kerry said on CBS, "Everywhere I go, every leader I meet, they ask about what is happening in America."
 - Kerry hasn't endorsed a candidate but said he trusts America will make the right choice.
 - A US election victory by Donald Trump and reduced American involvement in Asia could force Australia to more than double defence spending to protect itself, the head of a key think tank has warned.

-
- Peter Jennings, a former Defence official who now heads the Australian Strategic Policy Institute, said that even if Australia increased defence spending from the current target of 2 per cent of GDP to 4 per cent, that would not be enough to replace the loss of direct support from its powerful ally if Mr Trump did implement his isolationist promises.
 - The US might withdraw its 25,000 troops from South Korea, the 5th Fleet from Japan and marines from Okinawa, Mr Jennings told The Australian.
 - “You’d have that sense of US disengagement — not going any further west than Hawaii,” he said. “I think that would lead the Chinese to conclude that they had carte blanche to do as they wanted as the regionally dominant power. That would leave countries like us and Japan scrambling hard to work out how to protect our own defence interests in the absence of American involvement.”
 - Mr Jennings was responding to a warning from Kim Beazley, a former Australian ambassador to the US, that if Mr Trump won the election and significantly reduced US involvement with Asia and the Pacific the impact on Australia’s security would be profound.
 - Mr Beazley said some argued that Mr Trump was exaggerating for his political base and on election he would tack to the centre.
 - “On some things maybe, but not sufficiently on the Asian agenda,” he said. “Should (Hillary) Clinton be elected, the thrust of American policy will be sustained. If Trump is elected, the future is problematic.”

REFERENCES:

- CNNPolitics
- Reuters
- Hurriyet
- TurkofAmerica



TAİK³⁰
YIL
YEAR



DIŞ EKONOMİK İLİŞKİLER KURULU
FOREIGN ECONOMIC RELATIONS BOARD

DEİK/Türkiye-ABD İş Konseyi (TAİK)

River Plaza Büyükdere Cad. Bahar Sok. No 13/10
34394 Levent/ İstanbul

Phone: +90 212 339 50 00

Fax : +90 212 339 50 65

E-mail: taik@deik.org.tr

Web : www.taik.org.tr