

TURKEY: TOWARDS A EURASIAN SHIFT?

edited by **Valeria Talbot**

introduction by **Paolo Magri**



ISPI

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Introduction

Over the last few years, Turkey seems to have embraced the East again. A number of factors have drawn the attention on Ankara's renewed Eurasian shift: Turkey's rapprochement with Russia, Erdoğan's reiterated interest in joining the Shanghai Cooperation Organization (SCO), the revitalisation of ties with Central Asian countries and closer economic ties with China, to name just a few examples. Ankara's interest in Eurasia is not new, though it has recently gained momentum in the political discourse of the incumbent Justice and Development Party (AKP). Beyond the official rhetoric of the Turkish government, Turkey's shift towards a rising Eurasia seems to be in line with the changing geopolitical environment in the Eurasian continent. This vast area is home to some of the world's most powerful and dynamic states, as well as major energy producers and developing markets. At the same time, this eastward shift is part of a multidimensional foreign policy strategy, constantly advocated by the AKP. "Diversification" is a constant theme of Turkish foreign policy, and is a key component of the "strategic depth" doctrine – developed by Ahmet Davutoğlu in 2001 – that was at the core of Turkey's external action for more than a decade. This theoretical approach goes hand in hand with an ingrained pragmatism in Turkish foreign policy calculations. In fact, geo-strategic, economic and energy interests have gained greater importance as drivers of Ankara's external action, also towards Eurasia.

While Russia remains Turkey's main energy supplier, China's Belt and Road Initiative offers great opportunities to attract investments aimed at developing Turkey's ambitious infrastructure projects and opening new routes and markets for Turkish

exports. This inevitably affects Turkey's relations with other regional players – from Central Asian republics to Iran, Pakistan and India – in terms of both cooperation and competition.

Turkey's eastward shift is also the litmus test for the ups and downs in relations with its traditional Western partners – the United States and the European Union (EU). Growing tensions with the West are encouraging Turkey to further diversify its foreign policy. This was the case in the aftermath of the July 2016 attempted coup, when ties with the EU and the US progressively soured due to mutual criticism. It became even clearer when diverging positions towards the Kurds resurfaced in the context of the war against the Islamic State (IS) in Northern Syria.

Against this background, Ankara's pursuit of a Eurasian strategy is raising doubts about Turkey's stance *vis-à-vis* its traditional Western partners, its closeness to Western-led international organisations and adherence to Western values. However, to this day Turkey still retains strong economic and security ties with the West. In the security domain, Ankara does not call into question its NATO membership, despite deeper cooperation with Russia in the security field. At the economic level, Russia and China have ranked among Turkey's top trade partners over the past few years. Still, Europe as a whole remains Turkey's largest trade partner as well as the main foreign investor in the country. Simply put, Turkey shift towards Eurasia does not imply that the country is "leaving" the West to join the East – at least not in the short term. Indeed, recent developments seem to suggest that Ankara is laying the groundwork for a further shift of its interests to the East: but it remains to be seen whether and to what extent this is the product of a strategic shift, rather than the result of a trial to balance between the East and the West.

This report aims to analyse the challenges and opportunities of Turkey's eastwards shift, addressing some key questions. What are the domestic drivers of Turkey's "Eurasianism"? What are the strategic and economic interests at stake? Who are

Turkey's main partners and competitors in Eurasia? How are Turkey and Russia reshaping their relations beyond the Syrian context? What are the main features and interests in the cooperation between Ankara and Beijing? How will the Eurasian shift affect Turkey's relations with the EU?

To better frame Ankara's policy options and actions, the first chapter by Oktay Tanrıseven focuses on a preliminary analysis of Eurasianism in Turkey. The question of Turkey's strategic orientation re-emerged in the aftermath of the Soviet collapse, with the end of the bipolar world. Eurasianist discourses became central in the early 2000s and influenced both foreign and domestic policies. More recently, Eurasianism has been adopted by President Erdoğan and his AKP as a counter-balancing act *vis-à-vis* the West, moving Turkey towards the East in search of new alliances. After framing the concept of Eurasia and Eurasianism, the author analyses Turkey's role in both Asia and Europe, arguing that the country is still Europe-oriented despite its growing economic and political ties to Asia.

In his chapter Stephen Larrabee analyses Turkey's attempts to play an expanded role in some of the newly independent post-Soviet states. The author provides insights on Turkish policy towards Central Asian republics and the South Caucasus, especially after the August 2008 Russian invasion of Georgia. In Central Asia, Turkey unsuccessfully tried to play the role of the "big brother", due to some countries' Turkic roots, while its foreign policy towards the South Caucasus was shaped by a deep concern for the potential consequences of regional instability in its neighbourhood. This led Ankara to attempt to normalise its relations with Armenia, and to enhance regional cooperation by launching the Caucasian Stability and Cooperation Platform. While these efforts have been hampered by Turkey's historical competition with Russia in the region, which escalated in 2008, Larrabee points out that over the last decade bilateral relations between Ankara and Moscow have significantly improved, especially in the energy field.

In the third chapter Carlo Frappi delves deeper into Turkish-Russian ties. Turkey and Russia cooperate and compete in most, if not all, of the following areas: trade, energy, security in the South Caucasus, relations with Europe, and the Middle East. Against this background, the author highlights the evolution of the Turkish-Russian entente, based on the “double compartmentalisation” of bilateral relations. In other words, Ankara and Moscow tend to capitalise on their common interests, i.e. convergences, keeping them well distinct from political divergences in order to avoid direct confrontation. Therefore, the author underlines how cooperation between Turkey and Russia in the Middle East is structurally weak. Future developments in Turkish-Russian relations will largely depend on whether and to what extent the current precarious equilibrium between the two countries can be preserved.

The chapter by Fabio Indeo focuses on Turkey’s role in Central Asia moving from analysing the multiple links between the two regions in terms of ethnic, cultural, linguistic and religious ties. Trade, infrastructure, energy, and communications are sectors where Turkey has deepened its economic relations with the region. Specific attention is devoted to Turkey’s economic and energy cooperation with Kazakhstan, Uzbekistan and Turkmenistan. These three cases were selected due to their importance in terms of development for transport and energy infrastructures. In the framework of the Chinese Belt and Road initiative, Turkish investments are crucial to develop trade in Central Asia and facilitate economic relations. However, Turkey’s profitable economic relations with these countries have not scaled up its geopolitical influence in Central Asia so far, partly owing to the reluctance of Central Asian countries to engage in closer political cooperation with Ankara.

The economic dimension is at the core of bilateral relations between Turkey and China, as highlighted by Valeria Talbot in the fifth chapter. Since China has emerged as a regional and international power, the prospect of re-launching ties has become attractive to Turkey. China’s Belt and Road Initiative offers great

potential for the Turkish economy with regard to infrastructure and trade – Turkey is a natural link between the East and the West. The nuclear energy sector also plays a key role to enhance cooperation between the two countries. Beyond the economic dimension, Ankara and Beijing have recently expanded their cooperation to other fields, such as security and counterterrorism. Despite this, the Uighur issue still represents a thorny issue between Ankara and Beijing. Finally, the chapter analyses the possible implications of Turkey's aspiration to join the Shanghai Cooperation Organization as a full member, since the country obtained SCO dialogue partner status in 2013.

The conclusion of this volume provides policy recommendations for the EU to cope with Turkey's shift to the East. While the prospect of Turkey's accession to the EU is not in sight, and appears more unrealistic than ever, Turkey is a key partner for the EU in the security, economic and energy domains. This should be an incentive for the EU to continue engaging with Ankara, while at the same time not giving up on the Union's democratic values and principles.

Paolo Magri
ISPI Executive Vice President and Director

1. Discourses and Politics of Eurasianism in Turkey During the 2000s

Oktay Tanrısever

This chapter seeks to explore the discourses and politics of Eurasianism in Turkey in the early 2000s and to make sense of the recent dynamics and debates regarding the sources and limitations of various Eurasianist discourses in Turkey. The chapter will also explore the debates about Turkey's orientations towards Europe and Asia, as well as the contested geographical and cultural boundaries of "Eurasia". In particular, the aim is to analyse similarities and differences among competing versions of Eurasianism in Turkey. In this context, the chapter intends to identify the main domestic drivers of Eurasianist discourses in the early 2000s specifically by focusing on the main domestic players and their geo-political strategies and projections.

Despite the increasing popularity of various Eurasianist discourses in Turkey, Turkey's Eurasianist politics has been mainly guided by a pragmatic approach to relations with Eurasian actors. It is only in this wider context that the politics of Eurasianism in Turkey have been used occasionally by various political actors for the pragmatic purpose of attracting the attention of Turkey's European and Western partners to the importance of anchoring Turkey to the European Union (EU) and the West. This pragmatic policy also seeks to reap the economic benefits of partnering with the Eurasian powers of Russia and China, as well as their regional organisations, such as the Shanghai Co-operation Organisation (SCO), in order to sustain Turkey's rapid economic development strategy through export promotion.

Conceptualisations of Eurasia and Eurasianism: one or many

Before analysing Eurasianist discourses and politics in Turkey, it is important to clarify the conceptual framework for exploring the concepts of “Eurasia” and “Eurasianism”. In fact, there are no shared definitions for either concept due to their “essentially contested” character. Since these concepts have been used differently by various scholars and in various contexts, it could be useful to start by categorising the existing conceptualisations of “Eurasia” and “Eurasianism” in order to make sense of Eurasianist discourses and politics in the context of Turkey’s politics and foreign policy in the early 2000s.

The terms “Eurasia” and “Eurasian” are closely related: the former refers to an area, while the latter refers to someone or something related to the area called “Eurasia”. Therefore, the meaning of “Eurasia” is key to conceptualise the meaning of “Eurasian”. However, the boundaries of Eurasia as an area are difficult to identify, because the geographical boundaries of Europe and Asia as separate continents are fuzzy. Usually, continents are separated from each other by bodies of water such as oceans, seas, and straits¹. For example, the Americas and Oceania are separated from other continents by oceans, while North and South America are separated by the Panama Canal, and Africa is separated from Europe and Asia by the Mediterranean Sea and the Suez Canal respectively.

Only Europe and Asia are not separated from each other by a body of water. The Ural Mountains are arbitrarily considered to be the geographical boundary between the two continents. This arbitrary definition of the continental boundary makes their borders “essentially contested”². The same applies to Eurasia’s own boundaries, since the area is located in the contested borderlands

¹ M.W. Lewis and K.E. Wigen, *The Myth of Continents: A Critique of Metageography*, Berkeley, University of California Press, 1997.

² *Ibid.*

between Europe and Asia. Hence, it is impossible to develop only one conceptualisation of Eurasia.

Currently, there are three ways of conceptualising the boundaries of Eurasia. The first covers those Asian areas where the interactions with European culture resulted in the transformation of essentially Asian cultures into relatively more Europeanised cultures, even if this hybrid culture cannot be considered genuinely European either. In other words, this conceptualisation defines “Eurasia” geographically as the area covering the territories of the Russian Federation, Mongolia, Afghanistan, Central Asia, and the Caucasus³. Not surprisingly, this conceptualisation is a Russian-centric one, since Russia’s imperialist expansion is assumed to have played a decisive role in the formation of this area as a separate geographical and cultural entity, which is destined to be united under the Russian state. Nikolai S. Trubetzkoy, one of the founding fathers of Russian Eurasianism, states this conceptualisation of “Eurasia” as follows:

The territory of Russia [...] constitutes a separate continent [...] which in contrast to Europe and Asia can be called *Eurasia* [...] Eurasia represents an integral whole, both geographically and anthropologically [...] By its very nature, Eurasia is historically destined to comprise a single state entity. From the beginning the political unification of Eurasia was a historical inevitability, and the geography of Eurasia indicated the means to achieve it⁴.

The second covers a much broader area, and refers to the overlapping territories of Europe and Asia or to the borderland between the two continents. In addition to the territories covered by the first conceptualisation, this second one geographically

³ V. Samokhvalov, “The New Eurasia: Post-Soviet Space between Russia, Europe and China”, *European Politics and Society*, vol. 17, no. 1, 2016, pp. 82-96.

⁴ N.S. Trubetskoi, *Legacy of Genghis Khan and Other Essays on Russia’s Identity*, trans. Kenneth Brostrom, Ann Arbor: Michigan Slavic Publications, 1991, pp. 164-165 cited in S. Wiederkehr, “Eurasianism as a Reaction to Pan-Turkism”, in D. Shlapentokh (Ed.), *Russia between East and West: Scholarly Debates on Eurasianism*, Leiden, E.J. Brill, 2007, pp. 39-60 (p. 53).

locates Eastern Europe, the Balkans, and Turkey in Eurasia too. This conceptualisation emphasises the co-existence of European and Asian cultures in the borderlands between Europe and Asia. Therefore, the Russian-centric conceptualisation of Eurasia, which emphasises Russian imperialist expansion, becomes inadequate for conceptualising the mutual interactions between European and Asian cultures in this conceptualisation of “Eurasia”⁵.

The third way of conceptualising Eurasia is the broadest, because it considers Eurasia to be the combination of Europe and Asia, (or the “Old World” minus Africa). This is the most inclusive conceptualisation, since it considers all areas with either European or Asian cultures as Eurasian. However, this huge area, or “mega continent”, lacks defining common characteristics to differentiate it from others. In fact, there is very little commonality between Norway and Nepal. One of the implications of this conceptualisation is the inclusion of China and Western European countries in Eurasia, making it an overly inclusive conceptualisation⁶.

Unlike Eurasia, which refers to a vaguely and culturally defined geographical borderland between Europe and Asia, “Eurasianism” is a form of discourse aimed at justifying the regional integration in the area called “Eurasia”, or the adoption of a common regional position regarding the internal or external challenges to “Eurasia”, regardless of the differences in the way that the geographical boundaries of “Eurasia” are culturally demarcated by the aforesaid three conceptualisations. Related to the concept of ‘Eurasianism’, the concept of “Eurasianist” refers to a political activist or actor with a high level of identification with the political or cultural identities, interests, or agendas promoted by the competing discourses of “Eurasianism”.

⁵ O.F. Tannisever, “Turkey and Russia in Eurasia”, in L.G. Martin and D. Kerides (Eds.), *The Future of Turkish Foreign Policy*, Cambridge, MA, MIT Press, 2004, pp. 127-155.

⁶ M. Rosenberg, “[What is Eurasia? Defining the World’s Largest Continent](#)”, *Thought.com*, 17 March 2017.

It is important to note that the existing Eurasianist discourses are closely related to post-imperialist heritages and identities⁷. For example, Russia's post-imperialist identity plays a constitutive role in the discourses of Russian Eurasianism. As Mark Bassin, Sergey Glebov, and Marlene Laruelle argue, Russia's post-imperialist dilemmas are central to making sense of Russian Eurasianism:

This multifaceted set of oppositions in Russian history – empire versus nation, Europe versus Asia, and modernity versus anti-modern utopias – has often intermingled in curious, sometimes fascinating ways, complicating the notion of Russian history in the comparative framework of European modernity. Perhaps nowhere were these complications as visible as in the doctrine and movement of Eurasianism⁸.

However, the existence of multiple post-imperialist dilemmas and challenges makes it difficult to develop consensus over one single discourse.

Not surprisingly, there are various discourses of Eurasianism, with different emphasis on cultural, strategic, and political issues. In this respect, existing forms of Eurasianism could be categorised according to the political identities, interests, and agendas of the political actors.

The first type is the *Cultural-Reductionist Discourse of Eurasianism*, in which the cultural identities of Eurasianness are constructed as the fixed and core drivers of regional integration processes in Eurasia, or as adopting a common regional position on Eurasia's internal or external challenges. This version of Eurasianism tends to justify its rhetoric by referring to uncritically conceived or essentialist notions of cultural identity,

⁷ I. Torbakov, "Neo-Ottomanism versus Neo-Eurasianism?", *Utrikes Magasinet*, 17 January 2017.

⁸ M. Bassin, S. Glebov and M. Laruelle, "Introduction: What Was Eurasianism and Who Made It?", in M. Bassin, S. Glebov, and M. Laruelle (Eds.), *Between Europe and Asia: The Origins, Theories, and Legacies of Russian Eurasianism*, Pittsburgh, University of Pittsburgh Press, 2015, p. 1.

which is assumed to transcend the time and space limitations of the existing socio-political contexts. This form of Eurasianism is mainly popular among the intellectuals interested in cultural and historical studies⁹. Nevertheless, neither strategists nor political actors find this culturally reductionist and essentialist version of Eurasianism useful to their purposes, since its main function is to essentialise the cultural character of “Eurasia”.

The second type is the *Strategic Discourse of Eurasianism*, in which the geo-political or strategic interests of Eurasian political actors are constructed into a rationalised set of strategic and tactical actions for the purpose of promoting a regional integration process or adopting a common strategic position on Eurasia’s internal or external challenges¹⁰. It is more common among strategists and experts of geopolitics in Eurasia. However, it is not usually considered practical by political actors as guidance for their actions.

According to my classification, the third type is the *Pragmatic Discourse of Eurasianism*, in which the identities, interests, and agendas of Eurasian political actors are constructed into pragmatic and eclectically-defined sets of actions seeking to achieve broader political objectives which may or may not prioritise the realisation of a regional integration process in Eurasia, or the adoption of a common regional position on Eurasia’s internal or external challenges. This discourse is more popular among political actors, since politicians tend to find such pragmatism more useful for their purposes than blindly pursuing the ideologically defined cultural reductionist or strategic discourses of Eurasianism¹¹.

⁹ For a critique of this view of Eurasianism see, M. Bassin and G. Pozo (Eds.), *The Politics of Eurasianism: Identity, Popular Culture and Russia’s Foreign Policy*, London and New York, Rowman and Littlefield, 2017.

¹⁰ For a textbook example of the geo-political and strategic version of Eurasianism see, A.G. Dugin, *Osnovy Geopolitiki. Geopoliticheskoe budushchee Rossii*, Moscow, Arktogeia, 1999.

¹¹ See M. Schmidt, “Is Putin Pursuing a Policy of Eurasianism?”, *Demokratizatsiya*, vol. 13, no. 1, 2005, pp. 87-99.

A very short history of Turkey between Asia and Europe

Historically speaking, the concepts of “Eurasia” and “Eurasianism” are also important to understanding Turkey and the Turks, which have played dual roles in both Asia and Europe for more than eight centuries. Although these roles have usually been complementary to each other, there were also times when they took on contradictory characteristics. Ottoman Turkey, which, after 1453, adopted some of the state traditions of the Roman Empire under the reign of Mehmet II, institutionally incorporated elements of the Turkish, Islamic, and Western cultures into its state-building process after the transformation of the Ottoman state into an empire in the XV century.¹² Turkey and the Turks became increasingly more Westernised and Europeanised, due to the increased interactions between Ottoman Turkey and European powers and peoples.

The initially confrontational relationship between Ottoman Turkey and European powers gave way to a pragmatic and cooperative relationship, especially after the XVII century. This culminated in the acceptance of Ottoman Turkey into the European state system at the Congress of Paris in 1856, which ended the Crimean War (during which Britain and France were allied with Ottoman Turkey against the Russian Empire). The Europeanisation of the Turkish state also progressively intensified the Europeanisation of its society and culture. Although the Ottoman Empire retained only a small territory in Europe (Eastern Thrace), Westernisation and Europeanisation remained the most powerful dynamics after the collapse of the Ottoman Empire following the end of World War I in 1918¹³.

Under the leadership of Mustafa Kemal Atatürk, modern Turkey harmonised its role in Europe and Asia while adopting

¹² H. Inalcik, *The Ottoman Empire; The Classical Age, 1300-1600*, London, Weidenfeld and Nicholson, 1973.

¹³ W. Hale, *Turkish Foreign Policy 1774-2012*, London, Frank Cass Publishers, 2012.

a modernist agenda, especially after the establishment of the Turkish Republic in 1923. Accordingly, Turkey presented its very comprehensive Europeanising reforms in the spheres of politics, economy, and culture as models for the Muslim-majority countries in Asia, from Iran to Afghanistan, according to its strategy to gain influence in Asia and become a model for the neighbouring Asian states. The Europeans were largely supportive of Turkey's role in Asia, not only during the interwar years, when Mustafa Kemal Atatürk implemented Europeanising reforms, but also throughout the Cold War years, when Turkey promoted the Western model as opposed to the Soviet-controlled communist regimes in its neighbourhood, from the Baathist regimes in Syria and Iraq to the pro-Soviet regime in Afghanistan. The Iranian revolution of 1979 proved once more the importance of the modernising model of Turkey among Asian nations, within and around Turkey's neighbourhood¹⁴.

The end of the Cold War era, with the destruction of the Berlin Wall in 1989 and the disintegration of the Soviet Union in 1991, considerably undermined Turkey's capacity to play the aforesaid role in Europe and Asia, partly because of the decline in its strategic importance. However, the disintegration of the Soviet Union in 1991 also created an opportunity for Turkey to project its economic and political influence over the predominantly Turkic post-Soviet states in Central Asia. Turkey hoped to increase its strategic importance in the eyes of the Western countries by leading the process of integrating these mostly Turkic Central Asian states into the international system¹⁵.

The discursive elements of Eurasianism started to be incorporated into the mainstream discourses of Turkey's political landscape mainly during the post-Cold War era, when Turkey redefined its role as a "bridge" between Asia and Europe for the mostly Turkic Central Asian states. The redefinition of Turkey's

¹⁴ *Ibid.*

¹⁵ G. Gleason and O.F. Tannisever, "A Bridge to Central Asia", *per Concordiam*, vol. 4, no. 3, 2013, pp. 10-15.

relations with post-Soviet Russia also played a crucial role in the rise of Eurasianism to the core of Turkey's politics and foreign policy. In this context, Turkey's capacity to promote its new role in the post-Soviet space required the establishment of co-operative relations with Russia, which enjoyed a dominant role in this region. Accordingly, during the visit of Turkey's Prime Minister Süleyman Demirel to Russia in May 1992, the Turkish-Russian Treaty of Friendship and Co-operation was signed. This Treaty stipulated that Ankara and Moscow would establish their relations on the principles of good neighbourliness, co-operation and mutual trust. This spirit of co-operation was strengthened when Russian President Boris Yeltsin participated in the Turkish-led regional co-operation initiative of the Black Sea Economic Co-operation (BSEC) in June 1992. Through this initiative, Turkey also hoped to develop stronger economic ties with Russia and other post-Communist countries in Eurasia, which were in need of Turkey's relatively cheap agricultural and semi-manufactured industrial goods¹⁶.

The end of the Cold War resulted not only in the redefinition of Turkey's international orientation but also in the rise of Turkish nationalism as a dominant political discourse in Turkey's domestic politics and foreign policy. Both the increase in PKK's (Kurdistan Workers' Party) terrorist attacks throughout the 1990s and Russia's overt support for this terrorist organisation played a crucial role in intensifying Turkey's competition for regional influence in Eurasia, despite their mutually beneficial economic relations. This competition reached its most dangerous level in the late 1990s, when Moscow and Ankara accused each other of supporting respectively the PKK and Chechen separatists. More alarmingly for Turkey, Ankara's Western allies refrained from antagonising Russia by siding closely with Turkey, whose assertive policies in Eurasia were not considered in line with Western expectations either¹⁷.

¹⁶ O.F. Tannsever (2004), pp. 127-155.

¹⁷ *Ibid.*

The post-Cold War environment provided fertile ground for the re-emergence of Eurasian discourses in both Turkey's domestic politics and foreign policy. During this period, Eurasianist discourses gained support within the civil and military bureaucracy, as well as within the leftist and conservative wings of the political spectrum, including the Republican Peoples Party (RPP), the Democratic Left Party (DLP), and the Welfare Party (WP). The quasi-Eurasianist factions within these political parties opposed the coalition between nationalists and liberals. The opposition political parties and groups were highly critical of the globalisation of Turkey, as well as of the liberalisation of its economy and its fragile security situation. Turkey's establishment of a Customs Union with the EU in 1996 attracted further criticism among the disadvantaged economic actors who were worried about the competition with European companies. These political economy dynamics and the fragility of the coalition between nationalists and liberals resulted, in the mid-1990s, in a rising influence of the Islamist Welfare Party, prompting the 1997 "post-modern coup" that established a military-backed coalition government of the liberals (Motherland Party) and social democrats (Democratic Left Party, DLP). This period came to an end in November 2002, when the relatively more pro-European and quasi-liberal Justice and Democracy Party (JDP) led by Recep Tayyip Erdoğan started to shape the dynamics of current Turkish politics and foreign policy¹⁸.

Furthermore, the emerging Eurasianist groups in Turkey experienced a major crisis in the area of foreign policy towards the end of the 1990s, when Ankara realised that it could not establish itself as a hegemonic power in Eurasia. Instead, Turkey had been attracted to the European Union (EU) which had increased its influence in its neighbourhood, including the

¹⁸ B. Toprak, "Islam and the Secular State in Turkey", in C. Balm et al. (Eds.), *Turkey: Political, Social and Economic Challenges in the 1990s*, Leiden, E.J. Brill, 1996, pp. 87-118.

post-Soviet spaces, when the EU started its accession talks with the Baltic states. Dmitri Trenin explained the factors behind Turkey's and Russia's decisions to develop better relations with the EU as follows: "the nearest pole of attraction has already emerged, and its pull will grow, drawing Ankara and Moscow in the same direction: the European Union"¹⁹. Along with the improvement of their relations with the EU, Turkey and Russia also prioritised the resolution of their differences and the development of a "strategic partnership". This contributed to the popularity of some of the Eurasianist discourses in Turkey's politics during the 2000s.

Types of Eurasianist discourses in Turkey in the early 2000s

During the early 2000s, Eurasianism (*Avrasyacılık*) became increasingly popular in the Turkish political discourse. However, intellectuals and political activists in Turkey have been conceptualising different types of Eurasianism, and there has been no consensus over its forms, styles, and contents.

At the discursive level, the existing forms of Turkish Eurasianism tend to predominantly take the form of a *strategic discourse of Eurasianism*. At the practical level, however, Turkey's politics of Eurasianism has been informed mainly by the form of a *pragmatic discourse of Eurasianism*. The weakness of cultural reductionist discourses of Eurasianism in Turkey seems to be related to the strength of Europeanisation and modernisation discourses in Turkish culture and politics. Accordingly, Turkey's processes of modernisation, Europeanisation, and Westernisation were adopted to transform an essentially non-Western non-European, non-Asian society into a Western and European one through a systematic implementation of modernising socio-cultural

¹⁹ D. Trenin, "Russia and Turkey: A Cure from Schizophrenia", *Perceptions: Journal of International Affairs*, vol. 2, no. 2, 1997, p. 65.

and political reforms²⁰. Since “Europeanisation” is seen as the ultimate target of successful processes of modernisation and Westernisation for the mainstream Turkish opinion-makers and decision-makers, the process of “Eurasianisation” has never been considered a serious alternative to the process of “Europeanisation”. The term “Eurasianisation” is not even used in political and academic discussions.

There are different strategic Eurasianist discourses in Turkey. The most popular is the Western-oriented one. Reflecting the predominantly Europeanising vision of Turkey’s traditional foreign policy line, this version views Turkish foreign policy towards Eurasia as an integral part of its relations with Western countries and institutions. Therefore, this Western-oriented discourse considers the expansion of Turkish influence in the Eurasian region to be an important factor that could attract Western support for Turkey’s ambition of joining the European Union and other Western institutions. In other words, this Eurasianist discourse represents the secular modernist vision of political elites who sought to export Turkey’s model of Europeanisation and Westernisation to the non-European parts of the world, specifically Eurasia and the Middle East. Needless to say, since the end of Cold War this version of Turkish Eurasianism has been losing relevance, and the ongoing crisis in Turkey’s EU accession process since the early 2010s is only making things worse²¹. Three other discourses of Eurasianism seek to fill the gap created by the declining importance of the Western-oriented discourse in Turkey.

The Pan-Turkist discourse considers Eurasia as the region populated predominantly by Turkic peoples, (i.e. Turkey, the North and South Caucasus, Central Asia, the Turkic regions of the Russian Federation and Northern Afghanistan). According

²⁰ J.M. Landau (Ed.), *Atatürk and the Modernization of Turkey*, Leiden, E.J. Brill, 1984.

²¹ Ö. Tüfekçi, “Turkish Eurasianism: Roots and Discourses” in Ö. Tüfekçi, H. Tabak and E. Akıllı (Eds.), *Eurasian Politics and Society: Issues and Challenge*, Newcastle upon Tyne, Cambridge Scholars Publishing, 2017, pp. 1-35.

to this discourse, Eurasia is destined to be dominated by the Turks, since their control over the central parts of Eurasia could only result in their domination of Eurasia. Contrary to the dominant tendency in the literature, equating Turkish and Russian brands of Eurasianism, the Pan-Turkist one takes a deeply antagonistic attitude towards the Russian-centric discourses of Eurasianism²². The Pan-Turkist Eurasianists consider Russia to be Turkey's main rival in Eurasia and posit that the Turks of various countries have geographical and cultural advantages *vis-à-vis* the Russians and Russia, which is considered to be a declining power in Eurasia. Accordingly, they assume that the Turkic peoples could use the unifying potential of Turkish ethnicity and culture for the realisation of their geo-political strategies in Eurasia²³. The Pan-Turkist discourse is popular mainly among Pan-Turkist intellectuals and ultra-nationalist political movements in Turkey.

There is not much convergence or overlapping between the Pan-Turkist and the Russian-centric discourses of Eurasianism. The former states that the Turkic peoples of Eurasia, including those in the Russian Federation, should free themselves from the "Russian domination", which is legitimated by the "Russian imperialist ideology of Eurasianism". The latter deems the Pan-Turkist to be a Western-backed ideology aimed at setting the Turkic peoples against the Slavs and "destroying the unity of Eurasian civilisation".

The type of Eurasianism developed by the Tatar and Kazakh intellectuals seeks to justify the European character of Tatar and Kazakh national cultures without supporting the anti-Westernist claims of the Russian-centric one. Therefore, they

²² S. Wiederkehr, "Eurasianism as a Reaction to Pan-Turkism", in D. Shlapentokh (Ed.), *Russia between East and West: Scholarly Debates on Eurasianism*, Leiden, E.J. Brill, 2007, pp. 39-60. Also see S.A. Zenkovsky, *Pan-Turkism and Islam in Russia*, Cambridge, Harvard University Press, 1960.

²³ J. Landau, *Pan-Turkism: From Irredentism to Cooperation*, Bloomington, Indiana University Press, 1995.

have considerable differences despite their seemingly similar vocabularies²⁴.

Finally, since the end of the Cold War, the neo-Ottomanist discourse has gained popularity among the traditionally conservative and Islamist parts of Turkey's political spectrum. Unlike the other discourses, the neo-Ottomanist de-emphasises the role of ethnicity while over-emphasising the role of religion. For its supporters, the "loss" of the *Pax-Ottomana* undermined the economic and political potentials of Turkey and its neighbours in the post-Ottoman space. In this sense, the revival of Turkey's influence in the highly unstable post-Ottoman space – covering the Balkans and the Black Sea region, as well as the Middle East and North Africa – could benefit all regional countries economically and politically by bringing a more sustainable stability to the region. Igor Torbakov summarises the neo-Ottomanist discourse of Eurasianism as follows:

Neo-Ottomanist construction of Turkey-centered Pax Ottomana appears to be the closest thing to Eurasianism in the Turkish context. For the ideologues of the ruling Justice and Development Party, a country with rich imperial heritage – such as Turkey – possessing significant historical and geographical depth, has a direct historical responsibility to pursue pro-active policy in its historically determined "geopolitical basin" with the ultimate objective of integrating this "Ottoman sphere"²⁵.

Although several scholars contributed to the development of this neo-Ottomanist discourse, Ahmet Davutoğlu, who is also considered the architect of Turkey's foreign policy since the mid-2000s, formulated the core elements of the discourse in a book titled "*Stratejik Derinlik* (Strategic Depth)". Davutoğlu's book adopts an eclectically-defined approach to the dilemmas of conflict and co-operation by promoting a conservative interpretation

²⁴ S. Wiederkehr (2007).

²⁵ I. Torbakov (2017).

of the culture and history of Turkey since Ottoman times²⁶.

The neo-Ottomanist and the Russian-centric discourses of Eurasianism have a very limited convergence in their focus and agenda. On the one hand, the neo-Ottomanist discourse does not directly challenge the Russian discourse, since the Turkic peoples of Eurasia live mostly outside the post-Ottoman space. On the other hand, since the long history of the Ottoman and Russian Empires had been characterised mainly by conflicts, Turkish neo-Ottomanist and Russian Eurasianist discourses retain elements of mutual mistrust²⁷.

Last but not least, the Russian-oriented discourse of Turkish Eurasianism is the most typical and well-known version. This discourse has been promoted by the leftist Worker's Party of Dogu Perincek, now renamed "Vatan Partisi". Dogu Perincek and his son, Dr. Mehmet Perincek, conceptualised this version of Eurasianism in close co-operation with the Russian neo-Eurasianist Aleksander Dugin, who advocates the rebirth of the Soviet Union/Russian Empire in a modern form. They even established an institutionalised partnership through an international NGO called the "International Eurasian Movement"²⁸. Both Doğu Perinçek and Mehmet Perinçek argue that co-operation between Turkey and Russia as the main Eurasian powers could weaken "Western imperialism" and transform the international system into a multipolar one in which Turkey could enjoy greater room for manoeuvring. For Doğu Perinçek, Eurasianism could also enable Turkey to pursue a more independent foreign policy²⁹. It should be noted that this version of Turkish Eurasianism is not very popular among the wider public.

Furthermore, both Turkish and Russian discourses of Eurasianism share several commonalities. A post-imperialist

²⁶ A. Davutoğlu, *Stratejik Derinlik*, Istanbul, Küre Yayınları, 2001.

²⁷ O.F. Tannısever (2004).

²⁸ A. Dugin, *Eurasian Misson: An Introduction to Neo-Eurasianism*, Moscow, Arktos, 2014, p. 67.

²⁹ D. Perinçek, *Avrasya Seçeneği: Türkiye İçin Bağımsız Dis Politika*, Istanbul, Kaynak Yayınları, 1996.

heritage and identity are a common source of inspiration for both. In fact, they both consider Eurasianism as an ideology to unite and empower the peoples in Eurasia by developing a common cultural identity and a geopolitical strategy for justifying both Russian or Turkish imperialist ambitions, since both Russia and Turkey are post-imperialist nations. These discourses also share the assumption that a number of Eurasian nations in the post-Soviet or post-Ottoman space are willing to accept Russia or Turkey as a “native Eurasian big brother” in order to come together and to solve their regional problems³⁰.

It is important to note that only one version of Turkish Eurasianism (Doğu Perinçek leftist version), has been influenced by the Russian Eurasianist discourses. In fact, the majority of Turkish Eurasianist discourses have considerably differed from the Russian. Unlike the main types of Turkish Eurasianism, the dominant types of Russian Eurasianism are quite anti-Western. According to the Russian Eurasianists, the Russian Federation should play a leadership role for the all other post-Soviet states in Eurasia. The Turkish Eurasianists instead do not seek a leadership role for Ankara in Turkey’s neighbourhood in the post-Ottoman space and the Turkic-populated areas of Eurasia. Turkish Eurasianists simply seek to deepen Turkey’s co-operation with these states without declaring them under its exclusive sphere of influence³¹.

It is important to note that these discourses of Eurasianism are not very influential among intellectual movements in Turkey. Many of them remain unnoticed or marginal in the wider intellectual debates surrounding the politics of identity in Turkey. The aforesaid Turkish discourses of Eurasianism gained popularity mainly through their pragmatic use by various politicians in the early 2000s.

³⁰ O.F. Tannisever (2004).

³¹ *Ibid.*

Politics of Eurasianism in Turkey in the early 2000s

It is through Eurasianist politics that, in the early 2000s, Eurasianist discourses became central in Turkey's debates on domestic politics and foreign policy. It is possible to identify two main periods in which Eurasianist discourses influenced the policies of Turkish politicians. Between 2002 and 2012, such discourses were employed mainly by the opposition political parties, movements, and intellectuals, while between 2013 and 2017 Eurasianism has been pragmatically adopted by President Erdoğan and the JDP in order to criticise Turkey's Western partners for their policies towards Turkey and to find new allies in the Eurasian region.

Between 2002 and 2012, Turkey's Eurasianist politics were characterised by debates on Turkey's Europeanising reforms; the nationalists used Eurasianist discourses in order to criticise these reforms. After Turkey became a candidate for EU membership in 1999 and Ankara started EU accession negotiations in 2005, Turkey embarked on the implementation of comprehensive reforms that transformed not only Turkey's key legal documents, including some parts of the Constitution, but also its socio-economic policies, as well as foreign and security policies. This process of Europeanisation polarised Turkish political groups into Europeanists (*Avrupacılar*) and Eurasianists (*Avrasyacılar*), thus enabling the Eurasianists to move to the centre of political contestation for the first time in Turkey's modern history³².

Meanwhile, the JDP succeeded in forming a very broad coalition of political groups, business communities and cultural elites in order to support its Europeanising agenda as part of the negotiations for EU membership. Although the opposition parties – i.e. the Republican Peoples Party (RPP), the

³² N. Canefe and T. Bora, "The Intellectual Roots of Anti-European Sentiments in Turkish Politics: The Case of Radical Turkish Nationalism", *Turkish Studies*, vol. 4, no. 1, 2003, pp. 127-148.

Nationalist Action Party (NAP) and the People's Democracy Party (PDP) – occasionally raised some criticisms against the JDP's handling of the Europeanisation process, they have not fundamentally opposed it. The Eurasianist opposition was led by Doğu Perinçek's leftist Worker's Party and by members of the civil and military bureaucracy, as well as by a small group of academics and journalists. This Eurasianist group, which is also known as *ulusalcılar* (nationalists), mainly claimed that the JDP's swift Europeanisation programme was not compatible with Turkey's national interests. Turkish Prime Minister and the JDP leader, Recep Tayyip Erdoğan, criticised their views for being too conservative and reflective of Turkey's reactionary bureaucratic elites who were unhappy with their loss of power and prestige due to the country's processes of democratisation and the EU accession negotiations³³.

Turkey also experienced the Europeanisation of its foreign policy, which involved Ankara's adoption of a co-operative approach to regional and global diplomatic issues. Gradually, Turkey's strong economic performance, democratic reforms, and peaceful foreign policy role as a "trading state" gained recognition by the EU and its other Western partners as a model for its neighbours³⁴. During the Arab revolts, Western support for Turkey's model was criticised by the Eurasianists, led by Doğu Perinçek, who advocated for a more caution position, shaped around Russia's one. In line with the Russian position, Turkish Eurasianists also criticised Turkey's co-operation with the Western countries over the Syrian crisis, which started in 2011³⁵. Liberal scholars were quite positive about neo-Ottomanism during this period. For example, Ömer Taşpınar suggested that:

³³ S. Aydın-Düzgit and E.F. Keyman, *EU-Turkey Relations and the Stagnation of Turkish Democracy*, Global Turkey in Europe, Working Paper no. 2, 2012.

³⁴ K. Kirisci, "The Transformation of Turkish Foreign Policy: The Rise of the Trading State", *New Perspectives on Turkey*, vol. 40, 2009, pp. 29-56.

³⁵ A. Sengupta, *Myth and Rhetoric of the Turkish Model: Exploring Developmental Alternatives*, New Delhi, Springer, 2014.

Turkey, in this neo-Ottoman paradigm, does not pursue a neo-imperialist policy aimed at resurrecting the Ottoman Empire. Instead of imperial nostalgia, neo-Ottomanism is essentially about projecting Turkey's "soft power" – a bridge between East and West, a Muslim nation, a secular state, a democratic political system, and a capitalistic economic force. Like French Gaullism, it seeks Turkish "grandeur" and influence in foreign policy³⁶.

Starting from 2013, Turkey's politics of Eurasianism has entered a second stage: the political leadership has started to employ elements of Eurasianist discourses in order to justify its changing positions on domestic politics and foreign policy. It is not surprising that, during this period, Turkey's relations with the Western countries have started to deteriorate over the Syrian crisis and the lack of progress in Turkey's EU accession process.

In Turkey's domestic politics, the deepening polarisation resulted in the reorientation of the opposition parties – RPP and PDP – towards a more pro-European line, while President Erdoğan, the incumbent JDP and the larger part of the NAP advocated more pragmatic versions of Eurasianism and neo-Ottomanism in order to criticise Turkey's Western partners and to increase the numbers of Turkey's partners in Eurasia and other parts of the world. The growing popularity of pragmatic discourses of Eurasianism during this period could be considered a symptom of disillusionment among Turkey's ruling elites and public opinion (especially among the supporters of the JDP) towards the EU and the West in general. The problems in Turkey's EU accession process and the lack of close coordination over the Syrian crisis have been viewed by Turkey's political leadership as an exclusion on cultural grounds, which further intensified Ankara's sense of isolation and insecurity³⁷. This has paradoxically led to a more assertive and reactionary foreign policy with a greater emphasis on Turkey's potential roles in

³⁶ O. Taşpınar, *Turkey's Middle East Policies: Between Neo-Ottomanism and Kemalism*, Carnegie Papers, New York, CEIP, 2008, pp. 1-29, p. 3.

³⁷ A. Sengupta (2014).

Eurasia. Consequently, not only have the Eurasianist discourses gained more popularity in Turkey's domestic politics, but they have also promoted Turkey's closer co-operation with Russia and China in the areas of trade and energy.

Turkey's newly discovered interest in Eurasianism alarmed its Western and European partners, especially when Ankara started to mention Turkey's possible full membership in the SCO as a potential alternative to full EU membership after 2013. In this context, President Erdoğan was quite vocal in comparing the EU membership with the SCO membership. He highlighted the benefits of doing business with the growing economies of Asia, and China in particular. He also praised the intergovernmental character of the SCO, where sovereign members are equally represented. Moreover, the SCO is also assumed to be an organisation that does not question the domestic political preferences of its members. In this context, Western mass media's coverage of President Erdoğan and of key political developments in Turkey, from the Gezi protests of 2013 to the failed coup attempt of 2016, further motivated Turkey's political leadership to embrace a pragmatic version of Eurasianism³⁸.

Although discussions about Turkey's potential membership in the SCO have taken place since the early 2010s, Turkey is likely to remain oriented towards the EU and NATO. EU and NATO also officially confirmed it several times during 2017. Nevertheless, despite these formal declarations, Turkey's relations with the EU and NATO could be questioned by both Turkey and its NATO allies, as well as by the EU, in the foreseeable future³⁹.

In reality, however, the Eurasianist discourse on foreign policy does not seem to present a viable alternative to Turkey's foreign policy strategies of Westernisation and Europeanisation.

³⁸ L. Wang, "Will Turkey Join the Shanghai Cooperation Organization Instead of the EU?", *The Diplomat*, 24 November 2016.

³⁹ I. Kostaki, "EU leaders meet Erdoğan ahead of NATO Summit in Brussels", *New Europe*, 25 May 2017.

As Dmitri Trenin argues, the discourses of Eurasianism were only relevant in the Eurasian age of empires. Therefore, a number of Eurasianist discourses are currently experiencing a crisis due to the replacement of imperialist frameworks by nation-states in Europe and Asia in the XX century⁴⁰. It should also be noted that Eurasianist ideas do not seem to be influential with the majority of opinion-makers and decision-makers in Turkey's political landscape or within the political elites in Turkey's neighbourhood. Indeed, the overwhelming majority of political and economic actors in the Balkans, the Caucasus, Central Asia and the Middle East seem to take a pragmatic approach to the challenges of the post-imperialist Eurasian world.

Conclusion

Although the recent debates about Turkey's orientation between Europe and Asia demonstrate weaknesses in the commitments of Ankara and Brussels to Turkey's full membership in the EU, Turkey is very likely to remain a Western- and European-oriented country with stronger economic and diplomatic links to the Eurasian powers of Russia and China, as well as to their regional organisations, at least in the foreseeable future.

The *pragmatic discourse of Eurasianism* dominates Turkey's politics. It is this same version of Eurasianism that allows President Erdoğan and the incumbent JDP to consolidate their power both at home and abroad. It is important to note that, for them, Eurasianist discourses are not guiding ideologies or roadmaps, but tools for coping with political and diplomatic challenges while benefitting from economic opportunities.

In a nutshell, Turkey's political leadership seems to be employing a pragmatic form of Eurasianism in order to promote Turkey's political vision for its neighbourhood, while trying to play its traditional role as a "bridge" between Europe and Asia.

⁴⁰ D. Trenin, *The End of Eurasia: Russia on the Border Between Geopolitics and Globalization*, Washington, Carnegie Endowment for International Peace, 2002.

2. Turkey's Main Security Drivers in Eurasia

F. Stephen Larrabee

In the last two decades, Eurasia has emerged as a region of growing political and strategic importance for Turkey. This growing attention to Eurasia represents a shift in Turkish foreign policy that could have important implications for the evolution of Turkish foreign policy over the medium and long term.

Under Mustafa Kemal Atatürk, the founder of the Turkish Republic and its first president, Turkey consciously eschewed efforts to cultivate contacts with the Turkic populations outside Turkey's border. Atatürk's top priority was Turkey's Westernisation, not strengthening the country's Islamisation, which he regarded as responsible for Turkey's political and economic backwardness.

The closed nature of the Soviet system and the Soviet leadership's sensitivity about maintaining tight control over non-Russian nationalities, especially Muslims, reinforced the difficulties of developing contacts to the Muslim population in Turkey's neighbourhood. As a result, Central Asia was largely off-limits to Turkish diplomacy for most of the twentieth century.

Central Asia: the Eldorado that wasn't

The collapse of the Soviet Union had a profound impact on Turkish policy. With the disintegration of the Soviet Union a whole new "Turkic world" opened up. Many Turkish leaders, particularly President Turgut Ozal, saw Central Asia as a "new frontier" for expanding Turkish influence and enhancing Turkey's strategic importance. At the same time, Turkish leaders saw the opening to Central Asia as a way to offset Turkey's difficulties with Europe.

However, these grand ambitions proved hard to realise for several reasons. First, Turkey lacked the resources and political clout to achieve many of its goals which often were unrealistic and beyond its capacity to implement. Trade was highly imbalanced in Turkey's favor. Besides energy, the states of Central Asia had little that could be sold on the Turkish market.

Second, there was little enthusiasm among Central Asian leaders for the Turkish "model" with its emphasis on democracy and political pluralism. Most of the leaders in Central Asia were former Soviet autocrats more interested in strengthening their own political power than promoting democracy. The growth of radical Islamic terrorism reinforced this trend, prompting many Central Asian leaders in the region to tighten political and social controls.

Third, Turkish officials initially tended to take a rather patronising approach to relations with their Central Asian cousins, often acting as the "Big Brother" who knew best. This attitude was deeply resented by many Central Asian officials. Having just emerged from 70 years living under Russia domination, Central Asian officials were not eager to be dominated by a new Big Brother. In addition, many Turkish officials displayed a poor understanding of political and social realities in Central Asia.

Fourth, Russian influence in the region proved to be stronger and more durable than many Turks had anticipated. Under President Boris Yeltsin Russia failed to develop a coherent policy toward Central Asia that changed, however, when Vladimir Putin became president. Putin skillfully exploited the struggle against international terrorism to strengthen Russia's ties to the states of Central Asia and South Caucasus.

For all these reasons, Turkey found it difficult to expand its influence in Central Asia. While Central Asia continues to be an important focal point of Russian policy, the euphoria that characterised the late Ozal period in the early 1990s has significantly diminished and been replaced by a more sober and realistic approach regarding the prospects for increasing Turkish influence in the region.

Turkish policy towards the South Caucasus

While the initial euphoria regarding Central Asia has declined since the late 1990s, Turkey has maintained a strong interest in the South Caucasus. This interest was given greater impetus by the Russian invasion of Georgia in August 2008. The war shattered the political status quo in the region and threatened to unleash a new wave of political instability. Turkish officials regarded this growing instability as a threat to Turkish interests in the South Caucasus.

In the wake of the Georgian-Russian five-day war, Turkey undertook an intensive diplomatic effort aimed at enhancing regional stability in the South Caucasus. The diplomatic effort had two main elements: (1) a bilateral attempt to normalise Turkish-Armenian relations and (2) an intensified emphasis on multilateral regional cooperation.

However, the attempt to normalise relations with Armenia produced serious strains in Turkey's relations with Azerbaijan. The Azeri opposition feared that the normalisation of Turkish-Armenian relations would reduce Yerevan's willingness to make concessions in the Nagorno-Karabakh dispute with Azerbaijan. The emerging rapprochement with Armenia quickly became a divisive issue in Turkish domestic politics, as the opposition parties in Turkey sought to exploit the discontent of the opposition parties in Azerbaijan by attacking the Erdoğan government for "betraying" a close ally.

In order to prevent a serious rupture of relations with Azerbaijan, Erdoğan reassured Baku that normalising relations with Armenia would not be implemented without prior progress on a settlement of the Nagorno Karabakh conflict.¹ This in effect established an explicit diplomatic link between the

¹ E. Uslu, "Ankara-Yerevan Rapprochement Strains Turkey's Relations with Azerbaijan," *Eurasia Daily Monitor*, vol. 6, no. 68, 9 April 2009. See also B. Yınanc, "Outreach to Armenia Prompts Azeri Threat", *Hürriyet Daily News and Economic Review*, 2 April 2009.

normalisation of Turkish-Armenian relations and a settlement of the Nagorno Karabakh dispute.

This virtually ensured that the process of normalisation would fail. From the very outset of the normalisation negotiations between Turkey and Armenia, Armenian leaders categorically rejected any linkage between normalisation of relations and a settlement of the Nagorno Karabakh dispute, insisting that these were two separate and unrelated issues. Armenian officials charged that the protocols signed in Zurich on 10 October 2009 made no mention of Nagorno Karabakh. Armenia viewed Turkey's attempt to link the two issues at the last minute as an indication that Turkey was negotiating in bad faith. As a result, the process of Turkish-Armenian reconciliation stalled and quickly began to unravel. When the Turkish parliament failed to ratify the October 10 protocols – a precondition for their entry into force – Armenia suspended its participation in the talks with Turkey at the end of April 2010.

In retrospect, Turkey appears to have made several miscalculations that undermined the effort to normalise relations with Armenia. First, the Erdoğan government seriously underestimated the ability of the Armenian Diaspora to mobilise domestic opposition in Armenia against the normalisation of Turkish-Armenian relations². When the Erdoğan government belatedly realised how strong the opposition to the normalisation process was, it was too late. The Turkish government was forced to agree to formally link the process of normalisation with the settlement of the Nagorno-Karabakh dispute in order to prevent a serious rupture of relations with Baku. This linkage doomed the negotiations to failure.

Second, the Erdoğan government misjudged Moscow's willingness to play an active mediating role behind the scenes. Azeri officials believed that Russia would put pressure on

² On the efforts of the Armenian Diaspora to discredit the rapprochement with Ankara. See S. Idiz, "The Turkish-Armenian Debacle", *Insight Turkey*, Spring 2010, p. 13.

Armenia to make concessions to settle the Nagorno Karabakh dispute. However, Moscow believed that its interests were best served by keeping the conflict unresolved. This assured that Armenia would remain dependent on Russia for its security. It also enabled the Kremlin to exploit Azerbaijan's discontent with Turkish (and US) support for the normalisation process and play Azerbaijan off against Turkey and the United States. As a result, what began as a promising initiative that potentially could have led to an important breakthrough in Turkish-Armenian relations ended in failure.

Since the collapse of the Turkish-Armenian negotiations there has been no serious progress toward normalisation of relations between Ankara and Yerevan. On the contrary, mistrust and suspicion have increased, especially on the Armenian side. The Armenians view Turkey's attempt to link progress in the normalisation of relations with a settlement of the Nagorno-Karabakh dispute as a disingenuous ploy to undermine the normalisation process. Consequently, Armenian support for the rapprochement with Ankara, never very strong in the first place, has further declined.

In addition, since the collapse of the normalisation negotiations, Russia has strengthened its military hold over Armenia. During President Dimitri Medvedev's August 2010 visit to Yerevan, Armenia and Russia signed an agreement extending the lease of the Russian military base at Gyumri for an additional 24 years. This strengthened Russia's role as the real regional power broker, and underscored that any serious effort to alter the geopolitical *status quo* in the South Caucasus would need Moscow's blessing to have any chance of succeeding. The agreement also contained a provision committing Russia to guarantee Armenia's territorial integrity in its entirety and not just the border with Iran and Turkey, as was previously the case³.

³ S. Idiz, "More Bad News for Baku", *Hürriyet Daily News and Economic Review*, 30 August 2010.

The Armenian-Russian military agreement had two important implications for the course of developments. First, it increased Moscow's influence over Armenia. Second, it represented an indirect warning to Baku that Moscow would not tolerate an attempt by the Azeri military to resolve the Nagorno-Karabakh dispute by military means.

The Caucasus Stability and Cooperation Platform

Turkey's diplomatic effort to strengthen regional security in the South Caucasus, however, was not limited to the bilateral level. In the wake of the outbreak of the five-day war between Georgia and Russia on 8 August 2008, Ankara launched a multilateral initiative – the Caucasian Stability and Cooperation Platform – which was intended to prevent a further deterioration of stability in the South Caucasus. However, the initiative contained no serious new thinking or innovative approaches for resolving the main security problems in the South Caucasus. It was largely a rehash of a similar proposal made several years earlier by former Turkish President Suleyman Demiral. Neither the United States nor the EU appear to have been consulted before the initiative was launched nor were they invited to participate in the formal discussions of the initiative. As a result, the initiative received little international attention.

Turkey and Russia: shades of a new Rapallo?

Historically Turkey and Russia have been strong adversaries and rivals for the last four centuries. The two countries have fought 13 wars against one another – most of which Turkey lost. This has left a strong imprint on the psyche and outlook of both powers. In the last decade, however, Turkey's relations with Russia have significantly improved, especially in the economic realm. Russia is Turkey's largest trade partner and an important market for the Turkish construction industry.

Energy has been an important driver of the recent intensification of ties between Ankara and Moscow. Russia supplies nearly 60% of Turkey's natural-gas imports and 40% of its crude-oil imports. Russian investment in Turkey, especially in the energy, tourist, telecommunication and construction sectors has also grown visibly in recent years.

Russia is playing a leading role in Turkey's development of nuclear power. In 2010, during a visit by President Medvedev, the two sides signed an agreement that a consortium headed by the state-controlled Russian company AtomStroyExport would build and operate a US\$20 billion, 4.8 gigawatt nuclear power plant in the Turkish coastal town of Akkuyu⁴. The Akkuyu plant will be Turkey's first nuclear power plant and one of the largest in the world. The Russian company will not only build the plant, but also have control of it.

At the same time, Turkey's relations with the United States and Europe have become increasingly strained. Sharp differences with Ankara over Iraq and the Kurdish issue have been compounded by growing tensions with Iran and Syria. These strains have increased the attraction of the opening to Russia and gave it important new impetus momentum.

The rapprochement between Turkey and Russia was briefly set back at the end of November 2015 as a result of Turkey's shooting down of a Russian fighter jet which had violated Turkish airspace. In the wake of the incident Turkish-Russian relations sharply declined. President Putin imposed sanctions on Turkey that exacerbated Turkey's economic difficulties.

However, the chill was short-lived. After several months of exchanging insults and mutual recriminations, at the end of June 2016, Erdoğan sent Putin a personal letter apologising for the downing of the Russian fighter jet and proposing that Turkey and Russia put the issue of the downing of the Russian

⁴ "Russia, Turkey agree on nuclear power plant", *Today's Zaman*, 10 May 2010. See also Ş. Kardaş, "Russia Will Construct Turkey's First Nuclear Power Plant", *Eurasia Daily Monitor*, vol. 7, no. 98, 20 May 2010.

fighter jet behind and focused on exploring new ways to expand political and economic cooperation. Energy cooperation was given important new momentum by President Putin's visit to Istanbul in October 2016. During Putin's visit, the two leaders signed an agreement to revive negotiations over the construction of the TurkStream natural gas pipeline, which had been suspended in reaction to the downing of the Russian fighter jet the previous year.

The pipeline would enable Russia to transport more than 30 billion cubic meters of gas toward Turkey's direction every year. These gas supplies would transit two parallel pipelines on the seabed of the Black Sea. Both pipelines would be operated by Gazprom. One would run along the Black Sea seabed to Turkey and then to the Greek border, enabling Russia to reach West European markets without using its existing pipelines through Eastern Europe.

Beyond energy cooperation, Turkey and Russia also share similar approaches to many security issues in the Black Sea area. Like Russia, Turkey opposes an expansion of either NATO or the US military presence in the Black Sea. In 2006, Turkey blocked a US initiative designed to increase the role of NATO's Operation Active Endeavor in the Black Sea area⁵. Turkey's opposition was motivated in part by the fact that the NATO initiative conflicted with Operation Black Sea Harmony, an initiative launched by the Turkish Navy in March 2004, which was aimed at increasing naval cooperation in the Black Sea region. Turkey was also concerned that an increased US or NATO military presence in the Black Sea would exacerbate tensions with Russia. Instead of increasing the US or NATO's military presence, Turkey advocates expanding the role of the Black Sea Nations, which includes Turkey, Russia, Ukraine, Georgia, Bulgaria, and Romania.

⁵ U. Enginsoy and B.E. Bekdil, "Turks Oppose U.S. Black Sea Move", *Defense News*, 13 March 2006.

The uncertain future

Many Western officials are concerned that the recent Turkish-Russian rapprochement represents a dangerous “eastward drift” in Turkish policy that could significantly undermine security on NATO’s Southern flank. The key question is whether the recent rapprochement between Turkey and Russia represents a long-term restructuring of the security on NATO’s Southern flank or simply a short-term attempt to gain more diplomatic flexibility and diplomatic room for manoeuvre.

At this point, it is too early to say for sure. However, at present, the rapprochement with Russia seems to represent more an economic marriage of convenience than a serious political realignment based on common goals and interests. Turkey and Russia have fundamentally different interests and strategic priorities. As for the Middle East, Russia is strongly committed to maintaining Syrian President Bashar al Assad in power and the latest events support this statement. By contrast, Turkey’s top priority has been the removal of Assad from power until recently, but at present the country has chosen to comply with Russian stance.

Many Western officials fear that Turkey may withdraw from the NATO. This seems unlikely for several reasons. First, this would weaken Turkish security and leave it more vulnerable to outside pressures. Erdoğan may disagree with some aspects of the NATO policy but he is no fool, and he knows Turkey is much safer and more secure inside NATO than wandering unprotected and alone outside it. He can afford to cuddle up to Russia precisely because if he faces serious outside pressure he has the NATO backing him up.

3. The Russo-Turkish Entente: A Tactical Embrace Along Strategic and Geopolitical Convergences

Carlo Frappi

By virtue of geographic, historical and cultural factors, Turkey and Russia's foreign policies are characterised by a natural multi-regional projection stretching throughout the Eurasian landmass from the Western Balkans to the Central Asian steppes, where their interests, at different times, have collided, competed or converged. Over the post-bipolar era, such a multi-regional dimension has gained a decisive value for the rethinking of the role and the identity of Turkey and the Russian Federation in the contemporary international scenario. This trend is particularly significant since both actors – although to different degrees and benefiting from different resources of power and leverage – emerged from the bipolar system affected by “status panic”¹, i.e. by the need to reaffirm their respective positions in a rapidly changing international environment. Indeed, while the Russian risk of *demotion* associated with the dissolution of the Soviet Union is self-explaining, no less compelling was the risk of strategic marginalisation faced by Turkey as a consequence of the dissolution itself.

Making the status panic even deeper has been the closely connected identity issue, rooted in Russia and Turkey's geographic-civilisational location as well as in the legacy of the multinational empire experience, reawakened in both countries after decades of ostensible marginalisation resulting from the Cold War's ideological orthodoxy. Indeed, to a large extent

¹ A. Sergunin, *Explaining Russian Foreign Policy Behavior. Theory and Practice*, Verlag, Stuttgart, 2016, p. 27.

Turkey's Europeanness was defined according to its geostrategic position², since its anchorage to the Euro-Atlantic security mechanisms represented, throughout the Cold War era, both a manifestation and a confirmation of its Western and European credentials, as well as of the country's attachment to Western sets of values. Therefore, in the post-Cold War environment, the risk of strategic marginalisation went hand in hand with a parallel risk of an identity crisis, exacerbated in the domestic realm by the increasing socio-political challenges to the Kemalist-Republican dogma of Westernisation. In a different yet analogous way, the USSR's dissolution traumatised Russia's "cultural, political, and economic identity"³, thereby generating a vicious circle among the different layers of post-bipolar transition. Consistently with these trends, the post-bipolar re-assessment of both countries' foreign policy overlapped and intertwined with the inextricable national identity knot, making the foreign policy-making process a highly symbolic ground for domestic confrontation, the more so since Turkey and Russia's projection toward areas once hegemonised under imperial sway rarely came free of identity considerations and reverberations.

On this backdrop, regional policies provide a privileged perspective for analysing Ankara and Moscow's post-bipolar foreign policy as well as for assessing the evolution, current state and nature of their bilateral relations. Moreover, the contemporary international system is characterised by an increasing misalignment and hierarchic reversal between global and regional dynamics. The global system's high degree of penetration into the various regional systems – typical of the Cold War – is jamming, causing the global distribution of power to be less and less important at the regional level⁴. The resulting regionalisa-

² M. Müftüleri-Baç, "Turkey's predicament in the post-Cold War era", *Future*, vol. 28, no. 3, 1996, pp. 255.

³ A. Tsygankov, "Mastering space in Eurasia: Russia's geopolitical thinking after the Soviet break-up", *Communist and Post-Communist Studies*, vol. 36, 2003, p. 104.

⁴ A. Colombo, "L'ordine globale e l'ascesa delle grandi potenze regionali", *Quaderni di Relazioni Internazionali*, no. 14, ISPI, 2011, pp. 4-11.

tion of the international system and connected change in the scale of international relations provide the foreign policies of Russia and Turkey – as pivotal actors in multi-regional contexts – with a significance which transcends the mere bilateral interaction level to embrace the wider systematisation of the Eurasian chessboard.

Starting from the assumption that the objective and subjective components of the foreign policy-making process can only be artificially separated, the aim of this chapter is to highlight the roots and the tactical nature of the Turkish-Russian partnership as it developed in response to the still ongoing process of redefining their respective positions in the post-bipolar system. Starting from the similarities in Turkey and Russia's geopolitical features and strategic cultures, the article maintains that Ankara and Moscow came to develop analogous views of the risks and the opportunities resulting from the post-Cold War transition. Coupled with domestic enabling factors – such as economic growth and strong charismatic leaderships – these converging perceptions opened up margins for cooperation in the same regional dimension where for centuries the two actors' interests competed and collided. Therefore, despite being chiefly tactical in nature, the Russo-Turkish entente stands as a key pillar upon which both actors seem doomed to build respective post-bipolar role and identity.

Background for the entente: common geopolitical factors and converging perceptions

Turkey and Russia share significant geopolitical features, both in physical and human terms. In particular, their characteristic and almost unique geographic location in the heart of the Eurasian landmass and at the crossroads of multiple civilisations – coupled with a shared imperial experience and with a problematic post-imperial transition – generated analogous views of the international system and similar strategic cultures. Such analogies contribute to shedding light on both the evolution

and the scope of their bilateral relations, starting from their competition in the 1990s to the entente in the following decade.

A basic commonality in their respective strategic cultures lies in the chiefly military and territorial conception of national security, resulting from a sense of geographic insecurity with deep historical roots⁵. Throughout its existence as an empire, the struggle to stabilise porous frontiers lacking – especially on the Western front – natural borders has accompanied Russian foreign policy and presided over the militarisation of society, leaving a deep imprint on national strategic culture. Although benefiting from more defined external borders – at least in natural terms, and at least on three out of five fronts – Turkey traditionally shared the same perception of geographic insecurity, which, in turn, since imperial times resulted in an analogous tendency to securitise society⁶.

⁵ The analysis of Turkey's geopolitical features and resulting strategic culture is mainly based upon: F. Vali, *Bridge Across the Bosphorus. The Foreign Policy of Turkey*, Baltimore and London, Johns Hopkins Press, 1971; M. Mufti, *Daring and Caution in Turkish Strategic Culture. Republic at Sea*, London and New York, Palgrave Macmillan, 2009; P. Robins, *Suits and Uniform: Turkish Foreign Policy since the Cold War*, London, Hurst & Co., 2003; M. Aydin, "Securitization of History and Geography: Understanding of Security in Turkey", *Southeast European and Black Sea Studies*, vol. 3, no. 2, 2003, pp. 163-184; A. Karaosmanoğlu, "The Evolution of the National Security Culture and the Military in Turkey", *Journal of International Affairs*, vol. 54, no. 1, 2000, pp. 199-216. As for Russia, the analysis is mainly drawn from: R. Legvold (Ed.), *Russian foreign policy in the twenty-first century and the shadow of the past*, New York, Columbia University Press, 2007; B. Lo, *Russian Foreign Policy in the Post-Soviet Era. Reality, Illusion and Mythmaking*, New York, Palgrave MacMillan, 2002; T. Hopf, *Social Construction of International Politics: Identities & Foreign Policies, Moscow 1955 and 1999*, Ithaca, Cornell University Press, 2002; J. Mankoff, *Russian Foreign Policy. The Return of Great Power Politics*, Lanham, Rowman & Littlefield, 2009.

⁶ In Aydin's view the sense of geographical insecurity was mainly the result of the peculiar location of the Anatolian Peninsula, a natural channel not only for migrations from the East, but also for invasions from both East and West. M. Aydin (2003), p. 170.

Thus, security concerns have traditionally been paramount in the devising of Russian and Turkish foreign policies, the more so since the sense of geographic insecurity has been aggravated by the perception of being surrounded by hostile neighbours, prone to take advantage of Turkey and Russia's weaknesses to advance their own interests and agendas to the formers' detriment. From this perspective, the idea of Russia as a "fortress" encircled by a hostile Western siege – particularly strong during the Soviet era and revived in the post-bipolar one⁷ – closely resembles Turkey's own insecurity complex as it developed in the difficult decades between the decline and successive collapse of the Ottoman Empire and the birth of the Republic, epitomised in the so-called *Sèvres Syndrome*⁸. Named after the 1920 Treaty governing the partition of the Ottoman Empire's core territory after its defeat and occupation in WWI, the Syndrome assumes that the country is being encroached upon by hostile powers benefiting from the support of "fifth columns" within the country itself – i.e. ethnic and religious minorities. The peculiarly close relations between external and internal threats, the perception of the latter as being an extension of the former, adds a human geography dimension to the perception of border porosity already introduced in physical and diplomatic terms. In a multiethnic and multi-faith country like Turkey, this conception contributed to creating a vicious circle between domestic and external security policies⁹ and to the securitisation of national identity, traditionally seen by the Kemalist-Republican

⁷ P. Baev, *The Russian Army in a Time of Trouble*, London, Sage, 1996, pp. 27-35.

⁸ D. Jung, *The Sèvres Syndrome: Turkish Foreign Policy and its Historical Legacies*, Chapel Hill, American Diplomacy Publisher, 2003.

⁹ The best incarnation of this vicious circle is provided by the so called "two-and-a-half war strategy" put forward by the retired Ambassador Şükrü Elekdağ in 1996, according to which Turkey should have been prepared to "conducting two full scale operations simultaneously along the Aegean and Southern fronts while at the same time being prepared for a "half war" [with the PKK] that might be instigated from within the country". S. Elekdağ, "2 ½ War Strategy", *Perceptions*, no. 1, 1996, pp. 33-57.

strategic paradigm as a barrier against centrifugal forces benefiting from outside support. A similar pattern is discernible in Russia's experience as a "multinational state whose imperial history has produced a fragile, fragmented national identity"¹⁰, endangered by an analogous threat of transnationalism¹¹.

The Turkish and Russian insecurity complex was anything but defused by the end of the Cold War. Turkey, in particular, seemed not to benefit from the peace dividends that the easing in international tensions ensured to its Atlantic allies. On the contrary, the country found itself at the very centre of one of the main post-bipolar hotspots, in a "pentagon" of instability and uncertainty whose corners extended to the Balkans, the Eastern Mediterranean, the Middle East, the Caucasus and Central Asia, and the Black Sea basin¹². Moreover the proliferation of threats along Turkish borders was aggravated, in turn, by the aforesaid risk of marginalisation from the Western security arrangements as well as by the resurgence of the external-internal security short-circuit as a consequence of the Kurdish drive towards gaining autonomy in Northern Iraq following the Gulf War. As for Russia, the emergence of conflicts in the post-Soviet space, along with the absence of Russian-led security arrangements in the neighbourhood, generated instead a fundamental new challenge, i.e. the possibility that the security void left by USSR's dissolution might end up being filled by hostile powers. Therefore, the risk of demotion at the global level and the instability at Russia's borders concurred in reinvigorating Moscow's traditional insecurity complex.

¹⁰ R. Suny, "Living in the Hood: Russia, Empire, and Old and New Neighbors", in R. Legvold (2007), p. 36.

¹¹ It is worth noting that the phenomenon of transnationalism and the shared perception of threat associated with it contributed to exacerbating tensions in bilateral relations through the 1990s, as a result of reciprocal accusations of supporting the Kurdish and the Chechen insurgencies and terrorism.

¹² This was the perception of the Gen. Nezih Çakar, Secretary General of the Turkey's National Security Council between 1990 and 1992. See, N. Çakar, "Turkey's Security Challenges", *Perceptions*, vol. 1, no. 2, 1996.

The countries' insecurity complex – coupled with their “status-seeking” apprehension – was primarily responsible for the conflicting trends in Turkey-Russia relations over the first decade of post-bipolar transition. Here, consistent with a trend inscribed in regional history¹³, the defensive actions undertaken by Turkey and Russia in order to defuse their respective insecurity complexes concurred in generating a power competition between Ankara and Moscow – progressively acquiring a pivotal role for opposed axes of multi-regional alliances¹⁴. In particular, Turkish-Russian relations were naturally strained as a consequence of Ankara's attempt to defuse the risks of strategic marginalisation through revitalisation of its partnership with Atlantic allies, primarily with the United States. Consistent with a *bandwagoning* attitude, Turkey acted as a strategic and geographic bridgehead for US regional projection towards the post-Soviet and Middle Eastern area, subscribing to a neo-containment logic, which ineluctably put Ankara and Moscow on a collision course. Thus, recalling the alliance politics' theory¹⁵ it might be said that while Turkey's strengthened commitment to the alliance with the US helped defuse the perceived *risk of abandonment*, at the same time it led to the opposite *risk of entrapment* while fostering an insecurity spiral with Russia, which, in turn, aggravated both actors' perceptions of threat and sense of encirclement. The resulting need to defuse the polarisation trends and to find a more even balance between the global and regional dimensions of respective foreign policy was the first factor paving the way for the search for engagement in Turkish-Russian relations.

Another traditional pattern inherited from the imperial experience and similar in Turkey and Russia's strategic culture is their adherence to the *balance of power* principle, as the soundest

¹³ R. Legvold, “Introduction”, in R. Legvold (2007), p. 18.

¹⁴ P. Robins (2003), pp. 165-172.

¹⁵ G. Snyder, “The security dilemma in alliance politics”, *World Politics*, no. 36, 1984, pp. 461-495.

guarantee of systemic stability and national interest, and their upholding of the *status quo* as an indirect yet indispensable form of safeguarding status and security. Such behavioural patterns historically emerged – especially in the case of Turkey¹⁶ – in times of strategic retreat and diminishing power and therefore, *mutatis mutandis*, revived along the same rationales in the difficult post-bipolar environment¹⁷. Indeed, the inscrutable and mercurial nature of this environment, coupled with diminishing power resources and with the demotion-marginalisation risk, relegated Russia and Turkey to a position of “status quo power unable to maintain the status quo”¹⁸, i.e. with the contradicting need to oppose revisionist tendencies in a rapidly changing environment that instead required pro-active policies.

The common resolve to safeguard the *status quo* against revisionist tendencies was a determinant factor around which Ankara and Moscow’s interests began to converge at the turn of the century. Such a convergence resulted primarily from similar reactions to the sharper US unilateralist and interventionist position following 9/11 and from a shared perception of risk associated with the two pillars sustaining the *Bush Doctrine* – i.e. the *preventive war* and the *democracy promotion* principles¹⁹.

¹⁶ A. Karaosmanoğlu (2000), pp. 201-202.

¹⁷ While Turkey’s traditional *status quo* attitude goes undiscussed in literature, quite different is the case for Russia, especially in the aftermath of the Ukrainian crisis. For a rep-up of the debate, see: A. Sergunin (2016), pp. 27-37.

¹⁸ The expression, originally proposed for Russia, seems to fit Turkey too, see G. Herd, “The ‘Battle of Ideas, Concepts, and Geopolitical Projects’ in Central Asia, Implications for Russo-Chinese Relations?”, in R. Piet and R. Kanet (Eds.), *Shifting Priorities in Russia’s Foreign and Security Policy*, Ashgate, Farnham and Burlington, 2016, p. 197.

¹⁹ The common opposition to the *preventive war* pillar clearly emerged in the shared dissent towards the Iraqi Freedom Operation (2003) as well as towards the possibility of military interventions in the Middle East. The perception of possible destabilisation associated with *democracy promotion* emerged primarily in the diffidence shown towards the “Color revolutions” in Ukraine (2003), Georgia (2004) and Kyrgyzstan (2005).

Far from being the mere result of exogenous factors, the progressive convergence in interests and perspectives was also the consequence of the maturation of the domestic identity debate. The progressive weakening of Westerners' positions – i.e. of the Kemalists-Republicans, on the one hand, and of the European-Atlanticist school of thought, on the other – paved the way for the redefinition of the nexus between identity and foreign policy in the muted post-bipolar environment, based on both objective and subjective elements. From the first perspective, the multiform and cyclic identity, institutional and economic crises affecting the West and the simultaneous rise of China presided over an eastward shift of international politics' centre of gravity, ensuring a renovated centrality to both Turkey and Russia in the Eurasian landmass and, by extension, in the international system. Moreover, the objective elements substantiating this view were intertwined with and enhanced by subjective ones, resulting from the shared perception of being "refused" by the West – not only in strategic but also in civilisational terms²⁰ – which, in turn, facilitated the reassessment of national identity contours through the valorisation of the countries' specificities and distinctiveness. Therefore, the sense of centrality progressively characterising both Turkey and Russia's self-perception should not be understood in merely physical terms, but also in cultural and civilisational ones. Consistently, Russian "uniqueness" came to be interpreted as the single factor justifying its natural multi-regional projection as well as its "indispensability" and natural *droit de regard* in the same scenarios²¹. An analogous causal relationship between the country's geographic, strategic, and cultural uniqueness and a resulting "right and duty of involvement" in regional affairs also underlies the foreign policy conceptions emerging in Turkey at the turn of the century – as

²⁰ Y. Bozdağlıoğlu, *Turkish foreign policy and Turkish identity: a constructivist approach*, New York and London, Taylor & Francis, 2005, pp. 79-85.

²¹ The relation between Russia's uniqueness and indispensability is particularly strong in the case of the Eurasianist school of thought. See B. Lo (2002), pp. 18-19. As for the notion of indispensability, see also pp. 53-55.

theorised by Ismail Cem's "Positive Steps Diplomacy" doctrine and, successively, by Ahmet Davutoğlu's "Strategic Depth" concept²². As a matter of fact, the basic and common assumptions of both these doctrines was Turkey's shift from the periphery to the core of the international system, i.e. from being a "European outpost" or a "wing country" in the bipolar system to becoming a "neuralgic centre" or a "central country" in the post-bipolar²³.

From competition to cooperation: the "double compartmentalisation logic"

Building upon the convergence in interests and geopolitical perceptions, since the turn of the century the Turkish-Russian entente has been founded upon the "double compartmentalisation" of bilateral relations. Such a logic entailed, on the one hand, the separation between economic and political-diplomatic relations and, on the other, a tendency to marginalise those political-diplomatic issues which might trigger renewed competition, focusing instead on cooperation in the regional scenarios and issues manifesting convergence of interests. As such, the double compartmentalisation logic allowed Ankara and Moscow to insulate tactical convergences from persistent strategic divergences, effectively capitalising on the former while avoiding being affected by the potentially negative repercussions of the latter.

The first dimension of the compartmentalisation logic has been consistent with a trend toward the economisation of

²² I. Cem, *Turkey in the New Century: Speeches and Texts. Presented at International Fora (1995-2001)*, Lefkoşa, Rustem, 2001, pp. 42-44; A. Davutoğlu, *Stratejik Derinlik: Türkiye'nin Uluslararası Konumu*, Kure Yayınları, İstanbul, 2001; "Türkiye Merkez Ülke Olmalı", *Radikal Gazetesi*, 26 February 2004.

²³ As for the relation between Turkey's rediscovered centrality and its responsibility in the neighbourhood see Ş. Kardaş, *From Zero Problems to Leading the Change: Making Sense of Transformation in Turkey's Regional Policy*, TEPAV, Turkey Policy Brief Series, no. 5, 2012.

Ankara's and Moscow's external relations, which emerged at the turn of the century as the main adjustment to flawed foreign policy-setting excessively focused on geopolitical and hard-security considerations. In both cases, however, the economisation of foreign policy did not account for a reversal of the traditional "security-first" approach to international relations. Instead it represented a different *tactical means* to achieve the same traditional *strategic aim* of improved security and sounder balance of power. In particular, for both Russia and Turkey their economic growth came to be interpreted as a prerequisite for carrying out independent foreign policy, which in turn represents a key factor for the enhancement of state power at the regional and international levels. It is not by chance that in both Turkey and Russia the renewed emphasis placed on the economic dimension of foreign policy was not sustained and compounded by a parallel process of domestic liberalisation, based first of all on the relinquishing of state control over key national economic assets. Quite on the contrary, the verticalisation of state management – maintained in Turkey and accentuated in Russia – allowed for a more efficient use of national companies in the pursuit of traditional foreign policy goals.

Consistent with the above-outlined trend, the economisation of international and regional relations stemmed from Moscow's attempt to ensure greater tactical coherence for its foreign policy tools, "substituting economic for cruder military instruments"²⁴. Thus, besides reinforcing a renewed social pact based upon the promise of increased and enlarged well-being, economic growth was not an end in itself but a course followed "for the sake of power, autonomy, and global position"²⁵. In the same tactical vein, the emphasis Ankara put on promoting economic interdependence with regional partners was coherent with the attempt to protect Turkey from the unavoidable and

²⁴ R. Legvold (2007), p. 7.

²⁵ C. Wallander, *Global Challenges and Russian Foreign Policy*, in R. Legvold (2007), p. 458.

cyclic instability in the neighbourhood, enhancing and supporting the logic of “zero problems with neighbours” theorised by Davutoğlu²⁶.

In bilateral relations, the isolation of the economic agenda from the political allowed the partners to achieve a number of significant results, which contribute to better outline the state and the prospects of the relationship itself. First and foremost, compartmentalisation allowed the partnership to expand to traditionally politicised economic sectors, where cooperation was previously hindered by broader strategic considerations as well as by restrictions imposed by the logic of international alignments. The primary reference goes to the energy sector – which currently absorbs the larger share of bilateral trade – and, more specifically, to the strategic natural gas sector²⁷.

The 1997 bilateral agreements by virtue of which Russia committed to supply Turkey with a volume of 6 billion cubic meters per year over a 25-year period as well as to build a dedicated infrastructure through the Black Sea – the so called Blue Stream – represented the first rupture of that Russia-containment policy around which Ankara and Washington had reinvigorated their bilateral partnership in the post-bipolar era. Indeed, by guaranteeing the long-term supply of one of the most promising regional gas markets, the Turkey-Russia agreement subtracted feasibility margins from the rival East-West Energy Corridor between Central Asia and Europe, promoted and supported by the United States with a view to enhancing

²⁶ See, e.g., A. Davutoğlu, “Turkey’s Zero-Problems Foreign Policy”, *Foreign Policy*, 20 May 2010.

²⁷ Unlike oil, natural gas has a transport process that is “rigid” by definition and which hinders the formation of a global market. This means that – despite the growth of spot markets – gas exchanges are still largely based on bilateral contracts that bind buyers and sellers in the long term. Therefore, the rigidity of the market obliges both exporter and consumer countries to apply a more strategic and far-sighted planning, which is not confined to the economic sphere but requires a wider political entente between the parties as well as a greater role for so-called energy diplomacy.

the sovereignty and independence of the post-Soviet producer and transit states along the aforesaid route²⁸.

More than other economic sectors, energy embodies the essence of the functional interdependence between the two partners, in term of relations between a supplier and a consumer country as well as between an exporting and a potential transit country. First and foremost, for Turkey Russia represents an indispensable and reliable energy supplier – traditionally and by far the largest supplier of natural gas and one of the most important suppliers of oil – whose cooperation is essential in satisfying domestic demand for primary energy²⁹. Conversely, at a time when traditional gas commercialisation schemes are increasingly challenged by significant innovations in extractive techniques as well as in marketing technologies and methods – i.e. by shale gas potential, by the growth in LNG supply and by spot markets – Turkey for Russia represents a strategic market in terms of both current and prospective demand for natural gas³⁰. Moreover, no less significant is this bilateral cooperation in relation to respective long-term energy and infrastructural strategies. From this perspective, for Ankara the Russian gas

²⁸ C. Frappi, “The Caspian Sea Basin in United States Strategic Thinking and Policies”, in C. Frappi and A. Garibov (Eds.), *The Caspian Sea chessboard: Geopolitical, Geo-strategic and Geo-economic Analysis*, Milan, Egea, 2014, pp.181-202.

²⁹ In 2015 Russian oil and gas accounted respectively for 12.4% and 55.3% of total annual imports. Meaningfully, the volume of gas exported in 2016 was only slightly inferior (1.84 billion cubic meters/bcm) to the 2015 volume (26.6 bcm), despite the bilateral crisis in the first half of the year and reciprocal threats of interruption, see BP, *BP Statistical Review of World Energy*, June 2016.

³⁰ With a volume of gas imports from Russia of 24.76 bcm in 2016 (on a total consumption of 42,1 bcm), Turkey represents the second final market for Gazprom exports, behind Germany (29.2 bcm in 2016). Moreover, notwithstanding a contraction trend in Turkish annual gas demand, current independent estimates in gas demand growth indicate that by 2025 the demand latter is expected grow up to 55-56 (bcm) a year by 2025 and to 60-62 bcm/year by 2030. See, G. Rzayeva, “Turkey’s gas demand decline: reasons and consequences”, *Energy Insight*, Oxford Institute for Energy Studies, no. 11, 2017.

supply channel represents a key resource for advancing a traditional and central aim of its energy policy, i.e. the resolve to take advantage of the strategic location of the country, situated between Eurasia's main energy producing and consuming areas, in order to promote a regional *hub* role. That is, by maximising supply channels and import volumes, Turkey may re-export the surplus, thereby reducing the elevated costs associated with import dependency and simultaneously raising its own strategic significance to both regional producer and consumer countries. Vice-versa, from Moscow's perspective Turkey stands as a vital bridgehead to the Southern European gas markets, at the same time bypassing transit through Ukrainian territory and the tightening EU energy normative. On this backdrop, the energy interests and strategies of Turkey and Russia were welded together by the fall 2014 agreement aimed at the construction, along the Black Sea route, of the off-shore Turkish Stream gas pipeline, on the ashes of the scrapped South Stream project.

Besides contributing to the remarkable increase in annual economic turnover³¹, the enhancement of their economic interdependence allowed the partners to both expand and consolidate the bases of bilateral relations. In fact, the increased level of bilateral turnover led to a broadening of economic ties and interactions beyond the major state-owned enterprises – *in primis* the national energy companies –, thus widening and deepening the synergies between the countries' entrepreneurial and productive sectors. Facilitated also by the decision to adopt a visa-free travel regime, this trend in turn presided over the enlargement of those national stakeholders concerned with the maintenance of good bilateral relations, thereby providing the partnership with enhanced solidity and with a higher degree of sustainability over time.

³¹ The level of bilateral trade grew from US\$2.9 billion in 1999 to a peak of 31.2 billion in 2014. In 2015 and 2016 the bilateral trade stood respectively at 23.9 and 16.9 billion. Turkish Statistical Institute, *Foreign Trade Statistics Database*.

Last but not least, the enhancement of economic and trade relations facilitated and strengthened the entente at the political and diplomatic levels³², along the second dimension of the partnership's compartmentalisation logic – i.e. the isolation of contentious regional issues from the ones benefiting from sounder convergence in interests. The political-diplomatic entente developed consistently with the above-mentioned adjustments in the perceived civilisational location and systemic role of Turkey and Russia in the post-bipolar environment.

In the Turkish and Russian views, the rediscovery and reaffirmation of the countries' geographic, historical and cultural uniqueness naturally endowed them with the primary responsibility to ensure and guarantee peace and stability in neighbouring areas. Therefore, the bond welding Ankara and Moscow's policies in their shared neighbourhood came to be the joint proposition of a "regional ownership" principle, whereby countries belonging to the same area are called upon – borrowing words from then Foreign Minister Davutoğlu – "to find regional solutions to their regional problems, rather than waiting for other actors from outside the region to impose their own solutions"³³. As said, the degree of *defection* from the alliance with the United States embodied in Davutoğlu's wording and in consistent Turkish regional projection opened up room for cooperation with Moscow in a multi-regional direction. As a consequence, albeit to a different degree of depth and with different results, the regional ownership logic guided bilateral cooperation and initiatives in the shared neighbourhood, i.e. from the Black Sea area to the Caucasus and Central Asia.

Nowhere has the joint proposition of the regional ownership principle been more successful than in the Black Sea basin, which during the first decade of the century emerged as

³² For a coeval analysis, see D. Sezer, "The Challenges of Reconciling Geopolitical Competition with Economic Partnership", *Turkish Studies*, vol. 1, no. 1, 2000, pp. 59-82.

³³ [Interview](#) by Ahmet Davutoğlu published in *AUC Cairo Review*, 12 March 2012.

the main flash point between the enlarged Euro-Atlantic institutions and the area traditionally perceived by Moscow as its own natural sphere of interests. Here, starting from 2001, Turkey and Russia developed sound mechanisms for naval cooperation, which enabled Ankara to join Moscow in resisting US pressure to extend to the basin the NATO naval anti-terror operations conducted in the Mediterranean under Operation Active Endeavor³⁴.

The results of joint cooperation and stabilisation initiatives were instead somehow muted in the Southern Caucasus where notwithstanding different – and to a great extent opposite – stances over the systematisation of the area and over the principles for resolving protracted sub-regional conflicts, Ankara and Moscow seemed to be keen to develop joint initiatives. This was particularly the case in the aftermath of the 2008 Russian-Georgian war over South Ossetia when Ankara's resolve to put forward "regional solutions to regional problems" resulted in the autonomous proposal of an initiative aimed at involving Russia and local actors in "Calming the Caucasus"³⁵. The main achievement of Turkey's initiative was to keep open a bilateral channel for dialogue in times of crisis, while avoiding entrapping the country in a spiral of sub-regional polarisations with Russia. However, in spite of Moscow's declaratory stances, it failed to involve Turkey in concrete and shared joint measures

³⁴ In April 2001 the Black Sea littoral states created the Black Sea Naval Cooperation Task Group (Blackseafor), a naval cooperation mechanism entrusted, since 2004, also with prerogatives in the field of anti-terrorism and for the control of trafficking in weapons of mass destruction. Turco-Russian strategic cooperation in the basin was further widened in December 2006 by virtue of Russia's association to the *Black Sea Harmony* operation, launched by Ankara in 2004 for the control of vessels transiting the Sea. These prerogatives – and specifically the will to not duplicate the existing mechanisms – represented the main justification for rejecting the US proposal to extend to the Black Sea the NATO's anti-terrorist operations (Active Endeavor) conducted in the Mediterranean since 2001.

³⁵ A. Babacan, "Calming the Caucasus", *The New York Times*, 23 September 2008.

for stabilisation – i.e. in the proposal of a region-wide stabilisation platform and in the relaunch of negotiations over the protracted conflicts.

The muted results of the attempt to extend the regional ownership logic to the Caucasus area reveal two essential traits of the bilateral entente. First and foremost they exposed the asymmetrical nature of the bilateral relation between Russia as a great power and Turkey as a middle power, even beyond economic considerations based on the latter's energy dependency³⁶. Russia's unwillingness to give up its sub-regional hegemonic role for the sake of stabilisation shows Moscow's rational resolve to retain its power resources as well as the gap in bargaining power between the partners. Secondly, when compared to the achievements of bilateral cooperation in the Black Sea area, the shortcomings in the Caucasus demonstrate the lack of a shared strategic vision between the partners and the eminently tactical nature of the entente. For Russia, the Turkey entente falls primarily within the attempt to balance the United States by means of so-called network diplomacy – that is, a web of flexible and tactical regional and sub-regional alignments allowing Moscow to pursue this balancing in different scenarios in cooperation with pivotal local partners. Therefore, in those areas where Moscow may perform an *internal* balancing act or, rather, may act in cooperation with different partners, the scope of Turkish-Russian cooperation is naturally narrower.

The fallacy of the compartmentalisation logic: the Middle Eastern lessons

The pillar upon which the Turkish-Russian embrace is built – i.e. the double compartmentation logic – embodies both the contingent strength of the cooperation axis and the deepest

³⁶ See, for instance, Z. Öniş and Ş. Yılmaz, “Turkey and Russia in a shifting global order: cooperation, conflict and asymmetric interdependence in a turbulent region”, *Third World Quarterly*, vol. 37, no. 1, 2016, pp. 71-95.

reasons for its structural weakness. That is, while it allowed for a rapprochement otherwise difficult to achieve, at the same time, by advocating tactical alignments in the absence of a broader and shared strategic vision, it keeps open the possibility for renewed spirals of crisis and confrontation. Simultaneously, the compartmentalisation logic remains vulnerable to the possibility that marginalised regional issues may unintentionally raise the stakes, fostering conflicting reactions and endangering the whole spectrum of the bilateral cooperation.

The latter was precisely the case of the Middle Eastern scenario, which, before the wave of the so-called Arab Spring, was relegated to the margins of Turkish-Russian cooperation, notwithstanding the shared intent to abide by the general principles guiding the entente – i.e. the resolve to safeguard the *status quo* by avoiding the diplomatic isolation of local actors as well as by opposing foreign interventions potentially disrupting regional stability. However, the course of the regional events – and, particularly, the protracted conflict in Syria – progressively raised Turkish and Russian stakes in the scenario, exposing conflicting views and interests regarding the area's stabilisation and entangling the partners in opposite camps of regional ethnic and sectarian polarisation. This was chiefly the result of Turkey's attempt to capitalise on the wave of unrest, maximising a decade of improved soft power in order to advance a regional leadership role. Facing the unprecedented dilemma of taking sides either with the insurgent populations or with the local regimes³⁷, Ankara opted for the former by subscribing to a regime change agenda which took Turkey to the forefront of the heterogeneous "revisionist camp", including both Western and Sunni powers. In doing so, Ankara not only ended up

³⁷ On the eve of regional upheaval, then Foreign Minister Davutoğlu efficaciously recapped the dilemma by portraying Turkey as being "entrapped between [...] two successes" – i.e. good relations with Middle Eastern governments and growing popularity among populations – and, thus, between two opposite expectations. See B. Yinanç, "Turkish FM says US, NATO support Ankara's roap map for Libya", *Hürriyet Daily News*, 7 May 2011.

by reinvigorating its own insecurity complex, but also openly contradicted the original rationale of the bilateral entente with Russia, thus clashing with Moscow's opposite resolve to keep the *status quo* unaffected and, simultaneously, to enhance its regional alignments along the Damascus-Baghdad-Tehran axis.

Over and above the immediate causes and the course of the bilateral crisis – from the downing of a Russian bomber by Turkish forces in November 2015 to Erdoğan's letter mending the relation's fences in June 2016 – the crisis contributes to portraying both the fallacies and the resilience inscribed in the partnership as well as in the logic presiding over it.

First and foremost, the crisis in the Middle East demonstrated that a renewed spiral of confrontation in one of the regional scenarios where Turkey and Russia concurrently project their influence might have a domino effect on cooperation in other scenarios, rapidly enlarging the scope and the depth of the crisis itself. Over the crisis' seven-month duration, this was particularly the case with Turkey's threat of *disalignment* in the Black Sea area. Here the threat took the shape of a renewed tilting toward naval cooperation with NATO³⁸, contrasting with the bilateral cooperation's achievements in the basin. Moreover, it took the shape of an enhancement of the partnership with Ukraine and a hardening of the tones condemning Russia's illegitimate takeover of Crimea³⁹, contradicting the balanced position held by Ankara since the eruption of the Ukrainian crisis. Nor did the retaliation spiral leave unaffected the core element of the partnership, i.e. the economic and energy dimension. Indeed, besides adopting economic sanctions against Turkey, Moscow scrapped the preliminary agreement for realisation of the Turkish Stream gas pipeline, thus leveraging its main source of bargaining power *vis-à-vis* its partner. Moreover, exacerbating one of the main security threats posed to Turkey by the Syrian

³⁸ J. Kucera, "Erdoğan, In Plea To NATO, Says Black Sea Has Become 'Russian Lake'", *Eurasianet*, 11 May 2016.

³⁹ "Turkey and Ukraine Forge an Unlikely Alliance", *Stratfor*, 14 March 2016.

conflict, the Kremlin openly revived its traditional patronage relationship with the Kurdish population⁴⁰ – whose breach, at the end of the 1990s, had been one of the main factors facilitating the bilateral rapprochement.

The retaliation spiral has had another important impact on the partnership. While not necessarily demonstrating the ineluctability of conflicting relations between Ankara and Moscow⁴¹, nonetheless it reactivated a traditional sense of reciprocal diffidence between the parties deeply rooted in both history and their respective insecurity complexes. Exposing the risks associated with renewed phases of competition between the partners, such a perception was not entirely dissipated by the normalisation of relations after June 2016. That is, the *normalisation* process did not bring about a parallel and wider *reconciliation* process, still largely unfulfilled⁴². Moreover, the harsh rhetoric employed by both country's leadership during the crisis, fueling both societies' growing nationalistic sentiments, ended up by creating societal resistances to the reconciliation process. This trend risks, on the one hand, weakening the enlargement of societal stakeholders achieved through the improvement of economic interactions while, on the other, potentially leaving the countries more prone to renewed spirals of crisis than they were before November 2015.

The way the crisis was defused and bilateral cooperation relaunched is equally telling in portraying the current status and the perspectives of the Russian-Turkish entente. Firstly,

⁴⁰ M. Reynolds, "Vladimir Putin, Godfather of Kurdistan?", *The National Interest*, 1 March 2016.

⁴¹ For a contrasting view, see J. Mankoff, "Why Russia and Turkey Fight. A History of Antagonism", *Foreign Affairs*, 24 February 2016.

⁴² An indirect yet significant element showing both the incompleteness of the normalisation process at the intergovernmental level as well as the depth of reciprocal diffidence is the Kremlin's decision not to withdraw – at the time of writing – all the economic sanctions adopted against Turkey during the crisis. The Kremlin's position was reciprocated, in March, by Turkey through the decision to freeze the issuance of licenses for duty-free grain imports from the country.

Erdoğan's letter of condolence and apology sent to Russian counterpart Putin, exposing Turkey's inability to bear the economic and political costs of the confrontation – especially at a time of growing diplomatic isolation, reigniting of the domestic-external Kurdish threat perception, and looming economic crisis – proved once more the asymmetrical nature of the partnership and the gap in respective sources of power and leverage.

Looking *ex post* at the crisis' course, it is worth noting that, notwithstanding the reciprocal threats to retaliate by downgrading energy cooperation – i.e. cutting gas supply or rather reducing its purchase – Russia's supply to Turkey went largely unaffected, clearly demonstrating the primary weight of the sector in supporting and enhancing the resilience of the bilateral partnership. It is not by chance that the revitalisation of the Turkish Stream pipeline project and acceleration of the normative process leading to its realisation emerged as a priority and privileged ground for diplomatic normalisation. Moreover, the normalisation process itself is equally telling in confirming the traditional partnership priorities for action as well as the logic behind it. Indeed, over and above the revitalisation of energy partnership and the inauguration of a significant cooperation course in the defense sector⁴³, the normalisation process has been chiefly based upon the reaffirmation and the spatial widening of the *regional ownership* principle. From the first perspective, the renewal of cooperation plans in the Black Sea basin, along with the resumption of the still-limited-in-scope dialogue

⁴³ In September 2017 Turkey and Russia signed a controversial €2.14 billions deal for the purchase of Russian S-400 anti-aircraft missiles. The deal, finalised in December, is particularly significant as far as Ankara-Moscow bilateral relations and Turkey participation in Atlantic Alliance are concerned. Indeed, the deal stands as the biggest purchase of Russian arms made not only by Turkey (whose purchase from Russia between 1992 and 2016 reached a total of US\$201 millions) but, generally speaking, from a NATO member country. Moreover, the S-400 anti-aircraft system cannot be integrated into NATO's own military apparatus, including the one deployed in Turkey itself.

on the pacification of the Southern Caucasus⁴⁴, confirm the prioritisation of the shared neighbourhood for the joint pursuit of regional ownership. Furthermore, the latter was also extended to the Middle Eastern area and widened through the inclusion of Iran, as epitomised by the so-called Astana Process. While for Turkey such widening seems to be consistent with a wider process aimed at re-ensuring coherence with (and mending the fences of) its Middle Eastern policy by defusing the risks associated with the regional polarisation spiral, for Russia it represents the enhancing of its network diplomacy in an environment critically important for the *multi-regional balancing* of the United States. Notwithstanding the mutual benefits of the revived entente, the pivotal role played by Moscow in the unfolding trilateral dialogue and cooperation once again testifies to the widening gap in Russia and Turkey's power and leverage resources, i.e. the enhanced asymmetry in their bilateral partnership – simultaneously exposed also by Moscow's key role in helping or allowing Ankara to defuse the increasing Kurdish threat coming from its Southern border.

Conclusion

The parallel and intertwined processes of searching for identity and role in the post-bipolar era opened up room for tactical entente and cooperation between Turkey and Russia, along a double compartmentalisation logic. While allowing for a pragmatic rapprochement otherwise difficult to achieve, such a logic epitomises the inherent weaknesses of the partnership, on two basic levels. Firstly, as exposed by the 2015-2016 crisis over Syria, regional issues marginalised by the relation may unintentionally rupture the compartmentalisation borders and endanger the whole course of bilateral partnership. Secondly, the

⁴⁴ See respectively M. Gurcan, "Is Turkey turning its stern on the West in the Black Sea?", *Al-Monitor*, 15 December 2016; "FM: Turkey, Russia work jointly to settle Karabakh conflict", *Today.Az*, 22 March 2017.

tactical nature of the entente leaves constant room for the clash of wider strategic interests and policies. *Inter alia*, this means that renewed spirals of crisis and confrontation may materialise not only where Turkish and Russian interests more openly collide, but also in those regional scenarios where they apparently converge in safeguarding the *status quo* and, potentially, as a consequence of unwanted and beyond-their-control initiatives coming from third parties. This is, e.g., the risk emerging in a critical and polarised scenario like the Southern Caucasus, where there is no strategic convergence between the partners over the perspective for long-term systematisation and where the patronage logic puts them on opposite sides of potential sub-regional conflicts. At the same time, the tendency to tactically align regional policies in the absence of a common strategic vision – like in the current Syrian scenario – naturally leaves room for a renewed spiral of competition and confrontation.

The recent crisis in relations, while exposing a widening power asymmetry between the partners, has nonetheless confirmed the high degree of resilience of the entente, which still represents an important vector for both partners' foreign policy. While Turkey still represents a key interlocutor in advancing Moscow's own view of a multilateral international system, Russia is for Ankara a valuable partner in pursuing its traditional securitisation goals as well as in striking a coherent balance between its regional and global alignments. From this perspective, the old Ottoman tendency to protect the state's interest by playing great powers' policies against one another seems to fit well the current policy of middle-power Turkey, thus making relations with Russia as important as ever – the more so as a consequence of the bad state of relations between Ankara and its Western interlocutors on both the shores of the Atlantic Ocean.

When analysing the logic behind the Turkish-Russian partnership it would be unwise not to look beyond the mere tactical convergences of respective interests. Indeed, since its inception the rapprochement stemmed chiefly from the challenging and still largely unfulfilled process of adapting to the changing

parameters of the international post-bipolar system, in both strategic and identity terms. From the former perspective, the entente was the result of adaptation to the regionalisation process of the international system, which, in comparison to the Cold War environment, has been witnessing a hierarchical overturning between global and regional dynamics, much to the benefit of the latter. From the second and closely connected point of view, the rapprochement resulted from the maturing domestic identity debate, around a shared downgrading of the Western-European component of their respective syncretic identities and a simultaneous valorisation of their civilisational uniqueness. Welding together the double transition trends, Turkey and Russia have been advancing and claiming a new centrality in the current international system, consistently with a process of strategic-identity realignment which can hardly be interpreted as merely conjunctural and which seems to leave wide room for the improvement of bilateral relations in a multi-regional perspective.

The aforesaid consideration is also important in appraising the current state of Ankara and Moscow's relations with the West. Indeed, Turkey and Russia's strategic defection from the alliance and from cooperation with the West reflects a wider identity reassessment process, which, in both cases, signals the partial overcoming of a sense of backwardness and peripherality *vis-à-vis* Western civilisation, with deep roots in both history and strategic culture. Extending to Turkey what Bobo Lo wrote about Russia, it might be said that in both cases "gone is the desperation to be accepted in the European mainstream, and the inferiority complex that imbued this aim"⁴⁵. The intertwined strategic and identity reassessment processes naturally entail a degree of competition with the West, in strategic, economic, and even normative terms. While not necessarily assuming conflicting traits, this trend seems to emerge as a

⁴⁵ B. LO, *Russia and the New World Disorder*, London, Royal Institute of International Affairs, p. 181.

structural dynamic in Ankara and Moscow's relations with their Euro-Atlantic interlocutors, demonstrating their shared interests in safeguarding the multi-regional *status quo* and resisting the West's perceived revisionist tendencies and, at a wider look, an attempt to base post-bipolar roles and identity on the affirmation of a multi-regional pivotal or hegemonic role.

4. Turkey's Geo-Economic Projection and Energy Interests in Central Asia

Fabio Indeo

Since the independence of the former Soviet Central Asian republics in 1991, Turkey has become an important economic partner for these new sovereign states, which viewed Turkey as a successful model of state based on its combination of secularism and economic growth. The existence of ethnic, cultural, linguistic and religious links have definitely contributed to deepening trade cooperation, while Turkish investments have supported the economic development of independent Central Asian states and their efforts to create new transport infrastructures.

Furthermore, the geographic position of Turkey as a strategic hub between the Caspian region and the EU has been a great opportunity for landlocked Central Asian countries to diversify trade and energy exports following a westward energy corridor. Nevertheless, if compared to other powerful actors such as China, Russia and the United States, Turkey has not been able to play an influential geopolitical role.

The main aim of this chapter is to highlight the economic cooperation between Turkey and Central Asian countries, also analysing the role and the impact of Turkish investments in the regional economies: the involvement of Turkish companies in the construction sector in Kazakhstan or in building the Turkmenbashi international port in the Caspian and its future connection with the Azerbaijani port of Baku show the strategic importance of Turkey's geo-economic projection towards Central Asia.

Moreover, the potential future realisation of the Trans-Caspian oil and gas transport system will make it possible to establish a profitable energy partnership between Turkey and Central Asian countries: Turkmenistan's concrete involvement

in the Trans-Anatolian Gas Pipeline will be a successful step, offering an alternative export route for Ashgabat and also allowing Turkey to enhance its energy security, diversifying its gas imports in order to reduce Gazprom's leverage.

Turkey and Central Asian economic cooperation: potential strength, concrete hindrances

Following the dissolution of the Soviet Union, the threat of a geopolitical vacuum and a scenario of instability in the post-Soviet space pushed many geopolitical actors to try to exert influence in the region, developing relations and cooperation with the newly independent states.

Among these external actors, Turkey held a concrete card to play, promoting its historical, linguistic and cultural ties with Central Asian countries in order to increase engagement with the Turkic world, thereby influencing the political, economic and social evolution of these now independent countries.

In 1991 Turkey was the first country to recognise the independence of the Central Asian republics: the establishment of diplomatic relations aimed to contribute to the development of a stable, independent and prosperous Central Asia, supporting the efforts of these newly independent countries to progress towards a market economy, to build secular democracies, to become pluralist¹.

According to the Ministry of Foreign Affairs, Turkey's foreign policy towards Central Asia has followed five guidelines:

1. Developing bilateral and multilateral cooperation in the fields of energy, economy, commerce, culture, society, politics, etc.
2. Assisting Central Asian countries in finding a peaceful solution to frozen regional conflicts.

¹ Ministry of Foreign Affairs of Turkey, *Turkey's Relations with Central Asian Republics*, http://www.mfa.gov.tr/turkey_s-relations-with-central-asian-republics.en.mfa

3. Serving as an energy terminal.
4. Providing assistance to the regional states in their nation- and state-building processes.
5. Helping them develop and maintain close relations with the other countries².

After their independence Turkey was the first country to offer substantial economic assistance to the new, post-Soviet Central Asian republics in order to aid the state-building process and political independence, also considering that the region could become an important market for Turkish goods. Turkey's EximBank offered credit facilities totaling more than US\$1 billion to develop market economies, while the creation of joint ventures between Turkish and Central Asian banks was intended to develop the banking sector. Infrastructure development was another shared objective, with Turkey helping Central Asian countries to modernise their transportation systems. Many Turkish construction firms were engaged in various projects in the region, building modern hotels, airports or industrial plants³.

Moreover, Turkey promoted bilateral and multilateral cooperation in different fields to further involve Central Asian countries. The creation of Turkey's International Development and Cooperation Agency (TIKA) enabled it to organise foreign aid to assist these Turkic republics in the transition period. The TIKA served as a geopolitical tool for Turkish foreign policy to promote the Turkish model of a free market economy and democratisation, a model supported by the United States

² Ministry of Foreign Affairs of Turkey, *Synopsis of the Turkish Foreign Policy*, <http://www.mfa.gov.tr/synopsis-of-the-turkish-foreign-policy.en.mfa>; F. Alimuhamedov, "Turkey's Central Asia Policy in the Changing World: Priorities, Policies and Actions", *South East European Journal of Political Science*, vol. 3, no. 2, June-December 2013, p. 115.

³ H. Kramar, "Will Central Asia Become Turkey's Sphere of Influence?", *SAM, Azerbaijan Centre for Strategic Research*, March-May 1996, p. 4; Ministry of Foreign Affairs of Turkey, *Turkey's Relations with Central Asian Republics*.

and Western countries in order to contain Iranian influence and weaken Russia's longstanding position of influence in the region⁴.

The development of profitable energy cooperation was another key priority of Turkish foreign policy towards Central Asia: in fact, Central Asian oil and gas reserves could help Turkey reduce its dependence on Russian energy imports as well as allow the country to play a strategically important role as a transit energy hub between Caspian-Central Asian producers and the EU market⁵.

In the political-diplomatic field, high-level meetings between presidents of Turkey and Central Asian countries – except Tajikistan – took place in the early 1990s to pave the way for further cooperation in the Turkic world. Regular summits of the leaders of Turkic-speaking states were initiated in 1992. Also in the multilateral framework, Turkey favoured the inclusion of the five Central Asian republics in the Economic Cooperation Organisation (ECO) together with Afghanistan and Azerbaijan which joined the original members: Turkey, Iran and Pakistan⁶.

Through “soft power” initiatives Turkey extended its cultural influence in the region, granting scholarships to study in Turkey, promoting Turkish satellite TV, opening flight connections with all five Central Asian capitals. Turkey has also opened five universities: two in Kyrgyzstan, two in Kazakhstan and one in Turkmenistan along with numerous secondary schools in Turkic countries⁷. The TÜRKSOY institution was created in

⁴ G. Özkan and T. Demirtepe, “Transformation of a Development Aid Agency: TİKA in a Changing Domestic and International Setting”, *Turkish Studies*, vol. 13, no. 4, 2012, pp. 647-649.

⁵ C. Frappi, *Central Asia's Place in Turkey's Foreign Policy*, ISPI Analysis, no. 225, December 2013, pp. 4-5; F. Alimuhamedov (2015), p. 115.

⁶ G. Winrow, *Turkey in Post Soviet Asia*, London, The Royal Institute of International Affairs, 1995, pp. 16-30; B. Ara, *The New Geopolitics of Eurasia and Turkey's Position*, London, Frank Cass, 2002, pp. 2-4.

⁷ A. Balcer, “Between Energy and Soft Pan-Turkism: Turkey and the Turkic Republics”, *Turkish Policy Quarterly*, vol. 11, no. 2, 2012, p. 156.

1993 to develop cultural ties between the countries.

From the Central Asian perspective, the Turkish model based on secularism and a market economy was perceived as a successful example to follow to enhance the state-building process and to consolidate economic independence and political sovereignty. Moreover, the geographic position of Turkey as a strategic hub between the Caspian region and the EU provided a great opportunity for landlocked Central Asian countries to explore new trade and energy routes alternative to the centralised Soviet economic system.

However, in spite of this diplomatic and economic engagement, Turkey was unable to exert significant geopolitical influence in the Turkic post-Soviet space: in fact, TIKA had a limited budget and generally Turkey's ability to provide commercial loans and credit facilitations was rather restricted, given the country's own foreign debt situation, failing to meet Central Asian expectations⁸.

Moreover, Turkish endeavours to promote democracy and political liberalisation clashed with the growing authoritarian tendencies emerging in Central Asia, where presidents and political elites attempted to boost their power and legitimacy⁹.

Furthermore, Central Asian presidents also feared that Turkey's aim was to undertake a Pan-Turkic project in the region, creating a bloc or a union of Turkic nations under Ankara's leadership (although Tajikistan cannot be properly defined a Turkic nation since it has no cultural and historical links with Turkey).

Consequently, Central Asia presidents were strongly motivated to prevent replacement of the former Russian "big brother" by a new Turkish one, expressing their reluctance to become deeply engaged in cooperation with Turkey¹⁰.

⁸ H. Kramar (1996), p. 4.

⁹ T. Wheeler, "Turkey's Role and Interests in Central Asia", *Saferworld Briefing*, October 2013, p. 3; B. Aras and H. Fidan, "Turkey and Eurasia: Frontiers of a New Geographic Imagination", *New Perspectives on Turkey*, no. 40, 2009, p. 200.

¹⁰ A. Hyman, *Political Change in Post Soviet Central Asia*, London, The Royal Institute

Following this geopolitical downturn, Turkey put aside its ideological approach, wisely taking a more profitable, pragmatic attitude focused on economic and energy cooperation. In fact, the enhancement of cooperation in these fields has produced more results than entering into geopolitical competition in the region, which appears to be an exclusive game only including big players such as Russia and China, with the United States and European Union in marginal but significant positions.

In this chapter, the analysis will focus on Turkey's economic and energy cooperation with Kazakhstan, Uzbekistan and Turkmenistan, considering the important strategic impact of bilateral cooperation and the potential development of transport and energy infrastructures connecting Central Asia with Europe through Turkey as a regional transit hub. Tajikistan and Kyrgyzstan, on the other hand, play a marginal role in Turkey's geo-economic strategy due to limited investment opportunities and their landlocked geographic position compared to the Caspian-Central Asian countries (Kazakhstan and Turkmenistan) or Uzbekistan.

The role of Turkish investments in Kazakhstan's economy

Since the independence, Turkey and Kazakhstan have developed good bilateral relations, through high-level visits and the signing of agreements and deals. In 1991 Turkey and Kazakhstan signed an Agreement on Cooperation in politics, economics and other areas, in addition to a declaration containing the principles and objectives of bilateral relations¹¹.

Cooperation between Astana and Ankara has been favoured by the reciprocal need to achieve the strategic goals of their foreign

of International Affairs, 1994, p. 30.

¹¹ D.H. Aslan and D. Bozyigit, "Turkey-Kazakhstan Relations: an Overview of Mutual Relations since the Collapse of the Soviet Union", *Kwartalnik Naukowy Uczelni Vistula (KNUV)*, vol. 4, no. 42, 2014, p. 138.

policies. Kazakhstan has implemented a multi-vector foreign policy aimed at establishing cooperation with different actors in order to enhance the country's role on the international scene as well as contain Russia's traditional influence. Turkey considers this new Caspian-Central Asian republic to be a strategic hub for energy and transportation projects connecting the Eurasian region, also taking into account Kazakhstan's huge oil reserves¹².

Establishment of the strategic partnership agreement in 2009 – following Kazakh President Nazarbayev's visit to Turkey – confirmed the special relationship existing between Turkey and Kazakhstan, which was the first Central Asian Turkic state to sign such an agreement with Turkey¹³.

The political stability of Kazakhstan, its engagement in a liberalisation process to modernise its formerly state-run economic system, the availability of huge oil and gas reserves are all factors that attracted Turkish companies to invest in this Central Asian country, which also represents an important market with 18 million people.

Since 1991 both countries have been engaged in creating the conditions for implementing profitable economic cooperation. Investments between the two countries are based on the Mutual Incentive and Protection of Investments Agreement (1992), while the Joint Economic Commission founded in 1993 controls their financial and economic relations. Moreover, the opening of the Turkish-Kazakh International Bank and International Ziraat Bank built up a trust for Turkish investors in Kazakhstan¹⁴. In order to promote investments in Kazakhstan and attract the attention of foreign investors to the country, a Foreign Investment Law was introduced in 1994, while the foundation of the High-Level Strategic Cooperation Council (HLSCC) in 2012 aims to

¹² Ö.N. Ögütçü, *The Current State of Relations between Kazakhstan-Turkey*, AVIM, Center for Eurasian Studies Analysis, no. 29, 2017.

¹³ *Ibid.*, p. 109.

¹⁴ S. Yılmaz, "‘Economy Comes First’ Initiating Turkish-Kazakh Relations, Who Undertook the responsibility?", *International Journal Turkic Studies Review*, vol. 1, no. 1, 2014, pp. 30-31.

promote economic and commercial cooperation in Central Asia.

Turkey is Kazakhstan's seventh largest trading partner: in 2016 the trade between Turkey and Kazakhstan reached revenue of almost US\$2 billion, less than in 2012 (US\$4.5 billion) mainly due to the negative effects of the global economic crisis and low oil prices¹⁵. According to the Turkish Ministry of Foreign Affairs, there are some 600 Turkish companies operating in Kazakhstan and providing jobs for 15,000 people¹⁶.

The total amount of Turkish investments in Kazakhstan reached US\$2.7 billion, including 70 projects, 31 of which have been implemented. Turkish investments are mainly focused on the development of the food sector, on the pharmaceutical and chemical industries, construction, hotel management and manufacturing¹⁷.

The Sembol İnşaat and Okan Holding construction companies are the main Turkish private investors in Kazakhstan. Sembol İnşaat invested over US\$500 million, constructing some of the most famous and important buildings in the country such as the Astana Media Center, the Palace of Independence, the Peace Pyramid, Nursultan Nazarbayev University and the Parkview Office Tower in Almaty. Okan Holding invested more than US\$500 million in projects that included the Euroasia Bank, Kazakhstan National Museum, Astana Twin Towers. Among other Turkish companies, Alarko Holding built the Astana International Airport. Turkuaz Holding is the country's largest distributor of products to hotels, restaurants, catering services, food and beverage industries etc. Anadolu Group is among the most active Turkish companies in Kazakhstan, employing 2000 people and operating two beer factories in Almaty

¹⁵ "Turkey, Kazakhstan sign investment deals worth \$590 million, pledge stronger economic ties", *Daily Sabah*, 10 September 2017.

¹⁶ Ministry of Foreign Affairs of Turkey, *Relations between Turkey and Kazakhstan*.

¹⁷ "Turkish holdings are intended to invest \$590 million in Kazakhstan", The Prime Minister of Kazakhstan Official website, 9 September 2017; Ö.N. Ögütcü (2017), pp. 3-4.

and a Coca-Cola bottling plant in Karaganda¹⁸.

The importance of economic cooperation between Turkey and Kazakhstan led to the foundation of the Foreign Investments Council, intended to ensure the integration of Kazakhstan's economy with foreign investments and promote dialogue among investors to manage and solve potential problems.

In the energy sector, the Turkish National Oil Company (TPAO) made a big contribution to developing Kazakhstan's oil reserves. In 1993 TPAO established the KazakhTurkMunai (KTM) joint venture together with the national company, NC KazMunaiGas, operating eight fields in the oil-rich Mangistau and Aktobe regions in Western Kazakhstan. This was the first joint venture company in the oil business to be established in independent Kazakhstan but in 2014 TPAO sold its 49% share in it, after investing US\$263 million¹⁹.

Following construction of the Baku-Tbilisi-Ceyhan pipeline in 2006, energy cooperation between Kazakhstan and Turkey has been further enhanced, allowing Astana to deliver its oil exports through an alternative East-West corridor, and Turkey to legitimise its role as energy bridge between the Caspian Sea and the EU: however, Kazakh oil exports still reach the Caspian port of Baku by tanker while waiting for the creation of the Trans-Caspian oil and gas system.

Recently, Turkish-Kazakh economic relations have been further cemented: following President Erdoğan's visit to Astana on 9 September 2017, investment agreements worth US\$590 million were signed between Kazakh and Turkish companies such as Çalık Holding, Yıldırım Holding, Yıldızlar SSS Holding, Agrobest Group, and others. Turkish President Erdoğan explained that the shared goal is to increase bilateral trade volume

¹⁸ S. Yılmaz (2014), pp. 29, 32-34.

¹⁹ "Kazakhturkmunay Ltd: The First Joint Venture Company in Oil Business", Kazakhturkmunay Official Webpage; L. Nurgaliyeva, "Kazakhstan's Economic Soft Balancing Policy vis-à-vis Russia: From the Eurasian Union to the Economic Cooperation with Turkey", *Journal of Eurasian Studies*, vol. 7, no. 1, January 2016, pp. 101-103.

to US\$5 billion, claiming that there is the potential to achieve this result. At present, a total package of Kazakh-Turkish investment initiatives include 70 projects for a total amount of US\$2.7 billion, 31 of which have been implemented.

Turkey's perspective is aimed at leveraging economic cooperation with Kazakhstan to obtain access to regional markets. Since Kazakhstan is one of the founding members of the Eurasian Economic Union, Turkey is attempting to extend its geo-economic projection in this promising market of 200 million people. Turkey needs to build facilities in Kazakhstan in order to produce goods that will be duty free if they are exported within the EEU market²⁰. The creation of the Kazakh-Turkish industrial zone in the Ordabasy district of Southern Kazakhstan could help to achieve this goal.

Furthermore, Kazakhstan is important as a key transit area for China's Belt and Road Initiative (BRI) aimed at creating a geo-economic corridor between East and West. In fact, Kazakhstan benefits by playing a significant role in the BRI, as a strategic transit country crossed by most of the land corridors projected to reach Europe: Kazakhstan is crossed by the Eurasian Land Bridge corridor and by the China-Central Asia-West Asia Corridor as well as being fully involved in the Khorgos-Aktau railway corridor linking the Sino-Kazak border with the Kazakh seaport in the Caspian Sea²¹.

Turkmenistan, a strategic and economic partner in Central Asia

Political and economic cooperation with Turkey aided newly independent Turkmenistan in its post-Soviet transition,

²⁰ J.C.K. Daly, "Kazakhstan's Delicate Balancing Act Between Turkey and Russia", *Eurasia Daily Monitor*, vol. 13, no. 37, 24 February 2016.

²¹ F. Indeo, "A comprehensive strategy to strengthen China's relations with Central Asia" in A. Amighini (Ed.), *Belt and Road: A game changer in international relations?*, Milan, Epoké-ISPI, 2017, pp. 40-41.

enhancing relations with another regional partner alternative to Russia. In the political sphere, Turkey was the first country to recognise Turkmenistan's independence in 1991 and to open an embassy in Ashgabat. Turkmenistan and Turkey share cultural, historical, linguistic and religious ties that enhance political relations and bilateral cooperation, founded on the principle of "one nation, two states"²². In 1995 Turkey strongly supported the permanent neutrality in foreign policy adopted by this Central Asian country under former Turkmen President Niyazov, even though this orientation has hampered Ankara's project of enhancing cooperation in the Turkic world due to neutral Turkmenistan's refusal to be involved in some of the multilateral institutions promoted by Turkey.

Furthermore, even though Turkey contributed to establishing the Turkmen national banking system, bilateral economic relations appeared to be underdeveloped – mainly in the 2001-2006 period – because of Turkmenistan's isolationist policy as well as for the negative experiences of some Turkish businessmen in the country²³.

A concrete improvement in Turkish-Turkmen cooperation began after 2006, when President Berdymuhamedov took power, and he has progressively undertaken a proactive foreign policy allowing the country to overcome its international isolationism. In this past decade Turkey has become a strategic partner for Ashgabat: in fact, Turkey is currently Turkmenistan's third largest trade partner, after China and the European Union, and the bilateral trade revenues of this successful partnership exceeded €2.4 billion in 2015²⁴.

From the independence of Turkmenistan until today, more than 600 Turkish firms and companies have been operating

²² Republic of Turkey, Ministry of Foreign Affairs, *Relations between Turkey and Turkmenistan*.

²³ J.B. Vilmer, *Turkmenistan*, Paris, CNRS Editions, 2010, p. 195.

²⁴ Republic of Turkey, Ministry of Foreign Affairs, *Economic Relations between Turkey and Turkmenistan*; V. Panfilova, "Ashkhabad Counts on Turkey's Investment Activity", *Vestnik Kavkaza*, 12 February 2016.

in the country, engaging in contract work totalling more than US\$48 billion²⁵.

Given its political stability, Turkmenistan has been able to attract huge public and private investments from Turkey, mainly in the construction sector, but also in the textile and tourism sectors: following a visit to Ashgabat in January 2012, Turkey's Economy Minister Caglayan underlined the success of Turkish construction companies that were able to win up to 90% of government construction contracts in Turkmenistan²⁶.

The construction of the international seaport in the city of Turkmenbashi and the international airport in the capital Ashgabat are two big infrastructure projects that were assigned to Turkish firms. Polimeks, Turkey's leading construction company in Turkmenistan, signed a US\$2.2 billion contract in early 2013 to build a new modern airport in Ashgabat.

Turkey's Gap Insaat Company, owned by the Çalik Group, was designated general contractor for refurbishing and upgrading the port of Turkmenbashi on the Caspian Sea, for an estimated cost of US\$2 billion. It is expected to complete the project by the end of 2017²⁷.

Development of this Caspian port will have strategic importance. It will allow Turkmenistan to increase its energy and textile exports to Europe, crossing Azerbaijan and Turkey, and also give it the role of the economic hub between Asian and European markets as one of the main pillars along the Modern Silk Road. In fact, the upgrading of the Turkmenbashi port will better connect the two shores of the Caspian Sea, implementing the trans-regional railway line connecting Baku, Tbilisi and Kars (Eastern Turkey) to Europe²⁸.

²⁵ Republic of Turkey, Ministry of Foreign Affairs, *Economic Relations...*, cit.

²⁶ Ş. Kardaş, "Turkey-Turkmenistan Ties Flourish in Economic Realm", *Eurasia Daily Monitor*, vol. 9, no. 50, 12 March 2012.

²⁷ "Turkish company to build major new port in Turkmenistan", *Hürriyet Daily News*, 16 August 2013.

²⁸ T. Rejepova, "Turkmenistan and Turkey Launch Construction of International Port", *Central Asian Caucasus Analysts*, 21 August 2013; Çalik Holding, *A Turkmen*

The presence of Prime Minister (now President) Erdoğan together with the Turkmen President at the ground-breaking ceremony for the construction of the new Turkmenbashi port on 15 August 2015 clearly shows the political and strategic importance of this infrastructure for both countries.

Furthermore, the Turkmenbashi port will be connected with the Lapis Lazuli railway corridor linking Afghanistan to Turkey through Turkmenistan aimed to increase regional interconnectivity.

These Turkish investments strongly support Turkmen attempts to achieve a strategy of economic diversification that would lessen dependence on revenues deriving from exports of natural gas. A key priority of Turkmenistan energy strategy will be shifting from exports of raw materials (natural gas and – to a lesser extent – crude oil) to exports of finished products through the modernisation of the petrochemical industry and the construction of gas processing plants and oil refineries. Turkish companies – together with Japanese firms – are actively involved in developing the Turkmen chemical industry and natural gas processing. At present a Turkish-Japanese consortium runs a new sulphuric acid production installation – with a capacity of 500,000 tons per year – at a chemical plant in the city of Turkmenabat, in Lebap province, while another consortium (involving Turkey's Rönesans Holding and Japan's Kawasaki) is implementing a project to build a gasoline production plant in Ahal Velayat. In addition, a consortium between Gap İnşaat (Turkey) and Mitsubishi Corporation (Japan) has undertaken to build a carbamide (urea) production plant in Garabogaz – Balkan Velayat – while in October 2014, the Turkish company Renaissance put into operation a complex of ammonia and carbamide plants in Mary, after investing US\$1 billion²⁹.

Port for the Silk Road, 2013.

²⁹ “Turkmenistan’s Fuel and Energy Sector: a New Phase of Diversification”, State News Agency of Turkmenistan, 17 September 2015; H. Hasanov, “Japanese-Turkish Consortium Builds Chemical Facility in Turkmenistan”, *Trend Az News Agency*, 10 July 2016.

Moreover, Turkish companies are involved in implementing many projects in agricultural production, the food industry and textile production. The electricity sphere is another field of fruitful cooperation: Turkey's Çalık Holding won a big five-year contract for modernising Ashgabat's power supply system and constructing large power plants in Lebap and Mary provinces, which border on Afghanistan³⁰.

The strategic convergence of reciprocal interests has pushed Turkey and Turkmenistan to strengthen energy cooperation based on natural gas and export infrastructures. Turkmenistan has the world's fourth-largest natural gas reserves (17.5 trillion cubic metres)³¹.

Turkey represents an interesting alternative route for Turkmen gas exports, following an East-West direction towards EU markets and lessening overdependence on exports to China.

The involvement of Turkmenistan in the Trans-Anatolian Natural Gas Pipeline project (TANAP) – a section of the Southern Gas Corridor (SGC) project intended to deliver 16 billion cubic metres (bcm) of Azerbaijani gas to Europe via Turkey by 2019 – will enhance the role of Ankara as a strategic transit hub for gas imports to the EU, also providing an alternative source of gas imports that could reduce European dependence on Russian gas.

Turkmenistan's participation will boost the capacity of this energy route, which is expected to reach 31 bcm in 2026 and 60 bcm in 2030³². In November 2014 Turkmenistan's state gas company Turkmengas signed an agreement with the private Turkish firm Atagas for the purchase and sale of gas to TANAP³³. In December 2015 Turkmenistan concluded the

³⁰ Çalık Holding, *3 more new projects from Çalık Enerji to Turkmenistan*, 2013.

³¹ British Petroleum, *BP Statistical Review of World Energy 2016, 2017*, p. 26.

³² T. Rejepova, *Foreign Ministers of Turkey, Azerbaijan and Turkmenistan Discuss Energy and Transportation in Ashgabat*, Central Asia and Caucasus Analyst Institute, 4 March 2015.

³³ N. Konarzewska, *Turkmenistan advances westward natural gas export*, Central Asia and Caucasus Analyst Institute, 25 March 2016.

East-West gas pipeline, with a capacity of 30 bcm per year: if and when environmental and geopolitical problems linked to creating Trans-Caspian infrastructures are solved, Turkmenistan and Turkey will have a great opportunity to enhance profitable energy cooperation.

Consequently, the diplomatic activism of Turkey and development of a trilateral dialogue with Turkmenistan and Azerbaijan have revitalised the Trans-Caspian project, producing interesting results. On 1 May 2015 during a meeting of the energy ministers of Azerbaijan, Turkey, Turkmenistan and EU representatives in Ashgabat, the parties signed the “Ashgabat Declaration”, focused on developing cooperation in the energy field³⁴.

The improved relations between Turkey and Russia – the main source of gas imports for Turkey, accounting for 50% of its total gas imports – may downplay the role of Turkmen gas in diversifying Turkey's import routes, enhancing domestic energy security and reducing dependence on Russian gas.

Uzbekistan-Turkey: an improved and profitable economic cooperation

After Kazakhstan, cooperation with Uzbekistan has always been an attractive prospect for Turkey, given its geographical position of centrality in the heart of Eurasia, the largest population in Turkic Central Asia and the potential size of its market, as well as the presence of interesting oil & gas reserves.

However, since the beginning, relations between Ankara and Tashkent have been complicated and definitely deteriorated prior to the election of the new Uzbek President Mirziyoyev, who is currently engaged in improving bilateral relations with Ankara.

³⁴ “Presidents of Turkmenistan and Turkey Hold Talks in Ashgabat”, *Turkmenistan*, *m*, 8 November 2014; European Commission, *Ashgabat Declaration*, 1 May 2015.

The Turkish experience appeared attractive to the newly independent Uzbekistan as a secular political model: Turkey was the first country to recognise Uzbekistan's declaration of independence in December 1991, and the former Uzbek President Karimov was the first leader of an independent Central Asian nation to visit Ankara.

Moreover, Turkey was also an important cultural pole for Uzbekistan: it is significant that in the 1990s, 2,000 Uzbeks were studying at Turkish universities, which made Turkey the most popular place for Uzbeks to study abroad³⁵.

Turkey also supported Uzbekistan in the economic field, providing two million tons of grain and a US\$590 million loan in the 1991-1994 period, while Turkish investments in Uzbekistan had reached US\$1 billion³⁶.

However, Karimov criticised the Turkish approach to promoting free market rules and economic liberalisation, perceived as destabilising reforms that could have negative social and economic repercussions in this new republic, which opted to maintain a centralised economy under the rigid control of the state³⁷.

Furthermore, Uzbekistan was highly suspicious of the Turkish model also due to Ankara's ambition to promote a Pan-Turkic framework of cooperation.

The refusal of the Turkish government to extradite a number of Uzbek opposition members and dissidents accused of supporting terrorism and engaging in destabilising acts – who had taken refuge in Turkey in 1993 – irritated Karimov. In 1994, the Uzbek government recalled 1,600 of the 2,000 Uzbek students studying in Turkey on local scholarships and in 1999 it closed all Turkish Islamic schools in Uzbekistan³⁸.

³⁵ A. Balcer (2012), pp. 153-154.

³⁶ "Turkey Pursues a Reset with Uzbekistan", *Eurasianet*, 17 November 2016.

³⁷ R. Dosumov, "Uzbekistan: a National Path to the Market", in B. Rumer (Ed.), *Central Asia in Transition*, New York, M.E. Sharpe, 1996, pp. 136-160; R. Jalcin, *The rebirth of Uzbekistan*, Ithaca, Reading, 2002, pp. 188-189.

³⁸ A. Balcer (2012), p. 156.

In 2005 Turkey's support for the United Nation's condemnation of the Uzbek government following the Andijan incident greatly worsened bilateral diplomatic relations: as a reaction, Tashkent refused to attend meetings of Turkic-speaking leaders and barred Turkish President Abdullah Gül from visiting the country³⁹.

In spite of worsening diplomatic relations, before the adoption of restrictive measures affecting Turkish businesses in the country in 2010, Turkey was Uzbekistan's third largest export destination, mostly of raw materials for textiles, and it ranked seventh among exporters to Uzbekistan. Most of Turkish investments – which reached US\$1.8 billion in the period 1992-2010 – were in the construction sector, while textiles, food, hotel service and medicine were other recipients of investments⁴⁰.

In March 2011 Uzbekistan authorities launched a campaign of tax inspections of Turkish businesses and investments in the country. National security forces closed the Turkuaz chain of supermarkets in Tashkent – owned by Demir Holdings – and goods were confiscated. Demir Holdings had been one of the main Turkish investors in Uzbekistan since independence. This firm created the Mir Store supermarket chain and renovated the Rossiya hotel (which became the Grand Mir) in Tashkent. Around 7,000 Uzbeks were employed by Demir Holdings, which invested US\$70 million in the country.

After the death of Karimov, current president Mirziyoyev appears interested in restoring cooperation with Turkey. In November 2016 Turkish President Erdoğan visited the country together with a high-level delegation including Foreign Minister Çavuşoğlu, Economy Minister Zeybekçi, Energy and Natural Resources Minister Albayrak.

³⁹ R. Satke, C. Michel and S. Korkmazy, "Turkey in Central Asia: Turkic Togetherness?", *The Diplomat*, 28 November 2014.

⁴⁰ N. Devlet, *Turkey and Uzbekistan: A Failing Strategic Partnership*, The German Marshall Fund, Analysis, 5 January 2012, p. 1.

In 2016 trade revenue between Uzbekistan and Turkey reached US\$1.2 billion: at present, there are 441 Turkish firms and companies working in Uzbekistan in the textile, food, hotel management, building materials and plastic sectors.

In February 2017 Turkey and Uzbekistan signed a cooperation agreement to boost economic relations and in October 2017 president Mirziyoyev made an official state visit in Turkey – after 18 years of frozen relations – stressing the growing role of Turkey as privileged trade and diplomatic partner for Uzbekistan. During the joint business forum in Ankara, companies from both countries signed deals and agreements worth US\$3.5 billion in order to implement around 35 projects in energy, construction, pharmaceutical, transportation, electronics, and agriculture sectors. The Uzbek president expressed its will and engagement to increase bilateral trade from current US\$1.2 billion to US\$5 billion in the coming years⁴¹.

Turkish investors have expressed strong interest in cooperating for the creation of the Urgut free economic zone, located at about 90 km from Samarkand, financing the creation of textile and food processing enterprises. Furthermore, Turkish construction firms are also interested in building hotels in some of Uzbekistan's tourist locations⁴².

Conclusion

Even if Turkey has had marginal geopolitical influence in post-Soviet Central Asia, Ankara has been able to develop and maintain profitable economic relations with these countries. The role of Turkish investments is important to developing infrastructures in the region, which will be connected to Turkey to increase their strategic importance and access to the international markets.

⁴¹ “Uzbekistan & Turkey: Is It Love?”, *Eurasianet*, 27 October 2017.

⁴² “Shavkat Mirziyoyev Received Foreign Minister of Turkey”, *Uzbekistan National News Agency*, 27 April 2017.

For instance, the forthcoming launch of the Baku-Tbilisi-Kars railway project will complete and enhance Turkey's geo-economic strategy towards Central Asia because this railway link will be integrated with China's BRI Eurasian land corridors ending in the Caspian Sea ports of Turkmenbashi and Aktau. Turkey plays an interesting role of natural hub for China's projected economic corridors and Ankara should wisely exploit this opportunity, which will produce strategic gains in political terms, further deepening its relations with Central Asian countries and legitimising it as a reliable partner for China, also attracting additional investments to develop connecting infrastructures.

The positive attitude of Central Asian presidents towards Turkey's future membership in the Shanghai Cooperation Organisation (SCO) – a regional multilateral organisation which includes China, the Central Asian republics (with the exception of Turkmenistan) Russia, Pakistan and India – could support Turkish ambitions to enhance geo-economic cooperation with Central Asia as well as China. In the medium term, economic cooperation with Uzbekistan could ensure positive results, considering the large market and central role of this country – like Kazakhstan – in the BRI infrastructure projects. Moreover, Turkish investments in Turkmenistan can really support Ashgabat's efforts to diversify the national economy and exports: in this case, Turkey could also become a reliable political partner for Turkmenistan.

However, the reluctance of Central Asian countries to be included in deeper political cooperation with Turkey hampers the full success of the country's geo-economic projection towards Central Asia, as the case of the Cooperation Council of Turkic Speaking States has shown. In fact, only Kazakhstan and Kyrgyzstan (and Azerbaijan) have become formal members of this organisation – which Ankara created at the Nakhchivan Summit in 2009 in order to institutionalise relations with Turkic Central Asian countries – thus limiting Turkey's wider geopolitical engagement in Central Asia.

5. Turkey and China: Towards a Stronger Partnership?

Valeria Talbot

The relationship between Turkey and China has been in the spotlight in recent years due to the impressive rise of both countries as emerging powers at the regional and international level. Over the years, rapprochement between Turkey and China has been a gradual process. Today, bilateral relations are mainly driven by China's increasing role as an economic actor in the Middle East and the Mediterranean basin, on the one hand, and by Turkey's need of Chinese investment and technology on the other. However, cooperation has begun to develop in other domains. Beyond real interests, it is not unlikely that Ankara could use relations with Beijing to have leverage *vis-à-vis* its traditional Western partners (Europe and the United States). At a time of critical relations with Western allies, the prospect of strengthening economic, political and military relations with China has never been more attractive for Turkey.

Turkish-Chinese relations: an overview

During the Cold War Turkey and the People's Republic of China stood with the two opposing blocs, the West and the communist bloc, respectively. While Turkey maintained a firm anti-communist position, on its side China supported anti-US movements in Turkey. Ankara and Beijing established diplomatic relations in 1971, after the United States changed its stance towards communist China. However, during the 1970s and 1980s there was little cooperation between the two countries. Armament was the factor that then pushed Turkey's

approach to China, as a consequence of Western limitations on arms sales to Turkey due to the Kurdish issue, which erupted in that period¹. Thanks to Chinese assistance, Turkey was able to develop artillery and ballistic missile technology².

From an economic point of view, commercial relations began in 1976 with the signature of a trade pact. A significant change at the beginning of the new millennium, and particularly since 2009, it marked a turning point in bilateral relations. Indeed, since then reciprocal high-level visits have intensified. The Justice and Development Party (AKP), which came to power in November 2002 for the first time, gave an impressive push to Turkey's foreign policy with the aim of intensifying and diversifying international relations in both the political and the economic domains. Diversification in foreign policy concerned first and foremost the Caucasus and Middle East neighbourhood, which are crucial in Turkey's foreign policy calculations. But Turkey has sought to extend its reach also to Asia and Africa. Over the past fifteen years Turkey has adopted a more assertive, proactive and multidimensional foreign policy. This new approach also includes an important economic dimension³, which translates into both the search for new markets (primarily in the neighbourhood) for Turkey's increasingly export-oriented economy and "the use of economic policies to pursue non-economic goals"⁴. In this context, Turkey was attracted to China, which is the largest emerging market economy, the second-largest world economy, the largest trader in the world, and a major source of foreign direct investments. Hence, after the AKP came to power a convergence of interests began to emerge between Ankara and Beijing.

¹ Wang Jin, "After the Failed Coup: A New Dawn for China-Turkey Relations", *The Diplomat*, 10 August 2016.

² *Ibid.*

³ See K. Kirişçi, "The transformation of Turkish foreign policy: The rise of the trading state", *New Perspectives of Turkey*, no. 40, 2009, pp. 29-56.

⁴ B. Doster, "The Developing Relations between Turkey and China since 2005", *Sociology of Islam*, vol. 4, no. 3, 2016, pp. 280-298.

Diplomatic relations with China have intensified since the visit of the then Turkish President Abdullah Gül in June 2009. Accompanied by a delegation also including businessmen, Gül held talks with his Chinese counterpart Hu Jintao and attended the Turkish-Chinese business forum. Since the beginning, economic interests were one of the main, if not the most important, drivers of the relationship. Indeed, in October 2010 during the visit of the Chinese Prime Minister Wen to Turkey, eight economic deals in the areas of transportation, energy, banking, finance, culture and trade were signed. On that occasion, Chinese companies were commissioned to build a fast-rail system in Turkey. Furthermore, the two countries set the goal of increasing trade to US\$100 billion by 2020 as well as establishing a strategic cooperation relationship, which was described as a “strategic partnership” by the Chinese Prime Minister Jiabao⁵. The fight against terrorism and cooperation on nuclear energy production were also indicated as important components of their strategic cooperation.

This cooperation was further strengthened during the then Prime Minister Recep Tayyip Erdoğan’s first official visit to China in April 2012. Erdoğan led a delegation including 300 businessmen. Further agreements on energy (including nuclear energy), construction, the automotive industry, banking, technology and telecommunications were signed⁶.

Cooperation with China seemed to assume a military dimension in November 2010 when Ankara invited Beijing to take part in a joint military exercise, the so-called Anatolian Eagle (an air force exercise hosted by the Turkish air force) held every year in Konya. On the one hand, the chance to carry out a military exercise with a NATO partner gave great prestige to China, at a time when the country was trying to diversify its defence relations. On the other, this aroused concern in Washington,

⁵ K. Kaya, *Turkey and China: Unlikely Strategic Partners*, Foreign Military Study Office, August 2013.

⁶ *Ibid.*

and also in Israel, which were Turkey's regular partners in these kinds of military exercises. It was no accident that the military exercise occurred soon after the relations between Turkey and Israel had deteriorated due to the Mavi Marmara incident at the end of May 2010, in which ten Turkish activists were killed by Israeli forces. In this context, the joint exercise appeared to be more a reaction to strains in Turkey's relations with Israel than a determination to strengthen military cooperation with China⁷. Afterwards, under US pressure, Turkey excluded the F16S from the exercise, and it did not invite China to take part in other air exercises in the following years.

Turkey turned to China in search of technology collaboration on missile systems, after Washington cancelled Turkey's order of a short-range missile system in the 1990s⁸. Since 1996 Turkey has tried to modernise its armed forces, by acquiring technology and developing indigenous military supply capabilities. In 2005 the commander general of the Turkish air forces expressed interest in middle-range missile systems during his visit to China. A year later this interest in missile defense and space technologies resulted in Ankara's membership in the Asia Pacific Space Cooperation Organization (APSCO)⁹. Space satellites were another sector of cooperation. In 2012 China successfully launched the Turkish Gokturk 2 satellite from the Jinqam satellite centre in the Gansu province.

Against this backdrop, it is not so surprising that in 2013 a Chinese company, the China Precision Machinery Import-Export Cooperation (CPMIEC), won the bid to jointly develop the HQ-9 surface-to-air anti-missile defence system with Turkey. Turkey accepted China's offer because it was more affordable than those of other countries, including some NATO allies and Russia. However, this decision worried Western allies

⁷ *Ibid.*

⁸ L.G. Martin, "The Prospect for Turkish- Chinese Bilateral and Multilateral Security Cooperation", *Sociology of Islam*, vol. 4, no. 1-2, 2016, pp. 113-128.

⁹ C. Lin, "Turkey trots East to China", *Transatlantic Academy*, 4 October 2013. APSCO includes China, Iran, Turkey, Pakistan, Bangladesh, Thailand, Mongolia and Peru.

and was perceived as a detachment from NATO, at a time when the Turkish government's decisions and actions did not converge with US policies and orientations in several Middle Eastern countries, from Iran to Israel¹⁰. On the contrary, from a Turkish perspective, China's offer satisfied Turkey's need to acquire the know-how to develop its own long-range missile system with the aim of reducing dependency on foreign defence equipment¹¹.

However, two years later, in November 2015, Turkey cancelled the decision because of Western allies' pressures on the grounds that the Chinese system would not be interoperable with NATO military technology as well as concerns about the possibility that information on NATO's air and missile defence system might be transferred to China.¹² From a Chinese view, this move was perceived as a signal of Turkey's unreliability in military cooperation.

The economic driver

The economic dimension is the main driver of bilateral relations. Pragmatism and economic interests have mainly shaped the relationship between Ankara and Beijing over the years. For Turkey's export-oriented economy the aim is to penetrate new markets and to diversify its trade partners. From this perspective, the development of economic cooperation is the main paradigm through which Turkey looks at China. In recent years, "economic rationality" appears to have overshadowed political divergences¹³. Turkey's GDP increased from US\$230.5 billion

¹⁰ M. Kibaroglu, "Why Turkey Chose, and Then Rejected, a Chinese Air-Defense Missile", *Defense one*, 3 February 2016.

¹¹ *Ibid.*

¹² P. Honghoui, "Prospects for Sino-Turkish Relations. Unlikely Partnership or Uncertain Complex?", *China Quarterly of International Strategic Studies*, vol. 2, no. 1, Spring 2016, p. 114.

¹³ A. Ath, "Questioning Turkey's China Trade", *Turkish Policy Quarterly*, vol. 10,

in 2002 to US\$719.6 billion in 2016, while per capita GDP increased from US\$3,581 to US\$11,014 over the same period¹⁴. At the same time, the amount of foreign trade increased as well: from US\$87.6 billion in 2002 to US\$403.5 in 2013, with a slight decrease to US\$341.1 in 2016¹⁵.

In the last decade nearly 10 agreements have been signed to increase bilateral trade. Since the AKP came to power in 2002, economic relations have developed considerably. The volume of trade increased from US\$1 billion in 2002 to US\$27.7 billion in 2016, with a stated goal of reaching US\$100 billion by 2020. In 2013 China became Turkey's second largest source of imports, surpassing Germany, while in 2015 it ranked first.

However, although over the years bilateral trade relations have impressively intensified and China has become Turkey's second largest trade partner after Germany, there is a great imbalance between the two countries: Turkish imports from China – US\$25.4 billion in 2016 – have greatly surpassed exports that last year amounted to just US\$2.3 billion¹⁶. China has enjoyed a growing trade surplus with Turkey since the mid-1990s. In 1995 Chinese exports to Turkey already accounted for 75% of total bilateral trade that amounted to US\$575 million¹⁷. Furthermore, over the years this imbalance has weighed on Turkey's trade and current account deficit, which remains one of the main weaknesses of the Turkish economy. It is worth noting that while China is Turkey's first supplier, Turkey ranks nineteenth among the top twenty countries exporting to China. Therefore, looking at trade relations with China, what seems important “for Turkey is not increasing the trade volume *per se*, but ensuring that this increase is accompanied by a narrowing

no. 2, 2011, pp. 107-116.

¹⁴ Data Turkish Statistical Institute, <http://www.turkstat.gov.tr/>

¹⁵ *Ibid.*

¹⁶ *Ibid.*

¹⁷ P. Honghoui (2016), p. 110.

trade deficit”¹⁸, in order to balance the asymmetrical relation¹⁹. In the long-term, this goal might be achieved by increasing and diversifying Turkish exports to China. Indeed, Turkish exports are dominated by a few kinds of products, mainly raw materials and chemical products. The ability to diversify exports by shifting to more manufactured goods may not be easy to achieve, as the two countries have similar production structures. In particular, textiles is a sector of competition between Turkey and China. In order to improve trade relations, China proposed an industrial zone in the Xinjiang province among other things. However, it seems that the industrial zone has remained inactive, at least in the initial period, because Turkish investors were, on the one hand, not very familiar with the industrial zone, and on the other preferred to invest in the East coast of China²⁰.

While in the short-term the trade imbalance may be seen as an obstacle, there is great potential to be developed in bilateral relations. Besides new areas of cooperation, such as telecommunications, banking, alternative energy and investment, the development of China’s Belt and Road Initiative (BRI, see below) offers a wide window of opportunities to enhance cooperation for both China and Turkey. In this respect, Turkey is undergoing a change in its approach to China, moving from short-term calculations “to the establishment of a longer-term, sustainable, and mutually beneficial economic relationship”²¹. In the 1980s it was very difficult for Turkish businessmen to penetrate the Chinese market. On the one hand, Turkish businessmen lacked knowledge of and experience with Chinese market rules and on the other their products did not meet

¹⁸ A. Atlı (2011).

¹⁹ O. Serdaroğlu, *Turkey and China: An Emerging Partnership*, Institute for Security and Development Policy, Policy Brief, no. 162, 9 October 2014.

²⁰ C. Ergenc, “Can Two Ends of Asia Meet? An Overview of Contemporary Turkey-China Relations”, *East Asia*, vol. 32, 2015, p. 298.

²¹ S. Esenbel and A. Atlı, *Turkey’s Changing Foreign Policy Stance: Getting Closer to Asia*, Middle East Institute, 30 September 2013.

Chinese requirements. Instead, China seized the opportunity to export low-cost products to Turkey, making short-term individual profits. The situation began to change in the mid-2000s when Turkey started efforts to diversify its exports to China and to attract more Chinese investment. In this respect, Turkey's Ministry of Economy recently launched a "China Action Plan". In November 2016 China and Turkey signed 36 purchasing agreements, worth US\$300 million, that will increase Chinese imports of Turkish products (marble, cotton, wool, hazelnuts, pistachios, etc.)²². Furthermore, a Sino-Turkish Cooperation Committee, composed of bureaucrats from both sides, was established. The first meeting brought together Chinese and Turkish deputy prime ministers.

Whereas over the last fifteen years China has become a top trade partner for Turkey, in the investment sector there is still extensive room for improvement. Although since the beginning of the century China's foreign direct investment (FDI) to Turkey has significantly increased, in 2015 it still represented just 0.37% of total FDI to the country and 0.42% of total Chinese FDI²³. While Chinese FDI in Turkey amounted to US\$532 million, Turkey's FDI in China reached US\$138 million, that is to say 0.45% of its total FDI²⁴. With China ranking only 22nd in regard to incoming FDI to Turkey, during President Erdoğan's state visit to China in 2015 he put great emphasis on encouraging China to invest in his country²⁵.

However, since bilateral relations have intensified in the last few years and several cooperation agreements have been signed, FDI are expected to increase progressively. In this respect, positive trends seem to emerge. According to the latest index on China's overseas investments released by the Economist Intelligence Unit, Turkey upgraded its position in 2017 to 46

²² A. Atlı, "China and Turkey rev up efforts to strengthen ties", *Asia Times*, 8 November 2016.

²³ Turkish Statistical Institute, cit.; UNCTAD, *World Development Report 2016*.

²⁴ *Ibid.*

²⁵ Invest in Turkey, *Turkey and China to boost trade, economic cooperation*, 30 July 2015.

from 55 in 2015²⁶.

In particular, the Chinese Belt and Road Initiative, launched in 2013 by President Xi Jinping as the “New Silk Road”²⁷ offers significant investment opportunities for Turkey. In fact, Turkey is well located to play a pivotal role in facilitating trade in Eurasia. In addition, its infrastructure projects, such as the Baku-Tbilisi-Kars Railway and Edirne-Kars Railway, would be key components of the “New Silk Road”.

Mining, communications, infrastructure and energy are the main sectors targeted by China in Turkey. In particular, Turkey is interested in the technology component of Chinese investment. In this respect, the communications firm Huawei has been active on the Turkish market since 2002, also serving as a research and development centre for the country and its neighbours.

At the G20 summit held in Antalya in November 2015 the Chinese President Xi Jinping called for increasing bilateral trade and investment cooperation²⁸. Today China has about 849 companies in Turkey, hence making it the 14th country with the highest number of Chinese companies²⁹.

In 2015 China’s biggest bank, the Industrial and Commercial Bank of China (ICBC) became the first lender to operate in Turkey after acquiring 75.5% in Tekstilbank from GSD Holding. At the beginning of 2017, a second Chinese bank, the Bank of China (BOC), opened a deposit bank in Turkey through an investment of US\$300 million³⁰. BOC’s presence in

²⁶ “Turkey getting more attractive for Chinese outbound investments”, *Daily Sabah*, 13 December 2017.

²⁷ See A. Amighini (Ed.), *China’s Belt and Road: a Game Changer?*, Milan, Epoké-ISPI, May 2017.

²⁸ A. Atlı (2011).

²⁹ L. Wang, exclusive interview with Ali Murat Ersoy, Ambassador of the Republic of Turkey, “China and Turkey – Strong Cooperation under the “Belt and Road” Initiative”, China’s foreign trade, 20 July 2017.

³⁰ “Bank of China to establish deposit bank in Turkey”, *Hürriyet Daily News*, 15 January 2017.

Turkey dates back to 2012 when, jointly with Turkish Akbank, the Chinese bank opened desks in Istanbul to provide financial and consulting services to Sino-Turkish enterprises, following the development of bilateral trade and investments.

In 2017 Turkey and China also signed several framework agreements: the first concerned the mutual promotion and protection of investments between the two countries; the second regarded the economic and trade cooperation; the third agreement concerned creating a cooperation mechanism at the prime-ministerial level³¹.

Energy cooperation

Energy is another significant cooperation sector. While both Turkey and China are heavily dependent on imports for their energy supply, the two countries have concluded energy agreements concerning investments in coal production and electricity generation from coal, solar energy, gas storage, wind farms, and nuclear energy.

In 2012 Turkey and China signed two agreements on nuclear cooperation with the aim of transferring Chinese technology to the construction of Turkish nuclear plants. The two countries became nuclear partners after the ratification of the Sino-Turkish Agreement for Cooperation in Peaceful Uses of Nuclear Energy in August 2016. This agreement is a key component of Ankara's energy strategy aimed at increasing domestic energy-generation capabilities and at reducing dependence on hydrocarbon imports. While Russia was awarded construction of Turkey's first nuclear plant near Mersin in the Southern part of the country, and a Japanese-French consortium is to build the second projected plant in Sinop on the Black Sea shore, China is in line to construct the third plant in Igneada in the European part of the country³². In fact, in November 2014

³¹ B. Doster (2016).

³² A. Atlı, "China, Turkey seal nuclear partnership", *Asia Times*, 31 August 2016.

Turkey signed an agreement of exclusivity with the Chinese State Nuclear Power Technology (SNPTC) for this third nuclear plant. The bidding process was expected to begin by the end of 2017. The deal with SNTPC is a comprehensive one. “It is not only about constructing a nuclear plant, it is rather a detailed blueprint for a more comprehensive partnership, incorporating: research and development in nuclear energy; design, construction operation, refurbishment, modernisation, testing and decommissioning of nuclear plants; exploration and mining of nuclear minerals; joint development of innovative reactor- and fuel-related technologies; nuclear safety; training of nuclear engineers and qualified personnel; supply of nuclear materials”³³.

Seizing China’s “Belt and Road” opportunity

China’s Belt and Road Initiative represents a proactive turn towards Central, Southern and Western Asia. The BRI, which has become the centrepiece of China’s economic diplomacy, includes two separate routes, the “Silk Road Economic Belt”, the overland part of the broader BRI, and the “Maritime Silk Road”³⁴. Both encompass the creation of several transportation corridors to link China to Europe through land and sea routes. The BRI is not only an impressive economic project but also an attempt to expand China’s influence in Asia, and beyond, starting from increasing economic exchanges.

From economic exchanges, China hopes to gain closer cultural and political ties with each of the countries along the Silk Road – resulting in a new model of “mutual respect and mutual trust”. The Silk Road creates not just an economic trade route, but also a community with “common interests, fate, and responsibilities”. The Silk Road represents China’s visions for an interdependent economic and political community stretching

³³ *Ibid.*

³⁴ A. Amighini (2017).

from East Asia to Western Europe, and it is clear that China believes its principles will be the guiding force in this new community³⁵.

As it was in the ancient Silk Road, Turkey remains today a vital link between East and West along the new initiative. Turkey is a transit country with great importance in terms of logistics. On its part, Turkey has welcomed the Chinese initiative that is supposed to bring significant economic benefits to the country. From this viewpoint, increasing and deepening relations with China has become a strategic dimension of Turkey's foreign policy.

While economic reasons are the main driver, political interests are also at stake. First, the BRI would offer important and much-needed investment opportunities in infrastructure, especially in transportation infrastructure. It is true that in more than a decade Turkey has developed modern domestic infrastructure (from motorways and railway networks to well-equipped ports), but much remains to be done to satisfy Turkey's aspiration to be a bridge between Asia and Europe. A great amount of foreign investment is needed to realise the ambitious domestic infrastructure projects planned by the Turkish government by 2023 when the centennial of the Turkish Republic will be celebrated.

Second, the BRI would meet the need to open new trade routes and new markets for Turkey's export-oriented economy and to diversify its trade partners. Prolonged tensions with Europe on the one hand and the increasing instability of the Middle East on the other – the two regions together account for 70% of Turkey's total exports – spur Ankara to look for new partners as well as to deepen existing relations with Asian countries. Transportation infrastructure is one of the most promising sectors of cooperation between Turkey and China. The development of road and railway corridors between Turkey and China within the Belt and Road Initiative could also benefit Turkey's interconnection projects with Central Asia in search

³⁵ S. Tiezzi, "China's 'New Silk Road' Vision Revealed", *The Diplomat*, 9 May 2014.

of investments. Initial Turkish-Chinese cooperation in the infrastructure sector began with the construction of a high-speed railway between Ankara and Istanbul that was launched in 2005. The Chinese state-owned railway company – China Railway Construction Corporation – and two private Turkish companies realised the project. Furthermore, China and Turkey are planning to build a 2000 km high-speed railway between Kars and Edirne, connecting Eastern and Western Turkey. In October 2010 the two countries signed an agreement to undertake development of the project, whose realisation would be very important to building both domestic and regional interconnection networks. In fact, Kars is the Turkish terminal of the Baku-Tbilisi-Kars (BTK) railway project linking Turkey with Azerbaijan and Georgia, which was inaugurated at the end of October 2017. According to Turkey's Transport, Maritime and Communications Minister, Ahmet Arslan, this 826-km project will become an important connector of the Middle Corridor Initiative, a project aimed at creating economic corridors through Turkey, China, Georgia, Azerbaijan, Turkmenistan, Kazakhstan, Afghanistan and Pakistan. Such transportation infrastructure would allow Turkey to strengthen its ties with Eurasian countries.

Despite divergences, pragmatism and economic interests seem to prevail in both Ankara and Beijing, as attempts to enhance bilateral relations have intensified. From a Turkish perspective, the BRI offers a unique opportunity to increase its strategic importance on the one hand, and its economic development and geo-economic projection on the other.

During a sideline meeting at the G20 summit in Antalya in 2015, Turkey and China signed a MoU on the harmonisation of the BRI with the Middle Corridor Initiative, as well as a “railroad cooperation” agreement. The interest of both sides in developing such a link between the two initiatives was reiterated in November 2016 during the visit of Foreign Minister Wang Yi to Ankara where he met with Turkish Prime Minister Yıldırım. In addition, during the Belt and Road Forum for

International Cooperation held in China in mid-May 2017, emphasis was given to the opportunity to coordinate the BRI with other networks and initiatives, including Turkey's Middle Corridor Initiative³⁶.

Turkey would be keen on playing a role in the Maritime Silk Road (MSR) as well, although the Greek port of Piraeus, which has been upgraded since 2009 thanks to Chinese investment, is the pivot of Beijing's maritime strategy. The acquisition by a Chinese consortium (including China Ocean Shipping Group Company - COSCO and China Investment Corporation - CIC) of 65% of the Kumport container terminal – Turkey's third largest port, located on the European side of Istanbul – suggests that Turkey may also have a role, even if a complementary one compared to the Greek port infrastructure. In addition to Kumport, two other Turkish ports would have great potential in the Maritime Silk Road: the first one is the port of Çandarlı, to the North of Izmir, close to Piraeus, that could facilitate container transport to Europe; the other is the port of Mersin on the Eastern Mediterranean coast³⁷. Besides the MSR, the development of these two ports would also improve Turkey's shipping industry.

Through the BRI the Eurasian heartland may become an area of mutual cooperation between Turkey and China in developing economic connections. Indeed, both countries share a significant interest in building a stable and economically developed environment. According to some analysts, opening this vast region to the world economy and facilitating intraregional trade would bring benefits to both Asia and Europe. In this respect, Turkey is strategically well located and has the potential to work both with Asian countries and its traditional Western allies in areas and projects of mutual interest³⁸.

³⁶ “Joint communiqué of leaders roundtable of Belt and Road forum”, *Xinhua*, 15 May 2017.

³⁷ A. Atli, “Turkey seeking its place in the Maritime Silk Road”, *Asia Times*, 26 February 2017.

³⁸ J.W. Walker, *Turkey Looks East as Asia Looks West Across the Eurasian Heartland*, GMF's On Turkey Analysis Briefs, no. 133, July 2016.

Sticking points in bilateral relations: the Uighur issue

While the BRI has great potential to strengthen China-Turkey relations, some critical issues could cast a shadow over warming bilateral ties. A very sensitive question between Beijing and Ankara is China's Uighur minority, which the Chinese government sees as a threat to national integrity, accusing its members of involvement in terrorist activities inside China and elsewhere. On the contrary, Turkey supported this Turkic and Muslim minority in China, and this support has been the cause of tensions between the two governments since a part of the Uighur population emigrated from Xinjiang to Turkey during the 1949 revolution and in the 1950s. Since then, the Uighur diaspora has lobbied against any rapprochement between Turkey and China³⁹. In the 1990s, under pressure from China, Turkey lessened its support for the Uighur separatist movement. In 2009 the Chinese government tried to involve Turkey as a stakeholder in the Uighur question, proposing economic incentives for Turkish investments in Xinjiang in return for Turkey's mediation between the Beijing government and the Uighur minority leaders⁴⁰.

However, after Beijing's crackdown on Uighur riots in Xinjiang in 2009, this proposal was postponed. Ankara reacted vehemently and Erdoğan called China's crackdown "a kind of genocide"⁴¹. In an attempt to put the relationship back on the right track, Turkish Foreign Minister Ahmet Davutoğlu, after a call with his Chinese counterpart, declared that Turkey did not intend to "interfere with the domestic affairs of China"⁴². Furthermore, during Davutoğlu's visit to China in November

³⁹ C. Ergenç, "Can Two Ends of Asia Meet? An Overview of Contemporary Turkey-China Relations", *East Asia*, vol. 32, 2015, p. 295.

⁴⁰ *Ibid.*

⁴¹ "Turkey attacks China 'genocide'", *BBC*, 10 July 2017.

⁴² "Turkish Foreign Minister Davutoglu Talks to His Chinese Counterpart on the Phone", *Anadolu Ajansi*, 12 July 2009.

2010, the two foreign ministers agreed to create a Turkish industrial zone in Xinjiang and to jointly counter terrorism and separatism. In addition, the 2009 proposal was resumed and in 2012 a Turkish trade centre opened in Urumqi and Turkish investors in Xinjiang were granted preferential treatment.

Afterwards, during his Asian tour in July 2015, the Turkish president also toned down statements and adopted a more conciliatory approach, putting greater stress on the benefits of cooperation⁴³. From a Chinese perspective, cooperation with Turkey on this issue is particularly important. Indeed, the territorial integrity and stability of Xinjiang, a Western Chinese region that makes up one-sixth of China as a whole, is crucial for energy security. In fact, Xinjiang is a strategic corridor for China's energy supplies from Central Asia, the Caspian Sea, and potentially from other countries like Iran and Iraq. Furthermore, Xinjiang has a key role for the development of the New Silk Road transport corridors towards Central and South Asia. The geostrategic importance of the region explains China's concern about the separatist instances of the Uighur minority and at the same time its interest in gaining support for this cause in the Muslim world. On this issue, Beijing was particularly active in seeking cooperation with Turkey, where there is a significant presence of Uighurs (about 30,000 to 50,000 people) who support the separatist cause⁴⁴. In seeking Ankara's cooperation China has also leveraged Turkey's concerns about Kurdish separatism and terrorism. On this kind of issue it was hard for Turkish authorities to maintain a double standard⁴⁵. Countering jihadist terrorism is a very sensitive issue for Beijing especially in relation to Xinjiang, where Uighurs began proclaiming aspirations to join the Middle East jihadist groups. Fearing the establishment of links between Uighur separatist and terrorist

⁴³ R. Kadilar, *Pendulum Shift Back to the Silk Road*, Citam (China Institute Turkey), 2015.

⁴⁴ C. Lin, *A new Eurasian embrace. Turkey pivots East while China marches West*, Transatlantic Academy, 2013-2014 Paper Series, no. 3, May 2014.

⁴⁵ Z. Tao, *An Alternative Partner to the West? Turkey's Growing Relations with China*, Middle East Institute, 25 October 2013.

jihadist groups that might support their separatist cause⁴⁶, Chinese authorities are trying to engage Turkey in this domain.

In August 2017 Turkish Foreign Minister Çavuşoğlu agreed to stronger cooperation on security and counter-terrorism with China during a meeting with his Chinese counterpart Wang Yi in Beijing. Furthermore, he took a steps ahead, stressing that Turkey considers China's security as its own security, which means not allowing any activities targeting or opposing China in Turkey and taking measures to eliminate any media reports targeting China⁴⁷. Çavuşoğlu's comments were seen as referring to China's Uighur ethnic minority. This move appears to be a significant change in the Turkish position on the Uighur issue, after relations between Ankara and Beijing were strained by Turkey's sheltering of Uighur refugees, and more recently by its support for groups fighting Syrian President Bashar al-Assad, a Chinese ally. Ankara's different stance on such a critical issue is unprecedented and comes at a time of greater Chinese interest in Turkey that holds a pivotal position in the New Silk Road project, representing a gateway to access European markets.

Turkey and the Shanghai Cooperation Organization

Turkish President Erdoğan's aspiration to join the Shanghai Cooperation Organization (SCO) is not new. In 2013 Turkey obtained SCO dialogue partner status, which was defined as "a step with unclear practical consequences but substantial symbolic importance"⁴⁸. Indeed, Turkey's formal relationship with the SCO – which is a forum for security cooperation between China, Russia and Central and South Asia states – seems to contrast with Ankara's NATO membership and the EU

⁴⁶ C. Lin (2014).

⁴⁷ "Turkey promises to eliminate anti-China media reports", *Reuters*, 3 August 2017.

⁴⁸ J. Kucera, "Turkey makes it official with SCO", *Eurasianet*, 28 April 2013.

accession process. On several occasions, Turkish leadership referred to the SCO membership as an alternative to the EU, in particular in view of the difficulties and stalemates in accession negotiations. Whether or not this is merely a way to pressure the EU, the Turkish government repeatedly mentioned the SCO possibility. Recently this argument has resurfaced due to renewed strains between Turkey and the EU following Ankara's response to the failed coup attempt in July 2016, on the one hand, and the rapprochement with Russia on the other. Indeed, President Erdoğan's latest statement in favour of Turkey's full SCO membership was in November 2016⁴⁹, just a few days before the European Parliament voted to freeze Turkey's negotiations talks. So it may seem that Ankara's disappointment with Brussels and, to some extent, its Western NATO allies, underpins its aspiration to closer relations with the SCO. The organisation recently embarked on the first enlargement since its creation in 2001, including India and Pakistan as full SCO members in June 2017⁵⁰.

For China, SCO expansion appears complementary to its expansive geo-economic Belt and Road Initiative⁵¹. It seems that Turkey's strategic value in the New Silk Road is changing China's traditionally cautious approach to Ankara's aspiration to full SCO membership. In response to Erdoğan's statement of November 2016, the Chinese Foreign Ministry expressed an interest in potentially deepening relations⁵². Unlike Moscow, which is keen on supporting Ankara's integration into the SCO, Beijing is not inclined to give the SCO an anti-Western orientation. From a Chinese perspective, Turkey's interest in the SCO is not seen as a complete shift from the West to East, but rather as an attempt

⁴⁹ "Fed up with EU, Erdogan says Turkey could join Shanghai bloc", *Reuters*, 20 November 2016.

⁵⁰ C. Michel, "It's Official: India and Pakistan Join Shanghai Cooperation Organization", *The Diplomat*, 12 June 2017.

⁵¹ I. Gaspers and M. Huotari, *Turkey looks to China for Security Cooperation Alternatives*, GMF Policy Brief, no. 16, 2017.

⁵² *Ibid.*

to expand its foreign policy choices in line with Ankara's multidimensional foreign policy orientation. Against this backdrop, the Turkish president's SCO rhetoric is perceived as leverage used in talks with Western partners. Nevertheless, given Turkey's strategic importance in both the BRI and in the Middle East region where China is increasing its (mainly economic) engagement, Beijing now seems to be more disposed to discuss Turkey's entry into the SCO. In May 2017, just before President Erdoğan went to China to attend the BRI summit, the Chinese ambassador to Turkey stated that China was ready to discuss Turkey's membership in the SCO⁵³. Of course, the existence of strong mutual interests is crucial to reinforcing Turkey-China bilateral relations and preventing political volatility from having negative impact.

Conclusion

At a time of strains with US and EU, the idea of strengthening economic and political relations with China has become more attractive for Ankara. Over the years, in fact, exchanges between Turkey and China have significantly intensified both at the diplomatic and economic level. Cordial relations between the Turkish and Chinese leaderships – Erdoğan and its Chinese homologue Xi Jinping have met four times in the past three years – have certainly played a constructive role in boosting bilateral ties. However, while economic cooperation and trade are expanding, in the political and military domain there is still room for improvement. On several regional dossiers the two countries maintain different positions. One of the most striking examples is the conflict in Syria and the fate of President Bashar al-Assad. Differently to China, which has always supported the Syrian president, Turkey has acted for a regime change, although it seems that, following recent developments, this is no longer Ankara's first priority in Syria. Beyond political issues,

⁵³ “China ready to discuss Turkey's membership into Shanghai pact, says ambassador”, *Daily Sabah*, 12 May 2017.

Ankara is increasingly looking at Beijing as a strategic partner and seeking more Chinese investment, especially for infrastructure projects in the framework of the BRI. Relying on Turkey's strategic position for the new Silk Road, Ankara and Beijing are likely to deepen bilateral relations in the medium-term, starting from a strengthened economic cooperation.

Policy recommendations for the EU

In recent years, the European Union (EU) on several occasions pointed out that Turkey has progressively moved away from the EU political criteria to which it had committed in 2005 to start accession negotiations. In the 2014 Progress Report on Turkey, the European Commission for the first time expressed concern “regarding the independence of the judiciary and separation of powers”, referring to the response of the government following allegations of corruption in December 2013¹. Concern was also expressed in the following reports about the situation of the rule of law and the restrictions on fundamental rights and media freedom in the wake of the fight against the so-called “deep state”. A further critical phase started in July 2016 after the failed military coup, which represented a severe blow for Turkish society. Although there was unanimous condemnation of the military coup attempt at the international level, the massive internal purges within the state apparatus (judiciary, police, etc.), media and NGOs that followed were criticised as going far beyond proportional corrective measures. Both EU institutions and European governments once again expressed great concern about the erosion of the rule of law, the violations of human rights, the lack of freedom of the press and the restriction of space for political opposition in Turkey under the state of emergency since then established and perpetuated. They were even more alarmed when the government mentioned the possibility of reintroducing the death penalty, which the AKP had abolished in 2004 to fulfil EU political accession criteria.

¹ European Commission, [Progress Report on Turkey](#), October 2014.

In April 2017 the Turkish people voted for constitutional reform in a contentious referendum, approved by a narrow majority. Indeed, since Recep Tayyip Erdoğan became president, he and his party have been working hard to reform the constitution in order to establish a presidential system. However, since Erdoğan's election in August 2014, a reinforcement of the presidential role has already *de facto* occurred within the Turkish system, along with a predominance of the executive branch over the other state powers. The constitutional reform then overtly opened the way to a presidential republic, providing the president with extensive powers, accompanied by an erosion of the checks and balances system in Turkey.

Simultaneously, anti-Western narratives have emerged in official discourses. This rhetoric is closely linked to the Turkish leadership's disappointment with what was perceived as a lack of full support in the aftermath of the failed coup. While the US was accused of being the orchestrator of an international conspiracy against Turkey, some European governments – especially Germany and the Netherlands – were harshly criticised, as a reaction to the ban on Turkish authorities' campaigning to vote in favour of the constitutional referendum among Turkish communities living in Europe. Such statements contributed to shape a negative perception of Turkey in Europe, both at the public opinion and governmental levels. According to a poll carried out in May 2017 and published in the German daily *Bild*, 77% of people in Europe are against Turkey's admission to the EU². Although Turkish authorities' anti-Western rhetoric was mainly instrumental to gaining domestic consensus in view of the April 2017 referendum, it nevertheless contributed to further deteriorating bilateral ties between Turkey and EU member states.

In this context, it is not surprising that in July 2017 the European Parliament voted “to formally suspend the accession

² Sinan Ulgen, [Trade As Turkey's EU Anchor](#), Carnegie Europe Paper, 13 December 2017.

negotiations with Turkey without delay if the constitutional reform package is implemented unchanged”³. Although European Parliament’s decisions are not binding, the vote expressed the widespread concern in Europe for Turkey’s backsliding. In the following months, some European countries officially opposed Turkey’s accession: the Netherlands (October 2017), Austria (December 2017), Belgium, France and Germany (January 2018). During President Erdoğan’s visit to France in early January, French President Macron declared that there is no chance of progress towards Turkey joining the European Union at present, underlining that differences in human rights standards and “recent developments and choices do not allow any progression of the process in which we are engaged”⁴. On its side, the EU Council cautiously refrained from officially ending talks, limiting its action to freezing the opening of new negotiation chapters as long as the emergency rule is in place.

Today the EU-Turkey relationship seems to be marked by mutual mistrust. For a long time, Turkey has criticised the EU for its double-standard policy, adding that any offer of partnership other than full EU membership would be rejected. However, apart from tensions and misunderstandings, both Brussels and Ankara are aware of their common interests and the importance of their cooperation in the security, economic and energy sectors, not to mention migration management. Indeed, while Turkey is actually deepening its economic and strategic relations with Eurasian countries, it also remains closely linked to Europe in many respects. Bearing this in mind, some policy recommendations for the EU can be drawn.

- Although Turkey’s accession to the EU is unrealistic today, it is important to **keep dialogue open at the highest level**. In the short- to medium-term, relations have to develop on a different path and new cooperation

³ European Parliament Liaison Office in London, [Turkey: MEPs raise the alarm on EU accession talks](#), 16 July 2017.

⁴ “Macron tells Erdoğan: No chance of Turkey joining EU”, *BBC News*, 5 January 2018.

frameworks have to be found. Isolating Turkey is not a solution for the EU and its member states. In spite of the fact that the EU has long lost its previous leverage in the country – the EU anchor stimulated nine reform packages in Turkey at the beginning of the 2000s – engagement remains the path to take. Nevertheless, this does not mean that the EU has to silence its criticism on Turkey's backsliding in the democratisation process. While no progress is expected in the short- and medium-term, as the current political system is incompatible with EU standards, **the EU and its member states have to adopt a long-term vision** in dealing with Turkey and continue to represent a point of reference for pro-EU forces in the country.

- **The EU has to avoid pushing Turkey further towards countries** that do not share its values of democracy and freedom. A debate on Turkey's eastwards shift has re-emerged in the last few years. Indeed, this debate is not new, as it recurs whenever there are tensions with the US or Europe – often combined with Erdoğan's calls to abandon Turkey's EU membership goal in favour of closer ties with Russia and China – or whenever Turkey looks beyond its traditional Western allies to strengthen cooperation with new partners in sensitive sectors, such as defence. Whether or not there is a real progressive Eurasian shift, which would distance Ankara from its traditional Western allies, it is undeniable that over the past fifteen years Turkey has widely diversified its foreign policy and economic relations, opening up to new markets and looking for new opportunities. More recently, the rapprochement with Russia, on the one hand, and the increasing interest in deepening security, strategic and economic cooperation with Eurasian countries, on the other, clearly demonstrate that the EU is no longer Turkey's main foreign policy goal, in spite of official declarations in favour of EU membership. Today Turkey's

security and foreign policy mainly focuses on Syria and Iraq, which will continue to dominate its external agenda in the near future. This is likely to push Ankara closer to Moscow, despite the fact that their stances on the Syrian crisis are not aligned. On their side, European countries and the EU, in the current period of strained relations between Brussels and Moscow, have expressed reservations on Turkey's military intervention in Afrin and its cooperation with Russia.

- **Strengthening cooperation in the economic and energy sectors.** The EU is by far Turkey's largest trade partner. In 2017, overall trade exchange with the EU amounted to US\$391 billion (40% of total trade volume), with an increase of 13.3% compared to the previous year. Germany is Turkey's first trade partner (US\$ 36.3 billion), while Italy ranks fifth (US\$17.7 billion)⁵. Although China has surpassed Germany, becoming the top source of imports for Turkey, six European countries – Germany, Italy, UK, France, Spain and the Netherlands – are in the top ten of Ankara's export destinations. Furthermore, Europe accounts for more than 50% of the flow of FDIs into Turkey and the UK and the Netherlands are among the top five investors⁶. In addition, today almost 22,000 companies in Turkey are funded with EU capital. Potentially, the EU could also benefit from the increase of Chinese investment in Turkey's infrastructure and transport sectors in the framework of the Belt and Road Initiative (BRI). From a European perspective, the latter offers an important opportunity to foster business not only with China but also with Turkey and through Turkey with Eurasian countries. As for energy, the country

⁵ Turkish Statistical Institute.

⁶ General directorate of incentive implementation and foreign investment, *Foreign Direct Investment in Turkey 2016*, Republic of Turkey, Ministry of Economy, September 2017.

represents a strategic corridor for Europe to diversify its energy supply, reducing its dependence on Russian gas. In this framework, the Trans Anatolian Gas Pipeline (TANAP), along with the South Caucasus Pipeline (SCP) and the Trans-Adriatic Pipeline (TAP), are the main projects. The Southern Gas Corridor is expected to bring to Europe about 16 billion cubic meters of gas per year from the Shah Deniz 2 field in Azerbaijan by 2020. In mid-March, the European Investment Bank (EIB) approved €932 million in financing for the TANAP⁷. Financing for the construction of the TANAP pipeline had already been deliberated by the European Bank for Reconstruction and Development (EBRD), the World Bank and Asian Infrastructure and Investment Bank (AIIB).

- **Modernising the Customs Union.** Closely linked to the above point is the modernisation of the Customs Union between the EU and Turkey. Even if the accession process is stuck, the Customs Union remains in force and its upgrade would provide both Ankara and Brussels with economic benefits by further liberalising and increasing trade exchange. The establishment of the Customs Union in 1996 as a mid-term mechanism towards the goal of full membership enabled Turkey to undertake significant regulatory reforms, which allowed the country to acquire a competitive role in the global economy. Today, Turkey is a member of the G20 and the world's 17th largest economy (International Monetary Fund). The proposed revamp would aim at extending the liberalised trade regime to the services industries, agriculture and public procurement; introduce a new dispute settlement mechanism; and foster greater convergence between the EU and Turkey's trade policies.

⁷ "European Investment Bank approves 932 mln euro loan for TANAP pipeline", *Hürriyet Daily News*, 16 March 2018.

However, in spite of a preliminary political agreement between the two parties to proceed with negotiations to modernise the Customs Union, Germany, along with other EU countries, decided to block the start of the process due to tensions in bilateral ties – also in relation to the number of German citizens held in Turkish jails – and Ankara’s tough anti-European rhetoric. Berlin has conditioned the start of negotiations to improvements in the application of the rule of law in Turkey. In the first months of 2018, some signs of a possible détente have emerged, in particular after frequent high-level bilateral meetings and the release of several German citizens who were detained in Turkey. Whether or not an improvement in bilateral relations will occur in the short-term, the renewal of the Customs Union today seems to be an effective way to promoting rules-based governance, while keeping Brussels and Ankara closely linked. In an era of strained relations between the EU and Turkey, it also appears to be the core framework for closer bilateral relations.

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