



A BRIDGE TO Central Asia

TURKEY PLAYS A VITAL ROLE IN TRADE AND
TRANSPORT BETWEEN ASIA AND EUROPE

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Turkish workers build a railway in the Marmaray Tunnel under the Bosphorus Strait in April 2013. The Marmaray project, which reflects Turkey's new economic confidence, includes the undersea tunnel and the modernization of suburban rail lines along the Sea of Marmara.

The Ottoman Empire, predecessor to the modern Turkish state and a western terminus of the legendary Silk Road trade routes, was for centuries a primary link to the trans-Atlantic world for Central Asia. Today, in accordance with the New Silk Road initiative, Turkey is renewing its role as a bridge between Central Asia and the West. Turkey's strong economic growth and pursuit of European Union membership, together with its cultural links to Central Asia, leave it ideally placed for the task.

Changes in Turkey's overall approach to Central Asia, as well as its own process of Europeanization and economic success, have created a more favorable and promising context for the development of relations that once were determined more by Central Asia's relationship with Moscow.

Although Turkey had significant potential in the 1990s, its own limitations — conflicts with neighbors, its own imperfect democracy and economic problems — undermined its capacity as a "bridge." Ankara's foreign aid to Central Asia declined steadily throughout the 1990s, decreasing Turkey's appeal to the region. In addition, Turkey's own reluctance to implement Western-style liberal democracy hurt its credibility as a model for Central Asian countries. Domestic political instability also diverted attention in Turkey from foreign policy to domestic feuds.

Turkey's negotiations for full EU membership started in 1999 after the Helsinki Summit enabled Ankara to develop a more Europeanized foreign policy toward the nations in its neighborhood, including the Central Asian region. Ankara's implementation of the socio-political and economic reforms required for EU accession assisted in aligning Turkish foreign policy with the EU's Copenhagen criteria and resulted in

the adoption of European norms and values. In line with this new approach, Ankara began emphasizing a soft-power approach focused on cooperation in socio-economic areas.

Turkey's economic growth in the 2000s, with annual growth rates above 5 percent, allowed it to renew its approach toward Central Asia. Ankara prioritized its more liberal economic attitude over a traditional foreign policy orientation that emphasized state-centric security. Turkey's foreign policy became more reflective of the interests of Turkish companies and civil society actors

and had the added benefit of attracting greater foreign direct investment into Turkey, as a centrally located country with strong trade links with regional neighbors.

Turkey, always a supporter of the Silk Road strategy, has actively supported the independence of the post-Soviet Central Asian states and was the first country to open diplomatic missions in all five countries. Ankara is determined to counter the hegemonic policies of Moscow. Turkey's support for the renewal of the traditional Silk Road stems from its desire to facilitate the export of Central Asian energy to western markets via Turkey. For Ankara, the Silk Road strategy has the advantage of bypassing Russia and other rivals.

Borders are a definitional feature of the modern nation-state. They have two simultaneous functions: to separate and to connect. The modern state must achieve both, protect core values and interests and connect with other countries to stimulate commerce, science, industrial and cultural development. This is particularly important in today's world, which is more interdependent than at any time in history. The technological and scientific forces that created the globalized world have created unprecedented new opportunities for advancement. However, the international community still faces urgent challenges: crime, violence, weapons proliferation, environmental degradation and poverty. The means to solve or vastly mitigate these problems has never been so close within human reach.

Partnerships and cooperation are required to address these problems, and Turkey is leading the way in forging new partnerships through Eurasia. Restoration of the spirit of the "Great Silk Road" transit corridors linking East and West re-establishes opportunities for development and averts conflict. Eurasia's physical infrastructure — roads, bridges, airports, railroads, pipelines, waterways, seaports, electrical grids and telecommunication systems — continues to shape regional patterns of commerce and movement. When transit, trade and communications infrastructure is underdeveloped or nonoperational, the effects are isolating. However, when infrastructure is developed in sync with market-driven realities and needs, it acts as a bridge.

BUILDING COOPERATION

The New Silk Road initiative is a diplomatic undertaking. It envisions a network of greater regional connectivity and economic integration. The essence of diplomacy in relation to infrastructure is coordination that benefits all. Coordination is how states seek to organize and amplify resources normally outside their control and requires innovation, imagination

and strategic foresight. The pursuit of national goals through policies that influence the development and management of physical infrastructure is growing in importance, thanks to the increasing interdependence of a globalized world. Today, economic and political cooperation depends on aspects of "soft" and "hard" infrastructure, which are firmly rooted in traditional theories of international relations and must be closely synced. "Soft" infrastructure refers to the legislative, regulatory and public policy measures, and "hard" infrastructure is composed of physical objects.

In traditional terms, national strategy is defined as a state's application of available resources in pursuit of national interests. Available resources are finite, but also fungible insofar as, through skillful policymaking, the state can use them differently to achieve the fullest aggregate. There are many ways of doing this: Force, the threat of force, traditional diplomacy, covert influence and engagement in international organizations are among the most widely practiced methods.

In a globalized world, a state's infrastructure policy is an extension of the national strategy. A general principle of economic institutional theory is that to improve the efficiency of a public infrastructure, either the (hard) physical structures or the (soft) institutional structures may be altered, but neither can be changed independently of the other. The New Silk Road initiative would help states build a mutually beneficial infrastructure network allowing for the most beneficial use of available resources. Each of the Central Asian states would play important roles. For instance, Turkmenistan, strategically located and rich in hydrocarbons, can contribute as a transit country and energy producer. As U.S. Assistant Secretary of State Robert Blake Jr. recently pointed out, "The economic potential of a more open and integrated region — home to over one-fifth of the world's population — is virtually unlimited. By promoting such linkages between the countries of South and Central Asia, this potential can be unlocked and create the conditions for a secure and prosperous region, with Afghanistan at its center."

COMPETING DEVELOPMENT MODELS

The economic development and modernization of virtually all advanced societies depend on the development of physical infrastructure to facilitate commerce and exchange. Without ports, rail, road, electric grids, telecommunications and other public utility structures, development is thwarted or delayed, regional disparities grow and intraregional conflict can be exacerbated. Accordingly, countries interested in encouraging internal or regional

development find that government investment in infrastructure projects is necessary.

There are numerous ways to spur the expansion of infrastructure projects. One of these is integration — an attractive way to coordinate actions, regarded as a set of policies that link states across borders in mutually advantageous and cooperative ways to achieve common objectives. There are two approaches to integration that, in many significant respects, are quite different. One form is state-directed, deliberate, rational and goal-oriented infrastructure development. This approach tends to move from design to practice. The other form emphasizes market-driven relations and brings various parties, such as international organizations, states, banks, commercial enterprises, nongovernmental organizations and other actors into a process of interests-driven development. The statist-design model is more illustrative of the Eurasian Union approach and the market-driven model exemplifies the New Silk Road approach. Both approaches have strengths and weaknesses.

In the Eurasian Union-statist model, states take the leading role in expressing will, creating the laws, rules and practices and positioning capital to spur banking sector investment in infrastructure upgrades and development. This form of integration establishes the structure and permits state and commercial enterprises to take advantage of the opportunities to build and maintain the infrastructure necessary for trans-border trade and interaction. The state-directed model's primary weakness is that political criteria often take precedence over commercial principles and lead to overdevelopment, unsustainable development or waste of taxpayers' money.

The New Silk Road-market model uses government incentives to encourage private investment in infrastructure and results in increased trade, commerce and profits. This approach seeks to identify commercially viable infrastructure projects and spur intragovernmental coordination that allows international (multilateral) financial institutions to invest in sustainable, long-term projects. Bringing multiple partners together in coordinated development efforts is not easy, given the considerable political and market risk in new development projects. But risk is generally proportional to reward, and developing such projects while avoiding capture by special interests is a major challenge facing the international development community.

The cooperative-market model's main weakness is that many ideas never get off the ground.

Opportunities are lost while other regions in the fast-developing world quickly capture market share. The cooperative-market model requires sound practices in government, commerce and international cooperation and emphasizes fair play, equitable commercial dispute adjudication



and participatory public decision-making institutions, especially in the case of natural monopolies or public utilities.

COOPERATION, NOT CONFRONTATION

Turkey has emerged in the past decade as an engine of Eurasian development, linking Asia and Europe. The European Council's acceptance of Turkey as an EU candidate country was a major turning point, significantly contributing to Turkey's emergence. The EU's recognition that Turkey meets the Copenhagen criteria served as an endorsement of its democratic political system and functioning free market economy.

A dynamic foreign policy, as exemplified in its memberships in the G-20 and the United Nations Security Council (2009-2010), also marked Turkey's emergence as a global actor. Turkey's Western orientation and "Europeanization" has positively shaped its relationship with Russia. In this context, Moscow's decision to improve relations with Ankara in the 2000s reflected its interest in increasing its influence with this emerging global player. It was clear that Russia could not afford to neglect Turkey and its emerging role in European and global affairs.

Turkish President Abdullah Gül, right, greets European Council President Herman Van Rompuy before a meeting in Ankara in May 2013.

AFP/GETTY IMAGES



A worker checks valve gears at a natural gas control center at Turkey's Petroleum and Pipeline Corp. Turkey hopes to become a major transit hub for European shipments of Central Asian gas.

Turkey and Russia have developed a close economic partnership in the Black Sea region. In the 2000s, Russia became Turkey's largest trading partner, and Turkey became the fifth-largest trading partner of Russia. Energy projects were the most visible dimension of Turkish-Russian cooperation, the origins of which go back to the Soviet era when Ankara agreed to import natural gas from the Soviet Union through a pipeline known as the "western route" that crossed Ukraine and Bulgaria. Energy cooperation intensified after the realization of the Blue Stream natural gas pipeline and provided Turkey with Russian natural gas passing under the Black Sea. Blue Stream, however, has increased dependence on Russian natural gas considerably. Gazprom, Russia's natural gas monopoly and one of the biggest energy companies in the world, also showed interest in acquiring a considerable share of Turkey's domestic natural gas distribution networks. Turkish energy imports have created a trade deficit with Russia, and it is unlikely that Turkish exports will increase enough to eliminate the deficit in the near future.

Other economic cooperation includes Turkish construction companies building in Russia and Turkish direct investment in the Russian economy. Likewise, Russian direct investment in Turkey, mainly in the energy and tourism sectors, increased considerably. Surprisingly, tourism has become a major component of Turkish-Russian economic cooperation. Millions of Russian tourists flock to Turkish beaches, and a growing number of Russian-Turkish marriages show that

socio-cultural ties are also developing alongside growing economic relations.

Turkey's relationship with Russia has succeeded in maintaining a mutually beneficial character that emphasizes cooperation and avoids confrontation. This is particularly important to the Central Asian states. Eurasian geographic realities and tension between Russia and the United States influence the foreign policies of Central Asian states. Russia is omnipresent and important, but the U.S. is far away and easily diverted by its many global obligations. For many Central Asian leaders, the U.S. is seen as an unreliable partner while Russia is seen as an unavoidable partner.

Russia's economic resurgence and renewed political assertiveness have created anxiety that competition over Central Asian markets and resources could ignite a 21st-century version of the "Great Game," the 19th-century geopolitical competition between Russia and Great Britain. This historical analogy inaccurately reflects contemporary reality. Competition for resources and advantageous market positions are present and suspicion and animosity remain, but integration rather than territorial competition is the theme of this century.

U.S. STRATEGIC REALIGNMENT

The U.S. is in the midst of a strategic, global realignment. Washington has announced a rebalance to the Pacific Rim after more than a decade of intensive military and diplomatic involvement in Central Asia and 50 years of Europe-centric engagement during the Cold War and the post-Communist transition. This implies the transfer of resources from other regions of the world to the Far East. But the demands on the U.S. for engagement on a global level have not diminished, and realigning priorities will require compensatory adjustments.

Some in the U.S. argue for a policy of retrenchment, but others support continued U.S. global prominence. U.S. global dominance in numerous spheres — from diplomatic influence and military might to commerce, industry and science — largely resulted from imbalances in the world after World War II and endured throughout the Cold War. In more recent times, the international community has recognized the declining utility of military might as an instrument of durable political

change, at least when deeply rooted cultural and institutional underpinnings are absent.

U.S. foreign policy is in a crucial stage of reorientation. Perhaps most significant is the shift away from unilateralism toward multipolarism and, more important, an increasing commitment to multipartner relationships. As the U.S. decreases its presence in Central Asia, Turkey can increase its leadership role economically and diplomatically.

TURKEY, CENTRAL ASIA AND THE NEW SILK ROAD

As Turkey has grown economically, it has become increasingly influential in the international community. Its new foreign policy direction is characterized by increased interaction with neighbors, including facilitating new initiatives with countries to the East, particularly Central Asia, India and China. But although Turkey's foreign policy has made significant strides, questions remain. First, Turkey has made only limited progress toward EU accession, though membership remains an explicit goal of successive Turkish governments. Second, Turkey has done much to build relations with its Arab neighbors, but these achievements have been tested by the Arab Spring. Ankara opted to break relations with existing regimes with which it had worked closely to form new alliances with emerging reformist governments. The policy was reasonably successful in Egypt and Tunisia but has led to confrontation with neighboring Syria.

Moscow's and Ankara's differences over issues in the Middle East have implications for their positions on issues in Central Asia. Ankara seeks to intensify its security cooperation with Central Asian countries to confront terrorism and organized crime. In this respect, Turkey emphasizes its NATO membership and uses its two NATO-affiliated centers: the Defence against Terrorism NATO Centre of Excellence and the Partnership for Peace Center, both in Ankara, to train Central Asian military and civilian security officers. Through joint military maneuvers, Ankara supports the modernization of Central Asian armed forces and capacity development to facilitate interoperability with NATO.

Turkey seeks to improve its own energy security by enhancing the energy security of the Central Asian states and the trans-Atlantic world. That would be done by allowing Central

Asian oil and natural gas to reach European markets via Turkey. To this end, Ankara supports Central Asian efforts to decrease dependence on Russian-controlled oil and gas pipelines, including new pipeline projects linking Kazakhstan and Turkmenistan to the existing Baku-Tbilisi-Ceyhan oil pipeline and Baku-Tbilisi-Erzurum natural gas pipeline and the planned Trans-Anatolian Pipeline project that could further integrate energy markets with those of the EU.

Turkey's soft power potential in Central Asia that stems mainly from socio-economic, educational and cultural relations is substantial. This includes the cultural activities of Yunus Emre cultural centers, Turkish schools and universities, and popular Turkish television programs. However, Ankara lacks a comprehensive strategy to enhance soft power in Central Asia. Regional elites also prefer to keep Turkey at arm's length out of fear that it could support democratic movements against their authoritarian regimes.

CONCLUSION

The New Silk Road initiative has great potential to link Central Asia to the trans-Atlantic world, and Turkey could make significant contributions to realize its promise. Ankara's policies toward the region have evolved since the 1990s to emphasize economic and socio-cultural soft power elements. More important, Turkey's process of Europeanization motivates the Central Asian countries to enhance their cooperation with Europe and the trans-Atlantic world, using Turkey as an intermediary. By facilitating international cooperation, these elements of soft power have the added benefit of enhancing Ankara's relations not only with Central Asia but also with the trans-Atlantic world.

To facilitate the success of the New Silk Road, Turkey should continue to follow these foreign policy principles: First, continue to treat the Central Asian countries as equal partners. Second, cooperation with the Central Asian countries should be enhanced to counterbalance Russia and China. Finally, continue to support the participation of Kazakhstan and Turkmenistan in a European southern energy corridor through Turkey. The renewed Silk Road strategy could cement growing relations among the Central Asian countries, Turkey and the trans-Atlantic world. This vision presents a win-win perspective for all partners involved. □