

## *Chapter Fifteen*

# **Turkey's Relations with China and its Repercussions on Transatlantic Relations: The Turkish Perspective**

*Altay Atlı*

Is Turkey experiencing a shift of axis in its foreign policy? Is Ankara distancing itself from the West and getting closer to the East? These are questions that are posed time and again, especially during periods of increased tension between Turkey and the United States or Europe, or when Turkey makes concrete efforts to improve its ties with the rest of the world. Proponents of the shift-of-axis thesis have claimed that Turkey is “looking East for new partners to decrease Ankara’s dependence on traditional Western allies”<sup>1</sup> and trying to choose “whether to remain anchored in the West, or fundamentally shift its axis towards Eurasia,”<sup>2</sup> pointing to Turkey’s recently improving ties with China. While relations with “alternative partners” are going through turbulent times—they have also asserted that “it is not Russia or Iran but China that offers the most promise.”<sup>3</sup> After frequent application of the thesis with reference to Turkey’s relations with the Middle East, the Islamic world in general, Russia, and the former Soviet republics, it is now China, which is at the center of the shift-of-axis debates related to Turkish foreign policy.

While it is true that Turkey’s relations with China have entered a period of growth based on mutual benefits, this does not necessarily mean that such progress can only be obtained at the expense of Turkey’s relationships elsewhere, particularly those in the transatlantic area. The idea of a shift of axis is based on Cold War binary thinking, reproducing what is in

---

<sup>1</sup> Cagier, Giorgio and Viala, Bertrand. “China-Turkey Relations Grow Despite Differences over Uyghurs.” *Middle East Institute*, March 15, 2017. <http://www.mei.edu/content/article/china-turkey-relations-grow-despite-differences-over-uyghurs>.

<sup>2</sup> Lin, Christina. “A New Eurasian Embrace: Turkey Pivots East While China Marches West,” in *Toward Well-Oiled Relations? China’s Presence in the Middle East Following the Arab Spring*, ed. N. Horesh (Basingstoke: Palgrave Macmillan, 2016): p.30.

<sup>3</sup> Singh, Michael. “Is Turkey Pivoting to China?” *The Washington Institute for Near East Policy*, October 24, 2016. <http://www.washingtoninstitute.org/policy-analysis/view/is-turkey-pivoting-to-china>.

today's globalizing world a false dichotomy that Turkey—or any other country for that matter—has to choose between the West or the East. Turkey's increasing relations with China, in the form of expanding inter-governmental dialogue, and increasing cooperation in trade, energy, defense industry, and infrastructure related issues do not represent an ideological choice or an animosity towards the West, rather they originate from requirements of the interconnected global economy and changing dynamics of international politics.

If the shift-of-axis thesis is invalid, what do Turkey's growing relations with China mean with regard to Ankara's transatlantic linkages? This chapter argues that there is not necessarily a zero-sum game here in play, and while it is perfectly possible for Turkey to develop and maintain favorable and mutually beneficial relations with both the West and the East, the two processes can even reinforce each other creating further added value for Turkey's relations with the rest of the world. The chapter commences with an in-depth investigation of the dynamics that drive Turkey's recent rapprochement with China, discuss what this means for the country's relations with the West, and offer a number of concrete policy recommendations for both Ankara and the governments of the West to foster stronger transatlantic relations, while keeping China and the Turkish-Chinese interaction at the center of the analysis.

## **Growth in Turkish-Chinese Relations**

On May 14, 2017, during the Belt and Road Forum for International Cooperation opening ceremony held in Beijing, two keynote speeches were made in addition to those delivered by the host, China's President Xi Jinping, and the Secretary General of the United Nations (UN), António Guterres. This privilege went to the Russian President Vladimir Putin and Turkish President Recep Tayyip Erdoğan.<sup>4</sup> The summit, which brought together 1,500 delegates from 130 nations (including twenty-nine heads of state and government leaders), was aimed to discuss the future of this project that will change the economic landscape of the Eurasian continent through joint investments and cooperation. Erdoğan's prominent appearance represents a clear sign that 1) Turkey is interested

---

<sup>4</sup> Lei, Wang. "B&R Forum Concludes in Beijing with 270 Concrete Results." *CGTN*, May 15, 2017. [https://news.cgtn.com/news/3d49544f34677a4d/share\\_p.html](https://news.cgtn.com/news/3d49544f34677a4d/share_p.html).

in the Belt and Road Initiative (BRI), and 2) that China is also considering Turkey for a vital position within the framework of the initiative.

The BRI has brought new energy to the Turkish-Chinese relationship, which has been subject to severe ups and downs over the past years. The issue of the Uyghurs, a Turkic/Muslim community living predominantly in China's Xinjiang Uyghur Autonomous Region with a sizable diaspora in Turkey, remains a source of tension between the two countries. Yet in recent years the two governments have made significant progress in managing the tension through mutual understanding.<sup>5</sup> There are significant economic and security dimensions to the bilateral relationship and neither of the parties is willing to let the Uyghur issue undermine their mutual interests.

The key to the enhanced mutual understanding on the Uyghur issue is a profoundly increased dialogue between the policymakers of the two countries. Since the beginning of 2015, President Erdoğan and President Xi met four times on various occasions, while two other dialogue mechanisms, the Turkish-Chinese Intergovernmental Cooperation Committee (co-chaired at the level of deputy prime ministers and bringing together two countries' senior bureaucrats), and the Turkish-Chinese Ministers of Foreign Affairs Consultation Mechanism were launched recently, both having their inaugural meetings in November 2016. The former issued an Action Plan for the Development of Bilateral Trade and Investment Cooperation between Turkey and China. Moreover, the fact that Turkey and China have chaired the G-20 in two consecutive years (2015 and 2016 respectively) brought the two countries into a close working relationship, not only at the government-level, but also in terms of civil society, business communities, academia, and think tanks.

For Turkey, the motivation to engage more strongly and effectively with China is predominantly economic, and this is not an ideological choice or a decision at the expense of other established partners, it is rational and pragmatic behavior as China is a key player in the global order, the second largest economy in the world, and a major trading power. The defining feature of Turkey's economic relations with China is the large and widening trade deficit. In 2016, when Turkey's exports to China totaled 2.3 billion dollars, its imports amounted to a staggering 25.4 billion

---

<sup>5</sup> For a thorough reflection of the origins of the Uyghur issue and its impact on Turkish-Chinese relations, see: Shichor, Yitzhak. "Ethno-Diplomacy: The Uyghur Hitch in Sino-Turkish Relations." *Policy Studies* 53 (Honolulu: East-West Center, 2009).

dollars.<sup>6</sup> Considering that the Turkish economy is suffering from a chronic current account deficit, doing trade with China is placing a significant burden on the country's finances. However, the negative effect on the balance of payments is only one side of the issue. The other, more favorable side shows that imports from China, while causing a deficit, are also helping improve Turkish consumers' purchasing power. More importantly, for a country like Turkey that is excessively dependent on imported components and intermediate products for its own production—with two thirds of total imports consisting of intermediary products and raw materials—China is a source of low cost and high quality supplies.

A recent report prepared by the Turkish-Chinese Business Council operating under the Foreign Economic Relations Board of Turkey sets a roadmap for Turkey to balance its economic relationship with China, placing emphasis on:

- Identifying the products where Turkey has significant prospects for exporting to China;
- Ensuring that imports from China are made with a focus on those products, which can add value to the Turkish economy, especially through their technology component;
- Attracting more long-term Chinese direct investment into the Turkish economy and;
- Capitalizing on the trade surplus that Turkey has in services trade with China, particularly in the field of tourism.<sup>7</sup>

The findings of this report are supported by similar inquiries, such as the China Action Plan prepared by the Ministry of Economy, and unlike ten years ago when Turkey's China policy was dominated by protectionist tendencies, Turkey now has a clear and constructive path ahead for developing its economic relations with the world's second largest economy.

While Turkey continues efforts to have a more balanced trade relationship with China, Chinese investments are showing the largest improvements in recent years. Chinese investment into Turkey is desired not only for its supportive effect on the balance of payments, but also for the longer-

---

<sup>6</sup> Turkish Statistics Institute, *Foreign Trade Statistics*. [http://tuik.gov.tr/PreTablo.do?alt\\_id=1046](http://tuik.gov.tr/PreTablo.do?alt_id=1046).

<sup>7</sup> "Asya Yüzylında Ejder & Hilal: Türkiye-Çin Ekonomik İlişkilerinin Geliştirilmesi için Bir Yol Haritası [Dragon and Crescent in the Asian Century: A Roadmap for Improving Turkish-Chinese Economic Relations]." *Dış Ekonomik İlişkiler Kurulu*, Istanbul, December 2016.

term value added it is expected to contribute to the Turkish economy. Turkey's economy is currently at a stage where it needs to upgrade its physical infrastructure, increase its technological capabilities, climb up the value-added ladder in its production, reduce its dependence on imports of raw materials energy and components. Foreign direct investment (FDI) is regarded as an instrument towards these ends. In other words, FDI from China, the world's second largest economic power, is sought after for its potential contribution to meeting the Turkish economy's needs.

It is important to note that Turkey's major economic partner is still the West, which is likely to remain so in the foreseeable future. European markets are absorbing half of Turkey's exports,<sup>8</sup> and in addition to being a large market for Turkey's products, the European Union is also by far the largest source of FDI into Turkey.<sup>9</sup> Turkey's aim to engage more actively with China in the economic sphere is not to find an alternative to replace Europe. Rather, Turkey's objective is to complement existing economic partners with new ones, diversify its portfolio, and make sure that inputs needed by its economy are secured through a variety of channels rather than remaining excessively dependent on one single partner.

Turkey's attempts to improve its technological capabilities in the defense industry illustrate this point. Back in 2013, when Ankara announced its intention to purchase a long-range air and anti-missile defense system from the state-owned China Precision Machinery Import-Export Corporation (CPMIEC), this decision was evaluated by many within the shift of axis thesis, arguing that Turkey was going to leave the NATO defense structure and turning its back to its Western allies. Some commentators even went as far as claiming that Turkey was "allowing Beijing to spy into

---

<sup>8</sup> In 2016, Turkey's exports to the 28 countries of the EU totaled 68.4 billion dollars, corresponding to 48.0 percent of the country's total exports. When trade with non-EU countries of Europe are added, these figures rise to 78.1 billion dollars, or 54.8 percent respectively. Source: Turkish Statistics Institute, *Foreign Trade Statistics*, [http://tuik.gov.tr/PreTablo.do?alt\\_id=1046](http://tuik.gov.tr/PreTablo.do?alt_id=1046).

<sup>9</sup> As of February 2017, the top ten sources of FDI into Turkey are all EU members, with one exception, the United States. The Netherlands tops the list, with a cumulative investment stock of 22.1 billion dollars, corresponding to 15.8 percent of all foreign investment into the Turkish economy. This is followed by the United States with 11.2 billion dollars, or 8.0 percent, Austria with 9.8 billion dollars, or 7.0 percent, and the United Kingdom with 9.5 billion dollars, or 6.8 percent. Source: Ministry of Economy, *Foreign Direct Investment Statistics*. <http://www.ekonomi.gov.tr/portal/content/conn/UCM/path/Contribution%20Folders/web/Yatirim/Uluslararası%20Yatırımlar/03.Uluslararası%20Doğrudan%20Yatırım%20İstatistikleri>.

NATO's backyard."<sup>10</sup> However, the real motivation behind Turkey's preference to work with China was, in addition to the lower price tag, that China, unlike the American and European bidders, was offering favorable conditions for the transfer of technology and co-production. Rather than making an ideological or geopolitical choice, Turkey was aiming to "gain know-how to develop its own long-range missile system and to expand the indigenous capabilities" in a move that "astounded (Turkey's) transatlantic allies, (yet) cohered perfectly with Turkey's broader defense industrial strategy."<sup>11</sup> After more than two years of negotiations, the Turkish government decided to cancel the tender in its entirety and to focus on local development instead. Even though the project was not completed, the process showed that China is regarded as a serious partner that can help close Turkey's technology gaps.

The two other areas where Turkey is actively increasing its cooperation with China are logistics infrastructure and energy, and two agreements inked by the two governments during the G-20 Summit in Antalya on November 14, 2015—the Agreement on Harmonizing the Silk Road Economic Belt and 21<sup>st</sup> Century Maritime Silk Road with the Middle Corridor Initiative and the Rail Transport Cooperation Agreement—are paving the road for greater progress in these fields. Integrating the Middle Corridor Initiative that aims to connect Turkey to the Caucasus, Central Asia, and China with the BRI offers significant prospects for developing Turkey's domestic transportation network and enhancing Turkish economy's link with foreign markets, thus consolidating Turkey's position as an economic transit hub between Europe and Asia. These agreements, which foresee a total investment of 40 billion dollars, were ratified by the Turkish Parliament in May 2016. While joint projects, like the proposed Kars-Edirne high speed rail line that will span the country's entire width connecting Turkey's easternmost point with its border to the EU in the west are forming the backbone of these attempts, the Turkish-Chinese cooperation in this field is of a much broader nature, covering, as stated in the agreements:

- Economic policy cooperation;

---

<sup>10</sup> Peritz, Aki and Eoyang, Mieke. "Is China Building a Trojan Horse into NATO Through Turkey?" *Defense One*, October 31, 2013. <http://www.defenseone.com/ideas/2013/10/china-building-trojan-horse-nato-through-turkey/72980>.

<sup>11</sup> Kibaroglu, Mustafa and Sazak, Selim C. "Why Turkey Chose, and Then Rejected, a Chinese Air-Defense Missile." *Defense One*, February 3, 2016. <http://www.defenseone.com/ideas/2016/02/turkey-china-air-defense-missile/125648>.

- Cooperation in transportation, energy and telecommunication projects in Turkey, China and third countries;
- Increased trade through the use of local currencies;
- Improved people-to-people exchanges;
- Joint investment and financing supports through public and social cooperative funds including the Asian Infrastructure Investment Bank (AIIB) and the Silk Road Fund.<sup>12</sup>

Rail transport infrastructure remains at the core of the Turkish-Chinese cooperation through the BRI, but recent developments reveal that the vision shared by the two countries is to improve intermodal transportation through incorporating railways with maritime and land transport routes. The 2015 purchase of a major stake at Kumport near Istanbul—Turkey's third largest sea port in terms of container processing capacity—by a consortium of Chinese companies, has brought the investment relationship to a new level<sup>13</sup> and enabled the Chinese side to launch a new regional service of container shipping that connects the ports in Northern Europe and those in the Mediterranean.<sup>14</sup> As mentioned by President Erdoğan during the BRI Forum in Beijing on May 14, 2017, Turkey plans to add three more seaports, Çandarlı on the Aegean Sea, Mersin on the Mediterranean, and Zonguldak Filyos on the Black Sea into this framework. Furthermore, the Land Transportation Agreement signed by Turkey and China makes it possible for TIRs and other land transport vehicles from Turkey and China to carry cargo into each other's territories.

Energy is an emerging sector where Turkey and China are increasing their cooperation. In addition to the two planned nuclear plants to be built in Mersin and Sinop by Russian and Japanese/French consortia respec-

---

<sup>12</sup> Turkey is a regional member of the AIIB with a total subscription of 2.6 billion dollars, and a corresponding voting power of 2.7 percent. It also needs to be noted that the fact that a Chinese bank, the Industrial and Commercial Bank of China (ICBC), has been operating in the Turkish market since 2015, and that a second Chinese bank, Bank of China, has been granted a license by the Turkish authorities to open branches in Turkey helps to facilitate financial flows between the two countries. Two Turkish banks, Garanti and İşbank, are active in China, albeit only at the level of representative offices.

<sup>13</sup> A consortium of COSCO Pacific, China Merchants Group and China Investment Corporation have purchased 65 percent stake at Kumport for a sum of 940 million dollars. Kumport has a container processing capacity of 1.3 million TEU. So far, this is the largest Chinese investment in Turkey in terms of value.

<sup>14</sup> "China's COSCO Shipping Lines Opens New Service for Northern Europe, Mediterranean," *XinhuaNet*, April 10, 2017. [http://news.xinhuanet.com/english/2017-04/10\\_c\\_136194731.htm](http://news.xinhuanet.com/english/2017-04/10_c_136194731.htm).

tively, a third nuclear plant will be constructed in Kırklareli, for which Turkey has already signed an agreement of exclusivity with China's State Nuclear Power Technology Corporation (SNPTC), in 2014. Turkey aims to become self-sufficient in terms of energy security, which requires not only indigenous energy generation, but also the technological capabilities and know-how that will ensure sustainability in the long run, and the Chinese option comes with these promises.<sup>15</sup>

The Turkish-Chinese Agreement for Cooperation in Peaceful Uses of Nuclear Energy, signed in 2012 (entering into effect in June 2016) covers an entire range of activities where the two countries will cooperate, from designing, constructing, and operating nuclear plants to joint research and development, mining- and waste management. In the meantime, the Agreement for Cooperation in Renewable Energy and Coal signed by the two governments in September 2016 can be expected to open up a new dimension in the economic partnership, especially since both countries overly depend on coal for their industries making significant efforts to switch to cleaner and renewable forms of energy. Turkey is already utilizing Chinese technology to increase its capacities in solar and hydro energy.

Turkey's growing engagement with China, concentrating primarily in the economic field, is the requirement of an increasingly interconnected global economy. It does not represent an ideologically motivated choice, an alleged shift of axis, or some kind of animosity towards the West. Europe is by far Turkey's largest economic partner and the United States is still a major ally despite volatility in relations and problems that are discussed in detail in this volume. The real question is not whether Turkey is shifting away from the West, but rather how Turkey's growing relations with China can be turned into asset for its transatlantic relationship. Instead of asking whether Turkey is turning to East or West, it makes

---

<sup>15</sup> Although no final deal has been reached yet, China's SNPTC is one step ahead of the competition for building Turkey's third nuclear power plant, which will incorporate four nuclear reactors with a total installed capacity of 5,000 MW. The total cost is expected to be between 22-25 million dollars. The interesting point, that also supports the argument in this chapter about the irrelevance of the shift of axis thesis, is that Turkey's cooperation with China in nuclear energy actually entails a joint development with the United States. The third-generation nuclear technology offered by SNPTC is a product of the company's collaboration with U.S.-based Westinghouse Electric Company, and as stated in the agreement of November 2014, SNPTC and Westinghouse will cooperate in the Turkish project, if their bid is successful. See: Atlı, Altay. "China, Turkey Seal Nuclear Partnership." *Asia Times*, August 31, 2016. <http://www.atimes.com/article/china-turkey-seal-nuclear-partnership>.

more sense to consider how Turkey can link the two together in ways that go beyond the hollow rhetoric of being a bridge between continents.

## **China's Relevance for Turkey's Transatlantic Relations**

Issues causing friction between Turkey and its Western allies are beyond the scope of this chapter, and they are discussed in detail elsewhere in this volume. The point made here is that under the right circumstances and appropriate institutional settings, stronger Turkish-Chinese links can actually reinforce Ankara's transatlantic relations, as the two are not mutually exclusive.

Given all the crises and setbacks Turkish foreign policy has recently been experiencing—in the Middle East and elsewhere—and the turmoil and risks that are defining today's global order, a productive relationship with China based on mutual economic benefits needs to be considered a healthy step forward for Turkey, and not a shift of axis or the country isolating itself from its allies. As Fuat Keyman wrote, Turkey has to “make a conscious decision to return to its proactive foreign policy, which played a significant role in its consolidation and wielding of soft power over its region and distant geographies.”<sup>16</sup> This kind of proactivism in foreign policy requires an emphasis on economic considerations, what Kemal Kirişçi calls “a return to pragmatism.”<sup>17</sup> In their current shape, Turkey's relations with China do serve this purpose, and a Turkey that has restored its proactive and pragmatic foreign policy approach will certainly be in a better situation to place its transatlantic relations on a sounder and less fragile basis.

The West's concerns over Turkey can be remedied only if the thesis of the shift of axis is discarded and Turkey's actions, particularly those related to its China policy, are regarded as Turkey's reinforcing of its position as a global player, and not as a sign of hostility towards the West. A Turkey that engages both with the West and the East, and a West that regards Turkey's Eastern connections as a source of strength and advantage are needed for progress in Turkey's relationships with the transatlantic alliance.

---

<sup>16</sup> Keyman, E. Fuat. “Turkish Foreign Policy in the Post-Arab Spring Era: From Proactive to Buffer State.” *Third World Quarterly*, vol. 37, No. 12 (2016), p.284.

<sup>17</sup> Kirişçi, Kemal. “Is Turkish Foreign Policy Becoming Pragmatic Again.” *Brookings Institution*, July 11, 2016. <https://www.brookings.edu/blog/order-from-chaos/2016/07/11/is-turkish-foreign-policy-becoming-pragmatic-again>.

In addition to this paradigm shift, an improved institutional setting for this purpose is also required.

A proper starting point would be the revision of Turkey's twenty-year old customs union deal with the EU. Turkey is in the peculiar position of being subject to a customs union despite not being a full member of the EU. Turkey is bound by the Brussels external trade policies, meaning that it has to apply joint tariffs with the EU for imports from third countries, but as a non-EU member it cannot take part in the decision-making mechanisms. Moreover, the deal's scope is limited to industrial goods, whereas agriculture and services trade are not covered. A revised customs union deal that suits the needs and requirements of today's global economy will serve both sides better, with an Asian dimension as well. After the customs union deal went into effect in 1996, a number of Japanese and Korean manufacturers invested in production in Turkey, so that they could benefit from the tariff-free access to European markets.<sup>18</sup> Given the rise in actual and future Chinese investments in Turkey, a revised customs deal can turn Turkey into an investment and trade hub for Chinese companies and help to increase commercial links between Europe and Turkey, as well as Europe and China.

The BRI, which covers both Turkey and Europe, can be utilized. Most of the investment projects planned within the scope of the BRI are transnational in nature. The BRI can facilitate projects that connect Turkey with Europe, and there are already a number of ideas that are being discussed, such as establishing a maritime network in the Aegean by integrating the port of Piraeus (in Athens, Greece), developed and operated by the Chinese, with Turkish ports.<sup>19</sup> There are concerns in Europe over how competition from Chinese companies will impact developed European economies, yet the BRI does not necessarily have to be a zero-sum game for the Europeans. As Lai Suetyi wrote, Europe's cooperation is vital for progress with the BRI, and "success in fostering trans-regional linkages between China and the EU through initiatives like the Belt and Road is a promising sign of globalization continuing onward."<sup>20</sup> Within this con-

---

<sup>18</sup> Törüner, Yaman. "Yine Gümrük Birliği [Customs Union Again]". *Milliyet*, May 20, 2008. <http://www.milliyet.com.tr/yazarlar/yaman-toruner/yine-gumruk-birligi-546209>.

<sup>19</sup> "İpek Yolu, Avrupa'ya Çandarlı'dan Ulaşsın [Let the Silk Road Reach Europe Through Çandarlı]". *Milliyet*, May 14, 2017. <http://www.milliyet.com.tr/ipek-yolu-avrupa-ya-candarli-dan-ekonomi-2450003>.

<sup>20</sup> Suetyi, Lai. "Understanding Europe's Interest in China's Belt and Road Initiative." *Carnegie Endowment for International Peace*, May 10, 2017. <http://carnegieendowment.org/2017/05/10/understanding-europe-s-interest-in-china-s-belt-and-road-initiative-pub-69920>.

text, Europe needs to view Turkey as an integral component, a connector within this initiative. Links with Turkey through the BRI can potentially bring benefits for European countries, particularly those in Central and Southeast Europe.

While Turkey is a candidate country for EU membership, Europe needs to also see Turkey as a country that is linked with Asia, a position that is currently being reinforced through Turkey's improving relations with China. To this end, a useful way is to make Turkey part of the dialogue between Europe and Asia. The Asia-Europe Meeting (ASEM) as an inter-governmental process has 53 members from Europe and Asia, working to foster dialogue and cooperation between the two countries;<sup>21</sup> however Turkey is not a member of this organization. If Turkey, the country that *de facto* binds Europe with Asia, can be part of the ASEM process, this will not only serve the organization itself, but will also profoundly contribute to the relations between Turkey and Europe.

Finally, attention should be drawn to the Middle East dimension to the Turkish-Chinese relationship as well. This is often overlooked as the region is undergoing a period of utter chaos and instability, and positions of local players, regional actors and great powers, especially vis-à-vis the Syrian civil war, are shifting all the time. Turkish and Chinese positions do not entirely overlap in Syria, as the removal of the Assad regime is a *sine qua non* for Ankara, while China rejects the notion of external intervention against what is the legitimate government of the country. The Turkish-Chinese relationship will, however, be of much greater relevance when the conflict ends in the region and the period of reconstruction and rebuilding starts. Turkey will be a major actor in this process, not only due to its geographical proximity, but also thanks to the economic assets that it possesses, its companies' experience in doing construction work in the region, and the economic linkages that are being already created by the three million Syrians (now hosted in Turkey) with their homeland. In the meantime, the potential released through the BRI, Chinese hegemony

---

<sup>21</sup> The ASEM process was launched in 1996 as "an informal process of dialogue and cooperation, based on equal partnership and enhancing mutual understanding, (which) can best work to facilitate and stimulate progress in other fora, and should not seek to duplicate what is being done within bilateral and other multilateral relationships with Asia." ASEM's 53 members are comprised of 30 European and 21 Asian countries, as well as the European Union and the Association of Southeast Asian Nations (ASEAN) Secretariat. For more information on ASEM process, see: "About the Asia-Europe Meeting (ASEM)," *ASEM InfoBoard*. <http://www.aseminfoboard.org/about>.

in the global construction sector,<sup>22</sup> the fact that China—unlike the Western powers—comes to the Middle East without heavy historical baggage, already actively working in Syria despite the ongoing war,<sup>23</sup> will place it in an advantageous position for undertaking the bulk of reconstruction work when the war ends. In other words, Turkey and China are the countries that are best situated to lead the post-war rebuilding processes in the region, and the relationship between the two will matter profoundly for the future of the Middle East. The West, and particularly the United States, needs to consider the Turkish-Chinese relationship from this perspective as well, incorporating this factor into their strategies, as Turkey can act as the intermediary between the interests of the West on one hand and China on the other, in the Middle East.

## Conclusion

Despite thorny issues remaining between the two sides, relations between Turkey and China are on a steady growth path, as revealed by increasing trade and accelerated intergovernmental dialogue. For Turkey, China is an economic power that can help close its infrastructure and technology gaps, whereas for China, Turkey is located in a strategic position along the BRI, between Europe and Asia. Viewing the developing relations between Turkey and China through a zero-sum mentality and representing it as a shift of axis in Turkey's foreign policy away from the West is misleading, because Turkey's interest in China results from changing global dynamics and imperatives of world economy, and does not represent an ideological preference or a negative stance against the West.

This chapter argues that a stronger relationship between Turkey and China does not need to represent an anti-Western stance, and that under

---

<sup>22</sup> In the list of the Top 250 International Contractors of the world, China is the leading country with 65 entries (including the world's four largest construction firms in terms of revenue), followed by Turkey with 40, and the United States with 39 entries. See: "The 2016 Top 250 Global Contractors." *Engineering News Record*, August 24, 2016. <http://www.enr.com/toplists/2016-Top-250-Global-Contractors1>.

<sup>23</sup> Chinese companies are still holding shares in the Syrian oil sector. Moreover, as of the end of 2016 China has committed 16 billion dollars in investments to various sectors in Syria. In the meantime, Chinese company Huawei is currently rebuilding Syria's telecommunications infrastructure despite clashes in various parts of the country. See: Jacobsen, Rasmus. "How (and why) Russia and China are Supporting Syria's Devastated Economy." *Global Risk Insights*, September 13, 2016. <http://globalriskinsights.com/2016/09/russia-china-syria-devastated-economy>.

the right conditions, this linkage could actually reinforce Turkey's transatlantic relations, as the two are not mutually exclusive. In other words, a strong connection with China could be an asset for Turkey in its relations with the West. Engaging productively with China could be a defining feature for a Turkish foreign policy that is becoming increasingly proactive and pragmatic, after all the crises and turmoil, particularly in the Middle East. This should not be a concern for the West, but a welcome development, as it is not about Turkey's axis shifting, but rather about Turkey reinforcing its position as a global player.

An improved institutional setting is needed to turn Turkey's China link into an asset for the transatlantic alliance. A proper starting point would be the revision of the twenty-year old customs union deal between Turkey and the EU to better suit the requirements of today's global economy. China's BRI could be a useful instrument to foster trans-regional linkages between Europe and China, with Turkey as a connector and facilitator between the two. A possible membership in the ASEM process would serve as an integral and formal part in the dialogue between Europe and Asia. Finally, the West—and especially the United States—should come to terms with the fact that Turkey and China are the likely candidates to lead the economic reconstructing efforts in Syria and Middle East once conflict and violence have ended.

It has been more than a quarter of century since the Cold War has ended. Instead of separate axes of power, the global system is now defined by interconnectedness and interdependence. Turkey's development of ties with China needs to be seen within this context.

