

# A MORE “VIRTUAL” TURKEY? GLOBALIZATION, EUROPE, AND THE QUEST FOR A MULTI-TRACK FOREIGN POLICY

*Turkish foreign policy is assertive, active and even overly proactive in some areas. It has a substantial soft-power contribution to stability, with an important economic dimension. The politics of identity pursued by AKP, revolving around conservative democracy, enabled the expansion of Turkey's economic and political space in the region. There is an opportunity provided by the dynamics of globalization for developing countries to step up to a most central global role. In light of the adjusted role of the West and the transformation of the Turkish state, this article provides an overview of the policy framework of Ankara's foreign affairs activism for the next decade.*

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**T**he strategic environment Turkey faces is increasingly wide, complex, and characterized by a range of hard and soft security issues, many of which cut across regional lines. This article will aim to present policy options for overcoming constraints in Turkey's maintaining and building up a multidimensional foreign policy course. One parameter this article takes into consideration is the international structural parameters such as systemic changes that result in redefining a country's foreign policy and its position in the international system. Another parameter is the internal structural parameters, including the domestic political and economic environment.

As a result of the systemic changes produced by the shifting dynamics of globalization, Turkey has a new role in which, economic factors are critical. Depending on how Turkey fares in the economic realm, it can become an active participant in the process of shaping rules and institutions for the global economy's new structure and pursue a diversified set of relationships in its foreign policy course.

Another important dimension is the continuation of the positive impact of EU's conditionality. This can sustain significant reform processes in Turkey and lead to both economic transformation and consolidation of democratic credentials, to cement an open and pluralist polity.

### *The Role of the West*

Global challenges continue shifting the centers of economic power and progressively redirecting the flow of political authority and influence. While cohesion in the West is doubtful, the current economic crisis both in Europe and the U.S. creates geopolitical uncertainty. Furthermore, globalization requires new policies between various centers of power and the institutionalized participation of developing countries in relevant international institutions. That is why, in the context of resolving the current economic crisis, the West is recognizing the need to expand global policy coordination to include the emerging powers. The need for more flexible institutions of global governance is also widely accepted. In this sense, the inclusion of Turkey in the G-20 is an acknowledgement of this reality.

While the West is adapting to new representation dynamics in global governance, the developing countries should learn to act as responsible leaders in global undertakings and not merely remain as regional powers. Furthermore, as Zbigniew Brzezinski, a political scientist and a former advisor to U.S. President Jimmy Carter, points out, "with the decline of America's global preeminence, weaker countries

will be more susceptible to the assertive influence of major regional powers.”<sup>1</sup> In this respect, developing countries (BRICS, Indonesia, Mexico, tiger economies, and Turkey) must prepare themselves and work in a responsible and constructive manner in the global environment.

In this course action, the future role of developing countries will be significantly elevated by responsible participation as full-fledged partners in global undertakings. In parallel, the West can positively and significantly contribute in the development of global infrastruc-

tures, reforms for institutions of international security, as well as the development and distribution of natural resources. Last but not least, current global trends require mutual compromises *via* win-win strategic alliances. In addition, overcoming a traditional rationale, namely the balance of power approach that might prove more than useful in order to sustain the course of the further deepening of globalization.

### *Enter Europe*

European integration is no longer just about peace in Europe. It is also about enabling the European continent to assert itself in the era of globalization. Responding to the challenges globalization poses is both the main reason for institutional reform and a core element of Europe’s political agenda. Given the shifts of balances of power, the challenges for European integration have increased. A more fragmented EU will have a harder time providing security and will weaken an already handicapped transatlantic relationship at a time when greater cohesion and activism are needed to cope with threats in the Mediterranean basin and the Middle East. Europe needs alignment of its internal and external policies more than ever before.

There is a close link between the EU’s global role and its ability to take swift decisions internally. Consequently, European action in the foreign policy domain will incorporate the need for expanding the perimeter of the Union’s sphere of institutional

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1 Zbigniew Brzezinski, “8 Geopolitically Endangered Species,” *Foreign Policy*, January/February 2012, [http://www.foreignpolicy.com/articles/2012/01/03/8\\_geopolitically\\_endangered\\_species?page=full](http://www.foreignpolicy.com/articles/2012/01/03/8_geopolitically_endangered_species?page=full) ; See also, Zbigniew Brzezinski, “Balancing the East, Upgrading the West: U.S. Grand Strategy in an Age of Upheaval,” *Foreign Affairs*, Vol.91, Issue.1 (January/February 2012), pp. 97-104.

cooperation. Ultimately, through pursuing constructive approaches with Russia, China, and the Middle East, the EU will enter critical agreements and transatlantic synergies for a wiser and more open global governance. The pursuit of a more united, coordinated, and decisive approach by the Western community towards non-Western countries –with the EU occupying a central role in this endeavor– could be the core for shaping the new geopolitical architecture.

Turkey's quest for a multi-dimensional foreign policy involves capacity building and pooling of resources for establishing alliances and engaging in strategic synergies. The pursuit of a more "virtual" status for Ankara leads to marked-up engagement on behalf of Brussels. This delicate process will be efficiently served within and not outside EU's framework for accession. While "Middle Eastern elites worry about any sign of Ankara turning its back on its EU accession process,"<sup>2</sup> a globally-oriented Turkey which is committed to Europeanization will be acknowledged by Europeans as a successful and positive paradigm both in ideological and economic terms.

### *Enter the U.S.*

Turning to the U.S., Washington remains increasingly concerned about Europe's political willingness, activism, and operational capacity coupled by growing financial constraints to share global burdens and security threats. During Obama's second term of office, his pragmatic foreign policy strategy and cooperative realism scheme will further unveil their impact on transatlantic relations and the duties of Europe for a more active and increased EU presence in its Mediterranean and Middle Eastern neighborhoods. On top of it, regarding power politics limitations, as the U.S. will continue suffering from high external debt, leading to restrictive policies for many years. Eventually Washington will be compelled to follow cooperative strategies through constructive engagement and granting power in the developing world. Even then, the role of the U.S. is nothing less than vital for making and sustaining more positive regional security settings. In effect, it will be the West (U.S. and Europe) as the actor establishing principles and setting limits for developing countries like Turkey, on how to properly manage their growing power and assist them accordingly.

Notwithstanding that in the case of Turkey-U.S. relations is not power and its asymmetry *per se* but the fact that, during the last decade, there has been a steady divergence of respective views coupled with corrosive skepticism about intentions and trust, leading to limited strategic cooperation. As the Americans set global

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<sup>2</sup> Kemal Kirişçi and Neslihan Kaptanoğlu, "The Politics of Trade and Turkish Foreign Policy," *Middle Eastern Studies*, Vol.47, No.5 (September 2011), p. 719.

imperatives with regional applications, of utmost importance will be the search between Turkey and the U.S. for a balance among strategic objectives and tactical commands for the future of Eastern Mediterranean and the Middle East. To avoid mistrust and mutual misperceptions, Washington and Ankara should examine methods for institutionalizing Ministerial-level policy planning consultations capable of establishing forward thinking strategic framework for addressing issues of mutual concern.

### ***Multidimensional Foreign Policy or Europeanization: Is There a Real Conflict?***

#### *Enter Turkey*

In terms of policy analysis and planning, the main findings address the issue of sustaining the EU membership drive, while at the same time promoting a multi-track external policy with a regional focus. There has been considerable evidence regarding Turkey's regional focus both in economic and foreign policy issues including: a) significant rise in regional trade links and the importance of the country's economy as a major emerging market and recipient of foreign direct investment (FDI), b) Turkey's external geopolitical stance on a number of issues that display a desire for a more autonomous foreign policy, aiming to improve the country's regional geopolitical position as a player in its own right (examples include Turkey's stance on Arab uprisings, and its current relations with Israel, Syria, Iran, and Iraq).

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The absence of any real dilemma should be stressed for choosing between Europeanization or a multidimensional foreign policy course, since the successful conclusion of the latter will effectively enhance Turkey's leverage and bargaining power to enter Europe. It is actually the continuation of its European strategy that will strengthen Turkey's independent dynamism and provide a coherent framework for deepening EU-Turkish relations which have, in less than a decade, run a distance from the so called “golden age of Europeanization in Turkey (2002-5)”<sup>3</sup> up to the “risk of slow death”.<sup>4</sup>

3 Stephen Larrabee, “Turkey's New Geopolitics,” *Survival: Global Politics and Strategy*, Vol.52, No.2 (April-May 2010), p. 173.

4 Katinka Barysh, “Can Turkey Combine EU Accession and Regional Leadership?,” *Policy Brief* (London: Centre for European Reform, 2010), p. 3.

Can Turkey do it? The present slowdown of the EU's accession process due to the global crisis enables Turkey to place sufficient resources on multi-track policies and increase its relative weight in the region, without immediate pressures exercised from either Brussels or the markets (an unavoidable development in the case of speeding up accession negotiations). In fact, rising regional trade links allow the country to sustain competitiveness without having to resort to overtly restrictive policies to maintain a currency that is pegged to the Euro or inflation rates that converge to those of the EU; but rather to focus more on structural modernization reforms that enhance the country's potential economic capacity and that pay off in the medium term. "The EU will also remain the most important source of FDI and technology for Turkey's own economic development. Paradoxically, it is the experience of competing in the European market that will continue to give Turkish companies the competitive edge in relation to its neighborhood."<sup>5</sup>

In light of the above, contrary to mainstream studies that address the state's retreat, the capability of Turkey's public sector *via* mobilization of domestic financial resources (including funding for modernizing domestic infrastructure and new ones for knowledge-intensive sectors along with transfers and investment strategies in neighboring countries) will be essential for concluding a diverse foreign policy course based on soft-power resources. Towards this direction, it is required to unleash institutional reforms for allowing a more rational, efficient, and competitive functioning of the public sector.

Apart from sustaining the EU membership drive, Turkey's reform agenda includes pursuing further democratization while increasing political stability and effective governance. Issues amongst others entail institutional provisions for limiting concentration of power and leaders' dominance, elevating intra-party democracy and securing checks and balances on civilian authorities. Additionally, constructive interaction among governing –currently the Justice and Development Party (AKP)– and opposition parties is needed in order to resolve an already diluted polarization based on identity politics. As an agent of change which has contributed to the power balance shifts in domestic politics and as a result to the revision of dominant social preferences, the EU can once again serve both as an anchor of Turkish political change and as an honest broker for resolving conflicts on the domestic front. Simultaneously, on the external front, a Turkey that "enjoys an upgraded strategic position and cordial relations with its Middle Eastern neighbors will be a more appealing EU member state and an asset in European strategic planning."<sup>6</sup>

5 Kemal Kirişçi, "Turkey's Engagement with Its Neighborhood: A 'Synthetic' and Multidimensional Look at Turkey's Foreign Policy Transformation," *Turkish Studies*, Vol.13, No.3 (September 2012), p. 328.

6 Ioannis Grigoriadis, "The Davutoğlu Doctrine and Turkish Foreign Policy," *Working Paper*, No.8 (Athens: ELIAMEP, 2010), p. 10.

### *Domestic Politics and Globalization*

The government's business friendly policies have been a significant source of domestic support, "particularly from the emerging class of global entrepreneurs."<sup>7</sup> With large Turkish holding companies remaining in the background to "reorganize their conglomerates and become more autonomous from political elites through a process of internationalization"<sup>8</sup> the vacuum was filled by the growing business class of Anatolian small and medium enterprises (SMEs).

The Anatolian SMEs have been eager to meet the demands of an expanding economy along with exploring new markets; side by side with a government that is comfortable and willing to highlight Turkey's identification with Muslim societies in the region. Although, economic reflections of the new international openings in Middle East, Africa, Latin America, and East Asia "were attained in a rather *ad hoc* and strategically-unregulated manner,"<sup>9</sup> foreign policy initiatives have been capitalized as a strategic tool for consolidating and extending AKP's electoral power base domestically and paving the way for introducing a larger political space around the conservative-democratic identity externally.

A key issue in this respect is the gradual emergence of a new domestic power balance that allows for an institutional evolution that is more democratic and favors a much broader social consensus while encouraging the economic rise and participation of the middle strata. Towards this direction, Turkey's status as a role-model for exercising smart-power in the region and beyond, will be completed and fully legitimized by introducing the appropriate choice of power-sharing arrangements in order to pluralize the political arena, and avoid signs of authoritarian governance and autocratic tendencies. What is more, is to bring about the establishment of a firm pillar of secured reconciliation between democracy and development along with modernity and religion. All the above compared to the former more elitist policy stance, elevated role of the army and high-level insecurity regarding the country's internal cohesion and Islamic heritage. If globalization proves to be a winning game for Turkey and inward-looking perceptions of either isolationism or Islamization would fade away, the foreign policy domain can be substantially capitalized as a major political instrument to boost pending reforms and handle domestic identity politics by progressively bridging the gap between "globalists" and "nationalists" – a persistent "division which cuts across party lines."<sup>10</sup>

7 Albright et al, "U.S.-Turkey Relations: A New Partnership," *Independent Task Force Report*, No.69 (New York: Council on Foreign Relations, 2012), p. 19.

8 Roy Karadag, "Neoliberal Restructuring in Turkey: From State to Oligarchic Capitalism" *MPIFG Discussion Paper*, Vol.10, No.7 (Cologne: Max Planck Institute for the Study of Societies, 2010), p. 27.

9 Sadık Ünay, "Economic Diplomacy for Competitiveness: Globalization and Turkey's New Foreign Policy," *Perceptions*, Vol.15, No.3-4 (Autumn-Winter 2010), p. 37.

10 Ziya Öniş, "Conservative Globalists versus Defensive Nationalists: Political Parties and Paradoxes of Europeanization in Turkey," *Journal of Southern Europe and the Balkans*, Vol.9, No.3 (December 2007), p. 251.

### *A More “Virtual” Turkey?*

Turkey’s foreign agenda is embodied in a more confident and autonomous policy stance that leverages on the country’s upgraded regional economic and geopolitical position. In this regard, Turkish foreign policy will have to be shaped increasingly by the country itself and less through a paternalistic direction from traditional Western power centers.

Although resources are available and there is a promising plan for pursuing a multi-track foreign policy, new policies that have been introduced will not be implemented by simply dusting off and adapting the 1990s Turkish attitudes and modes of action in terms of partnerships among large-scale industrial elites and the state.

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Likewise, official views promoted by policy entrepreneurs such as the Turkish Foreign Minister, Ahmet Davutoğlu, who is not “a minister of a nation-state only”,<sup>11</sup> does not display a conscious effort to shape Turkey’s external policy suitable to the needs of globalization. Instead of facilitating Turkey’s prospects for becoming a more autonomous, networked and solid player, these efforts simply strengthen the traditional sphere of influence and geopolitics *vis-à-vis*

the Western global center. The rationale is more than helpful in analyzing the role of history and tradition “in the case of a post-imperial state with increasing stature concerns”<sup>12</sup> which comes *via* intensively cultural “politics of difference” to question the ruling Western arrangements that underpin the structure and functioning of the international system.

On the other hand, in the era of globalization, we are witnessing a more liberalized Turkish state, which will become increasingly sensitive to market forces. As a beginner, Turkey is one of the first countries entering a process adjusted to the functioning along with the needs of the global system’s emerging markets; above all, a development which calls upon the nation-state to undergo a process of deconstruction. By the end of the transition process the nation-state turns itself from a “trading state” to a “virtual” one; meaning a tighter and more vigorous political actor capable

11 “Europe has Left Syria to a Distinctly Ottoman Fate,” *The Guardian*, 11 April 2012.

12 Ayşe Zarakol, “Problem Areas for the New Turkish Foreign Policy,” *Nationalities Papers: The Journal of Nationalism and Ethnicity*, Vol.40, No.5 (December 2012), p. 741.

of sustaining the pressures of global competition by plumbing the world market rather than acquiring territory. The result is a metamorphosis of both productive and international relationships.<sup>13</sup> With policy planning requiring thoughtful steps on what it means and what it takes, the Turkish state is encountering difficulties to address the role of a more “virtual state” and how to properly implement respective policies suitable to the needs of a long-term project, which is structured with a different mentality, the one deriving from the forces of the governing economic culture of the global market.

Taking the above into consideration it is of paramount importance for Turkey to examine how solid its international openings and evaluate the network of alliances designed by Ankara. How far do they actually serve the strategy for implementing a multi-track foreign policy? What is more, extricating from the West should go hand in hand with a pooling of resources for establishing partnerships and pursuing strategic synergies that in the end will make it a more valuable future partner for the West. All

in one, as operational prerequisites for spreading its leverage and improving the capabilities factor in its foreign policy portfolio. Otherwise, no state wishing to dominate *via* soft-power resources can afford the limitations posed by unilateral post-imperial ambitions. These ambitions are mainly extracted from the politics of the identity domain and in fact constitute a conservative approach – one that primarily derives from the old model of civilizational particularities and its tools of culture and traditionalism.

In the case of Turkish conglomerates, they are also facing a similar transition period leading to the adaptation of new business models which transform conglomerates into more market oriented, specialized and networked actors. Since conglomerates function as purely capitalist firms which apply profit maximizing criteria, the logic of the new strategy is for the company to deconstruct and limit itself in fewer but specialized markets; by following market forces, conglomerates advance the

*“It will be the West as the actor establishing principles and setting limits for developing countries like Turkey, on how to properly manage their growing power and assist them accordingly.”*

13 With virtual nations and their associates holding the competitive key to greater wealth in the 21st century, the rationale for their economic well-being is efficiency attained through productive downsizing. What is more, size no longer determines economic potential. *The New York Times in the Web: Books First Chapters*, <http://www.nytimes.com/books/first/t/rosecrance-virtual.html> ; See also, Richard Rosecrance, *The Rise of the Virtual State: Wealth and Power in the Coming Century* (New York: Basic Books, 2000).

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establishment of specialized businesses which present entrepreneurial advantages. This is part of a strategy that was initiated by Asian conglomerates after the Asian crisis of the 1990's (e.g. South Korea). Typically the activities of conglomerates would span through many sectors of the economy being focused more on market control and less on profit maximization – a process which is better served by specializing in a specific sector of the economy.

It is in this context that government policy and corporate strategies can form synergies rather in the old way of the closed economy-state capitalist model that amongst other things entailed a national geopolitical strategy encompassing domestic economic champions with little regard for the latter's global competitive advantages. The economic champions had an incentive to participate in this strategy as they were offered in return a protected national market and public procurement projects. The deconstruction of this model also implies the deconstruction of the old-type vested interests and their redefinition under the auspices of global competition.

Finally, on the economic front, there are risks ahead for Turkey. The major concern is the continuation of policy volatility in the Turkish economy (i.e. risking macro-economic stability to sustain high growth). In this respect, the risk factor refers to the short term economic volatility that characterizes Turkey's economic development. Economic volatility can potentially antagonize the long-term commitment of resources by the government in necessary project infrastructure, economic aid to regional governments, and other public investment projects abroad. Eventually, this long-term policy will require Turkey to achieve longer-term economic stability by taming the volatility of its business cycle.

*The Way Forward*

### *The Way Forward*

Although there is a promising window of opportunity for Turkey to enter a period of regional leadership, resolving problems and reaching “ground zero” still remains a tough multilayered challenge for Turkey's Middle East neighborhood. As a result

of regional power politics, an absence of consensus is still maintained between state and political actors when it comes to the necessity of a new regional narrative. A narrative which will pave the way for a more interdependent and even integrated neighborhood which would enlarge and cut across the modernist political space of nation-states.

Ultimately, with soft-power as its main comparative advantage to engage diverse counterparts, Turkey's economic strategy is at least as important as its military strategy and takes precedence over the old-fashioned dividing lines of culture and traditionalism. Furthermore, it is the logic of the "virtual state" which will push the EU to increase its commitment towards Turkey along with a policy shift on behalf of the U.S. At the same time, sustained economic growth needs to go hand-in-hand with restructuring and upgrading *via* heavily increased financial instruments, advanced technology, human resources, and intellectual capacity in all aspects of Ankara's foreign policy machinery to produce a diverse and assertive multidimensional foreign policy. After all, future policies will be sustained by market forces and not by any political actor, policy entrepreneur or a geopolitical variable. All of the above are dynamic in character and subject to constant change. As long as Turkey does not attempt to bite off more than it can chew, by applying forward thinking and policy planning under the highest bid for a "Turkey central-power scenario", mismatch between capacities and ambitions will be kept to a minimum.



# ***Turkey and its Neighborhood: Trending East or West?***

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