

Economic Interdependence and Interstate Relations: A Theoretical Overview

The Turkish-Arab Free Trade Agreements as a Case Study

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Abstract

In light of the increasing trends of interdependence that break with the regional power politics dominating in the Middle East, many theoretical studies are examined in an attempt to understand the motives behind such activism that has remarkably rocketed between Turkey and different neighboring countries especially the Arab ones throughout the last decade. The three mainstream theories identified in the literature elaborated on the economic interdependence provide complementary arguments in explaining how interdependence reshapes the interstate relations while favoring an overlapping interest in emphasizing cooperation and relegating mutual conflicts.

Keywords: Economic Interdependence | Turkey | AKP | Turkish-Arab Relations | Middle East | Globalization

Ekonomik Karşılıklı Bağımlılık ve Devletlerarası İlişkiler: Teorik Bir Bakış

Özet

Ortadoğu'da baskın olan bölgesel güç politikalarından ayrılan, artan karşılıklı bağımlılık eğilimleri ışığında, birçok teorik çalışma, son on yıldır Türkiye ve özellikle Araplar olmak üzere çeşitli komşuları arasında dikkat çekici bir biçimde yükselen hareketliliğin arkasındaki nedenleri anlama gayretiyle incelenmektedir. Ekonomik karşılıklı bağımlılık literatüründe tanımlanan üç ana akım teori, karşılıklı bağımlılığın, işbirliğini ve karşılık uyumsuzlukları sona erdirmeyi vurgulama hususunda örtüşen bir ilgiyi desteklerken devletler-arası ilişkileri nasıl yeniden şekillendirdiğini açıklayan tamamlayıcı argümanlar sağlamaktadır.

Anahtar Kelimeler: Ekonomik Karşılıklı Bağımlılık | Türkiye | AKP | Türk-Arap ilişkileri | Ortadoğu | Küreselleşme

Economic interdependence is one of the key features of globalization where world politics are regulated through different mechanisms that escaped from the monopoly of Nation States. Accordingly, politics turned to be one among many variables that formulate the interstate relations which is manifested by the visibility of the economic factor that overwhelms the sociopolitical interactions between states. As a result, in order to have a better understanding of interstate relations on the regional and the global level, the intensification of the economic relations between different countries represents a considerable explanatory framework for the occurring changes in the international scene. Hence, in light of the neoliberal order, economics are not only the infrastructure of states' politics on the national and the external level but also the main determinant of the political and social concerns between nations. The market mechanisms increased in terms of scope and degree of influence in world politics by expanding their effects outside nation-states' boundaries and beyond their national control and sovereignty to determine the shape and the dynamics of the international politics that are no longer determined by political factors. The growing manifestations of the neoliberal theory made state politics and interstate interactions determined by economic and market factors that not only blurred the borders between economics and other domains of interactions like politics and society but also subordinated them to the working conditions of the market that became the goal and the means at the same time for all states. As a result, most of the world politics started to be shaped by various economic dynamics like economic interdependence and the emergence of corporations that exceed the states' financial and regulative capacities that can be extended towards economic integration.

In order to examine economic interdependence as an aspect of a growing neo-liberalism in world politics, the paper will focus on a main question that is related to the identification of the economic interdependence effect on the nature of the interstate relations especially on the political level. In other words, would an economic interdependence relation between different states reduce the likelihood of conflicts' eruption between states by rendering their interactions more pacific and smoother in terms of regulating their problems? This question will be examined throughout a comparative analysis between different theoretical studies that were conducted about economic interdependence by providing a comprehensive review about the massive literature that was provided on this topic. By relying on this theoretical framework expressing different views regarding the effect of economic interdependence on interstate relations, an empirical support will be developed in order to illustrate the validity of these views on the practical level. Therefore, an additional empirical review will be provided on the economic interdependence dynamics in the Middle East between Turkey and different Arab countries in the region. A series of free trade agreements were signed between Turkey, Syria, Lebanon, Jordan, Libya and the Gulf Cooperation Council aiming to empower the economic and commercial exchanges and to develop a more symmetric pattern of development in the region as well as promoting mechanisms of conflicts' regulation between the different regional countries. Hence, the Justice and Development party emphasizes the necessity of developing a sort of interdependence with many Middle Eastern countries in order to create a solid basis for pacification that would offset conflicts and manage crisis efficiently. Accordingly, by comparing the different scholarly writings about economic interdependence, this paper will classify the different approaches adopted towards the effect of economic interdependence on interstate relations into clusters. Therefore, the effect of economic interdependence on interstate conflicts is tackled through four theoretical paradigms which are the ideological, the structuralist or the institutionalist and the functionalist approaches. After identifying these clusters, the paper will rely on the ideological paradigm, particularly the liberal assumptions in examining the Turkish-Arab relations in light of the intensified commercial relations between them and their effect on their course of action in the region especially in terms of regulating their mutual crises. In addition to the presentation of the evolution of the Turkish-Arab relations in light of their economic interactions, more emphasis will be accorded to the Turkish relations with Syria and Iraq. These bilateral relations' cases will be illustrative in highlighting the effect of the free trade agreements and economic cooperation on their legacy of shared problems and burdens like the Kurdish, water, energy and territorial issues which will be a tempting incentive to focus on these two countries as an empirical support for our study.

The Institutional/structural approach emphasizes the positive effect of economic interdependence on the pacification of interstate relations by according importance to structures that are supposed to be the basic components that would make the liberal assumptions about the relation between economic interdependence and peace prevail between states. Therefore, the liberal assumptions would be empowered either by the existence of liberal states that consolidate a liberal international order or by international organizations that would enforce the liberal claims by establishing a liberal common code of conducts between states. This approach focuses on two assumptions; states as units of analysis empower the world order by adopting a liberal pattern on the domestic level which would have an emulation effect on the international one in a bottom-up perspective. The other assumption indicates that international organizations are necessary structures for the enforcement of liberal laws and norms on states in their interrelations in a top-down perspective. Accordingly, William Reed in his article “Information and Economic Interdependence” developed a thesis about an existing correlation between economic interdependence and war avoidance (Reed, 2003). The factor of cost is considered as an incentive that prevents the different parties engaged into trade treaties to resort to militarized conflicts. The other factor is the equal distribution of information about states’ intentions and the costs of a conflict as well as other variables related to the involved actors in an economic interdependence relation which reduces the likelihood of war or conflicts. These two factors that are more efficiently provided through international organizations increase transparency between the different partners which incites them to resolve their differences by resorting to peaceful means since it will allow them to benefit from their economic relations. Accordingly, the opportunity cost of a war for two trading states are higher than that of any non trading states. Therefore, trading states are aware of their respective costs which is not applicable to the case of non trading partners. Besides, Reed developed a bargaining model where he included not only the traditional explanatory variables of world politics but also the information distribution factor as a determinant of the hypothesized relation between economic interdependence and pacification and the decrease of uncertainty vis-à-vis the other.

On the other hand, Mansfield and Pollins in their book “Economic Interdependence and International Conflict: New Perspectives on an Enduring Debate”, examined the relation between economic interdependence and conflict as promoted by the liberal theory (Mansfield, Pollins and Arbor, 2003). They made a review on previous scholarly studies that were led on the relation between war and interdependence. Besides, they emphasized the necessity to understand how and why this correlation stands between both variables by focusing on domestic policies related to democracy, state’s economic situation and the leadership structure. Moreover, they wondered whether economic

interdependence reduces the likelihood of war through the economic opportunity costs or through the provision of information on the intentions of the different partners. For example the classical writings of Kant indicated that the cost of war is too high between countries who possess a developed pattern of cooperation and trade. Stein, Gartzke and Morrow supported these liberal assumptions by asserting that economic interdependence provides signals about the states' intentions through information (Stein in Mansfield, Pollins and Arbor 2003). Other authors like Russett, Mastanduno and Levy indicated that trade by its own won't lead to pacification unless it's combined with other factors like democracy, credibility and alliances (Mansfield, Pollins and Arbor, 2003). The study of the mutual effect between interdependence and conflict depends on how interdependence and conflict are defined since they can entail a wide array of notions that interact differently. Besides, they stated that the elimination of conflicts between economically interdependent states depends on the adopted approach of study and the chosen units of analysis.

In Rotbalt and Valki's book "Coexistence Cooperation and Common Security" economic interdependence was presented as a means of eliminating international conflicts. The same conclusion was highlighted in Razeen Sally's book "Classical Liberalism and International Economic Order: Studies in Theory and Intellectual History" where it was argued that the liberal international order increases the probability that nation-states abide by the law (Razeen, 1998). Accordingly, the classic liberal thought in economy pleads for the promotion of an institutional framework on the domestic level in terms of conforming policies and national laws to the liberal premises of the international order. This argument was vigorously underlined by the neo-liberal approach that imposes an institutional adaptation on states from the above through intergovernmental organizations. Hence, the states have to consolidate their liberal economy basis in order to enhance and ameliorate the international economic order and eliminate any prospect of conflicts. Although many scholarly writings argued that the development of an international order that integrates national economies undermines states as autonomous units, classic liberalism supports a domestic conformity with the liberal premises as a precondition for the development of the international order. As a result, the economic world order becomes dependent on the institutional performance of nation states in a complementary perspective to neo-liberalism that makes international agreements sufficient.

Furthermore, the structuralist approach as an explanatory framework for the pacification of the interstate relations between economically interdependent countries would be highlighted by the structure of the interstate relations. Harrison Wagner in "Economic Interdependence, Bargaining Power and Political Influence", referred to the bargaining model in international politics to explain the effect of economic interdependence on power politics by indicating that an economic interdependence in return for

political concessions makes the involved parties better off than bargaining on the distribution of economic benefits only (Wagner, 1988). He adjusted the notion of bargaining position that was introduced by Albert Hirschman who indicated that the one who values trade's benefits more is in a weaker position in bargaining. Accordingly, trade can be used as a weapon by a national government that would threaten to cut it off with others in order to gain more power. By indicating that the terms of an agreement depends on the structure of the bargaining situation, the author relied on an asymmetrical version of interstate relations developed by Nash equilibrium solution where the different unequal parties can delay the agreement to alleviate their vulnerability which makes them discount future benefits. This asymmetry translated into economic interdependence terms is an unexploited bargaining power that can be used by some partners in terms of interrupting trade till their demands are satisfied. Hence, the use of economic sanctions for obtaining further political concessions or influence is only possible where there are unexploited bargaining powers in the existing economic relationship between different partners which is called "linkage strategies" by Keohane and Nye. However, the author indicated that the unexploited bargaining power doesn't always lead to the exchange of economic gains for political concessions since the latter are not mutually beneficial as the former.

Joseph Nye in his article about "Collective Economic Security" illustrated the shift of the security concern from the political and military sphere towards the economic one due to changes in interstate relations that made this shift impulsive (Nye, 1974). Hence, world politics started to include an economic aspect of security since threats became more complex and are not only related to politics or military attacks but also economic challenges. Accordingly, governments' authority changed in nature since borders became permeable to economic influences which implies that states have to protect their interests in terms of curbing other countries' economic policies' effects on their national welfare. Hence, economic sources of power turned to be the determinant of interstate politics especially in light of the change in the world order structure that is no longer dominated by nation-states as the sole actors since a new configuration of actors emerged like transnational enterprises and intergovernmental institutions. The states' traditional sources of power seem to be constrained by these new actors' policies especially in light of their negative effect on the state. As a result, the policies that were previously confined to the domestic arena will never be reserved to the state authority and will be formulated under the influence of plenty of transnational actors and communicating channels. Hence, the economic interdependence can create a spillover effect of economic welfare through these different actors and realizing scale economies due to the possibility of having access to external markets. The free trade and its implications in terms of the free movement of production factors and technologies across borders according to

the principle of comparative advantage will enhance the national productivity level. Besides, he underlined the political effect of economic interdependence where cooperative states reject recourse to power and force. A political will for cooperation is endorsed since a spillover effect of increasing welfare will intimidate any state from breaking its trade and exchange relations with other countries.

On the other hand, Nye illustrated economic interdependence as a double edged weapon since it presents problems to governments who become less autonomous and are more confronted with a trade-off between welfare benefits through economic interdependence and autonomy (Nye, 1974). Therefore, in order to prevent a political manipulation of the economic interdependence, there must be organizations that regulate the interstate transactions since the collective action will make the transnational policies more secure and beneficial for everyone. The creation of a collective economic security measures implies the establishment of an international economic order that preserves the states' security in terms of economic welfare. As a result, the institutionalization of the international economic order must take place in order to sustain the joint gain situations and diminish the joint loss and fixed situations. Moreover, according to Nye, there must be an agreement on the distribution of gains between the different parties in order to preserve the economic collective security that may be disrupted just because one partner shared most of the gains. By referring to the traditional definitions of security in political and military terms, economic security is a set of values related to the well-being of a nation that might be threatened or reduced by antagonistic actions or measures taken by a tierce state or an international organization in addition to natural disasters. In order to highlight the different benefits that can stem from economic interdependence as an expansion of welfare among states, the author mentioned the different features of economic welfare like distribution, efficiency, growth, employment and environmental quality. Nye added that the economic values affect other aspects of security like the military and the political ones since the economic share of gains between states may enhance the relative military power of the other partner which threatens the other states. He asserted that the political and military stability are a precondition for the economic security. As a result, the creation of functional institutions to regulate economic policies would alleviate mistrust and focus the collective efforts on development. Nye and Keohane in their articles "Power and Interdependence" and "Globalization: What's New? What's Not? And so what?" resorted to a definition for interdependence that emphasizes the positive relation between economic interdependence and peace where interdependence was labeled "complex interdependence" (Nye and Keohane, 2000). This notion refers to a political situation where military action is not conceivable and where its goals and tools are determined by states' changing agendas and international organizations' roles.

Besides, some factors like vulnerability, the distribution of resources and the different types of transnational relations are the major variables that determine the decision-making process with regards to any emerging issue under the auspice of international institutions. Accordingly, complex interdependence is a hypothetical vision of world politics where interactions are multiplied between societies, the use of power or military threat is irrelevant and various issues emerged on the international scene without manifesting any particular order or priority. In addition, interdependence entails a flow of interaction that may incur some fluctuations among the different actors throughout the time and it involves reciprocity. Therefore, both Nye and Keohane opposed the realist premises and established this concept of complex interdependence based on the three aforementioned characteristics in order to reverse of the realist assumptions and highlight the validity of the liberal ones in their institutional approach.

Rosecrance and Stein in their article "Interdependence: Myth or reality" tried to reach a conciliatory position between two contradictory views regarding the degree of interdependence in the world (Rosecrance and Stein, 1973). They indicated that interdependence exists and is increasing by relying on two complementary factors, developed by Karl Kaiser as evidence for their claims, which are nationalism and transnationalism where the first is a vertical interaction between the state and its citizens and it empowers the second which is a horizontal interaction between states on the international level. Therefore, the different governments manifest two types of interactions in order to satisfy the economic and financial needs on the domestic level by cooperating with other countries and developing transnational relations with them in addition to the vertical relations with their nations. According to Kaiser, the more states become interventionist on the national level within a democratic structure, the more these governments are incited to take part in transnational exchanges due to their impact on the national politics. However, the increase of the vertical integration on the national level in authoritarian systems reduces the prospect of increase in the transnational relations. Hence, Ernest Haas established a link between economic interdependence and the prevention of conflicts by indicating that the increase of transnational interactions and the national exigencies tightens international cooperation. Accordingly, governments have to create a sort of equilibrium between them so that none of them would obliterate the other by the means of war and conflicts. They indicated that the degree of interdependence and its nature in terms of positive and negative effects on interstate relations depend on the international cooperation structures that have to be enhanced by governments in order to meet the persistent challenges of the new world order exigencies. Thus, even if interdependence evolution shows some fluctuations, governments have to carry out functions that enable them to respond to national demands and take part into the interstate cooperation effectively by enhancing and integrating

the policies of the existing international institutions otherwise conflicts would emerge. The domestic problems and popular resentments at the national levels led to the rapprochement of states' elite who tended to cooperate in order to solve their problems and come up with new techniques that would alleviate the national disturbances especially in light of the failure of ideologies. By relying on evidences from the evolution of the financial, investment and trade sectors in contrast with the three incompatible definitions of interdependence provided by Waltz where interdependence's level is directly related to similarities and differences between countries as well as being oriented towards positive objectives and breeding conflicts between states at the same time.

Concerning the ideological approach, the realist and the liberal paradigms are the main frameworks that developed various arguments about the relation between economic interdependence and peace between nations. Dale Copeland in his article "Economic Interdependence and War: A Theory of Trade Expectations" argues that economic interdependence can be studied in light of the liberal and realist views in order to determine whether it prevents war or not (Copeland, 1996). Accordingly, liberal scholars assumed that the perspective of war is minimized once an economic interdependence is rooted between the different states since the costs of launching wars and invading states surpass the trade's benefits. Cobden in 1890's declared accordingly that trade eliminates all costs of war while providing all the benefits of an interstate rapprochement where every nation cares about the welfare and the prosperity of the other. Even Angell presented trade as a new alternative to power politics by illustrating it as a feature of modernization. Besides, Rosecrance illustrated such determinism by distinguishing between territorial and trading states where the former opt for military expansion and war while the latter is more tended to increase its wealth by having recourse to trade (Rosecrance, 1986). Therefore, different authors illustrated the various nuances of liberalism in terms of connecting economic interdependence to cooperation as an outcome of interstate politics. Keohane, Cobden, Cain, Doyle, Betts and Hirschman all represented the political liberalism stating that liberal states based in their legitimacy on free elections, respect individual rights and hence allow individuals from different states to develop mutual ties and relations without interfering (Keohane, 1990; Cain, 1979 and Doyle, 1983" a"). These mutual relations will lead to reciprocal advantages and benefits between nations which by its turn increases respect and reduces any prospect of wars among themselves. Accordingly, these primitive liberal premises are supposed to encourage states to cooperate by the means of institutionalizing interests between the different liberal nations. Hence, the establishment of common regulations and laws for the interstate interaction will inhibit states from resorting to wars since they are against their interests.

On the other hand, economic liberalism was supported by Kaysen, Rosecrance, Angell, Stein as well as many of the political liberalism pioneers who asserted that international commerce will reduce conflicts between nations since it will develop a moral behavior within individuals which will discourage them to attack each other (Kaysen, 1990; Rosecrance, 1986; Angell, 1933[1908] and Stein, 1993). Besides, the trade and the flows of capital will be more secure and hence more beneficial especially if they occur in a peaceful context where rulers give up the military means as a tool of wealth building and rely on peaceful ones like the free movement of factors and free trade between countries in light of a cost and benefit analysis. Besides, Deutsch, Montesquieu and Stein contributed to the sociological liberalism that provided further arguments in support for a positive relation between economic interdependence and cooperation (Deutsch, 1953 and Stein, 1993). This version of liberalism emphasized that the empowerment of individual ties through the communication process provided by the international commerce would lead to a high level of cooperation since commerce let nations know each other in terms of concerns, customs and problems. Deutsch indicated that the antagonistic interests leading to conflicts between nations are alleviated by the development of a strong and rewarding cooperation that would decrease war in interstates interactions which would lead possibly to a political integration. In addition, Mueller contended that the sociocultural factors would increase the mutual needs and interests between nations till they become more important than the military concerns which would render war an unthinkable option between them (Mueller, 1988). Unlike the deterministic logic of the political, economic and sociological liberalism, its sophisticated version combine different features of the aforementioned types of liberalism by indicating that even if liberalism decreases any prospect of war between nations it can't be considered as a guarantee to eliminate it at all. Keohane and Doyle indicated that the rules of liberal exchange and cooperation between states must be protected by political institutions that respect the principle of state sovereignty while encouraging cooperation as well as beneficial and peaceful interactions between the different nations (Keohane, 1990; Cain, 1979 and Doyle, 1983" a"). However, the evolution of economic liberalism is accompanied by a political one that stems from the need to protect the liberal political order which would result in wars in interstate relations.

Furthermore, realists interpreted economic interdependence as a state of mutual dependence that makes states more vulnerable which increases the probability of war since states are ready to attack other territories in a world marked by anarchy to secure their access to material resources (Hirschmann, 1977, 1980 and 1982 and Knorr, 1992). This pessimist perception of economic interdependence in terms of trade makes realists less likely to be dependent on other states in the provision of good and raw materials since trade would be easily turned into a violent crisis (Laurence, 1992). The prevailing anarchy

in the world creates a sort of anxiety in terms of ensuring the continuity of the goods' flow which incites states to wage war in order to secure the possession of the needed vital materials and goods. Kenneth Waltz argued that dependence is not suspected in the domestic scene while it is not privileged in the international arena due to its anarchic character which favors the recourse to war in order to either control the resources on which the states depend or to lessen their degree of dependency on external actors (Waltz, 1993). Besides, Mearsheimer confirmed that interdependence creates a situation of security competition where every state cares about securing the supply sources of its goods and materials which incites them to control these sources of supply by declaring wars against competitors on the same sources (Waltz, 1993). In addition, realists shed light on the causes of war that are most probably instigated by economic interdependence. According to Hoffman, Rousseau and Betts, interdependence leads to a change in the relative power of states as a result to a change in their level of development which breeds instability and suspicion (Betts, 1993/94 and Hoffman, 1963). Besides, Waltz added that interdependence involves an asymmetric type of relation between the different partners that reflects the unequal distribution of power between them which normally leads to war. Gilpin integrated the security dimension in understanding the effect of economic interdependence on interstate relations by explaining that the asymmetric relations would result in insecurity between states about the continuity of the good and materials supply (Gilpin, 1977). Other scholars like Holsti and Buzan underlined the supremacy of political, military and strategic factors in the determination of interstate relations while the economic interdependence effects stay at the margins (Holsti, 1986 and Buzan, 1984). Accordingly, these factors unlike the economic ones are the main determinant of whether a state would launch a war or not against others since the power structure of the world in terms of the distribution of military potential is the sole decisive factor in decreasing or increasing wars between nations.

The premises of both theories seem controversial once examined in light of the World War I and II events that sometimes contradict with one theory while conforming to the other in different points of time. In order to solve this dilemma in the analysis of the relation between economic interdependence and war, Copeland introduced the theory of trade expectations that relates these two variables in a different way (Copeland, 1996). This theory tries to conciliate both theoretical visions by proposing a causal relation between the expectations of future trade made by state leaders about the total benefits and costs that the state would face in the future once it decides to decline the war option instead of focusing on the levels of economic interdependence as the sole indicator of interstate relations. This theory makes both the realist and liberal claims contingent by indicating that their assumptions depend on the expectations drawn on future trade between the different countries which

undermines the linear determinism affirmed by various scholarly writings. Another conciliatory study was led by Papayoanou in 1996 where he integrated domestic political institutions with the level of economic interdependence as a determinant of whether a country would wage a war or not (Papayoanou, 1996). The domestic institutions that function according to real democratic mechanisms are considered as a hindrance in deciding to launch a war since individual and business groups' interests are taken into consideration in the decision-making which contribute to the decrease of the conflict probability. The societal-based economic interests that result from the level and the pattern of the economic interdependence present a decision-making constraint on political leaders who have to mobilize the different economic and political support in order to face external threats by having recourse to war. Accordingly, these constraints constitute an indication for foreign countries about the capacities and the strategies of states' leaders in terms of pursuing balancing policies. This sophisticated liberalism suggests that economic interdependence influences the interstate politics by a sequence of influences that determines at the end the behavior of the status quo power. The pattern of the economic interdependence has an impact on the possible preferences of the status quo power, the beliefs of the foreign countries as well as allies and enemies about those preferences and how the status quo states' strategies are perceived and interpreted by other states. By pattern, the author refers to the degree of economic interdependence undertaken by a country both with the status quo and the revisionist powers. Accordingly, the more the relations are intense with the status quo power and weak with the revisionist ones, the more the likelihood of pursuing a balancing power politics that have recourse to war in order to deter enemies from attacking the state. However, the leaders of status quo states won't be able to undertake such antagonist actions of power politics when the economic ties are empowered with the revisionist powers more than with the status quo ones.

On the other hand, Lois Sayrs conducted a study that derived its conclusion from the deterministic paradigm claimed by both liberalism and realism (Sayrs, 1989). By relying on statistical methods of analysis, she concluded that while controlling for political relations between states, trade is likely to reduce conflicts while having a neutral effect on the probability of mutual cooperation. Moreover, she distinguished between the military and economic conflicts in analyzing the correlation between economic interdependence and conflicts. Therefore, she pointed to the asymmetric type of interdependence that leads to domination rather than a cooperation which results in a negative relation between economic conflicts and interdependence. Barbieri also provided an analytical model in studying the correlation between interdependence and interstate relations by controlling more variables in its empirical studies like geographical contiguity, alliance membership and military capacities that influence the relation (Barbieri, 1995). The symmetry and the salience

of the trading partners were the determinant factors in the identification of interdependence between the different partners. In spite of the variation of the study's results through the time, they indicated that the increase of either the salience or the symmetry for only one partner in comparison to others would lead to a conflict since both of them wouldn't be able to maintain a stable relation that reduces the prospect of war. In addition, Barbieri highlighted the significance of the interdependence symmetry as a major factor that inhibits conflicts between nations. Maoz, Russett and Oneal in their collective article in 1996 reconsidered the premises of the liberal theory in its postulates related to democratic peace by integrating the economic interdependence variable in order to test its effect on the pacification of interstate relations (Oneal, Zeev and Russett, 1996). The authors relied on a wide array of classic liberal thinkers by presenting their arguments related to the effect of democracy on reducing violence in interstate relations while they cared to introduce the factor of economic interdependence that was largely ignored by most studies led on democratic peace theory. For example, they cited Curcé, Quesnay, Kant, Paine and Turgot who emphasized that trade between nations eliminate the misunderstanding between nations and create a common interest for them while increasing their prosperity and contacts as well as empowering the productive classes in the society. Kant has emphasized the material aspect of the liberal theory in addition to its moral and legal dimensions by referring to economic interdependence as a means of accommodation that reduces the war probability and supports the democratic peace theory. Hence, the authors relied on Kant's assumptions and integrated other factors that are likely to influence the interstate relations like geographic contiguity, economic growth, alliances and military capabilities.

An additional conciliatory study between the realist and the liberal approach was led by Susan MacMillan in her article "Interdependence and Conflicts" where she gave an overview on the different theoretical debates about the causal relationship between economic interdependence and conflicts (MacMillan, 1997). Then, she tried to rely on empirical examples that were found, in most of them, supportive for the liberal premises. Accordingly, she emphasized the ideological disparities in approaching the economic interdependence in terms of its impact on interstates relations. In her article, she indicated that several authors tackled the definition of economic interdependence by identifying different components for this type of interstate interactions. These definitions as a result presented many conceptual problems in the identification of economic interdependence since most of them were broad and entailed various aspects and effects for this phenomenon. For example, Keohane, Nye and Baldwin defined economic interdependence by referring to its manifestations; vulnerability and sensitivity as the two main symptoms that affect interdependent countries since isolation turned to be quite difficult (Baldwin, 1985; Nye, 1974 and Keohane, 1990). Most of these

authors as well as others like Hirschman and Cooper underlined the dual effect of interdependence in terms of benefits and costs on the different countries which is by its turn influential on the theoretical paradigms that drew linear and direct relations between interdependence and interstate relations. Most of these theoretical paradigms, according to MacMillan, created a problem in further ideological discourses about economic interdependence and its effect on interstates' relations especially on various levels of analysis like the systemic, dyadic and regional levels that weren't clearly developed in these theoretical frameworks. Moreover, the broadness of the aforementioned definitions led to a theoretical imprecision in distinguishing the economic interdependence from other types of interdependence on the political, economic and diplomatic levels especially in terms of their various effect on interstate relations.

In light of these definitions she presented the different ideological perspectives on the relation between economic interdependence and conflicts based on both the liberal and realist assumptions. The liberal assumptions underlined the beneficial aspects of the economic interdependence by showing how this perception breeds optimistic gestures from decision-makers to increase the interdependence gains and hence renounce to war. On the other hand, realism perceived interdependence from the opportunity cost approach which explains the negative connotation attributed to this phenomenon as a factor that breeds power inequalities and struggles between nations. As a result, nations won't favor any sort of economic interdependence since it will lead them to less favorable situations. Afterwards, she gave different empirical studies conducted by academicians that supported the positive relation between economic interdependence and cooperation as well as others that underlined the negative correlation between both variables in addition to some scholarly writings that presented a third alternative between liberalism and realism. This alternative presented a mixture of both assumptions that were advanced based on historical and international studies that indicated that interdependence could lead to either war or cooperation depending on several circumstances. The originality of this study stems from its identification of the different visions attributed to the relation between both variables on the theoretical and empirical levels from which MacMillan deduced that empirical and statistical studies may be misleading since they can be crafted to either support liberal or realist assumptions. As a result, she called for controlling the various positive and negative aspects of the causal relation between economic interdependence and conflicts in order to know the nature of these relations while reducing the biasness. Consequently, she asserted that interdependence is a multifaceted concept that should be taken into consideration while studying the relation between interdependence and conflicts since it entails various forms and levels of interaction.

On the other hand, Mark Crescenzi in his article "Economic Exit,

Interdependence, and Conflict” contended that economic interdependence influences political conflicts in three ways (Crescenzi, 2003). The mutual reliance between countries would lead either to a conflict resolution, a complication of the interstate relations or an intensification of conflicts. Besides, economic interdependence would have a neutral effect on the political relations between states. Moreover, Barbieri in her article “Economic Interdependence: A Path to Peace or a Source of Interstate Conflict” mentioned 4 theories that dealt with the correlation between economic interdependence and conflicts (Barbieri, 1996 a). She indicated that while liberals confirm the existence of a direct and proportional relation between peace and trade, neo-Marxists underlined the importance of the interdependence structure by asserting that an asymmetric interdependence would inhibit peace sustainability. Besides, other schools of thought perceived trade either as a source of conflict or as a neutral factor that has no influence between war and economic interdependence. According to the liberals, the functionalists and the neo-functionalists, the intensification of interstate relations in a particular domain leads to the emulation of cooperative patterns of interaction into other domains of interest and empowers the institutional and cultural harmonization that obstructs any prospect of war. Accordingly, trade would be considered as a tool that leads to the convergence of interests between different parties who would be able to have access to resources and markets without resorting to the military force. In addition, Polachek, indicated that since the different states have heterogeneous resources, they are incited to have recourse to commercial exchanges in order to satisfy their socioeconomic needs on the national level (Polachek in Barbieri, 1996 a). As a result, trade is considered as an influential tool in the decision-making process in terms of foreign policy issues since the war costs are perceived as the losses of trade benefits that each state would get. He also underlined that the nature of trade that takes place between the different states in terms of its intensity has a major influence in deterring countries from resorting to war in their interstate relations.

Furthermore, the neo-Marxists underlined the relativity of the commercial exchange gains since a direct relation between trade and peace implies a symmetric structure of the economic interdependence between the concerned parties in order to enable them to get the benefits or the absolute gains that prevent them from having recourse to war (Barbieri, 1996 a). Nevertheless, if their interdependence structure is asymmetric, therefore, the costs of trade surpass its benefits for the dependent states that won't be persuaded enough to keep their mutual exchanges which results in interstate hostility. This case is illustrated by the commercial relations that take place between developed and developing countries where the latter are penalized by the asymmetric structure of trade which leads to their dependence towards the developed nations. Economic inequality in terms of fortune and economic prosperity

is detrimental to the developing countries which are subject of political manipulation and coercion. This situation can also threaten their national independence in terms of intervention in the decision-making process which by its turn leads to the eruption of interstate violence and wars. However, even if the asymmetric structure of trade would negatively influence the decision-making process as well as the political interstate relations, it is not considered as a sufficient factor for war eruption. On the other hand, the neo-realists consider that when the trade structure is symmetric, it would also lead to an interstate conflict on the distribution of resources resulting from trade. This preoccupation by the relative gains of trade that create power disparities, originates from the security dilemma. The realists and the Marxists question the liberal premises while affirming that the commercial exchanges are the source of domination which developed countries tend to guarantee by having recourse to the military power in order to have access to resources and markets in developing countries. Hence, they deny the regulatory role of commerce in the interstate relations especially in light of their conviction that superpowers tend to use the military power to keep the trade in an asymmetric structure in their favor. Concerning the realists, they deny the role of trade in the interstate relations that are necessarily formulated in terms of military and security exigencies. However, the commercial factor can be a tool in the realization of the national interest in order to secure and guarantee the persistence of the state's power. According to Buzan, Levy, Ripsman and Blanchard, if the security of the state is threatened, the recourse to war as well as to any other alternative that would promote its national interest is possibly considered even if trade exists between states (Buzan, Levy, Ripsman and Blanchard in Barbieri, 1996 a).

In an attempt to synthesize the different premises provided by these schools about the correlation between interdependence and peace, Barbieri deduced that the nature of the economic relations plays a considerable role in the determination of the effect of commercial exchanges on the interstate relations. By underlining the significances of interdependence, Barbieri deduced that an economic interdependence don't have to lead to peace (Barbieri, 1996 "a" and 1985). This is due to the fact that economic interdependence can cover a dyadic and important symmetric exchange relation where both parties are equally dependent. However, there exist additional factors that influence the relation between interdependence and peace which are the geographic contiguity, the degree of democratization of the regime in question, the relative capacities and alliances between the countries that are involved in a relation of economic interdependence. States that manifest a geographic proximity and are economically interdependent would be exposed to the danger of conflict. Concerning the degree of democratization in the economically interdependent states, the more democratized countries are, the more they are immune to wars. In addition, the relative capacities reflecting the balance of power in

demographic, military and industrial terms influence the likelihood of war eruption between countries that are economically interdependent. Finally, alliances that are either for military defense or neutrally pursued contribute to the reduction of conflicts between the economically interdependent states. Furthermore, the notion of interdependence is sometimes illustrated as a military alliance where there is a sort of common demise of material and defense resources in order to ensure mutual security between the alliance states. Therefore, states have to be equal in terms of power and military capacity since any feature of inequality will alter the nature of their mutual relations in favor of the more powerful partner while distorting their interdependence.

For the functionalist approach promoted by the leading scholar in International Relations, Emmanuel Wallerstein, it emphasized the fact that all nations manifest a common interest to develop a pattern of economic interdependence between each other (Wallerstein, 1979). Accordingly, this approach states that economic interdependence is a course of action that stems from the system exigencies more than the states or other actors' preferences. Therefore, it is a prerequisite of the neoliberal order and states have only to abide by it in order to ensure their sustainability and integration into the dominating system which by its turn reduces conflicts between states. As a result, the world agents like states are passive since they don't deliberately resort to economic interdependence by their own will but it is a systemic obligation to which they are subordinate. Hence, once states decide to harmonize their regulations with the dominant system by having recourse to economic interdependence, this harmonization will have a spill-over effect on the other domains of interactions like politics which will reduce wars between states. Kenneth Waltz considered that interdependence is the sort of ties that would undermine the situation of the concerned parties once they are cut off (Waltz, 1970 and 1993).

As a result, interdependence exists in parallel with the process of division of labor and that of specialization where each entity is specialized in the production of a specific good or service that is exchanged in return for goods and services produced by other countries. Accordingly, Marcus Nadler in his article "Economic Interdependence, Present and Future" claimed in 1937 that after the First World War economic interdependence trends were diminishing and that most nations tended to be more self-sufficient (Nadler, 1937). He relied on different components of economic interdependence such as the flow of capital, labor and commodities as well as international trade in indicating that economic interdependence was decreasing in interstate relations. However, he asserted that in spite of all these self-sufficiency manifestations, most states can't be considered as economically independent. Accordingly, he indicated that in the future there would exist three different tendencies towards economic interdependence which are the following: first, the decrease of tariff barriers and establishing the principle of international

division of labor; second, the creation of empire interdependence which consists of empowering mutual relations between the empire state and its ex-colonies and third, the development of self sufficient economies only by the means of authoritarian states. Therefore, most states will be compelled to be involved in economic interdependence relations except for the authoritarian states that are against the liberal world order which tends to manifest an aggressive attitude by rejecting interdependence.

The author presented different cases that illustrated each of these tendencies while asserting that even if international trade is decreasing due to depression that followed the First World War, economic interdependence is an inherent international exigency implied by the world economic structure that depends to a great extent on the exchange of capital and commodities between nations. He cited the example of Ottawa conference in 1932 to highlight the ineluctable feature of economic interdependence that even existed before the appearance of the visible manifestations of the new “neoliberal” world order. Furthermore, he contended that self-sufficiency is considered as a sign of antagonism in international relations that seems to be more embedded into a pattern of division of labor between the different units in the world. Consequently, Nadler considered that self-sufficiency was most probably a precedent to an aggression or a threatening measure that was taken by revisionist countries against others. Therefore, most of these revisionist powers focused on producing substitutes for the needed materials that they used to import. By illustrating the German example, Nadler explained that the autarchic policies were adopted as a means to reach its final goals of having access to resources and to external markets for their products and labor surplus by force instead of reaching the same outcome through peaceful channels like international trade. In addition, he indicated that economic interdependence between nations might be limited than that it was before depression while contending that it will never be eliminated even in agriculture which is the sector that is most likely to be subject to economic protection by agrarian countries. Therefore, most of the protectionist policies would only continue to a certain extent that would lead either to war or their alleviation in order to allow the international trade to restart.

In addition, Nurul Islam in his article about economic interdependence between rich and poor nations confirmed the ineluctable character of economic interdependence in world order even between nations that equally benefit from economic exchanges in spite of the asymmetric type of their interaction like the developing and the developed nations (Islam, 1981). Therefore, he asserted that even if the developing countries reduced their economic interdependence on the developed ones they would instead develop an alternative structure of economic interdependence among themselves which denies the possibility of the disappearance of economic interdependence in interstate relations. Accordingly, he highlighted the relationship between rich

and poor countries in terms of trade, capital and labor in an attempt to show in what terms these relations would be specific in the new economic orders and if they show an asymmetry or common concerns and interests between both countries' category. Among the common concerns between both poor and rich nations, there exist the population growth, the pollution, the exploitation of international commons, the limitation of the nuclear and arms proliferation and the equitable distribution of food and supply. He then affirmed that world trade increased in high rates and doubled between nations especially between 1955 and 1965. The trade among developed countries from one side and among developing countries from the other increased as well as between both sides but the developed countries showed more intensity and growth in their interrelations more than the developing countries. Besides, the developed nations were perceived as more important in economic transactions than developing nations since the latter are more dependent on the former. The asymmetry of economic interdependence between poor and rich nations or in other terms developing and developed countries stems from the different nature of their imports and exports. The developing countries rely on the rich nations for the supply of food and capital-intensive goods while the developed countries rely on poor nations in their consumption of ineluctable commodities for their economies and they can't be produced domestically due to climatic and physical conditions like fuel.

This remark incited the author to indicate that on the long run, developing countries can reduce their dependency on the developed ones by enhancing their industrialization process and economic growth while the rich nations can't do the reverse since their highly developed economic structure induces them to import raw materials from developing states. As a result, Nurul Islam suggested another form of economic interdependence which is the collective self-reliance between developing countries in order to increase their domestic economic opportunities and to enhance their bargaining position towards developed countries in trade, capital and technological flows. In addition, this type of interdependence would allow a better exploitation of resources in developing nations through specialization and labor division and will enable these countries to face the restrictive policies imposed by rich nations. Accordingly, common regulatory agreements between poor states will provide them with the physical and institutional infrastructure to empower not only their economic cooperation but also their capacity to remove the domestic obstacles that inhibit developing countries from benefiting of the international economy. Hence, this new pattern of interaction between poor countries will reduce their negative reliance on the international economy while helping them to develop their own maneuvers and strategies for development in terms of production, consumption and technology.

In fact, this south-south interdependence would enable developing countries to be selective in terms of their relations with developed countries

and they would be positively involved in the international economy without being a liability on it. Besides, developing countries will have a wide pool of scientific knowledge and research equipments that would allow the less developed countries to go through the different economies of scale in technology production. According to the author, the economic interdependence between developing countries is a preliminary phase that they have to experience before engaging in a wider scale of economic interdependence with developed countries. The acquisition of new capabilities and the resolution of domestic problems are important conditions for poor nations in order to guarantee a better and efficient use of resources while alleviating the pressure on developed nations to help poor countries in their progress which would reduce any prospect of war that results from unrealistic expectations towards rich countries.

In addition to the aforementioned contribution to the functionalist approach, Trezise in his article “Interdependence and its Problems” examined the question of managing economic interdependence by citing the example of Canada and the US where economic interdependence’s benefits are reaped by both of them through bilateral agreements while political autonomy is preserved (Trezise, 1974). Besides, Tetreault in her article “Measuring Interdependence” shed light on reconsidering the different interdependence theories by focusing on the change of the behavioral pattern of various countries instead of counting only on the intensity of exchanges between two states as an indication of economic interdependence (Tetreault, 1980). Accordingly, she criticized Rosecrance who came up with a methodology to identify changes as well as the different types of interdependence. He affirmed that there is a vertical and a horizontal interdependence where the first is measured by the factor prices and the second is measured by the transactions. The vertical interdependence was the sole form of integration that was supported by various prominent scholars like Cooper, Keohane and Nye as the virtual manifestation of interdependence where horizontal interdependence was considered as an introductory phase for the implementation of the interdependence process itself and was called connectedness by Rosecrance. However, Rosecrance relied on bilateral relations as a measure to identify interdependence. Therefore, he relied on the price factors’ flows between two states as an indicator of a central tendency towards interdependence and the changes in these flows as the expression of the fluctuations around the central tendency. Tetreault indicated that Rosecrance’s methodology is incompatible in explaining interdependence since he relied on bilateral relations in order to identify a systemic phenomenon instead of having a more comprehensive tool for measurement that includes more units. Besides, the technique used in data collection was not accurate in providing illustrative information about flows between the different examined states due to problems in leading and lagging procedures.

For further contributions to the functionalist approach in the analysis of economic interdependence and its effect on interstate relations, more scholarly studies were examined. Rosecrance, Alexandroff, Koehler, Kroll, Laqueur, and Stocker in their article “Whither Interdependence” defined interdependence as a direct and positive link between states’ interests where a change in the situation of one will affect the other’s in the same direction (Rosecrance, Alexandroff, Koehler, Kroll, Laqueur, and Stocker, 1977). In an attempt to narrow the definition of this term, the authors presented a set of definitions ranging from broad definitions to narrower ones that provide more specific and precise details about interdependence in the world. Accordingly, they inferred one comprehensive definition stating that interdependence illustrates a state of mutual influence between several entities where any incident in one state affects the others. In other words, it implies an inevitable high level of dependence and reliance between nations in terms of having joint destiny either in a positive or a negative way. All of them opted to the definition of interdependence in a positive and direct correlation of interest indicating a simultaneous change in all states’ situation that includes growth, power, welfare and access to information, as a result to a change that occurred in one of them.

This definition narrowed the normative scope of interdependence and created a positive correlation between interdependence and interstate cooperation in understanding world politics. They added that interdependence is more empowered when an equalization of factors’ prices exists between the different states’ economy. The more the factor prices move at the same time and the same direction in the interdependent states, the more these entities are responsive to each other and are interdependent; this stage is the ultimate and peak situation of economic interdependence. Moreover, they indicated the existence of four orientations in studying economic interdependence over the time. Deutsch and Eckstein perceived interdependence as a declining phenomenon due to the increasing industrialization in the 18th century. A second approach asserted that interdependence increases among developed nations since 1945 in relation to the size of the foreign sector in light of the growing effect of economic forces in the world and their effect on national politics. However, another approach emerged and added that the positive correlation between interdependence and foreign sector is maintained until a certain point where governments want to limit foreign factors’ impact on their national environment. A fourth tendency explained that the increase in economic interdependence results from the political and military regime in world politics which implies that once these regimes collapse, the economic interdependence will decrease. All these approaches were examined in light of empirical studies led on economic interdependence since the First World War till now and they all emphasized the increasing trend of interdependence as an exigency of the world order and a prerequisite for being part of the international system and avoiding conflicts.

On the other hand, Moritz Bonn in “International Economic Interdependence” underlined the fatality of the economic interdependence throughout its various structures and policies as an ineluctable pattern of action (Bonn, 1934). Therefore, economic interdependence has to be followed by all nations on the contrary to the principle of political independence and sovereignty that were only recently abdicated for the insurance of international security. He relied on the liberal premises in supporting the expansion of the international economic interdependence in terms of eliminating national constraints by claiming that this phenomenon ensures peace and good will between nations on the political level while alleviating confrontations on the economic level. Besides, he adopted an historical approach in explaining the evolution of economic interdependence in the world. Therefore, he mentioned how economic interdependence between the old and the new countries helped in developing the latter and providing the former with the needed goods and materials in low prices. The development that resulted from the economic interdependence in the 18th and 19th centuries fostered cooperation between the different countries at that time and economies started to dominate politics. With the emergence of a new elitist class that replaced the military and the feudal ones, economic interdependence resulted in more peace since it substituted for the political occupation as a means of accessing economic resources. In light of the unequal economic interdependence that the author considered as persistent between the old and new countries, Bonn distinguished between two types of economic interdependence; the passive and the active one. The former reflects a situation where countries depend in their consumption on the importation of foreign products while the latter is the opposite situation where the country has an overproduction that is supplied to foreign markets.

William Wallace in his book “Regional Integration: The West European Experience” explained how countries tend naturally towards economic interdependence as a preliminary step for a full economic integration as well as a political one (Wallace, 1994). Therefore, he illustrated this natural trend in the world by highlighting how the integration of national economies has influenced different countries and mutual issues while referring to the countries in Western Europe as an example. Accordingly, the book analysis tackles economic interdependence as a synonymous process to regional integration. The author argued that the European integration was principally initiated as a result of persistent political factors related to the containment of the German threat. This security need was supported by a set of institutional frameworks that regulated the economic, political and further forms of interaction between the founding member states. Furthermore, the author added other factors that helped to promote such integration which are the geographic and cultural closeness as well as the elite cohesion that was cemented after the World War II. In spite of his denial of the possibility for replicating the European

experience elsewhere, Berger refused this claim by asserting that the different factors that promoted the European integration would easily be replicated especially in light of the economic pressures and the technological change that drives for integration in our contemporary order.

Wallace pointed to the hindrances that inhibit the creation of a regional integration by mentioning the nation states' autonomous policies that have to be abdicated for more cooperative models where other actors would be involved. Hence, states are rendered fragile by the integration process which is illustrated by the European Union that seems to represent a form of a post-modern state. Accordingly, the definition of interdependence as an activity situated among a wide array of possible alternatives allowed the formulation of various criteria that determine the relation between economic interdependence and conflicts. Hence, economic interdependence reflects a state of mutual reliance where each country takes into consideration the reactions of others in the formulation of its domestic and international policies which incites the different entities to calculate the opportunity costs of abandoning economic interdependence and resorting to intensive wars as well as looking for alternatives that substitute for economic interdependence. The effect of interdependence on the interstate relations depends on the nature and the context of the commercial relations that take place between states. Besides, the notion of economic interdependence is used by integrationists and particularly the neo-functionalists in their theoretical approaches that they elaborated on the regional integration. Therefore, by starting with the economic integration that consists of the elimination of barriers impeding economic exchanges between states an increase in the economic and commercial relations would lead to a political integration due to pressures resulting from the economic integration.

After presenting the various scholarly studies led on the economic interdependence through three theoretical approaches, the paper will examine the case of the Turkish-Arab rapprochement on the commercial level in order to identify the effect of the economic interdependence on the interstate relations. Among the different explanatory frameworks of the correlation between the two variables, the ideological approach based on the liberal premises provides the best analytical tool for this empirical study because of the liberal orientation of Turkey which implies that its domestic and foreign policies have to develop a liberal outlook in terms of discourses and regulatory mechanisms (Rubin and Kirisci, 2002). Therefore, by analyzing the Turkish economic relations with Arab countries, most of ruling party's discourses are based on the liberal assumptions. For example, the declarations of the minister of foreign affairs, Davutoglu, underline the necessity of establishing an economic interdependence in the region including the Arab countries in order to ensure prosperity and reduce any prospect of war. The main idea behind the intensification of the economic relations with Arab countries

would be understood in light of the ideological framework of the AK party. The creation of mutual benefits with neighboring and regional partners would lead to the emergence of common areas of interests where the different states' potential will be exploited. Therefore, by multiplying the areas of interest like trade, investment and development projects, the problems will automatically be deemphasized and gradually solved afterwards. Accordingly, these stances are principally developed on liberal basis that gives the priority to mutual interests where gains surpass costs and deter the different states to have recourse to conflicts. Hence, the economic interdependence is by itself a regulatory mechanism that manages crises efficiently without using violent means (Davutoglu, 1998).

Since the declaration of the Turkish republic and the independence of Arab countries, there existed psychological and ideological barriers that impeded any rapprochement between both sides. Besides, Turkey experienced long decades of instability on the domestic and the external level till the end of the 1990's. A long process of identity empowerment and nation building as well as regional securities confined the Turkish foreign relations to the Western block. Therefore, the world order structure and the domestic instabilities didn't provide the opportunity to diversify the foreign relations and develop a wider diplomatic maneuver on the regional and the international levels. Only in the 1980's Turkey started to diversify its relations on the economic level with the launch of the stabilization program and the adoption of the free market mechanisms which resulted in an increase in exports that needed markets. Consequently, many free trade agreements were signed with different partners among whom the Middle Eastern countries gained an important attention from the Turkish government at the time (Atman, 2002).

Although, the Turkish-Arab relations existed since the 1950's especially on the economic level, they were contingent on the Turkish relations with the West, the US and the European Union in particular and ordinary. This ordinary nature stems from the structure of the commercial exchanges that took place between Turkey and the Arab countries between 1950's and the end 1970's. The exchanges were mainly based on the Turkish reliance on the Arab oil and the exchange of alimentary products between both parties (Arab Studies Center, 1995). Since the 1980's, Turkey's elite launched an economic liberalization and stabilization program that made the country adopt various reforms on the domestic and the foreign level in order to undertake the program successfully (Hale, 2000). By the beginning of the 1980's, the economic relations started to flourish between Turkey and different Arab countries under the rule of the center right party, ANAP, led by Turgut Ozal since 1983. During this period, many issues of antagonism between Turkey and Arab countries started to be discussed like the water problem with Syria and Iraq as well as the Kurdish issue with Syria. Besides, Ozal suggested carrying out a regional project for water management in the Middle East

called the peace pipelines in 1993 but it wasn't concretized due to suspicions of the Turkish intentions and the refusal of integrating Israel who was a partner in the project and neither of the aforementioned issues of conflict was resolved (Rubin and Kirisci, 2002). Consequently, the Turkish-Arab relations fluctuated and reached a deadlock in 1998 when Turkey and Syria were about to start a military confrontation on the borders. By 2002, the political situation on the domestic level was in favor for the development of better Turkish-Arab relations. The arrival of the AK party with a parliamentary majority enabled it to avoid the instability manifested throughout the past decades due to the fragile governmental coalitions, the ideological polarization and the economic depression. Therefore, the liberal outlook of the party in spite of its Islamic and religious roots paved the way for more stability and fewer confrontations with the military. This liberal outlook was emphasized by the party's program where the party underlines the necessity to adopt a liberal agenda on the economic level and the preservation of the Turkish western orientation as well as fulfilling the required conditions for the European membership (Mason, 2000).

The Turkish foreign policy principles reformulated in 1998 started to be concretized from 2002. An importance was accorded to the diversification of the foreign relations in terms of partners and issues of interests. Accordingly, this proactive policy based on carrying out initiatives on various levels like the regional and the international ones by addressing the mutual interests between the concerned parties. The investment of the cultural variable and the pragmatic discourse adopted by the elite of the ruling party enabled Turkey to develop visible and stronger relations with Arab countries. The economic cooperation had a considerable effect on the Turkish-Arab rapprochement especially on the political level in terms of reducing the possibility of conflicts between Turkey and some Arab countries like Syria. A series of visa release and free trade agreements were signed with Egypt (2007), Libya, Syria, Jordan (2011), Lebanon (2010), Iraq, Tunisia and Morocco. Therefore, a lot of progress has been realized in the Turkish-Arab relations on the bilateral and multilateral from 2002 till now. In light of the Turkish-Arab Economic Forum session held in April 2011, trade visibly increased between both parties. The trade volume between Turkey and the Arab countries increased from 13 billion USD in 2004 to 33.5 billion USD in 2010. Besides, the total direct investments of the Arab countries in Turkey are about 14 billion USD and the Turkish entrepreneurs increased their investments in various Arab countries.

These free trade and visa release agreements were supplemented by the creation of a high level cooperation council for discussing the different areas of cooperation between Turkey, Syria, Lebanon and Iraq by regrouping 12 ministers from each country (Kenan, 2010). In the First meeting for this council that took place in Syria, 51 treaties were signed between Turkey and Syria and most of them were implemented. Created upon a political

joint declaration in 2010, the main objective of this council is to discuss the political differences in order to prevent conflicts, enhance the economic interdependence and cultural interaction between Turkey and the four concerned countries. The council manifests Turkey's will to cooperate in the region by establishing a common interest infrastructure between the different Arab countries. According to Erdogan's statements about the council, the regulatory mechanisms of this council based on dialogue and negotiations aim to strengthen the strategic partnership between both sides and other regional countries would be welcomed to join. In light of the Joint political Declaration, Close Neighbors Economic and Trade Association Council-CNETAC has been created between Turkey, Lebanon, Syria and Jordan in order to follow up the free trade zone treaties' implementation and to enhance trade exchanges. Therefore, the psychological and ideological barriers started to be alleviated between Turkey and different Arab countries in light of the rise of economic relations and the signature of visa free treaties with six countries (BBC News Middle East, 2010)

After having an overview on the Turkish-Arab relations in general, more emphasis will be given to the Turkish-Syrian and Turkish-Iraqi relations where the economic interdependence enhance their political relations and prevented the perpetuation of their conflicts as well as the recourse to violence to resolve them. Regarding the Turkish-Syrian relations, in 1998, the Turkish Army mobilized military forces on the borders with Syria as a result to unresolved conflicts between them. The Turkish-Syrian dispute over the Euphrates water is the main source of antagonism that clearly erupted in the 1980's in light of the Turkish development projects carried out in its south-eastern region where it was required to build a dam that increase the Turkish consumption from the Euphrates' water (Hale, 2000). On the other hand, Syria used the ethnic card of the Kurdish minorities in its territories to exacerbate the Kurdish nationalism as a source of anxiety for Turkey by empowering the PKK militants and giving them refuge in Syria. Besides, other minority militant and armed groups were sheltered and trained in Syria. Most of these groups led terrorist operations against Turkish officials, diplomats and citizens around the world. Moreover, the question of the Hatay was always evoked by Syrian officials especially before 2000 the year of Al Assad Junior accession to power. This region inhabited by an Arabic majority was a part of the Syrian territories but it was annexed by the French authorities to Turkey in 1939. These three issues of permanent frictions between Turkey and Syria for long decades culminated in 1998 by the military confrontation. This antagonism was visibly alleviated after 2002 when the AK party and Al Assad Junior were in power especially in light of the flexibility manifested by Al Assad in his foreign policy conducts in comparison to his father (Atman, 2002).

Within the amelioration of the Turkish Arab relations, the Syrian-Turkish relations manifested a visible improvement. Accordingly, the trade

between Syria and Turkey increased from 800 million USD to 2 billion USD. In addition to the free trade and visa release agreements, 51 treaties were signed between both countries on various levels of cooperation like academia, economics, transport and culture. Besides, there are a lot of economic ambitions accorded by Turkey on Syria in terms of becoming a regional hub for gas, oil and transportation, industry, agriculture, telecommunications, banking and technology between Turkey as well as European and Central Asian countries. The same vision is adopted by Syria's leader who emphasized through the Syrian-Turkish businessmen forums the fact that Syria in light of its relation with Turkey would become an economic space that links between the Mediterranean, the Caspian Sea, the Black Sea and the Arabian Gulf in terms of transport and investment. Therefore, Syria will become the centre that relates Asian and Arab oil and gas with the European markets through the Mediterranean which will allow Turkey to be a transfer point for electricity networks between Europe, Asia and the Arab world. Many aspects of this aforementioned vision are concretized on the regional level where goods are transported through rails from Iraq to Syria. Moreover, the Kirkuk-Banias pipeline project will be soon operated with a capacity of 200,000 barrels per day. An additional pipeline with a capacity of 1.4 million (bpd) is under construction and it will link an Iraqi gas plant to a Syrian one that is by its turn connected to Jordanian and Egyptian pipelines that will be a source of supply for Lebanon and Europe (Kenan, 2010).

On the other hand, the Turkish-Iraqi relations bring further support to the paper's question. Turkey had always a persistent concern with Iraq, the Kurds in the north that it didn't succeed to deal with by deploying peaceful means based on dialogue and negotiation. Due to the American riposte to Kuwait annexation by Iraq, a northern zone of non intervention was established by the virtue of a resolution enacted by the UN Security Council. Therefore, the Iraqi government in spite of its deployment of heavy repressive mechanisms within the country on all its different ethnicities, the establishment of a free flight zone on this Kurdish heavily inhabited region prevented the regime from controlling the Kurdish actions. As a result, the security concerns increased in Turkey that faces a Kurdish separatist movement in its South Eastern region called the PKK. Due to the state wide waged war against this movement, most of its members led to northern Iraq and were rallied with some Kurdish factions in Iraq. The safe heaven provided for the PKK in Iraq put many elements of unrest in the Turkish Iraqi relations in addition to the water issue. During the US intervention in Iraq in 1991 and 2003, Turkey militarily intervened in Iraq in order to fight the PKK militants in its northern territories. Thus, the relations between Turkey and Iraq especially the Iraqi Kurds in the North were problematic. With the rise of trade between both countries helped to lessen the antagonism between both parties especially the Iraqi Kurds since Northern Iraq manifests a strong presence of Turkish traders, investors and

entrepreneurs. In addition to the Iraqi integration in the High Cooperation Council, 48 agreements were mutually signed including the visa release and the free trade zone in the occasion of the 3rd International Iraqi Fair held jointly between Turkey and Iraq in Gaziantep, southern Turkey (Arabnews, 2010).

According to the Turkish State Minister for foreign trade, Zafer Caglayan, the trade volume that was only \$940 million in 2003 increased by 67.8 % and reached 2.2 billion USD in 2011. Hence, a higher level of cooperation was developed between Iraq and Turkey as a result to the intensification of the commercial ties between Turkey and Iraq within the last 9 years. Besides, it was reported that Turkey is the second country that have business companies doing business in Iraq after China. On the other hand, Iraq has become the Turkish fifth largest trade partner which was manifested during the international economic recession in 2009 and 2010 where Turkey's export to Iraq reached \$6 billion (Hurriyet, 2008). Another statement declared by the chairman of the Turkish-Iraqi Business Council indicated the existence of further prospects of better commercial relations where trade volume would exceed 10 billion USD between both countries. In addition, the Iraqi President Jalal Talabani added that new horizons started to emerge in the relations between the two countries in light of the expected partnerships that would occur with Turkish businessmen. Moreover, cooperation in the Energy sector constitutes a major element of trade and cooperation between both countries in terms of natural gas and oil exploitation, sale and transport to Turkey and then to Europe which is illustrated by the Kirkuk-Yumurtalik Oil Pipeline. As a result, many Turkish entrepreneurs are invited in Iraq to establish power plants in Iraq like the case of the TPIC, Turkish Petroleum International Company that creates oil refineries in Iraq (Kenan, 2010).

To conclude, the structuralist, functionalist and ideological paradigms highlighted the various features that the economic interdependence has on interstate relations in terms of avoiding the recourse to war. The cost-benefit analysis and the interconnectedness between the different nations in terms of interests undermine the realist assumptions about the likelihood of war eruption within an economic interdependence relation between different countries as a result to the anarchic character of the world order. The permanent influence between the different world agents including states requires the regulation of the world politics under the auspice of international institutions that define the codes of conduct between the different states in order to preserve the nations' rights and maintain their benefit from their mutual interactions. Accordingly, the three paradigms are complementary since each of them underscores a specific feature of the economic interdependence that has an effect on world politics and the interstate regulatory mechanisms. In addition to the fatality of the economic interdependence as an inevitable interaction in the world order, the vulnerable structure of the states and the weaknesses of the international

institutions incite states to have recourse to economic interdependence as the last resort for their sustainability and the protection of their autonomy.

Therefore, interdependence especially on the economic level maintain the different nations dependent to each others in a vicious interaction that never ends which helps them to develop their own regulatory mechanisms without resorting to autocracy and autarchy on the domestic level or conflicts in its foreign relations. The case study developed in this paper provided some concretized evidence about the importance of economic interdependence as regulatory mechanisms developed automatically by the concerned partners in order to empower their relations in further domains of interaction and avoid their recourse to war against each other. Therefore, the impediments that obstructed both Arab and Turks from engaging into active partnerships and relations were merely eliminated not only due to the arrival of the AK party to power but also to the potential of both partners manifested in their areas of economic cooperation. By creating an area of common interest between them, the Arab countries as well as Turkey overcame their misunderstandings by focusing on the economic cooperation and trade from which they reaped a lot of mutual benefits. Consequently, the magnitude of the Arab-Turkish interests blocked any possibility of recourse to conflicts which was clearly manifested in the Turkish-Syrian and Iraqi cases. From one side, the 1998 military mobilization from the Turkish side was a turning point that let each party reconsider their relations and reshape their areas of interactions in terms of interests that will gradually solve their misunderstandings. From the other side, the Kurdish factor that troubled the course of relations between Turkey and Iraq turned to be smoothly managed and contained through the mechanisms of trade and investment intensively and mutually deployed especially from the Turkish side in Iraq instead of maintaining the security coercive approach towards ethnic separatism between both countries.

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