

Could Turkey Be a Dominant Regional Power?:

The Rise of Turkey as a Country of Middle-East and Europe

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Abstract

According to the common idea, "the economic power determines the political power." By this general principle, when we look at the powerful states, we see that these states (countries) have, at the same time, the powerful political effect on the other actors. In this paper, some trade and economic data of Turkey are shown in order to localize its place in the World rankings. By this purpose, this paper argues the fact that Turkey which, being one of the countries belonging G-20, has tried since 1991 to play a big role in its bilateral relations in Caucasia, Central Asia and Middle East (CCAME). However, when the data of international business of Turkey and those of each one of the countries of Central Asia treated in the contents of research are studied, it is seen very clearly that the influence of Turkey in Central Asia is not very dominant or does not create a dominating effect over the economic plan in spite of the existence of the diplomatic effects, visa facilities and the visits based upon the cultural level and mutually testified. Without any doubt, although nobody can deny the existence and the probability of the gradual growth of Turkey's relations inCCAME's countries, Turkey, whose face is turned mainly towards the occident and the large majority of trade made within the European countries, tries to be an influential actor in the determined areas. Naturally, in spite of the celebration of Nawruz with the Turkic World, acting as a Muslim country in Middle East, and accepting the norms of European Union as a European democratic and laicized country in Europe, Turkey presents several identities and makes it a multi-colored actor who can be used in favor of Turkey's interests.

Key words: Balance of power, Central Asia, Middle East, Caucasia, Turkey, foreign policy, globalization, power

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Introduction

In the past, Turkey played an important role particularly during the Cold War for the sake of the West (naturally for USA), and today, even if it was still continuing to make immediately its role under the hot tensions of the Middle Eastern policies. However, Turkey eventually needs to free itself of its role of protecting the interests of the Great and Middle Powers of the International System by aiming or trying to apply its own economic and political expansions related to its actual real capacities. As a matter of fact, as a developing country, today's Turkey has been accepted as G-20's member since 1999, due to its economic and financial evolution in the world system.¹ Being ranked in 2000 as the 22nd biggest economy according to GDP out of the top 100 economies in the World², Turkey has been continuously increased its level from 22nd to 17th rank by aiming to be classified among the top 10 economies of the World in near future.³

By taking a driving force from this booming, Turkey that has been struggling or supposed to be challenging to remove the obstacles put in its front since it claimed to be a part of European integration. Since its efforts to be a full member, this integration has been changed into many names and finally called today as "European Union", perhaps before its new name baptized such as "United States of Europe" as predicted by Churchill or the others.⁴

In fact, Turkey immediately proceeded to hold its strategic supremacy in Caucasian and Central Asia, including Russia and Middle East regions. Especially, it continuously attempted to set up further liaisons in order to strength its relations with Caucasian and Central Asian countries since the end of the Cold War. However, when Turkey's economic and political relations are analyzed, it is seen that they are more focused on EU countries and the USA than Caucasian and Central Asia and Middle east countries where it seems that Turkey ultimately needs to use its historical and cultural ties by turning them into its advantages for building its power and privileges in this area of which the importance increases day after day on account of geopolitical and geo-economic advantages offered or appointed such as one of the areas of game hunting on the International System.

In other words, Turkey is presently and will be in the future obliged to face the Great and Middle Powers of the International System by taking part or playing an acting role in Caucasian and Central Asia since 1991 and in Middle East, especially since the last decades, although the competition difficulties handicap the development of its sincere intention. In reality, Turkey should compete against this situation that predominates over the reality of Caucasian and Central Asia and Middle East, which are seen as interest zones of the international actors. Otherwise, a rising and a booming Turkey tries to be integrated to these new zones even it risks hitting directly or minimizing the interests of some actors.

Truthfully, it is to admit that Turkey must irrefutably obey to the challenges as the other developing or underdeveloped countries due to compete in the same hard competitive conditions of World policies. Otherwise, nobody could refuse the application of Social Darwinism⁵ or the Economical Machiavellian system⁶ in the arena of the International System against these countries that struggle in spite of the advantages of the principal actors.

Otherwise, it should be accepted that it depended on the internal dynamics of the state-nations to impose their power over their actual or prospective partners, even sometimes their external dynamics serve to stabilize or retribute them in this competition of struggling to survive in the materialistic life conditions of the World.

From these aspects, in this paper, the place of Turkey that tries to be a regional political actor in Caucasian and Central Asia and Middle East will be localized according to its economic power density in front of the big economic and trade competition wars.

According to basic concepts of geopolitics, the importance of the strategic regions and countries located in or around in Caucasian and Central Asia and Middle East constitute principally more attractions and interests for the dealing countries which aim to establish good relations.

Naturally, a state which has been considered an important country by playing a key role according to its economic capacities. Otherwise, concrete and real data which is sufficient enough to aid in evaluating the importance and the effectiveness of the country in question is to study the volume of its import-export and trade-investment exchanges.

In turn, political, diplomatic, military and cultural relations follow economic relations. For that reason, the power of the relationships between the states means the power of the economic interdependencies that are either mutual or partial, or equal or unequal perhaps as it has been seen in the example of the relationships of the United States of America with Europe and its other allies.⁷

Truthfully, according to that power, the dealing countries support each other on diplomatic platforms. However, the interdependence must not be understood just an economic phenomenon as it is also a political.⁸ If so, attributing an importance to this point, Turkey's role and its limits must be questioned for evaluating better its potential place and role in Caucasian and Central Asia and Middle East. In fact, Turkey's target is not just to open the embassies or consulates for some diplomatic missions and facilitate the border passage's and traveling and remove the visa obstacles, but beyond this action, to have more potential roles and increase bilateral economic and diplomatic relations with these countries by acting as an "effective state"⁹ by reconstructing a new framework through its old traces of a state composed of statist, *laisse-faire* and welfare-state compositions.¹⁰

This way will officially provide us on how to measure Turkey as a preponderant country for the Central Asian region and apart from the economic relations; how the Central Asian countries have supported Turkey in its international issues? Actually, there the economic power determines the political power.¹¹ Otherwise, it is argued that

"...in the new Great Game, aid disguised as investment is a means of securing a say in regional affairs, and trade is a lever of economic reward or coercion."¹²

In fact, this analysis of Cutherson is valid even in today's world relations. In the world, it is seen that economically, the most powerful countries have at the same time politically the most powerful influences in the international system. In this paper, this correlation would be underlined for Turkey's relevant place in the World for trying to localize it in Caucasian and Central Asia and Middle East. Also, we ask whether Turkey will be able to play a dominant or effective role through its diplomatic openings and historical ties in Caucasian and Central Asia where Russia, India and China are very important actors without forgetting Iran and the USA that occupied Afghanistan in Caucasian and Central Asia and Iraq in Middle East, mostly for the oil purposes¹³, and also in the Middle East where United Kingdom, France, Russia, Italy and the USA, including China and Japan play an important role.¹⁴

Political and Economic Conjunctionure for Turkey

In the international scene, Turkey attempts diplomatically to overpass some important issues. Even some of them are said to create basic obstacles for its entrance into to EU such as the continental shelf problem between Greece and Turkey and questions concerning Cyprus. Expect these issues to be resolved in the future, the terrorist acts committed by PKK inside and near to the border areas aim to try to destabilize Turkey's economic and socio-political ascension. Moreover, another short-term problem bothering Turkey is a strategy applied by Northern Iraqi Kurds to create an independent Kurdistan in the north of Iraq. According to the common Turkish views, this idea is also supported by some lobbies or political personages of the countries that are believed to be allied to Turkey.

PKK has tried to create a destabilization in Turkey and to make foreign investors and hot money leave. However, the top priority of Turkey's national security is decided for not giving any concession at any price, which could be against the unitary state system and state security. In this framework,

Turkey, being on one side a NATO loyal member and on the other side trying to enter loyally into E.U, tries to increase its economic and social and political performances in spite of the rough rules of the New World Order.

Through this scene, on one side, since 1991, Turkey has been improving its bilateral relations in Caucasian and Central Asia with different projects and on the other side, Turkey has been acting to optimize its two-sided relations with its neighbors and allied countries in the Middle East with a zero conflict policy especially since 2002 even it is objected¹⁵ and also undamaged by Israel because of the military assault of Israeli commandos on “Mavi Marmara” and blocking the aid flotilla in May 2010¹⁶ organized by the human rights activists mostly from Turkey. The hot tension between Israel and Turkey occurred as well after the leaked Palmer Report on the Marmara flotilla incident report.

On September 2011, Turkey started to apply some sanctions diplomatically against Israel, first by calling back its ambassador and downgrading the diplomatic mission to the second degree secretary. Naturally, this “sanction” is a mutual force demonstration, but flexible to change at any time.

Among these efforts, Turkey started also a new strategy and policy with Arab countries based firstly on non-visa facilities. However, there has taken place the Spring Revolution in the Arab's World such as Tunisia, Egypt, Yemen, Libya and Syria, which may influence the pattern and the foundations of bilateral relations with Turkey despite all efforts put by Turkish diplomacy in order to improve the level of the relations.¹⁷ Now, these revolutions need a time for well settled governments and regimes that might be interested to continue to improve their bilateral relations with Turkey. Especially, by starting to go away from its strategic partnership with Israel, Turkey, that preferred to improve its bilateral relations with Syria, has been now upset by Assad's regime that accuses Turkey as a country interfering with internal affairs of Syria, whereas Turkey had supported Syria not a long time ago against the possible or speculated USA, NATO or UNbased military intervention policy. In fact, Turkey openly supports Syrian opposition groups in order to overthrow Assad's regime and organizes the international meetings with Arab countries and USA that share same opinions against Assad. In this purpose, the last meeting has been organized in Istanbul and welcome by USA.¹⁸

Furthermore, we will see in near future if the new regime in Libya after the fall of Kaddafi would be more allied country with Turkey and if Turkey investors, businessmen and workers would be welcome as to whom Kaddafi had offered the possibility during his regime. Actually, Turkey decided to decrease Iran oil imports by 20 % and to buy Libyan oil instead.¹⁹ Such decision is welcome by Clinton during the Istanbul Summit held on April 1st, 2012.

At the same time, on one side, while being supported by the USA for European Union full membership, Turkey that stayed stuck in the way of European Union by Germany and France actual leaders who block Turkey entrance's tries to bypass their obstacles, on the other side, being a NATO member, and a good ally and friendly country of the USA and an ex-buffer country during the Cold War against the communist regimes of Russia and Bulgaria, it finds itself in a very sensitive position to balance its foreign policy in front of the international conflict of the USA and Iran as being a NATO member and also a country aiming to zero conflict with its neighbors. However, as Turkey accepted in September 2011 during NATO summit in Lisbon, the implementation of one of the radar sites in Malatya in the framework of Missile Shield Project supported by USA and NATO, which had not been welcome by Russia and especially Iran, has been still continuing to create a very big tension and to make consider Turkey as a hostile country and a danger against the national security of these countries.²⁰ In fact, that situation constitutes a complicated dilemma for Turkish and Iranian relations and Turkish-American relations. At the same time, Turkey is under the pressures of European Union and the USA, to try and normalize its relations with Armenia, by expecting it to withdraw from Karabagh.

Moreover, Turkey PM Erdoğan had announced that “...particularly, second half of 2012 will be a landmark...”²¹ in Cyprus's question that a unification between Turkish and Greek Cypriots would be resumed as a conclusion of the possible withdrawing of the Turkish army deployed in Northern Cyprus since 1974. However, until now, there is no good news about it despite the time that flows so fast. In fact, this issue between Turkey and Cyprus Republic (according to the recognition of European Union and the Organization of United Nations) or the South Cyprus Greek Administration

(an official definition by Turkey) creates also a big hindrance and a handicap in the negotiations of Turkey with European Union authorities. Finally, this image of Turkey which tries to have an economic boom and a rise in Caucasia, Central Asia, and Middle East, and in the world, wants to be defiant against the terrorist attacks of PKK, which is furthermore considered as a guerrilla uprising from some Western countries being believed to be an ally of Turkey. This problem that Turkey has endured since 1980 has cost more than 50.000 lives and billions of US dollars to Turkish economy. It constitutes also a hindrance for a balanced development of Turkey as the private investments could not be done at the expected levels.

While giving a look on the economic map of Turkey, we see that bilateral and multilateral investments make Turkey a passage of energy lines. Especially, through the Blue Stream, natural-gas pipelines (even it is the Netherlands based joint venture of Russian Gazprom and Italian Eni); Turkey has been buying natural gas from Russia since 2002 Turkey t, this operation made Turkey first time in its history a dependent country and economic partner to Russia in terms of energy policy since the Russian-Turkish historical bilateral relations existed. At the same times, for Russia, Turkey became a country feeding and protecting the Russian interests by transferring in fact the Russian natural gas to Europe through Turkey. Even this dependence limits Turkey's foreign policy versus Russia and obliges it completely more to restrain itself from criticizing Russian foreign policy, for instance, in the subjects of Georgia and Chechnya, etc.

On the other hand, because of its gradual dependence, Turkey tries to find a new partner or an exit door for supplying the energy issues. For that, recently, in December 2011, Turkey and Azerbaijan signed an agreement called "Trans-Anatolian natural-gas pipeline" a project which aimed to transfer the natural gas from Azerbaijan through Turkey to Europe. The members of the consortium are State Oil Company of Azerbaijan Republic (SOCARS-80%), BOTAŞ Petroleum Pipeline Corporation (10%), and Turkish Petroleum Corporation (Türkiye Petrolleri Anonim Ortaklığı-TPAO-10%)²². In fact, by the realization of this project, Turkey will be able to transfer the natural gas to Greece and Bulgaria; whose relations with Turkey were at their worst in the past.

In addition to this natural-gas agreement with Azerbaijan, in the near past, its opening to the World through Mediterranean Sea has been realized by "Baku-Tbilisi-Ceyhan petroleum pipeline" thanks to Turkey that permitted it to reach the Mediterranean Sea from the Caucasus. This pipeline has been actually used for a passage of Azeri petrol of the multinational consortium through Turkey to which a "Turkish Petroleum Corporation (TPAO)" became a partner with 6.53% and another Turkish company BOTAŞ is responsible for its operational management in Turkish soils. Otherwise, petroleum belonging to a Caucasian country such as Azerbaijan located in the North flows to Ceyhan: a port on the south-eastern Mediterranean coast of Turkey. In reality, that increases the importance of Turkey for the interest of the western multinational companies such as BP, Total, etc.

Finally, Nabucco project is also designated to transport Caucasian and Central Asia's petroleum to Europe through Turkey.²³In fact, all these projects and operations in force push Turkey to shoulder more roles and responsibilities, and at the same time, being as a bridge to Middle-East and Europe. Otherwise, as a rising country in the region, the end of some specific problems such as domestic and regional ones putting Turkey in stressed positions would also increase its growth rate more and more, year after year.

On the hand, Turkey and China economic and financial relations are gradually developing. On February 2012, a Swap Agreement (for ten billion Yuan / three billion Turkish liras) between the People's Bank of China and the Central Bank of the Republic of Turkey is mutually signed as an indicator concerning the development of Sino-Turkish relations.²⁴

Naturally, according to our hypothesis, it is to underline that economic and trade ties play a very important role in constructing and constituting great opportunities for the countries with which they try to strengthen and expand their bilateral ties and circle of influences over the country to which they are interested. In reality, they provide it by creating a maximum domination on the targeted country through bilateral relations that present, in fact, the roots symbolizing the development, high-technological capacities and advances or privileges of the dealing country.

However, calling a country a privileged member, in fact, should mean the country being able to do more business. Though this reality, in this paper, we underline the economic importance given to Turkey that it presents itself as an actor country in the regions of Caucasian and Central Asia and Middle East. We also see if the economic potential of Turkey could be enough to make it an actor country, or the bilateral relations stay just as an image of the diplomatic relations which show the dealing countries as a good and friend country but behind the economic realities, the comprehension of goodness and friendship means really a different thing such as a mutual interest. Being a more democratic country among all countries of Caucasian and Central Asia and Middle East and using this advantage, Turkey, is it diplomatically or economically placed and welcomed among the Caucasian and Central Asia and Middle East countries such as France, United Kingdom, USA, Germany, Japan, Italy or China that economically invest, bring with them a know-how, a technology, etc., just after they diplomatically set up the ties. For explaining this assumption, we must also look at the place where Turkey has been located economically. By this purpose, the following parts of this article focus on questioning the place of Turkey in the World.

Turkey's place in the World Rankings

For underlining the potentiality of Turkey in Caucasian and Central Asia and Middle East, we must firstly see its place in the World. Turkey, being a NATO member since 1952, aiming and trying to be admitted into the European Union as a full member since 1963, and considered as a member of the G-20, it has been actually ranked as the 17th largest economic power of the world's 100 largest economic entities.²⁵ In fact, Turkey was occupying the 22nd place in the world's 100 largest economic entities according to the data of 2000²⁶ as seen in Table I.

Table I. The World's 30 economic entities (2000 / GDP / sales in \$ million)

1	United States	8,708,870.00
2	Japan	4,395,083.00
3	Germany	2,081,202.00
4	France	1,410,262.00
5	United Kingdom	1,373,612.00
6	Italy	1,149,958.00
7	China	1,149,814.00
8	Brazil	760,345.00
9	Canada	612,049.00
10	Spain	562,245.00
11	Mexico	474,951.00
12	India	459,765.00
13	Korea, Rep.	406,940.00

14	Australia	389,691.00
15	Netherlands	384,766.00
16	Russian Federation	375,345.00
17	Argentina	281,942.00
18	Switzerland	260,299.00
19	Belgium	245,706.00
20	Sweden	226,388.00
21	Austria	208,949.00
22	Turkey	188,374.00
23	<i>General Motors</i>	176,558.00
24	Denmark	174,363.00
25	<i>Wal-Mart</i>	166,809.00
26	<i>Exxon Mobil</i>	163,881.00
27	<i>Ford Motor</i>	162,558.00
28	<i>DaimlerChrysler</i>	159,985.70
29	Poland	154,146.00
30	Norway	145,449.00

Source: Fortune, 31 July 2000. GDP: World Bank, World Development Report 2000, <http://www.corporations.org/system/top100.html> , accessed date: 03 March 2012

Naturally, this rank can be changed from one year to another year. For instance, we see Turkey being classified as 22nd country in the world in 2000, but in 2009 data, it is considered as 17th rank based on GDP / revenues as seen in Table II among the other state-nations, multinational companies and metropolitan cities.

Table II. The World's 30 economic entities (2009 / GDP / sales in \$ Billion)²⁷

1	United States	14,204
2	China	7,903
3	Japan	4,354
4	India	3,388
5	Germany	2,925

6	Russian Federation	2,288
7	United Kingdom	2,176
8	France	2,112
9	Brazil	1,976
10	Italy	1,840
11	Mexico	1,541
12	Tokyo, Japan	1,479
13	Spain	1,456
14	New York, USA	1,406
15	Korea, Republic of	1,358
16	Canada	1,213
17	Turkey	1,028
18	Indonesia	907
19	Iran, Islamic Rep	839
20	Los Angeles, USA	792
21	Austria	762
22	Taiwan	710
23	Netherlands	671
24	Poland	671
25	Saudi Arabia	589
26	Chicago, USA	574
27	Argentina	571
28	London, UK	565
29	Paris, France	564
30	Thailand	519

Source: Hoornweg, D., P. Bhatta, M. Freire, C.L. Trejos Gómez, R. Dave. 2010. Cities and Climate Change : An Urgent Agenda. World

Bank <http://siteresources.worldbank.org/INTUWM/Resources/WorldsTop100Economies.pdf> , access date: 03 March 2012

Especially, when we compare two tables, for not amassing so much information and data that we limited just to cite the data of the first thirty entities, we see that Turkey is passing from the 22nd place to the 17th place as seen in Table II. It shows, in fact, its economic potential and its growth rate in the positive trend. It means also a big success for Turkey by jumping five levels and being placed as 17th economic entity in the world rankings. In the comparison of the Table I to the Table II, some cities of some countries constitute also an economic entity when they are classified separately and alone from their state-nations. This situation also shows the economic power of the international actors such as USA, Japan, France and United Kingdom, etc...., which play a very important role in the Caucasian and Central Asia and Middle East policies, without forgetting to cite China, India, Germany, Italy and Russia. Naturally, these economic powers, being very active and more effective, constitute a challenge and compete in all fields with Turkey.

Recently, according to another data, Turkey has been placed on the 15th rank based on GDP / Purchasing Power Parity (PPP) in 2010 just among the state-nations as seen in Table III.

Table III. The World's 30 economic entities (2010 / GDP / PPP(in \$ million)

1	United States	14,582,400
2	China	10,084,764
3	Japan	4,332,537
4	India	4,198,609
5	Germany	3,071,282
6	Russian Federation	2,812,383
7	United Kingdom	2,231,150
8	France	2,194,180
9	Brazil	2,169,180
10	Italy	1,908,569
11	Mexico	1,652,168
12	Spain	1,447,840
13	Korea, Rep.	1,417,549
14	Canada	1,327,345
15	Turkey	1,115,994
16	Indonesia	1,029,789
17	Australia	865,043
18	Iran, Islamic Rep.	838,695
19	Poland	754,097

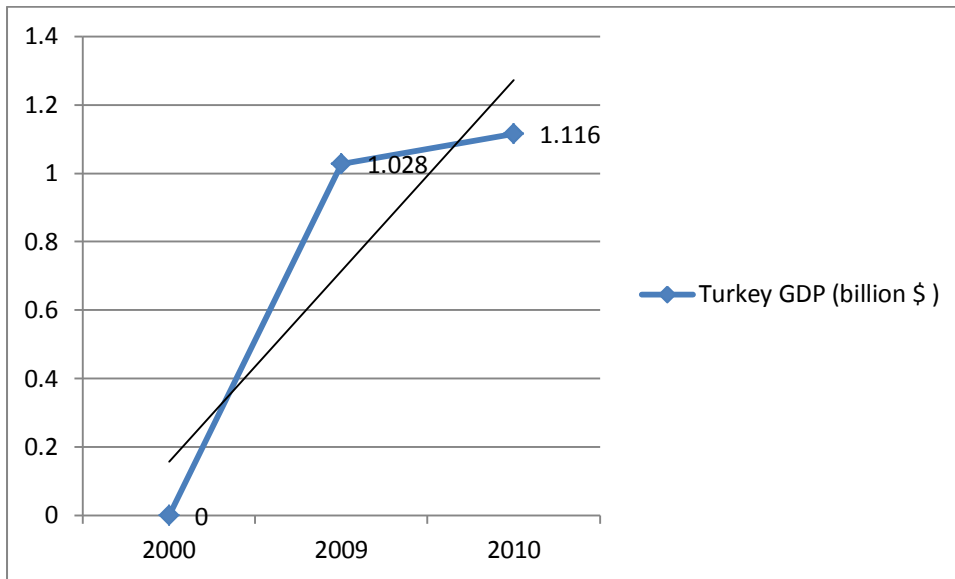
20	Netherlands	705,601
21	Argentina	642,255
22	Saudi Arabia	593,372
23	Thailand	586,824
24	South Africa	524,198
25	Egypt, Arab Rep.	509,503
26	Pakistan	464,203
27	Colombia	434,788
28	Malaysia	414,395
29	Belgium	407,403
30	Nigeria	374,343

Source: World Bank, World Development Report 2010,
http://siteresources.worldbank.org/DATASTATISTICS/Resources/GDP_PPP.pdf , access date: 03 March 2012

After comparing two tables, another data concerning GDP per capita is important for seeing the place of Turkey in the World Rankings. However, of the countries, the data of GDP per capita formally give the level of the welfare of the states. Therefore, in the Table III, the GDP per capita of the World's 30 economic entities of 2010 are shown for making the difference and understanding more the welfare of economic entities, especially of the countries as seen in Table III and Table IV.

Although Turkey had been influenced negatively from Mexico (1998), Russia (1999) and especially from its own financial crisis occurred in November 2002 and in February 2001 and also from other effects such as Marmara earthquake (1999), a continuing PKK terrorism since 1980, and several military interventions and unstable coalition government policies, it started an economic rising due to one-party government elected democratically since November 2002. Another economic indicator shows that first time, in its history, Turkey did not sign any new agreement in 2010 with IMF and as the result; Turkey has been as well planning to pay all its debts to IMF by 2013, which had been a handicap for each Turkish government that governed before 2002 because of the stand-by agreements arranged with IMF. In its history, Turkey's first agreement with IMF was signed in 1961. In total, nineteen agreements were done in total since this date.

Figure I. Turkey's World Rankings Trend in GDP (billion \$)



Source: The graph is drawn by the author of this paper from the data obtained in Table I, Table II and Table III.

In the following Tables IV and V, the table is done according to the world ranking consideration taken of the top 30 countries in the World. For example, in the Table IV, USA that occupies the first rank in the World economy has a 47.199 USD GDP per capita in 2010 while the datum is around 35,081 USD GDP per capita in 2000 as presented in the Table V. The other important actor of the international system, China presented at the second rank has, in fact, a 4,428 USD GDP per capita in 2010 and 949 USD GDP per capita in 2000. As seen in Table IV and Table V, by presenting in 2010 the 17th rank in the top 30 economies, Turkey has a 10.094 USD GDP per capita in 2010, and we see that Turkey classified as 22nd country in the World had only 4189 USD GDP per capita in 2000. In that correlation, it is admitted that in ten years; Turkey increased approximately 40 % of its welfare and economic power per capita.

Table IV. The GDP per capita of the Countries according to their World Rankings as the World's 30 economic entities shown in Table II (2010) (USD\$)

1	United States	47,199
2	China	4,428
3	Japan	42,831
4	India	1,475
5	Germany	40,152
6	Russian Federation	10,440
7	United Kingdom	36,144
8	France	39,460
9	Brazil	10,710

10	Italy	33,917
11	Mexico	9,123
12	Tokyo, Japan*	-
13	Spain	30,542
14	New York, USA*	-
15	Korea, Republic of	20,757
16	Canada	46,236
17	Turkey	10,094
18	Indonesia	2,946
19	Iran, Islamic Rep***	4,526
20	Los Angeles, USA*	-
21	Austria	45,209
22	Taiwan**	-
23	Netherlands	46,915
24	Poland	12,293
25	Saudi Arabia****	15,836
26	Chicago, USA*	-
27	Argentina	9,124
28	London, UK*	-
29	Paris, France*	-
30	Thailand	4,608

Source : The World Bank, GDP per capita (current US\$) : <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD/countries/1W?display=default> , access date : 03 March 2012 ; Explications for: *No data for cities;

**As Taiwan is not independent country, it is not taken in this data given by World Bank.

***The datum for Iran concerns the year 2009, there is no data for 2010;

****The datum for Saudi Arabia concerns the year 2009, there is no data for 2010

As it is seen in Table V, Turkey's GDP per capita is low in 2000. It means that Turkey developed more in 2010, and it still continues.

Table V. The GDP per capita of the Countries according to their World Rankings as the World's 30 economic entities (2000) (USD\$)

1	United States	35,081
2	Japan	36,789
3	Germany	23,114
4	France	21,828
5	United Kingdom	25,089
6	Italy	19,269
7	China	949
8	Brazil	3,696
9	Canada	23,560
10	Spain	14,422
11	Mexico	5,935
12	India	453
13	Korea, Republic of	11,347
14	Australia	21,768
15	Netherlands	24,180
16	Russian Federation	1,775
17	Argentina	7,694
18	Switzerland	34,787
19	Belgium	22,695
20	Sweden	27,789
21	Austria	23,886
22	Turkey	4,011
23	General Motors	-
24	Denmark	29.993
25	Wal-Mart	-
26	Exxon Mobil	-
27	Argentina	7,694

28	DaimlerChrysler	-
29	Poland	4,454
30	Norway	37,472

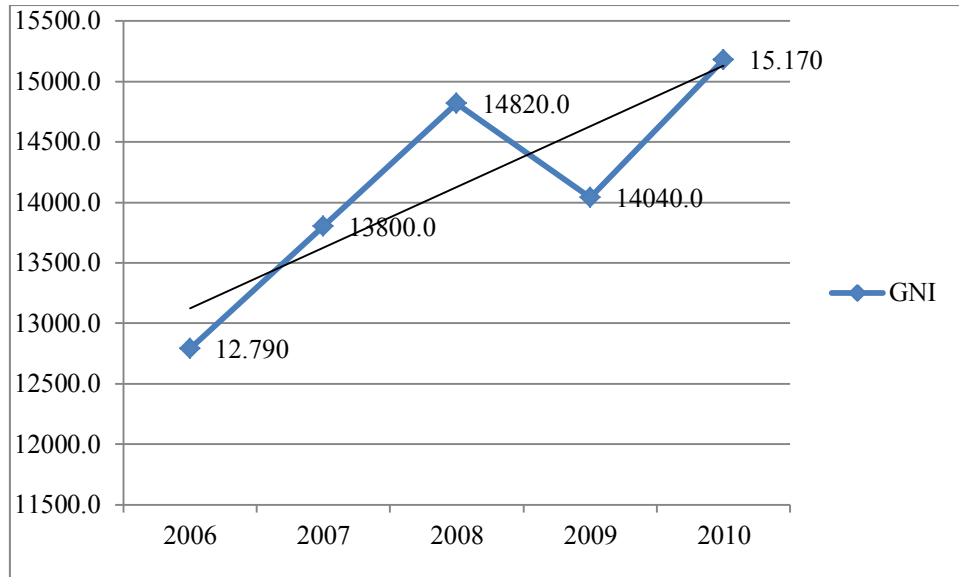
Source : The World Bank, GDP per capita (current US\$) : <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD/countries/1W?page=2&display=default> , access date : 03 March 2012 ; Explications for: *No data for cities; In this table, the ranking of Table I has taken while the GDP per capita is drawn from the link above mentioned in the source.

However, we must accept that a GDP per capita does not present all economic powers for the countries. While giving in Table IV the data for the 30 top countries whose GDP per capita does not show a same value according to their economic bigness in the world rankings because of the population's number, in comparison, for instance, as seen in the data of the World Bank, some countries such as Liechtenstein, Luxembourg, Andorra or Bermuda that have a very high GDP per capita do not play any important role in the international system. (The World Bank) Also, here we must take into consideration that the data issued from GDP per capita, GNI per capita calculated on Atlas method, GNI per capita calculated on PPP and GDP per capita calculated on PPP can vary in expressive and impressive ways.²⁸

Even Turkey's real GDP growth rate is low in 2000, since 2001, further-more, according to another study or data measure, if "Purchasing Power Parity (PPP)" datum of Turkey is analyzed according to GNI (gross national income) per capita from 2006 to 2010, it shows us how it increases positively until 2010 as seen in Figure II. However, although this potential capacity which is continually increasing, Turkey, as a developing country being classified as a member of G-20, is placed as the 79th country according to GNI (gross national income) based on PPP (purchasing power parity)²⁹. In fact, Turkey was being ranked as 83rd and 86th in the World rankings during 2000s when evaluated on PPP or on Atlas method. It means that the level of purchasing of Turkish people also increases in accordance.

In reality, all of these data and indices show that Turkey presents and continues to present an economic grandeur even if it is considered a marginal, still in progress and recently saved from IMF recites, but a NATO member and awaiting for its full membership of EU since 1963, sometimes mistreated and humiliated by some leaders of Europe such as France and Germany that want to play a dominant and effective role in the international fields where Turkey tries to take part, including Libya before and after Gaddafi, in 2011 and a potential regime exchange in Syria in 2012-13.

Figure II. Turkey's GNI per capita on Purchasing Power Parity (PPP) (2006-2010) (US\$)

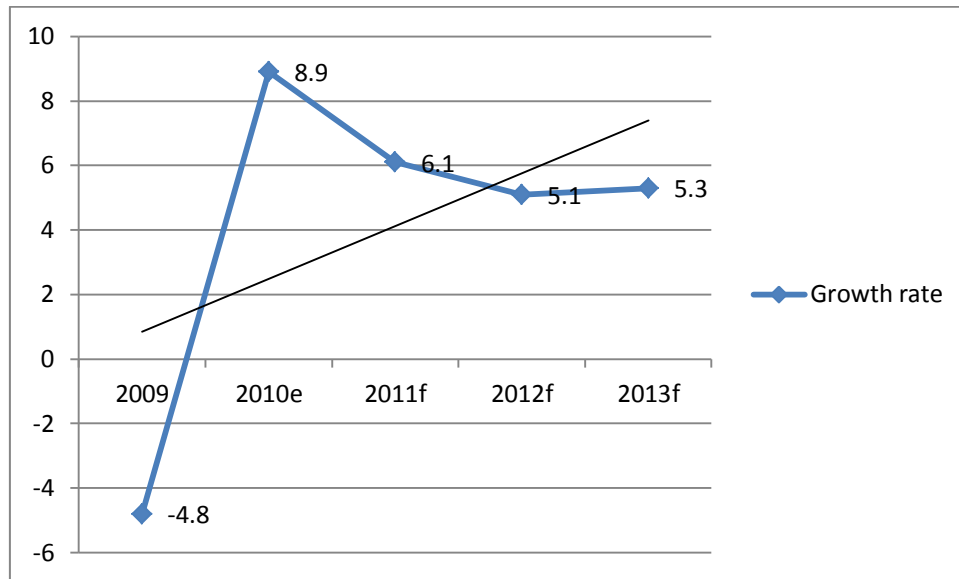


Source : World Bank, GNI per capita, PPP (current international \$)

<http://data.worldbank.org/indicator/NY.GNP.PCAP.PP.CD> , access date: 03 March 2012

As we see in Figure II, from 2006 to 2010, Turkey's GNI increases gradually, that is a positive index of a development. In Figure III, even the datum for 2009, shows us a negative and minus index, the other years' data oscillate between 8.9 and 5.3. Naturally, we can conclude that an evaluating positively PPP can also show us how Turkey is becoming an attractive center of the other exporting countries. In other words, Turkey's import potential reflects its own PPP power.

Figure III. GDP Growth (%) of Turkey on PPP (2009-2013)



Explication: e: estimate; f: forecast

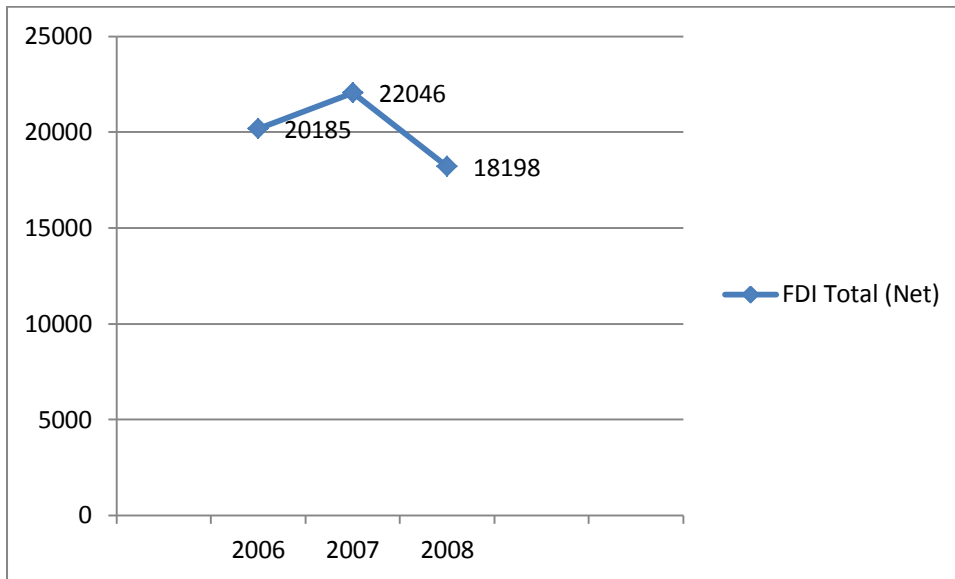
Source : World Bank, The global outlook in summary, 2009-2013,

<http://web.worldbank.org/external/default/main?theSitePK=659149&pagePK=2470434&contentMDK=20370107&menuPK=659160&piPK=2470429>, access date : 03 March 2012

On the other side, we should not forget that the economic development of Turkey, and its expanding capacity of maneuvering based on playing an actor's role with a "zero conflict policy" in Caucasian and Central Asia and Middle East take its energy relatively from its domestic stability and the development of the democracy as in a challenging degree according to the other regional countries. However, Freedom House criterion, Turkey is accredited as "partly free" with 3 points.³⁰

Naturally, this kind of development in democracy and politic stability influences positively and makes Turkey a center of business attraction and investing for the FDI (foreign direct investment). For instance, according the report of World Bank, the foreign companies are optimistic about their business prospects and are looking forward to investing in Turkey due to its stability and its fastest start-up processes for a foreign business.³¹ As conclusion of the advantages backed by the Turkish economic system, there is an important inflow of FDI towards Turkey even it decreases after 2008 as we can derive it from the data obtained and published in Figure IV.

Figure IV. FDI Inflows to Turkey (2006-2008) (USD million)



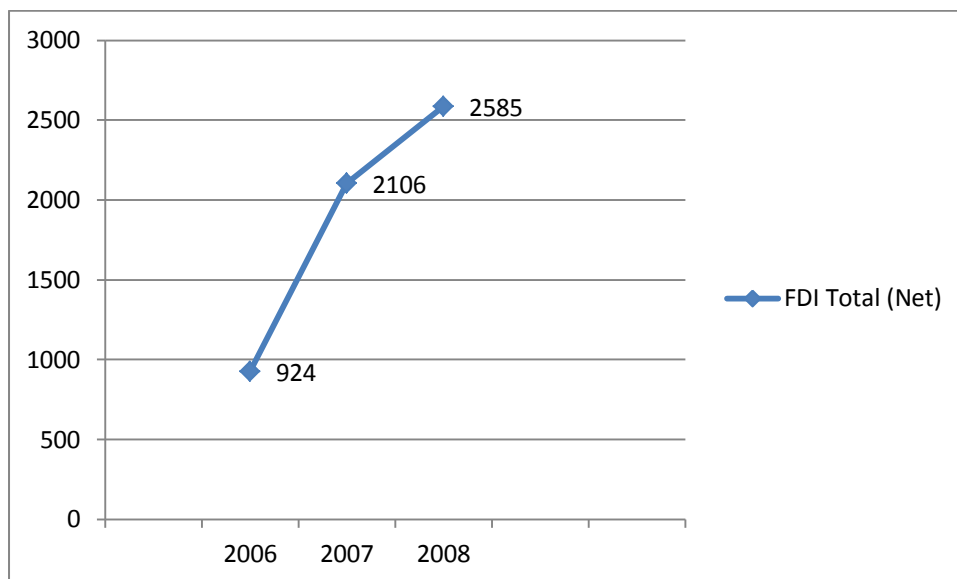
Source : Global Finance, “FDI flows-Foreign Direct Investment by Country and Region”,

<http://www.gfmag.com/tools/global-database/economic-data/9975-fdi-flows.html> , access date: 03 March 2012

Especially, when we study the data, it is seen that European Union and other European countries inflows constitute a large part in FDI of Turkey. It also means that Turkey, which has been searching an alternative and trying to be an effective state in Caucasian and Central Asia and Middle East, is still a country more dealing more with European countries.³² As for the part of the inflow of FDI to Turkey in the world, it occupies in the world ranking the 20th place with 1.33 percentage of the world total according to the 2007-2011 average; however, that presents a small value over a global FDI total value.³³

At the same times, as seen in Figure V, Turkey’s outflows in the global world FDI presented a very minimal percentage. For instance, in 2008 data, it constitutes a 0,13 or 0,14 value as a rounded figure over 1.8 trillion USD by 2.585 billion USD of the Turkey’s part.³⁴ Naturally, if we compare this value to the developed countries’ values, their parts are more than Turkey’s ones. In fact, Turkey is a country that tries to draw investments and capital or hot money to revive the Turkish economy. Naturally, a country aiming to draw investments from other developed countries and multinational companies will have been selected as a market place in the international competition while the other developed and high-tech transnational owners try to invest in the area to which Turkey as a developing country shows an interest. So that Turkey must breach into and also compete against this circle surrounding its target area and interests. In fact, Turkey must be a country investing due to its technological potentials and developments.

Figure V. FDI outflows from Turkey (2006-2008) (USD million)



Source : Global Finance, “FDI flows-Foreign Direct Investment by Country and Region”,

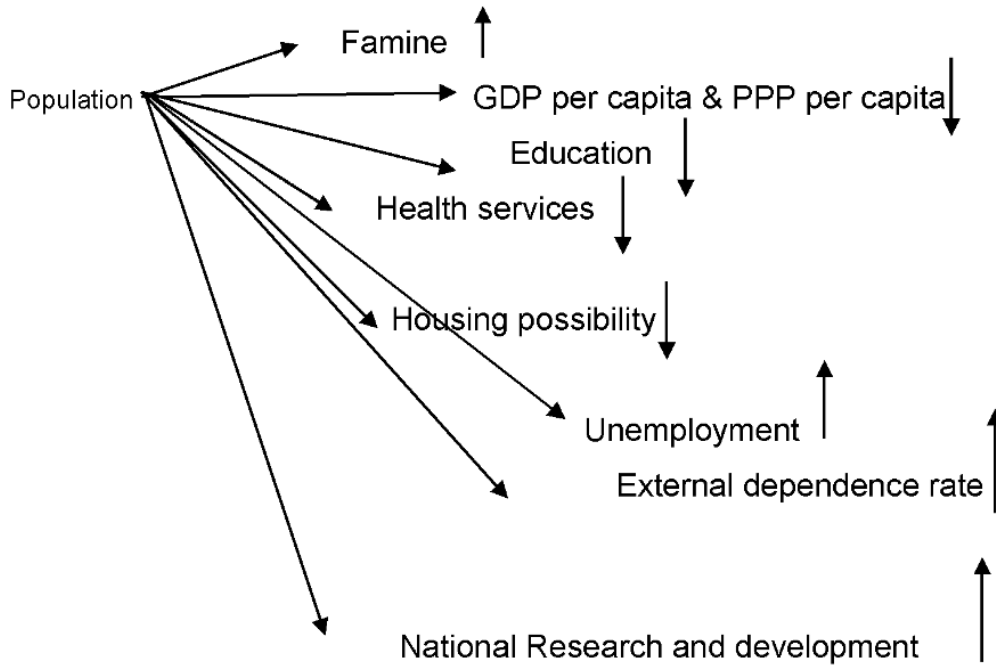
<http://www.gfmag.com/tools/global-database/economic-data/9975-fdi-flows.html> , access date: 03 March 2012

On the other side, while Turkey competes in the international system, although its efforts along the democratic path had been ceased by many "coups d'état" and generally by military discourses, Turkey has never been administered under the military conceptualizations as applied in some Latin American or Middle Eastern countries. The interruption of democracy had ended at least after one or two-year intervals. It is to admit that these situations embarrassed Turkey, but never blocked and put it away from its eventual purposes. Notably, free market policy and liberalization in trade, financial and economic systems create and attract some foreign capital in Turkey. Even if exposed to rough critiques, the economic growth of Turkey allows it to be among one of the World's biggest economies, for this reason it is considered a G-20 member because Turkey deserves to play an important role in the international system. However, its role should not mean that Turkey is a driving factor in the international system as there is interdependence while its economic boom needs more expansions and concessions through the global system.

Plus, besides these macro values of GDP and PPP, the per-capita values of GDP and PPP must be focused on in order to meet frequently the socio-economic level of the population as seen in Table IV and Table 5. Nevertheless, it is to accept that the sharing of GDP and PPP per capita is very low in Turkey while in comparison with the developed countries. This situation proves, as a matter of fact, a reality that Turkey has to do many and continuous efforts to increase the socio-economic level of its population. However, the increasing population of Turkey creates an advantage and a disadvantage at the same time. Because, on the one side, while the new generation is expanding, the other side, the overpopulated occasionally gets a share of the GDP per capita which also affects PPP per capita.

As it is seen in the correlation drawn in Figure VI, as soon as possible the population increases, it provokes some disadvantages such as: the increase of famine, economic and political dependence, unemployment and also the decreasing of GDP per capita, health and education services. In the case of Turkey, the same problems have been met.

Figure VI. Effects of Increasing Population over other and different factors (per capita)



Source: This correlation is reedited and redrawn from “Bülend Aydın Ertekin, *Saldırı Planı ve Amerikan’ın Küreselleşen Hâkimiyeti*”, (Istanbul: IQ Press, 2005), 128

Table VI. Research and development expenditure (% of GDP) in 2007 of The World's 30 economic entities (2010 / GDP / PPP in \$ million) by country (%)

1	United States	2.72%
2	China	1.44%
3	Japan	3.44%
4	India	0.80%
5	Germany	2.54%
6	Russian Federation	1.03%
7	United Kingdom	1.82%
8	France	2.04%
9	Brazil	1.10%
10	Italy	1.18%
11	Mexico	0.37%
12	Spain	1.27%
13	Korea, Rep.	3.21%

14	Canada	1.90%
15	Turkey	0.72%
16	Indonesia	-*
17	Australia	-.**
18	Iran, Islamic Rep.	-.***
19	Poland	0.57%
20	Netherlands	1.72%
21	Argentina	0.51%
22	Saudi Arabia	0.05%
23	Thailand	-.****
24	South Africa	0.93%
25	Egypt, Arab Rep.	0.23%
26	Pakistan	0.67%
27	Colombia	0.16%
28	Malaysia	-.*****
29	Belgium	1.90%
30	Nigeria	-.*****

*Iran has no data for 2006-2008; **Australia has a datum for 2006 as 2.06%; *** Iran has a datum for 2006 as 0.67%; **** Thailand has a datum for 2006 as 0.25%; ***** Malaysia has a datum for 2006 as 0.64%; ***** Nigeria has no data for 2006-2008; In the ranking of the countries seen in the Table VI, the data of the Table III showing the World's 30 economic entities in 2010 are taken as example due to the lack of the date about the Research and development expenditure (% of GDP) of the year of 2010. In the World Bank data's, the data only concerns the years 2006-2008 for the Research and development expenditure (% of GDP). As some data for 2008 were missing, the year 2007 has been taken as example. For seeing the share of the Research and development expenditure over doing a comparison of the global GDP in 2007, the readers can consult on "World Bank GDP, 2007, <http://www.scribd.com/doc/14872141/GDP-World-Bank-2007>, access date : 01 March 2012".

Source: World Bank. 2011 `Research and development expenditure (% of GDP)`, <http://data.worldbank.org/indicator/GB.XPD.RSDV.GD.ZS/countries/1W?display=default>, access date: 01 March 2012 October 2011 ; World Bank GDP, 2007, <http://www.scribd.com/doc/14872141/GDP-World-Bank-2007>, access date : 01 March 2012.

Also as seen in Table VI, being located as 15th country in 100 Top World Economies by its GDP, and nevertheless, classified by its 0.72% expenditure in R & D, Turkey is considered as a country that dedicates a very limited amount, especially when it is compared to the countries such as USA, Japan, Germany that spent more in the field of "research & development. Furthermore, as their global GDP is high, their percentage shared in R&D constitutes big values. Otherwise, with a limited R&D which is around one or one and half-million dollars, being a know-how exporter and investor is very difficult. Turkey R&D per capita is also very low. Naturally, the other countries which are designed as global

actors in the international system are more addressed than Turkey as its technological potential is based also on a FDI of the other multinational companies.

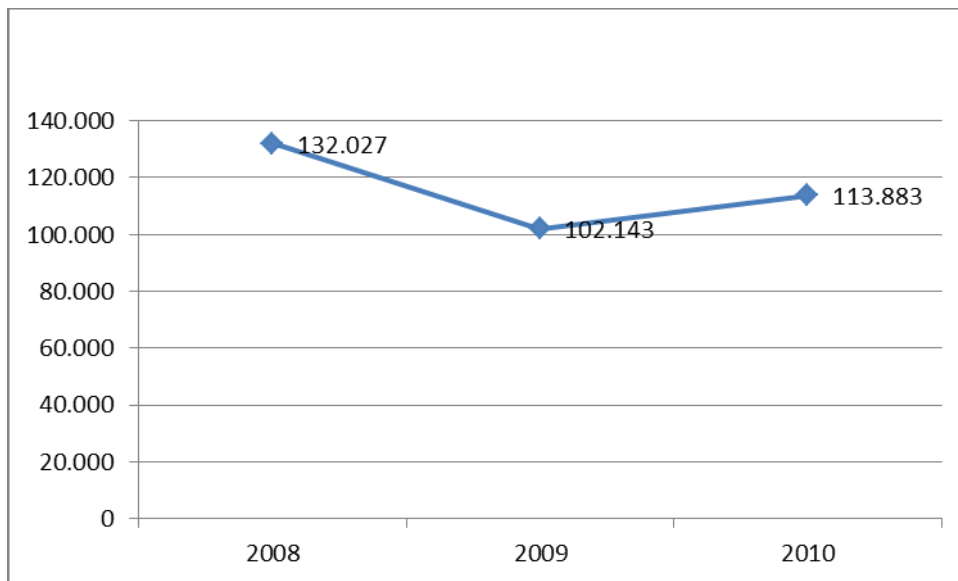
In fact, when a country responds to its domestic questions and issues, its potential for investing in foreign countries will be also more attractive. In the other words, Turkey must dedicate more budgets for R&D in order to be considered as a dominant country economically on the other regional or international markets.

For instance, USA, with 13.811.200 million dollars GDP, spends a 2.72% for R&D. Naturally, a percentage such as 2.72% over a huge GDP makes an important value. A R&D is encouraged by the State but as the globalization of R&D is not new; it is accepted that companies themselves charged and sponsored for locating their research and development facilities abroad for decades.³⁵ This argument means that state-nations use, in reality, their dynamic powers for expanding their influences on the other developing or less-developed ones. Therefore, expect some contractor companies; there are no multinational companies originally from Turkey.

In spite of some handicaps such as external debts and budget deficits, Turkey is continuing to optimistically hold a position in the economic world. First, since 1980, Turkey's export and import values go up increasingly. As seen in Figures VII and VIII, Turkey's export and import reached to the hundreds of billions of dollars. However, as specified, the deficit between the export and the import is very high; this situation creates abnormally a disadvantage for the budget deficit even it increases the value of Turkey because of its consideration such as an international market for the other developed countries.

Turkey's export reaches to 132,027,195,626 USD in 2008, 102,142,612,603 USD in 2009 and 113,883,224,068 USD in 2010.

Figure VII. Turkey's Total Export Values (2008-2010) (in billion USD)



Source :T.R. Ministry of Development, Exports by Countries (2010), ekutup.dpt.gov.tr/teg/2011/06/B-5/17-ihracat_ulke.xls , (access date : 04 March 2012)

According to the export values of Turkey, the data show us that the most of Turkey's trade has been done within the European Union. Especially, this amount reaches to 48% in 2008, to 46% in 2009 and to 46.3% in 2010. As seen also in Table VII, in Europe, Germany, United Kingdom, France, Italy, Netherland, Spain, Romania and Belgium play an important role while United Arab Emirates, United States of America, and, partly Israel, China and Syria constitute an important part of Turkey's export.

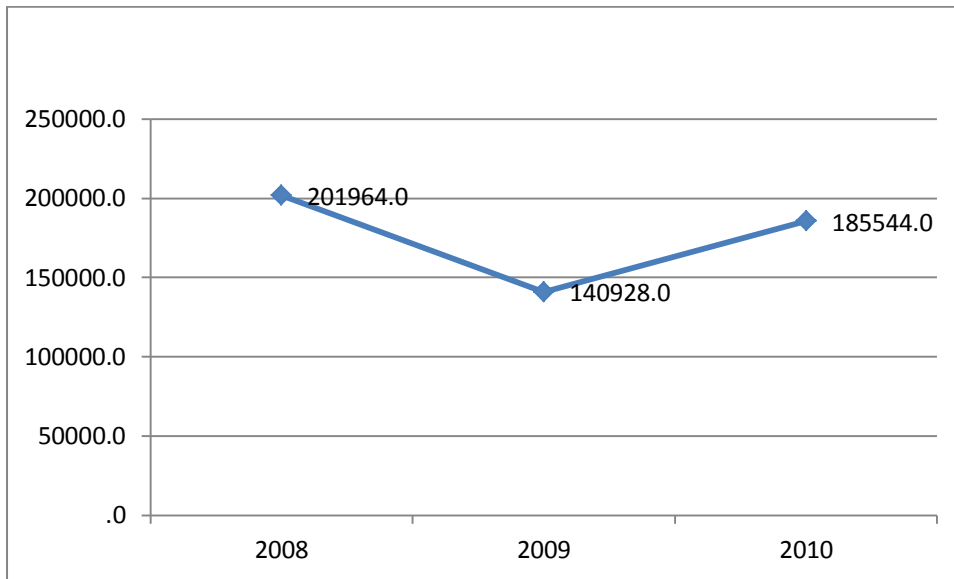
It means that Turkey increases its potential of export from Western to Eastern and from Northern to Southern countries.

Table VII. Turkey's Export to Selected Countries (2008-2010) (in billions USD)

Selected Countries	2008	2009	2010
Belgium	2.122,4	1.795,7	1.960,4
China	1.437,2	1.600,3	2.269,2
Egypt	1.426,4	2.599,0	2.250,6
France	6.617,5	6.211,4	6.054,5
Germany	12.951,8	9.793,0	11.479,1
Iran	2.029,8	2.024,5	3.044,2
Iraq	3.916,7	5.123,4	6.036,4
Israel	1.935,2	1.522,4	2.080,1
Italy	7.819,0	5.889,0	6.505,3
Libya	1.074,3	1.795,1	1.932,4
Netherland	3.143,8	2.127,3	2.461,4
Romania	3.987,5	2.201,9	2.599,4
Russia	6.483,0	3.189,6	4.628,2
Saudi Arabia	2.201,9	1.768,2	2.217,6
Spain	4.047,3	2.818,5	3.536,2
Switzerland	2.856,8	3.935,1	2.056,9
Syria	1.115,0	1.421,6	1.844,6
United Arab Emirates	7.975,4	2.896,6	3.332,9
United Kingdom	8.158,7	5.938,0	7.235,9
United States of America	4.299,9	3.240,6	3.762,9
Others	46.427,6	34.251,3	36.595,2

Source :T.R. Ministry of Development, Exports by Countries (2010),ekutup.dpt.gov.tr/teg/2011/06/B-5/17-ihracat_ulke.xls , access date : 02 January 2012

Figure VIII. Turkey's Total Import Values (2008-2010) in billion dollars



Source :T.R. Ministry of Development, Exports by Countries (2010), ekutup.dpt.gov.tr/teg/2011/03/B-5/9-ithalat_ulke.xls , access date : : 02 January 2012

As seen in the Figure VIII, the import values reached to 201,963,574,109 USD in 2008, 140,928,421,211 in 2009 and 185,544,331,852 in 2010. If the difference between the export and the import values are put in consideration, it will easily be seen a deficit in the favor of Turkey's import value.

Table VIII. Turkey's Import to Selected Countries (2008-2010) (in billions dollars)

Selected Countries	2008	2009	2010
Belgium	3,151	2,372	3,214
China	15,658	12,677	17,181
France	9,022	7,092	8,177
Germany	18,687	14,097	17,549
India	2,458	1,903	3,410
Iran	8,200	3,406	7,645
Italy	11,012	7,673	10,204
Holland	3,056	2,543	3,156
Japan	4,027	2,782	3,298
Kazakhstan	2,332	1,349	2,471
Poland	1,978	1,817	2,621

Romania	3,548	2,258	3,449
Russia	31,364	19,450	21,601
Saudi Arabia	3,322	1,687	2,437
South Korea	4,092	3,118	4,764
Spain	4,548	3,777	4,840
Switzerland	5,588	1,999	3,154
Ukraine	6,106	3,157	3,833
United Kingdom	5,324	3,473	4,681
USA	11,976	8,576	12,319
Others	46,514	35,723	45,543

Source :T.R. Ministry of Development, Exports by Countries (2010),
 ekutup.dpt.gov.tr/teg/2011/03/B-5/9-ithalat_ulke.xls , access date : 02 January 2012

At the same times, when Turkey's import values have been analyzed, as seen in the Table VIII, the part from European Union countries represents a very significant value. However, the rest is also done from other European, Asian, American, African and Middle East countries. The European Union presented 37.0% in 2008, 40.2 % in 2009 and 38.9 % in 2010. Finally, as seen in the Table VIII, The most selected countries that Turkey imports from are Russia, Germany, China, USA, Italy, France, Iran, Spain, South Korea, United Kingdom, Ukraine, Romania, India, Japan, Belgium, Holland, Switzerland, Poland, Kazakhstan and Saudi Arabia. After giving the above data of Ministry of Development of Turkey, in Table IX and Table X, we underline some data obtained from World Trade Organization in order to conceive the place of leading exporters and importers including Turkey.

Table IX. Leading Exporters in World Merchandise Trade, 2000 and 2010
 (Billion Dollars and Percentage)

2000				2010			
Rank	Exporters	Value	Share	Rank	Exporters	Value	Share
1	United States	781.1	12.3	1	China	1578	10.4
2	Germany	551.5	8.7	2	United States	1278	8.4
3	Japan	479.2	7.5	3	Germany	1269	8.3
4	France	298.1	4.7	4	Japan	770	5.1
5	United Kingdom	284.1	4.5	5	Netherland	573	3.8
6	Canada	276.6	4.3	6	France	521	3.4

7	China	249.3	3.9	7	Korea Rep. of	466	3.1
8	Italy	237.8	3.7	8	Italy	448	2.9
9	Netherlands	212.5	3.3	9	Belgium	412	2.7
10	Hong Kong, China Domestic exports re-exports	202.4 23.7 178.8	3.2 0.4 2.8	10	United Kingdom	406	2.7
11	Belgium	186.1	2.9	11	Hong Kong, China Domestic exports re-exports	401 15 386	2.7 0.1 2.5
12	Korea, Rep. of	172.3	2.7	12	Russian Federation	400	2.6
13	Mexico	166.4	2.6	13	Canada	388	2.5
14	Taipei, Chinese	148.3	2.3	14	Singapore domestic export re-export	352 183 169	2.3 1.2 1.1
15	Singapore domestic export re-export	137.9 78.9 59.1	2.2 1.2 0.9	15	Mexico	298	2.0
16	Spain	113.7	1.8	16	Taipei, Chinese	275	1.8
17	Russian Fed.	105.2	1.7	17	Saudi Arabia	250	1.6
18	Malaysia	98.2	1.5	18	Spain	246	1.6
19	Sweden	86.9	1.4	19	Un. Arab Emirates (a)	220	1.4
20	Saudi Arabia (a)	84.1	1.3	20	India	220	1.4
21	Switzerland	81.5	1.3	21	Australia	213	1.4
22	Ireland	79.9	1.3	22	Brazil	202	1.3
23	Thailand	69.1	1.1	23	Malaysia	199	1.3
24	Austria	63.9	1.0	24	Switzerland	195	1.3
25	Australia	63.9	1.0	25	Thailand	195	1.3
26	Indonesia	62.1	1.0	26	Sweden	158	1.0
27	Norway	60.0	0.9	27	Indonesia	158	1.0
28	Brazil	55.1	0.9	28	Poland	156	1.0

29	Denmark	49.6	0.8	29	Austria	152	1.0
30	Finland	45.6	0.7	30	Czech Republic	133	0.9
41	Turkey	26.6	0.4	33	Turkey	114	0.7

(a) Secretariat estimates.

Source: World Trade Organization, International Trade statistics 2001, France, 2001, http://www.wto.org/english/res_e/statis_e/its2001_e/stats2001_e.pdf , p.21; World Trade Organization, International Trade Statistics 2011, http://www.wto.org/english/res_e/statis_e/its2011_e/its11_toc_e.htm ; http://www.wto.org/english/res_e/statis_e/its2011_e/its11_world_trade_dev_e.pdf , p.24

As it is seen, in World Merchandise Trade, Turkey's export goes up from 26.6 billion dollars in 2000 to 114 billion dollars in 2010. It means that Turkey's economic development and production capacities increase. At the same time, Turkey's import increases from 53.5 billion dollars in 2000 to 186 billion dollars in 2010 which means that Turkey becomes an interested market for the other developed and developing countries that are interested to sell their merchandises to.

Table X. Leading Importers in World Merchandise Trade, 2000 and 2010
(Billion Dollars and Percentage)

2000				2010			
Rank	Importers	Value	Share	Rank	Importers	Value	Share
1	United States	1257.6	18.9	1	United States	1969	12.8
2	Germany	502.8	7.5	2	China	1395	9.1
3	Japan	379.5	5.7	3	Germany	1067	6.9
4	United Kingdom	337.0	5.1	4	Japan	694	4.5
5	France	305.4	4.6	5	France	606	3.9
6	Canada	244.8	3.7	6	United Kingdom	560	3.6
7	Italy	236.5	3.5	7	Netherlands	517	3.4
8	China	225.1	3.4	8	Italy	484	3.1
9	Hong Kong, China retained imports (1)	214.2	3.2	9	Hong Kong, China retained imports	442	2.9
		35.4	0.5			116	0.8
10	Netherlands	198.0	3.0	10	Korea, Rep. of	425	2.8
11	Mexico	182.6	2.7	11	Canada (2)	402	2.6
12	Belgium	173.0	2.6	12	Belgium	390	2.5
13	Korea, Rep. of	160.5	2.4	13	India	327	2.1
14	Spain	153.5	2.3	14	Spain	314	2.0

15	Taipei, Chinese	140.0	2.1	15	Singapore Retained imports	311 142	2.0 0.9
16	Singapore retained imports	134.5 75.6	2.0 1.1	16	Mexico	311	2.0
17	Switzerland	83.6	1.3	17	Taipei, Chinese	251	1.6
18	Malaysia	82.2	1.2	18	Russian Federation (2)	249	1.6
19	Sweden	72.8	1.1	19	Australia	202	1.3
20	Australia	71.5	1.1	20	Brazil	191	1.2
21	Austria	68.6	1.0	21	Turkey	186	1.2
22	Thailand	61.9	0.9	22	Thailand	182	1.2
23	Brazil	58.5	0.9	23	Switzerland	176	1.1
24	Turkey	53.5	0.8	24	Poland	174	1.1
25	Ireland	50.9	0.8	25	Malaysia	165	1.1
26	India	50.5	0.8	26	United Arab Emirates (3)	160	1.0
27	Poland	48.9	0.7	27	Austria	159	1.0
28	Russian Fed.	45.5	0.7	28	Sweden	149	1.0
29	Denmark	44.3	0.7	29	Indonesia	132	0.9
30	Portugal	38.2	0.6	30	Czech Republic	126	0.8

(1) Retained imports are defined as imports less re-exports.

(1) Imports are valued f.o.b.

(2) Secretariat estimates.

Source: World Trade Organization, International Trade statistics 2001, France, 2001, http://www.wto.org/english/res_e/statis_e/its2001_e/stats2001_e.pdf, p.21; World Trade Organization, International Trade Statistics 2011, http://www.wto.org/english/res_e/statis_e/its2011_e/its11_toc_e.htm; http://www.wto.org/english/res_e/statis_e/its2011_e/its11_world_trade_dev_e.pdf, p.24

Turkey's place in the Global Competitiveness Index

However, just selling and buying some products to the World must not be considered as an indicator of the development. If the export is continuous and increasing, it is an example of the competitiveness. For instance, so as Japanese merchandises such as cars or cameras are asked and globally consumed, it is because of the competitive force of Japan. Briefly, if Turkey wants to place as a competitive country, it must product in a way to compete with other developed or developing countries for fixing its place in the world in a stable position. Otherwise, the lack of the competitive production of Turkey in Global Competitiveness will not place it continuously as an actor or in an effective role on the economic and politic basis. Because we know that in today's world, the relations between the countries

are done by economic exchanges except some countries such the USA who show their capacity of power with of military intervention.

With its huge and strong army, even Turkey has some military force; its flexibility of maneuver is limited in the region, and the use of this force can also create a big challenge and some problems in the future. For that reason, a Turkey which is concentrated on an economic world by continuing to share and letting the other actors share in will be welcome in the regions where it tries to play a dominant and active role. Naturally, for doing that, Turkey must produce and develop its industrial and technological levels to the extent that it can make a competition with the products of other countries. Otherwise, its value in the Global Competitiveness Index will be very marginal. At the same time, a competitiveness of a country is a measure of its potential and development levels. In other words, they argue that "... the ability of countries to provide high levels of prosperity to their citizens..."³⁶, so that means that the countries that are not able to improve their domestic levels and prosperity cannot be considered as an effective or dominant actor for the others.

Even USA is a world leader; its competitiveness is also studied by some arguments based on getting better shares from the World's cake.³⁷ In other words, being a competitive means a continuous power and force. Otherwise, the discontinuity or the temporary trends going up and down will be seen unstable and by fact, the image of the country trying to be competitive economically and politically will be considered just as trade partner and not strategically one.

In this concept, for instance, Sala-i-Martin defines that

"...competitiveness as the set of institutions, policies, and factors that determine the level of productivity of a country. The level of productivity, in turn, sets the sustainable level of prosperity that can be earned by an economy. In other words, more competitive economies tend to be able to produce higher levels of income for their citizens. The productivity level also determines the rates of return obtained by investments (physical, human, and technological) in an economy. Because the rates of return are the fundamental drivers of the growth rates of the economy, a more competitive economy is one that is likely to grow faster in the medium to long run. The concept of competitiveness thus involves static and dynamic components: although the productivity of a country clearly determines its ability to sustain a high level of income, it is also one of the central determinants of the returns to investment, which is one of the key factors explaining an economy's growth potential".³⁸

On the other side, we understand that competitiveness means not only the increasing of the productivity but also of the prosperity of the citizens. Before all, being competitive regionally is to reflect an image of the country. The country, whose citizens are poor or national budget suffers, cannot assume the role of being regional or world dominant and effective actor.

In this purpose, we tried to give the following data below providing us the detailed rankings of Global Competitiveness Index for 2001 and 2010. As seen in Table XI, six countries (Finland, United States, Canada, Singapore, Netherland, Sweden) ranked in the top 10 remain also in the top 10 in 2001 even their rankings change in 2001 and 2010.

Table XI. Global Competitiveness Index (GCI), 2001-2010

2001			2010		
Rank	Country	GCI Score	Rank	Country	GCI Score
1	Finland	6.03	1	Switzerland	5,63
2	United States	5.95	2	Sweden	5,56

3	Canada	5.87	3	Singapore	5,48
4	Singapore	5.84	4	United States	5,43
5	Australia	5.74	5	Germany	5,39
6	Norway	5.64	6	Japan	5,37
7	Taiwan	5.59	7	Finland	5,37
8	Netherlands	5.56	8	Netherlands	5,33
9	Sweden	5.55	9	Denmark	5,32
10	New Zealand	5.53	10	Canada	5,30
11	Ireland	5.52	11	Hong Kong SAR	5,30
12	United Kingdom	5.51	12	United Kingdom	5,25
13	Hong Kong SAR	5.47	13	Taiwan, China	5,21
14	Denmark	5.44	14	Norway	5,14
15	Switzerland	5.43	15	France	5,13
16	Iceland	5.40	16	Australia	5,11
17	Germany	5.39	17	Qatar	5,10
18	Austria	5.33	18	Austria	5,09
19	Belgium	5.31	19	Belgium	5,07
20	France	5.29	20	Luxembourg	5,05
21	Japan	5.25	21	Saudi Arabia	4,95
22	Spain	5.17	22	Korea, Rep.	4,93
23	Korea	5.13	23	New Zealand	4,92
24	Israel	5.01	24	Israel	4,91
25	Portugal	4.92	25	United Arab Emirates	4,89
26	Italy	4.90	26	Malaysia	4,88
27	Chile	4.90	27	China	4,84
28	Hungary	4.87	28	Brunei Darussalam	4,75
29	Estonia	4.87	29	Ireland	4,74
30	Malaysia	4.83	30	Chile	4,69

54	Turkey	3.86	61	Turkey	4,25
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Source: for 2010, Xavier Sala-i-Martin, (Edt. Klaus Schwab), the Global Competitiveness Report 2010-2011, World Economic Forum 2010, Geneva, Switzerland, 2010, p.16, http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport_2010-11.pdf; for 2004-2005, Growth Competitiveness Score (most recent) by Country, http://www.nationmaster.com/graph/eco_gro_com_sco-economy-growth-competitiveness-score (12.19.2011); John W. McArthur and Jeffrey D. Sachs, The Global Competitiveness Reports 2001-2002, World Economic Forum, New York, Oxford, Oxford University Press, 2002, p.32, <http://www.nectec.or.th/pld/indicators/documents/WEF-%20Global%20Competitiveness%20Report%202001.pdf> , access date : 03 March 2012

As seen in Table XI, Turkey falls from 54th rank in 2001 to 61st rank in 2010. This situation can be interpreted as a fall in the performance of Turkey. Whereas Sala-i-Martin resumes Turkey's position in the Global Competitiveness Report 2010-2011 as :

“Turkey remains stable at 61st position. Turkey benefits from its large market, which is characterized by intense local competition (15th) and reasonably sophisticated business practices (52nd). The country also benefits from reasonably developed infrastructure (56th), particularly roads and air transport infrastructure, although ports and the electricity supply require upgrading. In order to further enhance its competitiveness, Turkey must focus on improving its human resources base through better primary education and better healthcare (72nd), addressing the inefficiencies in the labor market (127th), and reinforcing the efficiency and transparency of public institutions (90th)....”³⁹

After studying the above cited report of Sala-i-Martin, another report published by WEF gives us also the framework of the global competitiveness that a country needs. For instance, according to Porter and Schwab's report in 2008, concerning Turkey, it is argued that

“After improving last year, Turkey (63rd) has dropped by 10 places in the rankings this year. Turkey continues to benefit from its large market, which is characterized by relatively high competition (46th). However, some more basic issues must still be tackled, such as upgrading the quality of infrastructure (especially ports and the electricity supply), improving the human resources base through better primary education and better health care (78th), addressing the burgeoning inefficiencies in the labor market (125th), and reinforcing the efficiency and transparency of public institutions. Indeed, there has been measurable decrease since last year in the public's trust in government institutions, demonstrated by a drop in rank from 57th to 82nd on this subpillar, likely related in part to recent political turbulence, such as the failed attempt to ban the ruling party. The overall drop in rank can also be traced to a weakening of the country's perceived financial market efficiency (which fell from 61st to 76th place), with a drying up of credit through the banking sector and increasing concerns about the soundness of banks more generally in the country.....”⁴⁰

In other words, a measure of the competitiveness is not just trade. The country which considers itself as a candidate for acting or playing an economic or political actor's role must also socially develop and improve the levels of its citizens. Otherwise, the affected mass or countries with a positive image of Turkey will create their own public diplomacy and public opinion in a manner to welcome it and accept it as a part of their closed or semi-open system such as European Union in which Turkey tries to enter as a full member and on the other side, while acting to play an effective role in Middle East and Central Asia.

Conclusion

Although our hypothesis is formed around the idea that “economic power shapes the political power,” in Turkey’s situation, this argument is not complementary one in spite of its potential and capacity for being an effective and dominant actor at the level of forming the bilateral relations since 60s, 70s and even 90s, Turkey’s economic level is mutually increasing.

After studying and trying to underline some important keys and data about Turkey, our question, based on that “Can Turkey occupy an important place and play an important role in Caucasia, Central Asia and Middle East?”, did not find its satisfactory answer. Naturally, even an answer to this question is not so easy to respond in the conclusion part of this paper, we can easily accept that Turkey occupies a place, plays or shares some roles in and tries to increase them. However, for occupying a very important place and playing very important roles, Turkey must take into consideration the other actors and factors that circle it and intervene directly or indirectly to its regions of interests. For instance, in Caucasia, Turkey’s challenger is Russia that could not be bypassed in near future until the new independent state-nations obtain their full sovereignty from Moscow.

In Central Asia, to this challenge, Chinese's factor is also added. For that reason, Turkey must arrange the balance in favor of China and especially Russia while it tries to enrich its relations with Caucasian and Central Asian countries including Turkic republics. At the same time, Turkey must continue more on developing its relations with Pakistan and India that are located in a very strong position in the heart of the Central Asia. As for the Middle East, the number of actors and factors are concretely increasing.

In Middle East, there is no balance of power; on the contrary, there are many balances of powers and including these of super-powers. For instance, as seen in the case of Syria, Russian, Chinese and Iranian factors could not be eliminated without forgetting French factor. Even Syria’s regime is going to change very soon; it could demolish or aggravate negatively the relations between Turkey and Iran. On the other side, even if USA has drawn its military force from Iraq; it is still positioned in Middle East in a manner to intervene very quickly. British and French factors take diplomatically their positions for acting against any policy done to the detriment of their interests in the regions.

At the same time, aiming to share an actor's role by waiting for many years at the entrance door of European Union, Turkey’s flexibility of maneuver is limited in Europe.

In light of these considerations, we see that exporting actually to some countries and importing from are not basic factors for being considered as an effective actor even they are important ones for trade and economic relations. However, for its own interests, Turkey must act according to the mutual interests of each region where there are different regional leaders and actors. Otherwise, for being a very important and effective actor, transferring its image from buffer zone country to regional leadership and playing a very important role mutually in these regions, Turkey must continue at the same speed in these race and competitions at least twenty five years more by a personal estimation. Furthermore, by resolving PKK problem, increasing its global competitiveness level, ranking in top 10 world economies in the World, Turkey will act without any doubt a very important role in the determined regions, even including its place in the World economy.

NOTES

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