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TURKEY'S MIDDLE CORRIDOR AND BELT AND ROAD INITIATIVE: COHERENT OR CONFLICTING?²

Following President Xi's visits to Kazakhstan and to South East Asia in 2013, China unveiled its grand Belt and Road Initiative (BRI), with two main components, namely the "Silk Road Economic Belt" (SREB), a network of transportation starting from China, encompassing several Eurasian countries on its way, ending in Europe; and "21st Century Maritime Silk Road" (MSR) connecting China and Europe via South-East Asia, South Asia and Africa. BRI as a development initiative reflects China's evolving interests as a result of profound changes in global economy and geopolitical balances.

On land, the Initiative has six corridors comprising a *New Eurasian Land Bridge* with a set of railways; *China-Mongolia-Russia* using Trans-Siberian railway, *China-Central Asia-West Asia* passing through Central Asia, Iran and Turkey towards Europe, *China-Pakistan* involving highway and railway connections through Gwadar port, *Bangladesh-China-India-Myanmar*, and *China-Indochina Peninsula* economic corridors by taking advantage of various transport routes. At sea, the Initiative focuses on building smooth, secure and efficient waterways connecting major sea ports along the route.

Turkey, being one of around seventy countries involved considers the Initiative as a major step towards facilitating economic, commercial, socio-cultural, and political interactions with China and the surrounding regions, and reviving the ancient Silk Road. In this context, Turkey

¹ <https://www.tepav.org.tr/en/ekibimiz/s/1338/Sait+Akman>

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advanced the initiative *Trans-Caspian East-West-Middle Corridor*, (known as the Middle Corridor) which starts from China, passes through Central Asia (Kazakhstan or Kyrgyzstan-Uzbekistan-Turkmenistan), crosses Caspian Sea, and continues through the territories of Azerbaijan and Georgia towards Turkey. Apparently, the Middle Corridor overlaps with *China-Central Asia-West Asia* corridor of BRI, but by-passes Iran. It mainly focus on a network of road and rail transportation modes with crossings in Caspian Sea. It is proposed that if this corridor is effectively used it helps Turkey and Central Asian countries to benefit from China-Europe trade and infrastructural investments.

To this end, Turkey signed a Memorandum of Understanding with China in November 2015 with the aim of providing a link between its Middle Corridor and BRI, and President Erdoğan visited China in July 2019 in order to make a progress in integrating the two initiatives. It also signed a Common Cooperation Protocol and established a Coordination Council with Azerbaijan and Central Asian Republics. Lapis Lazuli -Transport Corridor Agreement was signed by Turkey, Georgia, Azerbaijan, Turkmenistan and Afghanistan as a regional cooperation to serve this initiative. At the infrastructural level, Baku-Tbilisi-Kars (BTK) railway was inaugurated in 2017. The capacity of BTK to carry passengers and cargo is expected to increase by threefold in two decades. Turkey also undertook various projects including Eurasian Tunnel, the third Bosphorus Bridge, and İstanbul Airport. Nonetheless, a modernized network of railways and ports is lacking, hence the Middle Corridor will be in limbo without a substantial infrastructural investment. Therefore, Turkey regarded the construction of 2000 km. Edirne-Kars High Speed Rail an essential venture to increase connectivity. The maritime leg of the Middle Corridor, on the other hand requires port developments in Caspian Sea and in Turkey. In this context, Turkey has prioritised the development of three ports, namely Filyos on the Black Sea, Çandarlı on te Agean, and Mersin container port on Eastern Mediterranean, however little progress has been made so far.

For Turkey, the Middle Corridor is fundamental for its opening to East including Caucasus, Central Asia, and China and boosting trade and investment opportunities in the region. The Corridor supposedly provides other benefits. First, the Corridor passing through eastern parts of Turkey can contribute to regions' development just like BRI's benefit to less developed western states in China. Second, the Middle Corridor is expected to bring Chinese investments in Turkey which needs to diversify its FDI sources for infrastructural purposes. Third, Middle Corridor can make Turkey a hub in China-Europe trade, and outcompete Northern corridor via Russia, and Southern corridor passing through Iran which is regarded a fragile destination due to US sanctions. Finally, Turkey can reduce the Russian effect on its energy policy by means of diversifying its energy suppliers.

The realization of the Middle Corridor and its integration with China's BRI depends on several factors. First, the current state of affairs leaves the Middle Corridor a regional initiative without making it a true alternative to Northern Corridor. Throughout the Middle Corridor goods are transported by passing the borders of up to six countries and two seas under multiple modes of transport. It urges a strongly connected international network with minimized customs formalities and national procedures. Caspian-crossing needs to be efficient enough not to cause any delays in the passage of goods. All these require a strong institutional cooperation among countries involved.

Chinese trade with Europe is significantly carried by sea while land options can extensively cut the total duration and costs of transportation and increase Chinese dominance in the region. Whether the Middle Corridor could be a viable option for China's BRI depends on the circumstances and geopolitical developments. Apparently, China from the beginning assumed an initiative with several alternative and complementary corridors to have a diversified set of options serving its objectives. One major indicator of Chinese interest for the Middle Corridor could be its involvement in infrastructural investments along it. However, the current level of Chinese investments is limited to a few major works such as mining and energy projects and port development in Turkey, (Kumkapı port in İstanbul). Nevertheless, the latter initiative is regarded only for penetrating into Turkish market rather than making it a regional hub. Ports intended to be developed in Filyos, Çandarlı and Mersin still require substantial investments, while China already preferred Greek port of Pireaus under BRI. The Russian effect in Northern Corridor is another major political hurdle to be addressed by Turkey in order to make the Middle Corridor a feasible alternative extending beyond a mere rhetoric into a real choice of action. Turkey's coherent policies in the region and towards China will be crucial factors for its destiny.