Would geopolitical confrontation or international/regional collaboration prevail in future cross-border energy and infrastructure projects?
In this essay it is studied to answer the question “Would geopolitical confrontation or international/regional collaboration prevail in future cross-border energy and infrastructure projects?” It is a situation like “which comes first the chicken or the egg?” I would like to evaluate the energy sector as a future of work because it has been always the main reason that the countries had good or bad relationship and it formed a basis for war. Briefly energy is not an easy issue that we can define just on and off, it has been always a global power.

Energy is one of the major sector of globalization and important for a country’s vision. Globalization has many dimensions as Multinational Corporates, Production&Trade, Foreign Direct Investment, Finance, Labor, Environment, Infrastructure, Politics, Intelligence and furthermore there are Financial Institutions at global level as IMF, WB, and WTO effecting global business relationships. As we approach as layers step by step, natural resources as geopolitics and infrastructure come to our attention as fundamental issues and we come to the truth of production, trading systems, economic integration as driving force of globalization. It has to be evaluated as the importance of strategy and macroeconomic level.

As the global centralization is transferring to Asian countries, Turkey, Middle East and Asia countries represent the land of future in the new century. Turkey is at the heart of two continents between Asia and Europe. Turkey is a peninsula surrounding three areas with seas and a territory reaching to Middle East, a transition gate between Europe and MiddleEast&Africa&Asia. It is allways baby in a cradle that needs to be treated gentle. Turkey is between consumers (demand) on the west and producers/natural resources (supply) on the east.

As it is obvious that Turkey is a transition country, the word “transition” has to be cleared with an explanation of its etymology to evaluate international relations. The etymology of transition is a Latin word meaning “a going across or cross over”. Turkey is not only a transition economy (developing country) in itself but it is also a transition country with its physical geography for other countries. We can say that Turkey is a “cross region”. If we evaluate Turkey from many aspects like natural resources, transportation, trade, tourism, neighbour countries, physical geography, location, micro and macroeconomic dimensions and etc., It is a rich country. Beyond these, there is another transition region on the South of Turkey, The North Cyprus of Turkish Republic is an important island as a Mediterranean center opening its gates to Africa and Arabic countries.
The transcontinental route Silk Road extends from China to Europe. China is creating a new synergy with Silk Road playing an important role on those lands as the global economic power shifting away from developed countries to emerging market countries. Silk Road has to be evaluated both Land and Sea Way, a great trade zone. China is going to be the leader economy of new century in the world according to World Bank reports. For sustainable and effective relationships, The countries on Asia continent must establish a common financial, economic, legal, political and social institutions at international level. It requires a common language, solid infrastructures, open economies, financial centers, technology, media, multilateral intelligence (agencies) relationship as key drivers to establish the synergy.

International/regional collaboration or business relationship means financialization as a fact of global capitalism. Turkey needs a stabilized economy, financial center to create a dicipline, institutionalization to establish Multinational Corporates and investments for greater infrastructures for international transportation like roadway as well as seaports. The government must support the infrastructures with its policies, reforms and legal regulations to attract FDI inflows. The breakthrough of technology has changed the rapid of globalization and made it compulsory to redefine investments and values, and global crisis at the beginning of the 21st century led financial markets shift from conventional to organized markets. Especially the guidance of increasing interests of FED will lead breakage in many sectors and it will be the same in energy sector as a chain. These breakage and technology will push forward people to new inventions and innovations where the needs will come into focus. After the financial collapse, natural resources will gain importance and come to the forefront to stimulate economy. Alternative energies will be on the agenda to ignore nuclear energy, but I believe it will be the top agenda in the future because it is a power of defense at national security policy.

Turkey needs to do
1- Infrastructures to create international business like international transportation (roadways, seaports including Cyprus, railroads, an etc.) and to attract FDI inflows from China
2- New business relationships with Middle East and Asian countries to strengthen the multilateral trading system
3- Institutionalization of Companies and becoming Multinational Corporates
4- Reforms, regulations and laws to support the energy sector
5- Financial Dicipline and its transformation
Globalization means Production (sectoral) and Trade, MNEs, and Corporate Finance. There won’t be globalization without financialization. The expectations of the increasing interest rates of FED and a financial crisis due to FED’s decision, and the war around Turkey disturb the trust air of country and other countries. When there is a breakage in financial markets which the west world own, everything will be upside down and it will turn to favor of emerging market countries.

Turkey needs financial institutional investments (FII) on the stock markets and foreign direct investments (FDI) to have international collaboration for an open economy. From this point of view Turkey is financially dependent. As an advantage Turkey has its own natural resources that can produce energy by itself. From this point of view, Turkey is independent. The relationship of being financially dependent and geopolitically independent creates the asymmetry making the situation “Which comes first the chicken or the egg?” Here is the answer; In the middle term, (FDI inflows into Turkey to create international collaboration) the financial market will keep gaining. In the long term, geopolitics in Turkey will gain. That is why Turkey is one of the strongest global players as well as China. Turkey has to “know where to stand!”

Energy sector must be raised and discussed at national security level, because it is the main issue of global power.

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