Turkiye's Relations with the "Middle Kingdom": Need for a New 2049 Vision and Tangible Actions - Mehmet Öğütçü



As China's "re-emergence" as a superpower deeply affecting the global order and economy, Turkey's efforts to strategically shape its relationship with China necessitate a sharper focus on building strong partnership foundation based on common interests in the coming decades.

From whichever angle you look at it, China is inevitably set to become a superpower deeply influencing the world economy, geopolitics, technology landscape, space, and ocean dominance. Its political system, culture, ethnic

mosaic, and global visionary initiative, the "Belt and Road," must be reckoned with in every equation you name.

All foot-down forecasts indicate that unless a severe natural disaster, a more devastating epidemic than COVID, or a comprehensive world war breaks out, the "Middle Kingdom," where one in every five people in the world lives, will soon surpass the U.S., which has defined itself as the "sole superpower" shortly after the collapse of the Soviet Union, becoming the world's number one economic power.

The "Red" capitalist China is not only significant in terms of its size but is also one of the most important actors in every process of change happening in the world, including the new "Great Game."

Don't just think of the People's Republic of China

When you consider Hong Kong, Taiwan, Macao, as well as Singapore, Thailand, Malaysia, Indonesia, whose economic elite is made up of people of Chinese origin, the "Greater China Economic Area" already constitutes the world's strongest and largest economy. Much of the trade and investment relations between the West and China are also largely conducted by "overseas Chinese" in those countries.

While China shifting towards advocating for free markets, free trade, and free capital flows, the U.S., EU, and Japan are adopting policies opposing globalization, such as controlling capital flows, protectionism, economic nationalism, and eliminating tax havens, restricting people's freedom of movement. Things have turned upside down, as we witness in every turn of events and decisions.

Superpowers in a Multipolar World

In the post-Cold War era, the global order has not yet fully settled, and we are currently living in a multipolar, chaotic world. When questioning who are the two most important superpowers in the world today, the clear-cut answer without hesitation is "the U.S. and China."

Indeed, the new "Great Game" is being played between these two powers of more or less equal weight. When Russia, the EU, Japan, and India come into the delicate equation, the balance can shift in favour of Washington or Beijing. Hence, regional players like Turkey, Brazil, Indonesia, Iran, South Korea, and South Africa are of growing significance as they can exert their influence depending on whose side they are on in certain areas.

American Obstructions

The general consensus is that due to the gradual loss of economic and military power by the US, Beijing is getting closer to the seat of world leadership day by day and until the 100th anniversary of its founding in 2049.

It is evident that Washington is not sitting idly by, relying on trust, to plant barbed wire obstacles along the arduous path to this goal, to slow down or even halt China's progress. It does not neglect deliberate strategies such as containing China through Japan, South Korea, Taiwan, India, and ASEAN, controlling the strategic Straits of Malacca, imposing trade and technology sanctions, as well as stirring up ethnic, religious, and economic sensitivities within the country.

In my opinion, the strengthening of China and the weakening of the US is not good for the rest of us in the world; it is actually the worst-case scenario. The increasing imbalance between the two will further increase the likelihood of conflict. Therefore, it is of great importance for both powers to maintain balance, enhance cooperation and partnerships on a "win-win" basis, and avoid hostile actions which might trigger bigger, undesirable troubles.

China's Long-term Marathon

The 100th anniversary of the People's Republic of China in 2049 marks a crucial historical juncture. Although it may not be officially announced and treated in a low profile fashion, we know that under the strategic framework of the "Peaceful Rise Strategy," China aims to establish its dominance in the world by that date.

This game plan does not resemble our long-abandoned "2023 Vision for Turkey" gathering dust on the shelves or the EU's 2050 strategy, which is often worth no more than the paper it is written on, or the "return to global hegemony" obsession brought up by Trump and likely to be continued if he is re-elected.

The Chinese take this goal very seriously and systematically move forward, making necessary updates and adjustments along the way. They are trying to implement this strategic understanding patiently with an approach that maintains social stability internally.

Neighbours and Global Strategy

Without poking too much at their neighbors or major powers, they want to devote all their energy to becoming the world's largest power (in terms of both GDP and per capita income, technology, infrastructure connections, as well as military and geopolitical aspects) by that date.

They want to avoid being slaughtered like a rooster crowing ahead of time and prevent its path from being blocked prematurely. But this endeavor is by no means easy.

The US is pressing from all sides to hinder China's progress through technology, trade, currency, and energy wars, imposing sanctions. They are also involving

India in the axis of Japan, Korea, Taiwan, and Southeast Asia, as well as stirring instability within the country by scratching soft spots such as Uyghur and Tibetan issues. Some even lend an ear to biological weapon conspiracy theorists that dealt a severe blow to China with the Corona virus.

The Same Dossier

Despite the changing faces and expanding figures on both sides since my time as a diplomat in Beijing in the late 1980s and early 1990s, and the increased traffic of people coming and going, the dossier of Türkiye's relationship with China has not fundamentally changed.

Despite many things being done to advance the relationship, which should not be denied, and the gratitude to those who contributed, my observation is that most of the things claimed to have been done unfortunately remain merely on paper and at the rhetorical level.

The current priority in Türkiye-China relations is genuinely increasing political rapprochement and mutual trust. After achieving this, there is ample potential for political, economic, and security engagements based on a "win-win" basis.

Uyghur Issue and Tensions

The economic and political obstacles and imbalances in relations can be resolved somehow, but the Uyghur minority's repression policy in the Xinjiang Uygur Autonomous Region, Beijing's reaction to demarches by Ankara, and complaints about the lack of effective measures against separatist Uyghurs living in Turkey remain and will continue to be the most contentious issue on the agenda.

To my mind, the reason for our interest in the region is simple: Just as overseas

Chinese in Singapore or Malaysia matter a great deal to Beijing, Uyghurs in China mean the same to us. They are people with whom we share the same language, ethnic origin, history, cuisine, and music. It is in China and Türkiye's interest for them to live peacefully and prosperously in the country they reside in, without being hurt by massacres, while at the same time respecting international borders and national laws.

Therefore, whilst laying the groundwork for a strategic partnership with China that will extend to the next quarter-century, we must not forget the following: Being in stronger relations with the "Middle Kingdom" makes it possible to better protect the rights and freedoms of the Uyghurs. Beijing, in turn, may not reject a friendly helping hand that will be appropriately extended and will not concede to separatism and interference in internal affairs.

Trade Deficit will not be Closed

Whenever there is a meeting at the leadership level, the discussion notes and key messages often revolve around how to reduce the galloping trade deficit and increase Chinese investments to Turkey. Last year, China's GDP, which was \$18 trillion at current prices, is expected to reach \$19 trillion this year. The trade volume also reached \$5.87 trillion.

During my years in Beijing, then prime minister Turgut Özal had set the goal of increasing the trade volume to \$500 million. Since we didn't have much to sell to China, emphasis was placed on selling iron, steel and fertilizer, which we also needed domestically.

Now the <u>trade deficit between the two countries</u> (in total bilateral foreign trade of \$44.6 billion) is approximately \$38.1 billion. We couldn't even dream of such a situation back then. This understandably causes serious concern in Ankara, but no one is hopeful about closing the gap. Because in response to our complaints, the Chinese say, "establish a presence in the Chinese market, sell directly to

provinces, increase your exports yourselves." But whoever goes, returns as an importer in the face of the allure of Chinese goods and services. Therefore, the deficit will not be closed; on the contrary, it will increase further in the coming period. Of course, this is not a problem unique to us. Last year, Americans also had a \$280 billion deficit in the \$575 billion US-China trade. The deficit of EU countries is \$291 billion. India's trade deficit with China has exceeded the \$100 billion threshold.

The Future of Relations with China

The idea of writing about the "Middle Kingdom" from the perspective of a Turkish diplomat and businessperson took shape in my mind after reading William Dalrymple's book "City of Djinns." As I read the book where this Scottish-born historian and travel writer eloquently narrates his year spent in New Delhi, memories of my 721 days living as a diplomat in Beijing came to life before my eyes.

Over the following 35 years, as an executive at the International Energy Agency, the OECD, British Gas, and in recent years as a businessman/investor, I have been taken to all corners of China through thousands of kilometers of duty trips, hundreds of days of pleasure trips, conversations with Chinese friends, lectures on China at Harvard and LSE, and thousands of pages of small notes and articles distilled drop by drop from the filter.

The ups and downs reflected from history to today certainly strain Türkiye – China relationships from time to time, but we will have to continue to work on a solid partnership that serves mutual interests in almost every field with one of the most important powers of the 21st century.

Türkiye is an important bridgehead that can follow a relatively independent line in its relations with the West, which is vital for China in Central Asia, the Caucasus, the Middle East, the Gulf, and Africa. Therefore, we must always keep alive a strategic perspective on how to conduct our relations with the "new superpower" in the coming decade, educating and guiding our businessmen, diplomats, and government leaders about this country that the whole world is watching closely but is not easy to understand.

Turkish-Chinese Wise Persons & 2049 Strategy

In my previous works such as "New Economic Superpower China and Turkey: Concrete Recommendations" (1994, TÜSİAD), "Rising Asia" (1996, İmge), "Is Our Future in Asia?" (1996, Milliyet), "China's Quest Worldwide for Energy Security "(2000, IEA), "China's Regional Development and Foreign Direct Investment" (2003, OECD), "The New Great Game: Where Are We, Where Are We Going?" (Doğan, 2019), and "The Codes of the New World Order" (Destek 2022), I pondered on this effort through hundreds of articles and television programs, conference speeches. However, the lifespan of what is written and discussed about China, no matter how good the analysis and predictions are, does not last more than a few years before quickly becoming outdated.

Everything changes at a dizzying pace in this country. China is steadily progressing towards its strategic goals for 2049 with determined steps.

Therefore, I have decided to write a comprehensive new strategy study that will take this effort to a higher level and turn it into a result-oriented work vision by a group of wise people consisting of businesspeople, military personnel, diplomats, academics, and intelligence officers, within the framework of mutual political will. It can be immediately implemented, presenting progress, challenges encountered, and new decisions to the top leaders of the two countries at every summit meeting.



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To cite this work: Mehmet Öğütçü, "Turkiye's Relations with the "Middle Kingdom": Need for a New 2049 Vision and Tangible Actions", *Panorama*, Online, 29 July 2024. https://www.uikpanorama.com/blog/2024/07/29/tr-china-mo/

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