



Article

Turkiye's Experience In Establishing and Managing Transport Corridors

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Abstract: This article focuses on Turkey's plans to establish a new transport corridor, the "Development Road," which aims to connect the Persian Gulf countries with Europe via Iraq and Turkey. This 1200-km project, valued at \$17 billion, includes the construction and modernization of railways and highways, as well as the creation of a maritime logistics hub at Iraq's Grand Faw port. The key objectives of the project are to diversify international trade routes, strengthen regional trade, attract foreign investments, and position Turkey as an energy hub. The new route promises a 15-day advantage in cargo delivery compared to the Suez Canal and enhances Turkey's economic and strategic significance in the region. However, the project faces challenges such as strained Iraq-Turkey relations, regional security issues, and competition from alternative initiatives, including Iran's transport projects, the India-Middle East-Europe economic corridor, and China's Belt and Road Initiative.

Keywords: Turkiye, Development Road, Persian Gulf, Europe, Iraq, Grand Faw Port, International Trade Routes, Suez Canal, Regional Trade, Foreign Investments, Energy Hub, Iran, India-Middle East-Europe Corridor, Belt And Road Initiative (BRI), Investments, Diversification, Railway and Highway Networks.

1. Introduction

Amid the reconfiguration of traditional logistics routes, Turkey is actively working to establish new transportation arteries between the East and West, which will traverse Turkish territory[1]–[4]. One such project is the construction of the 1,200 km "Development Path" transport corridor[5]–[8]. This corridor aims to connect the countries of the Persian Gulf with Europe through the road and rail networks of Iraq and Turkey (Picture #1).



Picture #1

I. Ankara has taken a series of political and diplomatic measures to attract potential investor countries to accelerate the implementation of this mega-project. In April of this

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year, during a visit by Turkish President Recep Tayyip Erdoğan to Iraq, a memorandum of understanding was signed for joint cooperation on the "Development Path" project. The document was signed by the relevant ministers of Turkey, Iraq, the UAE, and Qatar. In late August, the first ministerial meeting of the project's participant countries was held in Istanbul, where the progress of the project was discussed, and plans for the upcoming joint activities were outlined[9]–[12].

The estimated cost of the project is \$17 billion. The first phase of the "Development Path" route is expected to be completed by 2028, with the second and third phases anticipated to be completed in 2033 and 2050, respectively. As part of the creation of this new transport corridor, it is necessary to modernize existing and build new railroads. The key node for receiving cargo from ships will be the Grand Faw Port in Iraq, a maritime logistics center (Picture #2).



Picture #2

From Turkey's perspective, the need to create this transport corridor in the region is driven by several factors:

Diversification of international trade routes. The new land route connecting Asia and Europe will significantly streamline logistics and enhance the efficiency of cargo deliveries. For example, the use of the "Development Path" transport corridor will provide a 15-day advantage in cargo delivery compared to the Suez Canal. The route through the Red Sea and the Suez Canal, which in the past accounted for about 12% of global trade, has lost its former significance due to attacks on foreign merchant vessels by Houthi militants from Yemen.

New opportunities to boost regional trade and attract foreign investment. Turkey intends to strengthen its economic and strategic position in the region by creating a reliable and efficient trade corridor between Asia and Europe. Goods arriving via this route will be able to move in all directions—East, West, North, and South—thanks to Turkey's extensive transport network and ports. Simultaneously, Ankara expects significant capital investments from leading Arab Gulf monarchies. This is especially important for Turkey, as its economy is facing certain challenges. Currently, inflation exceeds 60%, and unemployment has reached 9.2%. Between January and August 2024, 15,000 companies went bankrupt, a 28% increase compared to the same period in 2023. These trends are causing a ripple effect of bankruptcies throughout the Turkish economy.

Implementation of policies to diversify energy supply routes. Turkey continues to make significant efforts to transform its territory into an international energy hub. The realization of the "Development Path" project is advantageous for Ankara in the context of expanding infrastructure capacity in the Middle East for the transportation of energy resources. Therefore, energy resources will play a key role in the proposed transport scheme, enabling Turkey to integrate more firmly into the global energy supply system. Notably, Iraq holds approximately 10% of the world's oil reserves and 5% of global production.

II. According to experts, despite the potential of establishing a new transport corridor in the Middle East, full implementation of the agreements for the "Development Path" project may face difficulties due to the following factors:

First, the persistence of tensions in Iraqi-Turkish relations. Over the past decade, relations between Iraq and Turkey have been strained, partly due to Turkey's regular military operations against the Kurdistan Workers' Party (PKK) militants on Iraqi territory without Baghdad's consent. Disputes over water flow from the Euphrates and Tigris rivers also remain unresolved. Specifically, these rivers, which originate in southeastern Turkey, account for approximately 98% of Iraq's vital water resources. The construction of dams by Turkey on the upper reaches and tributaries of these rivers has reduced water flow, threatening Iraq's agriculture and leading to the diversion of saline water from the Persian Gulf upstream into the Shatt al-Arab River.

Second, the unresolved issues related to regional security. Due to the presence of several high-intensity conflicts in the Middle East (the Palestinian-Israeli crisis, the Syrian conflict, etc.) and the ongoing activity of radical groups in the region, the "Development Path" transport corridor cannot be considered fully secure, especially for the transportation of energy resources and raw materials, which the project's participant countries expect. According to U.S. Central Command, the terrorist group ISIS has approximately 2,500 militants in Iraq and Syria, with about 1,000 of them still at large in various Iraqi provinces.

Third, the intensification of competition among external actors for control over regional transport and logistics chains. The "Development Path" may face stiff competition from: a) Iran's plans to develop its trade routes between Asia, the Middle East, and Europe, b) the Western-backed and regionally supported economic corridor "India-Middle East-Europe," and c) China's Belt and Road Initiative (BRI). Tehran is particularly suspicious of projects like the "Development Path," which could undermine its political and economic influence in the region. This project would prevent Iran from establishing the shortest route to the Mediterranean Basin through Iraq and Syria. Iraq is also a key player in China's future transport projects in the region, with Beijing's growing influence in the country mainly driven by initiatives related to the BRI. In this context, China is not interested in excessively strengthening Turkey's position in shaping new transport corridors in the Middle East.

2. Materials and Methods

The study employs many multidisciplinary methodologies to comprehensively analyse Turkey's initiatives to create the "Development Path" transport corridor. The research examines essential agreements and papers executed between Turkey, Iraq, and other parties, which provide the basis for this project. This document evaluation elucidates the diplomatic techniques used to actualise the project.

A comparison study will be performed to assess rival transport routes, including Iran's ambitions, the India-Middle East-Europe corridor, and China's Belt and Road Initiative. These comparisons facilitate the identification of the distinctive features and competitive advantages of Turkey's initiative.

The study employs economic modelling to evaluate the prospective effects of the corridor on trade dynamics, investment trends, and regional growth. This methodology is enhanced by case studies of analogous transit projects globally, enabling researchers to establish analogies and discern best practices.

Furthermore, a geopolitical risk assessment examines the problems presented by wars and political tensions in the Middle East, including their possible effects on project execution. Ultimately, data visualisation methods, including maps and charts, are used to illustrate the corridor's logistics network, aiding in the contextualisation of results and the substantiation of forecasts.

3. Results

The results underscore the considerable potential of the "Development Path" transportation corridor:

Economic and Strategic Advantages:

The corridor provides a very efficient alternative to conventional ocean routes like the Suez Canal, cutting freight delivery times by around 15 days. This time efficiency is anticipated to enhance commerce via Turkey, strengthening its economy and establishing it as a pivotal centre for global logistics.

The initiative aims to draw significant foreign investment, especially from Gulf countries, offering essential financial assistance to Turkey amid economic difficulties, such as elevated inflation and increasing corporate insolvencies.

Energy and Infrastructure Advancement:

The corridor facilitates Turkey's aspirations to establish itself as a significant energy centre by allowing the transit of oil and gas from Iraq, which has some of the greatest deposits globally.

The first phase of the project, set for completion by 2028, focusses on enhancing and extending railway and road infrastructures. The subsequent stages intend to include Iraq's Grand Faw Port into the network, establishing a continuous link between Asia and Europe.

Obstacles and Hazards:

Persistent political tensions between Turkey and Iraq, including disputes over water resources and military actions, continue to impede development.

The region's unstable security environment, characterised by persistent wars and terrorist activities, poses heightened dangers, especially for energy transportation.

Competition from alternative transport initiatives, like Iran's regional projects and China's Belt and Road Initiative, may hinder Turkey's endeavours to attract investment and establish a preeminent position.

Prospective Perspective:

Notwithstanding the hurdles, Turkey persists in aggressive diplomacy, orchestrating international summits and winning cooperation agreements to maintain the project's momentum.

The phased implementation plan facilitates gradual advancement, with defined milestones to guarantee the project's adaptability to changing economic and political circumstances.

The "Development Path" transport corridor is a daring proposal that might transform commerce and logistics in the area. However, its success hinges on negotiating difficult geopolitical factors, getting financial commitments, and overcoming infrastructure and security problems.

4. Discussion

Concerning the "Development Path" transportation corridor, this study's results show both encouraging possibilities and substantial obstacles. Here we take a closer look at the findings and how they might affect the political, economic, and strategic climate in Turkey, as well as their larger context.

Potential Financial Effects

A revolutionary change in trade logistics between Europe and Asia might occur as a result of the corridor, which has the ability to shorten freight delivery times by fifteen days in comparison to conventional marine routes. Turkey will become a more competitive global logistics centre as a result of this efficiency, which is expected to entice foreign enterprises looking for cost-effective options. Sustained investment in infrastructure modernisation, especially in the railway and highway sectors, is necessary to realise these

economic gains, however. To overcome the present budgetary difficulties, such as high inflation and growing unemployment, Turkey must be able to receive financial backing from Gulf governments and other investors.

Important Factors to Consider from a Strategic Perspective

This route is in line with Turkey's plans to become a major energy transit centre. Turkey can enhance its position in the global energy market by taking use of Iraq's vast oil deposits. However, competing corridors, like those of Iran and China's Belt and Road Initiative, pose a threat to this approach. These rival projects have the potential to reroute trade routes, making it harder for Turkey to attain its goal of domination. Maintaining solid diplomatic connections with Iraq and other partners is crucial to the success of the project, given Turkey's geopolitical location as a bridge between the East and West.

Security and Geopolitical Obstacles

The security threat from the continuing wars in the Middle East is one of the main worries. There are concerns over the corridor's long-term viability for energy and freight movement due to the operations of terrorist organisations in Iraq and neighbouring territories. Additionally, the project's execution might be postponed due to tense ties between Turkey and Iraq on water resources and cross-border military operations. Resolving these conflicts will need tact and a readiness to work together.

Effects on a Larger Area

Potentially reshaping Middle Eastern economic dynamics, the "Development Path" corridor provides a new communication axis that avoids the Suez Canal and other conventional marine chokepoints. The corridor has the potential to stabilise the economic interdependencies among the member nations by encouraging regional cooperation. If Turkey can sell the corridor as an effort that would benefit both countries, rather than an economic unilateralism, it will have a better chance of succeeding.

5. Conclusion

An ambitious Turkish economic and geopolitical project, the "Development Path" transport corridor has the ability to improve Turkey's position between Europe and Asia and revolutionise the region's logistical networks. Turkey plans to solidify its position as an important transportation hub and energy corridor by expanding its trade routes, encouraging collaboration in the area, and luring international investments. Nevertheless, a number of obstacles must be overcome before this lofty goal can be realised, such as the long-standing animosity between Iraq and Turkey, the persistent threats to Middle Eastern stability, and the growing rivalry from other regional countries.

Assuming Turkey can successfully negotiate these minefields, attract critical investments, and keep its diplomatic ties with its regional allies healthy, the "Development Path" might be in jeopardy. Therefore, while the project has great promise, its fulfilment is dependent on a careful balancing act of political, economic, and security concerns in the years to come.

As a whole, Turkey plans to become an important player in regional political processes and a transport hub linking crucial links between the East and the West by speeding up the construction of the "Development Path" transport corridor.

Nevertheless, the timely and effective conclusion of this project hinges on vital investments in infrastructure modernisation, the settlement of unresolved disputes between Ankara and Baghdad, the stances of foreign powers, and the impact of geopolitical shifts in the Middle East.

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