

## **EVOLVING PRAGMATISM IN INDO-TURKISH RELATIONS: FROM COLD WAR TO POST- COLD WAR PERIOD**

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### **ABSTRACT**

The main objective of this paper is to explicate and underline various facets of India-Turkey relations since India's independence. At the outset it is to note that India's ties with the Turkish or Turkic people is very old and historically can be traced back to the first century B.C. (from the time of Kushans). We know that, the peoples from Central Asia and Altaic regions started migrating in phases from their original homelands towards western and southern directions and settled in various regions. A group of people (Oğuz Turks), settled on Anatolia/Asia Minor who later established the Ottoman Empire and some others like Uzbeks, Chagtai, Ilbari and Qaraunah Turks entered the Indian soil through Afghanistan and established the Sultanate at Delhi (13<sup>th</sup> century) and later the Mughal Empire (16<sup>th</sup> century) on Indian Sub-Continent and ruled during the next few centuries. There were extensive relations between the people of Anatolian region and the Indian Sub-Continent (Sultanate, Mughal and British periods) that existed from medieval period through the modern times. The interactions and cultural exchanges throughout the history, particularly between the Turkish people from Ottoman Empire and elsewhere and the people of the Indian Sub-Continent have resulted in substantial influence on different aspects of lives in these regions.

### **KEYWORDS**

India, Turkey, Indo-Turkish Relations, Kashmir Issue, Cyprus Issue, Trade Relations

### Introduction

The main objective of this paper is to explicate and underline various facets of India-Turkey relations since India's independence (1947). At the outset it is to note that India's ties with the Turkish or Turkic people is very old and historically can be traced back to the first century B.C. (from the time of Kushans).<sup>1</sup> We know that, the peoples from Central Asia and Altaic regions started migrating in phases from their original homelands towards western and southern directions and settled in various regions. A group of people (Oğuz Turks), settled on Anatolia/Asia Minor who later established the Ottoman Empire (14<sup>th</sup>-20<sup>th</sup> centuries) and some others like Uzbeks, Chagtai, Ilbari and Qaraunah Turks entered the Indian soil through Afghanistan and established the Sultanate at Delhi (13<sup>th</sup> century) and later the Mughal Empire (16<sup>th</sup> century) on Indian Sub-Continent and ruled during the next few centuries. There were extensive relations between the people of Anatolian region (under the Ottoman Empire) and the Indian Sub-Continent (Sultanate, Mughal and British periods) that existed from medieval period through the modern times.<sup>2</sup> The interactions and cultural exchanges throughout the history, particularly between the Turkish people from Ottoman Empire and elsewhere and the people of the Indian Sub-Continent have resulted in substantial influence on different aspects of lives in these regions. Keeping this in view the present paper endeavours to highlight the nature and extent of relations between Turkey and India in contemporary times. Besides a brief introduction we will attempt to analytically assess the contemporary Indo-Turkish relations and on the basis of this analysis will try to provide conclusion and put forth

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<sup>1</sup>Vincent A. Smith, *Oxford History of India*, London, Oxford University Press, 1958, pp. 154-56.

<sup>2</sup>Some of the studies, describing and detailing this period, include Naimur Rehman Farooqi, *Mughal-Ottoman Relations*, Delhi, Idarah-i Adabiyat-I Delli, 1989; Azmi Özcan, *Pan-Islamism: Indian Muslims, the Ottomans and Britain, 1877-1924*, Leiden, E.J. Brill, 1997; Ram Lakhan Shukla, *Britain, India and the Turkish Empire, 1853-1882*, New Delhi, People's Publishing House, 1973; Mohammad Sadiq, *The Turkish Revolution and the Indian Freedom Movement*, New Delhi, Macmillan, 1983; Raj Kumar Trivedi, *The Critical Triangle: India, Britain and Turkey, 1908-1924*, Jaipur, India, Publication Scheme, 1994, etc.

some points highlighting the future prospect of relations between these two countries.

### **Foreign Policy Postures of India & Turkey and their Implications on Bilateral Relations: An Overview**

The contemporary Indo-Turkish relations can be divided into two broad noticeable phases: (a) one, starting in the post-Independence (Indian independence) period that continued till mid-1980s; and (b) second, post-mid-1980s period. Both the above-mentioned phases may be further subdivided into two not-so-clearly discrete phases each. During both the periods the political and diplomatic issues between both the countries have remained more or less similar, however, in the second phase it is observed that the seriousness of these issues have been marginalized and that the economic relations, including trade have got precedence, because of several factors including the forces of globalisation, changing priorities of both the countries in the ever-changing international system, complementarity in different areas, etc.

At the governmental level from both the sides it is widely believed and reiterated that due to similarities in the political outlook/worldview and commitment towards democracy and secularism, the two countries have greater chances for developing good relations with each other. However, during most part of the first phase and early periods of the second phase low level of relations existed between India and Turkey. One of the primary reasons for this is obviously related to non-convergence in the goals and objectives in the respective countries' foreign policy behaviour. Therefore, before going into descriptive analysis of Indo-Turkish relations it is imperative here to look into the general patterns of foreign policy behaviours of both the countries.

So far as Turkey is concerned the country has passed through at least three distinct patterns in its foreign policy matters since the end of the World War II (1945).<sup>3</sup> On the other hand India's foreign policy

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<sup>3</sup>Mustafa Aydın, "Determinants of Turkish Foreign Policy: Changing Patterns and Conjectures during the Cold War", *Middle Eastern Studies*, vol. 36 (1),

behaviour (since 1947) also exhibited at least three patterns so far as its interactions within the international system or international forums are concerned.<sup>4</sup> In the case of Turkey, during 1945-1960 period the country's foreign policy was dominated by complete Western dependence. This sort of dependence, though continued in the 1960s, saw a period of disappointment with the West and which led to the beginning of Turkey's *rapprochement* attempts with the Soviet Union and the Third World countries in general. Though Turkey retained its importance in Western security calculus, during the 1970s the country confronted with a pattern of alienation from the West and endeavoured to reach out to the international arena as friendly and reliable nation. The third pattern in Turkish foreign policy, starting with the end of the Cold War, exhibits multi-regional approach, which of late is becoming more focused towards the Third World countries especially towards Asian countries.

So far as India is concerned the decision-makers in Delhi staunchly pursued a policy of non-alignment in the immediate aftermath of its independence, though which continued throughout the Cold War period, it was observed that India's foreign policy behaviour saw a tilt towards the erstwhile USSR after the early Cold War period. A substantial shift in India's foreign policy has come up in the post-Cold War period with the adoption of the process of globalisation and liberalisation in the early 1990s, which also coincides with the end of the Cold War.<sup>5</sup>

As mentioned above during the peak of the Cold War which corresponds with most part of the first phase of India-Turkey relations, very low level of interactions existed between both the countries. Several reasons can be submitted in this regard. Firstly, during the Cold War milieu Turkey's association with the Western bloc and India's strong stance of non-alignment in her foreign policy

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January 2000, pp. 104-05; William Hale, *Turkish Foreign Policy, 1774-2000*, London, Frank Cass, 2000, pp. 191-92.

<sup>4</sup>See for a detailed analysis V.N. Khanna, *Foreign Policy of India*, New Delhi, Vikas Publishing House, 2001; V.P. Dutt, *India's Foreign Policy in a Changing World*, New Delhi, Vikas Publishing House, 1999.

<sup>5</sup>M.S. Rajan *et al.*, *India's Foreign Policy and Relations: A Documentary Services, 1972-1992*, New Delhi, 1999, pp. 3-4; Dutt, *India's Foreign Policy*, pp. 1-29.

outlook immediately during the post-independence period kept both countries' relations at a minimal level.<sup>6</sup> Several reasons can be enumerated in this regard. In the post-World War II period on account of various domestic and systemic factors Turkey associated with one of the two emerging ideological blocs, i.e. the Western bloc led by the US. As argued by some analysts it was very difficult for Turkey to retain its interwar period neutrality in its foreign policy and in fact various external and internal factors pushed Turkey to pursue a Western-dependent foreign policy during early Cold War period. In the post-World War II international system the bipolar structure replaced the old balance of power structure and the Soviet Union emerging as one of the two power blocs posed serious threats to Turkey by making territorial and other demands/concessions<sup>7</sup> from the latter which ultimately led Turkey to align with the West in general and the US in particular. For India, the decision-makers soon after the country's independence adopted a policy of non-alignment by which India refrained from bloc politics and in fact opposed this. Keeping in view of geopolitical, ideological, economic and overall national interests the first Prime Minister of India, Mr. Jawaharlal Nehru, one of the architects of the Non-Alignment Movement (NAM), shaped this policy. It is to note that though the non-alignment policy was, and as argued to have continued as one of the guiding principles of the country's foreign policy, India remained tilted towards the Soviet Union after mid-1950s.<sup>8</sup> In this backdrop, it is observed that there was complete divergence in the foreign policy

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<sup>6</sup>A.K. Pasha, *India and Turkey: Past and Emerging Relations*, Delhi, Academic Excellence, 2006, pp. 132-35. For a discussion on the motives, *raison d'être* and patterns of alliance formation in India and Turkey as well as other two countries (Pakistan and Iran) of South and West Asia during the Cold War period, see Stephen M. Walt, "Testing Theories of Alliance Formation: The Case of Southwest Asia", *International Organization*, Vol. 42 (2), Spring, 1988, pp. 275-316.

<sup>7</sup>Stalin's USSR claimed for the return of two areas located in the northern Turkey, i.e. Kars and Ardahan, to which the Union had lost to Turkey in 1921 and also claimed for the revision of the Montreux Convention (1936).

<sup>8</sup>The history of India's non-alignment policy as such is not very consistent. The foreign policy analysts broadly divide the history of this policy into five phases according to its relevance and India's adherence to this policy: (i) 1946-1954; (ii) 1954-1962; (iii) 1962-1971; (iv) 1971-1990; and (v) 1990 onwards (post-Cold War period). Khanna, *Foreign Policy of India*, p. 51.

orientation and behaviour of both the countries during the early Cold War period. Basically, both Turkey and India's foreign policies became contrary to one another during this period.

As part of the Western-inspired military alliance system, Turkey tried in 1951 to help establish a Middle East Defence Organisation (MEDO) and joined the North Atlantic Treaty Organisation (NATO) in 1952, the Balkan Pact in 1954, the Baghdad Pact in 1955, which later became Central Treaty Organisation (CENTO). India was primarily opposed to these military alliances and for that matter Turkey's involvement in these, and also because of the fact that some of these alliances included India's then archrival Pakistan as a member as well.<sup>9</sup> Moreover Turkey's intense relations with Pakistan, both in politico-diplomatic and economic fields, were seen disapprovingly by the decision-makers in Delhi.

Turkey's Western-oriented foreign policy during the early Cold War period essentially diverged from India's emphasis on Third World cohesion and anti-colonialism and anti-imperialism. As a search for building solidarity among the Asian countries, the first ever post-war Asian conference, the Asian Relations Conference, held in New Delhi in March 1947, some months before India's independence. Turkey joined this conference; however refused an invitation for another Asian conference that assembled in 1949 again in New Delhi in which many independent Asian countries, including India, took part.<sup>10</sup> At the conference of Afro-Asian nations—the Bandung (Indonesia) conference in 1955—Turkey vehemently criticised the non-alignment policy, defended the West and its Western alliance and attacked socialism and communism. This resulted in further rift between Turkey and the Third World countries in general, and between Turkey and India, one of the staunchest advocates of non-aligned policy. Turkey later felt the negative implication of this move in the United Nations in the form of isolation in certain issues.<sup>11</sup>

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<sup>9</sup>V.P. Dutt, *India's Foreign Policy Since Independence*, New Delhi, National Book Trust, 2007, pp. 16-17.

<sup>10</sup>Peter Calvocoressi, *World Politics, 1945-2000*, Delhi, Pearson Education, 2001, p. 188.

<sup>11</sup>Feroz Ahmad, *The Turkish Experiment in Democracy, 1950-1975*, Boulder, CO, C. Hurst, 1977, p. 396.

However, these broad differences that overshadowed the Indo-Turkish relations, despite the two major agreements of close cooperation signed between these countries in early 1950s,<sup>12</sup> became less sharp due to Turkey's shift in foreign policy in the 1960s. Turkey's disillusionment with its Western allies, the US in particular, the start of *détente* between the two superpowers, and because of host of other factors, Turkey moulded and expanded its foreign policy towards the USSR, West Asia, and other countries of Asia, particularly in economic field.<sup>13</sup> Consequently, some options were opened for both India and Turkey to develop their relations, notwithstanding their continuing political and diplomatic differences. We will discuss about various reasons relating to this in coming sections. First of all it is imperative here to deal with these two issues and how both India and Turkey have taken these two issues in to consideration in their relations, during both the phases of their relations.

#### **Areas of Concerns for each other: Issues of Cyprus and Kashmir**

There are essentially two factors which have remained as sources of strain, particularly in diplomatic and political front, for amiable relations between India and Turkey. Those are related to the issues/conflicts of Kashmir and Cyprus. These two areas of concerns continued to work as points of divergence throughout the first phase and also initially during the latter phase, however, during the past some years these factors have been overshadowed due to more significant reasons, i.e. economic factors and have become subservient to pragmatism.

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<sup>12</sup>India and Turkey signed two agreements in the early 1950s: one, "Treaty of Friendship", signed on December 14, 1951 (which came into force on 9 August 1952), and another, "Agreement Concerning Cultural Relations", inked on June 29, 1951. India's the then Education Minister, Maulana Abul Kalam Azad, visited Turkey and signed India's first ever-cultural agreements with any country with Turkey.

<sup>13</sup>Aydın, "Determinants of Turkish Foreign Policy", pp. 124-25.

*Kashmir Issue*

Turkey's position on Kashmir issue had remained as one of the factors of irritation in the Indo-Turkey relations. Because of Turkey's close relations with Pakistan since the latter's creation in 1947, and also on account of their association in various military alliance systems in the West Asian region and elsewhere, the former supported Pakistan on Kashmir issue and, thus, diverged from India's standpoint on Kashmir issue. India asserts that on the basis of the 'accession process' (Instrument of Accession) undertaken in 1947, Kashmir is an integral part of India. Whereas, Pakistan maintains that there should be a plebiscite (in order to determine Kashmiris' rights to self-determination) in accordance with an earlier Indian statement and a UN resolution.<sup>14</sup> India insists that plebiscite is contingent upon complete withdrawal of Pakistani army from the POK (Pakistan Occupied Kashmir), including other things, and that unlike Pakistan's traditional stand Kashmir issue should be resolved bilaterally. India emphasizes the 1972 Shimla Accord between India and Pakistan which articulated a bilateral approach to Indo-Pakistan relations.

Hence, Turkey's support from time to time for Pakistan on Kashmir issue in different forums such as the United Nations (UN), the Organisation of Islamic Countries (OIC), etc. caused strain in Indo-Turkish relations. In 1994 Turkey was appointed as member of the OIC's five-member Contact Group on Kashmir to look into the issue of human rights violations of the Kashmiris by the Indian security forces. India showed its widespread resentment towards this move of the OIC and Turkey.

However, since past some years Turkey's perception regarding Kashmir issue has started to change. Although Turkey's traditional perception and policy vis-à-vis Kashmir, which refers to the UNSC resolutions on Kashmir and plebiscite, has not changed substantially, over the last few years Turkey has started to emphasise the

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<sup>14</sup>During the first India-Pakistan war (1947-48) Indian PM Jawaharlal Nehru took the Kashmir dispute to the United Nations where the Security Council adopted a Resolution on 21 April 1948 which stated that "both India and Pakistan desire that the question of the accession of Jammu and Kashmir to India or Pakistan should be decided through the democratic method of a free and impartial plebiscite".



importance of bilateral talks, referring to the Shimla Agreement, between India and Pakistan to settle the issue. The process of Indo-Pak bilateral talks that began since 1997, Lahore process (1999) and Agra summit (2001) and a number of CBMs (Confidence Building Measures) during these years have been viewed in Ankara as positive developments.<sup>15</sup> Similarly, because of its growing self-confidence and variety of other factors India has started to pay less attention to Pakistani factor in bilateral relations with the third countries.

### *Cyprus Issue*

The issue of Cyprus is yet another area of bilateral problem between Turkey and India. With the independence of Cyprus from Britain in 1960, the rift between the ethnic Greek and Turkish Cypriot population over a number of legal and constitutional issues led to a de facto division of the island and eventually led to the domination by Greek Cypriots. India, because of its non-aligned policy and other ideological positions in its foreign relations, supported Greek Cypriots in the Cyprus issue and remained closely associated with Turkey's then strong adversary Greece. Turkey was concerned about the ethnic Turkish communities inhabiting in the northern part of the Island for their marginalisation by the majority Greek Cypriots. When in 1974 Turkey sent its military to the north Cyprus to what Turkey claim as had done as a guarantor country to protect the interests of Turkish Cypriot, India criticised Turkey for the *de facto* division of the Island. India supports the sovereignty, independence, unity and territorial integrity of the Republic of Cyprus as well as a solution of the Cyprus issue in accordance with UN Security Council resolutions.<sup>16</sup> India's support for the governments at Nicosia has remained a cause of great concern for Turkey. Moreover, from time

<sup>15</sup>Ishtiaq Ahmad, "Turkey and Pakistan: Bridging the Growing Divergence", *Perceptions*, Vol. 5 (3), September-November 2000, available online, [www.sam.gov.tr/perceptions/Volume5/September-November2000/VolumeVN3ISTHIAQAHMAD.pdf](http://www.sam.gov.tr/perceptions/Volume5/September-November2000/VolumeVN3ISTHIAQAHMAD.pdf); Nadia Mushtaq, "Pak-Turkey Relations: Towards a C-operative Future", *Strategic Studies*, xxiv (2), Summer 2004, available online, [http://www.issi.org.pk/journal/2004\\_files/no\\_2/article/5a.htm](http://www.issi.org.pk/journal/2004_files/no_2/article/5a.htm)

<sup>16</sup><http://greekembassy.org/Embassy/content/en/Article.aspx?office=3&folder=223&article=19362>

to time the Cyprus issue surfaced as a critical factor in the Indo-Turkish relations. India's support for Cyprus has often been considered in Ankara as a reciprocation of Turkey's support for the Kashmir issue.

The EU decision (1997) to open up accession negotiations with the Republic of Cyprus and UN-led settlement efforts through Annan Plan created new catalyst for the resolution of the conflict. Though in 2004 Cyprus joined the EU without the northern Cyprus, the provisions set forth by the EU concerning reunification and the recent talks for the settlement, are undoubtedly indicative of de-escalation of the conflict.

#### **Towards Pragmatism: In Pursuit of Economic Opportunities**

As mentioned above with the shift in Turkey's foreign policy orientation from late 1960s Indo-Turkish relations started to move towards some sort of positive directions from earlier near-non-existent relations. It is to note that during this period Turkey expanded its relations towards Asian countries, the USSR, and others, specifically in economic field. Thus, in the 1970s, India and Turkey came closer to ink several agreements, two of them in the areas of economy and commerce, (a) Agreement on Trade (1973), and (ii) Agreement on Economic and Technical Cooperation (1978), and another an Agreement on Cooperation in Science and Technology (1976).<sup>17</sup> Though there was no fundamental shift in India's foreign policy during the first non-Congress Party government (1977-1979) in Delhi, the *Janata Dal* (Peoples' Party)-led regimes tried to emphasise in developing relations with the US, Pakistan and other countries including Turkey. During the JD government's period on the invitation of the then external affairs minister of India, A.V. Vajpayee, Turkish foreign minister, Gunduz A. Okcun, visited India in 1978.<sup>18</sup>

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<sup>17</sup><http://meaindia.nic.in/foreignrelation/turkey.htm>

<sup>18</sup>It is to note that the recent visit of Ali Babacan in February 2008 was the second visit of a Turkish foreign minister to India after Gunduz A. Okcun.

In the beginning of 1980s Turkey started to open up its economy replacing the earlier policy of *etatism* or statism and endeavoured to restructure its economy with the help of the IMF, World Bank and several western countries. New opportunities which came up in infrastructure sectors, export-import, capital investment, etc. attracted many countries, at least some private companies and organisations of these countries, to tap the emerging prospects. In this backdrop in 1983 India and Turkey signed an agreement for the setting up of a Joint Economic Commission (JEC), with an understating and provision of JEC meetings to be held alternately in both countries. Moreover, starting from mid-1980s the 'economic' factors acquired further prominence in the Indo-Turkish relations and led to the underpinning of ties between the two countries. It is observed that only after the visit of Turkish Prime Minister to India in 1986 the relations between both the countries took off substantially, particularly in the field of economy and trade. Owing to improving political and economic consolidation, Turkey under the PM Turgut Özal, tried to secure the country's interests by establishing relations with various countries, especially the emerging economies. On the other hand, India, under its young leader, Rajiv Gandhi who was the Prime Minister during 1984-1989, also attempted to expand its relation with the countries with which the country was either not having good relations or insignificant relations at that time, such as the US, China, Pakistan, and host of other countries, including Turkey.<sup>19</sup>

As we will see later on in this discussion, with India's opening up of its economy in the early 1990s, new impetus was added to the Indo-Turkish relations. However, the full potential of these countries' relations was not achieved till the beginning of this century due to perpetuation of some of irritant factors in diplomatic and political sphere. Nonetheless, during this period several agreements were signed between Turkey and India, such as agreements on 'Avoidance of Double Taxation' and 'Tourism' (1995); 'Bilateral Investment Promotion and Protection', 'Prevention of Illicit Trafficking in Narcotics and Psychotropic Substances' (1998); MoUs between the CSIR (Council for Scientific and Industrial Research) and TUBITAK (Turkish Scientific and Technological Research Institute), and the

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<sup>19</sup>Dutt, *India's Foreign Policy Since Independence*, pp. 56-69; Khanna, *Foreign Policy of India*, pp. 314-16.

NCTP (National Centre of Trade Promotion [of India]) and IGEME (Export Promotion Centre of Turkey) (1998). Apart from these a Joint Business Council (JBC) between India's FICCI (Federation of Indian Chamber of Commerce and Industry) and Turkey's DEİK (*Diş Ekonomik İlişkiler Kurulu* [Foreign Economic Relations Board]) was set up in 1996.<sup>20</sup>

Since the late 1990s further positive trend is being seen in the India-Turkey relations. On account of various factors such as the growing mutual economic opportunities because of both countries' emergent economies,<sup>21</sup> de-escalation of the two of the major political issues themselves which worked as factors of irritation in bilateral relations between the two countries, increasing understanding of each others' sensitivities towards different issues, rising opportunities for people-to-people contact,<sup>22</sup> and exercise of overall pragmatism in their relations. India's emerging potential in IT sector and huge domestic market and Turkey's growing clout in many regions like Central Asia, West Asia and elsewhere, and the country's economic links with the EU (through its Customs Union since 1996) are the major reasons which are attracting each other.

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<sup>20</sup><http://www.ficci.com/international/countries/Turkey/turkeycommercialrelation.htm>

<sup>21</sup>India is the 10<sup>th</sup> largest economy in the world, with a GDP of USD 1.50 trillion (2008). It is the 3<sup>rd</sup> largest in terms of PPP. It is the 2<sup>nd</sup> fastest growing major economy in the world, with a GDP growth rate of 9.4% for the fiscal year 2006–2007. And Turkey is currently the 19<sup>th</sup> largest economy in the world. On the basis of Turkey's gross national product (GNP), which is expected to be \$748.3 billion for 2008, Turkey will be in 17<sup>th</sup> place among the world's largest economies. The *World Economic Outlook* (2007) of the IMF has revealed that Turkey's gross domestic product in terms of purchasing power parity (GDP-PPP) will climb to \$941.6 billion as of the end of 2008, rendering it the 15<sup>th</sup> largest economy in the world.

<sup>22</sup>Growth in tourism sector in both the countries together with the availability of direct flights (*Türk Hava Yolları/THY* in cooperation with *Air India/AI* is flying thrice a week since 2003) between India and Turkey have become instrumental in this process. Under the provision of MoUs signed between the TİKA and two universities in India, Turkish language is taught since 2006, which in fact is providing opportunities for scholars from both the countries to interact with each other.

### **Bilateral Trade and Investment**

Till the late 1980s, bilateral trade between India and Turkey was negligible, and India's export was very nominal. During this period the balance of trade used to be in Turkey's favour. Beginning with the early 1990s when India shunned the 'licence/permit *raj*'<sup>23</sup> and opened up its economy, the total volume of trade between India and Turkey, particularly India's exports began to grow significantly. The total trade volume, which was US\$ 28 million in 1985, reached to about US\$ 1.7 billion in 2007.

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<sup>23</sup>Licence/Permit *Raj* denotes to the elaborate provisions and regulations through licences and/or permits that were required to set up business in India between 1947 and 1990. This policy, undertaken since Nehru era, was basically a system of planned economy, where all aspects of the economy were to be controlled by the state and licences were given to a select few.

**Table 1**  
**Trade between India and Turkey (1985-2007)<sup>24</sup>**  
**(in million US \$)**

Year	India's Export to Turkey/Turkey's Import from India	Turkey's Export to India/India's Import from Turkey	Total
1985	6.3	21.7	28.0
1986	29.2	44.9	74.1
1987	38.3	69.3	107.6
1988	33.8	175.6	209.4
1989	42.7	65.3	108.0
1990	78.8	61.5	140.3
1991	87.7	47.4	135.1
1992	100.2	42.2	142.4
1993	151.9	31.8	183.7
1994	110.0	78.2	188.2
1995	222.1	41.9	264.0
1996	258.2	59.4	317.6
1997	300.9	60.8	361.7
1998	276.3	73.3	349.6
1999	243.0	120.5	363.5
2000	437.2	56.0	493.2
2001	353.2	74.6	427.8
2002	564.0	69.5	633.5
2003	718.8	71.4	790.2
2004	1046.4	136.3	1182.7
2005	1278.7	219.9	1498.6
2006	1559.9	222.2	1782.1
2007*	1481.3	221.9	1703.2

\*January-August period

Source: <http://www.ficci.com> and <http://www.deik.org.tr>

<sup>24</sup><http://www.ficci.com/international/countries/Turkey/turkeycommercialrelation.htm>;  
[http://www.deik.org.tr/Lists/TicariIliskiler/Attachments/36/Microsoft%20Word%20-%20ikili2007ekim\\_TR.pdf](http://www.deik.org.tr/Lists/TicariIliskiler/Attachments/36/Microsoft%20Word%20-%20ikili2007ekim_TR.pdf)

The export of India grew from US\$ 6.3 million in 1985 to about US\$ 1.6 billion by 2006. However, in comparison to India, Turkey's export to India increased from US\$ 21.7 million in 1985 to US\$ 222 million in the year 2006. India-Turkey trade has increased by over 300 per cent in the last five years (see figure 1).<sup>25</sup>

Figure 1



Despite the recent growth, India's trade share with Turkey is very minimal. India's exports are currently around 1% of Turkey's total imports. However, there are several areas where both India and Turkey have complementarities, besides competitive advantages and disadvantages.<sup>26</sup> The main items of India's exports include automotive components, machine tools & light machinery, small electrical items, organic chemicals (bulk drugs), tanning chemicals &

<sup>25</sup>*The Hindu Business Online*, 8 February 2008. <http://www.thehindubusinessline.com/2008/02/08/stories/2008020851190500.htm>

<sup>26</sup>See, for example, Françoise Lemoine and Deniz Ünal-Kesenci, *Trade and Technology Transfers: A Comparative Study of Turkey, India and China*, Working Paper Number 16, November 2003, CEPII, Paris, Pp. 50.

dyes, cotton/cotton yarn, synthetic fibre, plastic/plastic articles, iron & steel/articles, silk and silk products, jute and jute products, leather, etc. India's import from Turkey is generally steel and steel products, chickpeas, butadiene rubber, textile machinery, textile fabrics, chemicals and small amounts of machineries and machine tools.

As mentioned earlier during the last couple of years Turkish government has been focusing to improve ties with other emerging economies like India and China. Recently, two government dignitaries from Turkey (Foreign Minister Ali Babacan and Minister of State Kürşad Tüzmen) visited India to help boost the growing economic interactions between these two countries. Ali Babacan's recent visit has come up after a gap of thirty years of foreign minister-level visit. Ali Babacan emphasised that there is a huge potential for upsurge in Indo-Turkish trade and Turkey intends to forge a Free Trade Agreement (FTA) between the two countries which he stated are at advanced stage of negotiations. Similarly, the visit by the Turkish Minister of State who undertook a 5-day visit to India in March 2008 accompanying with a large (170-odd) contingent of businesspersons clearly manifests Turkey's growing interest in India.

In the investment sector, despite a favourable atmosphere in terms of FDI in both the respective countries, these countries' investment in one another is very low. In order to reciprocally contribute in investment sector, an 'Agreement Concerning the Reciprocal Promotion and Protection of Investments' between Turkey and India entered into force on 18th October 2007. It is intended to provide a stable framework through reciprocal facilities and guarantees for investments made in these countries by nationals of the other country.<sup>27</sup>

### **Conclusion and Future Prospect**

Despite the extensive historical ties between the peoples of Indian subcontinent and Anatolia, Indo-Turkish relations was very minimal and to some extent adversarial during the peak of the Cold War. During the *détente* both the countries tried to establish relations

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<sup>27</sup>*Turkish Press Review*, 19 October 2007



particularly in economic field. However, since mid-1980s, after the visits of heads of government from both countries (PMs Turgut Özal and Rajiv Gandhi) Indo-Turkish relations began to be broad and far-reaching. More specifically, since early this century both Turkey and India looking forward to a strong and cordial relations, and it is observed from the above discussion that in the future the relations between India and Turkey will be more extensive based on pragmatism.

It is becoming further clear from the fact that during the first phase of Indo-Turkish relations which spanned almost four decades only one high level visit was made between these two countries.<sup>28</sup> Indian Prime Minister Jawaharlal Nehru visited Turkey in 1960. But during the second phase which spans the past two decades almost eight visits of heads of state/government, four from each country and several visits of other dignitaries have taken place. Particularly, during the recent years Turkey is showing significant interest towards India. The economic and business opportunities in both the countries, since both of which are among the fastest growing economies in the world, the desire to harness the rich socio-cultural ties in a fast globalising world, and variety of other factors will lead to more intense and friendly relations between India and Turkey.

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<sup>28</sup>The visits of heads of state/government, from Indian side: PM *Jawaharlal Nehru* (1960), PM *Rajiv Gandhi* (1988), President *Shankar Dayal Sharma* (1993), President *K.R. Narayanan* (1998), PM *Atal Bihari Vajpayee* (2003); and from Turkish side: PM *Turgut Özal* (1986), President *General Kenan Evren* (1989), Turkish President *Süleyman Demirel* (1995), PM *Bülent Ecevit* (2000). Apart from these other visits from India includes, *Abul Kalam Azad*, Education Minister (1951); *Y.B. Chavan*, External Affairs Minister (1976); Vice-President *Krishan Kant* (1998), *Yashwant Sinha*, Minister for External Affairs (2003); *Madhav Rao Scindia*, Railway Minister (1988); and from Turkish side, *Ihsan Sabri Çağlayangil*, Foreign Minister (1968), *Vehbi Dincerler*, Minister of State (1986), *Enis Oksuz*, Minister for Transport (2000), *Ali Babacan*, Foreign Minister (2008); *Kürşad Tüzmen*, Minister of State (2008)