

Development Projects in the Field Of International Cooperation between Russia and Turkey

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Abstract

Subject/Topic This article deals with the development of international cooperation between Turkey and Russia, the analysis of the state of the tourist markets of Turkey and Russia, as well as the main objectives of cooperation. In the context of the state of the economy in recent years, trade policy between Turkey and Russia depends on a number of political, economic and socio-demographic factors. The crisis affected all sectors of the economy, including tourism and agriculture.

Goals/Objectives The purpose of the article is a qualitative and quantitative justification of the development of interstate economic relations between Turkey and the Russian Federation. Determination of prospects for the development of economic projects in the framework of cooperation between the two countries in the international arena.

Hypothesis The development of the tourism industry of each state depends on the state of economic and political relations between the States and the current geopolitical role.

Methodology The methodology of this study includes methods of system, situational and economic analysis, forecasting, analysis of empirical data and expert assessments.

Conclusion and Relevance The paper presents the results of the analysis of the state of domestic tourism in Turkey, as well as a factor analysis of the tourism industry over the past few years. The assessment of the results of interstate cooperation in the field of projects between Russia and Turkey is given, the most priority directions of development of these projects are revealed. Effective management of tourism development projects will stimulate economic growth and improve the welfare of the two countries.

Keywords: *Russia, Turkey, cooperation, tourism, business, international projects.*

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Öz

Bu çalışma, Türkiye ile Rusya arasında uluslararası iş birliğinin geliştirilmesi, Türkiye ile Rusya'nın turizm pazarlarının durumunun analizi ve iş birliğinin temel amaçları ile ilgilidir. Son yıllarda ekonominin durumu göz önüne alındığında, Türkiye ile Rusya arasındaki ticaret politikası bir dizi politik, ekonomik ve sosyo-demografik faktöre dayanmaktadır. Kriz, turizm ve tarım da dâhil olmak üzere ekonominin tüm sektörlerini etkilemiştir.

Makalenin amacı, Türkiye ile Rusya Federasyonu arasındaki devletlerarası ekonomik ilişkilerin gelişiminin niceliksel olarak doğrulanması, uluslararası arenada iki ülke arasındaki iş birliği çerçevesinde ekonomik projelerin geliştirilmesi için beklentilerin belirlenmesidir.

Her bir devletin turizm endüstrisinin gelişimi, devletler arasındaki ekonomik ve politik ilişkilerin durumuna ve mevcut jeopolitik rolüne bağlıdır.

Bu çalışmanın metodolojisi, sistem metotlarını, durumsal ve ekonomik analizleri, öngörülerini, deneysel verilerin analizini ve uzman değerlendirmelerini içerir.

Makale, Türkiye'de iç turizm durumunun analizinin sonuçlarını ve ayrıca son birkaç yılda turizm endüstrisinin bir faktör analizini sunmaktadır. Rusya ve Türkiye arasındaki projeler alanında devletlerarası iş birliğinin sonuçlarının değerlendirildiği ve göz önüne alındığında, bu projelerin geliştirilmesinde en

öncelikli yönleri ortaya koyuyor. Turizmi geliştirme projelerinin etkin yönetimi ekonomik büyümeyi teşvik edecek ve iki ülkenin refahını artıracaktır.

Introduction

The development of interstate relations between Russia and Turkey has more than five centuries. Historians agreed that the countdown should be conducted from the message of Prince Ivan III, sent on August 30, 1492 to Bayazid II - the Ottoman sultan, which stipulated the issues of maritime trade.

However, only in 1701 the first embassy of the Russian Empire opened in Istanbul, since 2 June 1920 years, were finally established diplomatic relations between the Republic of Turkey and the RSFSR.

The document, which was taken as the basis for modern Russian-Turkish relations with the Treaty on the Basics of Relations between the Turkish Republic and the Russian Federation, signed in 1992.

In 2004, Vladimir Putin, the president of Russia, paid an official visit to Turkey. During this meeting, the heads of the countries adopted a Joint Declaration on deepen friendship and multi-faceted partnership between the Russian Federation and Republic of Turkey.

One of the key articles of the export business of the Turkish economy is the tourism industry. Turkey is a leader in the international tourism market. At the moment, Turkey is the absolute leader among the hotel business.

2014 is considered to be the most successful year in this sector. When the ban on flights from Russia to Turkey occurred, the second party lost about 4 million tourists.

The Institute of Statistics of Turkey (TÜİK) published data on the tourism sector for 2017. In 2017, Turkish budget revenues from the tourism industry amounted to \$ 26 billion (Figure 1).

The first place is occupied by tourists from Russia. With the economic crisis that began in Russia, the number of Russian tourists who can afford to rest abroad has noticeably decreased. This circumstance has a negative impact on the economy of Turkey. A number of political events and confrontations of recent years have caused some tension between the two countries. Because of this, the number of tourists from Russia to Turkey decreased to 866 thousand in 2016 and the tourist flow decreased by 83 percent. However, in 2017, the attendance of Turkish resorts was restored with the restoration of diplomatic relations. The number of tourists arriving from Russia in 2017 reached 4.7 million people.

Table 1: Revenues from tourism in Turkey for 2016-2017

	The number of tourists, people	Revenues from tourism, Dol.	The average cost of tourist dol.
2016	31 365 330	22 107 444	705
2017	38 620 346	26,283,656	681

Source: Website of the Ministry of Tourism and Culture

The second place in the number of tourists is Germany. In 2017, about 3.5 million Germans rested in Turkey, less by 7 % than in 2016 year.

AT Recently, there has been an increase in tourist flow from Iran. In 2016, 1.6 million people Iranian visited Turkey. In 2017, the number of tourists from Iran reached 2,5 million. The increase in the number of tourists from Iran exceeded 50 percent.

In 2017, the number of tourists from Georgia increased from 2,2 million to 2,4 million people.

Also among the top five travelers in Turkey was Bulgaria, from which 1,8 million people (Figure 1).

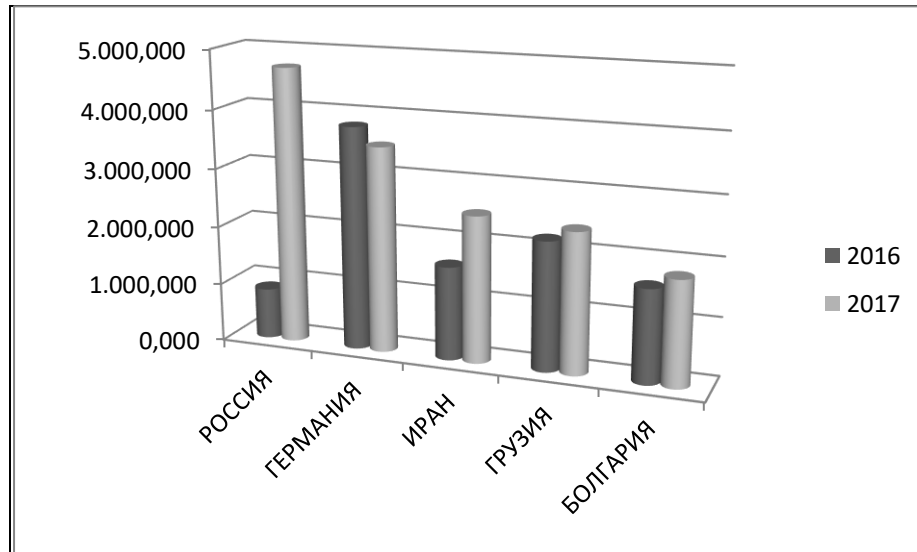


Figure 1: Countries leading inbound tourism in Turkey for 2016-2017

Source: Portal gks.ru/ wps / wcm / connect / rosstat_main / rosstat / ru

Choosing a vacation spot, Turkish people prefer their own country. In fact, the province of Antalya is not a favorite place of the Turks, as they prefer to rest in more deserted places. The main favorite is the Aegean Sea. It is in Bodrum is a huge number of cultural and entertainment facilities, restaurants and bars. There is also the Dead Sea in Turkey, which is located 15 km from Fethiye. I considered that this place is a real jewel of the Aegean region. Turks drive to the city of Kas. It is considered the most romantic place in Turkey, which is absolutely impossible to understand based on its name. There are no bars, noisy discos and all-inclusive hotels. In this city visit this family who want to communicate with each other and enjoy the beautiful nature.

Relations between Russia and Turkey last for decades in the form of cultural, political and economic projects. This installation operates in the framework of both internal and external tourism. Therefore, it is completely natural that in recent years the flow of guests from Turkey to Russia is growing for various reasons. Let it be an exotic holiday in Siberia or study at the most prestigious universities in Russia.

During the period when Russia imposed sanctions on Turkey, the tourism and trade sectors suffered the most. Since then, the visa regime was introduced for the Turkish side. Since the beginning of 2016, a temporary ban has been introduced on certain types of Turkish goods, the performance by companies of Turkey of certain services and works, as well as the employment of Turkish citizens. It is also worth noting that flights from Russia to Turkey were completely excluded and there was a total ban on the sale of tourist tours. Business in trade and energy projects were frozen.

In fact cooperation has been suspended in all directions. Based on data from the Federal Customs Service, at the end of 2016, the turnover amounted to only 15.5 billion dollars.

In 2015, the component of Turkey's share in the total foreign trade turnover of Russia dropped to 3,4%.

About relations between the two countries began to gradually return to its pre-crisis level, as a result of negotiations Recep Tayyip Erdogan and Putin, which took place in the summer of 2016.

Immediately cancelled of the ban on the implementation of tours to Turkey and the ban on flights has been completely cancelled. Six months later, the Russian government cancelled a ban on cloves, chewing gum, salt, broccoli and cauliflower, as well as onions. After another half a year, the import of Turkish tomatoes into Russia is allowed.

According to the Federal Customs Service, exports from Russia to Turkey in 2015- \$ 19,4 billion, and imports- \$ 4 billion The trade turnover of Russia and Turkey for the period 2016 - 2017 amounted to \$ 36,2 billion. The main turnover came at "Mineral Products" (26%), "Metals and products from them" (24%). In the structure of trade by country in the first place China (15%), in second place Germany (9%). Turkey for Russia is a partner in seventh place with a share of 3.5% (Figure 2).

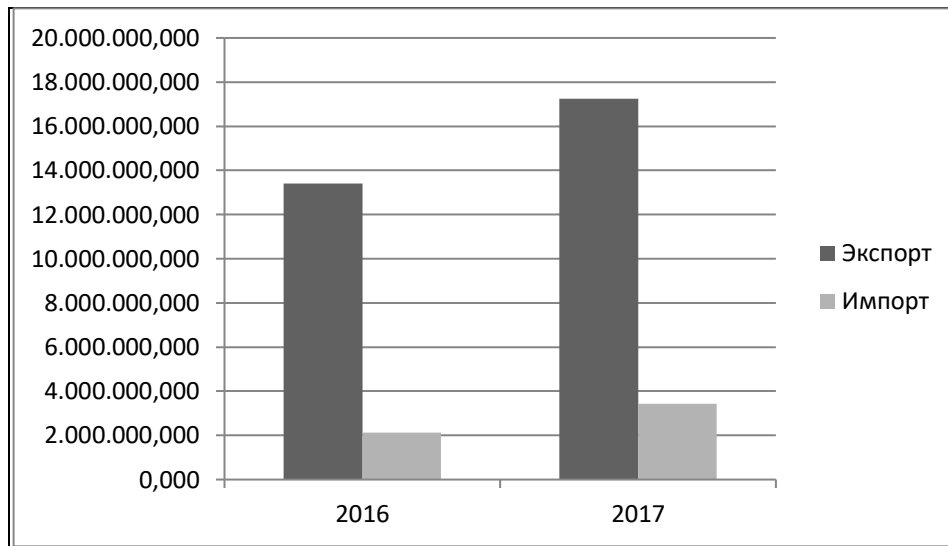


Figure 2: Turnover of Russia and Turkey “All goods” “2016 - 2017”
Source: Portal gks.ru/ wps / wcm / connect / rosstat_main / rosstat / ru

The normalization of political relations between Ankara and Moscow contributed to the restoration of cooperation in the field of tourism, nuclear projects, gas industry, energy, as well as bilateral trade.

The largest investment project of Russia in Turkey is the construction of the first Turkish nuclear power plant Akkuyu. The cost of this project is about 22 billion dollars. Permission for this construction was received in May 2010.

The document provides for the construction of four power units with reactors VVER-1200 with a total capacity of 4800 megawatts. This is the first NPP project in the world (nuclear power plant), realizable according to the BOO model ("build-own-operate", "build-own-operate"). The Russian NPK Akkuyu Nuclear becomes the contracting authority for the construction of the nuclear power plant, as well as the owner of the nuclear power plant, including the generated electricity. She was registered in December 2010. Now its shareholders are companies, mainly owned by the state corporation Rosatom.

In October 2016 Akkuyu Nuikar has committed itself to the design, construction, maintenance, operation and decommissioning of the station. February 2017 The Turkish Atomic Energy Agency approved the design parameters of the NPP site. The first power unit is expected to be commissioned by 2023.

At the moment, Russia provides about 60 percent of Turkey’s demand for natural gas, which is about 27 billion cubic meters of gas per year.

The company Botas, which is a state oil and gas company, buys Russian fuel. Delivery is carried out through the Blue Stream gas pipeline. It runs along the bottom of the Black Sea.

The Turkish Stream project continues to be implemented, which envisages the laying of a gas pipeline from the Anapa region of the Krasnodar Territory of Russia along the Black Sea to the western part of Turkey. The length of the underwater part - 910 km. It will land on land in the area of Kiyikoy village in Kizilirmak province. The total length of the pipeline on the earthly part of the territory of Turkey - 180 km.

The project involves the laying of two pipeline lines with a capacity of 15.75 billion cubic meters per year each (total capacity of 31,5 billion cubic meters). One of them is designed to supply gas to Turkish consumers, the other to supply the countries of Southern and Southeastern Europe (the delivery point in the area of the city of Ipsala on the Turkish-Greek border). Intergovernmental Agreement signed on October 10, 2016 (ratified by Turkey in December 2016, Russia - in January-February 2017).

The laying of pipes in the Black Sea began on May 7, 2017. Docking took place on June 23, 2017 shallow and deep water parts of the pipeline. Gazprom plans to complete its construction by the end of 2019.

It is also worth noting that Turkey is the first NATO country to buy weapons from Russia. This happened in 1993-1995, when the contracts for the supply of the BTR-80, BTR-60, 19 Mi-17 helicopters and 21 Mi-8

helicopters were concluded (two in the sanitary version, two in the transport one, 15 in the transport paratrooper).

Do not forget about the sale to Turkey of AKMS, AKM, AK-47 automatic rifles, RPG-7 anti-tank grenade launchers, Dragunov sniper rifles and PKM machine guns.

In 2008, Russia and Turkey signed a contract for the supply to Turkey of 80 Kornet-E anti-tank missile systems and 800 missiles for them - with a total value of \$ 80 million (Rosoboronexport data).

Last year signed an agreement in Ankara and Russia, to buy S-400 systems. The contract value was 2,5 billion rubles. The first deliveries of S-400 Turkey will begin in 2019-2020.

It should be noted that on the basis of the three groups of factors that determine geopolitical cooperation and cultural ties, food and energy security, as well as trade partnership and logistics, a vector of relations and a pragmatic course between the two strong states of Eurasia are built. The further the negative influence of the isolation policy on the part of the OECD countries and the USA towards Turkey and Russia, the stronger the cooperation between them grows. The main issue of the day remains the search for an economic model of interrelations: between a short-term pragmatically oriented continental market situation and a state of politics or a long-term strategy of geopolitical cooperation based on an equivalent partnership on the continent. Based on historical experience, state leaders choose the first strategy, and this limits the possibilities of stable economic cooperation and long-term diplomatic relations.

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