
Editorial

In the last few years, *Perceptions* has adopted a new strategy of regularly publishing special issues that have certain specific focuses. This move is in line with trends in the wider academic publishing community. Instead of publishing a medley of articles on random themes, editors are trying to cluster relevant articles under a shared umbrella in special issue formats. The purpose is generally twofold: to achieve a more comprehensive coverage and dialogue on a topic from various perspectives, and to provide a convenient source to researchers, who can now find a trove of information in a single special issue.

Previous special issues of *Perceptions* have covered a diverse and compelling array of subjects. Some had a regional focus, such as the special issues on Asia-Pacific and the Balkans. Others have emphasised a single institution (NATO) or a methodological perspective (political psychology). All of these volumes were assembled by highly capable and competent guest editors. It is a great honour and privilege to be a member of this group, and I am deeply appreciative of this opportunity.

Our readers will notice that the articles in this issue are clustered into two groups. Articles one to five are tied together

by a similar methodological approach, international political economy (IPE); while the rest of the articles in this issue share a strategic and regional focus- the Middle East.

Why an IPE issue of *Perceptions*?

Economic power has become a critical instrument in the toolbox of nation-states, particularly since the Second World War. The bipolar order that split the world into two staunchly opposed camps was not fought solely on the political/military front. Equally important was the socio-economic front. Despite the proliferation of nuclear weapons, proxy wars and an unnerving arms race, this prolonged strategic confrontation came to an end without a single bullet shot directly between the two superpowers.

Both on the left and right, analysts have pointed to the structural handicaps of a socio-economic system that paved the way to an implosion of the Eastern Bloc. The fact that the most important military/strategic confrontation of the 20th century came to an end largely on economic and political grounds would speak volumes to the specialists of

international relations (IR) and foreign policy. We don't have to go as far as the famous proverb: "It's the economy, stupid!" Yet, completely disregarding the economy in foreign policy and global affairs would be to our detriment.

IR scholars who prefer political economy as their primary methodological tool tend to spend significant time and ink on explaining the distinctiveness of this approach. Unlike economists, political economists do not treat economics as an autonomous sphere that operates according to its own laws and logic. The political economists tend to be more sensitive to the socio-political context that economy is embedded in. Eminent political economist Robert Gilpin, for example, draws attention to the *power dynamics* that emerge as a result of market transactions. By their very nature, markets are not neutral. They "embody the values of society" and reflect the interests of powerful actors. Needless to say, this power aspect of economic transactions is of fundamental concern to both political scientists and foreign policy specialists. The interests, values and norms of national political systems shape and to a large degree determine the economic activities. In fact, when it comes to global economy, Gilpin argues that although "economic factors will play an important role in determining the characteristics of the global economy, *the most important factors are and will be political.*"¹

However, deploying economic factors as *the* causal variable for all social phenomena would mean that we are committing the heresy of economic reductionism. Economic relations have never been the sole determinant of international political phenomena. On the other hand, it would be equally short-sighted, and just as reductionist, if we solely prioritised the military/strategic variables at the expense of socio-economic ones.

Power is never exclusively a function of military might in the international system, nor does it automatically emerge from economic clout. Hence, the political economist needs to walk a fine line, and strike the right kind of balance between politics and economic variables for a sound analysis.

But what would be the marginal contribution of a political economy approach to the study of international relations and foreign policy? Probably the greatest strength of any approach in a given discipline lies in its explanatory power. Thanks to the breakneck pace of globalisation in the last few decades, we have seen numerous "anomalies" that have blindsided conventional IR approaches. The implosion of the Soviet Empire, the rise (and possible decline?) of the EU, the tribulations of the US in the Middle East, the emergence of new mid-size powers in global platforms (i.e. BRICs) and numerous other puzzles are nearly impossible to untangle with

the reductionist approaches that solely prioritise strategic and political factors.

The beauty of the political economy approach is that it is flexible enough to suit the paradigmatic leanings of a wide variety of analysts. You can be a (neo) realist believing that nations and national interests are the main driving forces in IR, and deploy the political economy approach very effectively, à la Robert Gilpin or Stephan Krasner. Alternatively, for neo-liberal institutionalists who have faith in international cooperation through institutions, political economy has much to offer, as the famous works of Joseph Nye or Robert Keohane illustrate. Or, you might prefer more empirical and quantitative approaches. Even then, you may operate under the political economy umbrella, just as Robert Axelrod or Helen Milner did. Finally, you might consider yourself a critical IR scholar. In this case, you can conduct most of your analysis with the help of IPE concepts and methodology, similar to the eminent figures in the IR discipline, such as late Susan Strange and Immanuel Wallerstein.

The political economy articles in our selection come from various paradigmatic walks. While the G20 article by Evren Çelik Wiltse and the eurozone crisis article by Paul Adams straddle neo-liberal institutionalism and neo-realism, the articles by Pinar İpek and Oksan Bayülgen display more critical paradigmatic tones.

In terms of their content, the first two articles have a more global/macro approach to recent developments. Evren Çelik Wiltse places the emergence of G20 in a larger historical and institutional perspective, comparing it to the Bretton Woods system. She highlights the recent shifts in the global economic power distribution, and the potential institutional implications of these shifts for global economic governance. Since Turkey is scheduled to host the G20 Summit in 2015, we hope this article will be timely and relevant for our readers.

Next, Pinar İpek tackles the problem of structural imbalances in the global economy. While much ink has been spilled on the gravity of the 2008 crisis, very few have addressed the structural causes and subsequent political consequences of this turmoil. İpek's article sheds light on these complex dynamics. It would not be a misnomer to call 2013 the "summer of unrest" since the year was marked by numerous popular uprisings around the world. We hope İpek's analysis of capitalism's most recent turmoil and subsequent legitimacy crisis will resonate with our readers.

The eurozone crisis is another topic that is over mentioned, yet under scrutinised. Most analysts and pundits reiterate the fact that this quagmire is a fiscal, political and economic crisis for the EU. Paul Adams adds an important forth and global dimension to the often stated list. He argues, rather convincingly, that

probably more important than the first three forms of crisis is that the eurozone paralysis is undermining the global stature of the EU by eroding its power projection capacity in the international arena.

Our next two articles zoom in on the political economy of Turkey. It is a well-established fact that when it comes to trade balance, Turkey is having progressively larger trade deficits. This is mainly as a result of the hefty bill that is attached to our energy imports. Turkey is heavily dependent on oil and natural gas imports, yet there is hardly any trace of initiatives for promoting the development of sustainable energy sources. Based on extensive fieldwork, Okşan Bayülgen carefully identifies the massive political hurdles on the way to a sustainable and renewable energy future. The policy implications of this article are very significant, and we hope they will be acknowledged in policy-making circles.

Ariel Gonzales hails from Argentina and his article carefully analyses the growing scale and scope of Turkey's relations with Latin America. In particular, Gonzales points to economic relations as the locomotive of rapprochement between Turkey and this seemingly distant region. While strategic and political dimensions do exist, as seen in the case of Turkish-Brazilian collaboration on Iran's nuclear issues, the economic dimension is probably the least controversial and most tangible aspect of bilateral relations with

the region. Gonzales concludes with an optimistic note on the future prospects of Turkish-Latin American relations.

The second cluster of articles in this issue has a more regional and strategic focus. Fakiha Mahmood looks at the structure of the UN Security Council. She tries to assess the prospects for diluting the veto powers of the permanent five (P-5), and achieving a more representative body. She argues that the issue is not just the P-5 unwillingness to devolve its exclusive powers. The lack of coordination and collaboration among the rest of the UN members constitutes a significant hurdle on the way to Security Council reform.

Our next two articles place the Arab Spring at the centre of their analysis. Burhanettin Duran and Nuh Yılmaz state that rapidly changing power dynamics since the Arab Spring are drawing the region into a competitive arena. Important actors in the region (namely Saudi Arabia, Iran and Turkey) are leading this rivalry for alternative political models. However, the region is also walking on a tight rope between sectarianism and cooperation. The authors opt for a non-sectarian path that renders compromise and regional cooperation possible.

The article by Talha Köse also addresses certain complications related to the Arab Spring. While Duran and Yılmaz tackle the issue from a domestic politics perspective (models for state-religion

affairs), Talha Köse offers us a peace studies/conflict resolution approach. His article analyses Turkey's recent mediation efforts in the Middle East, and makes the case that Turkey's concerns and normative priorities towards the region did not completely overlap with some of the significant actors. Hence, there emerged a growing gap between Turkey's conflict resolution discourse and the ongoing crisis in the region.

Finally, the article by Imad El-Anis also looks at the conflict and cooperation dynamics in the region. However this time the focus is on scarce freshwater resources. The author argues that several factors are influential in determining whether countries will choose to compromise or not. Among them, El-Anis particularly highlights the severity of scarcity as a variable that at times compels countries to compromise, even when they may not have smooth, working relations in other spheres. The author also underlines the importance of interdependence and international institutions as factors that facilitate cooperation.

It would be unfair to conclude this editorial without giving due respect to those who made this special issue possible. First and foremost, I would like to thank the extremely generous and capable staff of the Center for Strategic Research (SAM). Mesut Özcan and, especially, Engin Karaca have been incredibly supportive and patient with

me throughout the whole process. I am deeply grateful for their understanding.

Working with a government organisation will undoubtedly raise some eyebrows about the editorial autonomy and integrity. I can comfortably state that we completed this special issue with utmost intellectual and scholarly integrity. The only pressure SAM exerted upon us had to do with deadlines. Aside from occasional messages about turning in the articles on time, there was absolutely no interference in the subject matter or the content of the writings. Hence, it is the authors (and possibly the anonymous reviewers) who bear the responsibility of the content. We extend our appreciation to all of our authors, anonymous reviewers and the copy editor of this issue for their time and diligence.

I also would like to thank Şaban Kardaş and Ziya Öniş for their unwavering support and encouragement. Without their help, I doubt it would have been possible for me to compile a special international political economy issue for *Perceptions*.

As the guest editor, I hope this IPE issue of *Perceptions* is a thought-provoking volume and triggers further interest and engagement in political economy, both in academic and policy-making circles.

Evren ÇELİK WILTSE

Guest Editor

Endnote

- 1 Robert Gilpin, *The Challenge of Global Capitalism*, Princeton, NJ, Princeton University Press, 2000. p.50. Italics belong to the author.