

**ISTANBUL COMMERCE UNIVERSITY
GRADUATE SCHOOL OF FOREIGN TRADE
DEPARTMENT OF INTERNATIONAL TRADE
INTERNATIONAL TRADE M.A. PROGRAM**

**INTERNATIONAL TRADE BETWEEN TURKEY AND
LATIN AMERICAN COUNTRIES**

M.A. Thesis

Utku Mete Yılmaz

200007893

Istanbul, 2021

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Advisor: Asst. Prof. Yunus ÖZCAN

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DECLARATION OF ORIGINALITY

I, Utku Mete Yılmaz, certify that,

- I am the sole author of this thesis and that I have fully acknowledged and documented in my thesis all sources of ideas and words, including digital resources, which have been produced or published by another person or institution;
- This thesis contains no material that has been submitted or accepted for a degree or diploma in any other educational institution;
- This is a true copy of the thesis approved by my advisor and thesis committee at Istanbul Commerce University, including final revisions required by them.

Utku Mete Yılmaz

ABSTRACT

Since the second half of the 19th century, Turkey and Latin American countries are in communication, as there was a flow of migration from the Ottoman Empire to Latin America from the 1860s until the end of World War I. Although, before the 1990's the relationship between the countries was friendly but seldom as a result of different foreign policies and geographical distance. But in the last twenty years, with its multi-dimensional foreign policy and globalization, Turkey has had a more dynamic foreign policy and wants to steam up its relations with the LAC countries. In this regard, the trade relationship between Turkey and Latin America is not a subject that is studied much before, there are investigations that compare Turkey with countries of Latin America in some fields, but not many of them analyze particularly their trade relationship, emerging economies, and its consequences. The aim of this study, which is made based on the 7 largest Latin American countries according to the GDP ranking, is to investigate and demonstrate the consequences of the more dynamic relationship of Turkey with the Latin American countries during the period between 1990 – 2021.

Keywords: Turkish Economy, Latin American Economies, International Trade

ÖZET

Osmanlı İmparatorluğu'ndan Latin Amerika'ya 1860'lardan I. Dünya Savaşı'nın sonuna kadar süre gelen bir göç akışı vesilesiyle Türkiye ve Latin Amerika ülkeleri, 19. yüzyılın ikinci yarısından itibaren iletişim ve etkileşim halindedir. Fakat bu ilişki 1990'lı yılların ortalarına kadar farklı dış politikalar ve coğrafi mesafenin bir sonucu olarak yeterince gelişmemiştir. Ancak son yirmi yılda, çok boyutlu dış politikası ve küreselleşmenin etkileriyle Türkiye daha dinamik ve dışa dönük bir bakış açısına sahip ve LAC ülkeleriyle ilişkilerini canlandırmak istiyor. Bu bağlamda Türkiye ile Latin Amerika arasındaki ticari ilişki daha önce çok çalışılan bir konu değil, bazı alanlarda Türkiye'yi Latin Amerika ülkeleri ile karşılaştıran araştırmalar var, ancak pek çoğu özellikle ticari ilişkilerinin sonuçlarını ve gelişmekte olan ekonomilerini analiz etmiyor. GDP sıralamasına göre en büyük 7 Latin Amerika ülkesini baz alarak hazırlanan bu çalışmanın amacı, 1990 - 2021 döneminde Türkiye'nin Latin Amerika ülkeleri ile daha dinamik hale gelen ilişkisinin sonuçlarını araştırmak ve göstermektir.

Anahtar Kelimeler: Türkiye Ekonomisi, Latin Amerika Ekonomileri, Dış Ticaret

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The reason I chose this subject was that I had completed my undergraduate education in Spanish. Doing deep readings and researches on this subject caused my vision of the region to expand. It is my goal for the future to be a part of the trade that our country will make with Latin American countries in the future.

During my university years, when I participated in the Erasmus student exchange program, I had very sincere friends from Latin American countries. Compared to people I know from other countries, I had the opportunity to experience how close Latin Americans are to Turks. Finally, with the happiness of completing this study, I would like to thank my school, Istanbul Commerce University, for everything.

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LIST OF ABBREVIATIONS

CARICOM	Caribbean Community and Common Market
EU	European Union
FTA	Free Trade Agreement
FERBT	Foreign Economic Relations Board of Turkey
G3	Colombia, Mexico, and Venezuela
GDP	Gross Domestic Product
GNP	Gross National Product
CELAC	La Comunidad de Estados Latinoamericanos y Caribeños
LAC	Latin America and Caribbean
PTA	Preferential Trade Agreement
RTMFA	Republic of Turkey Ministry of Foreign Affairs
RTMT	Republic of Turkey Ministry of Trade
MERCOSUR	Southern Common Market
WTO	World Trade Organization

1. Introduction

As a result of Cold War conditions, Turkish foreign policy has traditionally prioritized connections with the United States and Western Europe, as well as, to the extent practicable, with the Middle East, the Balkans, and the Caucasus, which define its surroundings. The emergence of Turkish foreign policy after the conclusion of the Cold War, on the other hand, showed a need for renewal; it needed to alter.

While the near geography continued to play a role in the context, countries neglected for a long while such as Far East, Africa, and Latin America have become also important. And Turkey searched for ways to improve the relations with countries of these areas.

In this perspective, Turkey's Latin American expansions expanded notably since the end of the 1990s and accelerated in the 2000s, in this context, the ties built with the region have been noted mainly from 2010 to the present. The exchange of high-level visits and negotiations with countries have made a significant, if not enormous, influence on Turkey's economic, political, and cultural links with Latin America.

This study mainly focuses on understanding the enhancing links between Turkey and Latin American Countries in terms of trade, economy, culture, and politics and investigating the results.

Primary sources were also attempted to be accessed as secondary sources in terms of source; this was done through the necessary literature review. Some Spanish resources are investigated in addition to English and Turkish ones. The research subject, in this case, includes scientific publications, papers, books, and the internet, which were scanned and evaluated from databases.

2. Literature Review

Turkish-Latin American and Caribbean (LAC) relations extend back to the second part of the nineteenth century. Many waves of migration from the Ottoman Empire to Latin America occurred between the 1860s and the end of World War I. The emigrants were dubbed "Los Turcos" because they held Ottoman passports. During this period, the Ottoman Empire established diplomatic and consular relations with a number of Latin American countries. Chile was the first nation in the region to recognize the emerging Turkish Republic. From the 1940s onwards, the region's first resident embassies were founded (Republic of Turkey Ministry Of Foreign Affairs (RTMFA) , 2021).

Turkey's relationships with the area had been positive but weak until the 1990s. Geographical distance and different foreign policy goals were the key causes of this stagnation.

Turkey's first presidential visit to the LAC region was in April 1995, when President Süleyman Demirel paid an official visit to Argentina, Brazil, and Chile. President Recep Tayyip Erdoğan's LAC tour, which encompassed Mexico, Colombia, and Cuba in February 2015, was the region's second presidential visit in 20 years. On his second trip to the LAC region in a year, President Erdoğan visited Chile, Peru, and Ecuador from January 31 to February 4, 2016.

In order to develop its connections with the LAC countries, Turkey has pursued a more constructive opening strategy towards the area in keeping with its multi-dimensional foreign policy over the last two decades. In this regard, in 1998, the "Action Plan for Latin America and the Caribbean" was established with the cooperation of Turkish Ambassadors in Latin America, the Turkish government, industry leaders, and Honorary Consuls of LAC countries in Turkey. In 2006, the Action Plan was reviewed, and Turkey proclaimed 2006 to be the "Year of Latin America and the Caribbean." The Plan in issue was a road map for the region's opening strategy (RTMFA , 2021).

As a part of its LAC opening plan, Turkey promotes high-level visits and discussions with regional nations, as well as the signing of trade, economic, military, cultural, and technological cooperation agreements to reinforce the current legal framework ; establishing business councils, attending trade shows, and implementing promotional initiatives to increase trade volume; strengthening the diplomatic presence and cultural exchange in the region to provide stronger and more trustworthy presence.

As a result of this policy, reciprocal high-level visits between Turkey and the LAC region have gained traction. President Recep Tayyip Erdoğan's LAC tour to Mexico, Colombia, and Cuba in February 2015 was the region's second Presidential visit after a 20-year hiatus. From the 31st of January to the 4th of February, 2016, President Erdoğan visited Chile, Peru, and Ecuador on his second trip to the LAC region in a year. During the first months of 2017, Foreign Minister H.E. Mevlüt Çavuşolu traveled to Argentina, Paraguay, the Dominican Republic, and Mexico.

In 2011, the President of Brazil H.E. Dilma Roussef and the President of Argentina H.E. Cristina Fernandez de Kirchner; in 2012 the President of Chile H.E. Sebastian Pinera, the President of Ecuador H.E. Rafael Correa and President of Colombia H.E. Juan Manuel Santos; in 2013 President of Mexico H.E. Enrique Pena Nieto; in 2015, on the occasion of G20 Leaders' Summit President of Mexico H.E. Enrique Pena Nieto and the-then President of Brazil H.E. Dilma Roussef; in 2016 and 2017 President of Venezuela H.E. Nicolas Maduro visited Turkey (RTMFA , 2021).

The strategic alliance status of Turkey's relations with Brazil and Mexico has been upgraded. The High-Level Cooperation Commission between Turkey and Brazil was founded in 2006, while the High-Level Binational Commission between Turkey and Mexico was established in 2013. The legislative framework for Turkish-Latin American ties has also been substantially developed. Political consultation processes have been created with 17 LAC countries (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Mexico, Paraguay, Peru, Uruguay and Venezuela).

3. Historical Economic and Commercial Background of Turkey with LAC Countries

Latin America is tough to define in a single sentence. It refers to the Latin-speaking countries of the Americas and their environs in the literal sense of the word. Latin America, or South America, is the region south of Panama, which divides the American continent in two. It now comprises a total of 32 countries, both large and small. Mexico, Brazil, Argentina, Venezuela, Colombia, Cuba, Chile, and Peru are the most important. It is the world's fourth-largest continent in terms of surface area and the fifth-largest continent in terms of people.

Latin America stands out with its fast-developing economy and growing population, with trade volume over \$700 billion and a Gross National Product (GNP) of \$1.8 trillion. With this economic size, it is an important market (Mızrak and Örnek, 2015). Latin America has sectors that can cooperate in the fields of tourism, infrastructure and housing, and energy/oil.

Figure 1 : South America's Map



Source : World Atlas,2021

Turkey-Latin American relations begin in the Ottoman period. From 1860 until the end of the First World War, relations started mostly through immigration. The first diplomatic relations between the Ottoman Turks and countries in Latin America also started in this period (RTMFA , 2021). Regardless of their ethnic or religious identities, all Ottoman citizens who migrated during this period were referred to as "Los Turcos," or "Turks," in the Latin American countries they settled in; some of them rose through the ranks of the political and economic elites of the countries they settled in in the following years.

In 1858, the Ottoman Empire and the Brazilian Empire signed a Friendship, Residence, Trade, and Navigation Agreement, establishing diplomatic connections, and in 1927, the Republic of Turkey and the Federative Republic of Brazil signed a Friendship Treaty, establishing political relations (Anadolu Agency, 2021). As a result of this agreement, the legal, diplomatic and commercial rules that Turkish and Brazilian diplomats, traders and citizens would abide by in each other's countries were determined; then mutual consulates were opened (Meade, 2009).

The first consular agreement with Argentina was signed in 1910, in the last period of the Ottoman Empire. When it comes to the Republican period, it is seen that cultural and cooperation agreements were signed with Chile in 1926, Brazil in 1927, Uruguay and Argentina in 1929 (Mızrak and Örnek, 2015). After these years, Turkey's interest in the region remained at the lowest level, especially in the environment of conflict between the blocks during the Cold War period. It has been seen that the military coups on both sides have stagnated the relations.

Following the conclusion of the Cold War, Turkey began to pay attention to Latin America as well as the surrounding regions. Within the framework of this understanding, Turkey has signed various agreements with the countries of the region. There have been agreements to increase cooperation in the areas of trade, economy tourism, health and science-technical. In addition to these agreements, the visits of then-President Süleyman Demirel to Brazil, Argentina and Chile in the 1990s are quite significant in terms of being the first visits of a Turkish President to the region. In the same period, it was seen that regional leaders made their first visit to Turkey. For this reason, the 1990s is called the period when mutual diplomatic contacts and visits began (RTMFA , 2021).

4. Turkey's Trade Relationship With Selected Latin American Countries

It is fair to assume that Turkey's perspective on Latin America is essentially economic. As a result, in the 2000s, foreign policy toward trade was mostly focused on the "trading state" approach. Turkey's new political landscape, as well as the country's aim to find economic partners and open up to new markets, has had a big impact on its policy; policies undertaken in bilateral trade ties have gained substantial speed over time.

In 1999 the trade volume between Latin America and Turkey was around \$827 million, this figure has reached \$2.2 billion in 2006 (RTMFA , 2021). Turkey's foreign trade with the region reached \$8 billion in 2017. The table below demonstrates how the volume of trade with Latin America increased as a result of the opening policy.

Table 1 : Turkey's Exports to the LAC Region (Thousand USD)

Value: Thousand US \$	2020	2019	2018	2017	2016	2015	2014	2013
Central America and Caribbean	1 452 937	1 766 889	1 648 509	1 272 574	957 812	935 073	1 037 676	1 081 062
South American Countries	1 928 598	1 833 081	1 872 836	1 349 588	1 127 996	1 383 703	1 996 862	2 188 241

Source : Turkish Statistical Institute, 2020

Table 2 : Turkey's Imports from the LAC Region (Thousand USD)

Value: Thousand US \$	2020	2019	2018	2017	2016	2015	2014	2013
Central America and Caribbean	1 030 981	941 258	845 117	1 071 318	1 116 729	1 128 141	1 345 394	1 550 923
South American Countries	5 997 999	5 574 634	8 162 498	6 319 495	4 374 393	3 966 562	4 333 958	4 002 116

Source : Turkish Statistical Institute, 2020

Another major development of the 2000s is the shared economic potential. Since Turkey signed Economic and Commercial Cooperation Agreements with 19 nations in the region, the number of trade agreements with those countries has gradually increased, in keeping with the Action Plan's goal of increasing our economic and trade links with LAC nations (Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, the Dominican Republic, Ecuador, Guatemala, Guyana, Honduras, Jamaica, Mexico, Nicaragua, Paraguay, Peru, Uruguay and Venezuela) (RTMFA , 2021).

In this context, the first concrete developments took place in 2008. Turkey has started negotiations to sign an FTA (Free Trade Agreement) with the biggest Latin American economic community MERCOSUR in 2008. In this context, member states of MERCOSUR: Brazil, Argentina, Uruguay, Paraguay and Turkey signed an agreement to establish a free trade area between each other. According to this agreement, a negotiation committee was formed between the parties in order to discuss trade policies.

Turkey exported two-thirds of its overall exports to South America to the four full members of MERCOSUR in 2010. In 2010, Turkey's exports to MERCOSUR countries climbed by 83 percent, totaling 1.2 billion USD. Turkey's imports from MERCOSUR countries climbed by 27% in 2010, reaching a total of 2.9 billion USD (RTMFA , 2021).

4.1 Brazil

Relations between Brazil and Turkey trace back to before the modern Republic of Turkey was established in 1923. There is an embassy of Brazil in Ankara, while in Sao Paulo there is a Turkish embassy, and in Brasilia there is a consulate general. The World Trade Organization recognizes both countries as full members.

After the United States, the Empire of Brazil was the second country in the Americas to sign a treaty with the Ottoman Empire. The two empires signed a Treaty of Commerce and Navigation on February 5, 1858, which contained eleven provisions and was comparable to past Ottoman capitulations to Christian nations.

Brazil erected four consulates during the Ottoman Empire: at Cairo, Jaffa, Mansouri, and Tanta. The Ottomans had two consulates in Brazil: one in Rio de Janeiro and one in Sao Paulo. After 1909, Brazil attempted to open consulates in Constantinople (Istanbul) and Beirut but was unable to do so due to Ottoman opposition and an absence of consular recognition. As a result of the establishment of diplomatic relations and the introduction of formal laws of residence for each other's subjects, around 100,000 Ottoman participants, largely from Syria, came to Brazil. They primarily worked on coffee plantations. Twenty Arabic newspapers were established in Brazil for the Ottoman expatriate population from the late nineteenth century until the present (Temel, 2004).

In 1926, Brazil formally recognized Turkey. On September 8, 1927, Brazil and Turkey, both republics at the time, signed a new treaty of friendship (Önsoy, 2017). In 1930, the two governments established embassies in each other's countries, and in 1933, they inked a trade pact (Temel, 2004).

Brazil is a strategic partner country in Turkey's Latin American expansion. Brazil is Turkey's largest trading partner in South America (RTMFA , 2021). In 2010, Turkey chose to collaborate with Brazil on the "Alliance of Civilizations" project, which also includes energy. Brazil is a country with great energy.

Brazil's abundant energy sources include oil, natural gas, hydropower, and manganese. Taking these into consideration, to conduct oil exploration in the Black Sea, Turkey and Brazil signed an oil exploration agreement, which was signed by TPAO company from Turkey and Petrobus company from Brazil (Mızrak and Örnek, 2015).

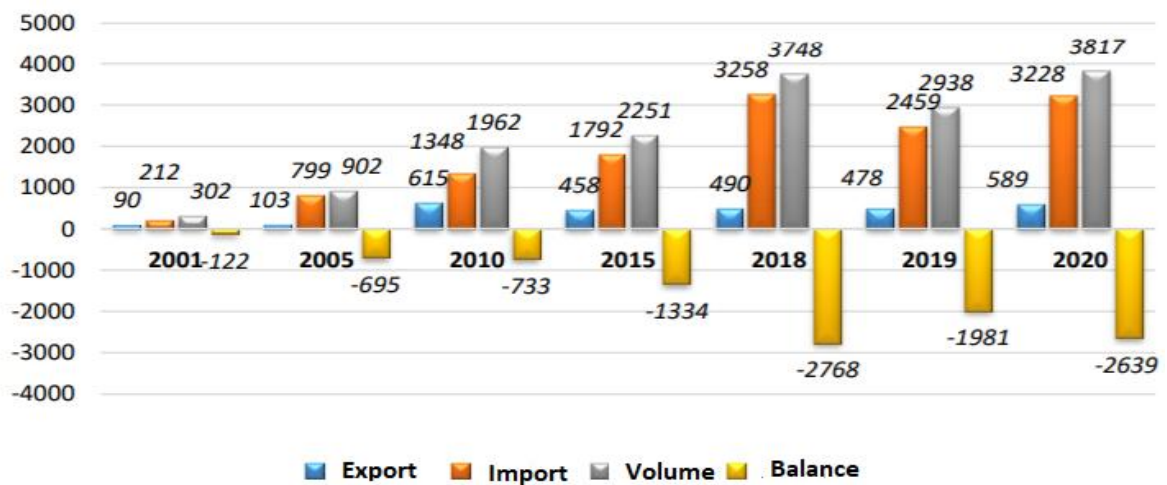
Turkey has the greatest trading volume with Brazil in South America and the Caribbean. Both sides agree that increasing bilateral trade is a priority. By the end of 2019, the two countries' trade volume was around \$3 billion USD (Turkey exports: 480 million USD, Turkey imports: 2,6 billion USD) (RTMFA , 2021).

Bilateral relations with Brazil began in Rome in 1927 with the signing of the Friendship Agreement, and accelerated after Turkey's Latin American and Caribbean development strategy was launched in 1998 and revised in 2006. The first presidential visit to this country was by H.E. President Süleyman Demirel in 1995. H.E. In 1998, Turkish Foreign Minister İsmail Cem made his first official visit to Brazil. H.E. In 2010, Turkish President Recep Tayyip Erdoğan, then Prime Minister, paid an official visit to Brazil, signing the "Action Plan for Strategic Partnership" (RTMFA , 2021).

Turkey is a country that Brazilians admire much. It has exhibited remarkable economic, technological, educational, cultural, and social growth in recent years, in addition to its rich past. Turkey has been generous to immigrants and plays a significant role in international affairs. Turkish Airlines flies from Istanbul to Sao Paulo seven times a week.

Turkey-Brazil economic relations have been strengthened by their mutual support for Iran in the international political arena. At the United Security Council in 2010, Turkey and Brazil were against the decision to impose penalties on Iran's nuclear program. It demonstrates that these two countries cooperate politically on a worldwide scale (Mızzrak and Örnek, 2015).

Figure 2 : Turkey's Trade With Brazil (Million USD)



Source : TradeMap, 2020

4.2 Mexico

Mexico is Turkey's second major Latin American strategic partner. In 1927, Turkey and Mexico signed a Friendship Agreement, which established diplomatic relations between the two countries. Mexico joined Turkey as its second Latin American and Caribbean strategic partner in 2013. Both Mexico and Turkey have embassies in their respective capital cities. Mexico has Honorary Consulates in Istanbul, Izmir, and Mersin, whereas Turkey has Honorary Consulates in Veracruz, Cancun, Monterrey, Tijuana, and Guadalajara (RTMFA , 2021).

Mexico is derived from the Nahuatl term Mxihco, which means moon navel. The United Mexican States is the official name. It is a country in southern North America, bordering the United States to the north, Belize and Guatemala to the southeast, the Gulf of Mexico and the Caribbean Sea to the east, and the Pacific Ocean to the west.

With an area of about 2 million square kilometers, it is the world's fourteenth largest country. With a population of almost 118 million people, it is the world's eighth most populated country. Spanish is the mother tongue, and it coexists with 67 indigenous languages.

Mexico is a representative and democratic republic composed of independent states bound together by a federal treaty. Mexico is made up of 31 independent and sovereign states, as well as a Federal District named Mexico City. The federal government and the state governments have their Executive, Legislative and Judicial Powers.

The Executive, Legislative, and Judicial Powers make up the Federal Government. The President of Mexico holds the Executive Power, which he or she exercises for six years without the option of reelection. The President has extensive powers, including the ability to nominate members of his cabinet, promulgate laws passed by the Legislative Power, and serve as the Supreme Commander of the Armed Forces.

The Legislative Power is vested in the Congress of the Union, which is made up of the Senate (composed of three senators from each state and 32 proportionally elected senators who serve for six years) and the Chamber of Deputies (made up of 300 deputies representing electoral districts and 200 elected by proportional representation, and whose elections are held every three years). Senators and federal deputies cannot be re-elected to the same chamber for a second consecutive term.

Mexico is heavily reliant on foreign commerce, which accounted for 78.2% of its GDP in 2019 (Santander Trade Portal, 2021). Vehicles and parts, automatic data processing devices, mineral fuels, oil, and machinery are the principal exports of the country. Mexico's primary purchases in terms of imports are petroleum fuels other than crude, car parts, and electronic integrated circuits. According to the IMF's Foreign Trade Forecasts, the volume of goods and services exported fell by 10.1 percent in 2020 and is anticipated to rise by 13.6 percent in 2021, while the volume of goods and services imported fell by 15.3 percent in 2020 and is expected to rise by 21% in 2021.

The global economic crisis that followed the onset of the COVID-19 pandemic caused an unparalleled drop in imports and exports in 2020. Passenger vehicle exports decreased the most in 2020, and while crude oil export volumes grew, the global drop in crude oil prices resulted in a considerable value decline.

Mexico's trade balance is structurally negative, a pattern worsened by trade tensions with the United States and global oil price variations. In 2019, exports of goods and services increased by 1.1 percent to USD 490.7 billion, while imports declined by 1.1 percent to USD 503.4 billion, resulting in a USD 5.4 billion trade surplus. This was partly owing to the automotive industry's sustained strength - both vehicles and parts - as well as the impact of the US-China trade war, which increased Mexican exports to the US.

Table 3 : Mexico's Foreign Trade (Million USD)

Foreign Trade Values	2015	2016	2017	2018	2019
Imports of Goods (million USD)	405,280	397,516	432,179	476,546	467,342
Exports of Goods (million USD)	380,772	373,930	409,433	450,713	460,704
Imports of Services (million USD)	29,495	31,926	36,775	37,435	36,132
Exports of Services (million USD)	22,609	24,097	27,012	28,579	30,062

Source : World Trade Organisation, 2021

According to 2016 figures, Mexico is Turkey's second most important trade partner in the region, In this context, bilateral trade volume reached \$ 1.4 billion in 2016 references.

Figure 3 : Turkey - Top-10 exports of goods to Mexico in 2016 (Million USD)



Source : TradingEconomics,2021

Turkey's economy is free a market, driven by the industrial sector and the labor force, though the conventional agriculture industry still employs about 25% of the country's workforce. The automobile industry, petroleum, and electronics industries have grown in importance, surpassing traditional export activities such as textile products. Domestic instability and security worries have emerged due to the recent phase of financial stability and economic vitality, causing financial market volatility and weighing on Turkey's economic performance.

The Mexican government gave a million dollars to Turkey to support the actions of this country in favor of Syrians affected by the conflict. In a joint declaration signed by the presidents of Mexico and Turkey, Enrique Peña Nieto and Abdullah Gül, respectively, they also agreed that in the first quarter of 2014 negotiations for the Free Trade Agreement should begin, an essential instrument to achieve the true economic potential of the relationship.

They also decided to accept steps to make it easier for citizens from both nations to get visas by speeding up the application and approval procedures. Mexico confirmed the integration of Turkish people in the Electronic Authorization System (SAE) mechanism, precisely as Turkey declared the acceptance of Mexicans in its process. The allied presidents emphasized their wish for a direct Turkish Airlines route to Mexico to be established as soon as possible, an essential step in promoting commercial and touristic links between the two nations. They further reaffirmed their resolve to offer businessmen with long-term visas and to accelerate student visas.

They reaffirmed their commitment to the peaceful resolution of the conflict in Syria; acknowledging the efforts of the Turkish government to host more than 600,000 Syrians, "the Government of Mexico has decided to contribute one million dollars in support of pro-Syrian activities in Turkey." In particular, to programs related to children through the International Federation of the Red Cross and Red Crescent.

Both presidents stressed the need to vigorously developing the tourist partnership and aviation connectivity in a joint declaration following their private discussion. As a result, they applauded the signing of an Air Travel Agreement and a Strategic partnership on touristic collaboration between Mexico and Turkey.

The sides agreed to expand their collaboration in the areas of sustainable energy, especially thermal and hydropower energy, as well as energy efficiency. The Mexican side underlined its support for Turkey's G20 leadership, which will begin in 2015, and promised its complete backing for the Leaders' Summit, which would be hosted in Turkey at that time.

Both nations promised to look into the prospect of expanding their defense and security collaboration. The establishment of the military and naval attachés at the Mexican embassy in Turkey was welcomed by the Turkish side.

Given the parallels in the structure of their economies, the possibilities for collaboration, and the significant position of both nations in the world arena, they reiterated their decision to expand and maintain a dynamic partnership in the 33-point declaration. They decided to deepen regional discussion and international collaboration within this context.

They highlighted the importance of both countries' financial stability and deep commitment to free trade. They agreed to promote bilateral and regular high-level visits, with Mexico and Turkey emphasizing the need for continuing institutional communication between Mexico's Secretary of Foreign Affairs and Turkey's Minister of Foreign Affairs.

In this sense, a High-Level Binational Commission has been established that will meet biennially and will be co-chaired by the foreign ministers of both countries. Similarly, the document highlights that Mexico and Turkey recognize that the current economic relationship and the volume of bilateral trade do not correspond to the size of their markets.

In this regard, they have stated a desire to arm themselves with a set of legal instruments that will help them grow their economic connection and foster collaboration in many other areas. Mexico and Turkey have started negotiating a complete Free Trade Agreement with this goal in mind.

In addition, to honor the 150th anniversary of their first meeting, Mexico and Turkey agreed to launch an intellectual, academic, cooperative commercial, and touristic development program in 2014 that promotes understanding of both nations' histories, civilizations, and traditions. Peña Nieto and Gül welcomed the signing of various cooperation documents, while the Mexican president extended a cordial invitation to his Turkish counterpart to visit Mexico when he deems it appropriate.

Turkish Airlines (THY) increased its route network in 2016 to include Bogota, Caracas, Havana, and Panama, in addition to Buenos Aires and Sao Paulo. THY aspires to expand its area by offering direct flights to other big cities in the area or partnering with major regional airlines to code-share. In various aspects, including economy, trade, tourism, and culture, THY flights have contributed significantly to our LAC ties (RTMFA , 2021).

4.3 Argentina

Argentina, the country with the 4th largest population in Latin America, is one of the countries with the highest economic potential, considering its rich underground and surface resources, trained manpower, urbanization and technological development, high purchasing power per capita, and the impact of economic integration in the region. as notable.

Agriculture and agro-industry are the backbones of Argentina's economy. Agriculture accounts for 10% of GDP, manufacturing for 31%, and the rest of the service sector for the remaining 5%. The Argentinian economy is heavily dependent on the constantly rising value of food products for growth. Agriculture is suited for 9.2percent of the nation's land area (Anadolu Agency, 2021).

Argentina's per capita income is \$11,693, with a population of 42 million people. Despite income disparities, Argentina, which has one of the highest per capita incomes among Latin American countries, is a key entry point for businesses looking to expand into the MERCOSUR region (Foreign Economic Relations Board of Turkey(FERBT), 2021).

The Argentine government's expansionary monetary and fiscal policies increased consumption and ensured economic growth. These are social security measures aiming at raising the living standards of those in the medium and lower-income categories. However, it is clear that Argentine consumers, whose purchasing power has shrunk due to severe inflation, have become more aware of their spending habits in recent years.

The import element of foreign trade strategy can be summarized as: on the one hand, preserving the country's industrialization by protecting domestic production through "import substitution," and on the other hand, maintaining a specific level of foreign trade surplus by keeping imports as low as possible (FERBT, 2021).

The main political contradiction here is that the country is a member of the agreements, which require many multilateral and bilateral open economic policies, especially the World Trade Organization and MERCOSUR.

The primary economic paradoxes of the current import strategy in terms of international trade are a decrease in the competitiveness of industrial products exports and an increase in demand for imports of expensive and low-quality domestic production mixed with strong demand.

Although the government has not devised any more competitiveness or efficiency measures, extra actions are being taken by misrepresenting inflation figures, concealing current inflation, and implementing direct price controls. In short, while import substitution policies increase domestic output, they generally result in lower-quality and more expensive domestic products since the country lacks sufficient foreign capital and technological input. In this way, rather than being removed, some imports are postponed. (FERBT, 2021).

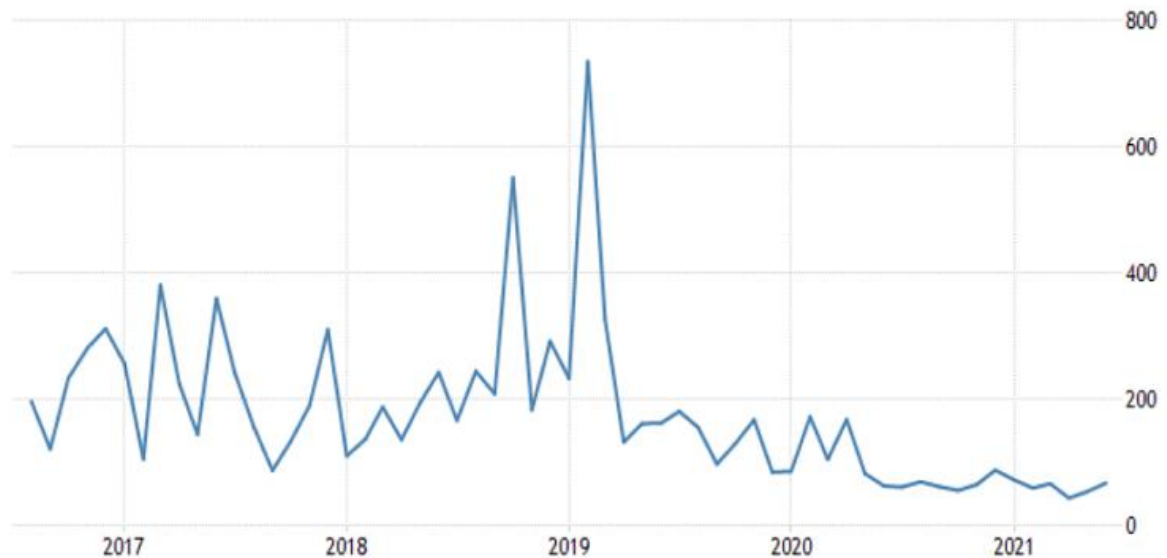
As the economy grows, the government finds it increasingly difficult to manage imports each year, and tries to erect more direct barriers as a result of this process, which produces a form of a vicious circle.

Import substitution policies, as well as tariff and non-tariff restrictions, still exist in Argentina. Argentina, which has a policy of opening up to the Far East, particularly China, India, and Japan, prioritizes Latin American integration policies as well.

Argentina is a full member of MERCOSUR (Southern Common Market), whose ultimate goal is to construct a political union similar to the European Union, but which is currently having major issues implementing even the Customs Union. Argentina's exports to MERCOSUR countries have not grown at the same rate as its purchases from the region. As imports are blocked, the country's competitiveness worsens, productivity falls, and inflation rises as high-cost, low-quality home industry is protected and encouraged.

FDI is a critical component of the Argentinian economy's expansion. The very same financial duties apply to foreign investors as they do to domestic businesses. Consumption, exports and imports, income, property investment, and earnings are all subject to taxes.

Figure 4 : Foreign Direct Investment in Argentina (Million USD)



Source : TradingEconomics, 2021

Oil manufacture and supply, communications, and finance are the most deeply leveraged areas in the country. The chemical industry's investments are aimed at utilizing building resources from the petroleum industry. Argentina, with its current industrial structure, has access to international markets. It is a country that provides raw materials and semi-processed materials.

In recent years, it is noteworthy that South American countries, especially Brazil, have increased their investment portfolios in the country. Brazil has been the country that invests the most in Argentina. Brazil was followed by Chile, while the USA and Spain ranked third and fourth (Anadolu Agency, 2021).

Argentina has the third-largest economy in Latin America in terms of GDP, after Brazil and Mexico. In Argentina, which has a population of approximately 46 million, the per capita income (according to current prices) is 9,122 USD. Despite the gaps in income distribution, it is among the countries with the highest per capita income in Latin American countries.

In the evaluation made by our Buenos Aires Commercial Counseling; Argentina's economy contracted by 9.9% in 2020, the biggest decline of the last 20 years and the country's third year in recession. In 2020, consumption decreased by 13.1%, investments by 13%, exports by 17.7% and imports by 18.1%. The hardest hit sectors were hotels and restaurants, social services, construction, fisheries, household services, transportation and communications, and mining (Republic Of Turkey Ministry Of Trade (RTMT) ,2021).

The Ottoman Empire and Argentina signed a pact of consular affairs in 1910, which established contacts between the two countries. The Friendship Agreement was signed in Rome in 1926, following the proclamation of the Republic of Turkey. Following that, both countries' ambassadors presented their separate letters of credentials.

Argentina's President, H.E. Carlos Menem, visited Turkey in 1992, and Turkey's President, H.E. Süleyman Demirel, visited Argentina in 1995. H.E. İsmail Cem was the first Turkish Foreign Minister to visit Argentina in 1998. On the 20th and 21st of January 2011, Argentina's President, H.E. Cristina Fernandez de Kirchner, paid a visit to our country. On September 8, 2013, H.E. President Erdoğan paid a visit to Argentina as Prime Minister.

On January 6, 2015, Argentina's Foreign Minister, H.E. Hector Timerman, paid a visit to Turkey to speak at the 7th Ambassadors Conference. He was met by H.E. President Erdoğan after meeting with Foreign Minister H.E. Mevlüt Çavuşoğlu.

On January 30, 2017, Foreign Minister H.E. Mevlüt Çavuşolu paid a visit to Argentina, meeting with then-Foreign Minister H.E. Susana Malcorra and Vice President and Senate President Gabriela Michetti. Customs Cooperation and Mutual Aid Agreements were inked as part of the visit.

Our Head of state, the Turkish Grand Regional Parliament President, the Members of the government of Finance, Agriculture and Forestry, Business and Technological Advancements, Family, Labor and Welfare Services, International Trade, Protection, Power and Natural Resources, Commander in chief of TIKA, Commander in chief of the Supreme Court, and also our Members of parliament and senior leaders, all held meetings throughout 2018 as part of Argentina's G20 Presidency. During the G20 conference, our high-ranking officials met with their Argentinian colleagues for bilateral talks.

Flights from Istanbul to Buenos Aires via Sao Paulo began in December 2013 and are now available every day. By the end of 2019, the two countries' trade volume was around 455 million USD (exports: 161 million USD, imports: 294 million USD) (RTMFA , 2021).

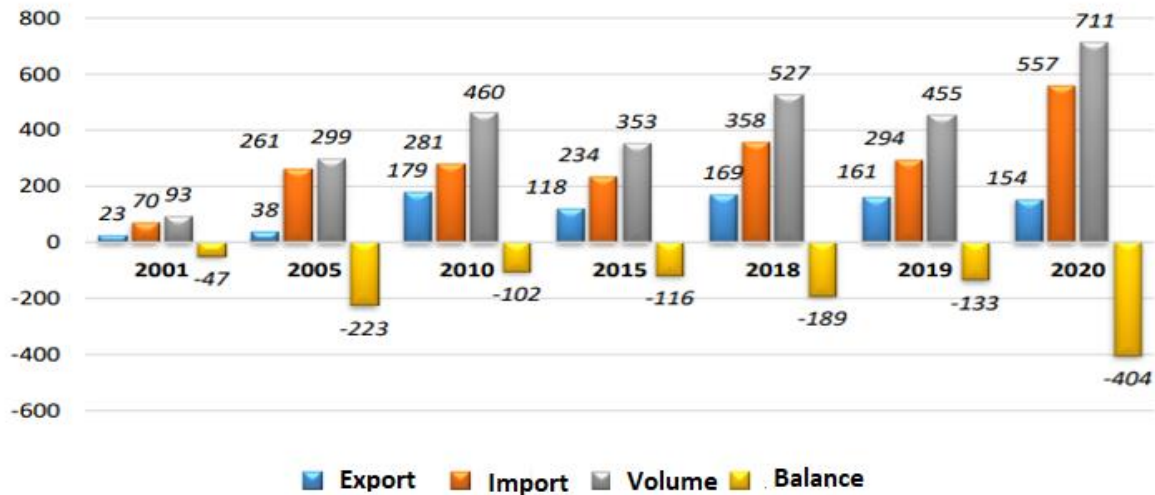
Figure 5 : Argentina's Trade Surplus (Million USD)



Source: TradingEconomics, 2021

In 2020, our exports to Argentina are 54.8 million dollars (16% decrease compared to the previous year), our imports are 42.3 million dollars (14% decrease compared to the previous year), and it is observed that Turkey has a foreign trade deficit of 404 million dollars in trade with Argentina (RTMT,2021).

Figure 6 : Turkey's Trade With Argentina (Million USD)



Source : TradeEconomics, 2021

4.4 Colombia

Colombia is strategically located at a crossroads between Central and South America. Colombia has coastlines on both the Pacific Ocean and the Caribbean Sea, making it the fifth largest country in Latin America by area. Panama, Ecuador, Peru, Venezuela, and Brazil are its bordering neighbors.

Colombia's official language is Spanish, and the country ranks second in the world in terms of Spanish-speaking population behind Mexico. The literacy rate in the country is 94.7 percent. Cities are home to 76.4 percent of the population. Spaniards were among the first Europeans to arrive in the country, followed by immigration from other Euro nations.

Colombia is ranked 28th in the world, with a workforce of over 23.7 million people. Agriculture employs 17 percent of the workforce, the industry employs 21 percent, and services employ 62 percent. In poverty, 33% of the population lives below the poverty line.

While the country's economy, which is an oil producer and exporter, was affected hard by the abrupt decline in the global price of oil, the country's economic optimism was dashed by the COVID-19 pandemic that followed.

Apart from food suppliers, pharmacies, and marketplaces, all business activity has ceased since the lockdown was implemented. The tourism and aircraft passenger transport sectors in Colombia have suffered the most as a result of this process, which has resulted in an increase in unemployment and economic stagnation. In order to save these two industries, the Colombian government has begun working with banks to provide loan opportunities for them. These industries' tax payments have been postponed (RTMT,2021).

Over the years, Colombia's international trade has not maintained a predictable pattern. In 2016, exports declined by 13% and imports increased by 17%, whereas exports increased by 21.6 percent and imports increased by 2.7 percent in 2017.

Table 4 : Colombia’s International Trade (Thousand USD)

YEARS	EXPORT	IMPORT	VOLUME	BALANCE
2016	31.044.991	44.831.143	75.876.134	-13.786.152
2017	37.770.123	46.075.705	83.845.828	-8.305.582
2018	41.769.699	51.232.805	93.002.504	-9.463.106

Source : TradeMap,2020

When bilateral trade data between Turkey and Colombia is examined, it is discovered that the two nations' foreign trade imbalance, which is negative for our country, was 1.6 billion dollars in 2018. Our exports to Colombia climbed by 30.8 percent to 241.5 million dollars from the previous year, while our imports increased by 13.6 percent to 1,919 billion dollars.

4.5 Chile

Chile signed the region's first Free Trade Agreement (FTA) in 2009, and it went into effect on March 1, 2011. Ecuador, Colombia, Mexico, and Peru are currently negotiating an FTA. Turkey aspires to sign free trade agreements with important regional groups such as CARICOM, MERCOSUR, and the Pacific Alliance, in addition to the LAC countries (RTMFA , 2021).

Although Turkey and Chile are located in geographies very far from each other, there is a special sympathy between the people of the two countries. The first Latin American country to recognize the Republic of Turkey, founded in 1923, was Chile. This behavior is seen as a concrete expression of the value that Chile gave to the friendship between the two countries. With the Friendship Agreement signed in 1926, solid foundations of bilateral relations were established. Commercial relations between the two countries started in the 1970s (RTMT, 2021).

Despite the factors that limit the mutual visits of businessmen such as geographical distance and lack of direct flights, an increasing trend has been caught in the commercial relations and contacts between the two countries and there have been positive developments in the interest of the companies in the market. When the trade between Turkey and Chile is analyzed by years, the exports to the said country increased regularly between 2009-13, the trade volume between the two countries was 470 million Dollars as of 2015, and It is seen that the foreign trade deficit against our country decreased by 42.6% in the same year to approximately 95 million dollars. In 2016, the 4% decrease in our trade volume resulted from the 18% decrease in our imports. In the same period, our exports increased by 16%. According to 2018 data, as of the end of 2018, our exports to Chile reached 386 million USD, our imports from Chile reached 371 million USD, and the foreign trade volume between the two countries increased by 45.3% compared to the previous year and reached 757 million dollars.

The increase in exports compared to the previous year was 51.7%, and our country has become a foreign trade surplus in bilateral trade with Chile for the first time since the Free Trade Agreement between the two countries entered into force. According to DIRECON data, the foreign trade volume between the two countries, which was 520 million USD in 2017, increased to 757 million dollars in 2018, and in 2018 Turkey became the 18th largest trade partner of Chile (RTMT, 2021).

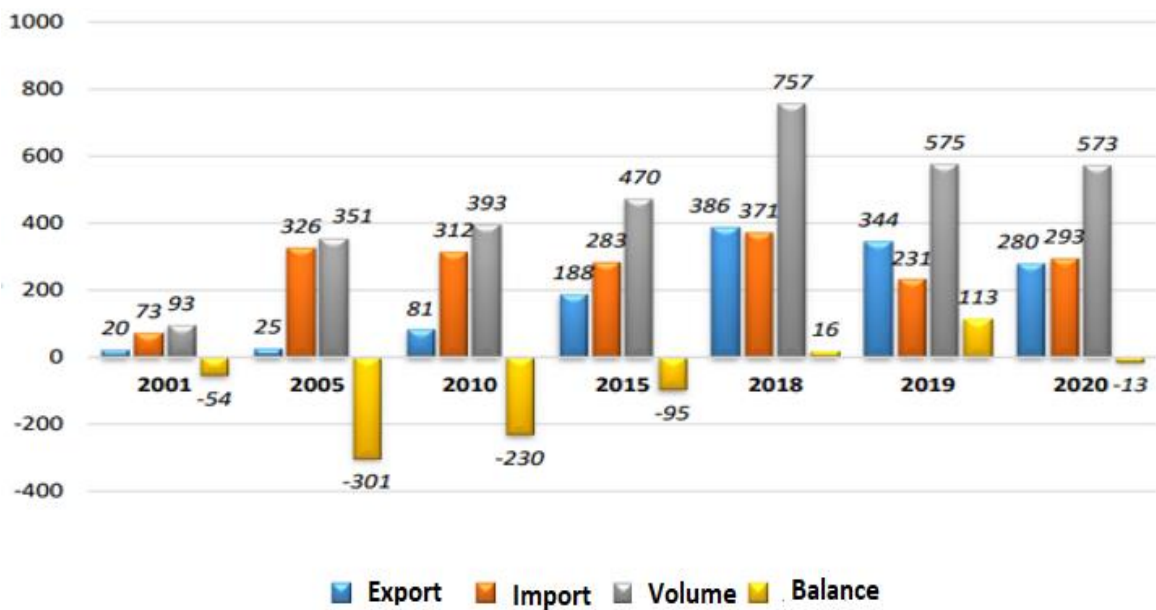
Figure 7 : Chile Imports From Turkey (Million USD)



Source : TradingEconomics, 2021

The foreign trade volume between the two countries is ahead of Chile's trade volume with Panama, Malaysia, Australia and P4 countries. In 2020, our exports to Chile decreased by 23% and amounted to 280 million dollars. The trade volume decreased by 0.34% compared to the previous year and became 573 million dollars.

Figure 8 : Turkey's Trade With Chile (Million USD)



Source : TradingEconomics, 2021

Despite the presence of significant competitors, Turkey's exports to Chile are expected to expand in the future years as a result of the FTA. As Chile is one of the region's most developed and liberal countries, it is thought that diversifying our export items to the country is conceivable by implementing an active promotion plan for Turkish products.

4.6 Peru

Peru, which is located in western South America and on the coast of the South Pacific Ocean, is a country with a diverse climate, mining, and energy resources. Peru is the third-largest country in South America by land and the second-largest by natural forest coverage. Bolivia is 1,075 kilometers away, Brazil is 2,995 kilometers away, Chile is 171 kilometers away, and Colombia is 1,800 kilometers away. Arable land makes about 2.88 percent of Peru's area, which shares a 1,420-kilometer border with Ecuador.

Cusco, the Inca capital, is located in the mountainous highlands, which house 37 percent of the country's inhabitants. Puno, Arequipa, Huancayo, Ayacucho, Huaraz, and Cajamarca are some of the most prominent cities in this territory; other notable cities include Puno, Arequipa, Huancayo, Ayacucho, Huaraz, and Cajamarca.

The rainforests are located in the third region, which offers a diverse range of plant and tree species, rivers, and oil and natural gas resources. This region, which covers 56 percent of the country's land, is home to 11 percent of the population. Iquitos and Pucallpa are the two largest cities in the region (RTMT, 2021).

Peru, which has hosted several Andean civilizations, did not declare independence until 1821, after the Spanish invaded the Incas in 1533. In 1980, after years of military dictatorship, democracy was enacted. The president is in charge of both the state and the federal government. The President of the State, who is chosen every five years through presidential elections, has the ability to designate members of the Council of Ministers, according to the Peruvian Constitution, which has been in effect since December 29, 1993.

Copper, silver, gold, petroleum, rubber, fishing, iron ore, coal, phosphate, potash, hydropower, and natural gas are Peru's principal natural resources. Asparagus, coffee, cocoa, cotton, sugarcane, rice, potatoes, corn, bananas, grapes, oranges, pineapple, guava, dried with beans are the key agricultural and livestock goods; beef, poultry, and seafood are the main livestock products (RTMT, 2021).

Mining and mineral processing, steel, metalworking, oil processing, natural gas, fisheries, food processing, and textiles are all part of the country's manufacturing business.

The agriculture sector, which employs 7.6% of the workforce, also accounts for a substantial portion of the country's exports. Cotton, sugar cane, coffee, and soybeans are the country's principal agricultural export items, in addition to seafood and fish oil. Agriculture and food exports increased despite the global economic crisis, indicating that the agricultural industry was mostly unaffected by the crisis (RTMT, 2021).

Rubber, food processing, and chemicals are the most important industrial areas in the manufacturing business. The state promotes the growth of the textile and wool industries. Construction is one of the fastest-growing industries, and hydroelectric power plant projects have become increasingly important in recent years.

Peru is the world's leading exporter of asparagus and paprika, as well as the world's leading producer of fish meal, fish oil, silver, alpaca, and vicuna wool. Peru is the region's top gold, zinc, tin, and lead producer, as well as the second copper producer. Peru is a major producer of potatoes, tomatoes, sweet potatoes, corn, avocados, and achiote.

Peru's international trade volume climbed to 84 billion dollars in 2017, 90 billion dollars in 2018, and 87.5 billion dollars in 2019. Due to the pandemic, it fell to 74.8 billion dollars in 2020. Petroleum oils (6.3 percent) will account for the majority of Peru's imports in 2020. Data processing machines (2.8 percent) and telephone gadgets (3.5 percent) are in second and third position, respectively. Peru does not have an automotive manufacturing or assembly industry, hence it imports all of its land vehicles. (RTMT, 2021).

Figure 9 : Peru Balance of Trade (Million USD)

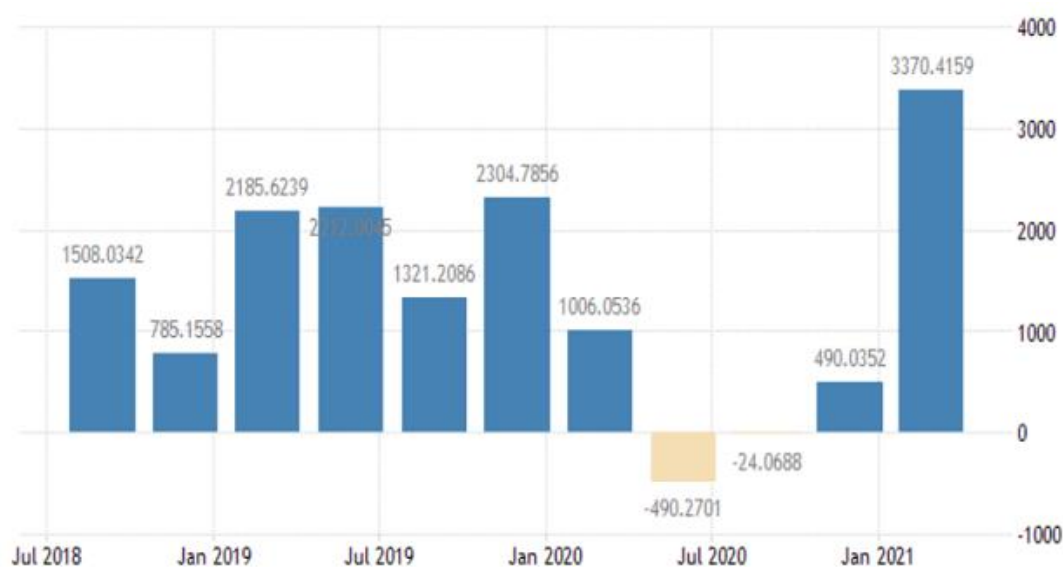


Source : TradingEconomics, 2021

It is critical to begin the process of signing a Free Trade Agreement as soon as possible with Peru, which has already signed one with the EU. The eradication of visas between the two countries, as well as the inauguration of direct flights between the two nations by Turkish Airlines, will considerably boost bilateral commercial connections and bring these physically separated countries closer together.

Peru received \$8 billion in net direct investments in 2019. For 2020, it is predicted to be worth 2.3 billion dollars. According to ProInversion data, the mining and banking industries are the most active in terms of capital participation (RTMT, 2021). There are investments from European (especially Spain and England origin) and North and South American countries in the country.

Figure 10 : Foreign Direct Investment in Peru (Million USD)

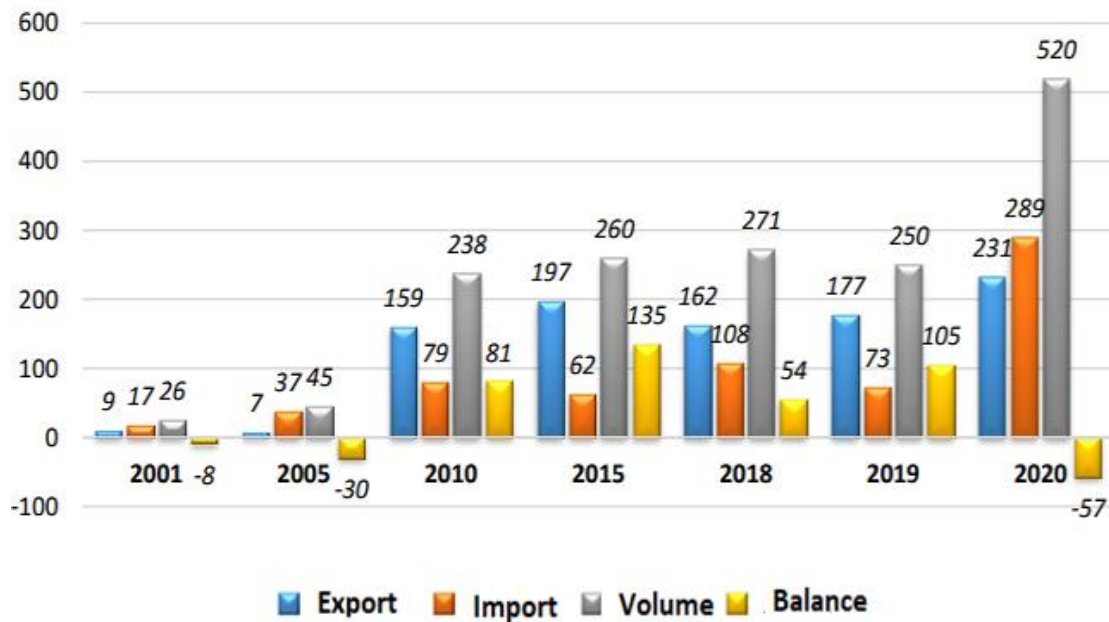


Source: TradingEconomics, 2021

Peru is attempting to attract more foreign investment, particularly in the area of transportation infrastructure renewal, and it offers significant prospects for our country in terms of construction materials, machinery, and components, as well as contracting. Peru is a market worth considering for enterprises because of its low average customs fees of less than 5% and strategic location.

Despite the fact that commerce between Turkey and Peru has fluctuated throughout the years, Turkey consistently maintains a foreign trade surplus. In bilateral trade, Turkey realized a foreign trade surplus of 54 million dollars and a trade volume of 272 million dollars in 2018. The volume of foreign trade in 2019 was \$250 million dollars. Foreign trading volume climbed by 108 percent to 520 million dollars in 2020 (RTMT, 2021).

Figure 11 : Turkey’s Trade With Peru (Million USD)



Source : TradingEconomics, 2021

4.7 Ecuador

Ecuador is a rich geographical structure with coastal plains in the west, Andes and volcanoes in the middle, and untamed Amazon jungles in the east. It is located on the Pacific coast in western South America.

Ecuador's current Constitution was adopted on October 20, 2008, after the country earned independence from Spain on May 24, 1822. The President is also the Prime Minister of the United Kingdom. The members of the Council of Ministers are appointed by the Head of State, who is chosen by direct popular vote every four years (RTMT, 2021).

Despite the fact that Quito and Guayaquil are the country's two most important commercial cities, their cultures and economic structures are vastly different. Quito (Kito) is a port and industrial city based on agriculture and fishery production, whereas Guayaquil is a port and industrial city based on agriculture and fishery output.

Agriculture employs 30% of the country's 8.5 million total active workforce, while industry employ 17% and services employs 53%. While the active labor force unemployment rate was 3.8 percent in 2019, it rose to 6.2 percent in 2020. Twenty-three percent of the population lives in poverty according to world bank data.

Ecuador's primary natural resources are oil, fisheries, timber, and hydroelectric electricity. The country's primary agricultural and livestock products; Bananas, coffee, cocoa, rice, potatoes, cassava (tapioca), and sugar cane are all grown here. Seafood production, particularly shrimp and tuna, is common in addition to meat and dairy products.

Ecuador's economy is based on oil production and exports, and the country has been moving toward more open economic and trade policies since 2017. The goal of the economic administration was to speed up discussions on free trade agreements, reduce customs taxes, and enhance foreign trade by removing trade barriers. Improving the investment climate and reviving output are also high on the priority list. It is hoped that by focusing on liberal economic policies, foreign investors will be more interested in investing in the country. Providing financial stability to the government is a top objective for the economy. Cooperation with international financial institutions such as the IMF, World Bank, and Inter-American Development Bank has been accelerated in order to lower the high public debt (finance cost) (RTMT, 2021).

With the March 2000 structural reforms, the adoption of the US dollar as the country's official currency, the positive contribution of high oil prices and the diversification of export products to exports, the increase in foreign workers' incomes, and large-scale infrastructure investments, the country is on the right track. In the last ten years, the economy has expanded by an average of 4.5 percent (RTMT, 2021).

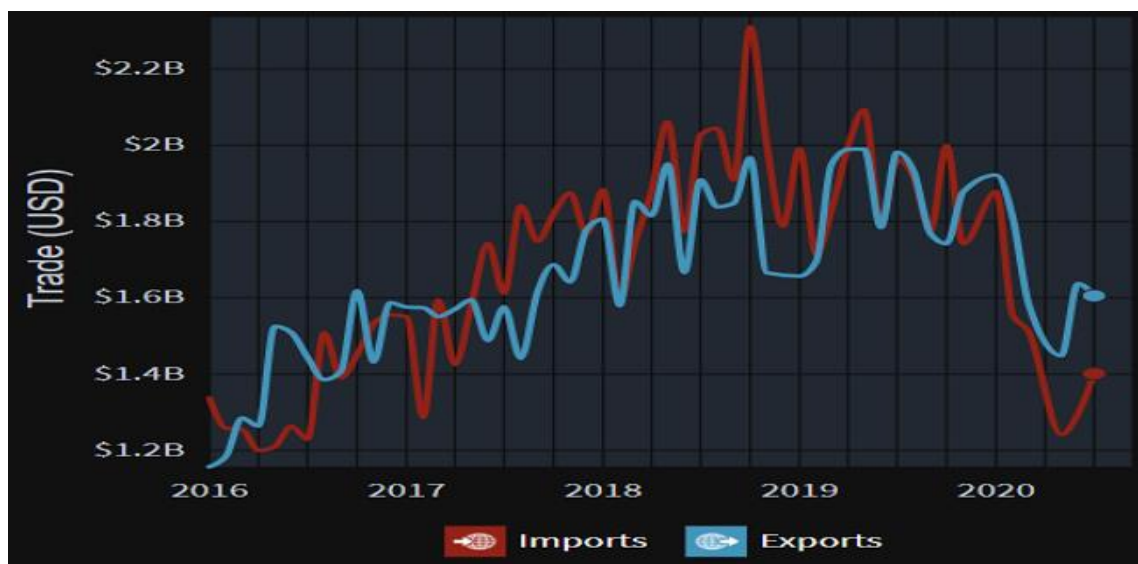
Ecuador's economic policies in 2018 were dominated by the government's efforts to alter the economic model. In order to reduce public debt and control public finances, austerity policies in the public sector were highlighted, public institutions were downsized, public investments and subsidies were curtailed. In addition, the Ecuadorian government has begun levying new tariffs on over 2,800 imported goods.

Ecuador is a small Latin American economy that has yet to complete its industrialization, has sluggish domestic production, and relies on foreign investment (external financing). Many products used in the market, both for consumption and for industry, are imported in this context. Ecuador conducts a large portion of its international trade with Latin American countries with which it has signed preferential trade agreements and shares a common culture, as well as those that are logistically close to it. One of Ecuador's foreign trade focuses is the diversification of export markets and products (RTMT, 2021).

While Ecuador's exports had been steadily increasing until 2009, they fell that year due to the global economic crisis and domestic developments, but began to rise again in 2010. The United States leads the country in both imports and exports. China is the country's second largest exporter.

Following the signing of the FTA with EFTA, trade negotiations with the United States are expected to begin in the near future. The investment agreement is also back on the table. In addition to the United States, the economy management intended to advance trade and investment agreements with Turkey, South Korea, India, Mexico, England, the Eurasian Economic Union, and Japan. Investment incentives may differ depending on the industry, area, and other variables. The encouragement of foreign investment by national authorities is a priority in keeping with the needs of the economy.

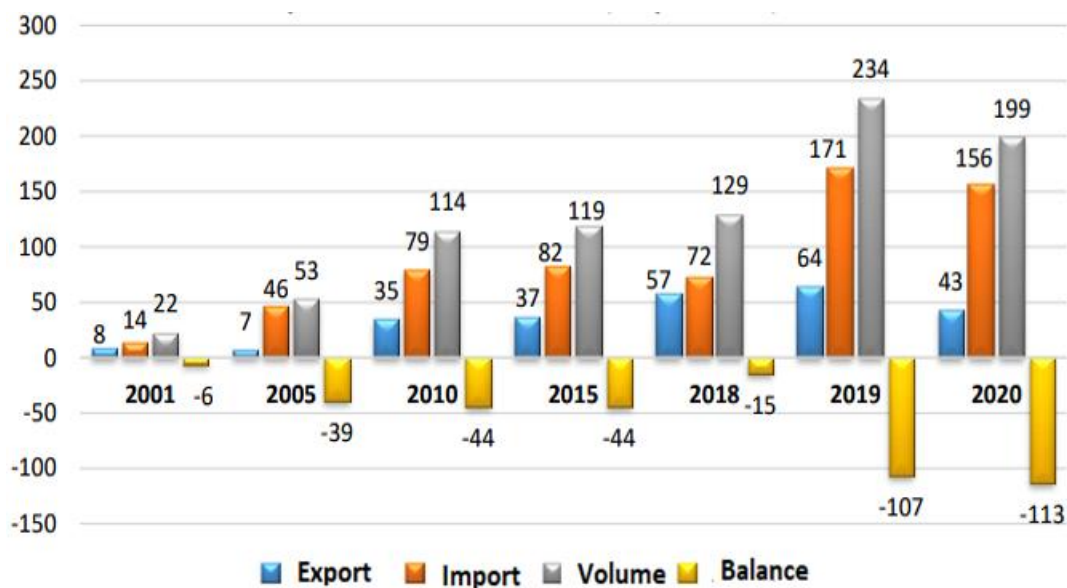
Figure 12 : Ecuador Imports and Exports (Billion USD)



Source : OECWorld, 2021

In 2020, Ecuador ranked 135th in exports to Turkey and 80th in imports. In 2019, our country, on the other hand, ranked 31st in Ecuador's imports and 15th in exports. Negotiations on a Free Trade Agreement (FTA) between the two countries are still ongoing.

Figure 13 : Turkey’s Trade With Ecuador (Million USD)



Source : TradingEconomics, 2021

Improving economic relations are among the common goals of the two countries. Bilateral trade has marked an increasing trend in recent years. It amounted to 117,4 million USD (exports: 59 million USD, imports: 58,4 million USD) in 2019 (RTMFA, 2021).

5. Conclusion

Since about the 1990s, Turkey has conducted its commercial relations with the countries of the LAC area primarily in the context of mutual economic dependence; a foreign policy that prioritizes the economy has contributed to the creation of a stable and trusting environment. Since the 2000s, one of the primary parts of the government has been the concept of the commercial state, and within this framework, intensive business contacts have been established with nations in the Balkans, Caucasus, and the Middle East.

Turkey wanted to expand its contacts with alternative territories after the Cold War ended, particularly for economic and political reasons. One of these regions is Latin America. Latin America is the name given to the area that extends from Mexico's southern border to Argentina and Chile in the southern portion. With the initiatives of İsmail Cem, the period's foreign minister, who served in the late 1990s, the contacts developed at the presidential level turned into a strategic plan, and for the first time, a structured foreign policy toward the region was established.

Alternative plans for Turkey becoming a member of the region's economic and political organizations have been explored in order to enhance the country's economic relations with its neighbors. It has attempted to strike free trade agreements with member countries, particularly with MERCOSUR, the South American Common Market. Since the 2000s, Turkey's evolving Latin American policy has prioritized establishing a long-term commercial partnership with the region's countries. In bilateral relations, the economy, which is the driving force of foreign policy, plays a significant role. One of them is the free trade deal with Chile. While talks with Mexico are still ongoing, efforts are on to sign a free trade pact with other nations.

Argentina, Venezuela, and Colombia follow Brazil and Mexico, which Turkey views as crucial partners in the area. In 1999 the trade volume between Latin America and Turkey was around \$827 million, this figure has reached \$2.2 billion in 2006. Turkey's trade volume has climbed from \$1 billion in the early 2000s to \$8 billion at the end of 2016, thanks to a foreign policy that prioritizes trade.

Turkish Airlines (THY) has increased its flights to the region in line with Turkey's active foreign policy. In the last several years, THY has almost connected the region and Turkey, and has aided the development of joint tourism activities. Turkish television programs, on the other hand, were shown in Chile for the first time and served to popularize Turkish culture throughout Latin America.

In 2020, the coronavirus (Covid-19) epidemic impacted negatively on Latin America, as it did on the rest of the world, with high case and death rates in the region. This situation has put Latin American countries in a difficult position to find solutions, as they are already dealing with political instability, harsh economic conditions, and ongoing public demonstrations. After recent political instability, important countries in the region such as Brazil, Argentina, and Mexico are thought to have a negative outlook in the fight against the epidemic. The images reflected from Brazil, as well as facts on the pandemic, have led to Brazil being labeled the epicenter of the outbreak in Latin America. Not only the countries in issue, but also Chile, Peru, and Colombia were among the South American countries that were severely impacted by the epidemic. As a result, the negative effects of the epidemic process have been added to the region's severe socioeconomic issues, which number more than 630 million people.

This circumstance harmed diplomatic relations between the Latin American region and Turkey, and mutual visits were limited, particularly in the first-middle months of 2020, when the disease broke out and spread. Nonetheless, in 2020, the region's countries and certain crucial linkages, particularly between the Caribbean and Turkey, took place. Furthermore, contrary to projections, 2020 may be a good year for the economy. In terms of relationships, it's been a year of positive resistance.

In 2020, election procedures impacted societal trends in Latin America as well as Turkey's connections with the region, in addition to the pandemic. Other major events that shaped the Latin American agenda this year were the postponed elections in the Dominican Republic, Venezuela, and Bolivia owing to the epidemic, as well as the local elections in Brazil.

It's worth noting that, despite the apparent adverse effects of the pandemic on trade relations, the volume of foreign commerce between Latin American countries and Turkey rose in 2020.

The partial increase in foreign trade volume between Turkey and the countries of the South American Common Market (MERCOSUR), which plays a crucial role in both Turkey's political and economic direction, contributed considerably to the construction of this positive scenario. As is well known, trade between Turkey and MERCOSUR countries decreased by 35% in 2019 compared to the previous year, with the primary cause being the dramatic drop in Venezuela-Turkey trade volume. As a result, the little improvement in the volume in question in 2020 appears to have had an impact on the trade deficit between MERCOSUR and Turkey. On the other hand, the relative improvement and recovery in 2020 could not catch up to the 2018 data.

In 2020, the international trade volume between Central America-Caribbean countries and Turkey was 2 billion 24 million dollars, which was identical to the previous year. The decline in export volume and increase in import volume with these nations, on the other hand, can be characterized as a negative scenario in terms of Turkey's international trade balance, despite the fact that the total volume of foreign commerce is identical. Nonetheless, the persistence of the export-based relationship seen in recent years in the volume of international commerce between Latin American and Caribbean countries and Turkey is a positive development.

In Ankara's Latin America focus in 2020, the Caribbean region is expected to take center stage. In this backdrop, the change of power in the Dominican Republic following the elections heightened the already strong relations between the two countries. Furthermore, real benefits of enhanced relations with Haiti were achieved this year, with a total of seven agreements inked between Turkey and Haiti in the political, economic, and cultural-human dimensions.

As a result, despite the aforementioned political connections and import-based, the partial rise in foreign trade volume with the countries in the region is a positive trend in a year when concerns such as 2020 are intensely felt. However, the region's and Turkey's predicted economic potential has yet to be realized.

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