

## Kanal İstanbul: Pipedream or Politics?

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Istanbul has a history of grandeur. From the Byzantines to the Ottomans, the city of Istanbul has been designed as, in the words used by Emperor Napoleon, the capital of the world. There was a sense of grandeur, too, when Prime Minister Recep Tayyip Erdoğan announced the construction of a canal to bypass the Bosphorus Straits, the maritime highway that bisects the City of Istanbul and brings ships from the Mediterranean to the Black Sea and vice versa. Named Kanal İstanbul, Erdoğan proposed the project during his re-election campaign less than two months before the general election as a way to relieve stress from Turkey's prized city and solve some of the nation's most pressing issues.

### The Bosphorus

The Bosphorus Strait is a narrow, often-winding waterway which connects Russia and Eastern Europe on the Black Sea to the Mediterranean by way of the Marmara Sea. It is 31 kilometers long, its width varying from 0.75 to 3.7 kilometers and its depth from 36.5 to 124 meters<sup>1</sup>. Heavy traffic along the Bosphorus makes it one of the world's busiest maritime chokepoints, as fifty thousand ships pass through the strait each year, around 150 per day, 10% of which are oil tankers<sup>2</sup>. One hundred forty million tons of oil and four million tons of natural gas pass through the strait each year<sup>3</sup>, mostly travelling from Russian Black Sea ports to the Mediterranean, making the Bosphorus one of the most important energy corridors in the world. The 1936 Montreux Treaty, the oldest international maritime agreement still in existence today, which regulates the Bosphorus, allows "complete freedom of passage and navigation in the Straits" during peacetime while heavily limiting military vessels<sup>4</sup>. A 1994

This paper examines Kanal İstanbul, a plan proposed by recently re-elected Turkish Prime Minister Recep Tayyip Erdoğan to bypass the Bosphorus Strait by creating a canal west of Istanbul.

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addendum<sup>1</sup> to the treaty strictly regulates how many ships and of what size may pass through at a time and bars all international ships from passing during inclement weather. This corollary was added after decades of accidents that caused delays, deaths and damages to Istanbul and the tankers involved. Between 1953 and 2002 there were 461 major accidents reported<sup>5</sup>, but there has been a major decline in serious accidents since the implementation of the new regulations.

## The Bypass Plan

When drumming up support for his idea for a Bosphorus bypass, Kanal İstanbul, Prime Minister Erdoğan actually built off of the fear of the recurrence of such accidents. He spoke of ending the great threat to Istanbul and its people posed by oil, gas and chemical exporting vessels, while simultaneously creating jobs and reinforcing Turkey's preeminent role as Eurasia's energy transit hub.

The proposed Kanal İstanbul would begin on the Marmara coast at Silivri and end at a Black Sea port near Yalıköy, spanning 40-50 kilometers, and the canal would connect several small, serpentine rivers running through Thrace. At 150 meters wide and 25 meters deep, it would be large enough for very large crude carriers (VLCCs) to pass through and transport twice as much as oil per load as Suezmax carriers, currently the largest tankers allowed to pass through the Bosphorus. The canal would be finished by 2023, the centenary of the Republic of Turkey. Erdoğan announced that the project, which he called "crazy and magnificent," would cost USD 10 billion<sup>6</sup>. The money, however much, would come from the same types of public-private partnerships that fund current infrastructure and energy projects, such as the Marmaray rail tunnel<sup>2</sup> and the Samsun-Ceyhan oil pipeline.

## Challenges to the Canal

First, the cost of the project has been hotly debated. Erdoğan's projection of USD 10 billion is seen by many to be too low once all things are considered. Historically, canals are difficult to price and expensive once they are open: the Suez Canal ended up costing twice its original estimate; the Panama Canal cost roughly USD 14 billion in 2007 dollars<sup>7</sup> using the combined resources of the French, American and Panamanian governments; and its ongoing expansion

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<sup>1</sup> The addendum came after a particularly serious accident in 1994 between two Cypriot-flagged carriers. Twenty-seven died, 9 000 tonnes of oil were dumped into the Straits, and 20 000 tonnes of oil burned for four days. This was the worst accident since 1979 when 43 people died, 94 600 tonnes of oil spilled, and the week-long fire was large enough to turn the Kadıköy Port black from its smoke. Erdoğan mentioned the latter during his announcement of Kanal İstanbul.

<sup>2</sup> The trans-Bosphorus underground Marmaray rail tunnel is Erdoğan's current grand infrastructure project. The tunnel, its completion currently delayed by four years, will carry Istanbul's commuters from Thrace to Anatolia and stem maritime traffic along the Bosphorus by commuters. At an estimated USD 2.5 billion, the Marmaray is being financed by the Japanese International Cooperation Agency and the European Investment Bank.

alone will cost around USD 5.25 billion<sup>8</sup>. While the technology may have improved, the environmental and engineering problems remain just as costly on projects such as these.

Secondly while Erdoğan is surely willing to reinforce Turkey's role as energy hub, the need for an alternative oil transport route remains doubtful. Turkey is well-regarded as an important energy hub due to its strategic location near Central Asia, the Middle East and the Black Sea. The transportation of Black Sea oil is one of the most important energy and security challenges of Turkey. Turkey has two relatively small domestic crude oil pipelines, Ceyhan-Kırıkkale and Batman-Dörtyol, which pump 135 kb/d and 86.4 kb/d respectively<sup>9</sup>. Turkey's two major international pipelines, Kirkuk-Ceyhan and Baku-Tblisi-Ceyhan, pumped 0.47 mb/d from Iraq and 1.2 mb/d from the Caucasus in 2009, respectively<sup>10</sup>. Yet both of these international pipelines pale in comparison to the 2004-2008 average of 2.6-2.8 mb of oil transported through the crowded Bosphorus each day<sup>11</sup>. Kanal İstanbul could alleviate the pressure and reduce delays for ships, sometimes up to three weeks<sup>12</sup>. Alternative routes nevertheless exist to export Black Sea oil, and many new transit projects are on the table. The Odessa-Brody pipeline in Ukraine could provide an uncomplicated path for exportation, given the pipeline runs only in Ukraine and is thereby not governed by any international agreements. Yet this pipeline currently runs in reverse, bringing Russian oil to the Black Sea rather than taking oil away from it. Other proposed pipelines, such as the Pan-European pipeline from Romania to Italy and two Bulgarian pipelines leading to Albania and Greece, could also provide relief to traffic along the Bosphorus. Turkey and Russia have agreed to build a 550 kilometer pipeline from Samsun on Turkey's Black Sea coast to Ceyhan, the Marmaran oil hub, with an expected capacity of 1 mb/d<sup>13</sup>. Even if the capacity of the Samsun-Ceyhan line were increased to 1.5 mb/d, there would still be over one million barrels of oil going through the Bosphorus, so clearly no one pipeline is the answer. Yet, if some combination of the above pipelines is brought to fruition, the hazardous cargo moving through the strait could be significantly reduced.

The idea would affect the energy policies of other actors in the region also. Erdoğan's call to end "commercial traffic in the strait completely with Kanal İstanbul" did not go over well abroad<sup>14</sup>. The announcement indeed drew an immediate negative response from Turkey's biggest energy partner in the region, Russia. Moscow fears that the canal would have an undermining effect on its current pipeline projects, and that the construction of the canal would bring higher prices on Bosphorus transit in order to make the canal a more viable option. In addition to affecting diplomatic relations, it could also have the opposite effect on energy transport that it intended. Higher prices for shipping could actually encourage Russia to move more of its oil exports away from the Black Sea region to the Baltic Sea, as it is already doing with a proposed

pipeline to bypass Belarus via the Baltic<sup>15</sup>. Turkey's prospects as a global energy hub would be further undermined.

The canal may not have the same kinds of effects in other areas as Erdoğan claims either. The Prime Minister has stated the project will drastically improve the safety of Istanbul and its people, while simultaneously saying it will include two new cities on either side of the port. He plans to stimulate growth along the canal as a way to ease the larger urban problems, such as transportation demand and overcrowding, of Istanbul. The development project, which Erdoğan described as “an urban planning project, a family project, a housing project...[and] an environmental project,”<sup>16</sup> would place these new cities in the same harm Istanbul now faces, however. While it could save Istanbul's old mosques and Ottoman palaces, the danger to millions of Turks would be recreated just west of Istanbul. Additionally, the huge displacement of earth from building such a canal and the different relative elevations and sizes of the Black Sea and the Marmara Sea could present engineering challenges<sup>17</sup>. Differences in salinity levels between the two seas could bring unintended ecological consequences as well. The canal would have to be planned carefully with time taken to consider every possible detail, yet some of these consequences could be unavoidable.

### Political Motivations

Prime Minister Erdoğan announced the Kanal İstanbul project on 27 April 2011 on the stage of the Haliç Congress Center, just seven weeks before the next general election. He presented the canal as the panacea to Istanbul's problems, and indeed many of the problems of the entire country. Erdoğan has a reputation across Turkey as a nation-builder and has undertaken a large number of infrastructure projects, including the Marmaray tunnel, an expansion of Istanbul's public transit system, and unprecedented construction throughout the nation, primarily around Istanbul. Kanal İstanbul would be Erdoğan's next great contribution to the Turkish Republic, and the next brick laid in his political strategy and legacy. He was strongly leading in the polls and few questioned that he, as the head of the Justice and Development Party (AKP), would be re-elected. Indeed, the AKP won 49.9% of the vote, with the leading opposition Republican People's Party earning 25.9% of the vote<sup>18</sup>. Yet the announcement came just before the election and little to nothing has been said by Erdoğan about the project since his re-election in mid-June. Erdoğan has not responded to criticism of the project either from home or abroad.

### Conclusion

Prime Minister Erdoğan knows his audience well. As a country that has hosted

many of the world's greatest civilizations over the past millennia, and which currently has one of the fastest growth rates in the world, many people in Turkey believe it is time for the nation to rise up and show the world all that it is capable of – in the form of great public works. Erdoğan recognizes this and has proposed a project with the kind of grandeur not seen since Sultan Suleiman the Magnificent. The plan appears to be merely the words of a popular leader vying to be re-elected in a country that is eager to grow. The timing of the project, as well as the 2023 deadline for its completion, represent the kind of showmanship that makes Erdoğan such a popular leader in Turkey. His leadership is taking Turkey into the developed world by transforming it into an energy hub and a geopolitical star. Erdoğan will not let Kanal İstanbul jeopardize the strides the nation is making. Yet neither will he compromise his image among Turkey's citizens that he is the visionary leader needed to navigate the nation. While the project was touted as the investment that would push Turkey as a whole into the twenty-first century, little has yet materialized.

<sup>1</sup> Information on the Bosphorus taken from the Britannica Online Encyclopedia. Accessed: <http://www.britannica.com/EBchecked/topic/74782/Bosporus>.

<sup>2</sup> "World Oil Transit Chokepoints." US Energy Information Administration. February 2011. Accessed: <http://www.eia.gov/countries/regions-topics.cfm?fips=WOTC>

<sup>3</sup> "The Istanbul Canal Project." RIA Novosti 2011. Accessed : <http://en.rian.ru/infographics/20110430/163775677.html>

<sup>4</sup> Montreux Convention Article II.

<sup>5</sup> "Casualties in the Strait." Bosphorus Strait News. 23 June 2010. Accessed: <http://www.bosphorusstrait.com/the-bosphorus-strait/incidents/>

<sup>6</sup> "PM Erdoğan unveils long-awaited 'crazy project' as Kanal İstanbul." Today's Zaman. 27 April 2011. Accessed: <http://www.todayszaman.com/news-242170-pm-erdogan-unveils-long-awaited-crazy-project-as-kanal-istanbul.html>

<sup>7</sup> Calore, Paul. "What the Panama Canal Cost to Build." WhatItCosts. Accessed: <http://historical.whatitcosts.com/facts-panama-canal-pg2.htm>

<sup>8</sup> "Panama-Guide Top Level Category – The Expansion of the Panama Canal." Panama Guide. Accessed: <http://www.panama-guide.com/canal/>

<sup>9</sup> "Energy Policies of IEA Countries: Turkey 2009 Review." International Energy Agency. pp 53-55. Accessed: <http://www.iea.org/textbase/nppdf/free/2009/turkey2009.pdf>

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> "Trans-Anatolian Pipeline Project." Calik Energy AS and Eni International BV, October 2006. Accessed: [http://www.iea.org/work/2006/energy\\_security/Cavanna.pdf](http://www.iea.org/work/2006/energy_security/Cavanna.pdf)

<sup>13</sup> "Energy Policies of IEA Countries: Turkey 2009 Review." International Energy Agency. pp 53-55. Accessed: <http://www.iea.org/textbase/nppdf/free/2009/turkey2009.pdf>

<sup>14</sup> "PM Erdoğan unveils long-awaited 'crazy project' as Kanal İstanbul." Today's Zaman. 27 April 2011. Accessed: <http://www.todayszaman.com/news-242170-pm-erdogan-unveils-long-awaited-crazy-project-as-kanal-istanbul.html>

<sup>15</sup> "Russia builds Baltic oil pipeline to bypass Belarus." EurActiv. 11 June 2009. Accessed: <http://www.euractiv.com/en/energy/russia-builds-baltic-oil-pipeline-bypass-belarus/article-183101>

<sup>16</sup> "PM Erdoğan unveils long-awaited 'crazy project' as Kanal İstanbul." Today's Zaman. 27 April 2011. Accessed: <http://www.todayszaman.com/news-242170-pm-erdogan-unveils-long-awaited-crazy-project-as-kanal-istanbul.html>

<sup>17</sup> "Turkish PM's canal project will 'drain the Black Sea,' expert claims." Hurriyet Daily News. 1 May 2010. Accessed: <http://www.hurriyetdailynews.com/n.php?n=8216the-8220crazy-project8221-will-drain-the-black-sea8217-2011-05-01>

<sup>18</sup> For a full regional breakdown of the June 2011 election results, visit <http://www.dimpool.com/dimpool-news/2011/06/2011-turkish-election-results/>