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**The Effect of Political Crisis between Countries on
International Trade and International Logistics:
A Qualitative Study on Turkey-Russia Relations**

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Abstract. International trade and international logistics operations, which rose due to changes in international trade are exactly affected by fluctuations in cross-country political, economic and socio-cultural relations. Leading effects of conflicts which countries sometimes experience especially in the political arena manifests itself primarily by affecting foreign trade firms working with concerned countries and international logistics firms negatively. The study aims to identify the consequences that could reveal for international trade and logistics sector of politically strained Turkey-Russia relations recently by focusing mainly on road transportation. In order to accomplish its purpose, the study describes results of political tensions between two countries by making in-depth interviews with representatives of international trade and logistics firms working with Russia in Turkey in the light of opinion of sector representatives. The purpose of this study is to evaluate the answers acquired from in depth interviews with the foreign trade and international logistics companies that makes business with Russia by using content analysis and to clarify the effects of the political tension.

Keywords: Political relations, Political crisis, International trade, International logistics.

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1. Introduction

International logistics activities, which are increasing due to changes in international trade and international trade are directly affected by the fluctuations in political, economic and socio-cultural relations among countries. The pioneering effects of the conflicts that countries sometimes experience

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especially in the political arena show themselves primarily by affecting negatively international trade and logistics firms that working with the countries in question. In many cases experienced in the past, it is observed that there is a decrease in mutual import and export levels of the countries with strained relations.

The regressions in international trade make it difficult for international logistics firms to undertake the duty of carrying commercial goods to the countries concerned. Sharp decline in business volumes and some sanctions of the country experiencing the crisis damage logistics firms. If the commercial impact of the political crisis lasts for a long time, the number of international logistics firms that affected by the crisis will increase and it will be possible for the financial losses of firms to reach the level that threatens the entire logistics sector in the middle and long term.

Turkey adopted the growth model with exports in the post-1980 period and chose to develop international trade with all countries, especially the neighboring countries as a requirement of this model. It can be said that the adherence of the adopted economic model to international trade has made Turkey more vulnerable to international political crises. When the international political crises experienced by Turkey after 1980 are remembered, it can be said that Turkey is experiencing serious fluctuations in international trade in the political crisis environment.

The study aimed to determine how the two countries changed international trade after the "aircraft crisis" by looking at the past and present of Turkey-Russia relations, which experienced a political crisis with the fall of a Russian war plane, which violated the Turkish airspace, in November 2015. It is aimed to determine how the international trade and international logistics sector will be affected by the political downfall of Turkey-Russia relations through in-depth interviews with sector representatives.

2. Turkey-Russia Political Relations Overview

For the establishment and preservation of the global and regional peace, Turkey and Russia, on account of their ethnical and cultural ties as well as geographic locations, occupy a very significant place in their region for stability and cooperation. With the economic, political, historical and cultural weight they have, Turkey and Russia in their mutual relation of over 500 years had influence both on each other and on the countries, they have relations with. The relations between Turkey and Russia have reached the level of today by going through many different phases following a course of ups and downs. This historical past wrapped up by cyclical conflict and cooperation periods has left essential marks in the collective memory of the countries (Özbay, 2011).

The relations between Turkey and Russia has virtually gained dynamism starting form 1990s. After the end of Cold War and the dissolution of Union of Soviet Socialist Republics, Turkey and Russia have started to reshape their bilateral relations in line with the emerging conditions. Commercial-economic cooperation ever-developing since 1991 has played and is still playing merely the role of a locomotive in the improvement of bilateral relations. Entering 2000s we see a rapid development in political relations between the two countries. In the 20 years passed since the dissolution of Soviet Union, the swift acceleration of the economic relations has influenced after some time the political relations as well (Özbay, 2011).

Turkey and Russia, in a region extending from Caucasus to Balkans, from Middle East to Central Asia, have different regional identities and benefit perceptions. General structure of Turkish-Russian relations indicates that the cooperation and competition shall remain the most of the relations in the coming

years as well. When assessing the relations, one should be as realistic as possible. Being realistic also requires to stand on one's dignity in the relations. One should keep in mind that the multidimensional association Turkey and Russia have achieved today also carries along the bad marks of the history and the challenges of the shared geography. The problems, that might rise in the common influence geography both countries have historical and cultural ties with have the potential to quickly downgrade the relations (Özbay, 2011).

The policies of Russia with regard to Caspian Basin, Central Asia and Caucasia are judged as impairing Turkey-Russia relations. Russia, wanting to conduct the energy transfer in the region through their own firms and projects; would want to avert the projects of Turkey and counteract the Turkish foreign politics to prevent Turkey from being seen as an alternative to them in terms of geographical location. The fact that Turkey and Russia have conflicting interests in the geography of Eurasia and considered to be alternatives of each other in regard of energy transfer, shows that their relation will never come to a level of strategic alliance. Russia-Turkey relations, if Turkey makes the best of the alternatives and become the gate opening to foreign countries, can be no longer a dependency to Russia in regard to energy and turn into a mutual dependency (Akgül, 2007).

Turkey, within the scope of recent "normalization of the relations with neighboring countries" want to improve their relations with Middle East Countries, in particular with their southern neighbors. Middle East is an important alternative for Turkey to mitigate their energy dependency to Russia and diversify the energy supply regions (Akgül, 2007). Turkey should pay attention to manage their relations with Russia without leading to uncontrolled competition and conflicts. There is still much progress to be made in the relations between the two countries and this process is not expected to be easy. Turkey and Russia are attempting to turn the geopolitical battle between them going on for centuries into a geo-economic cooperation. (Özbay, 2011).

3. Turkey-Russia Commercial Relations Overview

Towards the end of 20th century Russia and Turkey have gained significant experiences in the field of commercial-economic cooperation. The mutual economic interests, scientific-technical potential of Russia and the broad experience Turkey have in shaping the market economy are the major factors accelerating this process. The increase of the trade volume between Russia and Turkey as neighboring countries, has encouraged the parties to intensify their attempts to improve the cooperation based on mutual economic interests. The use of this potential by both countries in accordance with their interests and taking effective actions to ensure this would improve the relations even more. It should not be forgotten that Turkey-Russia economic relations are very sensitive to political events. Therefore, building political balance between the two countries on a solid ground would promote the regular development of the economic relations (Özbay, 2011).

Both Russian Federation and the former Soviet Union have always been one of the major trade partners of Turkey. The commercial relations of Turkey with Russia present a fluctuating course since the beginning of the 90s. When examining the course of the foreign trade data of Turkey and Russia between 1990 and 2001, it can be seen that the export to Russia has increased from 1990 to 1997 and the foreign trade balance has improved in detriment of Turkey, however due to the economic crisis in Russia there has been again a decline after 1998. The export of Turkey to Russia has increased to 2.049 billion USD in 1997 compared to 530.7

million USD in 1990 and the import for the same periods has increased to 2.048 billion USD from 1.2 billion USD (Duman & Samadov, 2003).

The trade volume between the two countries according to 2008 data has reached a record level of 38 billion USD. As of 2008, the export of Turkey to Russia is realized as 6.4 billion USD and import as 31.3 billion USD. Today, either country has become a major trade partner of the other. The Turkish investments in Turkey is continuing to grow in the passing years. The works undertaken by Turkish constructions sector in Russian market, which also provides employment opportunities to thousands of Turkish workers have amounted to a total of 20 billion USD (Özbay, 2011).

Looking from the viewpoint of bilateral trade relations, there is a foreign trade deficit of approximately 20 billion USD to the detriment of Turkey. Thus, foreign trade deficit of Turkey with Russian Federation represents more or less 23 percent of total foreign trade deficit. Total foreign trade deficit has set at the level of 18-20 billion USD in the period of 2011-2014. Turkey's export to Russian Federation is 2 percent of Russia's total import, whereas the export of Russia to Turkey has a share of 10,5 percent in the total import of Turkey (Posta Newspaper, 2016).

Considering the export categories towards Russian Federation, 2/3 of the export consists of garment-shoes, food, chemical products, electrical machinery and products related to automotive sector. Furthermore, textile and readymade clothing, drugs and medical equipment, construction materials, leather, garment, cleaning materials are among the major items. Major import categories on the other hand are natural gas, petroleum, hard coal, iron and steel scrap, oil produced of petroleum-bitumen minerals, iron and steel intermediate products, newsprint paper, lumber, unalloyed aluminum, unalloyed zinc, refined copper cathodes and sunflower seed (Duman & Samadov, 2003).

Turkey has chosen to supply significant part of their energy need in 2000s from Russian Federation. This choice is an important factor that shall determine the future of our economic and commercial relations with Russian Federation. As long as the weight of consumer goods continues in the import of Russian Federation, Turkish consumer goods shall be needed in this market (Duman & Samadov, 2003).

The continuous growth of trade volume that is considered to be the driving power of Turkish-Russian relations, is actually caused by the increase of natural gas import with each passing year and causes a trade unbalance in favor of Russia. Russian authorities, in order to compensate this unbalance, are stating that they give priority to Turkish firms in the construction tenders and propose to import in the coming period semi-finished products and equipment from Turkey and to focus on small and medium sized enterprises. Apart from that; offering products and services in return of natural gas, diversification of the export sectors towards Russia taking agriculture and livestock into consideration may come to the fore. It is well-known that Russia due to its climate has a weakness as to the agriculture (Akgül, 2007).

4. The Impact of Airplane Crisis on Turkey-Russia Commercial Relations

After the military operations started by Russian Federation became intense in the vicinity of Turkish border, Turkey shot down a Russian plane in border violation on November 24th, 2015. After this event that passed into political history as "plane crisis", Turkey-Russia relations have seriously become tense and the sanctions of Russia towards Turkey comprising several fields became quite

intensified. Political crisis remained also in 2016 relevant as Russia has continued to violate Turkish airspace.

One can say that the period went through after the plane crisis in Turkey-Russia relations shall have the biggest impact on the trade. Apart from merchandise trade, energy, tourism, construction, housing, foreign capital entry; considering also the adverse effects on leather, textile, automotive, food etc. sectors and transportation and travel industries, employment and tax incomes, Russia crisis, in the worst scenario, is expected to have a total impact of annually more than 11 billion USD on GNP payment balance and foreign investment inflow (Posta Newspaper, 2016).

Examining the following Table-1 and Table-2 (Ministry of Customs and Trade, 2016) showing how the foreign trade of Turkey with Russia has changed in 2015, it is to be seen that in 2015 import from Russia has decreased by 19,3 percent compared to 2014. In 2015, the export of Turkey to Russia on the other hand has decreased by 39.5 percent compared to 2014.

Table 1. Turkey-Russia Annual Change of Import According to Previous Year

Years	2015	2014
Russian Federation	-19,3%	0,9%

Table 2. Turkey-Russia Annual Change of Export According to Previous Year

Years	2015	2014
Russian Federation	-39,5%	-14,7%

One of the significant data in terms of international logistics is number of border crossings. When examining the following Table-3 (General Directorate of Highway Regulation, 2016) showing the border crossings between Turkey and Russia, the border crossing figures before, during and immediately after the plane crisis reveals the concrete impact of the political crisis on the transportation.

Table 3. October-November-December 2015 Dual Vehicle Input-Outputs

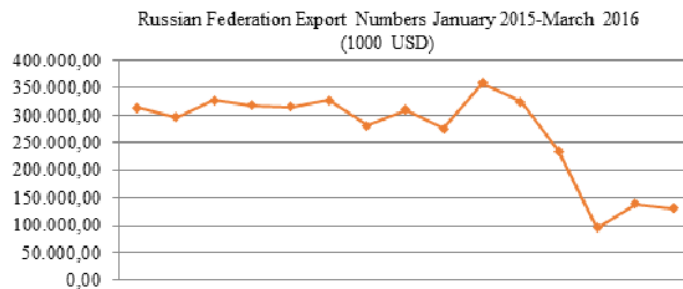
Months	October 2015	November 2015	December 2015
Russian Federation	1456	112	691

In terms of International Logistics, in particular when it comes to Turkey and Russia, the existence and change level of mutual ro-ro trips as well become important for assessing the eventual impacts of the crisis. When examining the following Table-4 (Marine Trade General Directorate, 2016) showing the mutual ro-ro trips of Turkey and Russia, number of ro-ro trips before, during and immediately after the plane crisis provides informative results regarding the concrete impacts of the place crisis.

Table 4. Between 2015 and March 2016 Mutual RO RO Headway Numbers (Total Vehicle)

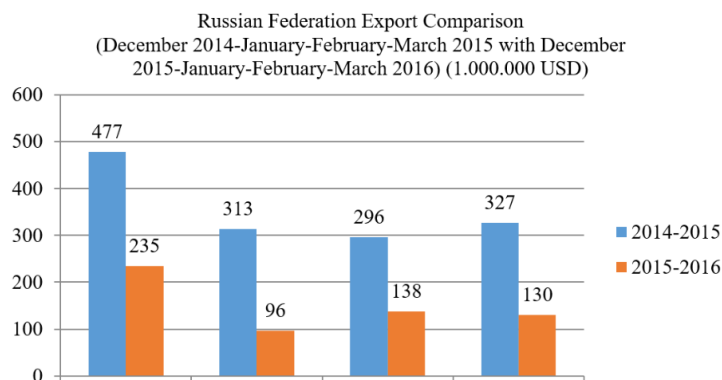
Lines	Total 2015	Jan 2016	Feb 2016	Mar 2016
Samsun – Novorossiysk	10.297	238	287	525
Trabzon – Sochi	2	0	0	0
Samsun-Kavkaz	441	0	7	30
Samsun-Gelincik	13.853	345	785	688
Samsun-Tuapse	4.382	0	44	0

After November when the crisis started the export to Russia has significantly decreased. Graph-1 (Turkish Exporters Assembly, 2016) regarding the export to Russia from the beginning of 2015 until March 2016, shows the decline in the export numbers.



Graph 1. Russian Federation Export Numbers

The export numbers realized after the crisis, compared to the same period of previous year, clearly shows the impact of the crisis. This comparison is given in Graph-2 (Turkish Exporters Assembly, 2016). Accordingly, export volume in December 2015 being the first month after the crisis has decreased by 50% compared with December export of previous year. In the following months, i.e. January, February and March, on the other hand the export volume to Russia has decreased compared with the same months of previous year by 69%, 53% and 60% respectively.



Graph 2. Russian Federation Export Comparison

5. Research Method

In this research face to face interview is used as data gathering method. In the interviews, the officials are asked questions such as the problems they have faced during the crisis, what measures did they take, what they have done with regard to their goods in transit at the time the crisis has arisen, how much decrease they have experienced in their business volumes due to the crisis, the status of the unsold products, their future expectations, what they shall do from now on and in what ways they have made their shipments and their opinions are taken. In order to extend the validity of the carried-out interview, the questions are directed to managers of businesses active in the top 7 sectors exporting to Russia and the managers of road and maritime transport firms. During the face to face interviews held with 17 people, the individual has not been manipulated and the answers have been organized by qualitative data analysis.

6. Research Findings and Content Analysis

For understanding the impacts of crisis experienced with Russia, face to face interviews are held with 17 people, being the officials of the sectors exporting to Russia, transport firms and customs brokers. These people are working at the firms

they are employed as mid-level or senior executives. The firm executives are asked following questions and their opinions are taken. What are the problems you have experienced during the crisis? What measures did you take? What did you do with regard to your goods in transit at the time the crisis has arisen? How much decrease did you experience in your business volume due to the crisis? What is the status of your unsold products? Can you provide us information regarding your future expectations and what you shall do from now on? In what ways, do you make your shipments? At the interviews these persons under no circumstance have been manipulated. In consideration of the answers given by the officials to these questions, the following findings are obtained.

The details of the interview held with the executives of road and maritime transport firms and the Turkish official working and Russian custom are as follows:

According to the information by the contacted people, the uncertainty experienced early in the crisis caused the goods to remain at the customs for a long time and many products to be returned. The officials stated that in the first days of crisis the trucks and ferries could not approach, and those that could approach could not unload. The uncertainty experienced in the first 15 days have made people face very difficult moments, all the products at the customs have been opened one by one, laid down on the ground and inspected one-to-one. They have stated that during this period the Turkish attaché came to the customs and provided food aid to the personnel waiting at the customs due to such practices. As a result of this, they were forced to withdraw many of the vehicles. They mentioned that the embargo rules have relieved the situation in the least, nevertheless each of the closed declaration were sent to Moscow and were supposed to be approved by Moscow, the costs increased a lot and the cost of time loss cannot be ignored. 9000 permits granted by Russia last year is reduced to 2000 this year. They have communicated that previously transit and clearance durations were approximately 5 business days, but after the faced troubles they were waiting up to 40-45 days. In consequence of the demands made, this duration has decreased to 15 days, yet they think that this situation shall not change for a long time, they are counting on the elections to be held in Russia. They have communicated that the firms with sites and investments in Russia are able to take actions easier.

In the interview held with a Turkish official working at the Russian customs, he communicated that the vehicles left the port at the beginning of the crisis were returned by the police. He stated, that putting all products to 100% supervision and inspection caused serious extensions in the procedure times. Products detained at the customs faced the risk of being nationalized due to the passing time. Many firms went as a counter measure to Azerbaijan, have the certificates of origin changed and brought with different labels via Belarus into the country.

The officials of the firm in metal sector said "Our products were held at customs for about one month and the departing freights were directed to different ports, but the fact that the other firms were also heading for the same ports caused crowding there too. While looking for the ways to import the products into the country we have met various alternatives but since we didn't want to enter any illegal way, we have obtained a letter from our customers in Russia concerning that our products were important for their productions, without our products the production would be delayed and in this way managed to enter the products into the country. Even in this case the products put to 100% inspection and counted one by one. As a prompt measure, we have increased the stock level in our warehouse in Russia 30 days. We have looked for different ports and shipped the products but working with those ports has an extra cost of transportation. Even though during this period no embargo was put on our product group, our costs increased a lot and shipment quantities have decreased."

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Another firm official interviewed in Laleli market stated the following “There are more than 7000 firms in Laleli. The export from Laleli to Russia is approximately 3 billion USD. During this period, textile sector has had a huge problem, the export to Russia amounting to 3 billion USD is almost dead. Here, also many firms shall be closed shortly. With the negotiations held with the support of LASIAD we have plans to head for Africa and Gulf Countries. Some firms have entered their products by changing their labels via Bulgaria. We don’t want to wait this situation to get better, we will head for different markets”.

We have talked to several chambers of agriculture and exporter firms to obtain information in fresh fruit and vegetable sector. According to the common information obtained, at this moment they are able to export only lemon, grapefruit and pomegranate. Mentioning that after the crisis 160 tons of grape were returned from the customs and Russia has stocked largely in December, the officials stated that according to the data of West Mediterranean Exporters Association fruit export from Antalya to Russia in 2015 December has increased by 50% compared to 2014.

In consequence of the restrictions applied all vehicles and vessels at the ports of entry after November 25th 2015, tons of product have spoiled and become unusable.

An official from wholesale food markets in Mediterranean Region said “We have sent tomato, zucchini and citrus products and more than hundred trucks had to wait for a long time at the customs. We incurred big losses”.

Mediterranean Fresh Vegetable and Fruit Exporters stated “Our export is around 1 billion USD per year. After the certain incident 150 tones of our products have been kept at the customs. Some of them have been sent back and some spoiled or gone bad. Our losses are big but we have turn our face towards other markets”.

Many officials stated that tomato was entered into Russia via Iran and Azerbaijan.

At the interview, we have held with a firm exporting fresh fruit and vegetable, the official said “We were dispatching nearly 100 trucks and 3 vessels per week to Russia. In November, these products have waited at the entry ports, the products got spoiled. A truck has an average cost of 40 thousand USD. We will head towards new markets”.

Official of Chamber of Agriculture said that “This year, compared to January 2015, a decrease has been encountered. The export of products such as tomato, cucumber, onion, cabbage, broccoli, orange, tangerine, nectarine, apple, pear, peach, apricot, strawberry, grape and plum is prohibited. Our exporters are in search for new markets but this too is a process, we have big losses. The vehicles retained at the customs and returned put the exporters into trouble”.

At the interview held with the Mediterranean Region Chamber of Agriculture regarding the citrus export, the officials stated “300 tons of product we sold to Russia is remained unsold. We demand support to recover this loss. For certain products, the government has covered the loss of the exporter up to a rate of 60%. But the farmers have incurred huge losses. Currently, lemon export is continuing, we also send grapefruit although not that much”.

Two firm officials from textile sector, both expressed their opinions as follows: “Our products have waited too long at the customs during the early days of the crisis and this uncertainty has affected us very negatively. Shipment of non-labelled product came up, but many firms didn’t want to be involved in this, there are also many firms sending their products by making such an origin diversion. Our searches in African and Asian markets are ongoing. The firms providing employment to Russia and having investments there have it easy, to more than 50 firms no embargo is applied. As usual it is again the small exporters that sustained loss rather than the big ones.”

And the official of a firm transporting the construction material to Russia with truck fleet they own stated that when the crisis arose, the fact that the Turkish trucks were opened one by one and the goods were inspected, has both caused the transit times to increase and lead extra costs per truck. During this period, these controls were applied not only to the goods going from Turkey to Russia, but also to the goods to other countries transit via Russia. Even the vehicles with foreign number plates and foreign drivers, if they were carrying Turkish goods, were put through the same controls. During this period, although Azerbaijan port has been used as an alternative route, with all the freights directed to Azerbaijan, the crowding experienced there affected the transit times negatively. When many firms have decreased their exits, the firm has focused on other market searches. Even though not precisely calculated, they have stated to have lost approximately fifty percent of their business volume. They also expressed that currently they are not sending any goods transit via Russia. The firm official explained that the firms transporting to Russia have found new markets and sought to recover their situations in long term.

The official of the firm from the leather sector, stated that in this sector the goods were exported in the way of so called suitcase trade by sending them along with passengers relying on article 61 and in the normal way. After the faced crisis, significant decrease was observed in the export made in both ways.

The face to face interviews held for the analysis of the results regarding the impact of the political crisis between countries on the trade and international logistics are conducted in certain regions, certain sectors and within a certain period of time considering the time and cost constraints of the research. Forwarders were limited to road and maritime transport firms and the exporter firms limited with metal, fresh fruit and vegetable, construction, textile and leather sectors. This study is conducted with a total of 17 people from the said sectors. This research can be conducted with all sectors and firms having trade relations with Russia in the larger time frame and compared with studies to be conducted at different times. In this way, monitoring the results throughout the crisis is believed to provide better results.

In order to analyze the data gathered as result of the face to face interviews, content analysis method is used. The main purpose of using content analysis method, is to ascertain that the gathered data have a conceptual and relational significance. Main idea behind the content analysis to compile the similar data, to classify under the same concepts and themes and finally to convey the result in a way fully comprehensible by the readers (Yıldırım & Şimşek, 2011).

In content analysis, first the data are divided into meaningful pieces. Thereafter, these meaningful pieces are defined conceptually and certain codes are assigned in order to facilitate the arrangement of these words as per their subjects. After the coding is completed, these codes are categorized by their similarities or differences. Accordingly, the similar ones are compiled under the same category. Coding and categorizing ensures the content analysis to be rich and systematic.

In this research, codes are assigned according to the words used in the interviews by the officials of the foreign trade and international logistics firms carrying on business with Russia and similar words are put under the same category. During the face to face interviews the common words repeated the most in the answers given to the question of “What are the problems you have experienced during the crisis?” are given below in Table-5.

Table 5. Most Repeated Common Terms Regarding Living Problems

Most Repeated Common Terms Regarding Living Problems
1. Cost Increase
2. Waste of Time
3. Export Prohibitions
4. Sectoral Constraints
5. Customs Processing Difficulties
6. Increase in Document and Control Numbers
7. Increase of Damage and Losses
8. Transitional Document Inadequacy
9. Visa Application
10. Density Increase on Process and Routes

In accordance with the findings of the research, the opinions of the officials of the foreign trade and international logistics firms are summarized under three main categories and with the below specified codes as in Table-6.

Table 6. Content Analysis Table

Theme	Tragedies of Foreign Trade and Logistics Firms in Russia and Trade after the Aircraft Crisis		
Categories	Problems of Foreign Trade Firms	The Problems of International Logistics Firms	Living Common Problems
CODES	Export Prohibitions	Do not Let The Vehicles into Russia and The ships not Docked in Ports	Customs Processing Difficulties
	Increase of Damage and Losses	Obligation to Bribe in Customs	Waste of Time
	Obligation to Increase Stocks	Difficulty of Route Change and Density Increase on Alternative Routes	Cost Increase
	Surveillance, Inspection and Sampling	Transitional Document Inadequacy	Visa Application
	Obligation to Enter New Market Searching	The Obligation to Find a Foreign Driver and a Foreign Plate Vehicle	Increase in Warehousing and Demurrage Costs
	Intensity of the State of Exporting to Russia via the State of Transmission from Other Countries	The Problem of Finding Low Density Port and Customs Gate	Increase in Export of Baggage Trade and Cargo

7. Conclusions and Recommendations

The first conclusion obtained by evaluating the opinions of firm representatives who engaged in trade and transportation with Russia, as a result of study on evaluation of aircraft crisis, which has great effects especially on the commercial scale of relations between Turkey and Russia, is as follows. Firms affected by Russian sanctions are directly export firms to Russia and transportation firms transporting to Russia, rather than firms with investments in Russia and firms that create employment in Russia. A similar advantage has also been observed in firms that providing products with strategic importance for Russian manufacturer.

Export ratios to Russia have decreased dramatically due to the obstruction of the entry of Turkish goods into the territory of Russia, whichever the route and vehicles come from. It has been determined that the aircraft crisis has had a more negative impact on the firms operating in transportation especially to the central points of Russia. Firms that transport to Russia through small ports have been less affected than other firms. However, the transport costs and delivery times of the Turkish transportation firms, which had to enter Russia via alternative routes or relatively small ports increased. Furthermore, opportunist circles that benefiting from Turkish transporters who have been in difficult situations in Russia due to the Turkish-Russian crisis have emerged and it has been determined that some illegal costs which transporters had to undertake emerged.

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The first suggestion to be made together with the determination that the crisis with Russia will continue to have negative effects on Turkish export firms and Turkish transportation firms in short and medium term is to present Turkish firms' products to new markets. For transporters, the most definitive solution would be to reduce the share of total Russian transports. For exporters who have to work with Russia for a long time, investing or establishing a company in Russia or working with a Russian partner will be helpful in overcoming the adversities.

Export firms and transporters working with Russia in cooperation can provide freight consolidation by exporting the same product at full load at the same time in order to overcome the control obstacles of Russian customs so that they can reduce costs and delivery times.

Transporters who have to work with Russia can make route changes firstly. The transporters can reach Russia via Kazakhstan using the Caspian corridor rather than through Turkey. Another alternative to the Caspian corridor would be to reach Russia using Europe routes. The geography in which Turkey is located is surrounded by countries where international transporters are constant at risk during transportation. The similars of the Russian crisis have been experienced with other countries in the past, and unfortunately similar problems will be able to experience with different countries in the future too. For this reason, it is necessary to establish an insurance system that will protect Turkish transporters against the political, economic and legal difficulties that encountered by them. Organizations such as Ministry of Transport, Maritime Affairs and Communication, International Transporters Association (UND) and The Union of Chambers and Commodity Exchanges of Turkey (TOBB) can take the lead in establishing the insurance system.

Although they have had a crisis in their relations, Turkey and Russia are especially countries with commercial interdependence. It is clear that the aircraft crisis and the process that followed did not in favor of both countries. It is important the state and sectoral organizations to continue to increase their efforts in order to softening the existing negative environment and reestablishing the communication environment. In this context, lastly, as a result of the letter that the President of Turkey has written to the President of Russia, decisions of restraint applied to Turkey have begun to be removed by the instruction of the President of Russia. This has been the most serious step in the direction of improving mutual relations. After this development, the tension between Turkey and Russia has been softened by the fact that the two presidents increase the frequency of their interviews and declare mutual goodwill. It is clear that the improvements initiated on the axis of foreign trade and transportation will gain a new dimension by mutual abolishment of visa application.

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