



MANOHAR PARRIKAR INSTITUTE FOR  
DEFENCE STUDIES AND ANALYSES  
मनोहर पर्रिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

# Strategic Digest

Vol. 4 | No. 3 | 01 February 2022

**Erdogan predicts a new period in Israel Turkey relation**

**Modernising US-Japan Alliance**

**Lithium OPEC • Geopolitical contours of energy transition**

## Erdogan predicts a new period in Israel Turkey relation

In a conspicuous shift from previous anti-Israeli narratives, Turkey commemorated, on 27 Jan 2022, the International Holocaust Remembrance Day, while President Recep Tayyip Erdogan anticipated a "new chapter" in relations with the Jewish state with Israeli President Isaac Herzog's visit to Turkey next month. Although the exact date of the visit has not yet been announced, Erdogan indicated that Herzog would make the trip to Ankara before mid-February. Herzog's visit would be the first for an Israeli leader since 2007 when former President Shimon Peres had visited Ankara at the invitation of then-PM Erdogan.



Turkey's relations with Israel entered a deep freeze after the death of 10 civilians in an Israeli raid on a Turkish flotilla destined for the Gaza Strip in 2010. Subsequently, Turkey expelled Israel's ambassador and downgraded diplomatic ties with Israel. Israel and a group of countries, including Turkey's historic rival

Greece, then began work on a joint pipeline to bring eastern Mediterranean Sea gas to Europe. Turkey strongly opposed the project. Notwithstanding efforts towards reconciliation, bilateral relations remained testy.

Since last year, the vitriolic rhetoric against Israel by Turkey's senior officials and advisors has been progressively replaced by conciliatory overtures. Signals for rapprochement became stronger after the establishment of the Bennett-Lapid government.

During his meeting with a delegation of visiting Rabbis from Israel in December 2021, Turkish President Recep Tayyip Erdogan said that relations with Israel were "vital for the security and stability of the region" and spoke optimistically about the potential for improving relations. The Turkish president had also welcomed Israeli efforts to advance peace with the Palestinians which "will undoubtedly contribute to the normalization process" between Ankara and Jerusalem.

Analysts say Erdogan's special commemoration of the Holocaust also aims to improve his international image amid criticism of his intolerant moves at home against critics and his aggressive policies in the region. According to regional commentators, the Turkish government hopes to build better relations with influential quarters in Washington and Europe by improving its bilateral ties with Israel and other regional actors.

Turkey's friendly overture to Israel has elicited cautious optimism. As per media reports, Israeli officials are seeing Turkish President Recep Tayyip Erdogan's recent proposition of a meeting in Ankara with his Israeli counterpart Isaac Herzog as a "testing ground" for a future improvement of ties with Turkey. While Israel has been appreciative of Ankara's "demonstrated seriousness" to mend ties lingering suspicions about Turkey's continued support to Hamas continue to exist. Israeli officials are assuring Greece and Cyprus that the desire to normalize relations with Turkey will not affect bilateral cooperation

### Modernising US-Japan Alliance

The month of January witnessed two high profile meetings aimed at strengthening the US-Japan alliance, which is touted as the "cornerstone of regional peace". The dominating themes of the discussion included simmering geopolitical tensions and the evolving regional strategic balance, the pandemic and economic security concerns. The alliance reiterated its commitment to protect the rules-based international order by advancing a free and open Indo-Pacific.

The US-Japan Security Consultative Committee 2+2 meeting, involving the US Secretary of State Blinken and Secretary of Defense Austin, and their Japanese counterparts Minister for Foreign Affairs Hayashi and Minister of Defense Kishi, was held on 6-7 January. This was followed by the Leader's meeting between President



Biden and Prime Minister Kishida on 21 January. Both sides demonstrated their determination to "modernize the Alliance and strengthen joint capabilities by fully aligning strategies and prioritizing goals together".

China remained one of the central themes of both the meetings. While America's "extended deterrence remains credible and resilient", Beijing's attempts to undercut the rules-based order through its destabilizing actions in the East China Sea, the militarisation of the South China Sea, and escalation of tensions in the Taiwan Strait are a cause of concern. At the Biden-Kishida meeting, the US and Japan resolved to push back against Beijing. Article V of the Security Treaty encompasses the contested Senkaku Islands, and Washington has underscored its firm commitment to defend Japan, employing its full range of capabilities including nuclear. Furthermore, both sides expressed "concern" over human rights issues in Xinjiang and Hong Kong. Meanwhile, another major concern for

the US-Japan alliance is realising the goal of complete denuclearization of the Korean Peninsula. Repeated missile launches in violation of UNSC resolutions are adversely affecting regional stability. In addition to the regional security situation, US-Japan committed to “work closely together to deter Russian aggression against Ukraine” at the Leader’s virtual meeting.

US-Japan has prioritised building robust cooperation on cross-domain capabilities, including space and cyber. Washington and Tokyo concurred on robust network defences, and suggested that “joint responses to the full range of cyber threats are an Alliance imperative.” In securing space, developing cooperation on space domain awareness, dialogue on proliferated low earth orbit satellite constellations, and creating norms to advance responsible behaviour were also on the discussion table. US and Japan are also jointly steering innovation to preserve the alliance’s edge on critical and emerging technologies, such as AI, directed energy, and quantum computing. They agreed to do a joint analysis on counter-hypersonic technology cooperation.

In an important development, US-Japan has set up a ministerial-level Economic Policy Consultative Committee (the Economic “2+2”). The goal is to advance a rules-based Indo-Pacific economic order. Supporting Washington’s economic leadership in the Indo-Pacific, Tokyo extended “strong support” towards US’s proposed Indo-Pacific Economic Framework. Earlier in 2021, US-Japan launched the Competitiveness and Resilience (CoRe) Partnership to support economic development driven by open and democratic values, reinforced by transparent rules, and high labour and environmental standards.

### **Lithium OPEC – Emerging geopolitics of energy transition**

Energy is at the centre of the new economy and geopolitical landscape with the impending transition from fossil fuel to clean energy sources in which mined metals would play a key part. This impending geopolitical shift has seen the Organisation of Petroleum Exporting Countries (OPEC) loosening its grip on global energy by the rise of critical energy metals such as lithium, copper, cobalt, nickel and graphite.

Developers in Argentina, Bolivia, Chile, and possibly Peru are evaluating the idea of creating an association of lithium-producing countries that will function like OPEC. Prospects of such a development have gained momentum following Gabriel Boric's presidential victory in Chile, now that all governments will have similar left-wing ideologies.



Highlighting the growing strategic relevance of critical energy metals, a report by KPMG in May 2021 had suggested the likelihood for an Organization of Mineral Exporting Countries (OMEC). The report had further argued that “access to these strategic resources will be politicized in the name of national security given the centrality of their use in broader economic development and technology innovation as well as energy transition.”

According to the IEA, should the world begin to move with haste toward a more sustainable energy mix, demand for such substances will far outstrip what is readily available today. The target for net-zero emissions in 2050 will need six times as much of them by 2040 as it does today. So throughout the transition, the small number of countries that supply the vast majority of critical minerals will enjoy newfound influence.

South America’s Lithium producing countries are likely to emerge as a key player in this transformation of geopolitical landscape. Bolivia is the country with the largest lithium reserves in the world with 21 million tons, above the 14.8 million tons of Argentina and the 8.3 million tons of Chile. Due to its status as a critical non-renewable resource, lithium has continued to remain stable despite fluctuations in international commodity prices. Energy analyst has observed that due to their vast lithium deposits, Bolivia, Argentina and Chile could regulate the international market for this mineral.

As per reports, Former Argentine Foreign Minister Felipe Solá has already discussed the idea with Bolivian authorities in March last year. Ideological differences between Bolivia and Chile's outgoing President Sebastián Piñera have kept such an alliance was kept on the backburner. However, Gabriel Boric's presidential victory has rekindled hope for a regional cartel of lithium producing countries. At the same time, some experts have argued that the Presidential election victory of far-left Gabriel Boric represents an important break from the past, but radical policies changes are unlikely. While the eventual emergence of a mineral cartel cannot be ruled out, it is too early to envision a clear architecture of OMEC.