THE TURCO-RUSSIAN ENERGY RELATIONSHIP:
RUSSIAN ENERGY DOMINANCE AND ITS ABILITY TO INFLUENCE TURKEY

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A Research Report Submitted to the Faculty
In Partial Fulfillment of the Graduation Requirements

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Maxwell Air Force Base, Alabama
February 2011

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ACKNOWLEDGEMENTS

I would like to thank Colonel Gregory Gardner for his mentorship, Lieutenant Colonel Charles Smith for his insight, Major Rob Ihle for his honest feedback and Senior Master Sergeant Richard Lake for his thoughtful and engaging discussions. Without these individuals, I would still be staring at a blank screen as I back-spaced away another useless paragraph. I truly appreciate their contributions to this paper and my Professional Military Education experience. Additionally, I want to thank my family for all of the support they gave during the entire ACSC curriculum.
ABSTRACT

The Soviet Union fell in 1991, leaving Russia one of 15 post-Soviet States instead of the leader of the Union of Soviet Socialist Republics (USSR). While Russia has not returned to its global super power status, it continues to rebuild and grow in power due to its oil and gas revenue. It is using its wealth to re-establish itself as a regional leader and aims to become a world leader again. Russia has learned how to control the flow of oil and gas to influence governments in the region. It now has its sights set on Turkey.

This research paper evaluates the current Turkish-Russian energy relationship, the planned energy projects of both countries, and dissects historical case studies to show how Russia used its energy dominance to influence the governments of Ukraine and Belarus. This evaluation is used to forecast the influence that Russia may have on the Turkish policies that could affect the United States. Using the case study research framework, this paper highlights those US interests that could be affected through a Turkey-Russia energy relationship. Furthermore, this paper concludes with recommendations of US Instruments of Power that could be utilized to avoid adverse Russian influence.
CHAPTER 1

Research Question

This research paper will use a combination of the case study and the scenario planning frameworks to answer the question “How will Russian energy dominance and the Turco-Russian energy partnership influence Turkish polices that affect the US?”

Using two case studies, Russia-Ukraine, and Russia-Belarus, to demonstrate countries moving into the Russian orbit caused by the influence of energy pressure, this paper spotlights that Turkey is also moving into the Russian sphere of influence.

Introduction

The Ottoman Empire ended in 1923. Turkey suffered a Great Depression from 1927-1930 that brought a shocking impoverished lifestyle to a people accustomed to wealth.¹ By 1946, The Soviet Union (USSR) was surrounding Turkey’s borders with forces, backing rebel forces within Turkey, and filling neighboring countries with military advisors.² Turkey, wishing to regain wealth and ensure its security, aligned with the west.³ In 1952, Turkey joined the North Atlantic Treaty Organization (NATO).

The Cold War limited Turkey’s contact with its neighbors.⁴ According to STRATFOR, an independent intelligence organization, “The constellation of forces that created that containment shattered at the end of the Cold War. Turkey was then free to re-engage its immediate neighbors (perhaps more important) who were then free to reengage Turkey”.⁵ Turkey reemerged as a regional player.

In October of 2001, Operation Enduring Freedom (OEF) began in Afghanistan. Turkey provided access to its airspace to allow troops and equipment to get into the fight. This access
was imperative for success and coalition allies counted on Turkey to provide it. Then in 2003, Turkey denied the United States the right to use Turkish military as a staging ground for the invasion of Iraq during Operation Iraqi Freedom (OIF). Being faced with the need to re-plan much of the invasion, reinforced how strategically important Turkey is to the US.

Since then, Turkey has provided support to OEF through its role in the International Security Assistance Force (ISAF), a NATO led coalition, and has worked with the new government of Iraq to establish diplomatic and trade relations. Turkey has become an important player in the region. Turkey, by virtue of its location, “the crossroads of empires, religions, trade routes and modern day conflict”, government (secularized republic), and religion (95% Muslim) established itself as a key ally to the United States and NATO in times of conflict. More importantly it has emerged as a broker for Middle East negotiations.

For many years during the Cold War the threat to Europe’s security existed in the form of the Soviet Union’s nuclear arsenal and the fear that its conventional might and manpower would roll across the plains and conquer country after country. The US, as a NATO partner and ally, viewed European Security as a key US concern and therefore devoted money and manpower in a quid pro quo build up of weapons and personnel. Now that the Cold War is over, the Soviet Union has fallen, and out of the ashes a Russia has risen that seeks to influence Europe and the world through energy dominance. Through pipelines and partnerships, Russia has demonstrated its ability to project soft power and reduce the independent actions of several former Soviet States. According to the Journal of Contemporary European Studies, “on 1 January 2006, evidently as a result of pricing disagreements between the Ukraine and Russia, Gazprom deliveries to Hungary, Austria, Slovakia, Romania, France, Poland and Italy were reduced by between 14 and 40 percent.” Gazprom, Russia’s natural gas/energy monopoly, is being used as
an instrument of national policy. Lastly, Economist Magazine journalist Edward Lucas stated in 2008, “It used to be tanks and submarines and missiles that we were frightened of, now it should be banks and pipelines, and Russia has made tremendous strides in consolidating its monopoly on gas exports.”

As Russia expands its hydrocarbon (oil and gas) sales to Europe through transit country partnerships in Europe, Russia will expand its abilities to influence the policies of those nations receiving the hydrocarbons and those nations that the hydrocarbons are transiting. Russia’s new influence has the potential to restrict the independence of all of the now partnered nations. Turkey has the ability to provide transit pipelines between the Caspian Basin and Europe. In fact, Turkey provides the only viable route from the Caspian Sea to Europe. As Russia first courts Turkey as a partner in energy it will later court it as partner in world politics. This change in Turkish policy will have long term implications on its Turco-US relations and could affect US policies within the region.

Assumptions

There are two assumptions that must be addressed in order to support the claim that Turkey will be influenced by Russia. First, Russian energy dominance is based upon the need for oil and gas and the revenue involved in the sale of them. As of February 2011, oil traded for $91.84 per barrel and natural gas traded for $4.50 per million British Thermal Units (BTU), and there are no signs of unabated demand for these products. There are several “green technologies” available to provide energy but these technologies are not predicted to be viable replacements for oil and gas for the foreseeable future. And while green technologies and nuclear power have the potential to supplement oil and gas requirements, the demand for oil and
gas is continues to increase, and therefore mitigates the supplemental effect of green
technologies and nuclear power.

Lastly, external factors such as future wars, acts of aggression, or Turkish domestic
developments are not forecasted to change Turkey’s desire to remain a US ally.
CHAPTER 2

Historical Background of Turkish-Russian Relations

The current perceived closeness of Turkey and Russia may have led some to forget the history that separated them, a history that initially drove Turkey westward to the Europeans, then to the US after WWII. It is important to discuss those historic issues to best put into context the current condition before future conditions can be forecast.

According to Kiniklioglu and Morkva, “the history of Turkish–Russian relations has been long, complex and characterized by conflict.” They go on to say that, “over the course of four centuries, the two empires fought each other 13 times: the first was in the period between 1676 and 1681, the last in the years 1914 to 1918.” So how is it that these two countries with a warring past can now become partners? More importantly from a US perspective, might a Turkey-Russia partnership mean an end to the Turkey-US partnership?

Turkey’s neutrality during World War II infuriated Stalin. The Soviet Union, after being denied basing rights, attempted to assume military control of the Bosporus and Dardanelles Straits (using political means), which connect the Aegean and Black Seas via the Sea of Marmara. This led Turkey to view the Soviet Union as a threat. The Cuban Missile Crisis and a Soviet realization that the US had nuclear missile bases on Turkish soil further strained relations and led the Soviet Union to adopt a “mutual threat” perception.

However, even during the Cold War, Turkey received loans and aid from the Soviet Union. In 1984, Turkey and Russia signed a natural gas deal that set the stage for future endeavors and began the process of economic normalization.
As the Cold War ended, both sides envisioned increased partnership possibilities. However, there were still tensions surrounding, “mutual accusations of harboring and supporting ethnic separatism.”\textsuperscript{17} But while the above issues separated the countries, they were joined by the same feeling of European exclusion and alienation. Both countries felt mistreated and left out by the West. The Turks were being strung along with visions of acceptance into the European Union while the Russians watched the former Soviet Republics being wooed by NATO. This pushed the nations together into what one article deemed an “axis of the excluded.”\textsuperscript{18} In 2000, Sezer defined the Turkey-Russia relationship as one of, “virtual rapprochement, meaning that there was a consensus to cooperate, but there was also a mutual fear, mistrust and suspicion.”\textsuperscript{19} Trade partnerships, tourism partnerships, energy partnerships and strategic partnerships were all possible.

In 1994, Turkey acquired military hardware from Russia, becoming the first NATO country to do so.\textsuperscript{20} In 1997, a Turkish-Russian natural gas pipeline venture known as the “Blue Stream” agreement was signed.\textsuperscript{21} It would deliver gas from Russia, across the Black Sea and end in Ankara, Turkey. The Eurasia Action Plan of 2001 increased dialogue between the two countries in the areas of trade, culture and tourism.\textsuperscript{22} Also in 2001, Russia, Turkey, and other Black Sea countries signed the BLACKSEAFOR Agreement, “to contribute to strengthening of regional stability, friendship, good relationship and mutual understanding among the Black Sea Littoral States.”\textsuperscript{23}

Through the late 80s and 90s, Turkish and Russian businesses led the partnership efforts and were seen as the real revenue generators. Turkish businesses were the first to invest in Russian construction.\textsuperscript{24} Some speculate that Turkish and Russian businesspeople were the first to influence Turkey’s politicians towards closer ties with Russia.
While Turkey and Russia took multiple steps to normalize relations, in the area of energy Turkey was the consumer while Russia was the provider. In fact, Russia is still the primary energy provider for Turkey. The original gas deal signed in 1984 opened the door for all future transactions and partnerships. First the Soviet Union, and then later Russia, used its energy abundance to court Turkey as a customer and then as an energy corridor to Europe.

**Turkey as an Energy Corridor**

Turkey’s transit-state potential makes it attractive to several neighbors and the US as they struggle with their own energy needs and energy security. The Gazprom gas supply cut-off to the Ukraine in 2006 and Belarus in 2007 (to be discussed in the case study section) concerns the US and the European Union, and raises the status of energy security with them.25

Due to Turkey’s control of the straits that provide access to and from the Black Sea, it has always been an energy corridor. Approximately 25% of all Russian Oil exports go through them. However, it is Turkey’s access to Caspian Sea hydrocarbons via the Baku-Tbilisi-Ceyhan (BTC) Pipeline (Figure 1) and the Baku-Tbilisi-Erzurum (BTE) Pipeline that concerns Russia. The planned Nabucco Pipeline (see figure 2) is another thorn in Russia’s side. Turkey will use existing pipelines that transit into Turkey and connect them via new pipelines to European markets, all without touching Russian soil.26 In response, Russia is planning the South Stream Pipeline to compete against Nabucco and to bypass Ukraine (see figure 2). However, Turkey-Russian energy relations are still alive, as each has invited the other to be part of the other’s project.27 In addition, Russia has signed a deal to build a nuclear reactor on Turkish soil.28
Turkey has not been naïve about its future. In 2008, Turkish President Erdogan stated, “the United States is our ally. But Russia is our strategic neighbor. We buy two-thirds of the energy we need from Russia. That country is Turkey’s number one partner in trade … No one must expect us to ignore all that. Our allies must adopt an understanding approach.” The fact that the Turkish President calls Russia a strategic partner, and expects allies to understand,
demonstrates the influence that Russian energy could have on future Turkey-US policies. Russia has clearly used energy as leverage in Turkish policies.

“Gazprom” - An Instrument of Russian Power or an Economic Weapon

According to Joint Publication 1 (JP-1), Doctrine for the Armed Forces of the United States, Instruments of Power (IOP) are, “the tools the United States uses to apply its sources of power, including its culture, human potential, industry, science and technology, academic institutions, geography, and national will.” The instruments are Diplomacy, Information, Military, and Economic (DIME). What makes Russia’s use of Gazprom different from the way the United States uses its industry?

Russia’s return to prominence within the region and the world is directly tied to the revenue it generates with the sale of oil and gas. It is rebuilding its military and is claiming to be a global superpower once again, all thanks to the rapid rise of the value of oil and gas. Gazprom transformed from the Ministry of Gas Industry in 1989 and is 51% owned by the Russian State. The New York Times states, “The line between state-owned Gazprom and the Russian State is often blurry, and became more so in 2008, when Gazprom’s former chairman of the board, Dmitri A. Medvedev, was sworn in as Russian President. Several board members wear fill civilian government roles.” Edward Lucas maintains that, “the Kremlin uses gas as an economic weapon.” Mr. Lucas insinuates that gas and energy dominance are used to injure, defeat or destroy other counties, not just to make them bend to Russia’s will. However, Alexei Pushkov, a Russian author and professor of International Relations, states, “Gazprom is an instrument of foreign policy, like American oil companies are instruments of American foreign policy.” This is one difference between the US oil companies and Gazprom. US Gas companies are not owned by sitting politicians. US politicians have gained wealth through their
relations with industry, like former Vice President Cheney and Haliburton, but there are laws that prohibit government employees funnelling business contracts for personal gain. Russia’s 2009 National Security Strategy (NSS) states that energy resources, like Gazprom, are used as leverage against other States. But what Russia calls leverage, others have called blackmail.

In addition to the case studies that will be discussed, there are several examples of Russia’s use of Gazprom for leverage. However, even more important is how Moscow punished those that did not bend to its will on both energy and non-energy related agendas. Oil flow to Latvia was stopped when Latvia would not sell its own oil transit company to Russian interests. Oil flow to Lithuania was stopped when it sold a refinery to Poland instead of Russia. Estonia was punished with oil flow cessation and cyber attacks when it removed a Russian War Memorial. Lastly, Georgia had their gas prices doubled after the 2003 Rose Revolution installed a westward leaning government. JP-1 clarifies that all of the US instruments are used in concert to “advance and defend US values, interests and objectives.” All of the examples above show Gazprom being used as more than leverage in combination with other IoP. Gazprom is being used as the primary IoP, above all other forms of influence. This counters Mr. Pushkov’s claim that Gazprom is being used by the Russians in the same manner that the United States uses American oil companies.
CHAPTER 3

Russian Influence via Hydrocarbons – A Case Study: Ukraine

Between 2005 and 2011, Russia has shut down the shipment of natural gas to Ukraine twice. Since Ukraine is a transit country, the shut-offs affected several nations that were receiving Russian gas via Ukraine. While both sides claimed different reasons for the disputes, the crux of the issue revolved around Ukraine’s westward visions after the Orange Revolution of 2004. The democratic revolution was made up of acts of civil disobedience and general strike which forced the Ukrainian Supreme Court to nullify initial election results. The subsequent recount proved that Russian favorite, Victor Yanukovich, was defeated. In 2005, newly elected president Victor Yuschenko promised to take the steps necessary for membership into the European Union and NATO. This was in contrast to Yanukovich’s goals to keep the status quo in terms of its relation with Russia, NATO and the European Union (EU). Thus began the deterioration of Ukrainian-Russian relations.

In late 2005, Russia claimed that Ukraine was stealing gas that it should have been transiting and had incurred a large debt. Russia also proposed a fourfold price increase on gas sold to Ukraine and demanded payment. The proposal was rejected by Ukraine. Ukraine insisted that the increase was, “politically motivated in the wake of Kiev’s Orange Revolution.” Another issue surrounding the event was President Yuschenko’s refusal to discuss the Russian Navy’s continued use of Sevastopol, former home of the Soviet’s Black Sea Fleet. The standing agreement was set to expire in 2017 and Yuschenko opposed extending the agreement. Russia sought to reign in the Ukraine’s westward alliances and ensure the future use of Sevastopol. It stopped the flow of natural gas on the first of January, 2006. Three days later, the flow of gas
resumed. Ukraine’s cost to purchase gas was increased but it held firm on Sevastopol and its goal of EU and NATO membership.

In 2009, Russia shut off gas supplies to Ukraine again. Once again Russia argued that Ukraine was illegally siphoning gas meant for other countries and still had a large debt. This time the shut off affected 16 other nations that were receiving Russian gas via Ukraine. In the end a deal was signed, and prices were again raised. However, this time the EU and the International Monetary Fund (IMF) were forced to provide assistance to Ukraine to pay its debts. Ukraine received its gas and Russia its money, but there were repercussions for both.

Both Ukraine and Russia had proven to the EU that they were not stable gas suppliers or energy partners. Each country blamed the other but it was Russia that capitalized on the moment by generating support for the Nord Stream and South Stream Pipeline as ways to mitigate Ukraine’s inability to function as a transit state. Nord Stream and South Stream would mean that gas could be delivered to Europe without transiting Ukraine. They would also eliminate the need for the Turkish-led Nabucco Pipeline.

In 2010, Victor Yanukovich was elected president of Ukraine. He is not looking to join NATO, although he is looking to remain a partnership nation. It was believed that he was looking to restore friendly policies with his neighbor Russia since that was his stance in 2004. He suggested that Russian businesses take part in renovating Ukraine’s Gas Transit System (GTS) as a way to provide revenue to Russia. Russia and Gazprom are holding out for shares of GTS or the Ukrainian Gas Company, Naftogas, so that they would have more control of the transiting gas. Yanukovich signed a 25 year lease with Russia on the use of Sevastopol in
return for a 30 percent reduction in the cost of gas.\textsuperscript{47} This is another example of Russia successfully using gas to influence a nation.

In 2011, President Yanukovich announced an energy partnership with Azerbaijan increasing Ukraine’s role as a transit country by providing another pipeline to Europe. Yanukovich also denounced Russian plans to bypass Ukraine. It currently appears that Russia’s heavy-handed gas policies are either not having the effect on President Yanukovich that Russia had hoped for, or they are having the desired effect and Ukraine seeks to counter the effect. A Turkey-Russia partnership increases Russia’s leverage against further Ukrainian partnerships. There has not been a Russian reaction to this announcement yet.

\textbf{Russian Influence via Hydrocarbons – A Case Study: Belarus}

In 2006, Belarus, Russia’s other gas transit state, was told by Gazprom that they would receive a more than fourfold increase on the price for gas. That is unless they sold Russia a controlling stake in Beltransgaz, Belarus’ state gas transportation monopoly, which as in the case with controlling Naftogas, would provide Russia the ability to control transiting gas. Belarus sold 50\% of the company, in four 12.5\% increments from 2007-2010, and kept gas cheap.

In 2010, according to the United Kingdom’s Daily Mail, Belarus and Russia “failed to agree on unified customs rules and Belarus gave refuge to ousted Kyrgyz President Kurmanbek Bakiyev who was charged with embezzlement of a $300 million loan from Russia.”\textsuperscript{48} Soon thereafter Russia cut gas supplies to Belarus by 15\% claiming it owed $200 million. Belarus claimed that it was owed $260 million in transit fees.\textsuperscript{49} Belarus threatened to shut off supplies to Europe. The EU complained that it was a pawn in the most recent gas war. Gazprom paid
Belarus $228 million and an agreement was reached. Only Lithuania was affected with a slight disruption.\textsuperscript{50}

**Russian Lessons Learned**

Both of the above case studies provided Russia and Gazprom valuable lessons learned. First, using energy, mainly gas, as an IoP has limited use. In both cases, Gazprom revenue was hurt, European nations suffered, and Russian ability to provide reliable service was questioned by the EU. In some ways energy is like a nuclear weapon: the security provided is based upon a mutual destruction, and that is a bad business model for an energy company. Russia also learned that to be successful it must incorporate energy in conjunction with a combination of other IoPs. Russia also learned that it needs to diversify its transit routes and that Turkey is part of the answer. One lesson that cannot be confirmed yet is if Russia has learned that energy and energy relationships work better as the carrot (reward) approach than the stick (punishment) approach.

Russia is applying its lessons learned in its relationship with Turkey. Russia has learned that there is a time for the application of “soft power.” Russia is not strong-arming or blackmailing Turkey. Should Ukraine and Belarus succumb to Russian will and hand over full rights of their transit lines, Turkey might find itself in a more uncomfortable relationship when it is no longer being courted as a partner. However, that is not predicted at this time; instead what this analysis supports is that Russia will increase trade, tourism and business partnerships with Turkey to build a mutual trust. Through that trust, Russia will develop additional transit routes through Turkey to all of Europe. Russia will position itself to demonstrate that the Nabucco Pipeline is redundant and unnecessary to ensure ample supplies by acquiring influential shares of storage and distribution nodes throughout the EU.\textsuperscript{51} Russia will then use its energy dominance
to “proceed with its agenda to consolidate Russian influence in the former Soviet periphery” and influence all countries that are supplied by Russian gas.52
CHAPTER 4

Russia – Why Turkey?

Turkey is currently using political guile masterfully. It is being courted by the Russians as an energy partner. It is being courted by the EU for energy security and to limit their energy dependence on Russia. It is being courted by the United States for energy security and as an ally in regional affairs, and Turkey is being courted by the nations surrounding the Caspian to be used as a transit to the west that excludes Russia.

With regards to Russia’s use of energy dominance and its ability to influence Turkey, a number of questions arise. So why does Russia want to partner with Turkey and what could Russia hope to influence? And if Turkey is reacting tactfully to Russia, can it be influenced?

Russia is among the highest consumers of gas and oil in the world. It is also one of the most inefficient consumers of gas and oil. Lastly, Russian gas and oil usage is heavily subsidized by the sale of gas and oil to other nations. Therefore, Russia’s requirement as a consumer that can pay its own bills is heavily dependent on its ability to supply and maintain a vast consumer base. Russia is not only courting Turkey. To fully understand the “Why Turkey?” question, we must understand what Russia hopes to gain from all of its actions. Only then can we understand the significance of Turkey to Russia.

As mentioned earlier, the EU identified Russia as a somewhat unreliable energy supplier due to its spats with the transit nations of Ukraine and Belarus leaving downstream nations without fuel. Russia must solidify its position as a reliable and capable supplier that will meet current and future demands if it is to realize its dreams of becoming a global superpower fueled by energy dominance. To achieve that reliability, Russia is incorporating a multi-approach plan.
First, Russia is continuing to purchase the pipelines and companies in transit nations. As demonstrated in the case scenarios, it is using energy prices to leverage Ukraine and Belarus into selling stock in the state owned natural gas companies. Second, Russia is developing plans to build Nord Stream and South Stream to bypass the current transit corridors and as an alternative to Turkey’s Nabucco Pipeline. Third, Russia is lining up gas supplier commitments within the Caspian region that could leave the Nabucco pipeline without any gas even if it were built, which makes building it unattractive. Lastly, Russia has formed a strategic alliance with Turkey that is based upon Turkey’s energy requirements and desires to be a key regional energy transit state. Russia is not counting on any one solution; it is actively and aggressively pursuing all options.

What does Russia gain from its actions? All of the actions discussed above lead to one outcome: Russia being the main energy broker between Europe and Eurasia. To begin, the wealth generated from the sale of gas and oil will subsidize Russia’s economic inefficiencies and add to rebuilding Russia’s economy. As Russia delivers energy to European nations it will open the door for increased economic opportunities within those nations. Thus, Russia will likely be courted for investments in pipelines and distribution points. Those investments will make Russia a partner in each country’s economic prosperity and as a partner it will have the opportunity to influence each country’s policies.

By providing multiple transit corridors to Europe, Russia dilutes the leverage both Ukraine and Belarus possessed as the main routes. Both Ukraine and Belarus will have little to influence negotiations with Russia. Turkey however, remains well positioned to be a regional player in energy dominance and regional affairs even after a partnership with Russia. In fact, it becomes even more desirable to the EU as a partner and to the US as an ally while being courted.
by the Russians. The EU, the US, and the Russians all earn benefits through partnership with Turkey.

A Turco-Russian energy partnership provides Russia the tools it needs to achieve its goals. Clearly, a Turco-Russian energy partnership where Russia is the supplier and Turkey is the conduit makes the EU reliant on Russia for gas, a position that most of the EU would like to avoid. Turkey and Russia, already agree on several issues such as their stance against Iranian sanctions, but the increased partnership may provide mutual leverage in other areas as well. The Caucasus region is an excellent example. Turkey’s involvement in the region revolves around the South Caucasus consisting of Armenia, Azerbaijan, and Georgia. Of the three, the Turkish-Armenian relationship is the one that requires third-party intervention due to a dispute about Armenian claims of a Turkish inflicted Armenian genocide. Armenia could provide additional transit routes from the Caspian, so Russia would be hesitant to assist Turkey in smoothing the Turkey-Armenia relationship until after it has solidified its own deal with Armenia to secure gas supplies (that it would then distribute via a Turkey-Russia partnership). But Russian influence in that area would be beneficial to the Turks in the areas of trade and commerce. Russia would like a better relationship with the Azeris for additional Caspian based hydrocarbons; Turkey could assist with that relationship.

**Russian Influence That Could Affect the US**

Russia has the potential to influence policy throughout Europe due to its energy relationships with European nations wanting to guarantee energy security. Turkey is more than a conduit to European decision makers. Turkey as a US ally and emerging regional player, offers Russia the opportunity to indirectly affect the US. The following are areas that could be affected by a Turco-Russian energy relationship.
Beginning with economics, the most obvious future possibility is one of lost business opportunities and revenue of American energy companies. While the Nabucco pipeline does not currently have any US companies as stakeholders, US companies and subsidiaries could take part in distribution throughout Europe. Should Russia succeed in convincing the world that Nabucco is not necessary, and partner with Turkey on the Nord Stream and South Stream pipelines, US involvement in European pipelines could be controlled by the Russians. Also, a Turco-Russian energy partnership could freeze American companies out of other Turkish energy ventures.

The next area that could affect American revenue is US military weapons and technology sales. As stated earlier, Turkey has already purchased Russian military supplies. Turkey purchased Russian helicopters, personnel carriers and other arms in the 90’s.\(^{54}\) Turkey is currently looking to purchase anti-tank and air defense missile systems from Russia.\(^{55}\) Russia is hesitant to release its latest technology to Turkey, a NATO country for fear that they could be bolstering the defense of its neighbor. But Russia could be swayed after increased energy partnerships or provide technology as an incentive to create the partnership. This would directly affect US military technology and hardware sales to Turkey. Without additional demand for US weapons, a secondary effect of the reduced sales to Turkey could be an increased cost in technology and hardware to the US military.

An additional military repercussion of Russian relations with Turkey is the possibility of western military technology being shared with the Russians. While the possibility that Turkey would directly supply the information to the Russians is not being considered at the moment, the greater risk is that increased relationships between Turkey and Russia could lead to sensitive NATO information being shared with Russia. Such sharing could happen through joint Turkey-Russian military exercises. Russia could gather data on western technologies as it had more
opportunities to exercise with those technologies. This scenario becomes plausible in light of the fact that Turkey began military exercises with China this year. It is believed that Turkey did not use the latest western technologies, such as US F-16s in the air exercise with China and instead used Vietnam era F-4s. However, this does not preclude Turkey from using its latest weaponry in the future.

Politically, Turkey-Russian alignment either in the United Nations (UN) or in general within Turkey’s area of influence could conflict with US interests. One such area of concern is future US military basing options. A Russia-aligned Turkey could hinder future temporary or permanent US staging areas. This would require the US to court Turkey, expending time and money and possibly ceding influence in other areas. While this position may be acceptable to the Turks, by strengthening their bargaining position, it is not acceptable from the US perspective having to redevelop a US-Turkey relationship on every issue. If one agrees that this is not acceptable, then one would also agree that the US has most likely already begun supplying Turkey with concessions to avoid further Turkey-Russian alignment.

Lastly, a Russian-Turkey alliance could cause the abrogation or modification of the Montreux Convention. The Montreux Convention of 1936 gave the Dardanelles, Bosporus Straits, and the Sea of Marmora to Turkish military control. The treaty, signed by Turkey, Great Britain, France, the USSR, Bulgaria, Greece, Germany, Yugoslavia and Japan, controls access to the Black Sea. While there have been minor revisions since its original signing, the treaty continues to limit both merchant and military vessels flowing through the straits as well as their length of stay in the Black Sea. Turkey has been a good steward of the straits, but has interpreted the meaning of the treaty in favor of the US on several occasions. Current plans for the Ballistic Missile Defense (BMD) of Europe call for placing a US Aegis type Cruiser in the
Black Sea. An increased Turkey-Russian partnership could provide Russia the leverage to modify the existing treaty and limit US access to the Black Sea. This would deny the US naval access to NATO partners Bulgaria and Romania, and US ally Georgia. It could also have long term affects on European BMD.
CHAPTER 5

Conclusion

Russia maintains its position as the leader in supplying hydrocarbons to Europe and Eurasia. As gas and oil prices have skyrocketed over the past five years, so has Russia’s ability to finance its other national goals. Russia envisions itself as a global super power and has consistently used its wealth and hydrocarbon resources to further its agenda. Russia’s past relationship with Ukraine and Belarus are examples of how Russia wielded energy as the main IoP to achieve its energy and non-energy related goals. Russia successfully used energy against Ukraine to solidify its long-term use of Sevastopol Naval facility on the Black Sea. Russia successfully used energy against Belarus to pressure Belarus to sell controlling interest in State owned gas companies. Both examples however, demonstrated that for Russia to be the dominant energy supplier it must diversify its routes to consumers, Turkey provides that diversification. Lastly, the case studies demonstrated how the over reliance on energy as a punishment approach for diplomacy can backfire, exemplified in the case with Ukraine signing an energy partnership agreement with Azerbaijan.

Russia’s reliance on Ukraine and Belarus as transit corridors to supply European consumers led several EU members to question Russia’s ability to be a reliable energy supplier. As energy security is a key component of national security for most nations, reliability is imperative. Both Russia and the Ukraine blamed the other for the gas shut down that left several European nations without gas. In the end, European nations just wanted their gas turned back on. Europe wants stable supply and is hesitant to rely on Russia-Ukraine-Belarus pipelines for the majority of their gas due to the proven unreliability. To achieve reliability and stability, Russia has branched southeastward to the Caspian nations for supply, and westward to Turkey.
for additional transit corridors to reach consumers. These partnerships have reinforced Russia’s position to be able to influence and affect the international policies of those nations.

Russia’s partnership with Turkey has the greatest potential to provide Russia with influence throughout Europe and the United States. Turkey is not naïve about its future and wishes to remain a fully autonomous nation; but it is cautiously engaged in its strategic partnership with Russia. As Turkey attempts to expand its energy security and its role as a transit corridor, it faces an aggressive Russia attempting to limit Turkey’s options.

Plans to build the Nabucco Pipeline will continue. Turkey and many EU nations would like to see it come to fruition so that they are not beholden to Russia for all their energy needs. It is a part of Turkey’s plan for autonomy. Russia is aggressively pursuing energy supplier nations in hopes of securing hydrocarbons for its own pipelines. Russia’s success in solidifying hydrocarbon suppliers to its Nord Stream and South Stream pipelines will most likely terminate the Nabucco initiative before construction starts. That means that an increased Turco-Russian energy relationship is inevitable.

Also inevitable is the influence that the Turco-Russian partnership will bring to Russia. Russia, via Turkey, will indeed leverage its hydrocarbon relationship with European consumer nations to enter into strategic relationships that will affect US relations in the region. Turkish President Erdogan clearly stated his country’s strategic alliance with Russia, and it would be foolish to not assess that European customers supplied with Russian energy would not also form strategic alliances with Russia that could adversely affect US relations.57
Recommendations

Turkey and the Nabucco pipeline have investors onboard and have interested customers; what is lacking is guaranteed supply. As stated, without supply the project is doomed. It is in the US interest to see the Nabucco pipeline succeed for several reasons. First and foremost, it would limit the Russian influences on Turkey and Europe. Secondly, it would limit Russia’s ability to achieve total energy dominance, greatly reducing its revenue and ability to become a global superpower.

Therefore, it is in the US interest to utilize and apply its own Instruments of Power to mediate agreements between Turkey and supplier nations within the region. The individual nations and hurdles to be overcome are outside the scope of this research, but US relations in that region remain delicate due to the proximity to Russia.

Helping Turkey achieve autonomy also has plausible outcomes that could negatively affect Turkey-US relations. But, limiting Russian influence by assisting Turkey could increase US influence in the region. A secondary effect is the US influence within Europe caused by limiting Europe’s reliance on Russia. Lastly, the US influence with supplier nations could provide them a stable, reliable, non-Russian transit for their hydrocarbons. The extent of diplomacy that would be required, or that the US is willing to use to secure partnerships and suppliers is outside of the scope of this paper. Without the aforementioned US efforts, Russia’s ability to adversely influence Turkish-US relations runs unchecked, endangering US relations with a key partner and ally in Eurasia.
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