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GEORGIAN FOUNDATION FOR STRATEGIC AND INTERNATIONAL STUDIES

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REALITIES IN THE BLACK SEA REGION**

EUGENE KOGAN

EXPERT OPINION



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According to some Turkish analysts and commentators, Russian-Turkish relations are becoming a strategic partnership. According to the author, the relationship between the two countries can be called a ‘Turkish Dependency without Strategy.’ The discussion presented below sets out to prove the author’s case.

Key Points

1. It needs to be remembered that information available in open sources about the state of Russian-Turkish relations has been very scarce in the last three to four years. Partly this is because there is little interest within the Turkish academic community in carrying out research into the issue. There have been, however, two recent reports prepared by Oktay Tanrisever of the Middle East Technical University and a team of researchers from the USAK/International Strategic Research Organisation, Center for Eurasian Studies. Partly this is also because US-Turkish relations, despite their ups and downs thus far, overshadow the Russian-Turkish relationship. Whether or not US-Turkish relations will continue to overshadow the Russian-Turkish relationship is open for debate. However, this is not the subject of the article.
2. Over the last 12 years, since the AKP came to power, Russian-Turkish relations have been transformed and substantially improved but with one very important *caveat*; that is, it has made Turkey dependent on Russia for its energy supply. This important point has become Turkey’s Achilles’ heel despite the claim of Turkey that it has become an energy transit country and an energy hub for Europe. The claim of Turkey, as will be presented further below, is far from the truth. Perhaps Turkey strives to become an energy transit country and an energy hub for Europe but then Turkey has a long way to go.
3. The second, and not less important, *caveat* is that despite commitments to fixing the trade imbalance made during President Vladimir Putin’s 2004 visit, the trade deficit soared to USD24 billion in 2008 and the gap is widening. The balance in bilateral trade appears to be especially hard to achieve – particularly because Turkey’s energy needs are forecast to double in the next decade. In other words, Turkey’s dependence on the energy supply from Russia puts Turkey on the spot.
4. Instead of finally diversifying its dependence away from Russia, the Turkish government offered the task of constructing Turkey’s first nuclear power plant to Russian firms. In other words, the Russian dependency further tightens the knots around the neck of the Turkish Gulliver.

5. It needs to be emphasised that the Turkish Ministries of Foreign Trade and Industry and of Energy and National Resources, with the full support of the Prime Minister, Recep Tayyip Erdogan, pursues very narrow-minded and short-sighted economic and energy policies with regard to Russia. Neither Ministry takes into consideration one crucial factor namely, that their policy has made Turkey dependent on one country - Russia. Although Russia has proved to be a reliable supplier of gas for Turkey, it is not eager to lower the price of gas nor is it interested in decreasing the gas dependency of Turkey on Russia. The longer the dependency of Turkey on Russia goes, the better it is for Russia.
6. If Turkey wishes to become less dependent on Russia it needs to thoroughly revise its overall policy, and not just its energy and economic policies, with regard to Russia. Russia's shrewd pursuit of a dominant role around the Black Sea area is based on vast experience and real expertise in how to deal with the countries around the Baltic Sea. There is a certain degree of synergy in Russia's policies around the Baltic and Black Seas and Russia knows how to use its policies properly.
7. The August 2008 crisis seemed to drive home an important message: Russia treats its national interests in the Caucasus as seriously as ever and *Ankara can increase its influence in the region only through coordinating its moves with Moscow* [author's italics] and not through coordinating its moves with the NATO allies. It basically means that Turkey will not be allowed to bring in and rely on its NATO allies but has to listen carefully to what Russia says on the matter. At the moment it appears that Turkey is listening very carefully to what Moscow has to say. As a result, Turkey is avoiding irritating Russia in any way but Russia still sees the Black Sea region and the Caucasus in particular as its own backyard and not of someone else.
8. In the words of Semih Idiz, a prominent Turkish commentator, "Russia's consolidation of its military position in the Southern Caucasus appears to be accepted as a *fait accompli*." In other words, for the time being and probably for the foreseeable future, Turkey accepts Moscow's rules of the game.
9. The recent case of Russia's takeover of Crimea and the tempered reaction of Ankara reinforces the author's argument namely, that Turkey listen carefully to what Russia says on the matter and tow Moscow's policy line. Despite repeated rhetoric that Turkey gives full support for the territorial integrity of Georgia and Ukraine, in practice Turkey abstains from antagonising Russia. Even though Turkish politicians and experts may disagree with the author the reality shows that the Turk-

ish politicians are not prepared to challenge the behaviour and the *modus operandi* of President Putin and his team.

10. To sum up, we can use an allegory to portray the state of Russian-Turkish relations. The background for this comes from a fairy tale told in verse by Alexander Pushkin, *The Tale of the Fisherman and the Fish*. In my interpretation of the tale, Russian-Turkish relations are not about greed and greediness as is presented in the fairy tale but rather, about the clearly articulated and implemented Russian rules of the Turkish game.

If Turkey keeps to its neutral stand in the Black Sea region, it will be rewarded.

If Turkey stays away from the Russian sphere of interests in the Caucasus, it will be rewarded.

If Turkey maintains a friendly economic, diplomatic and political relation with its brethren in Central Asia without crossing, betraying and/or irritating Russia, it will be rewarded.

On the other hand, hard defence and security relations between Turkey and the Caucasus as well as the Central Asian states are discouraged. If Turkey does not tow Moscow's policy line it will be punished.¹

Russian-Turkish Economic Relations: Ankara Cornered by Moscow

There is no doubt that the improvement in Turkish-Russian relations is largely a product of energy needs and personal contacts. The AKP has built its own rapprochement with Russia on commercial relations, facilitated by close personal ties between Prime Minister Recep Tayyip Erdogan and the Russian President, Vladimir Putin. (The two leaders have met *at least* nine times since 2005, usually in private meetings in Russia and Turkey). More importantly, Turkey's *dependence* [author's italics] on Russia for its energy supplies suggests that even a non-AKP government would probably find it difficult to downgrade ties with Russia in the short term² and perhaps even in the medium term. Bilateral trade, investment, energy and tourism ties have grown over the last decade. Russia has become Turkey's leading trade partner and the volume of mutual investment is valued at more than USD10 billion.³ According to Hasan Kanbolat's figures, the size of the bilateral trade between the two countries has expanded from USD19.6 billion in 2009 to USD25.3 billion in 2010 and, subsequently, to USD32 billion (and not, as has been cited, USD22 billion) in the first three quarters of 2011⁴ and it continues to grow. Russia is one of the main customers of Turkish construction firms. Nonetheless, a *huge trade imbalance in Russia's favour*

[author's italics] due to Turkey's heavy dependence on Russian gas and oil continues to be a major concern for the Turks. Despite commitments to fix the trade imbalance made during President Vladimir Putin's 2004 visit, the gap is still there.⁵ And this is despite ten years passing since President Putin's visit. According to Igor Torbakov, there is a neat correlation between the growth of Turkey's energy imports and the rise in the trade deficit. According to one Turkish report cited by Torbakov, after keeping in the range "between USD2.5 billion and USD4 billion in the first half of 2000s, the trade deficit *soared* [author's italics] to USD24 billion by 2008." Although some top Turkish officials insist that they keep telling the Russians that Ankara needs "to have a balance in *every* aspect of our relations," the balance in bilateral trade appears to be especially hard to achieve – particularly with Turkey's energy needs forecast to double in the next decade.⁶

Turkey now depends on Russia for 55 per cent of its natural gas. This percentage is lower than the historical high of over 60 per cent registered only a few years earlier⁷ but still is very significant. According to *Today's Zaman*, Turkey also imports about 12 per cent of its oil from Russia.⁸ Turkey recently signed agreements with Moscow to increase gas imports and have Russian firms construct Turkey's first nuclear power plant. These deals are designed to boost trade to USD100 billion by 2015 (up from USD35 billion in 2014), leading several Turkish analysts to comment that this is becoming a strategic partnership. This energy dependence, while mutually beneficial, gives Russia an important leverage⁹ to keep Turkey under its thumb.

Turkey pays slightly above the EU average gas price for one thousand cubic metres (TCM). While, for instance, the average European gas price for TCM is "slightly above" USD380,¹⁰ Turkey's natural gas price, as of today, (namely 18 April 2014) is USD425.¹¹ And that is despite the comment of Turkish analysts and commentators that Russian-Turkish relations are becoming a strategic partnership. When it comes to a business deal, Russians do not exactly offer a bargain price to Turkey and the so-called strategic partnership has no real value.

Although Turkey likes to portray itself as an energy transit country and an energy hub for Europe, the reality is very different. Thus far, Turkey has not found an alternative to gas supplies from Russia and has become neither an energy transit country nor an energy hub.¹² Therefore, Turkey's Achilles' heel remains its economic and energy dependence on Russia which is certainly less beneficial for Turkey than it is for Russia. It needs to be emphasised that the Turkish Ministries of Foreign Trade and Industry and of Energy and National Resources, with full support of Prime Minister Recep Tayyip Erdogan, pursue very narrow-minded and short-sighted economic

and energy policies with Russia, without taking into consideration the hard fact that their policy has made Turkey dependent on one country namely, Russia. Whether or not the Turkish politicians understand their handicap and what they are doing about it is not known to the author. However, from the analysis presented above it can be said that the Turkish politicians have not just failed to understand their handicap but also surrendered themselves to the Russian energy whims.

Ankara's Great Wish to Believe in Its Power Projection and Moscow's Realpolitik

Surprisingly enough and despite the above mentioned handicap, Ankara feels confident that it can work effectively with Russia to promote economic co-operation and security in the Black Sea region. As a result, Ankara has resisted NATO operations in the Black Sea. Ankara also believes its deepening economic, energy and security ties with Russia give it leverage in advancing regional stability in the Black Sea and in the Caucasus. Turkish officials insist that their co-operation with Russia is being pursued with proper caution and that Turkey remains firmly tied to its Euro-Atlantic moorings.¹³ Despite its confidence and beliefs, Ankara's faith is strongly misplaced.

Moscow considers the Black Sea region and the Caucasus, in particular, to be its exclusive area of operations and not a shared condominium as Ankara may believe. The beliefs in Ankara are based on sand and not on a realistic assessment. For instance, Turkey's muted reaction to the Russian-Georgian war of August 2008 reinforces the author's assertion. When needed, Russia plays a hard ball game versus Turkey in the Black Sea region and in the Caucasus. Turkey's Caucasus Stability and Co-operation Pact or Platform initiative, proposed after the August 2008 war, was initially disregarded by the Russian officials and then it silently disappeared from the agenda. Today, only the Turks might remember that such an initiative was even proposed.

The author is not overstating the state of affairs between the two countries but warns the Turks not to underestimate the Russians who will pursue an aggressive policy "to defend" their interests in the region.¹⁴ The Russian recent bloodless military takeover of Crimea was swift and ruthless. It left the Turkish government speechless and presented Turkey with another case of a *fait accompli*, the second one after the Russian-Georgian 2008 war. As Kemal Kaya writes, it can be argued that Turkey has *de facto* accepted Crimea's absorption by Russia.¹⁵ Even though Soner Cagaptay's and James Jeffrey's opinion is not as straightforward as that of Kemal Kaya, they agree that Turkey reacted mutely to Moscow's takeover of Crimea.¹⁶

The notion that the Russian bear can be tamed by the Turkish grey wolf is misleading and dangerous. Furthermore, the notion that Russia's power is decreasing and Turkey's is increasing needs to be carefully monitored by the Turks. After the events in Crimea, the notion that Russia's power is declining is no longer accurate. The muted Turkish reaction showed that Turkish ambitions to play an equal role to Russia in the Black Sea region have been quashed even though Turkish officials will dismiss the author's opinion out of hand.

Conclusion

Turkey's beliefs that it is capable to tame the Russian bear are not just misplaced but erroneous and pose a potential danger for the future. As has been mentioned above, Turkey's energy dependence on Russia, its trade imbalance with Russia that is widening and the recent agreement with Moscow to construct Turkey's first nuclear power plant have put Turkey at a disadvantage and bind it further to Russia. There is no doubt that in the recent agreement signed with Moscow to construct the nuclear plant, Moscow gained huge revenues while Ankara became even more dependent on Russia. Therefore, these relations are very much one-sided and, without any doubt, it is not a strategic partnership, as claimed by Turkish analysts and commentators, but rather a dependency without strategy or strategic thinking. Furthermore, Ankara cannot build its strategic partnership with Russia based on the construction business and the tourism ties that are largely discussed in the open press. I would further argue that the solid basis for such partnership does not exist between the two countries. Russia maintains control over Turkey and leaves Turkish politicians with the illusion that they are in control of their relations with Russia.

We may expect a continuation of Turkey's energy dependence and a very moderate Turkish policy and a low-key role in the Black Sea region and in the Caucasus; in particular, under President Vladimir Putin. In other words, Ankara remains tightly packed in the Russian Black Sea net and has very limited room for manoeuvre. Putin is shrewd enough and well understands Turkey's limits in pursuit of an active foreign policy in the Black Sea region and the Caucasus despite Turkey's known desire to play an important role. Furthermore, Putin knows that for the time being and for the foreseeable future Turkey lacks alternative options to receive gas from anywhere else except Russia. For instance, gas deliveries from Azerbaijan and Iran constitute about 30 per cent of the total delivery. As a result, Putin will maintain cordial relations with Erdogan and retain Russia's leverage in the energy sector. In personal relations, of which Prime Minister Erdogan likes to boast, Putin remains the conductor of the Russian-Turkish orchestra while Erdogan is assigned the role of the first violinist.

If Turkey wishes to become less dependent on Russia, it needs to thoroughly revise its overall policy with regard to Russia. However, this issue is beyond the scope of this article.

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