Iran's Relations with Central Asia – A strategic analysis

Simbal A. Khan

The twentieth century political landscape of the world is strewn with conflicts whose sources lie as much in the engagement of extra regional powers, as they lay in the fault lines of their regional security environments. The paper attempts to expose the underlying tensions within Iran's immediate security environment which are exacerbated by the involvement of the hyperactive super power, the U.S. The collapse of the Soviet Union and the independence of the Central Asian States has set into motion intense systemic changes in Iran's geo-political environment. These changes have largely undermined Iran's geo-political significance and increased its vulnerability to pressures from various international and regional sources. Growing U.S. unilateralism and the post 9/11 war on terrorism have enhanced Iran's security predicament as it grapples with the manifold increase and concentration of U.S. military forces along its borders.

The paper attempts to explore the basic features of this new security environment and examines the various strategies available to the Iranian decision makers for maximizing Iranian security. Iran's evolving relations with the Central Asian States are seen as a catalyst for the analyses of the structural features of the regional security complex. The continuity in Iran's strategic partnership with Russia is seen as a stabilizing force, which has moderated the highs and lows in Iran's relations with some of the Central Asian States. Not withstanding the decline in Russian super power status, it retains its supremacy as a primary regional actor. The convergence of Russia's and Iran's economic and strategic objectives has buffeted Iran's security against the new challenges thrown up by the enhanced U.S involvement in the region following the Afghanistan and Iraq campaigns.

The strong U.S military presence in Afghanistan and the stationing of U.S forces in Uzbekistan, Tajikistan and Kyrgyzstan has critically increased the Iranian perception of strategic encirclement. Even though the actual size and level of the U.S military engagement in the CAR remains small, the upgrading of this relationship to a strategic level has certain long term implications which go beyond the current Iranian security concerns. Any future projections regarding possible conflict scenarios within the region must take into account the multiple ways in which this strategic penetration of the region by U.S forces enhances their ability to affect the outcome.

Despite the predominance of strategic and military aspects of Iran's security concerns, the paper attempts to highlight the underlying economic motivations of state action. It remains critical, for policy makers, to explore the conflicting economic goals of regional actors. Future conflict in the

region will most likely stem from competition over economic resources between regional as well as global actors.

The paper proposes that the most critical aspect of Iranian relations with the Central Asian Republics, in the immediate future, will remain Iran's persistent efforts to increase regional integration and control of energy resources, through the establishment of pipeline networks traversing Iranian territory. Iran's efforts to resolve the Caspian Sea dispute must also be viewed in this context. Yet the invasion of Iraq and the subsequent pre eminence of the U.S as the sole arbitrator of Persian Gulf energy resources are bound to impact future trends and developments in the transportation and exploration of the Central Asian energy sector.

Introduction

The geo-political imperatives arising out of Iran's proximity to the Central Asian region and the South Caucasus has made the region central to Iranian perceptions of its national security. Iran is linked to the CAR (Central Asian Republics) by ties of proximity, religion and in the case of Tajikistan and Azerbaijan, ethnicity.¹

Historically, the Central Asian region has been a nexus for regional trade, competition and sometimes conflict. Traditionally, foreign powers have seen the region as an economic and strategic gateway to other parts of the world. More recently, since the independence of the CARs a decade ago, the region's potential for energy production has created new areas of foreign interest.

It is therefore likely that coming years will see continued competition among outside powers over the region and its resources and allegiances. Strategic and economic interests in the region will also cause foreign states to be increasingly active diplomatically, economically and militarily. This means that if other factors spur conflict in the region, there is significant potential for outside powers to become involved - even if their interests are not the reason that conflict emerges.

The paper seeks to ask and answer certain fundamental questions regarding Iran's strategic environment and the affect of the changes in the geo-political landscape since the U.S. war in Afghanistan and Iraq. For greater focus, it limits the scope of the research to the analysis of the security implications arising out of the U.S. war on terrorism and Iran's relations to the Central Asian States. The questions we must ask are:

¹ Tajik ethnicity and language are of the Persian/Farsi family and almost one-quarter of Iran's population is ethnic Azeri. See Report 'Central Asia: Fault lines in the new security map,' Osh/Brussels: International Crises Group, 2001, p. 209.

Simbal A. Khan

- Is Iran facing new threats to its security in the aftermath of the U.S. invasion of Afghanistan and the establishment of a U.S. military presence in the C.A.R.?
- How do Iran's bilateral relations with Russia impact on its security objectives *vis à vis* the Central Asian States?
- What are the potential dangers of Iranian involvement in future conflict scenarios in the region?

The paper studies Iranian relations with the Central Asian Republics within the overall dimension of its foreign policy. This approach largely draws upon the basic theoretical tenets of the neo-realist framework which views foreign policy as a tool designed to maintain balance and security in an anarchic international system². Under this perspective, anarchy remains the great constant and states are involved in a continuous effort to achieve some sort of balance to enhance their security³. Security is a complex and contested concept. It is multi-faceted and multi-dimensional. Given the state of international anarchy and lack of trust that such a system inspires, states find themselves in what has been called a 'security dilemma'. This means, that the more a state arms itself to protect itself from other states, the more threatened these states become and the more prone they are to arming themselves to protect their own national security interests.⁴

Within this framework of a competitive international system, the quest for regional security and stability becomes critical for states, like Iran, which are engaged in a political and ideological confrontation with the global super power, the United States. In structuring its relationship with the Central Asian Republics, the Iranian policy makers have endeavoured to structure their foreign policy objectives according to the concept of what is termed as 'Cooperative Security'⁵. The concept implies that national security cannot be conceived in terms of national actions alone and achieving national security calls for, at the very least, the implicit cooperation of others. Moreover, Iran believes that there is an emerging convergence of states interest in the region

² Spegele, Roger D., *Political realism in international theory*, Great Britain, Cambridge University Press, 1996, p. 121.

³ Inbar, Efraim, (ed.), *National security of small states in a changing world*, London, Frank Cass, 1997, p. 13.

⁴ See Wheeler, Nicholas and Ken Booth, 'The security dilemma,' in John Baylis and N.J. Rengger (eds.), *Dilemmas of world politics*, Oxford, Clandestine Press, 1992.

⁵ For background see Vayrynen, Raimo, 'Multilateral Security: Common, cooperative or collective,' in Michael Schechter (ed.), *Future multilateralism: The political and social framework*, Tokyo, United nations University, 1994.

around the theme of political stability and economic development⁶. Accordingly, the Iranian interpretation of 'cooperative security' pre-supposes basically compatible security objectives and seeks to establish collaborative rather than confrontational relationships among states. This approach remains in harmony with Iranian goals and objectives *vis à vis* the CAR region. The maintenance of peace and stability and avoidance of conflict in the Caucasus and Central Asia are vital for Iranian interests, particularly, in the region's energy sector.

The framework adopted to study Iran's relations with the Central Asian States undertakes an analysis of Iranian policy within two salient and interrelated dimensions: firstly, internal determinants of Iranian policy towards the C.A.R (Central Asian Republics), and secondly, the external geopolitical dimension of Iranian relations with the C.A.R.

The Independence of Central Asian States and the Internal Determinants of Iranian Foreign Policy

The internal dynamics, which helped shape Iranian policies towards the C.A.R., is studied in the context of three different phases.

The first phase began with the collapse of Communism, which led Iran to interpret the newly acquired independence of the CAR as a victory for Islam. Iran perceived the disintegration of the Soviet Union as automatically entailing a strengthening of the Islamic world and believed that new space had been created for the dissemination of Islamic ideals in the region. Such an analysis of the situation led the Iranian leadership to predicate its policy towards Central Asia on Islamic principles⁷.

Of all the Central Asian States, Tajikistan was the only one where Islamic movements had played a significant role, with a real capacity to influence the overall political scene. Although Iran did not play a leading role in the rise of the Tajiks Islamist movements, it did develop closer relations with the leading Islamic Renaissance Party (IRP)⁸. That is why the recapture of Tajikistan by the neo-communists, the return of Russian influence, the failure of the Islamists and even to some extent, the democratic nationalists, was considered a setback by Iran. The Iranian government accused Russia and

⁶ Yousefi, Amir M. Haji, "Cooperative security in the Persian Gulf region and the Caspian Sea regions" in *The Iranian journal of international affairs*, Vol. 14, No.3 and 4, Fall 2002 and Winter 2003, p.227.

⁷ Pahlevan, Tchangiz, 'Iran and Central Asia.' in Touraj Atakabi and John O' Kane (eds.), *Post-Soviet Central Asia*, New York, Taurus Academic studies, 1998, p.74.

⁸ Djalili, Mohammed-Reza, Grare, Frederic and Akiner, Shirin (eds.), *Tajikistan: The Trials of Independence*, Surrey, U.K., Curzon Press, 1998, p. 127.

Uzbekistan of supporting the Communists who had returned to power and of helping the Dushanbe government to carry out brutal repression⁹. Soon however, the apparent differences in the socio-cultural and religious experiences of the majority of the Central Asians, as well as political developments - especially the outbreak of the Tajik civil war and the rise of the Taliban, made the Iranian policy makers reconsider the ideological thrust of their policies.

The second stage saw a greater pragmatic evaluation of Iran's wider interests in Central Asia, which clearly went beyond Tajikistan. This phase entailed the cultivation of greater cultural relations with the C.A.R. There was a clear focus on restructuring Iran's relations with the C.A.R. and a renewed emphasis was placed on the enhancement of cultural ties such as scholarly exchanges, cooperation in educational fields, the offering of scholarships and student exchanges.

The third and the final phase has clearly been the pragmatic concentration on economic cooperation through enhanced infrastructural and economic integration. This phase has entailed a clear focus on building close cooperation through the establishment of road, rail, and energy pipeline networks. Iran presents the most direct non-Russian route to the market for both oil and gas, and it hopes to become a transit state for exports of these resources out of this region. Moreover, along with Russia, Azerbaijan, Kazakhstan, and Turkmenistan, Iran is a Caspian littoral state, with its own claims to energy wealth of the seabed. The second most important aspect of this phase has also been the realignment of Iranian interest with strengthening strategic and political relations with Russia.

Iran and Central Asia - The Quest for Regional Stability

Iran's economic interests in maintaining stability in this region appear to out weigh any ideological desire to spread the Islamic revolution or promote politics built on ethnic ties. By far the most remarkable evidence of Iranian pragmatism outweighing ideological considerations is the fact that it has developed its closest ties to Christian Armenia, Russia's closest ally in the South Caucasus¹⁰.

On the whole Russia has been generally supportive of Iran's efforts to build economic and political ties with these states This is evidenced by Iran's long term efforts to develop good relations with the Rahmanov government in Tajikistan which has cracked down on Islamic groups and continues to make

⁹ News item in 'Le Monde (newspaper)' 25 December, 1992, p.3.

¹⁰ Kuniholm, Bruce R., ' The geo-politics of the Caspian Basin,' in *The Middle East Journal*, vol. 54, no. 4, Autumn 2000, p.548.

limited progress in power sharing with the Islamic Renaissance Party, now incorporated into the government as part of UTO (United Tajik Opposition). During the Tajikistan civil war, Iran reportedly provided some level of assistance to the Islamic Renaissance Party. During this period, Iran promoted and hosted meetings between the opposing sides. Despite Iran's reported support to the UTO during the war, it has tried to upgrade its relations with the Rahmanov government, since then¹¹. Iran has also over the years successfully upgraded its relationship with Turkmenistan and Kazakhstan. Its relations with Uzbekistan, on the other hand, have not been trouble free.

Increasingly encircled by numerous U.S. military bases and with the possibility of more U.S. forces landing in Iraq on its Southern borders, Iran has embarked on a major campaign to increase its profile in its Central Asian neighborhood. Iranian President, Mohammed Khatami, visited most of the Central Asian states, including Tajikistan during 2004. Iran is now seeking to develop a land corridor from its territory to Afghanistan via Tajikistan. There is a greater focus on expanding transportation links - a direct flight has been introduced between Tehran and Dushanbe, Tajikistan, as well as opening a cement manufacturing plant¹². Recently Iran has also pledged over \$31 million in loans and grants to complete the five-kilometer Anzab tunnel. The tunnel promises to connect central Tajikistan to the second largest city Khujand, while by passing an existing route via Uzbekistan.¹³

Currently Iran is pursuing dual and overlapping objectives in Central Asia:

The first objective for Iran is that it wants the Central Asian states to ship their oil and gas via Iran to the Persian Gulf, whereas Washington prefers pipelines across the Caspian. Tehran promotes the southern route as the most economically viable and environmentally the safest. It is also trying to promote better infrastructural and trade links with these states. During his visit to Kazakhstan, president Khatami stressed Iran's interest in Central Asian energy as he sought Kazakhstan's support to build an Oil pipeline from Kazakhstan to the Gulf via Iran. The proposed pipeline would be built on the lines of the gas pipeline from Western Turkmenistan to Southern Iran, successfully inaugurated in 1997¹⁴. Both Turkmenistan and Kazakhstan are

¹¹ Report, 'Central Asia: Fault lines in the new security map,' (Osh/Brussels: International Crises Group, 2001), p.21.

¹² Anega, Atul, 'India and Iran wooing Central Asia', in *The Hindu (newspaper)*, 21 October, 2002, p. 1.

¹³ Arman, Kambiz, 'Investing in Tunnel, Iran nurtures ambitions in Tajikistan,' Report, *Eurasianet.org*, accessed on 8 January, 2003, p.1.

¹⁴ Recknagel, Charles, 'Iran: Khatami tours Central Asia to press for Iran energy routes, lower U.S. presence', in *RFE/RL (Radio Free Liberty/ Radio Liberty)* 15 October, 2003, p.2.

Simbal A. Khan

currently also participating in the so called oil swap deal or the 'equivalent circuit'¹⁵ by which Iran imports their oil for domestic use while selling equivalent amounts of Iranian oil to the world market on their behalf.

But even as Tehran seeks greater energy cooperation with Turkmenistan and Kazakhstan, the U.S. is putting strong pressure on the same states to by pass Iran in favour of the Baku-Tbilisi-Ceyhan pipeline, originating in Azerbaijan, transiting through Georgia and terminating in the Mediterranean Turkish port of Ceyhan. The planning of this pipeline is underway and it is estimated to become operational in 2005. At the same time the Central Asian States are under pressure from Russia to maintain its preeminence as the primary outlet for Central Asian energy.

Iran faces an uphill battle as it hopes to convince the Central Asian leaders to risk antagonising Moscow and Washington in order to export substantially more energy through Iran. For the Central Asian leaders, their energy resources represent their best chance of developing closer ties with the U.S. in order to strengthen their political independence from Russia. Hence this could limit the capacity for greater cooperation with Iran in the energy field.

The second important objective is that while Iran tries to compete with Moscow and Washington over pipeline routes it also hopes to counter and neutralise the threat arising from the presence of U.S. forces and military bases in some these states. Uzbekistan and Kyrgyzstan allowed U.S. forces to be stationed in their countries during the U.S. led war on terrorism when they fought the Taliban and Al Quaida. Kazakhstan and Tajikistan also agreed to provide flight clearance to coalition warplanes. The presence of U.S. military bases and troops in Central Asia is the cause of continuing concern to Iran.

Yet despite Iranian misgivings, there seems to be scant possibility of the Central Asian states unilaterally closing down the U.S. bases - which all parties maintain are temporary. One reason for this is that the Central Asian states have militant Islamic opposition groups of their own, on their own territory. They are counting on the U.S. led war on terrorism in the region to help weaken the trans-national linkages of these groups. The government of Uzbekistan is especially sensitive to the activities of the militant Islamic group, the IMU (Islamic Movement of Uzbekistan). Before the war, the IMU had maintained bases in Afghanistan for operations against Tashkent. The Uzbek Government wants to make certain that the IMU is denied any other regional sanctuary. There is also the possibility that the authoritarian government of Islam Karimov can use the war on terrorism to suppress political dissidents challenging his control on power¹⁶. Currently, there are no

¹⁵ See the Caspian world-Caucasus and Central Asia, website, 18 September, 2003.

¹⁶ 'RFE/RL (Radio Free Liberty/Radio Liberty)', Reports, 15 October, 2003.

indications that the U.S. will leave Central Asia in the foreseeable future. US forces are needed to combat the continuing Taliban guerrilla activity and oversee the large scale reconstruction and humanitarian operations being undertaken in Afghanistan.

It is this prospect, along with the establishment of a pro-U.S. administration in Afghanistan which has increased Iranian perceptions of encirclement.

Iran and Central Asia Geo-political Determinants and the Contemporary International System

The collapse of the Soviet Union intensified the systemic changes that the thawing of the cold war had set in motion in the late 1980s. Those changes further undermined Iran's geo-political significance and increased its vulnerability to pressures from various international and regional sources. At the international level, eliminating the soviet counterweight dramatically enhanced the military and economic power of the West, particularly the U.S, along with its ability to project its power without fearing adverse Soviet reaction. The analysis of the international dynamics of Iranian relations with the Central Asian States is undertaken in reference to the most critical determinant of Iranian policy in the region, namely the U.S - Iran rivalry. The geo political determinants cover Iran's strategic partnership with Russia and its complex relationship with the other regional player, Turkey.

Emergence of the CAR and U.S.-Iran Relations

Among the external geo-political determinants of Iran's' policy, the most significant of course remains the continuation of the Iranian and the United States rivalry. This continuing U.S-Iran rivalry in the contemporary phase has been superimposed upon the great regional restructuring that has occurred due to the collapse of the Soviet Union and the creation of the Central Asian States.

Since the early 1990s', the U.S has responded to the creation of the C.A.R. by making the containment of Iranian influence a cornerstone of its policies towards the newly independent states. The early Turkish/Iranian rivalry in Central Asia must also be studied within the context of the U.S support to Turkey, which was also aimed at containing Iranian influence within the region. Such policies underpinned the debate, now outdated, regarding the feasibility of the adoption of the Iranian versus the Turkish model for development, for the Central Asian States.

Yet initially the C.A.R. region was of secondary importance to the U.S. policy makers. The U.S. activities in Central Asia in the 1990's focused on providing de-nuclearisation assistance to Kazakhstan, low level military-

to-military contacts, especially with Uzbekistan, (both bilateral and through the NATO partnership for peace programme) and various forms of democratisation and economic assistance disbursed throughout the region. The U.S. government's perceived interests in the region focused on energy resource development. This was because Central Asian oil and gas offered the potential for many of its allies in Asia and Europe to diversify their energy sources.

The cornerstone of U.S. policy in the Caspian/Central Asian region had been the construction of the Baku-Ceyhan oil pipeline which delivers Caspian oil to the west without crossing Russian or Iranian territory.¹

The U.S. profile in the region has increased considerably since the unseating of the Taliban regime and relations between Washington and Iran still remain hostile. Despite the apparent improvement in relations between Iran and the U.S., which followed the September 11 attacks, since then, the tension between the two countries has reached new heights. As Afghanistan emerged as a sponsor and shelter for terrorist groups, particularly Al Quaida, Central Asia became very important for the U.S. led campaign against the Taliban regime and the Al Quaida presence in Afghanistan. Since then, U.S. forces, material, and facilities are in place or available in Uzbekistan, Kyrgyzstan, and Tajikistan and Kazakhstan has agreed to provide similar support if needed. The Bagram air base, which is 40 miles from Kabul, has emerged as a major U.S. military facility with 5000 troops stationed there. This is even larger than the base at Kandahar, where nearly 4000 U.S. troops are stationed.¹⁸ Kandahar sits on a highway, which extends towards Herat close to the northern Iranian city of Mashad. The Manas air base in Kyrghizstan, also stations 1000 U.S. troops in addition to the 1,500 American soldiers located in Khanabad in Uzbekistan. Although the United States insists that it does not plan to have a permanent military presence in the region and has not granted any security guarantees to these states, it has signed an agreement with Uzbekistan stipulating that the U.S. will regard with "great concern any external threat" to Uzbekistan.¹⁹ The U.S. also promised enhanced financial support to Uzbekistan.

The enhancement of the U.S presence in the region in the wake of 9/11 has increased security challenges for Iran. President Bush accused Iran of being part of an "axis of evil" together with North Korea and Iraq. The U.S. also accused Iran of interfering in Afghanistan's internal affairs and more seriously, of developing weapons of mass destruction. The strong U.S.

¹⁷ Kuniholm, Bruce R., 'The Geopolitics of the Caspian Basin' in *The Middle East* Journal, Vol. 54, No.4, Autumn 2000, p. 554.

¹⁸ Anega, Atul, 'India and Iran wooing Central Asia', in *The Hindu*, 21 October,

^{2002,} p.2. ¹⁹ Milbank, Dana, 'Uzbekistan thanked for role in War', in *Washington Post*, 13 March, 2002, p. 23.

military presence in Afghanistan and the stationing of U.S forces in Uzbekistan, Tajikistan and Kyrghizstan has critically increased Iranian perception of strategic encirclement. The U.S invasion of Iraq and the clear articulation of U.S willingness to undertake unilateral military action against "rogue states" involved in the production of WMD (weapons of mass destruction), has further heightened Iranian fears that Iran might be the target of a pre-emptive U.S military strike aimed at neutralizing Iran's nuclear assets.²⁰ Many of the U.S. suspicions are related to the nuclear cooperation between Russia and Iran. They were particularly concerned to see Iran seek Russian help in building a nuclear reactor in Bushehr in southeastern Iran. Russia insists that its nuclear cooperation with Iran is conducted in accordance with the rules of the IAEA and under its control.²¹ The IAEA verification of this can help reduce American and European concern regarding Iran's nuclear ambitions.

The continuing conflict in Iraq has presented unique challenges to Iran. The clerical leadership of the Shia majority in Southern Iraq has had long and traditional ties to the co-religious Iranian government and to the strong Shia clerical institutions in Iran. The relatively peaceful situation in the Southern Shia belt of Iraq compared to the chaotic conditions in Sunni dominated Central Iraq has indicated to the U.S. that Iran, for now, remains interested in maintaining peace and stability in the region. Iran has avoided the temptation to intervene in the conflict in order to further frustrate U.S. efforts in establishing post-war order in Iraq. The present policy of Iranian non-intervention in Iraqi politics, presents opportunities for lowering U.S. -Iranian tensions, which had escalated to dangerous levels in the wake of the war in Iraq.

Russia and Iran - a Strategic Partnership

Given the continued hostile relations with the United States, one of Iran's primary goals remains the development of political and economic ties with other states. Russia, whose relations with the United States have also been complicated over the last few years, presents a good candidate.

Russia is a primary partner for Iran because it is an important source of weapons and nuclear reactor technology. Previous Iranian and Russian nuclear cooperation has come under great international criticism and scrutiny. Current developments on this issue indicate that despite huge U.S. and European pressure, Russia is not ready to forsake its nuclear arrangements

²⁰ 'India, Iran wooing Central Asia,' p.1.

²¹ Boese, Wade, 'Putin reaffirms arms sales, nuclear assistance to Iran,' Arms *Control Today*, Vol.31. No. 3, April 2001. Accessed on the Internet at www.armscontrol.org/act/2001, 04/iran.asp).

with Iran. It has agreed to certain new IAEA stipulated safeguards but has refused to radically alter its nuclear cooperation with Iran.

For Russia, the promise of revenue generation from the \$800 million Bushehr project, which entails 10 years of uranium sales, starting in 2005, far outweighs concerns regarding the nature of the Iranian nuclear program. Russia's potential profits from Iranian nuclear cooperation extend far beyond the Bushehr uranium contract. Some 100 Iranians are reportedly under training in Russia to operate the Bushehr plant. Over 700 more Iranians are due for such training before the plant opens. The Russian Atomic energy ministry has reiterated its readiness to cooperate with Iran in building five more nuclear power plants, an offer initially made in 2002, when the Russian government released its plans for future economic relations with Iran. These plans involve arms sales, one of Russia's most lucrative exports. In October 2001, Moscow and Tehran signed framework agreements for further supplies of Russian military equipment to Iran, reportedly worth some \$300 million, each Year²².

In reference to the C.A.R., Iran's relationship with Russia often takes priority over other goals in the region. Thus, despite some initial overtures in the early 1990s, which appeared geared to supporting Islamic groups in the Central Asian region, Iran agrees with Russia that western influence over Central Asia should be limited. It also shares with Russia the perception that stability in the region is an important national security interest for both these states. With a large Azerbaijani population in the north of the country, Iran is loath to see conflict in the South Caucasus spread to its own territory. Its aspirations for an important and lucrative role in the Caspian development make the pursuit of peace and stability in the region an important policy goal for the Iranian government and business interests.

While it is possible that Iran's and Russia's goals in the region will diverge over time, it is also unlikely that Iran will try to assert influence over the C.A.R. at Russia's expense. If the current crisis regarding the transfer of nuclear technology from Russia to Iran is any indication, Russia remains resolute in its support to Iran.

Rivals or Partners -Turkish and Iranian Relations with Central Asia

The story of Turkey's relations with the Central Asian States serves as a classic example of how the imposition of international political dynamics can complicate regional interactions and relations among states. Turkey's

²² Blagov, Sergei, 'Russia backs Iran's nuclear program despite international concern,' in *Eurasianet.org* 6 September, 2003, p.2.

evolving relations with Central Asia and the significance for Iran must be analysed within the parameters of Turkey's membership of NATO, its close relations with the United States, and its growing interest in Caspian energy.

When Soviet rule weakened and finally collapsed in 1990-91, Turkey moved to build ties with the post-Soviet Muslim states with whom it shared aspects of heritage, ethnic kinship, and language. The government in Ankara tried to use this opportunity to stress Turkey's strategic importance as an inevitable bridge between Asia and Europe and to consolidate Turkey's position in Europe. Many western governments, particularly the United States, encouraged Ankara to play an active role in Central Asia to counter the fear of Iranian influence in the region.²³Turkey was expected to contain Iranian penetration and to supplant the Russian role in the region by offering a Turkish model of secular democracy, market economics, and pro-western orientation for the new Independent Turkic states to pursue. Both the U.S and international financial organizations, including the World Bank, provided assistance to the Central Asian States through Turkey as a means of bolstering its efforts.²⁴

Yet Turkey's initial enthusiasm concerning the role it could play in the Central Asian States has been tempered with time. The Central Asian States were disappointed that Turkey's help was not sufficient to bring economic health, prosperity and integration with western economic institutions. Meanwhile, Turkey realised that doing business in the region was more difficult than anticipated. Efforts were hampered by high levels of corruption and low levels of business competence. Consequently, business ties with Turkey are a small component of Central Asian economies. Turkish bilateral military assistance to Central Asian States did not become significant until 2000. Even here it focused primarily on Uzbekistan and Kyrgyzstan which were willing to accept Turkish equipment and expertise to help train their forces and equip them to fight insurgents. Turkish troops have worked with Uzbek and Kyrgyz special force's units and in 2001 they gave the Kyrgyz military forces a variety of non-lethal supplies to aid them in counter terrorism operations²⁵. Moreover, its ongoing high level of trade with Russia spurred Turkey to reconsider its initial enthusiasm for a large-scale effort to bring the Central Asian States into a Turkish sphere of influence.

²³ Cubical, Paul, 'Nation, state, and economy in Central Asia: Does Ataturk provide a model?' in *Occasional paper*, no.14, Seattle, University of Washington, The Henry M. Jackson School of international studies, 1995.

²⁴ See Martha Brill Olcott, *Central Asia 's New States*, Washington, D.C., United States Institute of Peace Press, 1996, pp.25-26; Shireen T. Hunter, *Central Asia since Independence*, Westport, CT: Preager, 1996, pp. 136-138.

²⁵ Fuller, Liz, 'Turkey Delivers Military-Technical Aid to Kyrgyzstan,' in *RFE/RL Newsline* Vol.5, No.187, 3 October, 2001.

Simbal A. Khan

If Turkey backed away from its initial exuberance toward Central Asia in the early 1990s, it has continued to seek ways of building on shared ethnic ties with the region and take advantage of its sheer proximity. A primary reason behind this stance is the pursuit of Caspian energy. This is in order to provide for its own energy needs, which Turkey estimates, will continue to rise and for the promise of energy routes through Turkish territory, with lucrative transit fees and links to consumers in Europe. Turkey currently imports approximately 90 percent of its oil, and almost all of its gas, 70 percent of it from Russia. Although gas today accounts for only 13 percent of Turkey's energy, Turkey estimates that demand by industry and power plants will dramatically increase in coming years.²⁶ Hence the Turkish leadership is aware of the importance of the south Caucasus region for Turkey. Officials in Ankara believe that the construction of pipelines across Russia and through its territory would boost Turkey's influence and prestige in the Caspian region at the expense of its rivals. Nevertheless, Turkey and Iran are both rivals and partners at the same time in their pursuit of Caspian energy. In spite of U.S. protests, the de facto Turkmenistan-Iran-Turkey gas swap will probably be realized. Iran's active lobbying for Azerbaijan, Kazakhstan and Turkmenistan to export oil via swap arrangements along what would be new pipelines could jeopardize the prospects of the Baku-Ceyhan pipeline.

The energy issue links Central Asia and the Trans-Caucasus to Turkey in multiple dimensions. Economic and military concerns are also interconnected with regards to the security of the pipeline routes. In building its ties with the CAR, Turkey has exploited its close bonds with the United States and its membership of NATO. This has had primarily a negative affect on its relations with China, Iran and Russia. This Turkish spearheading of NATO activities has been more a cause of rivalry within the region than any healthy economic competition.

Since the middle of the 1990s Turkey has sponsored the Caucasian states of Azerbaijan and Georgia's participation in NATO led peacekeeping in the former Yugoslavia, and has provided significant military assistance, including training and refurbishment of bases²⁷. Both Georgia and Azerbaijan cite Turkey as a significant trading partner. Prior to September 11, the United States and NATO appeared generally willing to let Turkey take the lead for them in the CAR, insofar as Turkey was able to do so. But Turkey's mixed success demonstrates the problems with this approach. Alone, Turkey lacks

²⁶ Energy Information Agency, 'Country Analysis Brief: Turkey,' August 2000, <u>www.eia.doe.gov/emeu/cabs/turkey.html</u>; Laurent Ruseckas, 'Turkey and Eurasia: Opportunities and Risks in the Caspian Pipeline Derby,' *Journal of International Affairs*, fall 2000, No. 1, pp.217-236.

²⁷ 'Turkey Gives 2.5m-Dollar Grant to Georgian Defence Ministry,' *BBC Monitoring Service*, Georgian News Agency *Prime-News* 4 June, 2001.

the resources to provide the level of economic and infrastructure assistance needed to make a difference in this underdeveloped region. Moreover throughout the region, local leaders and the Russian government saw Turkey's intervention as a proxy for U.S. involvement.

The importance of Turkey's relationship with the Central Asian States is not as crucial as its relationships with some other countries. Ties with the United States and the European Union are more crucial for Turkey. Events in Central Asia do not pose a direct threat to Turkey. Likewise in contrast to China, Russia and Iran for example, what happens in Turkey will not have a direct impact on the security concerns of the Central Asian States. Turkey, due to its geo-political significance, has a multi-dimensional and complex role to play in the region. On the one hand, it has concluded military and security agreements with the Turkic states, and is at the forefront of NATO activities relating to Central Asia. On the other hand, Turkey's growing relations with Russia also counter balance the negative fallout from NATO activities in the region. Turkey's interest over the next decade and half will be heavily influenced by where the pipelines go. For Turkey, the potential benefits arising out of cooperation in the energy field with other regional actors, such as Iran, far outweigh all that can be reaped through confrontation and economic competition.

Conclusion

The most critical aspect of Iranian relations with the Central Asian Republics in the immediate future will remain Iran's persistent efforts to increase regional integration and control the energy resources of the region through the establishment of pipeline networks traversing Iranian territory. Iran's efforts to resolve the Caspian Sea dispute must also be viewed in this context. Yet the invasion of Iraq and the subsequent pre eminence of the U.S as the sole arbitrator of Persian Gulf energy resources is bound to impact future trends and developments in the transportation and exploration of the Central Asian energy sector. The vulnerability of the Central Asian governments to U.S. influence is predicated directly upon the level of resistance Russia is willing to mount in defence of its favoured position within the region it considers its own area of influence.

Russia, whose goals in the region are historical, political, strategic, and economic, plays a complicated role. It presents a constant threat to the Central Asian States, Aware of its declining power, it may attempt to reassert control, while it still can, by the use of force. This factor in itself could be the source of ethnic, religious or territorial conflict in the region. Moreover, if conflict erupts, Russia, because of long standing geo-political links within the region, will play a dominant role and also will be in a position to moderate the involvement of other outside powers. A greater danger lies within the possibility that, Russia, due to certain factors fails to act to stem conflict. Although Russia has well articulated interests in the region, other regional actors, including Iran, are also vulnerable to conflict and anarchy in this region. A passive Russian policy in the eventuality of conflict, could spur such regional powers as Iran, to get more actively involved. This could potentially result in a stronger Russian response less to the conflict and more to the perceived 'interference' by the neighbouring states.

The increased U.S. presence in the C.A.R. region adds another critical dimension to the conflict scenario. Prior to September 11, the region did not qualify as being of primary interest to U.S. policy makers. Yet the situation since September 11 is markedly different. Today the primary goals defined by U.S. policy makers are to combat and prevent the spread of international terrorist organisations and the prevention of the proliferation of weapons of mass destruction. The persistence of such transnational threats in the region and concerns regarding Iran's Nuclear weapons programme have created imperatives for the continued involvement of the U.S. in the C.A.R. region.

As recent events have demonstrated, the location of the region, between Russia, Afghanistan, China, Iran and Turkey, makes it strategically the most viable staging area for a variety of combat scenarios. Currently, the investments in developing military related infrastructure and the relationships which the U.S and its allies are making in the Central Asian States in support of their campaign in Afghanistan, make it more likely that these states will be called upon to support future military missions in the region. Moreover, with the likelihood of a significant long-term peacekeeping and humanitarian effort in Afghanistan, which entails some U.S. involvement, it appears very likely that future Central Asian crises would involve the U.S. This factor has serious implications not only for the Central Asian States but also for Russia and the other regional powers. For Iran, this scenario is critical to its security perceptions. Depending on how its relationship with the U.S. evolves, Iran may feel it is necessary to protect its interests in the region by supporting certain groups as opposed to others, as it has in Afghanistan. Moreover, the weakness of the Central Asian States creates incentives for outsiders to seek to influence the policy directions of local governments and to question the latter's capacity to maintain peace and stability on their own. If these outsiders feel compelled to act to quell conflict, whether real or burgeoning, they will of course themselves become parties to it.

Yet the prospects for peace and stability in the region are not all together bleak. There is room for many states to gain from the region's potential and because regional stability is a shared goal, there will be high incentives to cooperate as well as compete. The interests of the regional powers overlap in many constructive ways. The disagreements and interests are not structured along any clear lines of alliance, religion or ideology. Yet, as there is little doubt that some will gain more than others, it is likely that competition will remain a significant factor and may at times be fierce.

A crucial aspect of this equation is the fact for most of these powers with interest in Central Asia, their bilateral relations with each other are potentially more important than their desire to influence developments in the region. Even before September 11, Iran and the United States had to weigh their desire for influence in the C.A.R. region against their desire for good relations with Russia. The fact remains that for the key powers such as Russia, the United States, and Iran, the incentives to agree far outweigh the areas of disagreement. Thus, while competition between outside powers in the region is inevitable, there are also strong incentives to keep the competition from evolving into conflict.