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The Geopolitics of Water and Oil in Turkey

Throughout history, few nations have been as successful in leveraging their geographic location as Turkey. As the center of two of the most powerful civilizations of all time, the Byzantine and Ottoman Empires, Turkey was the bridge between East and West, a bustling center of trade and a strategic economic and political nexus between regions of the world. In addition to its geographic power, Turkey has historically possessed substantial water resources. Unlike many water parched areas of the Middle East, Turkey's water capacity has allowed it to grow large populations and build elaborate cities. In the modern era, Turkey once again has an opportunity to regain its historical role, as the state where today's geopolitics of energy coincides with Turkey's traditional geopolitics of water. Turkey's central location, this time not between East and West, but between producers and consumers of energy, gives it a central, geopolitical role in world affairs, both in oil and gas. Moreover, Turkey's water resources can be utilized to reinforce Turkey's strategic energy role in the region, by building a strategy of co-operation with water-poor countries from the Levant to the Arabian Peninsula. Throughout history, water and energy have been among the most fundamental resources of civilization, at the very base of Maslow's hierarchy of needs essential to fostering human growth and development for thousands of years. It is seldom appreciated how linked water and energy truly are. Producing, transferring, and supplying energy requires a significant amount of water, just as the

extraction, purification, and even desalination of water requires a significant amount of energy. As both energy and water grow scarcer throughout the future, nations such as Turkey can gain considerable influence as a result of their geographic locations and natural endowments. Turkey can benefit from pipeline diplomacy, taking advantage of its geographical location to make it a crossroads of multiple commodity pipeline projects. Through a series of water and energy pipelines, Turkey can gain significant political, economic, and social influence, while contributing to regional integration and stability.

This paper addresses the background to Turkey's geopolitical future, with regard to both energy and water resources. It also aims to provide some suggestions as to how Turkey can take greater advantage of its geopolitical potential. Section I of the paper discusses Turkey's geopolitical potential; Section II details Turkey's complex and conflicted political relationships with regional nations; Section III examines specific pipeline projects held back by political conflicts; Section IV conclusively analyzes the situation and offers policy suggestions for Turkey.

In one of the world's driest regions, Turkey has an abundance of water. Several major rivers run through Turkey, including the famed Tigris and Euphrates rivers responsible for some of the world's earliest civilizations and now the source of considerable anxiety for Iraq and Syria. The north of the country has snowy mountains and heavy precipitation, along with several, large water basins. According to accepted hydrological parameters, Turkey's water resources average at around 3150 cubic meters per person per year. In sharp contrast, the water resources of the Middle East and North Africa as a whole are around 300 cubic meters per person per year, making the overall region water scarce. Although Turkey does not have the same water resources as some other regions, such as Latin America's 10,600 cubic meters per person per year, it has significant resources in relation to its Middle Eastern neighbors. Through the creation of water pipelines and water trading, Turkey has the opportunity to export its water resources to nations of the region and the Middle East. Turkey shares borders with three Middle Eastern countries: Iraq, Iran, and Syria, but, through the Mediterranean Sea, it is connected to the entire region. Iraq and Syria are already totally dependent on the Tigris and Euphrates rivers, and Turkey as their source, for most of their water resources. In recent years, partially as a result of poor planning during Saddam Hussein's rule, the new Iraqi government faces devastating water shortages. Turkish water outreach projects will permit it to expand its sphere of influence in the region. Turkey also has the potential to send water to parched areas of Jordan, Israel, Palestine, and Lebanon. Water shortages have long ravaged the region and created conflict between nations. In fact, the lack of water nourishes the ongoing and seemingly interminable Arab-Israeli conflict. In 1987, Turkey explored the idea of utilizing its water resources to create a "Peace Pipeline", healing the region's conflicts through shared water in return for a back-flow of Qatari gas. Although

the project was ultimately abandoned, it demonstrates the potential value of engagement in water diplomacy. All of these water-parched destinations offer significant economic benefits to Turkey, through the sale of surplus water. Furthermore, as the supplier of such a valuable resource, Turkey would gain significant strategic stature in the region.

Equally important as water is Turkey's central location in the transport of energy resources. To the West, Turkey has deep water ports on the Mediterranean and common borders with Greece and Bulgaria, and through them, the European Union. The European Union is the world's second largest and most integrated consumer of energy resources, behind only the United States. For years, Europe has imported a large portion, more than 25%, of its natural gas resources from Russia, primarily from pipelines going through countries of the former Soviet Union. However, the EU has more recently become very sensitive to its dependence on Russian resources. In early January, Russia turned off one of its European pipelines over a commercial dispute with neighboring Ukraine. While Russia claimed that the cut-off was due to a supply disagreement, it is clear that disapproval of Ukraine's new, pro-Western government also played a role. Millions of citizens across Europe were left without gas due to the dispute, which has demonstrated to Europe that Russia is willing to use its energy pipelines for political purposes. As Europe attempts to diversify its energy supply, the only gas pipeline alternatives are from Central Asia and the Middle East, routes that both must ultimately pass through Turkey. Just like Russia, Turkey's neighbors: Iran, Azerbaijan, Iraq, and Syria also have significant energy resources. Currently, many of these countries have been unable to effectively penetrate the European market, due to the lack of convenient pipeline routes. Turkey has a significant role to play in the transport of these resources to European consumers.

Alongside geographical advantages, Turkey also possesses strong cultural links that transcend political borders. There is no other nation that carries as much of a blended cultural heritage of the Middle East, Central Asia, and Europe as Turkey. With the Middle East, Turkey shares strong cultural links through common Islamic beliefs. Today, although Turkey is a secular nation with strict *laïcité*, it has maintained its Islamic culture and heritage. With Central Asia, Turkey shares a multitude of ethnic and linguistic ties, as well as a common history and cultural background that predate political boundaries. Since the establishment of the Republic of Turkey in 1923, the nation has also put significant resources into cultivating a strong political relationship with Europe. Just like many European nations, Turkey has a strong, secular, Democratic government and is a member of several Western organizations such as NATO. With its fluid cultural background and pivotal geographical location, Turkey has the potential to play a very influential role throughout the region.

In an ideal world, Turkey would easily be able to leverage many water and energy pipelines for international power. However, in reality, Turkey's geopolitical success has been curtailed due to a wide

variety of political disputes. One of Turkey's most significant disagreements is with Armenia, a bordering country with which it shares a long history and common cultural background, but no diplomatic relations. While there are several reasons behind this relationship, the most significant is Turkey's attitude about ethnic conflict. In 1915, 1.5 millions Armenian citizens perished under the rule of the Ottoman Empire. Many historians have strong beliefs that what happened in 1915 was genocide, but Turkey maintains that the deaths were a result of devastation during World War I suffered by all parties. Regardless of whether or not the incident can accurately be labeled a "genocide", Turkey's refusal to view the 1915 events as genocide has deeply strained Turkish-Armenian relations. In addition to this disagreement, relations have been further strained by the ongoing war between Armenia and Azerbaijan, another one of Turkey's neighbors. Turkey has sided with Azerbaijan. Although fighting ended in a Russian brokered cease-fire in 1994, skirmishes between the two nations continue to this day and have marred any international efforts at normalization. Over the past few months, Turkey has made efforts to improve its relations with Armenia, but, not surprisingly, Azerbaijan has expressed its discontent. The status-quo is unsustainable. Until the question of the events of 1915 and the ongoing Armenian-Azeri dispute is resolved, it will be difficult to achieve lasting peace in the region.

Turkey and Iraq also have strained relations over the cultural conflict related to the Kurds. For decades, the Kurdish ethnic group, which currently resides in parts of Turkey, Iraq, and Iran has been working towards the creation of an independent nation of Kurdistan. Through the Kurdistan Worker's Party (PKK), a US and EU designated terrorist organization, this situation has turned violent. Many members of the PKK have taken refuge in Iraqi Kurdistan, a semi-autonomous region of Iraq that now contains a significant portion of Iraq's energy resources. Turkey has separate diplomatic relations with both Iraq and the autonomous region of Kurdistan. Nevertheless, and notwithstanding Turkish efforts to engage the Kurds, the PKK continues to engage in destructive terrorist activity, typically targeting infrastructure vital to Turkey's international development.

Turkey and Iran have very strong diplomatic relations, having worked together on a wide variety of projects and lacking any outstanding border disputes. However, in the multi-faceted world of international relations, any Turkish initiatives are overshadowed by the Iranian government's international status and ongoing nuclear program. US and European led sanctions and diplomatic efforts to isolate the Iranian government have made any Turkish economic outreach programs next to impossible. International relations between Turkey and Iran are severely restricted by Iran's global isolation and heavily sanctioned status.

Numerous disputes exist between Turkey and Europe as well. One pressing issue is the current status of the state of Cyprus.

Following a 1974 conflict between ethnic Greek and Turkish Cypriots on the island, Turkey invaded and has militarily maintained a separate pro-Turkish government on the north part of the island. This government is recognized only by Turkey, while the rest of the world instead recognizes the Republic of Cyprus in the South. The Republic of Cyprus is now a member of the European Union, and this issue has become a significant barrier confronting EU-Turkey relations. European relations have also been strained through disagreements over Turkey's own accession process to join the EU. Since its 1987 bid, no other country's accession has created the same amount of political tension, debate, and intrigue as Turkey's. Time and time again, Turkey has placed the importance of joining the EU over other policy goals, often jeopardizing other national policy priorities.

While these political disputes are very unsettling in their own right, they have also had a direct and detrimental impact on Turkey's attempts to conduct pipeline diplomacy. One example of this is the Kirkuk-Ceyhan crude oil pipeline, the world's second largest, which was created in the 1980s as a source for Iraqi oil export. In recent years, Turkey has planned several ambitious ventures to use the pipeline to transport Iraqi oil to Europe and, by Gulf tanker, all over the world. Unfortunately, these projects have been frustrated by terrorist activity in the region, related to Turkish political conflicts with the Kurds. On several separate occasions, the Kurdish Worker's Party (PKK) has claimed credit for attacks on this pipeline. These blasts not only create significant economic hardships for Turkey, but also reduce the potential of energy security benefits that the pipelines could provide. One of the most important goals of any pipeline project is maintaining a stable, secure source of energy; the Kurdish conflict directly undermines this. Without a proper settlement of this dispute, it will be very difficult for Turkey to extend its regional influence.

Another of Turkey's disputes arose in 2002, when it launched construction of the Baku-Tbilisi-Ceyhan pipeline, to bring Azerbaijani oil to Turkish ports for sale across the globe. While the fastest, cheapest, and most effective route for the pipeline would have been through Armenian territory, the pipeline was ultimately constructed through Georgia instead. The South Caucasus Gas Pipeline has faced the same problems and was also routed through Georgia, instead of the more direct route through Armenia. While political tensions with Armenia did not prevent these projects from taking place, they made them much more difficult, significantly increasing expenses as a consequence. When faced with stiff competition from Russian companies, Turkey can ill afford additional costs for its pipeline projects.

There is no better example of the impact that conflicting political agendas can play in Turkish geopolitics than the continuing negotiations on the Nabucco Pipeline. Over the past months, as Europe seeks to reduce its dependence on Russian natural gas, a consortium of nations and companies has come together to build a pipeline connecting natural gas resources in Central Asia and the

Middle East directly to Europe, bypassing Russia. Invariably, such an initiative requires Turkish approval and involvement; it also represents a significant opportunity for Turkey to leverage its geopolitical location. While this project has been pursued with considerable excitement by European nations, there have been many Turkish objections and conditions, including linking the project to Turkish membership in the European Union. In January, Prime Minister Erdogan made a statement implying the connection between Nabucco and the opening of negotiations on the Energy chapter in EU accession talks, stating that “If we are faced with a situation where the energy chapter is blocked, we would of course review our position [on Nabucco]” Although this statement was later softened, it serves to demonstrate the extent Turkey supports EU membership over other geopolitical goals. Following an August agreement of intent to create the pipeline, political figures in Turkey have once again reiterated their hope that this Nabucco pipeline agreement can be considered a first step towards Turkey’s ultimate inclusion into the EU. It seems probable that further EU accession action must be taken before Turkey will approve the project. While the Nabucco pipeline can have a substantial impact in allowing Turkey to achieve its geopolitical potential, the project is being held back due to competing political objectives.

With regard to Nabucco and other energy pipelines to Europe, there remain numerous obstacles at both ends of the pipe. While Iraq and Azerbaijan have both shown interest in supplying the Nabucco pipeline, they both have limited resources. Azerbaijan is now also selling limited exportable amounts of natural gas to Russia, possibly as a prod to both Turkey and the Europeans but also as a gesture of goodwill towards Russia. The fledgling Iraqi government, in addition to problems with Kurdistan, needs time to develop many of its fields as well as a strong energy infrastructure. One nation with largely untapped and huge natural gas reserves is Iran, with whom Turkey has made very strong efforts to engage in energy projects. However, as a result of international sanctions, and Iran’s very difficult investment regime, Iran lacks the appropriate infrastructure to exploit its resources. Even if Iran had any exportable gas, their participation in any international pipeline is nearly impossible due to harsh economic sanctions that have been imposed by the United States and Western European nations. The recently signed agreement on Nabucco indirectly addresses the possibility of Iran contributing to the pipeline, assuming a change in the present political landscape. Nevertheless, as it currently stands, Iran is not a viable source for inclusion in the pipeline and the Nabucco effort does not have enough guaranteed supply. At the other end of the pipe, a conflicted European market has not yet generated enough real commercial demand to warrant Caspian gas suppliers showing all their cards.

Water projects have been just as acutely affected by conflicting political agendas. With regards to Iraq and Syria, two nations that are dependent on Turkey for water resources, Turkey

has completely failed to leverage its potential. Instead of offering these nations water or working on an effective agreement for sharing of the Tigris and Euphrates rivers, Turkey's aggressive policies have instead incited both countries and in the past have almost led to war. Since the 1970s, Turkey's Southeastern Anatolia project has created several large dams on both rivers, invariably reducing water flow. As a result, water has greatly strained Turkey's relations with Syria and Iraq. In 1988 the Late President Turgut Ozal said "We don't tell Arabs what to do with their oil, so we don't accept any suggestion from them about what to do with our water." While this statement may have some validity in its own right, it also indicates a considerable level of political shortsightedness, in the sense that the Turks could take "pride" in their water as a counter to Arab oil and use it more strategically. Even if Turkey has more than enough water, Ozal's statement indicates a desire to use the water as a political tool against its neighbors. Instead of cooperation, Turkey's political conflicts with Syria and Iraq have led to competition and strained relations over water issues.

While there are prodigious obstacles in Turkey's future, there are several potential solutions for these problems. These suggestions are all linked to the Turkish government re-prioritizing many of its political objectives to enhance its leverage through pipeline diplomacy. It is through these projects that Turkey can gain more of the international respect it is currently looking for.

First of all, Turkey must take on a much more central role in the mediation of the US-Iran conflict, particularly with regard to Iran's nuclear weapons program. Tehran's diplomatic status must be addressed before any further energy or water progress can be made with Iran. Turkey has a lot to gain from the normalization of US-Iran relations. While Iran is currently exporting some of its resources, much of its natural gas reserves are largely untapped and are not traded due to worldwide sanctions. An improvement in Iran's international standing and the removal of some of these sanctions would allow Iran to build a more substantial energy infrastructure and improve its investment climate for direct foreign investment. It would also allow Iran to actively participate in pipelines to Europe, projects that would have to go through Turkey. A major alternative to the vast Russian energy resources is Iranian oil and natural gas. Because of its unique position as a bridging nation with cultural links to Iran, Turkey has the potential to play a pivotal role in the mediation of this situation.

With respect to the conflict in Armenia and Azerbaijan, Turkey is aware of the need to find a solution to the region's problems before it can pursue its aspirations for a stronger geopolitical future. Turkey first needs to make a much greater effort to resolve the conflict over how history should record the events of 1915. While there are many complications surrounding this issue and passionate views on both sides, a more spirited discussion of the conflict is the first step towards a solution. Turkey must also understand that the ongoing

conflict between Armenia and Azerbaijan can only be solved through mutually beneficial diplomatic solutions. Instead of backing Azerbaijan, Turkey needs to develop a more nuanced and neutral mindset regarding the conflict.

In its relations with Iraq and Syria, Turkey faces a more complex balance between energy and the water of the Tigris and Euphrates rivers. Turkey is a rapidly industrializing nation with growing energy consumption that desperately needs the hydro-power it can gain from the damming of both these mighty rivers. At the same time, the water security downstream in both of these river systems is very important to Syria and Iraq, who face growing water shortages and severe droughts. Before Turkey can earn greater regional influence, and definitely before it can leverage its surplus water resources, it must settle the question of the future status of these river systems. One potential solution is for Turkey to literally trade its water for Syria and Iraq's energy resources. Since Turkey's primary use of the rivers is for hydropower, a potential trade with Syria and Iraq could be a different balance between water and energy. Such a recalibration of trade would be very agreeable to Syria and Iraq, especially as they possess large energy resources alongside water scarcity; for these nations, in many ways, water is every bit as valuable as oil. Concurrently, Turkey could even improve its energy balances while gaining goodwill and increased political leverage.

Turkey has a fundamental geopolitical role to play in global politics. The future of Turkey as a world power is based on its ability to transcend cultures and appeal to many different peoples of the world, establishing itself as a force for regional growth and stability. Turkey's single-minded pursuit of European Union membership delays accomplishing other important goals, as EU membership would inherently reduce Turkey's degree of freedom in addressing its critical geographic and political position. While membership would give Turkey some economic advantages, as it would to any other nation in the world, its negative consequences may be too great for Turkey. As just one of many EU member states, Turkey will be less well-positioned to fulfill its potential as an important regional power and political, economic, and social nexus of the world's civilizations.

Over the centuries, Turkey has had a long history of geographical success and prosperity, resulting from both its central trading location and its plentiful water resources. For the future, Turkey can do more than ever before to leverage its location into geopolitical success with pipelines. By transporting its own water resources and bringing oil producing countries together with consumers, Turkey can gain considerable political leverage throughout the region, and ultimately across the globe. In the future, the increasing scarcity of water and energy, as well as their interdependence, has the potential to offer Turkey unparalleled geopolitical opportunity. However, several political disputes stand in the way of Turkey's success. While some of these issues, such as Kurdish conflict, Armenian "genocide", and the status of Cyprus are

indeed important problems, they ultimately stand in the way of Turkey taking on even greater issues on the global geopolitical stage.