

THE BLUE STREAM NATURAL GAS PIPELINE: IMPLICATIONS ON ENERGY SECURITY AND FOREIGN POLICY

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ABSTRACT

Energy security, is being located at the intersection of all political, military and economic policies, is directly related to foreign policy strategies of the states in an interdependent world order. As the main pillar of this concept, pipeline politics is a very important component of foreign policy making process. Within this context, the Blue Stream pipeline project and its role within the broader framework of energy based emerging Turko-Russian cooperation and implications over foreign policy strategies of the actors in Eurasia is examined. The Blue Stream is both economically and strategically in disadvantage of Turkey, it has shifted the regional balance of power between the Russian Federation and Turkey in favor of the former. Furthermore, to somehow it has undermined the Western high interests led by US by providing Russia to become a more active player in Eurasian energy game.

Key Words: *Blue Stream, Energy Security, Eurasian Foreign Policy Strategies, Russia, Turkey*

INTRODUCTION

The history of world politics has witnessed numerous important events for the last couple of years. The collapse of the Soviet Union was one of them. This not only ended the bipolar structure of the Cold War but also changed the geography of a huge area. After the collapse of the Soviet Union, a security vacuum in the Eurasian space has been created from the Baltic Sea to China. Within this context, Eurasia has attracted the attention of global actors as well as regional ones, mainly due to its abundant energy resources. In relation to this, according to Brzezinski, access to the region's energy resources and sharing its potential wealth represent objectives that stir national ambitions, motivate corporate interests, revive imperial

* Silk Road Studies, Uppsala University, Sweden d a common ethnic territory. See, *Istoriya Kazakhstana (The History of Kazakhstan, (Almaty: Ysh Kiyay, 2003), p.71, 174.*

aspirations and accelerate international rivalries.¹ Correspondingly, strategic management of their geopolitical interests by controlling energy resources in the region is the main drive for major powers' and struggle for global hegemony. Even referring to the classical version of the Great Game in the late 19th century (geopolitical rivalry between the British and Russian Empires for control over Central Eurasia) the concept of *New Great Game* has been used, as shorthand for competition for influence, power, hegemony and profits, often refer to the oil and gas reserves in Eurasia, interchangeably with the concept of geo-strategic struggle of major powers in this region.² While the new states of the region search for a place in global politics, rivalry for the transmission of Eurasian resources (especially natural gas) between global actors has been so intense that pipeline politics has become the key theme of this New Great Game for controlling the Eurasian Heartland.

Regarding natural gas, the Eurasia needs considerable investment in upstream fields but this is not sufficient by itself when we consider the fact that the reserves are located at a great distance from all their potential consumers in Europe and Asia. For this reason, improvement of the region's export infrastructure is necessary and may be more important before its full potential can be realized.³ The only way of these resources can reach to those markets is traversing vast territories overland by means of new and ambitious pipeline projects.⁴ After underlining the importance of natural gas pipelines as the undeniable pillars of Eurasian geopolitics, it is necessary to focus on the shaping role of these pipelines over foreign policies of the regional states. The unexpected rapprochement between ex-Cold War enemies, Russia and Turkey, owe to energy cooperation between two countries with a special emphasis on natural gas purchases and the Blue Stream Pipeline project. This makes necessary to study energy security, its implications on foreign policy and to evaluate Turco-Russian rapprochement on the basis of the Blue Stream Project. In this paper, as a starting point, the concept of energy security, its theoretical dimensions and its relation to the making of foreign policy will be discussed. Then, the Blue Stream pipeline project and its importance, within the broader framework of energy as a tool, in the emerging Turco-Russian cooperation and foreign policy strategies of the international actors, will be addressed. One should also keep in mind that the Blue Stream is so important not only because it is an energy related foreign policy

1 Zbigniew Brzezinski, *The Grand Chessboard: American Primacy and Its Geostrategic Imperatives*, (New York: Basic Books, 1997), p.125.

2 Matthew Edwards, "The New Great Game and the New Great Gamers: Disciples of Kipling and Mackinder", *Central Asian Survey*, Vol.22, No.1, March 2003, p. 83.

3 US Energy Information Administration (US EIO), *Country Analysis Brief: Caspian Sea*, p. 6; (<http://www.eia.doe.gov/emeu/cabs/Caspian/pdf.pdf>).

4 S. Frederick Starr & Svante E. Cornell, "Politics of Pipelines: Bringing Caspian Energy to Markets", *SAISPHERE*, Winter 2005; (<http://www.sais-jhu.edu/pubaffairs/publications/saisphere/winter05/starr-cornell.html>).

project but also it is a source of hot-debates in Turkish domestic politics due to corruption claims. This last characteristic of the project reminds us the complex structure of energy games in the global arena and the costs of mismanaged energy policies over the foreign policies of the actors.

Interaction of Energy Security and Foreign Policy

The concept of energy security has been more and more incorporated into the general framework of foreign policy making and international security in an economically interdependent and even globalized world order. As Buzan argues, “the foreign, military and economic policies of states, the intersections of these policies in areas of change or dispute and the general structure of relations which they create, are all analyzed in terms of aspirations to achieve national and/or international security”.⁵ Naturally, energy is at the cornerstone of all foreign, military and economic policies of states. The term energy security may be accommodated mainly within the framework of economic dimension of security, but the energy security is increasingly more used to interact with the other components of the security. For this reason, the concept is directly related to the notions such as national and international security. In order to evaluate possible implications of such an important concept over foreign policy making, it is indispensable to determine its main features. As Deese puts it, “energy security is defined as a condition in which a nation perceives high probability that it will have adequate energy supplies at affordable prices. There are two principal economic and political components of energy security: First is the set of all actions that affect the quantity and reliability of indigenous energy supplies. The second includes actions affecting external energy supplies. These two components are interrelated, especially problems with indigenous supplies create pressure for increasing energy imports. It is the external component—energy imports—that poses the most immediate problems for national security”.⁶ In Deese’s terms, energy imports are the most important part of energy security which might cause problems for national security. In addition to this definition, one should also observe that energy imports not only create national security problems but they might also limit the foreign policy behavior of independent states, which, in turn, would affect the regional or international environment as well. This is why when it is translated into foreign policy strategies; the concept itself is so considerable in the sense that it can create conflicts between actors as it can transform competitors into partners by forming a base for cooperation between them in collective terms.⁷

5 Barry Buzan, *People, States and Fear: An Agenda for International Security Starting in the Post-Cold War Era*, (Hertfordshire: Harvester Wheatsheaf, 1991), p. 4.

6 David, A. Deese, “Energy: Economics, Politics, and Security”, *International Security*, Vol: 4, No: 3, Winter 1979-1980, p. 140.

7 Jan H. Kalicki & David L. Goldwyn, “The Need to Integrate Energy and Foreign Policy”, in Jan H. Kalicki & David L. Goldwyn (Ed.), *Energy and Security: Toward a New Foreign Policy Strategy*, (Washington, D.C.: Woodrow Wilson Center Press, 2005), p. 11.

The Blue Stream and Turkish Gas Demand

Before getting into technical details of the Blue Stream Natural gas pipeline, it is firstly essential to address the main drive under the pipeline politics. One should keep in mind that when pipeline politics is debated, not surprisingly, geopolitics has played a decisive role in determining the routes of these additional pipelines, more than market forces.⁸ Solely financial interests of the oil companies are subordinate to the concerns of strategic interests of great powers since they view the Caspian as an important geopolitical prize in the new, post-Cold War redistribution of global power.⁹ Legvold puts it clearly, “because the selection of pipeline routes confers political muscle on those who decide, governments tend naturally to use it, even when commercial criteria would dictate otherwise.”¹⁰

The Blue Stream Project is an ambitious project for strategic reasons stated above. It was designed to sell natural gas that is said to be produced from Russia’s Izonobilye Area to Turkey of 16 billion cubic meters (bcm) per year with a 1,289 km pipeline covering 396 km in the Russian Federation, 392 km under the Black Sea and 501 km between Samsun and Ankara after reaching Turkey’s Samsun coast.¹¹ In 1997, Russia and Turkey signed an intergovernmental agreement for sale of 565 billion cubic feet (Bcf) = 16 (bcm) per year of Russian natural gas to Turkey, starting from 2002. Although the project remained as a document until 1999, after the establishment of coalition government in Turkey, new energy ministry opted for Blue Stream against Turkmen gas with a claim that at the point of delivery, Russian gas from the prospect Blue Stream pipeline would be cheaper than prospect Turkmen gas from the Trans Caspian Pipeline.¹² The project had been realized and gas transfers from Russia through the pipeline started in 2003 with an expectation to reach full capacity by 2010. The Blue Stream is composed of two compressor stations in Russia; Stavropolskaya, Krasnodarskaya and one marine compressor (Beregovaya) which has a 150 MW capacity keeping gas pressure at 250 atm up to Durusu terminal near Samsun. ENI (Italy) Group affiliate Snam SpA and Russian state owned Gazprom together established the *‘Blue Stream Pipeline Company B.V’ (BSPC)* in Amsterdam, Holland. 50-50 share of the partnership was established and this company was responsible for constructing and managing the pipeline under the Black Sea. Gazprom and Botas are the owners and operators of the onshore pipeline sections in Russian and Turkish mainland respectively.¹³

8 Michael T. Klare, “Geopolitics Reborn: The Global Struggle over Oil and Gas Pipelines”, *Current History*, Vol: 103, No: 667, December 2004, p. 432.

9 Micheal T. Klare, *Resource Wars: The New Landscape of Global Conflict*, (New York: Henry Holt and Company, 2001), p. 85.

10 Robert Legvold, “Great Power Stakes” in Central Asia”, in Robert Legvold (Ed.), *Thinking Strategically: The Major Powers, Kazakhstan, and the Central Asian Nexus*, (Cambridge, Massachusetts: The MIT Press, 2003), p. 15.

11 Necdet Pamir, “What is and What is not the Blue Stream Project”, *Turkish Daily News*, 14 July 2003.

12 Ibid.

13 Gazprom Official Web-site, “The Blue Stream Natural Gas Pipeline”; (<http://www.gazprom.ru/eng/articles/article8895.shtml>).

Turkey's total gas import for 2001 was approximately 16,368 billion cubic meters. Gas consumption for the same year was 16,027 billion cubic meters. According to Turkish Petroleum Pipeline Corporation (BOTAS) ex-predictions of demand, Turkey's gas consumption should have happened 25.8 in 2003, 32.2 in 2005, (bcm) and will be 55.1 in 2010 and 82.8 (bcm) in 2020.¹⁴ These predictions were and are too far away from the reality since Turkey was not able to catch 2005 target of natural gas consumption even in 2006.¹⁵ Moreover, before the activation of Blue Stream, natural gas demand of Turkey was provided by four external sources: One with Russian Federation for the quantity of 11.603 (bcm), one with Iran for 0.67 (bcm) and the others as liquefied natural gas form (LNG) with Algeria for 4 (bcm) and with Nigeria for 1.27 (bcm) per year.¹⁶ According to these values, Turkey's dependency rate on Russian gas before the Blue Stream Project was obvious. This rate is not suitable either for economic or strategic reasons and Turkey has been worse of in terms of energy dependency on an single source country after the signing of the Blue Stream Project with Russian Federation.

Before going into deep analysis, it is noteworthy to mention that Turkey uses natural gas in the production of electricity at a degree not seen in any other country. It is a strategic mistake for a country to be dependent on natural gas (or any other resource) at a degree of 50% for its electricity production. In addition, the fact that this gas is totally imported is a huge disadvantage. The issue is not only a problem of energy security but it is also a matter of economic and national security as the definition above reminds us. Moreover, while in a totally imported gas, as Pamir puts it correctly, dependency on a single country is behaving like it is unaware of the relation between energy security and national security. To give an idea, the European Commission accepted the restriction of 30 percent dependency rate in the energy source import from a non-member country to the EU as a policy.¹⁷ However, Turkey's gas dependency upon Russia is not less than 66 %.¹⁸ This high rate of dependency on a single source also eliminates the possibility of competition and thus the price reduction. Despite all its growth potential, the amount of gas Turkey could consume is limited. It is not possible to consume Blue Stream, Iran, Azerbaijani, Turkmen gas together at the same time. Interestingly, it is clear that Russian price may be the most expensive one when we compare it with other alternatives such as Turkmen, Azerbaijani or Iraq natural gas prices for Turkish consumption and even higher than that paid by western European countries to Russia.¹⁹

14 Necdet Pamir, "What is and What is not the Blue Stream Project", *Turkish Daily News*, 14 July 2003.

15 BOTAS Official Web-site; (http://www.botas.gov.tr/dogalgaz/dg_arztaleb_sen.asp).

16 BOTAS Official Web-site; (http://www.botas.gov.tr/faliyetler/dg_ttt.asp).

17 Necdet Pamir, "What is and What is not the Blue Stream Project", *Turkish Daily News*, 14 July 2003.

18 Necdet Pamir & Ilyas Kamalov, "Rus Gazi ve Enerjide Bagimlilikin Bedeli", *Stratejik Analiz*, February 2006; (<http://www.asam.org.tr/tr/yazidosyagoster.asp?ID=9>).

19 Svante E. Cornell and et all, "The Wider Black Sea Region: An Emerging Hub in European Security", *The Silk Road Paper*, December 2006, p. 80; (http://www.silkroadstudies.org/new/docs/Silkroadpapers/0612Blacksea_P.pdf).

Turkish-Russian Energy Cooperation and Its Challenges to Turkish Foreign Energy Policy

A crucial result of this agreement is that in terms of energy Russia has obviously got the full leverage in bilateral relations by binding Turkey excessively to itself. Balance of power between these two potential rivals over Central Asia has clearly shifted in favor of Russia. Turkey, as a long time participant of Caspian energy development project led by the US which aims to de-monopolize Russian control and squeeze Russian influence in Eurasian heartland, has contradicted with her main strategic goals in the region.²⁰ In order to evaluate the result of this, it is noteworthy to look at the evolving role of the two Eurasian powers in the region in post- Cold War era. As the main successor of the so-called Soviet Empire, Russian Federation has had to reassess its position in international affairs as a response to the dramatic collapse of the Soviet Union. A transition from the ideologically motivated foreign policy to the more cost-benefit analysis approach has accepted in Russian Foreign Policy. Even under Putin rule, principles of pragmatism and consistency have become more and more main characteristics of Russian Foreign Policy.²¹ Use of energy related economic activities have been seen as an important means for this new foreign policy thinking of Russian Federation. According to the Russian Minister of Foreign Affairs Sergey Lavrov, the post-Soviet space has turned into a sphere for geopolitical games which are played through the politicization of economic affairs, namely energy, as an instrument.²² Russia seems to be aware of the vital role of the energy game in its Near Abroad and has been adopting multidimensional and proactive policies as a response to these new developments. On the other hand, collapse of the Soviet Union has provided new opportunities for a Cold War enemy of the Soviet Union, namely the Republic of Turkey. As geopolitically strategic country, which played an important role in the Cold War, Turkey also has had to restructure its foreign policy vis-à-vis new developments. Turkish decision makers have been aware of the fact that the country can not solely rely upon its strategic importance, as it did in Cold War era, but also it should implement proactive foreign policy in wider Eurasia. Following multidimensional energy policies for fulfilling leadership in the regional cooperation is an important element of this new understanding.²³ In addition to cultural proximity to some of new born states, Turkey, as a dependant country to external sources in terms of energy, has found an opportunity to access energy rich areas in order to secure and diversify its energy imports from the east. This was definitely unthinkable during the Cold War years. The Turkic countries of the region were also seeking for a direct

20 Volkan Ozdemir, "Did Burgas-Alexandropolis really bypass Turkey in the New Great Game", *USAK Energy Review*, No: 14, p. 8; (www.turkishweekly.net/energyreview/download.php?issue=14).

21 Sergey Morozov, *Diplomatiya V.V. Putina*, (Sankt-Peterburg: Izdatel'skiy Dom, 2004), p. 31.

22 Sergey Lavrov, "Nastoyashee i budushee global'noy politiki: vzglyad iz moskvi" (The Present and Future of Global Politics: View from Moscow), *Rossiya v Global'noy Politike*, Vol: 5, No: 2, March-April 2007, p. 14.

23 Yurdakul Yigitguden, "Enerji Guvenliđi Icin Global İsbirligi", *NPO*, Vol: 6, No: 1, 2004.

access to Western markets by bypassing Russia in order to consolidate their political independence with huge economic growths. In this sense, a fierce competition has been expected between Turkey and Russia over Eurasian space. Additionally, to what extent this rivalry might turn into a conflict between the two countries, or whether quest for cooperation is feasible among them were the main question marks in the early 1990's. Nonetheless, interestingly enough, rather than competition, cooperation has been developed between Turkey and Russia for the last ten years with a specific emphasis on energy. Bilateral trade is expected to reach over 25 billions of dollars between the two countries in 2007 with a huge surplus for Russia thanks to natural gas sales.²⁴

Through gaining economic advantage with successful and rational energy policies, Russia has increased her capabilities vis-à-vis Turkey. This upper hand in energy related economic matters are open to be used for political benefits by Russia. As Buzan argues, "where complex patterns of interdependence exist, many states will be vulnerable to disruptions in the flows of trade. In a direct way such vulnerabilities give rise to fears of extortion, where states use their economic advantages to extract political concessions".²⁵ The Blue stream project is a good example of this definition. Strength of Turkish Foreign Policy has been limited because of increased dependence upon Russia in terms of energy security. Turkey should take Russian reaction into account in conducting its foreign policy with energy related issues. As Winrow observes, 'the role and influence of Russia as a major energy producer and energy consumer, and the possible repercussions of its control over energy transportation routes must be taken into account'²⁶. Furthermore, the projects within the "East-West Corridor" strategy (Baku-Ceyhan Crude Oil Pipeline, Baku-Erzurum gas pipeline, Trans Caspian Turkmen gas pipeline) which Turkey has been defending for a long time becomes negatively affected because of the policies giving priority to Blue Stream. Turkey geographically locates in the center of an area bounded by energy exporter countries in the east and by energy importer countries in the west. Turkey's main dream, is to fulfill the role of becoming an "Energy Bridge" between producers and consumers. This dream has been postponed because of the lack of Turkmen gas. Situation of Turkmen gas which is an important element of the East-West Corridor strategy is pessimistic and this project seems to be out of concern for now. Throughout 1990's Trans Caspian Gas Pipeline was an important element of east-west energy development projects but because of several reasons it could not be realized. Turkmenistan's president Niyazov could not reach an agreement with the project's

24 Suat Kiniklioglu, "The Anatomy of Turkish Russian Relations", *The German Marshall Fund of the United States Publications*, p.6; (<http://www.gmfus.org/publications/article.cfm?id=190>).

25 Barry Buzan, *People, States and Fear: An Agenda for International Security Starting in the Post-Cold War Era*, p. 128.

26 Gareth M. Winrow, "Energy Security in the Black Sea Caspian Region", *Perceptions*, Vol: 10, Autumn 2005, p. 98; (<http://www.sam.gov.tr/perceptions/Volume10/Autumn/Winrow.pdf>).

main developers, the PSG group and Shell, and once it became clear that Azerbaijan had itself made a major gas discovery at Shah Deniz and Turkey's simultaneously surprising choice for Blue Stream, the project collapsed in late 1990's.²⁷ By taking a decision in favor of Blue Stream, Turkey alienated Turkmenistan and left it without any choice but to agree terms with Russia for exporting its natural resources. As can be seen from the Table 1, countries of the region and especially Turkmenistan has exposed to underproduction rates in natural gas through 1990's due to lack of alternative export pipelines besides the Russian controlled Soviet infrastructure system. Realization of the optimistic expectations for the next decade is only possible by construction of diversified energy routes. Compared to 10 years ago, transmission of this natural gas towards western direction is harder since the relative power and influence of Russian Federation is even incomparable with 10 years ago in the region. Under Putin rule, Russia has reemerged as a global actor and it is much more difficult to conduct new energy policies at the expense of Russian national interests in Russia's Near Abroad.

Table 1: Caspian Natural Gas Reserves²⁸

Caspian Natural Gas Production

Country

Country	1992		2001		2010	
	Tcf/Year	Bcm/Year	Tcf/Year	Bcm/Year	Tcf/Year	Bcm/Year
Azerbaijan	0.28	8	0.2	5.7	0.6	17.1
Kazakhstan	0.29	8.3	0.36	10.3	1.7	48.6
Turkmenistan	2.02	57.7	1.7	48.6	4.2	120.1
Uzbekistan	1.51	43.2	2.23	63.8	2.2	62.9
Total	4.1	117.2	4.49	128.4	8.7	248.7

* 1 Billion cubic meter (Bcm) = 35.31 Trillion cubic feet (Tcf)

Russian Federation has become very clear in forming its foreign energy trade for the last years. Now Turkmenistan is indispensable part of this strategy that aims to reemerge Russia a new global actor. Russia, which has technology and funds

²⁷ John Roberts, "Pipeline Politics", in Shirin Akiner (Ed.), *"The Caspian: Politics, Energy and Security"*, (Oxford: Routledge Curzon, 2004), p. 86.

²⁸ US Energy Information Administration (US EIO), July 2006; (http://www.eia.doe.gov/emeu/cabs/Caspian/images/caspian_balances.pdf).

deficits for producing its own reserves, successfully creates a cheap source by benefiting from incurability of its natural gas competitor, Turkmenistan. As Pamir argues, Russia ensures its own energy resources by cheaply importing gas from Turkmenistan at 40\$/ 1000mc and sold it to Turkey 130\$/ 1000mc in 2002. And the prices now jumped approximately to 260\$/ 1000mc.²⁹ Therefore, the policies giving priority and advances to Blue Stream posed strategic problems for Turkey as well as economic ones. In all the scenarios Russia is the winner, but Turkey may risk its position as an energy hub, by focusing solely on Russian gas. This will not serve the long-term interests of Turkey's Eastern European, Caspian and Caucasian neighbors, nor, most importantly, Turkey's own long-term interests as Tsereteli claims.³⁰

Another important foreign policy implication of this project is related with EU-Turkey relations. As a country striving to achieve her main foreign policy goal, EU membership, Turkey lost an important advantage by preferring Blue Stream instead of Turkmen gas. The European Union is already the world's biggest gas import market while it is also one of the world's fastest-growing energy markets. The EU is already in receipt of large volumes of gas from three main sources - Russia, the North Sea and North Africa - Turkey's goal is to become Europe's fourth main artery.³¹ The Blue Stream project affected EU-Turkey relations indirectly and undermined this ambitious aim of Turkey. As Altinbas puts it correctly, EU's consumption of natural gas is covered 50 % by imports in 2006 and it's expected to raise 70 % within 20 years. EU countries do not want to depend on only one country (Russia) in terms of importing such an important energy source.³² It is clear that EU countries are seeking for new alternative sources and routes for securing their energy demands. By focusing on Trans-Caspian Turkmen gas, Turkey could have provided this option. This would have made Turkey more self-confident domestically and more important for EU. Moreover, new approach in Turkish Foreign policy about viewing the role of Russia in EU-Turkish relations as, if not an alternative, a source of balance vis-à-vis EU has become unrealistic again because of Blue Stream. How can a country in its foreign policy making see a foreign state as a balancing card if the country itself asymmetrically dependent upon the same state?

The last but not the least result of this project is a distortion in ex-transatlantic alliance. Russia managed to succeed a foreign policy gain which the Soviet Union could not: A disruption in western alliance. When writing about U.S Foreign Policy in Cold War, Nye was concerned about this. As he put it `Differences in US allies` vulnerability to energy disruptions present the Soviets –and others- with better

29 Necdet Pamir & Ilyas Kamalov, "Rus Gazi ve Enerjide Bagimlilik Bedeli", *Stratejik Analiz*, February 2006; (<http://www.asam.org.tr/tr/yazidosyagoster.asp?ID=9>).

30 Mamuka Tsereteli, "The Blue Stream Pipeline and Geopolitics of Natural Gas in Europe", *Central Asia and Caucasus Analyst*, 30 November 2005.

31 Nadir Devlet, "Turkey's Energy Policy in the Next Decade", *Perceptions*, Vol: 9, Winter 2004-2005, p. 81; (<http://www.sam.gov.tr/perceptions/Volume9/Winter/Nadir%20Devlet.pdf>).

32 Deniz Altinbas, "Avrupa Enerjide Rusya'ya Bagimlilikini Kirmaya Calisiyor", *Stratejik Analiz*, June 2006; (<http://www.asam.org.tr/temp/temp107.pdf>).

opportunities to disrupt Western alliances than direct military threats.³³ Even though Turkey did not go out from the sphere of U.S influence during the Cold War, now the situation has changed. Russian influence on Turkey's economic lifeline has increased relatively. Turkey can not take easy steps in its foreign policy without taking into consideration of Russia. This inevitably results in a disruption in US-Turkish relations. In addition to this if the tension continues between the EU and Turkey we can not talk about an alliance at all. Moreover, as mentioned above Turkey is eager to see relative economic independence of its Turkic brothers in post-Soviet era. And the US does also have a commercial interest in the energy projects in Caspian region. They will arrange the financing and infrastructural framework. However, the U.S has more remarkable interests and aims in mind, which very much coincides with Turkey's objectives for this region of the world. Following a foreign policy to see Azerbaijan and Turkmenistan become economically viable and independent. Nevertheless, because of realization of the Blue Stream project, this convergence of interests is also not predictable as it was before since Turkey damaged its own strategy over Turkic world by signing the Blue Stream. Moreover, this project reproduces the EU's dependence over Russia and as Socor argues, if the EU continues to slide into that kind of overdependence, then decision making in NATO will be problematic so the growing dependence and overdependence of the EU on Russian-supplied energy will inevitably affect decision making within NATO.³⁴

CONCLUSION

To conclude, the Blue Stream Project is both economically and strategically in disadvantage of Turkey. It is strategically an obstacle for Turkey's aim of being an energy bridge between east-west corridor. Rather, this project directed Turkey to seek for further external orientation on North-South in expense of East-West axis which is more of a desire of Russian strategic thinking.³⁵ Therefore, when we consider the issue within the perspective of Turkish Foreign Policy, the Blue Stream Project is highly debatable. It caused many new changes in Turkish Foreign Policy. Its implications are so severe that it has harmed the western alliance even which the Soviet Union could not succeed during the Cold War era. It is an appropriate lesson showing the increasing interaction between energy security and foreign policy making. Nevertheless, answer to the question that how can a country follow such kind of a huge strategically dramatic mistake reminds us the cost of wrongdoing

33 Joseph S. Nye, "Energy and Security", in David A. Deese & Joseph S. Nye (Ed.), *Energy and Security: A Report of Harvard's Energy and Security Research Project*, (Massachusetts: Ballinger Publishing Company, 1981), p. 4.

34 "Caspian Gas and European Energy Security", *Jamestown Foundation Debate*, 10 March 2005; (http://www.jamestown.org/downloads/Transcript_caspian031005.pdf).

35 Aleksandr Dugin, "*Rus Jeopolitigi: Avrasyaci Yaklasim*", (Trans. by Vugar Imanov), (Istanbul: Kure Yayinlari, 2003), p. 76.

and lack of strategically integrated policies. Even this hot a secret before the realization of the project. As Kazaz argues, “it is a well-known fact that there are lobbies within Turkey that are operating against the country’s interest in an environment in which everything is up for sale. Within this atmosphere it is most noteworthy to mention very cozy relationship between the natural gas lobby and strategic Russian interests”.³⁶ It is obvious that the project will be remembered with corruptions claims. Allegations of corruption deals behind the Blue Stream pipeline led to the indictment of former Ministers of Energy accused of having taken large-scale bribes and to harm public interest, devastate Turkish economy by take or pay agreements hampering cheap Turkmen gas and preferring Blue Stream which is contrary to the Turkey’s national interests, exaggerating Turkish electricity demands for legitimizing the project, preventing sell of excess Russian gas to third countries by the agreement.³⁷ Out of above discussions, probably and unfortunately main question behind the scenes will be unanswered: Who started this project: Is it a Gazprom led initiative within a broader Russian Foreign Policy strategy of energy security or is it a reciprocal process collaborating with corrupted politicians in Turkey seeking for private interest maximization in expense of national interest of the country? According to Kazaz, answer is secret in the details, natural gas lobby in Turkey worked hard for the \$50 million advance payment they received, plus a promise of a steady and everlasting two to three percent commission to come when Turkey actually starts paying for the gas in order to realize Blue Stream and for Pamir, many newspaper columnists criticizing the project and those kind of ties seriously were forced to quit their jobs.³⁸

Repercussions of these projects on the geo-strategic map of the world are so severe and it is not misleading to argue that reemergence of Russia as a global actor in Eurasian energy game is possible, partly because of the Blue Stream. By postponing or even totally abolishing the realization of Trans-Caspian Gas, Russia has secured it’s almost monopoly position in European gas market. This is compatible with general Russian geo-strategic aims of firstly maintaining and secondly consolidating transmission of east Caspian gas northwards through its own territory by relying on Soviet-era pipeline monopolies.³⁹ According to the official National Security Doctrine of the country, accepted in 2000, Russia’s strategic aim has been to define the country’s role as one of the superpowers in a multi-polar world order, with a special emphasis on bilateral relations with the Commonwealth of

36 “Blue Stream May be a Green Stream for Some Pockets”, *Turkish Daily News*, 6 November 1999.

37 For the judicial process and Turkish parliamentary debate on the issue, see, “Ersümer ve Çakan Hakkındaki Raporun Görüşülmesi”; (http://www.belgenet.com/dava/yucedivan_14-4.html).

38 For the details of those claims and influence of natural gas lobby for the Blue Stream, see, Harun Kazaz, “Great Game Gets Greater at the Istanbul Summit”, *Turkish Daily News*, 20 November 1999; Necdet Pamir, “What is and What is not the Blue Stream Project”, *Turkish Daily News*, 14 July 2003.

39 Nasib Nasibli, “Azerbaijan: Policy Priorities towards the Caspian Sea” in Shirin Akiner (Ed.), “*The Caspian: Politics, Energy and Security*”, (Oxford: Routledge Curzon, 2004) p. 159.

Independent States.⁴⁰ Furthermore, since exploiting its new reserves requires high technology investments, Russia continues to buy gas from Caspian countries at a very cheap price and re-exports it to European countries. In this way, Russia is able to exert influence over its *Near Abroad* both politically and economically. It should be noted that Russia's goal in Caspian is to create a unified energy consortium under its direction, which could have a negative effect on the ability of the Central Asian states to make independent political decisions has become possible.⁴¹ The discussion above is essential to understand and interpret the recent agreements between the leaders of Russia, Kazakhstan and Turkmenistan to consolidate the infrastructure of current gas flow from Central Asia to Russia. On 12 May 2007, these three countries signed a memorandum of understanding for building a new pipeline which would transport mainly Turkmen and Kazakh gas via Russia to world markets. According to the new agreement, the construction phase of the new pipeline that will be built along the Caspian coast of Turkmenistan and Kazakhstan will be started in 2008. This 'Along Caspian' pipeline will bring a further 30 (bcm) of gas to Russia and this deal was considered a Russian victory in politics of natural gas pipeline in the region since it decreased the possibility of other rival gas export options of Turkmenistan.⁴² At the end of the day, Russia has deserved to return to the world affairs as a superpower with the help of rational and determined foreign policy. Turkey has left behind in the rivalry, by conducting just the opposite policies of its northern neighbor in multidimensional energy game.

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