Bechev looks beyond the stereotypical explanations for this Russian resurgence and investigates the hard political calculations at play. This is a truly excellent, and highly readable, account of how Moscow is trying to extend its influence across the Balkans, Greece, Cyprus, and Turkey."

James Ker-Lindsay, Senior Visiting Fellow, London School of Economics and Political Science

"Dimitar Bechev's book possesses the rare quality of being the work of a seasoned and insightful scholar, but also of someone who appreciates the exciting twists and turns of Russia's dramatic relationship with the Balkans. *Rival Power* is very well written and dispenses with several persistent myths, especially one that views countries of the region and their leaders as 'victims' of Moscow's preying. A thrilling and stark exposé of Russia's masterful use of a limited political arsenal to further its goals."

Konstantin Eggert, commentator and host, TV Rain, Moscow

"*Rival Power* is a very timely and comprehensive book, written by one of the most accomplished observers of the international relations of the Russian Federation since its inception. It is written in a concise and clear language, masterfully relaying the gradual reemergence of Russia as a new (old) challenge to the West in the Balkans and the Black Sea. A must reading for those who wish to make sense of the recent developments in international politics."

Mustafa Aydın, professor at Kadir Has University, Istanbul

"Dimitar Bechev's groundbreaking work on Southeast Europe vividly demonstrates how Vladimir Putin exploits the West's distractions. This book documents a revisionist Kremlin's efforts to disrupt the reform and integration process in the Western Balkans, and in turn sow doubts about the future of the European project and US leadership. Bechev's research also makes clear that Russia offers no viable alternative to the European Union and United States in Southeast Europe, while serving as a warning that, if left unchecked, Russian mischief-making could lead to conflict in the region."

Damon Wilson, executive vice president of the Atlantic Council

"In times when conspiracy theories are in full blossom, this is a sober, historically informed, cogently argued, and well-documented analysis of Russia's influence in Southeast Europe. Very much worth reading."

Loukas Tsoukalis, professor of European integration, University of Athens, and president of the Hellenic Foundation for European and Foreign Policy

RIVAL POWER

RUSSIA'S INFLUENCE IN SOUTHEAST EUROPE

DIMITAR BECHEV

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going got tough in 2013 it stopped short of bailing out the island's struggling banks, contending it was the EU's job. Even if the evidence of direct meddling to prevent Cypriot reunification is scant, it is beyond doubt that Russia is not interested in a final settlement.

Russia has made the most from the special relationship with Greece and Cyprus. It has added to the Kremlin's influence inside the EU and enlarged the Russian footprint in the Balkans and the Eastern Mediterranean. Most recently, Moscow exploited to the fullest the Greek crisis in its war of words with the West, avoiding far-reaching commitments. The image of Greece victimized by its creditors and threatened by hundreds of thousands of refugees and asylum seekers storming in from neighboring Turkey has been a gift for pro-Kremlin media exposing the utter bankruptcy of the EU. Greece has been unreservedly supportive of Russia's energy projects, though, of course, developing contacts with competing suppliers of gas such as Azerbaijan and investing in schemes to diversify supplies. The bruising experience of the 2013 banking meltdown and the EU's rescue package did not derail co-operation between Moscow and Nicosia, though it certainly contributed to lower expectations on the Cypriot side. Whatever the weather, Greece and Cyprus are likely to remain at the core of the pro-Russian camp within the EU.

CHAPTER 5

THE RUSSIAN–TURKISH MARRIAGE OF CONVENIENCE

Until this moment Russia has wanted to reach the Mediterranean's warm waters through Turkey. But this time with the help of Russian tourists.

—Mikhail Gorbachev[1]

Moscow respects Ankara's independent stance vis-à-vis the United States, as a NATO ally that can say "no" to Washington. Neither does the moderate Islamism of the AK Party government evoke much concern in the Kremlin. Turkey's ascendance and independence fit well into the general Moscow concept of a multipolar world in which U.S dominance is reduced.

—Dmitri Trenin[2]

The United States is our ally. But Russia is our strategic neighbor. We buy two-thirds of the energy we need from Russia. That country is Turkey's number one partner in trade ... No one must expect us to ignore all that. Our allies must adopt an understanding approach.

—Recep Tayyip Erdoğan[3]

"A stab in the back perpetrated by accomplices of terrorists": Vladimir Putin could barely contain his anger. On 24 November

2015 a Turkish F-16 had shot down one of Russia's attack aircraft on the border with Syria. The Sukhoi Su-24M had been pounding Turkmen villages controlled by militiamen allied with Ankara. "We considered Turkey not just a neighbor, but a friendly state, almost an ally. And everything is being destroyed in such a brusque and thoughtless manner. Such a pity," lamented the Russian leader, clenching his fists. Less than a year before, in December 2014, Putin's visit to Ankara had taken everyone by surprise with the news of an ambitious project for a gas pipeline to Turkey. TurkStream amounted to nothing less than a joint rebuke of the EU by Putin and President Recep Tayyip Erdoğan. The European Commission had blocked South Stream but there was friendly Turkey offering Putin a way out of the limbo. A NATO stalwart and longstanding American ally, it refused to abandon its relationship with Moscow—and was even prepared to swallow the Russian annexation of Crimea and the resultant shift of the strategic balance in the Black Sea.

Fast forward twelve months and Syria was straining and pushing bilateral relations to the brink. The Russian military was virtually on Turkey's doorstep, waging war on rebel groups aided by Ankara, and turning the tide of the conflict in favor of President Bashar al-Assad. The Su-24M incident unleashed a vicious war of words between Putin and Erdoğan. As New Year 2016 set in, Russian authorities introduced sanctions, which were to take their toll on Turkish tourism, agriculture, and the construction industry. The worldwide commentariat indulged in speculations of an imminent showdown between the Tsar and the Sultan." Would the Russian–Turkish rivalry, reminiscent of the era when the Romanovs and Ottomans reigned, spark off proxy wars across the Balkans and the Caucasus? At a stroke, the positive record of more than two decades of co-operation appeared consigned to the past and therefore irrelevant.

The pundits and their forecasts were soon to be proven hopelessly wrong. In a dazzling reversal, Erdoğan and Putin managed to mend ties in the summer of 2016. Turkey offered a carefully worded apology for the downed jet, while Russia's president gave strong backing to Erdoğan's side after a failed military coup attempt on 15 July. Just as Western criticism of the mass purges of magistrates,

officials, journalists, academics, and military officers in response to the putsch turned louder and louder, the Kremlin unequivocally took the Turkish government's side. A summit between Erdoğan and Putin on 9 August heralded the end of the Russian sanctions and a restart of strategic co-operation in energy, including TurkStream and the Akkuyu nuclear power plant.[4] Turkey and Russia would be working side by side yet again. Remarkably, Moscow gave its stamp of approval to Euphrates Shield (*Fırat Kalkanı*), a cross-border operation by the Turkish military and allied rebel forces in northern Syria, ostensibly to push out the self-styled Islamic State but in reality targeting Kurdish fighters as well.

This chapter tells the story of how post-Soviet Russia and Turkey have developed a highly complex and ambivalent relationship since the 1990s, blending co-operation and competition. Rising interdependence along with the shared love-hate attitude towards the West have brought the two historical adversaries together. But clashing interests on a range of issues—from security in the Balkans to the transit of Caspian hydrocarbons to Europe, and from regime change in the Middle East to conflicts in the Southern Caucasus—have put them at odds. Overtime, Russia and Turkey have learned to deal with such contradictions. And their bilateral dynamic leaves a deep imprint on the politics of Southeast Europe as a whole.

Foes, Friends—or Something in Between?

For better or worse, history has made Turkey *part* of Southeast Europe. Although its territory is mostly in Anatolia, Turkey shares strong demographic, cultural, political, and economic links with its erstwhile provinces in Rumeli (literally, "the land of the Romans"), which once formed the very core of the empire. In that sense, it differs from Russia—enmeshed in the politics of Southeast Europe but certainly not of the region. A staggering percentage of the people who built the modern Republic of Turkey, notably Mustafa Kemal Atatürk, had Balkan roots.[5] Istanbul is by far the largest urban center in Southeast Europe, even without the quarters located on the Asian

side. But Turkey, heir to an empire spanning three continents, has deep-running links to the Caucasus, the northern shores of the Black Sea, and the Middle East. Therefore, it encounters Russia in several regional settings, not just in what cartographers of the nineteenth century labeled "Turkey-in-Europe."

When one thinks of the historical legacies permeating the Russian–Turkish relations of today, it is impossible to avoid associations of relentless struggles for territory and dominance, feuds, and incessant bloodshed. Between the reign of Ivan the Terrible (1530–84) and the Brest Litovsk Peace of March 1918, the two empires fought full twelve wars for dominance in the Balkans, the Caucasus, and the northern Black Sea. Muscovy's push to the south, starting with the conquest of the Khanate of Astrakhan, brought it into a direct collision with the Ottomans or their Tatar vassals in Crimea. Over the eighteenth and nineteenth centuries, the Tsarist Empire dislodged its Muslim adversary from today's southern Ukraine and Moldova, large swathes of the Caucasus and Southeast Europe. As a result, Serbia, Greece, and Bulgaria attained statehood while the semi-autonomous Danubian Principalities and Montenegro became independent. To survive this onslaught, the "Sick Man of Europe" needed the protection of the great powers of the day—first France and Britain and then the Kaiser's Germany.

However, the two empires on the edge of Europe occasionally found their interests converging and struck a common cause. They teamed up against Napoleon—Admiral Fedor Ushakov commanded a joint Russo-Ottoman fleet that captured the island of Corfu from the French in 1799.[6] Ever the exponent of dynastic legitimism, Emperor Nicholas I single-handedly rescued the Ottomans in 1831 when his troops landed in Üsküdar/Scutari and deterred Egypt's invading army into a retreat.[7] In the 1830s and 1840s, Russia enjoyed the status of an external patron to the Porte. Count Nicholas Ignatieff (Nikolai Ignat'ev), ambassador in Constantinople between 1864 and 1877, had no doubts as to where St Petersburg's strategic goal lay: "Russia cannot do otherwise than be a master either by assuming an exclusive influence over the sovereign and existing authorities at Constantinople or by annexing

this place."[8] Annexation, desirable though it was, raised the danger of other European powers intervening. The humiliating defeat at the hands of Great Britain and France in the Crimean War (1853–56) proved the point. By overreaching, Russia brought an end to its virtual protectorate over the Ottoman Empire, forfeited its right to maintain a naval force in the Black Sea, and lost influence and prestige across the Near East. As a consequence, Russian policy became much more risk-averse—and Russia chose war only as a last resort.[9]

The Russian Empire and the Ottoman Empire shared a range of similarities. As Dominic Lieven points out, they both grew on the periphery of other power centers and cultures that they came to dominate later on. Just as Moscow was a periphery of Kievan Rus, itself a distant outpost of the Byzantine world, so were the Ottoman Turks descendants of tribesmen from Central Asia who were originally at the margins of the Islamic civilization. The two empires developed in the shadow of, and in reaction to, the Mongol expansion across Eurasia. Lieven underscores the centrality of the cavalry subordinate to the ruler, as the principal agent of state-building too.[10] And of course, not to forget the ambivalent relationship that both polities had with Europe: it was both an ideal to be emulated and followed, as was the case in Russia since Peter the Great and with the Tanzimat reforms in the late Ottoman Empire, and a formidable challenge and even a threat to the state's very survival.

In times when Western powers put in jeopardy Russia and Turkey, the two could join forces to push back. What scholars and current affairs analysts often forget is how Russia and Turkey stood side by side in the earlier decades of the twentieth century. The Bolshevik regime rendered critical assistance to Mustafa Kemal during the War of Independence (1919–22) and remained an ally or even a role model for the fledging Turkish Republic until the very end of the 1930s. The Republic Monument on Taksim Square in central Istanbul features a statue of Semen (Semyon) Aralov, Soviet Russia's first envoy to Ankara and one of the founders of the Red Army's intelligence service (*Glavnoe razvedyvatel'noe upravlenie* or GRU), right by Atatürk's side.[11] For their part, Lenin and his comrades viewed the future Atatürk and the nationalist movement

he spearheaded as allies in the fight against imperialism. But the Bolsheviks and the Kemalists could also co-operate against enemies other than the Western powers. In late 1920, the Red Army and the Turkish General Kâzım Karabekir crushed the so-called First Armenian Republic, an independent state that had risen from the ashes of the Tsarist Empire. Armenians view this episode, the Turkish–Armenian War of 1920 in particular, as part of the genocide commencing in 1915.[12] In 2015, Putin's appearance at the centennial commemoration of the *Medz Yeghern* ("great calamity") ruffled feathers in Turkey. But the issue of Soviet complicity is rarely mentioned. Going back to the interwar period, the Kemalist regime's embrace of Bolshevik Russia continued well into the 1930s. Only Stalin's pact with Hitler in August 1939 compelled Ankara to quietly drop the non-aggression treaty it had signed with Moscow in 1925, though it kept the Straits closed to the Wehrmacht after the German invasion of the Soviet Union in 1941.[13]

The Cold War turned Moscow and Ankara into adversaries, but even then they found a *modus vivendi*. In the early stages, Turks had perfectly legitimate reasons to fear Soviet expansionism. Following Turkey's first multi-party elections of 1946, Stalin demanded a revision of the Soviet–Turkish borders as well as rights to bases in the Straits.[14] Turks sought security in allying with the United States (the 1947 Truman Doctrine identified Turkey as vulnerable to communist aggression) and ultimately joining NATO and the Central Treaty Organization in the 1950s.[15] In the 1960s, however, the superpower détente along with cracks in the Turkish–American relationship over Cyprus enabled a pragmatic reengagement with the USSR.[16] By the end of the decade, Turkey became the most significant recipient of Soviet foreign assistance in the Third World. The arms embargo imposed by the U.S. Congress in the wake of the 1974 invasion of Cyprus encouraged Moscow to ramp up financial aid (totalling $650 million by 1979). The list of common projects carried out as a result of that included an oil refinery, an aluminum smelter, and a steel mill. In gratitude, Ankara allowed the free passage of Soviet aircraft carriers in 1974 and 1979—an apparent violation of the terms of the Montreux Convention. The danger of Turkey tilting to the Soviets made the administration of President Jimmy Carter lift the arms embargo in September 1978.

Another significant Cold War legacy is the tremendous cultural influence that the Soviet Union had over leftist intelligentsia whose ranks swelled in the 1960s. Their idol, the iconoclast poet Nâzım Hikmet (another native of the Balkans), had spent the last years of his life as an exile in Moscow in the 1950s and 1960s. His poems were the staple of *Bizim Radyo* (*Our Radio*) broadcasts from Leipzig, fondly remembered to this very day. However, Turkish authorities appreciated the fact that Moscow kept itself at arm's length from leftist militants in the 1970s, many of whom leaned towards Maoism anyhow.

Russian–Turkish co-operation in energy, which blossomed in the 2000s, dates back to the Cold War era as well. Formally, the Soviet Union was the arch-enemy. The military coup of September 1980 resulted in a sweeping crackdown against the left. Communist subversion of social and cultural life was a paramount concern for the generals who took the state's reins. In practice, once Turkey reverted to civilian rule in 1983, links with the Soviets rebounded. Liberal economic reforms championed by Prime Minister Turgut Özal brought in its wake an open invitation to all neighbors. A visit by the Soviet Prime Minister Nikolai Tikhonov in 1984 produced an energy agreement, followed by a twenty-five-year commercial deal for the import of natural gas two years later. The first volumes arrived in 1987, via Romania and Bulgaria.[17] Between 1986 and 1989, the value of trade tripled to $1.2 billion, and grew further to $1.9 billion by 1990. Like COMECON members, Turkey benefited from a clause allowing it to cover its gas exploitation with the provision of construction services inside the USSR. Divided by politics, Moscow and Ankara quickly learned how to do mutually profitable business—a recurrent theme, as we shall see.[18]

The Scramble for Eurasia

As the Soviet Union unraveled, few would have ventured to predict that Russia and Turkey would coexist happily. Taken together, the memories of past conflicts and the Hobbesian quality of post-1991

Eurasian politics bode ill for their bilateral relationship. With Russia in retreat, Turkey could exploit the political vacuum and take the lead in the Caucasus and Central Asia. "One nation, two states" (*bir Millet, iki Devlet*), enthused many Turks, as Ankara recognized independent Azerbaijan in November 1991. Adepts of pan-Turkism, especially on the far fight, savored the vision of older brother (*agabey*) Turkey uniting Turkic nations ranging from the Danube to China's Xinjiang province. A champion of opening up to neighbors since the 1980s, President Özal embraced the cause. From the unprecedented visit to (then Soviet) Azerbaijan and Kazakhstan in March 1991 all the way to his untimely death in April 1993, Özal passionately made the case for focusing on the Caucasus and Central Asia. "The twenty-first century will be the century of the Turks," he was fond of saying.[19] Overall, the West was favorably disposed too. Beyond doubt, Özal's fusion of market capitalism, democratic politics, and moderate Islam was preferable to the alternative of theocratic Iran next door.

To no one's surprise, Russia was hardly in thrall to the vision of a Turkey-led Eurasia. True, Özal was more acceptable than Ayatollah Khomeini, yet few in Moscow took a liking to the notion of a Russian "vacuum" in the region. Quite the opposite, broad agreement stipulated that the Russian Federation had legitimate interests in the post-Soviet southern tier. In addition, Turkish activism appeared threatening as it could, policymakers believed, encourage Turkic and Muslim separatists within Russia to solicit Ankara's support. To quote one example, the autonomous Republic of Tatarstan, holding about a quarter of Russia's oil reserves, voted for independence in March 1992. It took two years to craft a compromise and for Tatarstan to recognize Moscow's sovereignty. And then there was Chechnya, whose bid for secession elicited sympathy and support across Turkish society, particularly amongst the millions of citizens who could trace their ancestry to the waves of migrants from the Caucasus who had been flocking into Anatolia since the mid-nineteenth century.[20]

Russia and Turkey became enmeshed on opposing sides in a series of violent conflicts. In Bosnia, Moscow backed the Serbs while Ankara sided with the Muslim Bosniaks, considered as a kin community. In Nagorno-Karabakh, Turkey was fully aligned with the Azeris whereas Russia leaned towards the Armenians. Proxy conflicts stoked fears amidst politicians and military chiefs in Ankara that Turkey was being encircled by an informal pact including Russia as well as newly independent Armenia, Greece, former Yugoslavia, and Syria. The (perceived) alliance also involved the Kurdistan Workers' Party (*Partiya Karkerên Kurdistanê*, PKK) whose campaign against the Turkish state in the southeastern provinces, ongoing since 1984, peaked in the mid-1990s.[21]

Russia and Turkey were at odds with respect to as vital and strategic an issue as the transit of Caspian oil and gas. Successive governments in Ankara worked hard to relieve producer countries such as Azerbaijan, Kazakhstan, and Turkmenistan from dependence on export routes through the Russian Federation. As Süleyman Demirel (president, 1993–2000) put it in August 1995, "[f]or the sake of good relations [with Russia], these [Turkic] countries should not give away concessions from their independence. Our brother countries must have direct access to world markets without obstacles."[22] The Baku–Tbilisi–Ceyhan (BTC) oil pipeline project linking the Caspian and the Mediterranean became the centerpiece of Turkish foreign policy. By contrast, Russia wished to safeguard the route from the Black Sea port of Novorossiisk and the Black Sea fed by a pipeline crossing war-torn Chechnya. It viewed with suspicion the Turkish Grand National Assembly's unilateral decision in July 1994 to tighten regulations for tankers transiting through the Bosphorus as a hostile ploy and did not go along with the environmental concerns cited by the opposite side. Russia threatened to pursue a claim before the International Maritime Organization. Turkey, for its part, calculated that Russia would not risk opening the question on the status of the Straits. A revision of the 1936 Montreux Convention could put Moscow at a disadvantage, insofar as existing rules limited the access by navies of non-littoral nations—essentially, the United States and its NATO allies—to the Black Sea. To diversify its options, Russia launched the Burgas–Alexandroupolis project (discussed in Chapters 3 and 4).[23]

Given all those tensions and points of friction, why and how did Russia and Turkey manage to avoid a full-frontal clash? There are several reasons—Ankara's realization of its own limits, the steps undertaken to cushion conflict, and, of course, the domestic problems besetting both countries. By the end of the 1990s, Russia and Turkey had learned to live with their differences.

The dream of a Turkic commonwealth with Turkey at the helm was divorced from realities on the ground. Post-Soviet leaders responded lukewarmly to Ankara's daring plans for a single market, an investment bank, and oil and gas pipelines. It did not take long before it became patently obvious that Russia's economic weight far outstripped that of the rest of the former Soviet Union. While turnover in the Southern Caucasus and Central Asia jumped from just $145 million in 1992 to $5.6 billion in 1999, the volume with Russia was twice as large. Moreover, Turkey was no match for Russia when it came to cultural attraction or the provision of security to local regimes. Russian preserved its status as the lingua franca across Central Asia. Over time, local elites built direct political ties to the United States, without needing Turkey as a go-between. Moreover, China emerged as an economic center of gravity. By 1995, the notion of Turkey as the leader of an imaginary Turkic World was all but dead.[24]

Turkey carved out a niche in the Southern Caucasus but even there its influence was checked. In June 1993, its closest ally, President Abulfaz Elchibey of Azerbaijan, fell from power after a putsch backed by the Russians and Heydar Aliyev took his place. The republic's last Soviet-period boss and former head of the local KGB branch mastered the art of balancing between Russia, Turkey, and the United States. Turkey was unable to intervene effectively in Nagorno-Karabakh. In May 1992, Demirel (then prime minister) promised President Yeltsin in Moscow that he would not respond to an ongoing Armenian offensive.[25] Marshal Evgenii Shaposhnikov, commander of the joint forces of the Commonwealth of Independent States, had issued a blunt warning that a putative Turkish intrusion would trigger no less than a Third World War. Russian troops were stationed in Armenia—and they remain there until this day. Moscow became the arbiter in Georgia too, after President Eduard Shevernadze deferentially brought the country into the CIS, following a brief civil war in 1993. Russian peacekeepers deployed in the breakaway provinces of Abkhazia and South Ossetia, in addition to troops in Adjara region (next to Turkey) and the town of Akhalaki. Turkey's defense co-operation with Georgia and Azerbaijan posed no substantial challenge to Russian military preeminence in the region.

There was no head-on collision in the Balkans either. As Bosnia went ablaze in 1992, Turkey, the home of up to four million people of Bosnian descent, witnessed a wave of solidarity for fellow Muslims. Ultranationalists and Islamists called for armed intervention. Özal delivered a rousing speech to a vast crowd gathered at Istanbul's Taksim Square, promising that "Bosnia would not become a new Andalusia" and that its Muslim heritage and populations would not be destroyed. While Russia played the role of international spokesman for Republika Srpska, Turkey pushed for lifting the arms embargo on the Sarajevo government, lobbying the Organization of the Islamic Conference (OIC), Azerbaijan, and the Central Asian republics for this cause. However, despite its pro-interventionist attitude—which unnerved its Western European allies—Turkey trod with caution. It favored collective action through NATO over unilateral moves, contributing to the alliance's Deliberate Force operation policing the no-fly zone over Bosnia. The Turkish foreign minister from 1991 to 1994, Hikmet Çetin, for one, shared a broader understanding of the conflict. In his view, at stake were universal humanitarian principles, rather than the survival of Balkan Islam per se. Çetin established a good working relationship with his Russian counterpart, Andrei Kozyrev, who prioritized co-operation with the West in former Yugoslavia.

Still, Turkey anxiously followed Russian moves in Bosnia. It was taken aback when Russia was invited to join the UN Protection Force (UNPROFOR) in Bosnia and Herzegovina in February 1994, part of the deal to defuse the crisis over Sarajevo. The decision set aside the informal rule that states with historical links to the region were not eligible to take up peacekeeping duties, and, as a result, the

Turks demanded compensation. In March, 1,467 Turkish Blue Helmets were deployed around the town of Zenica to separate the local Bosniaks and Croats. Turkey repaid Croatia's acquiescence by helping Zagreb join NATO's Partnership for Peace (PfP). Positive ties with both the Bosniaks and the Croats contrasted with Russia's exclusive focus on the Serbs, adding to Turkey's international credentials.

Throughout the 1990s, Turkey paid special attention to the Southern Balkans. It courted Albania, Macedonia, and Bulgaria in a bid to outmaneuver Greece, which in turn nurtured an alliance with former Yugoslavia, Bulgaria, and Russia in order to balance Turkey. Albania and Macedonia, as well as Bulgaria after 1997, looked to Turkey as a facilitator in their bid to move closer to the United States and NATO. Officials in Ankara portrayed Greece as the region's mischief-maker, the odd one out in the Western alliance, whose behavior was in stark contrast with Turkey's constructive approach. The Greek policy of engaging Russia in the Balkans spelled trouble as it dovetailed with Athens's embrace of Slobodan Milošević and Serb nationalism. In all seriousness, however, these frictions lacked the potential to provoke an all-out Russian–Turkish collision.

Avoiding a clash during the Cyprus Missile Crisis of 1997–98 was another achievement. To prevent the delivery of two batteries of S-300 Russian surface-to-air systems, the Turkish navy and coastguard started intercepting and searching vessels flying the Russian flag in September 1997. Turkey announced that the deployment of the missiles would be a declaration of war. Russia's ambassador to Athens, Georgii Muradov, responded that Russia would not stand idly by should Cyprus come under attack.[26] The Greek media speculated that the Russian navy would escort the S-300s in order to deter the Turks. Turkey pursued a two-track approach: talking tough to Nicosia and Athens, while seeking a deal with Moscow. In May 1998, the commander of the Turkish Armed Forces, General İsmail Hakkı Karadayı, spent five days in Moscow along with his deputy to defuse tensions. Both countries were relieved when the United States stepped in to broker a compromise.

Russia and Turkey were able to mitigate conflict by shifting attention to non-contentious issues, which would become a tactic of choice in the years to come. Ankara invited Moscow into the Black Sea Economic Co-operation (BSEC), a multilateral initiative it had formulated.[27] Boris Yeltsin came to Istanbul to take part in the inaugural summit in June 1992 hosted by President Özal. The BSEC aimed to diversify Turkey's economic and political ties at a moment when its prospects of entering the EC/EU were becoming bleaker. By having Greece onboard as a EU member, as well as the EU hopefuls Romania and Bulgaria, the BSEC signaled it was fully compatible with the policies of Brussels institutions. Russian–Turkish relations were therefore part of a pan-European trend towards functional integration through trade and the development of cross-border infrastructures.

Turkey and Russia cultivated a productive relationship at the bilateral level. During his trip to Moscow in May 1992, Prime Minister Demirel signed a friendship and co-operation treaty. Yeltsin praised the document as opening "a new page" between the two countries. The Turks talked up the prospect of increasing purchases of Russian gas and buying arms to the tune of $300 million. Between 1992 and 1996, Demirel and Tansu Çiller—his successor as prime minister and head of the True Path Party (*Doğru Yol Partisi*, DYP)—visited Moscow four more times. The visits yielded fifteen agreements covering areas from culture and education to defense and the fight against terrorism.[28] In a goodwill gesture, Turkey agreed to reschedule Soviet-era debts in 1994–95. Clearly, there was a sustained effort to keep economic ties separate from issues where Moscow and Ankara's interests were at variance (Chechnya, the war in Bosnia, Caspian oil, and so on).

Entrepreneurs and society at large were a key part of the story, always several steps ahead of their political leaders. The 1990s were a period when Turkey's economic achievements became visible to ordinary Russians, keen on low-cost consumer goods, from textiles to chewing gum and washing powder. Trade nearly quadrupled in the 1990s, thanks to gas as well as the fact that Russia granted Turkey the preferential "developing nation" status and cut tariffs by

a quarter. Informal or "suitcase" trade shot up too. In the 1990s, it employed more than two million Russian Federation citizens and had an estimated annual turnover of around $8 billion.[29] Russian became widely spoken in Istanbul districts such as Laleli and Aksaray. Traditionally viewed as backward and conservative, Turkey acquired an image of vibrant and dynamic capitalism that had its appeal in Russia and elsewhere in the post-Soviet space. Tourists visited in ever greater numbers, from 587,000 in 1995 to 1,258,000 in 2003.[30] By 1997, Russians came second only to Germans in annual tourism statistics.

The last reason explaining why competition between Russia and Turkey did not get out of hand had to do with the enormous problems that both countries were facing at home. Russia's turbulent 1990s were more than matched by the disarray that took root in Turkey following Özal's untimely demise in 1993. Between that year and 1999, inconclusive elections produced a succession of six governments led by the Motherland Party (*Anavatan Partisi*, ANAP), the DYP, and the Islamist Welfare Party (*Refah Partisi*). The economy went through a never-ending cycle of boom and bust. The combination of resurgent political Islam and Kurdish militancy posed a radical challenge to the established order, at least from the point of view of Kemalist elites. In 1997, Turkey became the scene of a bloodless coup when the military forced Necmettin Erbakan, leader of the Welfare Party, to tender his resignation as prime minister. Twice, the country came to the very brink of war—against Greece in June 1996 and Syria in October 1998. The overconfidence of the Özal era gave way to a pervasive sense of vulnerability, not a far cry from how Russia felt at that very moment. In many respects, the 1990s were a lost decade for Turkey—just like the Putin regime claimed they were for Russia.

From Détente to Entente?

The late 1990s marked the moment when Turkey and Russia found common ground on a host of divisive and sensitive issues. Domestic political shifts were at play once again. When the Kemalist establishment toppled Erbakan in 1997, Ankara lost a fervent partisan of the Chechen cause.[31] Hard-line secularists regarded the Chechens with suspicion because of their association with political Islam. Ankara's response to the Second Chechen War in 1999 differed dramatically from its attitude to the conflict in 1994–96. On the eve of the Russian assault on Grozny (November 1999), Prime Minister Bülent Ecevit, head of the coalition government that replaced *Refah Partisi*, paid a widely publicized visit to Moscow resulting in a joint declaration against terrorism co-signed with Vladimir Putin, the newly appointed premier who led the war. Interviewed by the public broadcaster TRT, the veteran Turkish center-left politician bluntly stated that Chechnya was Russia's internal business, triggering an irate response by Erbakan. Even though Moscow continued complaining that Turkey harbored Chechens, Ankara clamped down on émigré networks in line with the bilateral anti-terror protocol from 1995.[32] Attacks within Turkey carried out by radicals from Chechnya and other parts of the Caucasus, such as a 2001 hostage drama at Istanbul's exclusive Swissôtel, swung public opinion in a negative direction too.[33] An assault on the tourist industry at a time of a severe economic slump did not wash well with ordinary Turks. The negative stereotype became entrenched when it transpired that the 2003 bomb attacks against synagogues and an HSBC branch in Istanbul had been perpetrated by al-Qaeda affiliates with connections to Chechnya.

Moscow reciprocated Turkey's accommodating moves by downscaling support for the PKK, originally a Soviet-inspired Marxist–Leninist movement. "Russia never supported, and will not support in the future, terrorism against Turkey," pledged Putin to Ecevit during their summit.[34] The Russians had already built a positive track record in the eyes of Ankara. In late 1998, Moscow stayed neutral as the Turkish military strong-armed its ally Syria into evicting the PKK's founding leader Abdullah Öcalan. Prime Minister Evgenii Primakov and President Boris Yeltsin averted a crisis by vetoing the Duma's decision to grant "Sarok Apo" (Leader Apo, as Öcalan is known to his supporters) asylum once he turned up in the Russian capital.[35] Russia subsequently closed down several

PKK-run facilities, including a hospital used to treat wounded militants. However, it stopped short of listing the guerrilla movement as a terrorist organization, as Turkey would have preferred. Nevertheless, Ankara did appreciate the signal all the same.

Russians and Turks could find common ground even where they held divergent views. In Kosovo, for instance, Turkey backed the NATO intervention and even offered access to its airbases but showed a degree of empathy with the Russian position. It initially opposed military action and insisted on the sacrosanct principle of state sovereignty. Turkish diplomats drew a distinction with Bosnia where, in their view, one independent and internationally recognized state had come under attack by another. The Kurdish issue conditioned a negative view of self-determination, manifest in Turkey's refusal to acknowledge Tatarstan, Chechnya, or even Moldova's Gagauz province as independent entities.

Turkey's fractious relations with NATO presented an additional inducement to mend ties with the Russians. As the First Chechen War broke out in 1994, the alliance accepted troop deployments in the Caucasus going over the limits set by the Conventional Armed Forces in Europe (CFE) agreement. Turkey's objections were overruled in May 1996 when NATO negotiated modifications to the CFE, linking its assent to Russia's acceptance of enlargement to Central and Eastern Europe. As a result, Ankara pursued a bilateral arrangement with Moscow. The deal struck in January 1999 foresaw a withdrawal of Russian forces from Moldova and Georgia.

The rapprochement was not just a matter of ideological affinities or overlapping security interests but also economic interdependence. Prime Minister Viktor Chernomyrdin's visit to Ankara in December 1997 unveiled a bold plan for Blue Stream, a pipeline under the Black Sea with an annual capacity reaching a maximum of 16 bcm in 2007. Since the 1980s, Russia had supplied Turkey with gas through the Balkans. Now it could deliver from the east as well, feeding the capital city of Ankara. The dependency on fickle transit routes such as through Ukraine, Romania, and Bulgaria would diminish. Gazprom, which would control the pipeline, relished the prospect of tapping into a rapidly growing market. Electricity consumption in Turkey had soared by a massive 150 percent between 1980 and 1996—compared to a 40 percent growth in the population.[36] To give Blue Stream a go-ahead, the state-owned energy company BOTAŞ signed a twenty-five-year contract inclusive of a "take-or-pay" clause.[37]

Blue Stream was anything but a run-of-the-mill transaction. In league with Turkey, Gazprom had in effect developed the blueprint for future bypass pipelines of the 2000s, such as North Stream and South Stream. Blue Stream moreover preempted the advance of competing schemes, notably the proposed Trans-Caspian Pipeline, which would channel gas from Turkmenistan, Kazakhstan, and Azerbaijan to Turkey and the EU. The venture cemented a three-way co-operation between Russia, Turkey, and Italy, as *Ente Nazionale Idrocarburi* (ENI) took a stake. ENI's know-how was crucial for completing the 385-kilometer undersea stretch from Beregovaia in Russia's Krasnodar region to the port of Samsun.[38]

Blue Stream facilitated the completion of the BTC. Prime Minister Ecevit's visit to Moscow and President Bill Clinton's participation in the OSCE Summit in Istanbul, both in November 1999, sealed everyone's final agreement. In 2005–6, Caspian oil reached international markets, strengthening Azerbaijan's hand with the help of Turkey and the United States.[39] Ankara could finally live up to its ambitions to act as the advance guard of Western influence in the former Soviet Union. Russia decided to go along (though Lukoil, which was interested in the project, decided not to buy a stake). In a quid pro quo, Turkey adopted new, more advantageous regulations on commercial traffic through the Straits.

Turkey viewed burgeoning security and energy ties to the Russians as a useful counterweight to the West. Chernomyrdin's visit took place right after the EU's Council at Luxembourg on 12–13 December 1997 refused to proclaim Turkey as a potential candidate for the EU. In his fury, Prime Minister Mesut Yılmaz threatened to freeze links with the Union. "Turkey has very close relations with the Turkic republics of the Caucasus and Central Asia, and very good relations with Balkan countries except Greece,"

he argued, underscoring that the EU was not the only option at hand.[40] Russia was clearly part of the very same equation. In the words of Philip Robins, "Turkey's gas relationship with Russia, which had never in any case since Özal's day been exclusively a function of commerce, moved firmly into the realm of high politics."[41]

At the turn of the millennium, Turkey and Russia had come close to transforming their mutual relationship. In November 2001, at the margins of the UN General Assembly, Foreign Ministers Igor Ivanov, of Armenian descent, and Ismail Cem signed an action plan for "multidimensional co-operation in Eurasia." However, it was too premature to speak of an alignment. In the words of Duygu Bazoğlu Sezer, a Turkish professor of international relations, Russia and Turkey had entered a virtual alliance where

Map 2 Blue Stream

> public manifestations of state-level adversity and hostility [had] nearly completely disappeared; the importance of co-operation in a range of fields for furthering respective national interests [was] mutually perceived and publicly articulated; governments desist[ed] from using inflammatory rhetoric so as not to arouse public hostility; and officials [kept] the lines of communication open in order to safeguard relations against the impact of sudden crisis. On the other hand, a hard kernel of mutual fear, mistrust, and suspicion remain[ed] in the minds of the decision-makers and political elites.[42]

The Putin–Erdoğan Double Act

Although the groundwork for rapprochement was laid in the 1990s, it was with the rise of Vladimir Putin and Tayyip Erdoğan that Russian–Turkish relations blossomed. Rooted in (partly) convergent interests, ties became highly personalized: "I gave my word to the Prime Minister," Putin said in September 2010, "I am certain the [Samsun–Ceyhan oil] pipeline will be built."[43] Observers would come to see the two strong-willed leaders as political twins: men of the people, straight-talking, tough on opponents, never shrinking from a punch-up with the West in the name of their nations' honor. "Our countries deserve respect," the two leaders appeared to be saying with the one voice, "they should be treated as equals, not as a second-class appendage to Europe."

Ironically or not, Putin and Erdoğan assumed power in a period when Russia and Turkey were forging better relations with the EU. Turkey seemed to be edging closer to membership, opening accession talks with the Union in 2005 as a reward for political and economic reforms. Russia meanwhile had deepened its energy ties with the EU and co-operated with the United States on security post-9/11. But by the latter part of the decade, resentment for being kept at arm's length or, in Russia's case, for Western meddling in the privileged sphere of influence, prevailed. Putin and Erdoğan had more than one reason to invest in their mutual relationship. Fiona Hill and Ömer Taşpınar, analysts at the Brookings Institution,

called it "the Axis of the Excluded."[44] Ten years down the line, many consider Putin and Erdoğan to be part of an authoritarian wave contesting the Western liberal model rooted in the rule of law, accountable government, free media, and pluralist civil society.

At closer inspection, Putin and Erdoğan make an unlikely couple. Boris Yeltsin's handpicked heir with a background in the KGB, propelled from obscurity into political stardom thanks to a TV promotion campaign orchestrated by top Kremlin brass as well as to a war, had less in common with the streetwise politico working his way up from the back alleys of a conservative, lower-middle-class Istanbul neighborhood to the apex of power. Styling himself as an underdog, Erdoğan had built a career by confronting the so-called "deep state" (*derin devlet*) embedded in the military, the security establishment, and high bureaucracy, in alliance with the EU and the liberal intelligentsia. He served time in prison after Erbakan's downfall in 1997. Putin, by contrast, felt very much like Russia's deep state. He was ensconced in power by reining in the media, crushing the Chechens, re-establishing state control of the oil sector, and selling the story that the chaotic 1990s had been replaced by rule with the firm hand.

In Turkey itself, Russia and Putin originally captivated Erdoğan's detractors, including hard-core Kemalists resentful of Western interventionism and EU influence. ("A Kemalist in the Kremlin" is how *The Moscow Times* described Putin in a piece dated 4 April 2005.) In early 2002, General Tuncer Kılınç, secretary general of the all-powerful National Security Council, dropped a bombshell by openly advocating an alliance with Russia and Iran.[45] Some figures hailing from the left went so far as to embrace Aleksandr Dugin's Eurasianist doctrine. They considered it a potential cornerstone for a new political identity, distinctive from both political Islam and radical Europhilia which, in their minds, threatened to erode Turkey's foundations as a nation state and turn it into a Western colony.[46] The prospective alliance with Russia therefore presented an alternative to the pro-EU course charted by Turkey's Justice and Development Party (*Adalet ve Kalkınma Partisi*, AKP), especially early in its tenure. In 2013, Doğu Perinçek, the most prominent personality amongst the Duginists, was sentenced under the landmark Ergenekon case on charges of conspiring against the government. Later on, in a fascinating turnaround, the Eurasianists were to side with Erdoğan in his struggle against the pious movement—which they invariably portrayed as the epitome of evil metastasizing within the Turkish body politic.[47]

It was not until late 2004 that Putin and Erdoğan had a chance to meet face to face. From that point onwards, the two leaders presided over a leap in bilateral relations. Putin's Ankara visit of December 2004 yielded six agreements covering energy, finance, and security. That was the first time a Russian leader had come on a bilateral visit to Turkey in more than three decades.[48] Boris Yeltsin had been twice in Istanbul, in 1992 and 1999, but both occasions involved multilateral summits (the BSEC and OSCE). Erdoğan returned the compliment and visited Moscow in January 2005, and then had a meeting with Putin in Sochi in July.[49] The "multidimensional partnership" about which diplomats rhapsodized was finally taking shape. On 17 November 2005, media across the world posted pictures of the two presidents inaugurating the Blue Stream Pipeline in Samsun, in the company of Italy's Silvio Berlusconi (an acknowledgement of ENI's contribution). While Putin and Erdoğan largely inherited the Russian–Turkish rapprochement from the late 1990s—as testified by the case of Blue Stream—they did raise it to new heights.

"Our strategic neighbor"

What conditioned the Russian–Turkish alignment, unprecedented since the interwar years, were ultimately shifts in the area of security. The Iraq War (2003–11) was a case in point. In a surprising move, Turkey decided not to join the American-led coalition of the willing and open a second front against Saddam Hussein from the north, as in the 1991 Gulf War. The drive for greater autonomy in foreign policy encouraged Moscow to look to Ankara as a potential ally to offset American unilateralism. It clearly had Turkish public opinion on its side. A majority opposed the war and viewed with suspicion George W. Bush's post-9/11 war on terror. Fears of

the knock-on effects of Iraqi Kurdistan's advancement to full independence pervaded large swathes of society. The Turkish government, on the other hand, weighed up its options. The Turkish prime minister, Abdullah Gül,[50] haggled hard with the United States, demanding monetary compensation and/or guarantees for Turkey's presence in post-Saddam Iraq. Many expected Turkey, begrudgingly, to jump on the American bandwagon. Yet a group of AKP parliamentarians rebelled and, on 1 March 2003, defeated by a narrow margin the motion for joining the U.S.-led coalition. In other words, Turkey and Russia ended up on the same side of the barricade thanks to a contingency. But that did not alter the fact that there was a confluence of views in Moscow and Ankara. What mattered were the consequences. The state with the second largest military in NATO had stood up to the all-powerful United States. The Putin–Erdoğan summitry, kicking off not long after the invasion of Iraq, was a reflection rather than the cause of the rapprochement.

The Turks and Russians agreed that they could manage their common frontier. In early 2001, Moscow had joined the Black Sea Force (BLACKSEAFOR) delegated to take charge of naval security—discharging tasks such as search-and-rescue and maritime policing. Touted as a contribution to the global war on terror, BLACKSEAFOR kept its distance from NATO and excluded the United States. More than that, Turkey opposed the extension of the Atlantic Alliance's Operation Active Endeavor from the Mediterranean to the Black Sea. As an alternative, in the spring of 2004, Moscow and Ankara launched a BLACKSEAFOR operation, Black Sea Harmony, tasked with intercepting terrorists and traffickers of arms and drugs. The Black Sea area would be a Russian–Turkish shared responsibility—or even a condominium. Yet Turkey had to strike a delicate balance. Its diplomats worked hard to convince the Americans that Black Sea Harmony was an incremental step, and not an impediment, to NATO's involvement.[51] When America applied to become an observer in the BSEC, the economic leg of Black Sea regionalism, Turkey abstained and Russia's response was a resounding "*nyet*."[52]

The 2008 war in Georgia showed how deeply entrenched Russian–Turkish security co-operation had become. Georgia was no ordinary neighbor. In the early 1990s, when Turkey was at loggerheads with most countries around its borders, amicable links with Tbilisi were a welcome exception. Georgia served as a bridge to the Azeris and the Caspian Sea and was key to the BTC while Turkey topped the list of its trading partners. Militaries co-operated and, at least in principle, Turkey pushed for Georgia's integration into NATO.[53] President Mikheil Saakashvili's radically pro-Western orientation therefore suited Ankara's priorities. Yet his row with Moscow, escalating into a fully fledged war in August 2008, put the Turks in a delicate position. The prompt defeat of the Georgian forces, Abkhazia and South Ossetia's declaration of independence, and the ramped-up Russian military presence close to the Turkish border, were not good news. However, any direct confrontation with Russia would contradict Turkey's interests. Here is how Prime Minister Erdoğan himself put it, in an interview for *Milliyet*:

> It would not be right for Turkey to be pushed toward any side. Certain circles want to push Turkey into a corner either with the United States or Russia after the Georgian incident. One of the sides is our closest ally, the United States. The other side is Russia, with which we have an important trade volume. We would act in line with what Turkey's national interests require.[54]

Turkey weighed its options. At the outset of hostilities, on 8 August, Erdoğan called Saakashvili to assure him of his support. Soon enough, however, as the Russian army pushed back, he changed tack. On 12 August, the Turkish prime minister travelled to Moscow to pitch the so-called Caucasus Stability and Co-operation Pact, which was little more than a statement of neutrality.[55] To accommodate Moscow, Turkey was adamant that American military ships delivering humanitarian aid to the Georgians had to abide by a special provision of the 1936 Montreux Convention, in effect barring two large American hospital vessels, USNS *Comfort* and *Mercy*.[56] Turkey's Ministry of Foreign Affairs assured Moscow that

the smaller ships the United States had to despatch instead would depart before the expiry of the treaty-mandated twenty-one-day period. This tilt towards Moscow did not go unnoticed in Washington. Turkey was excluded from Vice President Dick Cheney's tour of regional allies, which included stopovers in Tbilisi, Baku, and Kyiv. At the same time, Foreign Minister Sergei Lavrov came to Istanbul, on 2 September 2008. Back in 2005, the American diplomat Richard Holbrooke had written about "a little noticed charm offensive to woo our all-important (but deeply alienated) ally Turkey into a new special relationship that would extend Russia's influence."[57] The war in Georgia made everyone notice.

The West's speedy return to "business as usual" with Russia soon after the war in Georgia confirmed to the Turkish leadership that they had made the right choice in August–September 2008. President Barack Obama's "reset" unveiled in the summer of 2009 placed a bet on Dmitry Medvedev, Putin's successor as president. With the exception of the United Kingdom, the major EU powers were similarly in engagement mode, with Germany investing heavily in a "Partnership for Modernization" with Russia. As the 2000s came to a close, Turkey's conciliatory approach, based on the premise that economic interdependence was the key to resolving political conflicts, seemed hardly exceptional.

It was only right and proper that Russia should become a highlight of Turkey's "policy of zero problems (*sıfır sorun politikası*) with neighbors," a doctrine articulated by Ahmet Davutoğlu, an academic who became foreign minister on 1 May 2009. Earlier editions of the policy, essentially a blueprint for strengthening economic and political links with countries and regions abutting Turkey, had contributed to a warming of relations with Moscow, especially under President Özal in the 1980s and during Ismail Cem's tenure as foreign minister (1997–2002). This time around Russia could be of help on some tangled issues. It supported President Gül's overtures to Armenia, in 2009. Although Putin subsequently spoke out against Turkey's demand for substantive concessions in Nagorno-Karabakh as a precondition for full normalization of ties with Armenia, it was obvious that he did not see Ankara's new activism as a threat.[58] The Russians and Turks were no longer bitter competitors in the Southern Caucasus, irrespective of the fact that their interests were not exactly in accord either. Even more remarkably, the Kremlin was relaxed about Turkey's connections to the Muslim communities within the Russian Federation. In February 2009, President Gül, the first Turkish head of state ever to visit Russia, included Tatarstan's capital of Kazan in his itinerary.[59] Several years later, in September 2015, Putin and Erdoğan would stand side by side in Moscow at the inauguration of the renovated Cathedral Mosque, one of Europe's largest. Who would have foreseen that in the 1990s?

At the strategic level, Russia had a perfectly good reason to be cheerful. Turkey's zero-problems policy with its neighbors distanced Ankara from the United States. The Turks were engaged with all of Moscow's friends and partners in the Middle East, including Iran, Syria, and Libya. In its quest for a wide-ranging international policy, Turkey had no trouble dealing with regimes shunned by the West. The rupture in Turkish–Israeli relations in 2010 following the *Mavi Marmara* incident[60] widened the gap between Ankara and its allies. An anti-Western mood surged within Turkey. A survey from 2012 found that more than two-thirds of Turks viewed the United States as the main threat to their country, while Israel was feared by another 52 percent. The previous year, another poll registered 70 percent support for increased political relations with Russia and 76 percent for stronger economic ties.[61] Moscow was clearly the beneficiary of a crisis it had little to do with.

A Hundred-Billion-Dollar Vision

Thriving Russian–Turkish ties rest on solid economic bedrock. In the 2000s, hydrocarbon imports into Turkey made Russia its top trading partner, surpassing Germany (yet still behind the EU taken as a bloc). Commercial links grew at a rapid pace after the Turkish economy recovered from the effects of the 2001 financial meltdown and Blue Stream came online in February 2003. Starting from about $10 billion in the early 2000s, turnover peaked

at $38 billion in 2008, on the eve of the global crisis. "[E]conomic and commercial relations between our countries are similar to a locomotive leading the diverse, good neighborly and friendly cars of a train," Evgenii Primakov once observed, in a near-poetic bout.[62] Putin and Erdoğan talked of hitting the $100 billion mark by the centennial of the Turkish Republic in 2023. The recession in 2008–9, slower growth rates, and the effects of the Su-24 crisis and its aftermath in 2015–16 have made the achievement of that goal unlikely. But the two countries have remained committed. Erdoğan's visit to Moscow in August 2009 saw the establishment of a High-Level Coooperation Council, a format uniting the two governments, co-chaired by Deputy Prime Minister Igor Sechin, one of Putin's closest associates.[63]

There has always been a snag about the two countries' economic links, however. At an average of $6 billion, Turkish exports of goods and services are five times lower than imports from Russia. Put differently, dependence on Russian gas puts Turkey in a strategic position similar to post-communist Eastern Europe. The resultant trade deficit has been a sore spot in Moscow–Ankara relations since the 1990s. Back then, Russian authorities argued that Turkey balanced the books thanks to the unreported suitcase trade (trade in small quantities of cheap goods purchased during shopping trips) and the export of construction services.[64] They lamented the exclusion of Russian contractors from the heavily guarded Turkish market.[65] There is an element of truth in this, to be sure. Russia has provided lucrative opportunities for major Turkish contractors such as ENKA, Rönesans, Esta, Alarko, and others. In Moscow alone, their portfolio includes landmark buildings such as the headquarters of Gazprom and the mayor's office, along with a chain of Ramstor supermarkets owned by the Koç Group. A Turkish firm repaired the White House, the seat of the Russian Federation government, heavily damaged after President Yeltsin's forces stormed it in October 1993. By 2009, the overall value to Turkey of completed projects in Russia had reached $30 billion.[66]

Russia has been a hugely important player in the Turkish tourism market. The number of Russians visiting Turkey soared from 587,000 in 1995 to 1.25 million in 2003 and 2.8 million in 2008.[67] By 2002–3, Russia had overtaken the United Kingdom in terms of tourist arrivals and had started contesting first place with Germany. Russian was commonly spoken in popular holiday spots such as Antalya in Turkey—attracting around 70 percent of tourists and holiday-home owners. Russia marked 2007 as "a year of Turkish culture," and Turkey reciprocated in 2008, investing $10 million in a campaign to promote itself in the race against competitors such as Egypt. In 2010, Moscow and Ankara abolished visas (prior to that, Russians could acquire entry permits directly at the border). A true tourist and travel boom ensued. A staggering 4.1 million Russians, for the most part tourists, visited Turkey in the first nine months of 2014, an increase of 300,000 compared to the same period in 2013.[68]

The record levels of economic exchange and interdependence have clearly done a lot of good to both Russia and Turkey, enabling stability in their complex political relationship. But, as we shall see below, dense trading links have also spelled vulnerability. Following the Su-24M incident in November 2015, Moscow has proved capable of inflicting considerable damage on several sectors of the Turkish economy and of changing President Erdoğan's strategic calculations in its favor.

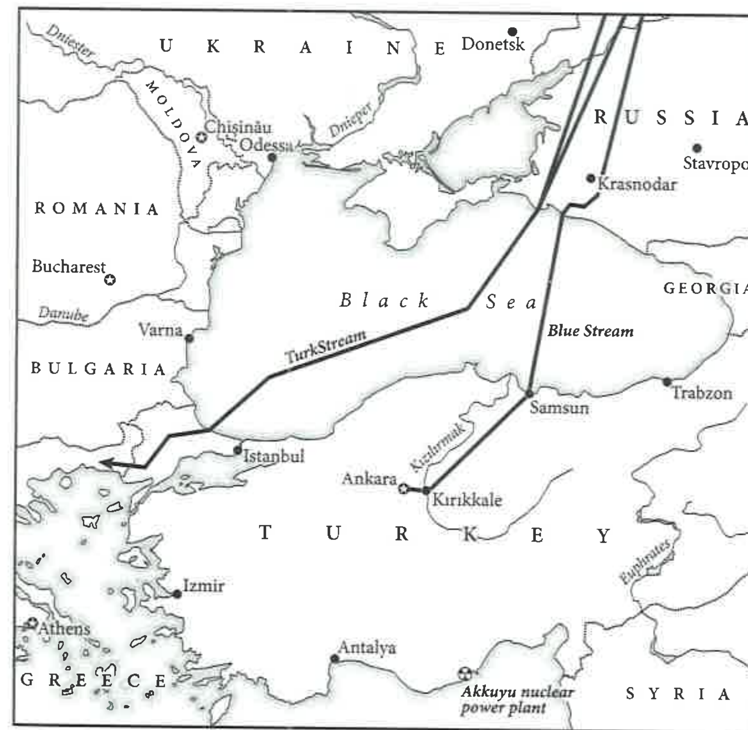
Haggling over Energy

Since the late 1980s, energy has been the umbilical cord connecting Russia and Turkey. Turkey is the second most important market for Gazprom after Germany. By the late 2000s, imports reached 27 bcm, accounting for around 55–60 percent of Turkish consumption. By comparison, the second-largest supplier to Turkey, namely Iran, exports 10 bcm a year.[69] Ankara's long-term objective is to diminish dependence on Gazprom by diversifying supplies. It has also pushed hard to bring down prices and improve the terms of trade. At the end of 2011, BOTAŞ declined to renew the 1986 contract on gas delivered through the Trans-Balkan Pipeline.[70] Since 2014, Turkey has been driving a hard bargain on the TurkStream project as well, hoping to use its geographic location to secure a larger discount from the Russian side (more below).

Turkey has always been a critical component of Russian plans to reduce the dependence on imports. The so-called Southern Gas Corridor passes, for much of the way, through Turkish territory. The corridor started taking shape in 2006 with the inauguration of the South Caucasus Pipeline (SCP), which runs parallel to the BTC from Baku to the eastern Turkish city of Erzurum.[71] On 13 July 2009, Ankara hosted the signing of a deal on Nabucco, an extension of the SCP endorsed by the European Commission and the American government. The Commission head, José Manuel Barroso, and Andris Piebalgs, the Energy Commissioner, were both in attendance. Co-piloted by two energy companies, Austria's OMV and BOTAŞ, the project enlisted Bulgargaz, Transgaz (Romania), and MOL (Hungary) as partners. It aimed at creating a physical pipeline connection between Anatolia and Central Europe.

Yet Turkey has been hedging its bets, much like other downstream countries in Southeast Europe. While it seeks alternatives, it continues to play along with the Russians. That is not difficult to understand. Common projects carried out with Moscow have enhanced Turkish energy security. Direct connectivity to the Russian grid, via Blue Stream, largely spared Turkey from the midwinter energy cut-offs in 2006 and 2009. In addition, Ankara was prepared to help Gazprom bypass Ukraine. In December 2011, after talks with Vladimir Putin, Energy Minister Taner Yıldız gave the South Stream consortium the green light to lay pipes in Turkey's Exclusive Economic Zone (EEZ). Russia had previously, in 2009, entertained the idea of routing the pipeline through Turkey—a bargaining tactic to put pressure on Bulgaria as it dragged its feet.[72]

Doing favors to Russia, Turkey expected a handsome payback in return. For instance, it conditioned the access to its EEZ in the Black Sea on the possible extension of Blue Stream towards the Middle East.[73] That was a long shot. Nevertheless, as part of the 2011 deal on South Stream, Gazprom agreed to scrap the "take-or-pay" clauses in the 1997 contract linked to Blue Stream. This decision resolved a simmering conflict between the Russians and Turks that went largely unnoticed. BOTAŞ never met its commitment to purchase 16 bcm through Blue Stream and pressured



Map 3 Blue Stream, TurkStream and the Akkuyu nuclear power plant

Gazprom to revise the terms of the agreement in order to avoid being overcharged.[74] Energy relations between Moscow and Ankara have never been problem-free.

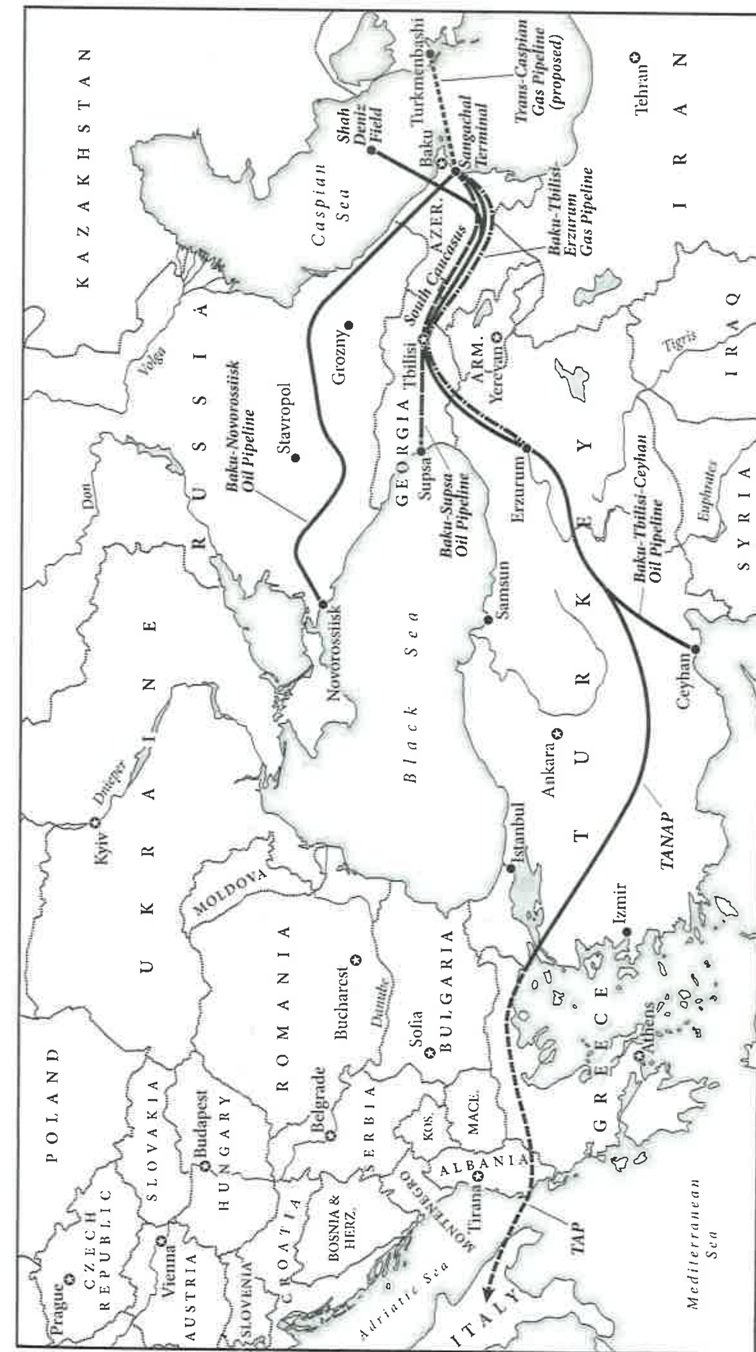
History was to repeat itself with TurkStream. Putin's pitch in December 2014 caught Erdoğan and the Turkish government off-guard. They signed a Memorandum of Understanding with the CEO of Gazprom, Aleksei Miller, but left substantive negotiations for later on. There was no meeting of minds; Turkey demanded a much higher discount on the long-term contract than the 6 percent offered by the Russians. Ankara insisted on a longer pipeline route, all the way to Kıyıköy on the European side, nearly 900 kilometers west of Samsun—also preferred by Moscow. Gazprom had to halve the projected capacity of the pipeline to 31.5 bcm. The Turks

frowned at the Russian negotiations with Athens for a terminal across the Greek–Turkish border. In October 2015, BOTAŞ filed an arbitration suit against Gazprom. TurkStream received a boost a year later, when Putin came to Istanbul to oversee the signature of an intergovernmental agreement (IGA). Energy co-operation is now back on track, but whether TurkStream has a chance to extend beyond Turkey's borders with the EU remains an open question.

As we have seen, Turkey traditionally balances between the EU and Russia. It is a critical player in the much-debated Southern Gas Corridor. In December 2011, Azerbaijan and Turkey unveiled the Trans-Anatolian Pipeline (TANAP) running from Erzurum westwards to the EU border.[75] Although the deal undermined the chances of the Brussels-favored Nabucco (and then Nabucco West) getting off the ground, it opened the prospect of Caspian gas reaching Europe by the end of the current decade.

Russia targeted other sectors of the Turkish economy in addition to gas. Ankara agreed to purchase electricity from Inter RAO UES in November 2008, and imports (via Georgia) started in March 2010. However, the partnership became strategic when Turkey and Russia focused on nuclear energy. In August 2009, the Turkish Atomic Energy Authority (*Türkiye Atom Enerjisi Kurumu*) signed two agreements with Rosatom for the construction of a nuclear power plant in Turkey, followed up by a state-to-state deal initialed by Presidents Gül and Medvedev (May 2010). Under the terms of the deal, Rosatom would build, own, and operate the $20 billion facility featuring four reactors with a combined capacity of 4,800 megawatts.[76] Turkey would pay up to 20 percent of the bill and its companies were to acquire 49 percent of the venture. The Turkish Electricity Trade and Contract Corporation (*Türkiye Elektrik Ticaret ve Taahhüt A.Ş.*) committed to buy the electricity at set prices.

At least on paper, the Akkuyu project was supposed to be a win-win situation. With Russia's assistance, Turkey could fulfill a long-standing aspiration. Nuclear energy could meet the country's soaring demand and bring in valuable know-how. Once more, as in the 1960s and 1970s, Moscow was instrumental in developing a whole



Map 4 Southern Corridor

new sector of the Turkish economy. In its turn, Russia obtained access to a growing market for one of the few high-tech exports it had. The energy minister, Sergei Shmatko, estimated the income from uranium-fuel exports to Turkey at $60 billion over fifteen years. Russia could showcase the Akkuyu nuclear power plant to attract customers elsewhere in the emerging world. Vladimir Putin praised the deal, as well as the virtues of Russia's nuclear industry: "this range of services [storage, repossessing, financing] allows us to charge reasonable rates, well below what our competitors demand."[77] Russia was charging half as much as America, insisted Putin during a visit to Ankara in 2009.[78]

With regard to Akkuyu, Turkey made a concession to the Russians. It dropped its original demand to take ownership control of the nuclear facility. But the AKP had to face criticism that it was deepening the dependency on Russia. That is why the government refused Rosatom the commission to construct a second nuclear power plant at Sinop. There have been plenty of other outstanding issues, even before the Su-24M crisis triggered rumors that Akkuyu might be abandoned altogether. According to analysts, "the AKP's rush to develop nuclear power as quickly and cheaply as possible could pose a number of safety and security risks. The 'build-operate-own' model has never been used for a nuclear power reactor. With the plants being operated by foreign companies, Turkish officials will have to find a way to ensure that suppliers do not cut corners to keep costs low."[79] Dogged by financial problems, Rosatom has been on the lookout to sell 49 percent in the Akkuyu project to an external investor—thus far without much success.[80]

A Syrian Test

In hindsight, it is hardly remarkable that the war in Syria has caused the gravest crisis in Russian–Turkish relations since the end of the Cold War. Russia's military intervention in Syria in the autumn of 2015 saved the Assad regime from collapse and dealt a heavy blow to Ankara's ambitions. Moscow appeared to be renewing its alliance with the PKK, which was once more fighting the Turkish government. Tensions were on the rise, both before and after the shooting down of the Su-24M. "An attack on Turkey means an attack on NATO," Erdoğan warned Russia in October 2016. Moscow's ambassador had already been summoned three times over airspace incursions.[81] The Turks were prepared to take action, in all likelihood underestimating Putin's resolve to strike back. Even though Moscow and Ankara desisted from a direct military confrontation in the wake of the downing of the Russian jet, the ensuing political spat was serious enough.

Russia's response took a heavy toll on the Turkish economy. In 2016, Russian authorities introduced sanctions targeting agricultural imports from Turkey, prohibited tour operators from selling holidays, abolished the visa-free regime, and severely tightened residence regulations for business people and students. Turkish construction companies in Russia were also reportedly feeling the heat. The Turkish tourist industry announced the biggest drop in visitors in twenty-five years, with close to 90 percent fewer Russians visiting the country in the first six months of 2016 compared to the previous year. Together with the Western visitors deterred by the series of terrorist attacks by the self-proclaimed Islamic State, the overall slump for Turkey reached 40 percent. Deputy Prime Minister Mehmet Şimşek estimated the potential loss at $9 billion, or 0.3–0.4 percent of Turkish GDP.[82] Turkey was in a much less advantageous position than Russia. It could not switch off overnight gas imports from Russia, despite Prime Minister Ahmet Davutoğlu's tour of Qatar, Azerbaijan, and Turkmenistan in early 2016 to explore opportunities for alternative supplies in the event of a cut-off. Nor could Turkey simply cancel the Akkuyu project without having to pay a hefty indemnity to Rosatom.

The row changed the pattern of relations between Russia and Turkey. From August 2011, when Turkey made a U-turn and cut (the hitherto close) links to the Assad regime in Damascus, up to late 2015, Putin and Erdoğan had agreed to disagree about Syria and carry on with bilateral business as usual. Tensions were not allowed to spin out of control.[83] In the meantime, economic ties were flourishing. From $23 billion in 2011, trade turnover climbed to