

RUSSIA'S RELATIONS: THE TURKISH-GREEK-CIPRIOT TRIANGLE

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Abstract

The relations between Russia and Turkey are very complex, as they were part of two different regimes until the 90's, though geographically they are quite close. Therefore, they were rivals the role of a regional power. After the perestroika, rivalry dominated their relations, as several former soviet states were culturally close to Turkey. However, the geographical proximity facilitated the development of economic relations between Turkey and Russia, which are considered to be strong. Now, the time has come for the political relations to level up. There are signs for the change, but several conflicts from opposite interests still exist. One of these conflicts is Russia's very good relations with Greece, which manifests in the issue area of Cyprus. The energy cooperation is also at the heart of the Russian-Greek relations. It is not to be forgotten that Russia is a great arms supplier for Greece as well. Moreover, Russia supports the Greek position in the Cyprus issue. On paper, Cyprus is the largest investor in Russia, due to the offshore Russian capital in this island. Hence, Cypriot relations are certainly important for Russia. In this relationship fraught with complex interests, Russia must enhance its cooperation with Turkey and resolve conflicting interest while at the same time Russia must maintain good relations with Greece and Cyprus.

Keywords: Russia, Turkey, Cyprus, Greece, economic relations, oil and gas pipeline systems.

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Russia's relations with Turkey, Greece and Cyprus are surrounded by a complex relational net of interests, where Russia must keep its own particular interests in mind, while considering the other countries' interest as well when developing a foreign policy. This proved to be the most difficult in the case of the Turkish relations, because of the competitive position against Turkey, while the two countries are important economic partners. Greece and Cyprus are friendly states, both member states of the European Union, which fact modulates the picture a bit, but it is beneficial for Russia.

While Russia plans to maintain a strong relationship of all three countries, though the Greek-Turkish confrontation in Cyprus makes this more difficult, because if Russia takes one's side (generally the Greek side) on the international scene, that usually takes it against to the others' sides. Thus can be seen that essentially bilateral relations will be discussed, however the analyses of the international relations cannot be ignored either.

The Russian-Turkish relations

The relationship between Russia and Turkey is difficult. While the economic relations are excellent between the two countries, while there are many political area where several different interests exist. Although we are talking about bilateral relations, it is still greatly influenced by the multilateral relations. The two countries were on different sides during history while geographically they are very close to each other. This geographical proximity generated a great power rivalry, instead of establishing a close cooperation. They have different interests in 3 particular areas: in the Caucasus, the Middle East and the Balkans. Furthermore they don't share position in the Cyprus issue either, as Russia supports the Greek Cypriots against the Turkish Cypriots.

During the Cold War, the two countries took ideologically different sides. Turkey decided to stand by the USA both military and ideologically by the 1952's accessions to NATO. (US. Department of State; 2010). While in the Soviet Union the Turkish was the second largest minority after the Slavonic people. (Sezer; 2000:60) After the perestroika, these minority rates determined the two countries' relationship. 5 countries became free after the disintegration of the Soviet block and the minorities kept their Turkish linguistic and

cultural bond. These countries are: Armenia, Azerbaijan, Kazakhstan, Kyrgyzstan, Turkmenistan and Uzbekistan. In the early 1990s the Turkish president Özal tried to strengthen these cultural relations. Turkey was the first state that formally recognized the independence of these countries and in 1992 held a Summit in Istanbul. And even set up a new agency named Turkish International Cooperation Agency (TICA) and promised billions of dollars of aid and investment to the region. (Rusecas; 2000:220) However, these newly independent countries accepted this rapprochement with reservations, especially because beforehand, Russia hadn't had got anything in favor of these relations neither. Mainly because the area is rich in sources of energy and therefore Russia is also trying to keep interests in those countries. Meanwhile, the aid did not arrive in the promised rate and even the investments were much lower than the expectations. The Turkish firms found the newly formed Russian Federation the most attractive state for investments within the former Soviet Union, so in the 90s Turkey's trade relations with Russia have developed fairly quickly. Meanwhile, in 1993 President Özal died, and it became apparent for Turkey, that Russia would be the most important partner state from the former Soviet block, so it was better not to confront them.

However, the international political climate was not in favor for the Russian-Turkish relations as during the Yugoslav wars they found themselves in the opposite sides again. The Turkish inhabitants expected to stand for the Bosnian Muslims while Russia supported the Serbian side all along. (Harris; 1995:18) Both parties took part in the peacekeeping process.

However, the most problematic area of the political cooperation is the area of the Caucasus, even nowadays. In 1768 there was a Russian-Turk war for the territory, but since then the region is more or less under Russian control.

After the perestroika, a "security vacuum syndrome" (Sezer; 2000:68) evolved in this region as Yeltsin assigned armed forces to the North Caucasian area (belonging to Russia) for maintaining the Russian control. This move threatened the security of the newly independent South Caucasian countries, according to Turkey. Turkey has military cooperation both with Azerbaijan and Georgia, but the other Caucasian countries remained in Russia's interest. This region's sources of energy are the main importance for Russia which has many supply contracts to oil and gas in the Caucasus, and sells these sources toward other markets, ensuring the country's own role in the energy trade. For Russia energy has strategic importance and there were disagreements in the energy field between the two countries. The Caspian Sea and the surrounding area are rich in raw materials. In the '90s there was a question on how and where to transfer the locally exploited oil. (Gökay; 2001:2) There were several possibilities for the oil pipelines' location: to the north through Russia, or to the south towards Iraq or to the West through Georgia and Turkey (Rusecas; 2000:223). The Turkish leaders emerged in 1992, that it would be beneficial to have an oil pipeline lead from Baku (Azerbaijan) to Ceyhan (Turkey), as a sign of the regional and economical cooperation. Meanwhile the Russian interests were about to achieve the north direction (through Russia). Finally both pipelines were built (World Pipelines maps; 2010). However the Baku-Tbilisi-Ceyhan oil pipeline has a huge importance, because until this pipeline the Caspian Sea and the surrounding territory was Russian energetic interest zone. So with this pipeline Russia got a competitor, which was not usual in this area. It became also clear that the energy sources can be directly sold to other areas besides through Russia.

Meanwhile, Russia and Turkey also opposed in the Cypriot issue, because Russia backed the Greek side, moreover Russian military helped the Greek Cypriots by exporting air defense system to the region. Turkey obviously was not being pleased.

The problems which were mentioned above still have their impact in the Russian-Turkish political relations. Turkey is a NATO member, while Russia is still has big influence on neighboring countries. At the same time they are rivals in the energy sector respecting the Nabucco¹ and the South Stream² pipeline systems.³ However, the dialogue has been established between the parties and the actual relationship is said to be good enough.

The development of good relations contributed to the economic relations between the two countries, which have developed since the perestroika. As already mentioned, after the perestroika the Turkish

¹ The pipeline leads from Turkey to Austria, through Bulgaria, Romania and Hungary. Its lengths would be 3,300 km. The possible source countries: Azerbaijan, Turkmenistan, Iran, Kazakhstan, Iraq, Egypt, but also Russia would be willing to provide gas.

² South Stream run under the Black Sea from the Russian coast to the Bulgarian coast. The total length of the underwater section will be around 900 km. From Bulgaria the pipeline would split to two: To north across Bulgaria, Serbia and Hungary to Austria and to south across Bulgaria and Greece to Italy.

³ The Nabucco pipeline would run across Turkey and would transfer non-Russian gas to the South and East Europe. While the South Stream pipeline system would transfer natural gas from Russia under the Black Sea, also to South-East Europe. So the two pipelines would be competition to each other.

investors preferred Russia from the former soviet block countries and Russia also tried to develop the economic relations. The results; in 2008, Turkey took the 4th place in the Russian export list (after Netherlands, Italy and Germany) and preceded countries such as Ukraine, or China. However Turkey took only the 14th place in Russia's imports. (Goskomstat; 2008). Meanwhile Russia has the first place in the Turkish importer-countries list and the 6th place in the exporter-countries list. (Turkish Statistical Agency; 2010). Naturally energy dominates the trade relations. Russia sells mainly petroleum and natural gas to Turkey. However Russia buys cars and vehicles, textile products, foodstuffs and chemicals from Turkey. Moreover, tourism is also a priority in their relations. Turkey is one of the most popular destination for Russian tourists⁴ (Özdal; 2010).

It can be seen that after the perestroika Russia became one of the most important business partner for Turkey. And Turkey also has an important role in the list of Russia's business partners. Therefore the political differences seem in a different way once the economical partnership is that determinative, and it is important to create a good partnership. The recent political statements and the development of the Russian-Turkish relations show that both parties try to adopt a more balanced relationship.

The Russian-Greek relations

The relations between Russia and Greece root in the history and in the current military and energy cooperation which are traditionally very favorable. Also the orthodox mentality represents a good base of the relations. In addition there was no serious disagreement during the history, indeed during the cold war the two states were on different sides, but they tried to rebuild relations in the 1970s. After the perestroika they already signed the Friendship and Cooperation Agreement in 1993 (Ministry of Foreign Affairs Greece; 2008) so that they are attached by strong relations for a long time. Furthermore in a paper made for the European Council the authors (Mark Leonard and Nicu Popescu) called Greece (and Cyprus) Russia's Trojan Horses within the EU. (Leonard – Popescu 2007:29). This felicitous name was given as they often represent the Russian interests within the European Union.⁵ Therefore it is clearly the Russian interest to maintain good relations with Greece, and Russia stands for Greece in international forums. The best example for that was the UN vote about the Cyprus issue, before the Cyprus referendum. A Greek-Russian talk preceded the Russian veto on the UN proposal. So for Greece it is also beneficial to have friendly relations with such a big country.

Furthermore, the relationship is based on a military cooperation between the two countries. In recent years, the volume of Russian arms exports to Greece reached US\$1 billion, and further contracts could be foreseen. (Embassy news; 2009)

However, energy is the base of the economic cooperation between the two countries. Russia is the biggest energy supplier of Greece: 75% of the Greek gas needs are supplied by Russia. However, this does not keep the Greek leadership from further increase of the Russian supply. Greece is one of the greatest supporters of the South Stream gas pipeline. The pipeline system runs under the Black Sea from the Russian coast to the Bulgarian coast. The total length of the underwater section will be around 900 km. From Bulgaria the pipeline would spilt in two: the northern pipeline would run across Bulgaria, Serbia and Hungary to Austria, and the southern pipeline would run across Bulgaria and Greece to Italy. (South Stream; 2010)

Moreover Greece supports the first oil pipeline in the European Union, which has only Russian supervision. This would be the Burgas-Alexandroupolis pipeline, which was intended to bring Russian crude oil to Greece through Bulgarian territory. However, the construction of the pipeline is not trouble free. Bulgaria does not want to contribute to the construction of the pipeline, as they afraid that it will have a catastrophic impact on the environment. (European Parliament; 2010). Of course, there might be other political reasons in the background.

As for the bilateral trade relations between Greece and Russia it has significantly increased in volume during the last years. Russia was the 5th largest exporter to Greece and the 14th largest importer of Greek exports. The volume of trade between the two countries in 2008 exceeded US\$ 7 billion. Greek imports from Russia consisted mainly of crude petroleum, mineral oil, natural gas, waste products and scarp of ferrous metals, and raw aluminum. While the Greek exports to Russia are mainly fur, tobacco, paints and varnishes, steel pipes, peaches, tinned fruits, equipment for the industrial production of food and drinks, rice

⁴ app.2,5 million Russian tourist visit Turkey yearly.

⁵ One recent example was the conflict in Georgia; Greece was the only EU member state to veto that the EU appoints liaison officers for border management for the South Caucasus to increase EU engagement in the breakaway Georgian regions of Abkhazia and South Ossetia.

paper, film made of polymeric materials and foil, and mineral oil. (Invest in Greece Agency; 2005) Greece also attracted more than 300.000 Russian tourists while Greek tourism to Russia continued to gather momentum.

Therefore it is conspicuous, that the Russian-Greek relations are almost trouble free. The biggest challenge for Russia is to maintain good relations with Greece, while moving closer to the positions with Turkey as well. But Greece has to develop its own policy relate to Russia, as a member state of the EU, what makes Greece to Russia even more valuable partner.

The Russian-Cyprus relations

Russia has special and close relations with Cyprus. This relation has also historical, political, economical and geographical roots. As for Cyprus' current situation, Russia stands for the Greek view and does not recognize the Turkish Republic of Northern Cyprus.⁶ Moreover, in the international organizations such as the UN Russia also took the Greek side. In 2004, before Cyprus became an EU member state, a UN developed a strategy called the "Annan plan" (named after the former UN Secretary General Kofi Annan), which was about to achieve the reunification of the island. By this reason, a referendum was held in Cyprus, which was passed by the Turkish Cypriots but residents from Greek descent rejected the unification. Even before the referendum Russia vetoed on the UN Security Council resolution, which included security guarantees after the unification. The official reason for the Russian veto was that they should vote about the 'security guarantees after the unification' after the referendum would be successful in Cyprus. According to Sinan Ogar (founder and leader of the Turkish Centre for International Relations and Strategic Analysis) the Russian veto cannot be interpreted only with technical reasons, because Russia has not used its power of veto for 10 years. That's why it has to have deeper political, military and economic reasons. A political reason could be that Russia has shown the claim of being recognized as an international actor. Another political reason could be that Russia has good relations with Greece and the veto could prevent the international pressure on Greek Cypriots in the referendum. Also the veto could be explained by economical reasons, thus Russia has more economic interests in the Greek side of Cyprus. Moreover a military and economical reason is that Russia has sold military tools to the region. (Turkish Centre for International Relations and Strategic Analysis; 2005)

However, since the veto and the referendum, many changes have occurred in Cyprus. The most important change was that Cyprus became a member of the European Union, as a divided state. Meanwhile Turkish Cyprus has become an observer member of The Organization of the Islamic Conference (OIC) (so some country recognized TRNC de facto). Russia is also an observer member of the OIC. Delegations from foreign governments (including US congressmen and a large parliamentary delegation from Kyrgyzstan) have visited North Cyprus and some states have started direct air flights with the TRNC. Even The Republic of Cyprus has weakened the embargo placed on the TRNC. (Turkish Republic of Northern Cyprus; 2006)

A special feature of Russian-Cyprus relations, however, lies mainly in the economic relations. Cyprus has been the largest investor in Russia for years now. 20% of the total investment is from Cyprus, before the Netherlands, Luxembourg, Great Britain, and Germany. This needs some explanation as the population of Cyprus is only around 750,000 people. Moreover Russia is not even Cyprus's biggest trading partner. Russia shares about 3-4% of the Cyprus import, while not even reach half percent from the export. The Cyprus's share from Russia's trade is not bigger either, from the Russian export ratio is approximately.3% and the import ratio is 0,02%. (Goskomstat; 2004).

Most of the experts explain this investment ratio with the return of the Russian capital to Russia. (Pelto – Vahtra – Liuhto). Which allow the conclusion that the Russian capital is representing in Cyprus, and could be active within the European Union as well. Therefore the relations with Cyprus are important for Russia.

Conclusion

Russia's relations with the three countries are very different but there is a connection between these relations. In most of the Greek-Turkish conflict, Cyprus gave the idea that this article is to present the 3-country relationship with Russia. The energy relations are given high priority both to the Greek-Russian and Russian-Turkish relations. Meanwhile, another important link, between these countries is that Greece and Cyprus are both European Union member states. Both states strongly provide a pro-Russian stance within the EU, which is obviously beneficial for Russia. However, the conflict between Greece and Turkey because of

⁶ officially recognized only by Turkey since 1983

Cyprus complicates the Russian relations somehow with these three countries. It is obvious that Russia seeks to develop the best possible relations with all the three countries, but openly stands out for Greece (and the Republic of Cyprus as well) against Turkey. Meanwhile, the economic relationship with Turkey is strong, so they need to put behind the political problems and differences of interests. Thus, Russia's position has also eased with the Turkish Republic of Northern Cyprus, which is probably not a good strategy against Greece. Meanwhile, Cyprus gave an opportunity for the Russian capital to reach a favorable position in the European Union, so that the relations with Cyprus also important to Russia.

It can be seen, that how complex the interests are with which Russia face, if it wants to maintain good relations both with Turkey, Greece and Cyprus.

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