

Introduction

Stuck in the middle of different as well as relevant regional complexes, the Caspian Sea represents a critical geopolitical hub in the heart of Eurasian landmass. As a matter of fact, the strategic geographical collocation of the basin – traditional crossroads of empires, trade routes and cultures – represents the main feature which funded its regional and global significance, in the past as well as in contemporary times. Hence, even though the lack of common identities, institutions and aims among Caspian littoral states prevents the basin to form a distinctive region within the Eurasian chessboard, nonetheless the peculiar collocation of the basin makes it a critical juncture for the International Relations Analysis, the more so in consideration of the absolute and relative weight of its riparian countries. Indeed, alongside two traditional pivotal actors of international community – such as Russia and Iran – the Soviet Union dissolution brought in three more states – Azerbaijan, Kazakhstan and Turkmenistan – which, for different reasons, have gained an increasing regional and systemic importance.

Along with the strategic geographical collocation, it is the availability in the Caspian Sea area of wide and largely untapped oil and gas reserves which, in the post-1991 period, presided over the rise of the basin at the top of institutional agenda of both riparian and non-littoral states. It is not hence by chance that the magnitude of the competition for Caspian hydrocarbons led international analysts to label the resulting regional dynamics as a “new Great Game” – recalling the XIX century competition between Russian and British empires for the hegemony over the Central Asian *heartland*. True, the comparison to the Great Game had the merit of emphasizing that the regional competition went beyond the mere economic value of Caspian hydrocarbons. In fact, at stake was the post-Soviet and post-bipolar transition of a regional pivotal area, to which hydrocarbons' exploitation and transportation were key tools rather than an end in themselves. At the same time, however, the comparison was only superficial and to some extent misleading, hiding the complexity of

Caspian politics both in quantitative and qualitative terms. Indeed, the “new” Great Game involved a higher number of actors, whose nature differed significantly from those of nineteenth-century one. Protagonists of post-1991 competition were not just state actors, as one century before, but also super-national and private actors, each bringing different and in some case opposite interests and prerogatives. Moreover, the comparison does not fully acknowledge the active role played by local actors which, far from opposing the competition for influence, sought to capitalize on it with a view to support the difficult state and nation building process.

On this backdrop and in the context of an international system which seems to be characterized by the prevalence of the regional dynamics over the global ones – i.e. by the scarce permeability of the regional systems to the global power structure – the analysis of Caspian politics offers a privileged perspective enabling to look at and get relevant insights about the evolution of post-bipolar system itself or, rather, about the complex and still unfulfilled post-Cold War regional transition. Through the analysis of the Caspian politics it is therefore possible to investigate issues of primary importance to International Relations: from the evolution of security challenges to the dynamics of regional cooperation, from the state-building process of the former Soviet Republics to the rethinking of international posture of the main state and super-national actors of the international community. Hence, aim of the volume is to address the relevance of the Caspian Sea in the contemporary international and regional systems, analyzing both soft and hard security issues and threats emerging from the basin, as well as the policies of littoral and extra-regional actors. Accordingly, the volume is divided in three parts dealing with aforementioned topics.

The first part of the volume examines the transnational issues at stake in the Caspian that play important role in determining littoral states’ regional policies and which, in order to be addressed, demand cooperation among all of the riparian countries. Uncertainty about the legal status of the Caspian Sea, naval arms race and militarization of the sea, energy infrastructure protection and environmental challenges represent the key transnational challenges with overwhelming influence over regional politics.

In combination with the rich resource base of the water basin, uncertainty about the legal status and maritime borders in the Caspian Sea inevitably leads to legal and political conflicts among littoral states, which sometimes resulted in resorting to the threat of force and in the show-off of power against civilian research vessels. Therefore, juridical clashes negatively affect possible cooperation among littoral states and the chances to jointly address other transnational challenges, hindering the partnership for infrastructure and environmental protection, as well as paving the way to naval build-up. Though there is an agreement concluded in 2003 among Azerbaijan, Russia and Ka-

zakhstan for delimitation of the seabed of the northern part of the Caspian based on the median line and equidistance principle, two southern countries, Iran and Turkmenistan, still oppose the mentioned accord. Moreover, while there are certain indications that Turkmenistan can possibly accept the median line principle (however in different interpretation of the line), Iran still continues to be the most resilient opponent of such a delimitation and insists on the equal division principle, which would significantly enlarge its share of the Caspian seabed and surface.

Legal vacuum and existence of disputes over the sea borders paves the way to naval build-up and militarization of the Caspian. As Garibov illustrates, naval arms race, a relevantly new phenomenon in the Caspian Sea, continues in potentially dangerous way, threatening to transform Caspian from one of the less to one of the most militarized seas. Led by the Russian efforts, all states invest to re-train and re-arm their military forces in the sea, to create needed military infrastructure as well as to establish their own production capacity of naval armament. Despite the chance of open military confrontation is currently negligible in the Caspian, nonetheless increased military capabilities encourage littoral states to forcefully uphold of claims. Unintended escalation of tensions in the sea might possibly lead to the conflict that will endanger stability in the region, threatening to halt energy extraction and export, cause environmental disaster in the sea and result in humanitarian crises in the region.

Energy resources of the Caspian Sea represent a primary strategic asset of the littoral states, standing as the single most important factor drawing attention of other regional and global players to the region. Integrity of energy extraction and transportation infrastructures is fundamental for the riparian states, as well as to the importers of the Caspian energy resources. Any serious damage that could disrupt exports flows will cause huge economic costs on the exporter countries in terms of income losses and importer counters in terms of deteriorating their energy security. Moreover, any sabotage or attack against energy infrastructure in the sea and consequent oil leak might turn into an environmental catastrophe for such a closed water body. According to Verda, threats to energy infrastructures might come from state and non-state actors as well as some local groups, while main countermeasures – such as international and regional cooperation, building up appropriate protection capabilities against potential attackers including cyber-attacks, increasing public private cooperation etc. – have to be taken in order to provide effective protection to the energy infrastructures in and around the Caspian Sea.

Environmental pollution is another major transnational concern in the Caspian which demands common action and policy coordination among the riparian states. Over-exploitation of energy resources and over-fishing represent two single most important environmental threats in the basin. As a closed

water reservoir, possible degradation of the Caspian ecosystem will be very difficult to reverse, and it will take time and efforts to achieve any meaningful solution of environmental problems by altering resource exploitation policies. Although risks still abound, as Villa notes, the environmental security regime that has been gradually emerging in the last fifteen years is an encouraging start. With the support of some international organizations and agencies, the five littoral countries have managed to agree upon a programme to monitor the environmental status of the Sea and have gone as far as signing a Framework Convention and two Protocols in this direction.

Existence of the five independent actors in regional politics – the five littoral states of the Caspian Sea, each of which with varying visions and different agendas regarding the mentioned transnational issues and regarding Caspian politics in general – makes it quite a challenging task to agree upon common solutions to address the basin's issues. The second part of the volume discusses the Caspian policies of these littoral states. Transnational issues have varying degree of importance for them and this importance stems from different reasons. For some, such as Caspian energy producer's Azerbaijan, Kazakhstan and Turkmenistan, energy production in the offshore and onshore fields along the sea coasts has vital importance as these resources played key role in their post-Soviet development. Although the biggest littoral actors, namely Russia and Iran, currently do not have substantial energy production in the sea, nonetheless Caspian politics is important for achieving broader regional goals, though it is reported that they have recently discovered new potentially rich energy fields in the sea. In fact existence of new independent actors around the Caspian with the capability to maneuver with big powers to maximize their interests is one of the major differences of the current Caspian politics from the so-called "Great Game" of the end of the XIX century.

Russia has become a Caspian actor since the conquest of Astar Khan Khanate in 17th century, while since the establishment of standing navy in the sea in the beginning of 18th century Russia became the dominant state in the basin, gradually establishing a firm hold on the area. Thus, it had been the *de-facto* 'owner' of the sea until the collapse of the Soviet Union. Hence, after the demise of the Soviet superpower and emergence of the new independent actors in the Caspian basin, Russia tended to preserve and strengthen its influence over the Caspian region, with energy being its primary interest and focus of action. As Penkova describes, other spheres of intervention such as the dispute over the legal status of the Caspian Sea and security concerns play an instrumental and complementary role in achieving its energy objectives. While Russia acts as *status quo* power to preserve its dominance in the Sea and influence over the region, Iran acts as the main revisionist power in the Caspian region, not recognizing geopolitical, geoeconomic and legal realities emerged in the region after the collapse of Soviet Union. Tehran is also

seriously concerned with Azerbaijan's and other littoral states' cooperation with Western oil companies in exploration of the sea's hydrocarbon resources. Thus, Iran's attempts to establish strategic cooperation with Russia in the Caspian, serves the same aim of countering Western influence in the region. As Karimov points out, while elections of 2013 suggested increased moderation at home Teheran's foreign policy remained bellicose and it will continue its attempts to strengthen influence over the neighbouring regions including Caspian Basin.

Caspian Sea has more importance for Azerbaijan, Kazakhstan and Turkmenistan, which have narrower foreign policy agendas in comparison with their bigger neighbours. Azerbaijan extracts almost all its oil and gas in the sea, while the Caspian shore hosts important part of countries' population, including the capital city Baku. Major industrial capacity of the country is also concentrated on the Caspian shore in the Absheron peninsula, where major sea and air ports are located as well. It plays a key role for facilitating Azerbaijan's trade with Central Asian countries including export of Central Asian energy resources through Azerbaijan to world market, and in general it is a key transit for Azerbaijan's plans to become a trade facilitator between Asia and Europe. As Ibrahimov notes, Caspian Sea occupies an increasingly prominent place in the definition of the political, economic and social aspects of both domestic and foreign policy of Azerbaijan. Thus Azerbaijan works for finding sustainable solution to the Caspian legal status issue in order to carve the chances for potential deterioration of regional stability. Caspian Sea and its resources have paramount importance for the two states bordering the sea – Kazakhstan and Turkmenistan. As Asanbayev argues, oil and gas sector is the backbone of the economy of Turkmenistan and Kazakhstan and a relevant part of these resources are extracted either in the Caspian or in its immediate proximity. Both countries, having abundant supplies of hydrocarbons, are interested in developing a wide network of export routes and the sea plays a key role in Westward export of the resources. Thus, for these two countries stability in the sea is the key goal enabling to realize their extraction and export projects.

One of the main features of Caspian policy is the key role it played in the context of the systemic transition from the Cold War to the post-bipolar international and regional systems. Once again, the two main features of Caspian geopolitics – namely its strategic geographic collocation and the possession of large and untapped hydrocarbons' reserves – set the scene for the rising of the basin to the core of Eurasian politics ever since 1991. Nowhere this dynamic is more visible than in the analysis of the non-littoral states' Caspian policies – main focus of the third part of the volume. Above all, the choice of the actors concerned itself – United States, European Union, Turkey and China – already testifies the relevance of the basin for regional as well as interna-

tional politics, the more so if the interplay among littoral and non-littoral states' policies and strategies is taken into consideration.

Against this backdrop, one of the most fruitful level of analysis of the volume seems to be the critical role played by Caspian policy for the redefinition of national foreign policies of concerned non-littoral states, i.e. for the process of redefinition of their national interest – and consequently foreign policy – in the aftermath of bipolar system dissolution. This trend is particularly evident and relevant in the case of Turkey, mainly due to its closeness to the Caspian Sea, not just in purely geographic terms, but also in ethnic, linguistic and cultural ones. As Tanrisever notes, the transformations occurring in the area in 1991 provided Turkey with a unique opportunity to project its economic and political influence. As such, Turkish Caspian policy was a key driver in order to advance its national interest in a region revolutionized by the Soviet Union dissolution, while simultaneously regaining the strategic significance to the Euro-Atlantic partners and, broadly speaking, consolidating its position in the Western world.

In the same vein, the essay dealing with the United States clearly highlights the relevance assumed by the Caspian policy to all the main vectors of the White House's Eurasian policy. Redefining Russian policy through a mix of containment and engagement, containing and isolating Iran, relaunching bilateral relations with Turkey in the aftermath of Soviet dissolution, supporting Former Soviet Republics' sovereignty and independence: all those critical goals of US regional policy saw the Caspian basin playing a decisive role. No less significant was European Union's policy toward the area. Developed in parallel with the widening of its membership and the deepening of its functions, EU Caspian policy was mainly driven by the growing need for energy supply diversification. At the same time, however, it became a critical area of confrontation for the balancing of its national and supranational prerogatives as well as a relevant test case for the ability to set up coherent policies toward and to pursue concrete goals in the neighborhood. The meaningful political investment undertaken by the European Commission in order to advance a trans-Caspian gas corridor is probably the best example of the aforementioned dynamic, as clearly highlighted in Ceccorulli's essay. Finally, notwithstanding the key role played by economic – and particularly energy – consideration for China's Caspian policy, nonetheless the projection toward the area represents a basic pillar of Beijing's Good Neighborhood Policy, as Di Placido's essay shows. Moreover, due to the typical overlapping in policies and goal of Chinese governmental, banking and business institutions, it is hard to overestimate the linkages between Beijing's energy and foreign policy. Thus, as per the other non-littoral states concerned, Caspian policy accounted for China as both a key foreign policy vector and a valuable test case for advancing national interest at regional level in the complex post-bipolar system.

The third part of the volume seems to highlight another common feature in non-littoral states' policies. As a matter of fact, notwithstanding the relevance of projection towards the area to respective foreign policies, non-littoral states Caspian policies were chiefly 'derivative'. Indeed, as highlighted in the essay on the US, non-littoral states had never set up a Caspian policy *per se*, i.e. a comprehensive and consistent approach to the basin's main issues. Apparently, this trend was the result of two main interconnected factors: on the one hand, the intricate overlapping of various as well as tricky transnational issues and, on the other hand, the influence exerted on the basin politics by different regional and sub-regional complexes, hindering the development of an holistic approach toward the Sea itself.

Finally, taking into consideration the interplay of littoral and non-littoral states Caspian policies as well as the basins' tangled issues, all the essays in the volume's third part clearly show that the regional balance of power and influence is far from being achieved and that the systematization of the area remains an open issue. Indeed, while the single and most evident regional trend seems to be the steady advance of the "Chinese factor" – all the more evident on the basin's eastern front – simultaneously the regional policies of the Euro-Atlantic bloc are going through a period of deep rethinking, not without inner contradictions. Whether US and EU regional policies greatly overlapped and reinforced one another until the second half of the 2000s, over the last five-years period they seems to be taking different paths. While under Obama Administration, pressed by the needs of withdrawing from Afghanistan, the US shifted eastward the focus of its Caspian policy, the EU seems to follow an opposite trend. Indeed, even if the attempt to promote a trans-Caspian gas connection still implies a degree of political dialogue with Turkmenistan, the wider trends of Brussels' regional policies make the Caspian Sea, as Ceccorulli notes, the eastern limes of EU neighborhood policies, increasingly focused on the basin's west end. Last but not least, the seeming weakening of the Euro-Atlantic front is deepened by the more independent foreign policy course embraced by Turkey as well as by its growing reluctance to coordinate policies with Western partners, recalled in Tanrisever's essay. While it is still an open question whether Turkey will manage in bridging the gap between expectations and capabilities which characterized its regional policies in the '90s, at the same time, however, Ankara's shifting regional priorities contribute to a great extent to draw the picture of Caspian politics' unsteady dynamics.

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