

IAN O. LESSER

4
no

XENOPHON PAPER

GLOBAL TRENDS, REGIONAL CONSEQUENCES:

WIDER STRATEGIC INFLUENCES ON THE BLACK SEA



The [International Centre for Black Sea Studies \(ICBSS\)](#) was founded in 1998 as a non-for-profit organisation under Greek law. It has since fulfilled a dual function: on the one hand, it is an independent research and training institution focusing on the Black Sea region. On the other hand, it is a related body of the Organisation of the Black Sea Economic Cooperation (BSEC) and in this capacity serves as its acknowledged think-tank. Thus the ICBSS is a uniquely positioned independent expert on the Black Sea area and its regional cooperation dynamics.

The ICBSS launched the [Xenophon Paper](#) series in July 2006 with the aim to contribute a space for policy analysis and debate on topical issues concerning the Black Sea region. As part of the ICBSS' independent activities, the Xenophon Papers are prepared either by members of its own research staff or by externally commissioned experts. While all contributions are peer-reviewed in order to assure consistent high quality, the views expressed therein exclusively represent the authors. The Xenophon Papers are available for download in electronic version from the ICBSS' webpage under www.icbss.org.

In its effort to stimulate open and engaged debate, the ICBSS also welcomes enquiries and contributions from its readers under icbss@icbss.org.

IAN O. LESSER

4
no

XENOPHON PAPER

GLOBAL TRENDS, REGIONAL CONSEQUENCES:

WIDER STRATEGIC INFLUENCES
ON THE BLACK SEA



NOVEMBER 2007

International Centre for Black Sea Studies (ICBSS)

4 Xenophontos Str.
10557 Athens
Greece

Tel: +30 210 324 2321

Fax: +30 210 324 2244

Email: **icbss@icbss.org**

Website: **www.icbss.org**

Director General: Dimitrios Triantaphyllou

© International Centre for Black Sea Studies 2007. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of the International Centre for Black Sea Studies. The views expressed exclusively represent the authors and do not necessarily reflect those of the ICBSS.

ISSN 1790-8396

ISBN 978-960-89227-9-2

Published by the International Centre for Black Sea Studies and printed in Athens (Greece) by Multimedia Ltd.

CONTENTS

Preface	7
<i>Dimitrios Triantaphyllou</i>	
Introduction	9
1. Why the Black Sea Matters – An Extra-Regional Perspective	11
2. A Distinctive Strategic Space?	15
3. Enlargement and Integration – the Reach of the West	17
4. New Cold Wars?	19
5. Nuclear Futures and Cascading Effects.....	23
6. A Changing United States.....	25
7. Energy Trends and Energy Security Perceptions	29
8. The Spectre of Resurgent Nationalism	33
9. New Actors and New Alignments	35
10. Religion, Ideology and New Networks	39
11. Structural Trends.....	41
Conclusions: Anticipating Wider Influences – and Some Open Questions	43
ANNEXES	47
About the author.....	47
Abbreviations	49

PREFACE

The wider Black Sea area is rapidly becoming a focal point of interest for a number of extra-regional actors that can also be considered, in view of their active involvement, to be stakeholders. As Ian Lesser, the author of this new Xenophon Paper suggests, the Black Sea is strategically significant because it is an important part of the European security environment, it is a political and logistical hub for power projection to crisis-prone areas beyond the Black Sea basin and it is important in its own right because of its impressive development potential but also because it harbors many flashpoints for regional conflict.

A fundamental question that emerges from reading this Paper is whether there is a need for developing Black Sea identity as a distinct security space or whether the Black Sea should be treated 'as part of a larger geographical continuum'. The logical conclusion is that a thorough consideration of both aforementioned approaches is necessary and inevitable.

For this reason, the positions, priorities and options of Russia, the United States and the EU with regard to the region are especially relevant. Global concerns such as energy security, Iran's nuclear conundrum, resurgent nationalism or the health of financial global markets are also mirrored in a concentrated form within the confines of the Black Sea space.

Ian Lesser, a scholar of international relations that needs no introduction, has in his contribution really placed the Black Sea and its security dilemmas in context by identifying the broader geostrategic trends and assessing their impact on the region. Ian's paper is succinct, clear and thought-provoking. It is bound to become a key contribution to the ongoing policy debate regarding the future of the wider Black Sea area.

The International Centre for Black Sea Studies (ICBSS) is proud to contribute to the growing body of significant research on regional issues by hosting texts such as Ian Lesser's that promote a better understanding of the challenges and opportunities in the years ahead.

In fact, this Xenophon Paper complements well the ongoing work of the ICBSS Task Force for a Common Black Sea Security Strategy which seeks to produce a policy-oriented report bringing out the views and preferences of the regional players and extra-regional stakeholders alike and recommending convergent action. Ian Lesser's contribution provides an exemplary for another step forward in this continuing quest.

Dimitrios Triantaphyllou
Athens, November 2007

INTRODUCTION¹

Over the last decade, the Black Sea has emerged as a focus of strategic attention on both sides of the Atlantic. In geopolitical terms, the Black Sea has become fashionable. Energy is a key part of the picture, alongside the political, economic and security enlargement of European and Euro-Atlantic institutions around the region, and beyond. The European Union (EU) and the North Atlantic Treaty Organisation (NATO) are now Black Sea actors in the full sense. A region that had languished on the frontiers of Europe increasingly sees itself as a bridge to a wider strategic space on the southern and eastern periphery of the continent.

But even as interest in the Black Sea has grown, it has become clear that the future of the region in security terms will be driven as much – and perhaps more – by trends and developments outside the region, in adjacent areas and on a global basis. These wider influences should be of interest to policymakers and analysts inside and outside the region. Whether the Black Sea is at the centre of strategic concerns in ten years time, or a place at the margins of international affairs, will turn heavily on policies emanating from Washington, Moscow and Brussels, and quite likely Tehran, Delhi and Beijing. Even wider trends concerning globalisation, energy markets and the movement of people and ideas will also play a role.

The purpose of this analysis is to place Black Sea security in context, thinking through the nature of the region as a strategic space, identifying broader security influences, and assessing their meaning for regional and extra-regional stakeholders. Rather than taking developments within the region as a starting point, this analysis takes an over-the-horizon, 'outside-in' approach to Black Sea future and policy implications.

1. The opinions expressed in this paper are the author's, and do not necessarily represent those of the German Marshall Fund of the United States, its staff or directors.

1. WHY THE BLACK SEA MATTERS – AN EXTRA-REGIONAL PERSPECTIVE

Viewed from an extra-regional perspective, the Black Sea is strategically significant in at least three dimensions.² First, the Black Sea and its hinterlands are an important part of the European security environment. From a transatlantic perspective, this means that much of the American interest in the region derives from the evolving security concerns of European allies. In large measure, Washington cares about the Black Sea because Europe cares about the region, and American engagement around the Black Sea has been important to maintaining a relevant involvement in European affairs. This perspective is closely tied to the legacy of the Cold War years, and has also meant that the Black Sea is watched as a bell-weather of future relations between Russia and the West.

The consolidation of political and economic transitions continues to be an important part of this concern when viewed from Europe and the United States (US). The imperative of successfully integrating Romania and Bulgaria within Euro-Atlantic institutions, and the uncertain processes of reform and political change in Georgia and Ukraine, make the Black Sea a front line for transformative diplomacy, and a place where post-communist transitions are still being played out. The Black Sea is a part of the European security environment that remains in flux, and a priority for engagement with government and civil society.

Second, the strategic importance of the Black Sea derives from its role as a political and logistical hub for power projection to crisis-prone areas beyond the Black Sea basin. US and NATO debates about Black Sea security often feature the ability of states around the region to facilitate the projection of military power to the Caspian, Central Asia and the Middle East. Turkey has long been seen in this context. The troubled nature of relations between Ankara and Washington, and uncertainty about the use of Incirlik airbase, have focused attention on facilities in Romania and Bulgaria as alternatives.³ In all cases, there can be a considerable gap between the utility of bases as seen on a map and the political reality of what national governments will allow in times of crisis. But there can be little question that much of the strategic significance accorded to the region in the post-Soviet era derives from a very traditional stake in power projection. For

2. For an excellent, somewhat different description of these interests – and obstacles – as they relate to the need for a coherent Black Sea strategy, see Asmus, Ronald D. (2006), 'Next Steps in Forging a Euroatlantic Strategy for the Wider Black Sea', in Asmus, Ronald D. (ed.), *Next Steps in Forging A Euroatlantic Strategy for the Wider Black Sea*, German Marshall Fund of the United States, Washington. See also, Triantaphyllou, Dimitrios (2006), 'The Black Sea Region and Its Growing Influence', in Manoli, Panagiota (ed.), *BSEC Day: Celebration*, International Centre for Black Sea Studies, Athens, text also available on <http://www.icbss.org>.

3. In fact, the Turkish government has been quietly supportive of coalition operations in Iraq, granting essentially unrestricted over-flight rights, and the use of Incirlik airbase for logistical purposes. Perhaps 75 percent of the material sent to support operations in Iraq flows through Turkey.

Russia, the stakes are clearly different. But here too, there is a related interest in assuring that the wider Black Sea region does not become a forward area for action against Russian interests around the sea, and beyond.

The notion of the Black Sea as a strategic 'bridge' has additional cultural-political and economic dimensions. On the political front, the Black Sea, like the Mediterranean, is an historic meeting place between the Muslim, Western and Orthodox worlds. For some, this role is best described as a bridge between civilizations. For others, the role is more accurately described as a barrier or a strategic glacis between competing civilizations. With the exception of the Black Sea's history as part of the wider Greek world, observers tend to decry the lack of exchange and cultural unity between the various shores of the Sea. This stands in contrast to the Mediterranean, where the idea of cultural unity between the northern and southern shores, as described by Fernand Braudel and others, is well established in intellectual and strategic debates (with a parallel, roughly 1,000 year experience of geopolitical competition between the Muslim world and the West, also centred on the Mediterranean).⁴ There is, as yet, little in the way of a Black Sea identity in strategic terms, although leading regional institutions are striving to encourage this, with some success. This stands in strong contrast to the Mediterranean, where ideas of Mediterranean identity abound and are enshrined in a variety of institutions and dialogues, some effective, some less so. French President Nicholas Sarkozy's proposal for a Mediterranean Union is only the latest in a long series of frameworks for regional cooperation.⁵

Today, Turkey is arguably the most prominent partner for the West in the Muslim world, which places the question of the future of relations with Turkey, and with the Muslim world as a whole, squarely in the centre of the Black Sea as a strategic space. Political turmoil in Turkey, and uncertainty in Ankara's relations with the EU and the US, will produce large strategic question marks for the future of the Black Sea region.

Third, the Black Sea is a place of strategic significance in its own right, with multiple crises on or near its shores, and numerous flashpoints for regional conflict. From frictions with the EU over the implementation of reforms in Romania, to political struggles in Turkey and Ukraine, to the not-so-frozen conflicts affecting Armenia, Azerbaijan and Georgia, the Black Sea is home to a variety of problems occupying the attention of policymakers around the region, and on both sides of the Atlantic. The long-term nature of relations between Russia and the West is another open question with direct implications for stability and cooperation in the Black Sea region. So too, the Black Sea has become a focal point for numerous 'new' and untraditional security

4. See Braudel, Fernand (1976), *The Mediterranean and the Mediterranean World in The Age of Philip II*, Fontana/Collins, London.

5. Notably the Spanish and Italian idea for a CSCM (Conference on Security and Cooperation in the Mediterranean) first proposed in the late 1980s, and subsequent frameworks such as the Mediterranean Forum, the EU's Euro-Mediterranean Partnership (Barcelona Process), NATO's Mediterranean Dialogue, and Mediterranean initiatives within the OSCE. For a good recent review of EU experience in the Mediterranean, see Amirah Fernandez, Haizam and Youngs, Richard (eds.), (2005), *The Euro-Mediterranean Partnership: Assessing the First Decade*, Real Instituto Elcano/FRIDE, Madrid.

concerns, from human trafficking to nuclear smuggling, from environmental degradation to terrorism and organised crime. With the exception of human trafficking and environmental concerns, it is arguable that Black Sea security risks of this kind have been overstated. Certainly, the challenge of transnational terrorism is far more striking in other regions. But there can be little question that non-traditional security issues are central to strategic perceptions of the Black Sea – perceptions reinforced by a lack of transparency regarding the movement of people and goods around the region.

Energy security has been especially prominent in shaping strategic perceptions about the Black Sea over the past two decades. The contribution of Caspian and Russian oil and gas to global (and particularly European) energy supply has made the question of energy shipments through and around the Black Sea a matter of high strategic interest for extra-regional actors, and an important source of reward – and some risk – for regional states. The Black Sea is a leading theatre in which the new dynamics of energy security are being played out, a theatre in which transit countries as much as producing countries are leading stakeholders. The specifics of energy security around the region are examined in more detail below. But it is worth considering the effect of the steady diversification of oil and gas routes on the Eurasian periphery, around the Caspian and Black Seas, and across the Mediterranean. The Black Sea is unlikely to lose its importance in energy security terms, but the notion of a highly competitive ‘great game’ involving alternative energy routes may well be less relevant today than ten years ago, when the Baku-Tbilisi-Ceyhan route was considered revolutionary. It may be still less relevant ten years from now, when multiple new transit projects may be in place. The environmental dimension of the energy security picture may well be among the most enduring and significant for regional states.

2. A DISTINCTIVE STRATEGIC SPACE?

To what extent should the Black Sea be thought of as a distinctive strategic space? Because the sense of Black Sea identity and strategy is relatively underdeveloped, and as security frameworks in adjacent areas such as the Mediterranean and the Caspian are in flux, it is worth considering the extent to which issues and approaches in the Black Sea should be treated as part of a larger geographical continuum.⁶ This question is most striking in relation to the Mediterranean, where many of the hard and soft security challenges are shared, and are truly trans-regional in effect. In energy security terms, the two seas and their hinterlands are increasingly linked. The environmental 'spaces' are highly interdependent.⁷ Countries around both basins are exposed to spillovers from crises in the wider Mediterranean-Black Sea area. Analytically, and at many levels, it makes sense to treat these regions together (just as the more distantly related Mediterranean and Gulf environments are sometimes discussed together).⁸ Politically, dissatisfaction with the EU's Euro-Mediterranean Partnership (the Barcelona Process) and the possibility that it will be subsumed within a larger EU neighbourhood policy, also argues for a more integrated approach. At a minimum, analysis and policymaking will need to acknowledge the effects of developments and strategies in the Adriatic and the Mediterranean on the emerging environment in the Black Sea.

That said, a focus on the Black Sea as a distinctive strategic environment brings some tangible and intangible benefits. Intellectually and bureaucratically, most foreign and defence policy establishments are organised to address regional issues, and especially challenges and opportunities in their immediate neighbourhood. In an area where national capacities for security engagement and power projection are relatively limited, the natural focus will be regional. Bulgaria and Morocco may have some maritime security concerns in common, but the capacity for direct cooperation is obviously limited. Even Turkey, with its extensive diplomatic and defence relationships, has been a less than active participant in Mediterranean initiatives writ-large. Russia, with a sporadic tradition of power projection into the Mediterranean and beyond, has largely withdrawn from any direct presence in the Mediterranean to focus on security concerns closer to home, in the 'near abroad'.

6. See Dufourcq, Jean and Ponsard, Lionel (eds.), (2005), *The Role of the Wider Black Sea Area in a Future European Security Space*, NATO Defense College, Rome.

7. On the environmental dimension, see Mee, Lawrence David (2002), 'Protecting the Black Sea Environment: A Challenge for Cooperation and Sustainable Development in Europe', in Adams, Terry et al., *Europe's Black Sea Dimension*, Centre for European Policy Studies and the International Centre for Black Sea Studies, Brussels.

8. NATO's Mediterranean Dialogue and the Istanbul Cooperation Initiative for the Gulf, are often discussed together in policy and academic forums. ICBSA has made 'security concerns in the wider Mediterranean and Black Sea Regions' the topic of a Conference held in Rhodes on 15-16 June 2007.

Strategic tradition and orientation also play a role.⁹ One explanation for the relatively modest degree of military competition in the Black Sea *per se* since the First World War has been the prevalence of continental concerns in the strategic thinking of the littoral states. Over the last hundred years, the key strategic risks and prizes for most Black Sea states have been in the hinterland. This is where borders have been threatened and defended, territorial ambitions have been played out, and national independence has been asserted and consolidated. In short, there is a persistent tendency for Black Sea states to look landward in forming their foreign and security policies. Even in the more confrontational periods of Russo-Turkish relations, the key stakes in the strategic competition were on the margins of the Black Sea, in the Balkans and the Caucasus. This was also the case during the Cold War (the limitations on naval transits through the Straits flowing from the Montreux convention of 1936 also played a role in limiting the strategic competition in the Black Sea itself). Tellingly, the regional actor with the strongest maritime outlook, Greece, has also been among the most interested in the Black Sea as a cultural and strategic 'space' in its own right.

That said, there are now pressures for the development of policies focused more narrowly on Black Sea issues and Black Sea cooperation, with a strong maritime dimension. Energy transit is one aspect. Common environmental concerns are another. To the extent that regional states are interested in developing more effective multilateral approaches, especially in the security realm, cooperation on maritime issues, including search and rescue, surveillance and interdiction, will be a relatively uncontroversial place to start (this has also been the case along the southern shores of the Mediterranean). Initiatives such as the Turkish-led Black Sea Harmony are an example of this functional approach.¹⁰

Much of the pressure for a regional maritime approach will come from leading extra-regional actors and institutions. The US and NATO are likely to be increasingly active in promoting the control of air and sea space around the Black Sea, driven by terrorism, proliferation and energy security concerns. From a Western, maritime perspective, the extension of operations designed to ensure security, transparency and sea control from the Mediterranean into contiguous seas, including the Black and Red Seas, seems a logical and natural step. From the perspective of regional actors, historically sensitive to the sovereignty implications of this kind of presence, new initiatives in this area may be less welcome. This difference in perspective has been quite clear in the Turkish and Russian opposition to the extension of NATO's operation Active Endeavor from the Mediterranean into the Black Sea.¹¹ The key point here is that many of the drivers for the development of regional or wider approaches to Black Sea security will be external, and these may or may not be welcomed by local actors.

9. For a comparison of the role of the Black Sea, the Mediterranean and other seas in European perception and geopolitics, see Kuhnhardt, Ludger (2002), 'The Lakes of Europe', ZEI Discussion Paper, C 104, Center for European Integration Studies, Bonn.

10. Black Sea Harmony is a naval operation initiated by Turkey in March 2004 aimed at deterring terrorism and asymmetric threats worldwide. It is similar to the NATO-led Operation Active Endeavour in the Mediterranean.

11. See Yinanc, Barcin (2007), 'Wars of hegemony in the Black Sea', *Turkish Daily News*, 29 June.

3. ENLARGEMENT AND INTEGRATION – THE REACH OF THE WEST

The eastward enlargement of European and Euro-Atlantic institutions has been one of the leading, perhaps the leading source of external influence on the Black Sea environment. With the admission of Bulgaria and Romania to NATO and the EU, both institutions are now more firmly entrenched as Black Sea powers. As a result, Europe and the US have also acquired a growing stake in the internal evolution of both countries, and in Black Sea development and security more broadly. Moreover, as the troubled process of reform in Romania even after the country's EU accession demonstrates, the process of integration into the wider European political and economic space may not be smooth, even in a relatively successful case. For Black Sea countries further south and east, Europe's continued commitment to enlargement is a critical open question.¹² One of the key wider influences on the future of the Black Sea will undoubtedly be the future pace and extent of this historic drive toward enlargement and integration.

Turkey is the most pressing case. Since the opening of accession negotiations, Turkey's EU candidacy has been deeply troubled, a result of mounting ambivalence on all sides. Turkey's own political travails and a resurgence of nationalism and sovereignty-consciousness raises questions about the sustainability of the reform program of the last few years. Turmoil in Turkish society will also make Turkey a more difficult partner for Europe on many fronts, and this could encourage a 'hollow' candidacy. Unrelieved crises on Turkey's Middle Eastern borders, and especially in Iraq, could have a similarly isolating effect, with Europe reluctant to acquire new borders with Iran, Iraq and Syria. In Europe, and in the absence of strong promotion by political leaders, public opinion will be sceptical about further enlargement, especially to a Muslim country on Turkey's scale. The election of Nicholas Sarkozy, a vocal opponent of Turkish membership, will further cloud the picture. In short, there are strong reasons to be pessimistic about the prospects for Turkish membership.

European and Turkish debates often treat the issue of Turkey's candidacy as a near term question. In fact it is a long-term issue, perhaps 10-15 years distant. In this time frame, both Turkey and the EU may look quite different, with the potential for Turkey to fit into the European project in new and different ways. A similar dynamic could arise in relation to Ukraine and possibly Georgia. Enlargement fatigue notwithstanding, the long-term integration of Ukraine, whether as an EU (and NATO?) member, or in a less formal fashion, is a looming strategic question that Europe will find difficult to avoid. For Turkey, and potentially for Ukraine, the question of the end-state, the institutional outcome after what may be decades of reform and adjustment, also cannot be avoided. It is unclear that the momentum for transformation can be sustained without the clear goal of full membership. From a western perspective, the question of the end state may be less critical than the continued *convergence* of Turkey, Ukraine, Georgia and other countries

12. See Aydin, Mustafa (2004), 'Europe's Next Shore: The Black Sea Region after EU Enlargement', Occasional Paper, no. 53, EU Institute for Security Studies, Paris, June.

now on the margins of European integration. A Black Sea environment with Turkey and possibly Ukraine 'in' Europe, would look quite different than an environment with these key regional actors held at arms length. If the formal process of EU enlargement comes to a halt, it may also be more difficult for Europe to pursue an active security role around the Black Sea, and the EU will have a reduced stake in doing so. More broadly, relations around the Black Sea will present some of the most critical tests for the evolving European Neighbourhood Policy, and the Common Foreign and Security Policy.¹³

NATO adaptation will also play a role. Turkey is a longstanding member, and the country has been integral to Alliance planning since the early years of the Cold War. But Turks are now less confident about the predictability and utility of the NATO security guarantee in relation to new risks, especially those emanating from the Middle East. The centre of gravity of NATO strategy and operations has shifted dramatically south and east over the last decade. Enlargement to Bulgaria and Romania has also made the Alliance a more prominent actor in Black Sea security. If NATO's sphere of operations continues to expand, and the alliance develops new global partnerships and interests, in the Middle East, Asia and elsewhere, this may have implications for the energy and resources that can be devoted to the security concerns of Romania, Bulgaria and Turkey. This will certainly be the case if the Alliance finds itself marginalised as an actor in maritime security around the region.

The extent to which littoral states are drawn fully into the Euro-Atlantic orbit will matter in security terms over the next decade. It will strongly influence whether the Black Sea moves closer to the centre of the European space, or whether it continues to be an area on the margins – possibly an area where Euro-Atlantic interests dictate a more active approach, but on the margins nonetheless. For proponents of continued activism, a faster-paced strategy of transformation and integration for the Black Sea is a critical next step toward completing a 'wider Europe' as a grand strategic project.¹⁴

The internal evolution of countries like Ukraine, Georgia, Armenia and Azerbaijan will also play a leading role. The pace and direction of reform will exert an important influence on the attractiveness of these countries as security partners for Washington and Brussels. In the period of the 'orange revolution' in Ukraine, Western political support, and funding for civil society and democratisation projects was very much in evidence. In the wake of these events, the level of Western involvement has dropped substantially, a product of confused politics inside Ukraine, overly-optimistic assumptions about the durability of transition and independence, and a desire in some quarters not to worsen an already troubled relationship with Moscow. More broadly, funding and attention to democratisation in Ukraine, Georgia, Moldova, and Eurasia as a whole, has suffered from competing requirements in the Arab and Muslim worlds. If the next decade follows the general post-2001 pattern, much American attention and funding may be oriented elsewhere, leaving the transformation and integration of key states around the Black Sea half made – and a European rather than transatlantic priority.

13. See Commission of the European Communities (2007), 'Black Sea Synergy – A New Regional Cooperation Initiative', [COM(2007) 160 final], Brussels, 4 April; and Batt, Judy et al., (2003), 'Partners and Neighbors: A CFSP for a Wider Europe', *Chaillot Paper*, no. 64, EU Institute for Security Studies, Paris.

14. This case is made in vigorous terms in Asmus, Ronald D. and Jackson, Bruce P. (2004), 'The Black Sea and the Frontiers of Freedom', *Hoover Institution Policy Review*, June/July. (<http://www.hoover.org/publications/policyreview/3437816.html>).

4. NEW COLD WARS?

The security environment in and around the Black Sea will be strongly influenced by the propensity for new or revived strategic competitions. Russia and Iran are the critical cases to watch. The rise of new 'cold wars' involving these powers and their relations with the West would have far-reaching consequences for the region.

The last few years have seen new strains in relations between Russia and the West. The deteriorating atmosphere is due, in large measure, to a resurgence of authoritarian politics and a more vocal nationalism in Russia. In many respects, Russia under Putin now seems a less congenial and predictable partner for Europe and the US. Russia's more assertive energy policy, at a time of growing concern about energy security in Europe, has also played a role. This is also a concern with a specific Black Sea dimension, with gas supply and price disputes between Russia and Ukraine at the centre. As seen from Europe and the US, perceived Russian meddling in the politics of its Black Sea neighbours has also played a role. Most recently, the chill in Russian-Western relations has acquired a sharper rhetorical flavor, and has involved specific strategic disputes, notably the question of US and NATO programs for ballistic missile defence, and the future of existing arms control agreements. The revival of Russian military activity beyond its borders, including the announced return to a permanent naval presence in the Mediterranean, has fuelled concerns – almost certainly premature – about a new Cold War.

From a Russian perspective, stronger economic growth and higher energy prices have encouraged a more confident and assertive external policy after years of stagnation and disengagement from regional affairs. The assertiveness of American (and some European) foreign and security policy in the post-9/11 period, including a forward leaning approach to political transitions in Georgia and Ukraine, has also fuelled Russian suspicion. NATO enlargement itself has inevitably reawakened fears of strategic encirclement in Moscow. Plans for the deployment of radars and interceptors in Europe as part of a nascent missile defence system for North America have also provoked a sharp reaction from Moscow. New missile defences aimed at countering Iranian or other missiles deployed in the Middle East may not threaten the viability of Russia's large and sophisticated nuclear arsenal. And it is arguable that Russia should share American and European concerns about the proliferation of ballistic missiles of trans-regional range, possibly nuclear armed. But Russian strategists are understandably worried about the longer-term implications of a shift toward more pervasive and capable defences as part of the global strategic balance. To the extent that Russian strategy relies heavily on the nuclear component, this concern will be reinforced.

Taken together, there is good reason to anticipate a progressive deterioration of Russian relations with Washington, and to a lesser but potentially important extent with Europe. This deterioration will have limits. A revived military competition on the pattern of the Cold War years is unlikely, but lower-key strategic competition and regional frictions are possible. In a scenario of this kind, the wider Black Sea region emerges as a likely centre of gravity for competition,

over political futures, over energy, and in security terms. Ukraine, Georgia, Armenia, Moldova and Azerbaijan have already been affected by this competitive atmosphere, and confronted with Russian interference in their internal affairs, both real and perceived, political leaders in these states have been pressing for renewed containment of Russian influence.¹⁵ Turkey, and NATO's new members in the Balkans, could also be confronted with some uncomfortable choices on Russia policy in the years ahead.

Unlike the competition of the Cold War years, the new environment may be characterised by a suspicious and sovereignty-conscious Russia defending the regional status quo, confronting a 'revolutionary' West keen to extend its political, economic and security models to the east and the south. America's interest in democratic enlargement (to use the Clinton era vocabulary) or transformational diplomacy (in the current terminology) may prove durable, and may not be seen as benign from Moscow – or from Ankara. The EU's own more conditional policies, and interest in democratisation in the wider European neighbourhood, may look similarly threatening to Russian interests. The West's willingness to sanction the emergence of new states in the Balkans, most recently in Kosovo, and perhaps elsewhere across the wider Black Sea region, will also appear to undermine Russian interests in suppressing separatism and preserving the territorial status quo. This is a perspective that may be shared by other states in the region facing ethno-nationalist challenges to their sovereignty.

A more competitive relationship with Russia could also mean a different kind of American and NATO engagement across the region. Bulgaria, Romania and Turkey could face new pressures regarding security cooperation, base access and over-flight rights. If Washington and Brussels are not in harmony in their policies toward Moscow, this could introduce new and stressful dynamics into transatlantic relations. Issues of security cooperation have already been a source of strain in relations between Ankara and Washington, and Turks are now inclined to a more benign view of Russian policy, encouraged by a burgeoning economic relationship between Russia and Turkey. American strategists and officials have been inclined to see NATO's new members (the 'new Europe'), and the new Black Sea members in particular, as sharing an American strategic perspective. Over the next decade, as Bulgaria and Romania acquire a more developed stake in EU policies - and budgets - relations with Brussels may well overshadow relations with Washington. Under these conditions, with these new members, and perhaps with Turkey's EU candidacy on a better course, Washington may find it hard to secure cooperation on power projection issues around the Black Sea beyond what the European consensus will support. In the same manner, the existence of a transatlantic consensus on policy toward Russia, and other strategic challenges, will allow for a more extensive and predictable security relationship with NATO members around the Black Sea. This effect has been demonstrated repeatedly in American relations with other southern European NATO members, including Portugal, Spain, Italy and Greece.

In an even more negative case, friction with Russia could spur a remilitarisation of the Black

15. See, for example, Tymoshenko, Yuliya (2007), 'Containing Russia', *Foreign Affairs*, May/June, pp. 69-82.

Sea region, in the sense of higher defence spending, a greater emphasis on capabilities beyond territorial defence, and a revival of Russian naval activity in the Black Sea and the eastern Mediterranean. It could also mean greater attention to questions of nuclear strategy and posture, for Russia and for NATO. Rapid integration of Ukraine, Georgia and Moldova into Western institutions, including security structures – one strategic response to a more assertive Russian policy – may need to be accompanied by a more active, positive engagement with Moscow to forestall a spiral of regional competition, and to lessen the prospect of a new cold war with Russia.¹⁶ From a European and transatlantic perspective, a key question for the future will be the need to balance political and security engagement around the Black Sea with a wider geo-strategic stake in acceptable relations with Russia.

16. See Larrabee, F. Stephen (2004), 'The Russian Factor in Western Strategy Toward the Black Sea Region', in *A New Euro-Atlantic Strategy for the Black Sea Region*, German Marshall Fund of the United States, Washington.

5. NUCLEAR FUTURES AND CASCADING EFFECTS

The next decade could well see the emergence of one or more new nuclear or nuclear-ready powers in the Middle East, with effects that would be felt around the Black Sea and on a global basis. Mistaken assumptions regarding weapons of mass destruction (WMD) in Iraq have made the international community sceptical regarding WMD programs elsewhere. In the case of Iran, there are many open questions regarding the pace and extent of the country's nuclear enrichment program. But the latest assessments from the International Atomic Energy Agency (IAEA) appear to confirm what most analysts have long suspected; that Iran has a significant, dispersed enrichment program oriented toward the production of fissile material.¹⁷ Judgments vary, but it is quite likely that Iran will be in a position to produce a nuclear weapon within ten years, and quite possibly much sooner. Leaving aside the confrontation with Israel and competition with regional neighbours, the core rationale for Iran acquiring a nuclear capability is almost certainly a more generalised desire for strategic weight, to be taken seriously on the international scene, and to deter the US. Alternatively, Iran might opt for a prolonged near-nuclear posture, exploiting the 'weight' its program confers without complicating its regional diplomacy or triggering a military response from Israel or the West.

Iran has also developed ballistic missiles of progressively longer range. With the deployment of the 1,500 km range Shahab-3, Iran will have a system capable of reaching Turkey, Russia and much of Europe.¹⁸ In an operational if not necessarily a political sense, this will make Iran a Black Sea and a Mediterranean power. Iran's substantial investment in ballistic missiles since the 1980s also increases the likelihood that Tehran will seek to combine its missile reach with a nuclear capability, even if the arsenal is limited in numbers (it makes little sense to develop missiles of uncertain accuracy, capable of reaching western Europe or south Asia, to be armed with conventional warheads). The emergence of a nuclear or even a near-nuclear Iran would have a number of potentially important strategic consequences for the Black Sea region.

First, countries adjacent to Iran and most directly exposed to an Iranian nuclear arsenal may feel compelled to respond through their own military modernisation programs and through adjustments to their strategic doctrine. Turkey is unlikely to pursue a nuclear capability of its own as long as the NATO nuclear guarantee remains credible, but it could acquire new conventional capabilities to offset Iran's nuclear posture. Egypt and Saudi Arabia, sensitive to the geopolitical implications of a 'nuclearising' Iran, could well embark on nuclear programmes of their own. Russia, already heavily reliant on its nuclear capability to offset the shrinkage of its

17. See Report by the Director General, 'Implementation of the NPT Safeguards Agreement and Relevant Provisions of Security Council Resolutions in the Islamic Republic of Iran', IAEA Board of Governors, 14 June 2007.

18. Existing shorter range Iranian missiles are already able to reach key Turkish populations centres. See Rubin, Uzi (2006), *The Global Reach of Iran's Ballistic Missiles*, Institute for National Security Studies, Tel Aviv, pp. 20-22.

conventional forces, could move toward a more useable theatre nuclear capability, with all that this could mean for existing arms control regimes in Europe. Smaller countries, from the Balkans to the Gulf, may find new incentives to strengthen their security ties with Euro-Atlantic partners. For the Black Sea, a region where some nuclear arsenals have been reduced or dismantled since the end of the Cold War, a nuclear Iran and new proliferation dynamics to the south and east, could mean a disturbing re-nuclearisation of security and strategy.

Second, the wider Black Sea region could experience a cascading effect on security perceptions and military balances. As noted earlier, Turkey is unlikely to 'go nuclear' in response to Iranian proliferation, but the spread of longer-range missiles and growing nuclear potential across the region will have an effect on defence postures, and this will inevitably affect security perceptions further afield, including the Aegean and the Balkans. Russian responses could have a similar effect on perceptions in Ukraine, Georgia and Azerbaijan. The net effect could be to draw the Black Sea region closer to the heavily militarised and highly unstable environment in the Middle East, posing new challenges for Western partners who may not welcome an increase in their own security exposure. This, in turn, could have longer-term implications for further NATO and EU enlargement around the Black Sea.

Third, the prospect of a nuclear Iran could provoke a military response from the US, or Israel. Under conditions of more explicit Iranian threat to Europe, it might even provoke a European response, or at least support for action by others. A strike against Iran's nuclear facilities, or other targets of value to the regime could lead to a range of Iranian responses, both conventional and unconventional. Some of these responses might be far-reaching, could play out over years, and could touch on the Black Sea. Energy markets could be disturbed in ways that redouble interest in Caspian and Russian energy, and transit routes through and around the region. Iran might expand its support for non-state actors of all kinds, from Gaza to Lebanon, and from Iraq to Chechnya – a development that would touch on the security of several Black Sea states. Even short of a military confrontation, a long-term cold war between the West and Iran is possible. This could imply wider economic sanctions and a sustained strategy of military containment from the Gulf to the Caucasus. Patterns of energy trade and investment would be affected, as would the overland truck and rail routes between Europe and Iran. The net economic and security consequences for the wider Black Sea region could be substantial even without a direct military confrontation with Tehran.

6. A CHANGING UNITED STATES

Like the Mediterranean, but unlike the Gulf and Central Asia, the Black Sea is an area where European and American interests and capacity to act are relatively balanced. Both have a stake in sustained economic integration and democratic enlargement, and have demonstrated a willingness to take strong positions in support of political change. Events in Georgia and Ukraine are leading examples alongside NATO and EU enlargement to Bulgaria and Romania. The future vigour and reach of the EU's neighbourhood policy, and possible enlargement to embrace Turkey or Ukraine over the next two decades, will be a leading, perhaps the leading driver of Black Sea futures. The US will have a keen stake in the extent and character of this European engagement around the Black Sea.

The US will also have independent perceptions of and policies toward the Black Sea, and these, too, will be important factors in shaping the future of the region. American strategy toward the Black Sea will be derivative of wider foreign policy tendencies. In the wake of September 11th, American foreign policy has changed in ways that are unlikely to be reversed regardless of impending changes in administration, whether Republican or Democratic. Indeed, some of these changes were already underway well before 2001.

First, the last decade has seen a general decline in the priority of regional issues and regional institutions in US strategy, and a corresponding rise in the importance of specific functional challenges, from terrorism to energy security. At the same time – and this was clearly demonstrated in Iraq – security partnerships have come to be measured much more closely in terms of specific, tangible cooperation. Under post-September 11th pressures, the traditional flywheel of Alliance relations has often been subordinated to operational demands, many associated with counter-terrorism cooperation and base access. In the absence of these pressures, and differences with Turkey over Iraq policy, it is unlikely that new base access arrangements in Bulgaria and Romania would have had the same perceived significance. In the past, NATO enlargement around the Black Sea was viewed as a generalised strategic priority, part of the long-term consolidation of the post-communist security order in Europe. Today, American security engagement with Black Sea states is viewed largely in operational rather than political terms.¹⁹

Second, it is not much of an exaggeration to describe key aspects of today's American foreign and security policy as extended homeland defence. The tendency to frame strategy in terms of countering the reach of terrorists and proliferators has influenced American engagement in many regions, not least the Black Sea. This is a trend that could weaken over time, especially if

19. A near term test of this kind may arise from a possible request to Georgia or Azerbaijan to host new American radar installations as part of an emerging missile defence architecture.

other challenges of a more conventional state-to-state sort emerge (a new competition with Russia, or with China?). But for the moment, it has led to a focus on selected aspects of the security environment around the Black Sea, including maritime surveillance, nuclear smuggling, and terrorist networks.²⁰ Apart from the south Caucasus, the latter have not been a prominent part of the security environment in the Black Sea as a whole, but could become a more pressing problem for regional states over the coming years. In particular, the flow of large numbers of foreign fighters into – and out of – Iraq could begin to affect the security scene over a wide region. Turkey is the most exposed, but the effects could be felt from the Caucasus to Russia, in the eastern Mediterranean, and even globally. A similar phenomenon followed the Soviet withdrawal from Afghanistan, and continues to influence security in places as diverse as North Africa and Southeast Asia. For countries around the Black Sea, a key open question concerns the durability of this homeland security-driven US interest in developments around the region, and the desirability of this attention as local risks vary over time.

Third, the US has pursued an explicit democratisation and transformation agenda with considerable vigour over the past decade, arguably reaching its zenith with the invasion of Iraq. To be sure, this strategy has deep roots in the American foreign policy tradition, and will surely persist in some form in the future. But will this add up to a revolutionary foreign policy, with a continued impetus to ‘shake things up’ in the Middle East, on the European periphery, or elsewhere? Or will perceived interests in security and the geopolitical status quo trump the interest in democratisation? This open question will have important implications for the Black Sea as an area where political transitions are incomplete or uncertain, and where geopolitical competitions could flare. An important, related question concerns the extent to which the American approach to political transition and reform in Ukraine or Turkey, both critical Black Sea actors, will accord with European strategy. Leaderships on both sides of the Atlantic may adopt a lower-key, arms length approach over the coming years, with potentially negative implications for the continued convergence of these states with European norms, and the wider process of integration with Europe.

Fourth, American engagement around the Black Sea will be a product of overall foreign policy priorities, and demands elsewhere. It can be argued that the region benefited substantially from a decade of attention to post-communist transitions and NATO enlargement, before the rise of new functional priorities after 2001. Future crises and conflicts in the Middle East, and in a more profound sense, the rise of China as a strategic competitor, could draw much American attention and energy away from relationships in Europe and around the Black Sea. By contrast, a more assertive Russia, or simply a richer and more influential Russia, could spur more American policy attention to the region as a whole. Unlike the Middle East and Asia – arguably areas of structural American interest – regions such as the Balkans and the Black Sea may well see *too little* American presence over the next decade, with consequence for the pace of political and

20. For a detailed discussion of risks and responses, see Simon, Jeffrey (2006), ‘Black Sea Regional Security Cooperation: Building Bridges and Barriers’, Harvard Black Sea Security Program, 19 January. Text available on <http://harvard-bssp.org/publications>.

economic development, and the balance of transatlantic roles.²¹

Without question, and for the moment, the Black Sea is a fashionable foreign policy issue for US foreign policy elites, including a range of influential non-governmental organisations, from foundations to policy analysis institutions.²² New dialogues and new initiatives abound. In a defence planning and cooperation context, the region has benefited from the progressive shift of security attention and resources to the south and east within America's European military command (EUCOM). Despite some initial scepticism, American planners have developed greater interest in regional approaches to security cooperation such as Black Sea Harmony, perhaps as an alternative to higher-profile and more controversial NATO-led initiatives.²³ Looking ahead, the durability of this trend toward greater interest, and greater tolerance for purely regional approaches, is likely to turn critically on trends and developments outside the region itself – another key example of global influences on the regional environment.

21. See the discussion in Cohen, Ariel and Conway, Irwin (2006), 'US Strategy in the Black Sea region', *Heritage Backgrounder*, no. 1990, Heritage Foundation, Washington, December.

22. Institutions as diverse as RAND, the German Marshall Fund, the Nixon Center, the Hudson Institute, Brookings, and many others, have active projects in and on the region.

23. See Kucera, Joshua (2007), 'The United States Develops a Strategic plan for the Black Sea', *Eurasia Insight*, 1 March. Available on Eurasianet.org.

7. ENERGY TRENDS AND ENERGY SECURITY PERCEPTIONS

Energy trade and energy security have been central to extra-regional perceptions of the Black Sea, and are also key points of influence on the region from more distant areas, including Central and East Asia, the Caspian and the Middle East. The tendency to view the strategic importance of the Black Sea through the lens of access to vital resources has a long and varied history, and has been central to the continental strategic traditions of Russia and Germany, among others. The eastern expansion of railways across Europe and Eurasia before the First World War, and the centrality of the Caucasus region to grand strategy in the Second World War, were both intimately linked to notions of resource security, and competitive ideas about access to food, energy and raw materials.²⁴ In a contemporary context, new energy projects, in particular oil and gas pipeline routes, have captured the imagination of strategists inside and outside the region as part of a competitive great game across Eurasia. As one writer has stated “today, pipelines are as important for geopolitical relations on the Eurasian continent as railways were all over Europe in the 19th century.” The writer goes on to cite energy transport as critical to the role of the Black Sea, and a critical issue that may divide or unite Russia, regional actors, and the West.²⁵

Views regarding the proliferation of gas and oil routes are linked to concerns about energy diversification, environmental security, and above all, the future of relations with Russia, and to a lesser extent, Iran. Indeed, fears of Russian assertiveness in gas markets, through physical control over gas transport or through the market (including efforts to organise a gas ‘OPEC’ with Algeria and Iran) are now central to the debate over Russia policy in Europe, and in Washington.²⁶ Turkey has its own strategic stake in gas trade around the Black Sea. It also has the most prominent stake in the environmental security implications of increasing tanker traffic through the Bosphorus and its approaches as larger increments of Caspian oil are brought to world markets. Ukraine sees its energy imports as an unwelcome source of Russian leverage over the future of the country. At the western end of the Black Sea, Bulgaria and Romania have a lesser but still important interest in the future of energy transport and investments. From both the regional and extra-regional perspective, energy security is central to thinking about the future of the Black Sea, and a leading vehicle for international attention.

24. See Lesser, Ian O. (1990), *Resources and Strategy: Vital Materials in International Conflict*, St. Martin's, London.

25. Thumann, Michael (2006), ‘European Energy Security, the Black Sea and Russian Interests – Can There be a Common Strategy?’, in Asmus, Ronald D. (ed.), *Next Steps in Forging A Euroatlantic Strategy for the Wider Black Sea*, German Marshall Fund of the United States, Washington, p. 126.

26. See Socor, Vladimir (2004), ‘Putin’s Eurasian OPEC for Gas Beginning to Emerge’, *Eurasia Daily Monitor*, 17 June; and Dombey, Daniel et al., (2006), ‘NATO Fears Russian Plans for Gas ‘OPEC’’, *FT.Com*, 13 November.

Concern about this issue has followed the development of oil and gas transport links around the region. In the 1980s, the construction of the first of a series of large-scale gas pipelines from Russia to Western Europe launched a new kind of debate about energy security and economic interdependence. In the 1990s, attention shifted to competing routes for bringing Caspian energy to world markets, and brought the US into the picture via Washington's active support for the Baku-Tbilisi-Ceyhan pipeline. Since that time, there has been a striking proliferation of new oil and gas routes around and across the Black Sea, linking the region ever more closely to energy trade around Eurasia, the Middle East and the Mediterranean. Looking ahead, there are plans to expand the Blue Stream line bringing Russian gas to Turkey and beyond. A Samsun-Ceyhan pipeline system could bring gas, oil and possibly water to Israel via Ashkelon and Eilat. Regional links now allow gas to be traded across the entire Caspian-Black Sea-Mediterranean space. Consumers in the Balkans may be able to use gas from Turkmenistan, Iran, Azerbaijan, Russia or even North Africa. If the proposed 4.6 billion Euro 'Nabucco' line from Turkey to a central gas distribution hub in Austria is built, this will tie the region even more closely to the energy security future of Europe.²⁷

From a Black Sea perspective the accelerating proliferation of energy routes has coupled the region to more distant areas in both economic and political terms. It has also brought a wider range of actors into the region as investors and consumers.²⁸ Although many of the new projects have a Russian dimension, the net, long-term trend is likely to be in the direction of more suppliers, more diverse transport routes, and greater (and stabilising?) interdependence across a wider area. Under these conditions, it is not at all clear that the highly competitive 'great game' model remains a useful guide to the emerging energy security environment around the Black Sea.²⁹ The future could just as easily be more stable and less conflict-prone. Moreover, as the pattern of recent pipeline schemes demonstrates, commercial viability rather than geopolitical logic will often be the leading factor in shaping energy security choices. The Baku-Tbilisi-Ceyhan line may have had strong political backing from Washington, but it would not have been built without a positive assessment of the commercial prospects by major oil companies. The same is likely to hold true for successor projects on the pattern of Blue Stream.

The balance of transatlantic interests in energy security matters may also be changing, with implications for extra-regional engagement. For the US, the debate about energy security and the possible role of NATO and other institutions in this context has been largely about the security of oil supply and maritime routes for energy. For Europe, energy security concerns are increasingly about gas, and overland transport lines. Liquefied Natural Gas (LNG) in maritime trade is playing a larger part in the world energy picture, and gas pipeline networks are reaching

27. See Roberts, John (2007), 'Dossier Energy: The Cut Throat Energy Politics of Russia and Turkey', *Europe's World*, 28 February.

28. This observation could also apply to prospective road, rail and port projects around the region, including the 7,000 kilometre regional ring road proposed by the BSEC.

29. See, for example, Morningstar, Richard (2007), 'The new Great Game: Opportunities for Transatlantic Cooperation in the Caspian Region', *Der Spiegel*, 5 March.

further across Eurasia and the Middle East. But, for the moment, gas remains a regional rather than a global commodity. This structural difference in perspective on energy security could play an important role in shaping the relative interests of the US and Europe in critical areas such as the Black Sea over the coming years.

As an energy entrepot, the Black Sea region will be affected by the future of global energy demand and supply, and the 'meta' questions of global economic stability and growth. A decade or more of energy security interest in the Black Sea has coincided with a period of economic stability and rapidly rising demand for energy, driven largely by growing demand in Asia. The uncomfortable reality is that these relatively benign economic conditions cannot be taken for granted. A full discussion of the outlook for the global economy is clearly beyond the scope of this analysis. But it is worth considering the regional implications of a pronounced financial crisis or a sustained downturn in growth. The economic and political picture of the region may vary substantially across quite different scenarios, from a booming Europe keen to pursue a more active program of aid, investment and integration around the European neighbourhood, to a Europe in retreat and wary of new commitments around the Black Sea and elsewhere.

Energy-related trade and investment patterns could look quite different under conditions of \$100 or even \$150 per barrel oil, versus conditions of strongly depressed demand in which prices 'collapse' to perhaps \$30 or \$40 per barrel. Sharp supply shocks, perhaps induced by political or security crises in the Gulf, could redouble an already strong international interest in Caspian-Black Sea-Mediterranean energy routes as a secure alternative to troubled sources and routes elsewhere. The centre of gravity for energy demand may also have an effect over the long term. Continued growth in China and India over decades could yield very different patterns of energy trade, including trade in gas and the direction of new energy infrastructure. The centrality of the Black Sea in energy transit terms could well be diminished to the extent that new gas exports from the Caspian basin – and Russia – are more heavily oriented eastwards.

It is also worth keeping the scale of current regional energy projects in perspective. The opening of the Baku-Tbilisi-Ceyhan line has been a strategic development from the point of view of the transit states. Yet the capacity of this line is roughly half that of the existing pipelines from Iraq to Iskenderun. A decade of sanctions and pervasive insecurity in post-Saddam Iraq have meant that only a relatively small amount of Iraqi oil now comes to market via Turkish pipelines. If this situation is prolonged, and if new energy deals with Iran are stymied by international sanctions, this will have clear implications for the extent to which Turkey sees its energy future bound up with Caspian and Black Sea versus Middle Eastern producers. Azerbaijan will be another key, regional stakeholder in this balance among energy sources and routes. Moreover, the key variables in this equation are largely beyond the control of Black Sea actors. Much will depend on developments inside Iraq and Iran, and the success or failure of international security strategies.

8. THE SPECTRE OF RESURGENT NATIONALISM

The last two decades have seen the acceleration of a trend toward the globalisation of security concerns. National security has been overtaken by transnational challenges, and these now look to be superseded in key respects by even wider, trans-regional challenges. At the same time, in political terms, national perspectives and responses have not lost their force, as demonstrated by resurgent nationalism and a creeping re-nationalisation of policies in many areas. The Black Sea will be heavily influenced by this tension between vigorous nationalism on the one hand, and on the other, crosscutting, trans-regional issues requiring multilateral responses. The Black Sea has some particularly striking examples of historically powerful nationalism. In some cases, these nationalist impulses have played a useful role in spurring and consolidating independence in the post-Soviet era. But the region is also characterised by less positive manifestations of nationalism, fuelling regional frictions and inhibiting the development of multilateral approaches.³⁰

Nationalism and nationalist politics are potent elements on the European scene, fuelled by demographic trends, migration patterns and cultural anxieties. Nationalism is arguably the dominant force in contemporary Turkish and Russian politics and foreign policy. Iran, at the margins of the Black Sea world, appears driven to a substantial degree by nationalist impulses. In China and elsewhere in Asia, vigorous nationalism is alive and well. It remains a factor, alongside Islamism (and nationalist-religious syntheses) across the Arab and Muslim worlds. Even in the American discourse, nationalism, and a related impulse toward unilateralism, plays a role, although the American political vocabulary does not often refer to nationalism *per se*. After decades of retreat, unreconstructed ideas about national sovereignty are returning to mainstream international politics, affecting policies on trade, migration, security and the environment.

Rising nationalism on the international scene could have a number of negative consequences for region. First, it could spur ethno-nationalist and separatist conflicts around the Black Sea, and worsen the prospects for resolving the curiously named 'frozen' conflicts in the Caucasus (they are hardly frozen from the perspective of the protagonists). Regional states, with an eye on ethnic affinities and narrow national interests could feel even less constrained in their use of proxies, and could respond more vigorously to perceived interference in their internal affairs. All of this would be made more likely in the absence of multilateral constraints and the 'pull' of Western norms.

30. On the nationalist, and ethno-nationalist dimension of developments in the Black Sea area, see Sanberk, Ozdem (2007), 'Turkey, the US and Cooperation for Transformation in the New Black Sea Region', Southeast Europe Project, Woodrow Wilson International Center for Scholars (forthcoming).

Second, a climate of rising nationalism, and a re-nationalisation of political, economic and security strategies will make key institutions like the EU and NATO less effective and credible actors in Black Sea affairs. A nationalist scenario is a very negative scenario for Turkish membership in the EU, or the longer-term prospects for the economic and political integration of Ukraine, Georgia and Moldova. The outlook for a concerted Euro-Atlantic approach to the region will also be clouded if the US and key European partners are inclined to go it alone in their foreign and security policies. Indeed, a climate of re-nationalisation could spur an American retreat from engagement in European security, including security around the Black Sea, in favour of a more focused strategy in Asia and the Middle East. In short, this is an environment in which even the more capable and ambitious actors around the region – Russia, Turkey – will feel insecure. The less capable may be left to their own devices, with a minimum of international support.

Finally, rising nationalism and a retreat from multilateralism and ‘enlargement’ would create much more challenging conditions for emerging economies and systems in transition around the Black Sea. To an important degree, the political, economic and ultimately security prospects for most Black Sea societies will turn critically on their interaction with relatively open societies and open regimes governing trade, investment and the movement of labour. A tightening of these regimes would almost certainly impede the economic development of states around the region, including Russia. Ambitious plans for regional infrastructure and economic cooperation would prove difficult or impossible to implement, and might prove a wasted effort if international partners for trade and investment are not forthcoming. In the worst case, a deterioration of economic relations could lead to a general deterioration of political relations, and a greater propensity for large-scale international conflict – a downward spiral on the pattern of the interwar years. This scenario is hardly the most likely – there are strong countervailing pressures for globalisation at many levels – but it cannot be ignored as a possible external influence on the long term future of the region.

9. NEW ACTORS AND NEW ALIGNMENTS

Taking a long view, the strategic environment around the Black Sea could be strongly influenced by global shifts in international power, the emergence of new poles and new alignments. In what is often described as a 'unipolar' period in international affairs, the Black Sea environment is somewhat distinctive in that external influences on the region are more diverse and relatively balanced when compared to conditions elsewhere. The US may be a pervasive actor on a global level, but Black Sea states are affected just as much by EU and Russian policies – perhaps more. The future of the region in developmental and security terms could be shaped quite strongly by the behaviour of states and institutions with relatively little reference to Washington. The US will be an important influence, to be sure. But unlike the Middle East, there is unlikely to be a single, dominant external actor even as balances shift over time. The Black Sea region, however trendy in American strategic debates at the moment, and objectively important to a range of policy concerns, will not be the centre of gravity for US foreign policy interests in the years ahead. It will be a defining sphere of action for Europe, and for Russia, part of the 'near abroad' for Moscow and Brussels.

New actors could also emerge on the regional scene, and these may exert direct or indirect influence on economic, foreign and security policies. Driven by energy needs, and expanding commercial and security interests, China has become a prominent player in distant areas, from Africa to the Middle East, as well as Central Asia. Even in North Africa and the Mediterranean, Chinese trade and investment is playing a larger role. In recent years, China has made significant investments in energy, textiles, manufacturing and ports, in Algeria, Tunisia and elsewhere. Chinese energy purchases and investments have often been reinforced by political and security ties, including arms transfers. Given the nature of this new activism, it would be surprising if China does not emerge as a significant actor on the Black Sea scene over the next decade. In a different fashion, India's energy (especially gas) needs and commercial dynamism are giving the country a more global role. India is unlikely to become a Black Sea actor in any significant, direct sense, but could become a significant player in adjacent regions such as the Middle East and the Caspian, with effects that could be felt around the Black Sea. Russia, already a prominent regional actor, could become even more engaged in commercial and security terms if high energy prices persist and the quest for new investment outlets, especially in energy and infrastructure, continues. Even Brazil has recently announced new Caspian investments by Petrobras, the state energy company. The Black Sea is already diverse in its range of actors and influences. Global trends could well add to this diversity, offering new partners and the possibility of new alignments.

Thinking even more broadly, the evolving structure of international affairs and the rise and decline of key actors could also affect the regional environment in important ways. One scenario could see the US retaining roughly its current weight in hard and soft power terms,

with perhaps several decades or more of continued American predominance. This scenario could also imply sustained American sensitivity to the rise of alternative and competing powers, most likely China, but possibly a wider set of the BRICs – Brazil, Russia, India and China. From the perspective of Black Sea states, this implies a US that remains a leading power, but one likely to be distracted by priorities and challenges elsewhere.³¹

Russia will have a distinctive stake in relations with the Washington, but is most unlikely to challenge the US in global terms, even if it recovers much of its lost regional power and potential. On the other hand, Moscow may well feel capable of challenging American interests much more directly in its own neighbourhood, and especially around the Black Sea. This need not take the form of an aggressive strategic competition. It might simply mean the return of Russia as a rival security arbiter around the region, and as a leader in purely regional economic and security initiatives. Some states, not least Turkey, may find this an attractive alternative geometry to a European or NATO-centric approach, or simply useful diversification. Others such as Bulgaria and Romania, would probably retain a stronger western orientation. The orientation of Ukraine and Georgia will remain delicately poised between these alternative orientations. Indeed, this bears some resemblance to current conditions. If a dominant US adopts an arms length approach to the region, and neither Russia nor the EU are capable of fully integrating the region into their respective 'spaces' the result may be a prolonged period of multi-polarity and competition within the Black Sea – again, not unlike current conditions.

A quite different scenario for the coming decades could see a pronounced, relative decline in American power, and the rise of alternative centres of influence. If the rise of China is sustained – a large 'if'—this will offer a direct test of the competing perceptions of China as strategic competitor versus China as a peacefully rising power. The possibility of a more pronounced strategic competition between China and the US cannot be dismissed. The result could be a significant reorientation of American strategy toward Asia, and a marked disengagement from Europe, at least in security terms (the US will almost certainly remain an overwhelmingly important economic partner for Europe). Under these conditions, much less actual conflict in Asia, over Taiwan or Korea, the Black Sea is likely to see very little American presence or attention and the relative weight of Europe and Russia in regional affairs will increase.

The future of the EU as a global power and an alternative pole in international affairs will have critical implications for the Black Sea. A prosperous Europe, with a revived strategic impetus and a coherent foreign and security policy will naturally see the continent's southern and eastern periphery as a key area for engagement, including security engagement. This is an EU that will be more inclined to undertake new enlargements, to Turkey, and possibly to Ukraine and beyond. This may mean a multi-speed Europe, with new kinds of partnership short of full membership, but with an implied strategic commitment to convergence and integration.

31. For a recent discussion along these lines, see Drezner, Daniel W. (2007), 'The New World Order', *Foreign Affairs*, March/April, pp. 34-46.

As a variant, core European states may seek to assert European power and identity in a narrower fashion, but still with a strategic purpose. Here, too, the Black Sea and the Mediterranean will be natural areas of activism. President Sarkozy's proposal for a Mediterranean Union that would include Turkey (an idea that has hardly been greeted with enthusiasm by Ankara), or other initiatives along these lines, will raise new questions about the future borders of Europe, and the political 'seam' between the Mediterranean and Black Sea.³² A richer and more confident EU increasingly interested in an independent approach to challenges and opportunities in its neighbourhood and beyond, may move rapidly to fill the vacuum if America disengages from the region. This could augur for a more concerted transatlantic approach, or it could make a cooperative strategy more difficult. Much would depend on the overall character of transatlantic relations, and the weight and effectiveness of NATO as a security actor on the European periphery. The shift to a more global NATO, if successful, could make security commitments around the Black Sea much more central to European security, politically and geographically. Once again, the outlook for the regional environment is essentially multi-polar, and it would not be surprising if regional states wish to hedge against unpredictable levels of commitment and shifting balances among extra-regional powers.

32. See Bennhold, Katrin (2007), 'Sarkozy's Proposal for Mediterranean Bloc Makes Waves', *International Herald Tribune*, 10 May. Sarkozy's remarks regarding the Union proposal can be found in his May 6, 2007 presidential acceptance speech, and in an interview with *Politique Internationale* of May 2007 (http://www.ambafrance-au.org/article.php3?id_article=2341).

10. RELIGION, IDEOLOGY AND NEW NETWORKS

Like the Mediterranean, the Black Sea is often described as a meeting place of civilisations. This is an observation with historical resonance and contemporary relevance. Samuel Huntington's much-maligned notion of a clash of civilisations turns out to have been sadly accurate in some respects, even if widely exaggerated or misapplied.³³ As an organising element in the behaviour of states, there is much room for scepticism. As a motivator in the behaviour of individuals and non-state actors, it is a dominant factor in many places around the globe, as it always has been. The Black Sea region is highly exposed to the consequences of heightened tension along 'civilisational', sectarian and ethnic lines.

The globalised nature of networks with violent agendas means that the region can be affected by causes and trends emanating from far beyond the Black Sea basin. As noted earlier, Iraq has become a leading engine of jihadist activity worldwide, and veterans of the fighting in Iraq (and those claiming to be veterans) are beginning to affect the security of societies from North Africa to Southeast Asia. It is not unlikely that these networks will play a role in insurgency in the Caucasus and the propensity for terrorism in Turkey, Russia, and Europe, including the Balkans. Under conditions of greater friction with Iran, it is possible that Tehran will come to play a larger role in support for terrorist and insurgent groups on the fringes of the Black Sea, perhaps under a nuclear umbrella. Unresolved Arab-Israeli disputes, the potential for sectarian civil wars in Lebanon and Iraq, and the possible advent of new and more radical regimes in North Africa and the Middle East, could also underscore the position of the Black Sea as a civilisational fault line. By contrast, the Black Sea region would be a leading beneficiary of a more benign future in which Arab-Israeli tensions are defused, sectarian conflicts are contained, and new waves of European enlargement – above all to Turkey - extend and consolidate the multicultural character of Europe. A Europe preoccupied with cultural anxiety and security of identity is unlikely to prove an enthusiastic partner for societies on the European periphery.

The Black Sea will be affected by the global propensity for terrorism and irregular warfare. If these emerge as dominant modes of conflict in international affairs, as many strategists argue, this will not augur well for the stability of Black Sea states, many of which already suffer from internal security challenges and may have a limited ability to meet new risks of this kind. A prolonged period of terrorism and irregular warfare will have wide effects, and the leading targets may be elsewhere. But EU and North American societies may more easily confront these unconventional risks without jeopardizing their stability and democracy. For more fragile societies on the periphery of the West, a 'long war' against terrorist networks may pose more existential risks. Even if such sweeping threats do not emerge, Black Sea states will need to

33. See Huntington, Samuel (1993), 'The Clash of Civilizations', *Foreign Affairs*, Summer.

consider the political question of whether Western attention to the region driven essentially by unconventional security fears is a positive development. It may well spur additional diplomatic attention and security assistance. It may also discourage foreign direct investment outside the energy sector where an additional security presence may be attractive.

Beyond religious and ethnic conflicts, and national separatist movements, the strategic environment in the region may be influenced by the rise of new ideologies and new political movements over the coming decades. It is by no means certain that the current era of 'turbo-capitalism', to use Edward Luttwak's phrase, will continue without structural crises and the rise of counter-ideologies of a communitarian or corporatist nature.³⁴ These are 'meta' questions likely to be played out far beyond the Black Sea, but with potentially profound regional effects. A collapse of the commitment to greater political participation and market economies that has driven change to Europe's east and south over the last decade would fundamentally alter the strategic scene around the Black Sea. It could undermine the prospects for further EU and NATO enlargement, and leave societies around the region economically isolated and decoupled from the West in political and security terms.

34. Luttwak, Edward N. (1999), *Turbo-Capitalism: Winners and Losers in the Global Economy*, Weidenfeld and Nicolson, London.

1 1. STRUCTURAL TRENDS

Finally, very long term structural trends will influence the regional future. Demographics will be a key driver, with potentially positive as well as negative effects. Turkey, as an EU candidate, and Ukraine, may both benefit from mounting labour deficits within the EU, as will individuals around the region if they are able to move westward. On the other hand, Russia confronts a looming strategic problem posed by the contraction of its population, and a changing demographic balance on its periphery. The size of economically active populations is only one, and probably not the most important determinant of national power and potential. Nonetheless, a Turkey with a population of perhaps 80 million by 2020 will appear as a more obvious market, regional partner and possibly strategic competitor for Moscow, and a more consequential and difficult EU aspirant.

Global climate change may pose the most difficult long term challenge, with a range of implications for a region already facing significant environmental pressures. Changes in demand for energy and water resources, shifts in agricultural and fishing patterns, and the rise of the global environment as an issue in international affairs will confront littoral states with new policy choices and the imperative of participating in multilateral approaches to issues with no truly national solutions. As an example, price and environmental pressures are already encouraging renewed interest in nuclear power in the developed and developing world. A return to the nuclear power option will have special resonance around the Black Sea, where the legacy of Chernobyl is still keenly felt, and where the problem of ageing nuclear plants has been an important issue in national and regional debates. The prominence of climate policy questions at the 2007 G8 summit in Rostock reflects the emergence of climate change as a 'high politics' issue for the leading extra-regional states shaping the future of the Black Sea.

CONCLUSIONS: ANTICIPATING WIDER INFLUENCES – AND SOME OPEN QUESTIONS

The transatlantic debate about the future of the Black Sea has naturally tended to take as its starting point developments within and among regional states, and their consequences for Euro-Atlantic interests. This paper has explored the future of the region through the lens of possible extra-regional and global influences. It points to a number of conclusions for those inside and outside the region interested in thinking through meta trends and their strategic implications. The following are some of the leading conclusions from this analysis:

- *Extra-regional stakes in the Black Sea are diverse, evolving, and cannot be taken for granted.* The strategic significance of the region for extra-regional powers has been driven by a changing blend of interests in European security, power projection to areas well beyond the Black Sea, access to resources, and crises and flashpoints within the region itself. This mix of stakes is very much in flux, and long-term transatlantic attention to and engagement in the region is far from assured.
- *Black Sea states already live in a multi-polar world.* The durability of the uni-polar moment in international affairs is hotly debated, but regardless of its fate (and it is probably ill-fated), regional states confront a strategic environment that is essentially multi-polar, with a potentially growing roster of influential actors. The region is distinctive in that European and American roles are relatively balanced, and Russia, too, exerts a strong influence on regional affairs. Looking ahead, it is possible that China and even India could emerge as significant economic players on the regional scene.
- *The eastward reach of Western institutions may be the leading driver of regional futures, but the likely vigour of Euro-Atlantic enlargement remains an open question.* Turkey's troubled EU candidacy and the very uncertain prospects for the longer-term integration of Ukraine, Georgia and Moldova will turn in large measure on the evolution of the EU and transatlantic security strategies – externalities beyond the control of local actors, however strong their commitment to convergence with the 'West'. The failure to maintain the credibility and effectiveness of NATO as a European security institution as the Alliance moves toward a more global role would have a particularly damaging effect on the strategic environment around the Black Sea.
- *American strategy has entered a period of marked flux, with implications for US engagement and presence around the Black Sea.* The post-2001 shift to functional over regional strategies, and a more critical measurement of international partnerships,

driven by extended homeland security concerns, has had a mixed effect on American policy toward the region. Ties to Bulgaria and Romania have been reinforced by a shift of attention to the south and east on the European periphery. But future demands in Asia and the Middle East could easily push the Black Sea to the margins in American strategy, leaving Russia and the EU as leading security arbiters.

- *The Black Sea will be among the regions most strongly affected by the possible emergence of new cold - and hot - wars.* A more competitive and confrontational relationship between Russia and the West - or conflict with Iran - would have a range of direct and indirect consequences for the region. Energy trade and infrastructure projects could be impeded. Proxy conflicts and sovereignty concerns would deepen. Regional security initiatives would be further politicized. Nuclear and conventional security issues would acquire a much sharper edge. Tensions with Russia might reinvigorate EU and NATO enlargement in the Black Sea, but could just as easily contribute to the future isolation and insecurity of the region. In a less dramatic fashion, additional sanctions and containment strategies *vis-à-vis* Tehran could have significant economic consequences for several Black Sea states at a time when new energy, transport, trade and investment agreements are being negotiated with Iran. An outright military confrontation with Iran might also impose difficult decisions on base access and over-flight for Turkey, Bulgaria, Romania and possibly Azerbaijan.
- *Resurgent nationalism is a prominent and troubling feature of the strategic landscape.* Potent nationalism, and the re-nationalisation of foreign, economic and security policies, poses a particular threat to the prosperity and stability of a region critically dependent on multilateral approaches and trans-regional exchanges. Within the region, nationalism is a particularly potent force in Russia and Turkey, and a significant influence on politics elsewhere. A global rise in nationalism could reinforce these trends, exacerbate existing not-so-frozen conflicts, and worsen the outlook for the integration of key Black Sea states in Euro-Atlantic structures.
- *The Black Sea will be affected by nuclear and missile proliferation dynamics across a wide region.* The possible emergence of one or more new nuclear or near-nuclear states in the Middle East over the next decade could have a cascading effect on strategic balances and doctrines from Central Asia to the Aegean. This will be the case even in the absence of new nuclear programs around the Black Sea itself. The Black Sea region will also be directly exposed to the spread of ballistic missiles deployed in the Middle East and South Asia, and capable of reaching Europe.
- *Energy security will remain a leading factor in global attention to the region – but this need not take the form of a highly competitive ‘great game’.* The steady proliferation of transport lines for oil, and especially gas, is creating a diversified energy market from the Caspian to North Africa. The Black Sea is at the centre of this phenomenon. Regional futures could be strongly affected by ‘wild card’ scenarios, from supply

crises in the Gulf, to the collapse of demand in a global economic crisis.

- *Hard and soft security trends of a long-term or structural nature will have special implications for regional states, most of which are ill-equipped to meet new challenges on a national basis.* Global demographic and environmental trends will be part of this equation. The propensity for terrorism and irregular warfare – already well-established phenomena in some parts of the region – will be another. Geography and history also leave the region highly exposed to the evolution of relations between Islam and the West, and the possible emergence of new ideological movements with the potential to rekindle debates over reform, sovereignty and governance in societies that remain in flux.

ANNEXES

ANNEX I

ABOUT THE AUTHOR

Ian Lesser is Senior Transatlantic Fellow at the German Marshall Fund of the United States in Washington, where he focuses on Mediterranean affairs, Turkey, and international security issues. Dr. Lesser is also President of Mediterranean Advisors, LLC, a consultancy specializing in geopolitical risk.

Prior to joining the German Marshall Fund, Dr. Lesser was a Public Policy Scholar at the Woodrow Wilson International Center for Scholars. From 2002-2005, he was Vice President and Director of Studies at the Pacific Council on International Policy (the western partner of the Council on Foreign Relations). He came to the Pacific Council from RAND, where he spent over a decade as a senior analyst and research manager specializing in strategic studies. From 1994-1995, he was a member of the Secretary's Policy Planning Staff at the U.S. Department of State, responsible for Turkey, Southern Europe, North Africa, and the multilateral track of the Middle East peace process.

A frequent commentator for international media, he has written extensively on international security issues. His recent books and policy reports include *Security and Strategy in the Eastern Mediterranean* (2006); *Turkish Foreign Policy in an Age of Uncertainty* (2003); *Greece's New Geopolitics* (2001); and *Countering the New Terrorism* (1999). Dr. Lesser was educated at the University of Pennsylvania, the London School of Economics, and the Fletcher School of Law and Diplomacy, and received his D.Phil from Oxford University. He is a senior advisor to the Luso-American Foundation, a member of the Council on Foreign Relations, the International Institute for Strategic Studies, the Atlantic Council, and the Pacific Council on International Policy. He serves on the advisory boards of the *International Spectator*, *Turkish Policy Quarterly* and the International Center for Black Sea Studies, and has been a senior fellow of the Onassis Foundation.

ANNEX II

ABBREVIATIONS

BRIC	Brazil, Russia, India, China
CSCM	Conference on Security and Cooperation in the Mediterranean
EU	European Union
EUCOM	The US European Command
IAEA	International Atomic Energy Agency
ICBSS	International Centre for Black Sea Studies
LNG	Liquefied Natural Gas
NATO	North Atlantic Treaty Organization
OPEC	Organization of the Petroleum Exporting Countries
OSCE	Organization for Security and Cooperation in Europe
US (USA)	United States of America
WMD	Weapons of Mass Destruction

ICBSS Publications

Xenophon Papers

- No. 3 *Energy Cooperation Among the BSEC Member States: Towards an Energy Strategy for the BSEC* October 2007
John Roberts
- No. 2 *Unfolding the Black Sea Economic Cooperation: Views from the Region* July 2007
Styopa Safaryan, Elkhan Nuriyev, Marin Lessenski,
Joseph Chakhvashvili, Panagiota Manoli, Igor Munteanu,
Nicolae Micu, Nadia Alexandrova-Arbatova, Aleksandar Fatic,
Mustafa Aydin, Omer Fazlioglu, Grigoriy Perepelytsia; edited by
Panagiota Manoli
- No. 1 *Decision-Making in the BSEC: A Creative Cartography of Governance* July 2006
Ioannis Stribis

Books

- The BSEC at Fifteen: Key Documents, 1992–2007* 2007
- Black Sea Economic Cooperation: Fifteen years of Regional Activity (1992-2007), Views by Foreign Ministers and Heads of BSEC Institutions* 2007
Abdullah Gul, Arseniy Yatsenyuk, Lulzim Basha, Vartan Oskanian, Elmar Mammadyarov, Ivailo Georgiev Kalfin,
Gela Bezhuashvili, Dora Bakoyannis, Andrei Stratan, Adrian Gioroianu, Sergey Lavrov, Vuk Draskovic, Georgi Pirinski,
Costas Masmanidis, Hayrettin Kaplan, Dimitrios Triantaphyllou,
Leonidas Chrysanthopoulos; edited by Sergiu Celac
- Research Potential of the Black Sea Countries: Recommendations for RTD Policies* 2007
George Bonas

Over the last decade, the Black Sea has emerged as a focus of strategic attention on both sides of the Atlantic. But even as interest in the region has grown, it has become clear that its security future will be driven as much - and perhaps more - by trends and developments outside the region, in adjacent areas, and on a global basis. This analysis takes an 'outside-in' approach, placing Black Sea security in context, thinking through the nature of the region as a strategic space, identifying broader influences, and assessing their meaning for regional and extra-regional stakeholders.