

TURKISH-IRANIAN RELATIONS: WHEN OPPOSITES ATTRACT

This article examines the ever-closer relationship between Turkey and Iran. Since the Justice and Development Party (AKP) came to power in Turkey in 2002 it has pursued a markedly more assertive foreign policy than its predecessors. In the case of Iran, despite stark ideological differences, the two countries have recently worked together on a variety of fronts. Today, cooperation comes mainly in the form of energy arrangements, where Turkey looks to Iran's abundant oil and gas resources to supply its growing energy needs. The situation in Iraq also provides a point of convergence with both countries combating Kurdish separatist groups based in Northern Iraq. However, as Iran's relations with the West become increasingly hostile over its nuclear program and its support of terrorist groups in the region, Turkey finds itself in a difficult position. Ankara prefers to follow a pragmatic policy and stress the positive aspects of its relationship with Iran, but does not want this to come at the expense of its Western orientation.

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There is every reason to believe that since the Iranian Revolution of 1979 the Turkish-Iranian relationship should be mired in bellicosity given the countries' conflicting identities. Turkey is a staunchly secular democracy, a NATO member, and an ally of Israel. In contrast, Iran is a theocratic autocracy that attempts to alter the balance of power in the region by meddling in its neighbors' domestic politics, believes the United States to be the world's "Great Satan," and openly calls for the destruction of Israel. As such, each country seems to embody the very principles that the other diametrically opposes.

Indeed, throughout the 1980s and 1990s, ideological discord led to friction between Turkey and Iran, which ranged from minor episodes of derogatory exchanges by politicians and media to more aggressive actions such as Iranian support for Islamic fundamentalist groups within Turkey. In addition, there is a history of rivalry and mutual suspicion between the two countries as each strives to become the dominant power in the region. In the 1990s, Iran hosted the Kurdish terrorist group, Kurdistan Worker's Party (PKK), to enervate Turkish military power. Although Iran renounced assistance to Turkish subversive groups in the 2000s, the Turkish military still has major misgivings about working too closely with the country.

In spite of these stark ideological differences, since the Justice and Development Party (AKP) came to power in Turkey in 2002, Turkey and Iran have increasingly cooperated on a variety of fronts. The AKP's Islamic credentials and affinity for the Muslim world have certainly helped Iran and Turkey get closer, but it would be wrong to assume that this is the most important reason for the warming of relations. While presiding over a growing economy, the AKP has sought to mitigate tensions with all its neighbors through the use of soft power in the belief that, as countries develop commercial links, the potential for confrontation decreases.

The AKP has adopted a markedly more active foreign policy than its predecessors. However, in the case of Iran since 1979, previous Turkish governments have pursued a pragmatic policy that is similar to that of the AKP, albeit with more reluctance. Turkey has always viewed Iran, unlike other Middle Eastern countries, as a large and important nation-state that must be managed, rather than confronted. Initially, against the backdrop of the Cold War, there was a fear that, if threatened, Iran would align with the Soviet Union. Later, with Kurdish terrorism and Islamic fundamentalism seriously eroding Turkish domestic stability, Turkish officials worried that Iran would exploit these issues to strengthen its position in the region. For these reasons, Turkey has preferred to find ways to engage Iran and has separated this relationship from its relationship with the West.

Turkey was one of the first countries to recognize the new Islamic government in the wake of the Revolution and refused to impose sanctions or assist in the mission to rescue U.S. Embassy hostages in Tehran in 1980. The start of the Iran-Iraq war in September 1980 made it more unlikely that a potential conflict would surface between secular Turkey and theocratic Iran. Turkey adopted a policy of “positive neutrality,” in which it avoided a posture hostile to either party (as exemplified in its refusal to allow the U.S. to use its bases to support military actions in the Gulf¹) while at the same time taking advantage of the economic opportunities the war provided. Due to the difficulty of maintaining transit routes through the Gulf, both Iran and Iraq became dependent on Turkey as a trade partner and trade route to the wider world. The war demonstrated that constructive engagement with Iran was the best way to moderate the challenges posed by the Revolution.

Today, the geopolitical situation has provided ample opportunities for Turkey and Iran to become friendlier. Cooperation comes mainly in the form of energy arrangements, where Turkey looks to Iran’s abundant oil and gas resources to supply its growing energy needs. The situation in Northern Iraq also provides a point of convergence with both countries combating Kurdish separatist groups based in this autonomous region. However, as Iran’s relations with the West become increasingly hostile over its nuclear program and its support of terrorist groups in the region, Turkey finds itself in a difficult position. Ankara prefers to follow a pragmatic policy and stress the positive aspects of its relationship with Iran, but does not want this to come at the expense of its Western orientation.

Economic Cooperation

Given that Turkey imports ninety percent of its energy and its energy demands continue to increase, the country has looked towards energy-rich Iran to meet these rising challenges. Iran now provides nearly one-third of Turkey’s natural gas, making it Turkey’s second largest supplier after Russia. In July 1996, Prime Minister Necmettin Erbakan of the Islamist Refah Party concluded a 23 billion dollar natural gas supply contract and gas pipeline construction scheme with Iran, as well as a pledge to increase bilateral merchandise trade to an annual value of 2.6 billion dollars. Many believed the deal was driven by Erbakan’s ideological vision of strengthening relations with the Muslim world. In fact, negotiations had been proceeding for some years, and the previous Tansu Çiller government had signed an outline agreement in 1995.² After many delays, this Iranian-Turkish pipeline began operation in 2001, although there have been

¹ Ünal Gündoğan, “Islamist Iran and Turkey: 1979-1989: State Pragmatism and Ideological Influences,” *MERIA Journal*, Vol. 7, No. 1 (March 2003) p. 5.

² Philip Robins, “Turkish Foreign Policy Under Erbakan,” *Survival*, Vol. 39, No. 2 (Summer 1997) p. 90.

several interruptions because of disagreements over the price and technical problems. Indeed, because of its weak infrastructure and a distorting system of energy subsidies that results in extreme domestic consumption, Iran has proved to be an unpredictable partner, abruptly cutting off gas to Turkey on various occasions during the coldest months of the year. In the latest row in January 2008, Iran blamed the cold weather and a pricing dispute with Turkmenistan –which resulted in a cut in its own supplies– for the inability to deliver gas to Turkey for three weeks.³ Some analysts also speculate that Iran has used energy as a political tool to demonstrate its concern over Turkey’s foreign policy.⁴ In such circumstances, Turkey has relied on extra imports from Russia to make up for the deficit, but following the Georgian-Russian conflict in August 2008; there may be greater urgency for Turkey to diversify its energy sources.⁵

In July 2007, Turkey and Iran signed a memorandum of understanding (MoU) for the construction of a new pipeline that would transport 40 billion cubic meters of gas from Iran to Turkey and then on to Europe as part of the Nabucco pipeline scheme. Most of the gas would come from Iran, and some would come by another existing pipeline to Iran from Turkmenistan. The agreement also called for the Turkish State Petroleum Corporation (TPAO) to develop Iran’s South Pars gas field. When this pipeline failed to get international financing, TPAO announced in October 2007 that it would fund the 3.5 billion dollar project from its own resources.⁶

The Nabucco pipeline, which will transport natural gas from Turkey to Austria and then on to Western Europe via Bulgaria, Romania, Hungary, was first discussed in 2002 in an effort to find an alternative to Russian gas. Five companies⁷ agreed to construct the pipeline, which is expected to begin in 2010 and be completed in 2013. Despite difficulties in finding enough gas to supply the pipeline, both the United States and the European Commission oppose Iranian participation in an effort to isolate Iran over its nuclear program. Instead, they look to partner with Azerbaijan, Turkmenistan, and possibly Iraq and Egypt.

³ “Iran’la gaz kesintisini bitirecek özel boru hattı için görüşmeler başladı” [Negotiations have started which will stop Iranian gas cuts], *Zaman*, 3 February 2008.

⁴ The most recent gas cuts occurred the same week that President Abdullah Gül met with President George W. Bush in Washington and the two announced a “strategic partnership;” in January 2006 natural gas deliveries to Turkey were reduced by 80 percent days after Prime Minister Tayyip Erdoğan weighed in on Iran’s confrontation with the West over its nuclear program.

⁵ At the onset of the Georgian-Russian conflict, Prime Minister Vladimir Putin refused to speak on the phone with Prime Minister Erdoğan to express disapproval of Turkish military aid to Georgia. For over a month after the conflict ended, Russia subjected Turkish exporters to non-tariff trade barriers in what seemed to be punishment for Ankara’s decision to allow two U.S. warships to pass through the Bosphorus Strait to provide humanitarian aid to Georgia. Although the trade row has been overcome through mutual agreement, Turkey realizes it is in a precarious situation vis a vis its northern neighbor.

⁶ William Hale, “Turkey, Iran, and the US,” paper for *Control Risks* (2007) pp. 4 - 5.

⁷ OMV (Austria), MOL (Hungary), Tansgaz (Romania), Bulgargaz (Bulgaria), BOTAS (Turkey), RWE (Germany)

Since the signing of the MoU between Turkey and Iran, several U.S. officials have expressed their disapproval, reminding Turkey that under the Iran-Libia Sanctions Act of 1996 any foreign company investing more than 20 million dollars in Iran's gas and oil sector is subject to U.S. sanctions.⁸ In reality, no company has been placed under these sanctions because the President can waive them on grounds of national security, but stricter legislation passed by Congress in September 2007 removes this loophole.⁹ Two energy majors, Royal Dutch Shell and Total S.A., along with Spain's Repsol, have recently pulled out of deals to develop Iran's South Pars field under pressure from the U.S. .¹⁰

Turkey, however, remains defiant. Turkish Energy Minister Hilmi Güler recently responded to U.S. Ambassador Ross Wilson's warnings against energy cooperation with Iran by saying that, "our priority is to safeguard Turkey's interests... such projects started before this government and will continue in the future."¹¹ In August 2008, despite American and Israeli objections, Iranian President Mahmoud Ahmadinejad visited Turkey for the first time since coming to power in 2005. The visit was expected to produce a final agreement regarding the South Pars project. When no deal was reached, there was speculation that during U.S. national security advisor Stephen Hadley's trip to Ankara in July, Turkey pledged not to sign any major energy deals in return for Washington's acquiescence for Ahmadinejad's visit.¹² Turkish officials, however, reported that the two parties failed to reach a deal because of Iran's tough buy-back conditions. Iran may have made these demands because it is uncomfortable with Turkey becoming an energy hub in the region and prefers to use Turkey simply as a transit country.¹³ Nonetheless, both sides claim they are committed to resolving these outstanding issues and believe an agreement will be signed soon.¹⁴

Recently, Turkey and Iran have expressed a desire to boost their economic cooperation in areas other than energy. As it currently stands, there is a major trade imbalance between the two countries. In 2007, trade reached 8 billion dollars, 6.2 billion of which consisted of Turkey's energy imports from Iran.¹⁵ Iran's closed economy, poses significant challenges for Turkish exporters, including high tariff rates on consumer goods, frequent changes in tariff rates, delays in import permits, overpriced fuel during transport, and prolonged delays at customs

⁸ "Analysis: Turkey-Iran Energy Ties," *United Press International*, 30 November 2007.

⁹ Hale, "Turkey, Iran, and the US," p. 5.

¹⁰ "Shell pulls out of Iran gas deal," *Reuters*, 10 May 2008; "Iran Isolation Grows as France's Total cancels \$10bn South Pars gas field project," *Times Online*, 11 July 2008.

¹¹ *TRT*, 17 June 2008.

¹² "Türkiye Ahmedinejad'ı küçük düşürdü" [Turkey made Ahmadinejad look bad] *Milliyet*, 15 August 2008.

¹³ Iran is especially uncomfortable with Turkish-Israeli plans to construct four underwater pipelines for oil, gas, electricity, and water.

¹⁴ "Enerjide yeni anlaşma yok" [No new energy agreement] *Milliyet*, 15 August 2008.

¹⁵ *İran Ülke Bülteni* [Iran Country Bulletin] *Foreign Economic Relations Board (DEİK)*, March 2008.

gates.¹⁶ In addition, due to the reluctance to open up to foreign investment, Iranian officials have yet to take the measures necessary to provide a business-friendly environment for investors. The country is riddled with corruption, as well as a lack of transparency and accountability. As one Turkish official explained, “even small businesses complain that when they go into joint ventures with Iranians, eventually the Iranians kick the Turkish partners out.”¹⁷

Furthermore, the struggle for power between the elected and unelected systems of government in Iran translates into policies lacking in coherence and clarity. In 2004, Turkcell, Turkey’s largest mobile phone operator, signed a three billion dollar contract with Iran to extend its network into the country. The deal was then blocked the following February by the Iranian parliament because of Turkcell’s alleged “Zionist links.” Conservative members of the Majlis later revealed that they vetoed the deal to weaken Reformist President Mohammad Khatami’s government. In another important business venture, the Turkish-Austrian consortium (TAV) was chosen to build and run Tehran’s new Imam Khomeini International Airport, but the Revolutionary Guard closed the airport just hours after it opened in May 2004 over suspicions of Israeli involvement in the project.¹⁸ Many think the real reason was that a company close to the Revolutionary Guards had lost its bid for the tender.¹⁹

Nevertheless, in the past year there seems to be a concerted effort to fix the imbalance in trade. Turkey’s export of goods and services to Iran in the first seven months of 2008 at 1.17 billion dollars showed an increase of 67.1 percent when compared to the same period a year ago.²⁰ More specifically, Iran is becoming an increasingly important export destination for Turkey’s booming automotive industry. Iran imported 145 million dollar worth of cars in the first seven months of 2008, a 167 percent increase on the previous year’s figure.²¹

In addition, there have been examples of increased bilateral investment. Iran’s auto manufacturing giant, Iran Khodro Company (IKCO), announced in April 2008 that it would build a factory in the Marmara region in northwestern Turkey, which would employ 1,000 Turkish workers.²² Gübretaş, a Turkish, state-owned fertilizer company, recently purchased Iran’s biggest fertilizer production complex, Razi Petrochemical Company, paying 681 million dollar to Iran’s privatization administration. Construction companies, which for a long

¹⁶ “Turkish-Iranian Business Council Convenes in Tehran,” *Journal of Turkish Weekly*, 12 March 2008.

¹⁷ Interview at Turkish Foreign Ministry

¹⁸ “Turkey-Iran Mobile Deal ‘at risk,’” *BBC News*, 15 February 2005.

¹⁹ “Men of principle,” *The Economist*, 19 July 2007.

²⁰ “Iran-Turkey trade increases by 37%,” *Press TV*, 3 September 2008.

²¹ “Ankara warming up to Tehran,” *Today’s Zaman*, 14 September 2008.

²² “Iran to launch auto plant in Turkey,” 17 April 2008.

time were active in every part of the Middle East except for Iran, have recently entered the Iranian market where construction is badly needed and will expand to a few billion dollars in the near future.²³

In a recent meeting in Tehran, Kürşad Tüzmen, the Turkish Minister of State responsible for foreign trade, and Foreign Minister Manoucheher Mottaki discussed the possibility of opening Turkish banks in Iran, as well as conducting bilateral trade in the local currencies of the two countries. If these preliminary talks are finalized, Turkish banks will become the first foreign banks to operate in the country.²⁴ Turkish-Iranian economic cooperation has also expanded in the tourism industry. Since 2004, in an effort to attract more tourism to the country, Turkey has published millions of dollars worth of ads in Iranian media. The success of the marketing campaign is evident in the numbers: in 2007, Iranian visitors to Turkey increased to approximately one million from 400,000 in 2006.²⁵ As a result, the Presidents of the Civil Aviation Organizations of Iran and Turkey signed a memorandum of understanding in May 2008 to increase Tehran-Istanbul flights from ten to 14 and the flights to other Turkish cities from nine to 15 per week.²⁶

The Kurdish Problem and Northern Iraq

The 2003 U.S. invasion of Iraq and its chaotic aftermath has pushed Turkey and Iran to also cooperate in the security realm. Neither country wants to see the establishment of an independent Kurdish state in Northern Iraq, which could incite their own Kurdish minorities to make similar demands. Unlike the first Gulf War where Turkey supported the U.S.-led coalition against Saddam Hussein, in 2003, the Turkish Parliament prevented American forces from opening up a Northern front in Turkey. This refusal came as a shock to Washington and left officials from both countries feeling confused and resentful. Following the U.S. occupation of Iraq, Turkish-U.S. relations almost suffered a complete breakdown. While Turkey was excluded from any meaningful military and political presence in Iraq, the Iraqi Kurds became the Americans' closest ally in the country and achieved legal regional autonomy in Northern Iraq through the 2005 Iraqi constitution. Against this new backdrop, Turkey feared that its worst nightmare—an independent Kurdish state—could now become a reality. Moreover, in 2004 the Kurdish terrorist group, Kurdistan Worker's Party (PKK), called off a five-year unilateral ceasefire and began launching attacks from bases in Northern Iraq. The escalation of PKK violence was blamed on U.S. idleness and stoked

²³ "Tüzmen and delegation visit Tehran to boost bilateral trade, relations" *Today's Zaman*, 7 May 2008.

²⁴ "Türkiye ile İran ticarete YTL üzerinden yapacak" [Turkey is going to trade with Iran in lira] *Zaman*, 8 May 2008.

²⁵ "Post-PKK Operations: Will Turkey Change Its Attitude toward Iran and Syria?" *Turkish Daily News*, 4 February 2008.

²⁶ "Iran increases flights to Turkey, India," *Tehran Times*, 3 May 2008.

fervent anti-Americanism among the Turkish public. This unprecedented level of tension between Turkey and Iran's greatest enemy provided a situation where these two countries' relations could flourish. Iran was quick to capitalize on this opportunity as a means to break out of its international isolation over its nuclear program.²⁷

During Prime Minister Tayyip Erdoğan's visit to Tehran in July 2004, Turkey and Iran signed a security cooperation agreement that labeled the PKK a terrorist organization.²⁸ Since 2004, Iran has also been confronted with a Kurdish insurgency known as the Free Life Party of Kurdistan (PJAK), which is based in the Kandil Mountains in Northern Iraq and has close ties with the PKK. Thus, defeating these organizations has become a point of convergence for Turkey and Iran and the two countries have stepped up cooperation to protect their borders. During a time when Turkish-U.S. relations were particularly sour, Washington policy analyst Soner Çağaptay noted at a testimony on Capitol Hill that,

“It is ironic that every time the U.S. State Department says the right things on how we are together with Turks in fighting the PKK and we will deliver security, promising the right things, that same day the Iranians bomb PKK camps. So this is how you read the news in the Turkish press: front page, big headlines, “Iranians Have Bombed PKK Camps” -12th page, one column, “The U.S. Has Said They’ll Support against the PKK.” In this regard Iranians walk the walk and they make it look as if the Americans are only talking the talk. And that’s a huge problem.”²⁹

Iran has also alleged that the U.S. is actively supporting the PKK and PJAK, although American officials vehemently deny these claims. During a visit to Ankara in May 2006, Ali Larijani, then head of Iran's National Security Council, told Turkish officials that he had documents proving U.S. military commanders had met with the PKK earlier that spring.³⁰ As for PJAK, Iranian officials point to persistent reports from Iranian, Turkish, and American media sources, including two articles published in *The New Yorker* magazine that U.S. Special Operations teams are assisting PJAK in order to destabilize the regime in Iran.³¹ In fact, PJAK Representative, Rehaman Haj-Ahmadi, visited Washington in August 2007 supposedly to acquire weapons and ammunition from the American government, although he was unable to secure a meeting with officials.³² Moreover, evidence

²⁷ Ömer Taşpınar, “Turkey Eyes the Shia Crescent,” *Newsweek*, 12 February 2007.

²⁸ Stephen Larabee, “Turkey Rediscovered the Middle East,” *Foreign Affairs* (July/August 2007).

²⁹ Soner Çağaptay, “Turkey After the July 2007 Elections: Domestic Politics and International Relations,” testimony before the U.S. Commission on Security and Cooperation in Europe on 26 July 2007, Washington D.C.

³⁰ “Iran and Turkey Fire Salvo Over Iraq,” *Asia Times Online*, 13 May 2006.

³¹ See Seymour Hersh, “Annals of National Security,” *The New Yorker*, 17 April 2006 and 7 July 2008.

³² Hale, “Turkey, Iran, and the US,” p. 4.

from Turkish police has showed that a large number of PKK members were using weapons of American origin.³³ Government officials did not outright accuse the U.S. for arming the terrorist organization; rather they blamed the arms-proliferation on American negligence and mismanagement in Iraq. In July 2007, then Foreign Minister Abdullah Gül explained that, “Of course the U.S. military and several European countries give weapons to Iraq as there is a new army being built there. Some of these weapons could end up in PKK hands and indeed we found out that some of the PKK weapons seized were those that had been given to the Iraqi army in good faith”.³⁴ Nonetheless, with the Turkish public already critical of American policies in the region, this news only provoked suspicions further.

The improvement in relations between Turkey and Iran in dealing with Kurdish terrorism is in stark contrast to the 1990s when Iran allowed around 1,200 PKK militants at around 50 locations to settle in Iran.³⁵ During this time, in its attempts to “export the Revolution,” Iran also financially supported various Islamic terrorist groups within Turkey and was involved in a series of assassinations of prominent Turkish secularists. As such, Turkey is reluctant to get too close to Iran and does not view this burgeoning security cooperation as an alternative to working with the U.S.

In October 2007, after more than 40 Turkish civilians and soldiers were killed in PKK attacks, the Turkish Parliament passed a resolution authorizing cross-border operations to take out PKK militants in Iraq. Despite overwhelming domestic support for such a move, the Turkish government waited to take any action until a meeting in Washington between Prime Minister Erdoğan and President George W. Bush a few weeks later. With the risk of a large Turkish incursion destabilizing Northern Iraq, Bush vowed to help Turkey to counter PKK militants, declaring the organization a common enemy. Following this meeting, an intelligence coordination center was set up in Ankara and Turkey used U.S. real-time intelligence to launch major cross-border air strikes in mid December 2007.³⁶ At the time, U.S. cooperation against the PKK allowed for a new positive momentum in the U.S.-Turkish relationship, with leaders from the

³³ “U.S. Weapons on Iraq Making their Way to Turkey,” *National Public Radio*, 24 August 2007.

³⁴ “Bunlar Irak ordusuna gönderdiğimiz silahlar” [They are the weapons which we have delivered to the Iraqi army] *Milliyet*, 7 July 2007.

³⁵ Soner Çağaptay and Düden Yeğenoğlu, “The Myth of 1639 and Kasri Sirin,” *Bitterlemons-International.org: Middle East Roundtable*, Vol. 4, No. 18, 18 May 2006) available at www.bitterlemons-international.org. Despite its own restive Kurdish population, Iran has often exploited Kurdish nationalism to weaken its neighbors. For example, in the 70s the Shah supported the Iraqi Kurds against the Iraqi government in order to win concessions over the Shatt-al Arab River. During the Iran-Iraq war the new Islamic government supported both the KDP and the PUK against Sadaam Hussein.

³⁶ “President Bush Vows Help for Turkey against PKK Terrorists,” *Today's Zaman*, 6 November 2007; “Military Reveals More than 150 Terrorists Killed,” *Turkish Daily News*, 26 December 2007.

two countries once again labeling it a “strategic partnership”.³⁷ However it is important to note that since then, Turkey has become dissatisfied with the degree of American support.

This U.S.-Turkish rapprochement has not deterred Iranian officials from working with Turkey. After the Turkish operations in December 2007, Iran remained conspicuously silent, perhaps because Iran prefers Turkey to do the heavy lifting in eradicating the PKK/PJAK. When Turkish Parliament Foreign Affairs Committee Chairman Murat Mercan visited Tehran that December, Majlis Speaker Gholam-Ali Haddad-Adel insisted that Iran was prepared for any kind of cooperation with Ankara in the fight against terrorism, avoiding any mention of recent U.S.-Turkish cooperation.³⁸ In February 2008, Turkish forces launched an eight-day cross border offensive against PKK bases in Northern Iraq, killing hundreds of militants and destroying PKK communication infrastructure and logistic depositories. Iranian officials once again took a sympathetic posture and reinforced the Iraqi border to prevent PKK members from escaping into Iran. During a historic visit to Iraq in March 2008 President Ahmadinejad explained that he understood the concerns about the PKK that had motivated Turkey to send troops across the border, but that Iraq’s sovereignty needed to be respected and there needed to be coordination between Turkey, Iran and Iraq. He also offered to play a role in improving dialogue between Turkey and the Iraqi Kurdish leadership.³⁹

From the Turkish perspective, if Turkish-Iranian security cooperation is yielding effective results on the ground it is worth pursuing and should not be abandoned now that the U.S. is also offering intelligence. In April 2008, the 12th session of the Turkey-Iran High Security Commission met in Ankara to discuss their mutual fight against terrorism. Prior to departing for the meeting, Iranian Deputy Interior Minister Abbas Mohtaj told reporters that, “Iran looks at the PKK and PJAK as a single terrorist organization under two different names.” At the meeting the two countries signed a MoU to increase security cooperation and exchange intelligence to combat these two groups, as well as to fight organized crime, drug trafficking, extradition of criminals, and the maintenance of border security.⁴⁰ In June, General İlker Başbuğ, then commander of the Turkish Land Forces, confirmed that Turkey and Iran were sharing intelligence and coordinating military operations against the PJKK and PJAK. The coordination involves “hammer and anvil” operations, in which military units from one country seize

³⁷ “Ankara, Washington Cap Strategic Partnership in Presidential Talks,” *Today’s Zaman*, 9 January 2008.

³⁸ “Iran, Turkey Play a Role in Regional Security,” *Tehran Times*, 27 December 2007.

³⁹ “Ahmadinejad calls for joint fight against PKK,” *Today’s Zaman*, 4 March 2008; “Iran says Barzani not supporting terrorism,” *Today’s Zaman*, 5 March 2008.

⁴⁰ “12. Türkiye-İran Yüksek Güvenlik Komisyonu Toplantısı,” [The 12th Turkish-Iranian High Security Commission meeting] *Radikal*, 14 April 2008.

militants attempting to flee across the border in advance of an offensive launched by military units in the other country. Turkey and Iran are also believed to have coordinated some military strikes against PKK and PJAK camps in the Kandil mountains. In terms of intelligence sharing, the two countries have alerted one another when they have received intelligence about the location and movements of Kurdish militants on the other's territory.⁴¹

Although Turkey sees no problem in cooperating with both Iran and the U.S. to confront the terrorist threat, Washington worries that Turkey may be sharing U.S. intelligence with Iran. The Turkish Foreign Ministry has assured the U.S. that this is not the case.⁴² Moreover, amidst U.S. evidence that Iran's Quds Forces (the elite and covert foreign operations wing of the Revolutionary Guard) are supplying, training and funding Shiite militias in Iraq, Turkey's relationship with Iran could become even harder to defend.

While Turkey and Iran have certainly stepped up security cooperation in the wake of the Iraqi invasion, there continues to be a nagging mistrust among the Turkish military about Iran given their history of supporting subversive activity within Turkey and the two countries' major policy differences. Aside from the convergence on Northern Iraq, their interests' in the rest of the country are at odds. Turkey does not welcome Iranian meddling in Iraqi politics for fear that its influence could dramatically alter the balance of power in the region and Iran remains wary of Turkey's long-term intentions.

In addition, Iran wants U.S. troops to withdraw immediately, while the Turkish military has strongly advocated a slow, staged pullout in order to prevent a sudden security vacuum. Therefore, Turkish military cooperation with Iran has not moved beyond the colonel level, and is limited to the common terrorist problem. It is worth noting that during President Ahmadinejad's visit in August, there were no military officials in attendance indicating the constraints of cooperation in this field

The Threat of a Nuclear Iran

Increased energy and security cooperation puts Turkey in a difficult position vis a vis Iran's nuclear program. The U.S. and European powers fear that Iran is enriching uranium in pursuit of nuclear weapons. In 2002 the Mujahadeen-e-Khalq, a militant Iranian opposition group, revealed that the government was covertly pursuing nuclear enrichment activities at two nuclear facilities in Natanz and Erak, causing alarm among Western nations. The reformist government of

⁴¹ "Turkish Generals Admit Military and Intelligence Coordination with Iran," *Terrorism Focus*, 10 June 2008.

⁴² "Turkey Assures U.S. over Intelligence Sharing with Iran," *Today's Zaman*, 20 June 2008.

Mohammad Khatami agreed to temporarily suspend enrichment and participate in negotiations with the European “troika” of Britain, Germany, and France, but with neo-conservative Mahmoud Ahmadinejad winning the Presidency in 2005, this conciliatory approach was abandoned and hopes for a diplomatic solution to the problem appeared dim. Ahmadinejad quickly announced that uranium enrichment would resume, and the International Atomic Energy Agency referred the case to the United Nations Security Council. In December 2006, March 2007, and March 2008 the Security Council passed sanctions on Iran that imposed bans on Iran’s trade in sensitive nuclear materials and technology and the sale of “dual-use” items, prevented deals with certain Iranian banks, and placed asset restrictions and travel bans on Iranian individuals said to be involved in nuclear work. In addition, the European Union agreed to freeze overseas assets of Bank Melli, Iran’s largest state-owned bank in June 2008. Simultaneously, the permanent Security Council members and Germany (P5 + 1) presented a package to Iran that offered technological and economics incentives on condition that Tehran suspend enrichment activities. President Ahmadinejad rejected the offer, stating that demands for Iran to halt nuclear activity were “illegitimate.”⁴³

Until recently, Turkey kept relatively silent at the prospect of a nuclear-armed Iran. Some argue that Turkey took a “nonchalant attitude” because it lived with nuclear weapons in the neighboring Soviet Union for over 50 years.⁴⁴ Furthermore, there are few reasons why Iran would attack Turkey given their levels of cooperation. Turkey would most likely only be at risk if there were an American and Israeli confrontation with Iran. In the immediate aftermath of the December 2007 U.S. National Intelligence Estimate Report, which asserted that Iran had halted its nuclear weapons program in the autumn of 2003, belligerent rhetoric between the two sides seemed to ease somewhat. Yet, tensions are on the rise once again with the diplomatic impasse. In June 2008, Israel held a massive three-day military exercise in the Mediterranean that appeared to be a rehearsal for a potential air strike on nuclear targets in Iran.⁴⁵ A few weeks later, Iran test-fired nine medium and long-range missiles, including a Shahab-3, which the Iranian government described as having the range to reach Israel.⁴⁶

The escalating conflict puts Turkey in an uncomfortable position as it seeks to balance its Western ties with a closer relationship to Iran. Turkey signed three military and defense industry cooperation agreements with Israel in 1996. Iran

⁴³ “Iran and the nuclear issue,” *BBC News*, 15 September 2008.

⁴⁴ Efraim Inbar quoted in Ian Lesser, “Turkey, Iran, and Nuclear Risks,” *Turkish Policy Quarterly*, Vol. 10 (Summer 2004), p. 90.

⁴⁵ “Israel Conducted War Games, U.S. Officials Report,” *The Washington Post*, 21 June 2008.

⁴⁶ “Iran Reports Missile Test, Drawing Rebuke,” *The New York Times*, 10 July 2008.

expressed vehement opposition, threatened particularly by the “open skies” arrangement whereby Israel is permitted the use of Turkish airspace close to the Iranian border for training and surveillance.⁴⁷ However, it would be highly unlikely for Turkey to allow its bases or its airspace to be used for an air strike against Iran’s nuclear facilities. When Israel violated Turkish airspace in September 2007 to bomb a nuclear installation in Northern Syria, Turkish officials voiced their anger and made clear that Turkey should not be considered a potential springboard for any future attacks.⁴⁸ It is certainly not in Turkey’s interests to have another war near its borders. Unlike the Israeli strike on Iraq’s Osirak reactor in 1981, Iran’s nuclear facilities are dispersed and sometimes underground, meaning there would be no assurance that all relevant targets would be hit or that an attack would delay Iran’s ability to produce weapon-grade uranium. Moreover, Iran would most likely retaliate by mobilizing Hezbollah, Hamas, and Shiite militias to destabilize the region in catastrophic ways.⁴⁹

While Turkey objects to a military strike, it by no means welcomes the idea of Iran obtaining nuclear weapons. The Turkish Ambassador to Washington, Nabi Şensoy, recently stated that, “clandestine nuclear programs are a threat to Turkey as well as to the U.S.”⁵⁰ Ankara already takes Iran seriously as a regional actor, and a nuclear Iran would acquire far greater strategic weight in its relations with Turkey, perhaps resorting to diplomatic bullying if need be. Moreover, the emergence of a nuclear Iran could instigate an arms race and destabilize an already volatile region. The Iranians have developed two categories of long-range ballistic missiles with ranges up to 2,000 kilometers. In September 2007 the new Qadr 1 missile was put in service with a range of 2,500 kilometers. These missiles are already being mass-produced in Iran. They put both Turkey and Israel, as well as the rest of the Middle East within range of a potential Iranian nuclear strike.⁵¹

Although Turkey is under the NATO nuclear umbrella, developed to prevent the Soviet Union from attacking during the Cold War, this security guarantee is not as firm in the face of challenges from the Middle East and the post-Cold War security environment. For example, prior to the Gulf Wars of 1991 and 2003, some European members of NATO were hesitant to extend support to Turkey in the face of a potential attack by Iraq.⁵² NATO has devoted significant resources

⁴⁷ John Calabrese, “Turkey and Iran: Limits of a Stable Relationship,” *British Journal of Middle Eastern Studies*, Vol. 25, No. 1 (1998), pp. 86 – 87.

⁴⁸ “Turkey no platform for Israeli strike,” *Reuters*, 13 February 2008.

⁴⁹ “Can Military Strikes End Iran’s Nuclear Program? ISIS Report: Probably Not”, *CSIS*, 9 September 2008.

⁵⁰ Nabi Şensoy “The Future of US-Turkey Strategic Partnership?” speech given on 19 May 2008, Washington D.C.

⁵¹ “Iran’s Defense Strategy: Threat or Deterrence?” *Today’s Zaman*, 9 December 2007.

⁵² Hale, “Turkey, Iran, and the U.S.,” p. 2.

to improving intelligence sharing and command and control for WMD-related contingencies, but the improvements are largely in the realm of strategic concepts and doctrine, rather than capabilities, which is what Turkey needs to address.⁵³ Faced with this threat, Turkey is highly unlikely to develop its own nuclear capability. Although the question has been raised from time to time, the costs both economically and politically are too high and would only be plausible if there were a complete collapse in Turkey's western orientation. Turkey has also declined participation in the U.S. anti-ballistic missile shield that will base radars in the Czech Republic and interceptors in Poland, perhaps to avoid antagonizing an ascendant Russia. There are also plans to eventually integrate the U.S. system into a wider NATO missile defense structure, but at the NATO summit in Bucharest in April 2008 these plans were still in the initial phases indicating that a NATO defense shield is years away.⁵⁴ Instead, Turkey has been exploring the possibility of acquiring its own anti-missile defense system. The Turkish air force is choosing between buying a combination of the Patriot 2 and Patriot 3 missiles produced by the U.S. or the Russian-made S-400 system. During his visit to Ankara in February 2008, Secretary of Defense Robert Gates maintained that any missile systems purchase by Turkey should be in coordination with NATO's defense, thereby warning Turkey against the Russian option."⁵⁵

In addition to beefing up its own defenses, Turkey has recently sought to resolve the international standoff by using its positive relations with the West and Iran to facilitate negotiations between the two sides. Turkey is currently mediating indirect talks between Syria and Israel and envisions playing a similar role in the nuclear imbroglio. When Ankara hosted back-to-back meetings with U.S. National Security Advisor Stephen Hadley and Iranian Foreign Minister Manouchehr Mottaki in July 2008, two days before a senior U.S. diplomat participated in talks with Iran's chief nuclear negotiator for the first time, there was much excitement that the international community was entering a fresh chapter in negotiations. However, Turkey's influence in the nuclear row is limited and the AKP government has sometimes been criticized for naivety in its ambitious foreign policy initiatives.

For example, both the Israelis and Americans strongly objected to President Ahmadinejad's visit to Istanbul in August 2008 just two weeks after Iran refused the P5 + 1 incentives package. As an Israeli spokesman stated, "Israel is disappointed that Turkey has invited for an official visit, a leader who denies publicly the Holocaust, thus granting him legitimacy.

⁵³ Lesser, "Turkey, Iran, and Nuclear Risks," p. 92.

⁵⁴ "Turkey seeks to be covered by NATO's missile umbrella," *Today's Zaman*, 14 March 2008.

⁵⁵ Andrew McGregor, "Arming for Asymmetric Warfare: Turkey's Arms Industry in the 21st Century," *The Jamestown Foundation*, p. 17.

This is an unfortunate visit. It is a bad idea to invite and host him at a time when Iran is not giving any signs of cooperating with the international community.”⁵⁶ Turkish officials, however, viewed this as an opportunity to help “bridge the gap between the proposals of P5 + 1 and the Iranian position.”⁵⁷ During the meetings, President Abdullah Gül encouraged a diplomatic solution to the problem, warning Iran from getting into an unwinnable war with the United States. He also praised the incentives package as a chance to move beyond the diplomatic standoff and urged Iran to seize this opportunity. Rather than heeding Turkish suggestions, Ahmadinejad simply thanked his counterpart for recognizing Iran’s right to nuclear technology for peaceful purposes and criticized the West for using his country’s nuclear program as a political excuse to prevent Iran’s technological and economic advancement.⁵⁸ The visit, by providing Ahmadinejad a platform from which to spout out his usual fiery rhetoric, while ignoring Turkish pleas for compliance, seemed to be a testament to the limits of Turkey’s role as a facilitator.⁵⁹

Looking Ahead

Turkish-Iranian relations are enjoying a marked improvement, for the time being, as both countries have stopped viewing one another as a major security threat. Since the early 2000s, the Iranian leadership appears to have abandoned hopes of “exporting the Revolution” to Turkey and has distanced itself from the PKK. Rapprochement has been further facilitated by the U.S. invasion of Iraq, where Iran and Turkey find themselves fighting a common enemy in the form of Kurdish insurgents. Until recently, the damage the war had done to the U.S.-Turkish partnership provided another opportunity for Turkey and Iran to get closer. Yet the future of the Turco-Iranian relationship remains tenuous and is contingent upon not only domestic developments within the two countries, but also changes in the geopolitical environment.

As the tension between the United States and Iran increases, the chances for war become ever more probable. New leadership in both Iran and the United States could alter the current standoff. President Ahmadinejad’s excessively confrontational style on the world stage, as well as his erratic economic policies,

⁵⁶ “Turkey Rolls its Diplomatic Dice,” *Turkish Daily News*, 14 August 2008

⁵⁷ *Ibid.*

⁵⁸ “Gül ve Ahmadinejad basın toplantısı düzenledi,” [Gül and Ahmadinejad organized a press conference] *Hürriyet*, 14 August 2008.

⁵⁹ In fact, there was much controversy within Turkey surrounding Ahmadinejad’s visit. Many questioned what Turkey would gain from hosting the controversial leader. In the days leading up to his arrival, there was much outrage at Ahmadinejad’s refusal to visit the mausoleum of Mustafa Kemal Atatürk, a protocol for visiting foreign heads of state. In fact, it was for this reason that Ahmadinejad visited Istanbul and not Ankara. This move was viewed as a direct affront to Turkish secularism. On his last day, his trip to the famous Blue Mosque for Friday prayers was criticized for turning a religious event into a political show.

have lost him favor with the clerical leadership, which could very well signal a change come Presidential elections in June 2009. A more moderate Iranian president could lead to a thawing of relations with the West, which would then allow Turkey to further engage Iran without fear of retribution. Similarly, it is likely that with a new America administration there will be an emphasis on diplomacy rather than militarism making the possibility of an attack against Iran slim.

Iranians are a people whose national pride is still wounded from foreign attempts to dominate their country and though most dislike Ahmadinejad's incendiary rhetoric, they rally in support of acquiring nuclear weapons to counter U.S. imperialism. Therefore, this reduced threat would perhaps encourage Iran to abandon its nuclear program, which would undoubtedly be a huge relief for Turkey. On the other hand, the majlis elections in spring 2008, in which reformists were barred from running, proved that the military-clerical nexus has become so strong in Iran that any new president will probably still come from the conservative base. A new leader may diverge from Ahmadinejad in style and on economics, but most likely not on the substance of foreign policy.

Another source of uncertainty is the future of Iraq and the implications for the region. With both the American public and Iraqi Prime Minister Nouri al-Maliki demanding American troops to withdraw, there is a good chance that forces will pull out in the next couple years.⁶⁰ A precipitous withdrawal, which would cause serious instability, does not seem likely. Instead, one option is to remove all combat forces with residual forces remaining in northern Iraq. Both Iran and Syria would be vehemently opposed to such a situation and most likely close their borders to the region. This scenario could be to Turkey's advantage, particularly given the recent, though still shaky, rapprochement between Turkey and the U.S., as the U.S. would be more dependent on Turkey to foster some sort of stability Turkey's coordination with the Americans could then adversely affect the Turkish-Iranian alignment in Northern Iraq.⁶¹

Closer security coordination between Turkey and Iran could very well be due to the exigencies of the war and the common terrorist threat. Although both want to preserve the territorial integrity of Iraq, they are wary of the other's ability to exert disproportionate influence in the country. After opening up communication with the Iraqi Kurdish leadership this past spring, Turkey's relations with the Kurdistan Regional Government (KRG) have shown a marked progression. If the KRG continues to cooperate and helps to eradicate the PKK presence in

⁶⁰ Even John McCain who has said troops will stay in Iraq "as long as it takes," has softened his stand by suggesting that if conditions on the ground permit, American troops could be out by 2013.

⁶¹ Ian Lesser, "Beyond Suspicion, Rethinking US-Turkish Relations," *The Woodrow Wilson Center for International Scholars*, 19 October 2007.

Northern Iraq, where will this leave the Turkish-Iranian relationship? Turkey and Iran have used different strategies in dealing with the Iraqi quagmire. While Turkey is the largest foreign investor in Northern Iraq, Iran's influence has been through political leverage in the Shiite areas.

Therefore, with improved relations with the KRG, Turkey could emerge the stronger player through its economic presence.

Another important question is how developments in the entire country will affect Turkey and Iran. After all, despite the reduction of violence in Iraq since the American "surge" of troops, political reconciliation between Iraqi leaders on major issues like the hydrocarbons law, the status of Kirkuk, and the integration of former Sunni insurgents into the army and government has not occurred, leading most analysts to believe that some sort of sectarian conflict will play out when American forces draw down. Turkey could harness its relatively good standing with the U.S., Arab neighbors, and Iran to mediate between Sunni and Shiite interests. If Turkey overreaches, however, it could irk Iran and the Iraqi Kurds who are wary of Turkey becoming overly active in the region. If Iran plays a destabilizing role by actively supporting Shiite militias it could also hamper Turkish-Iranian relations. Indeed, a full out civil war, which would risk dividing Iraq into three separate states, could put Iran and Turkey, not to mention most of the Arab world, into conflict as Iran tried to establish a powerful Shiite state. On the other hand, Turkey and Iran could enter the war as allies in crushing a Kurdish independence movement, although this is highly unlikely given international opposition.

The recent conflict in the Caucasus between Russia and Georgia has also drastically altered the geopolitical landscape. With Russia demonstrating its ability to control supplies through Georgia, constructing a new pipeline that traverses Georgian territory may not be logical and Europe could look to Iran to both supply gas and link Caspian resources to the West. If Europeans reconsider Iran as a partner in the Nabucco pipeline, this would be one issue where Turkey would no longer be in contention with the West. On the other hand, deeper Russian-Western friction makes a diplomatic solution to Iran's nuclear program even less promising. Iran could take advantage of this divide and use Russia as a counter-weight. Iran already took a pro-Kremlin stance in the recent Eurasian crisis; by continuing to cozy up to Russia it could secure military hardware, nuclear energy, and a veto in the Security Council against another round of sanctions. This overt competition between Russia and the West, could severely constrain Turkey's ability to maintain friendships with countries on both sides.⁶²

⁶² "Seeing Iranian Gains in the Caucasus," Council on Foreign Relations, 12 September 2008; "Russian Offensive Hailed in Mideast," *The Washington Post*, 30 August 2008.

Turkey has used its dual Western-Muslim identity to create a role for itself as a potential mediator between conflicting civilizations. Many of these efforts have been admirable, but they have also led to a misunderstanding of Turkey's foreign policy initiatives. Sometimes what appears to the AKP government as mending ties between conflicting parties is interpreted by Western nations as condoning perverse behavior. In the case of Iran, Turkey claims to be in solidarity with the West in putting pressure on Tehran, but its policy of economic cooperation threatens to undermine these efforts. On the other hand, neither US attempts at isolating the country nor European endeavors at diplomatic talks have deterred Iran from its nuclear ambitions or other rogue behavior. Therefore, from a pragmatic perspective, if international pressure is ineffective and Turkey stands to benefit from engaging Iran, Ankara can make a strong case for continuing to do so. The West can take comfort in the fact that there is enough skepticism about Iran in Turkey and enough policy divergence between the two countries, that it is highly unlikely that Turkey would ever choose Iran over the West. Yet, the Western world should continue to engage Turkey. If Turks feel that their bid for EU membership is hopeless or that the U.S. is wavering once again on the PKK issue, they could be tempted to move closer towards their Eastern neighbor.