

Geopolítica en el mar Caspio: los extraños no son bienvenidos

Resumen:

El contexto geopolítico actual de rivalidad sistémica entre los Estados Unidos y China está desplazando parte de la tensión hacia los cuellos de botella en el tráfico comercial global, como son los estrechos de Malaca, el estrecho de Ormuz o el canal de Suez. Mantener la integridad de las cadenas de suministro es esencial para la economía mundial y la búsqueda de alternativas en las rutas de transporte adquiere importancia estratégica. A estos efectos, el mar Caspio presenta oportunidades para el desarrollo de conexiones norte – sur y este – oeste de gran interés para las potencias euroasiáticas, Rusia y China, además de contener grandes cantidades de hidrocarburos. Pero esta región no está libre de tensiones y constituye el escenario en el que un nuevo «Gran Juego» geopolítico está teniendo lugar.

Palabras clave:

Caspio, Franja y Ruta, Gran Juego.

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Introduction

The grounding of the cargo ship Ever Given in March 2021, which blocked the Suez Canal for a week, highlighted how vulnerable world cargo traffic is at choke points. Much of the trade affected by the incident originated in China and was destined for mainland Europe and, for a few days, the international community saw one of its worst fears realised.

There is no doubt that, in this globalised world, supply chain disruption is one of the greatest threats to the world economy, and this concern has long been prominent in literature on international relations. The current geopolitical context of systemic rivalry between the United States and China brings added risks to this issue, shifting some tension towards bottlenecks in global trade traffic, such as the Strait of Malacca, the Strait of Hormuz or the Suez Canal.

Searching for alternatives is currently of particular interest, and initiatives such as the Belt and Road Initiative (BRI) promoted by China have, at least in part, this aim. The new (overland) Silk Road has established several economic corridors that bypass the possibilities of the Caspian Sea and its surroundings to some extent¹. This region, which is also rich in hydrocarbons, offers multiple possibilities for complementing the connectivity needed both north-south and east-west by the major Eurasian powers, Russia and China, and its strategic value is set to increase gradually.

This paper aims to address the geopolitics of the Caspian Sea basin, a region located between Central Asia and the Caucasus, from which it is inseparable. However, we do not intend to cover these neighbouring regions in their entirety here and will only refer to them insofar as is necessary to contextualise issues related to the Caspian Sea basin. To this end, we will first deal with the most important geopolitical issues and then delve into the already ongoing 'New Great Game' between the world's major powers.

¹ Six economic corridors have been established on the Asian continent, three of which run east-west: two through the territory of the Russian Federation in the north (the New Eurasian Land Bridge and the China – Mongolia – Russia, NELCEC and CMRC, respectively) and one through the Islamic Republic of Iran in the south (China – Central Asia – West Asia, CCWAEC).

The Caspian Sea

The Caspian Sea is the largest inland body of water on Earth and lies at the intersection of Europe and Asia, flanked by the Caucasus Mountains to the west and the Central Asian steppes to the east. With a length of over 1,000 km and a maximum width of 435 km, its waters are shared by Russia, Azerbaijan, Iran, Turkmenistan and Kazakhstan (Figure 1).



Figure 1: The Caspian Sea.

From a geopolitical point of view, the Caspian has attracted recent interest for two reasons: its value as a communications hub, which provides great flexibility to existing connectivity projects—both north-south and east-west—and because it is rich in natural resources, especially oil and natural gas. These issues are affected by the absence of a unanimously accepted legal status, which can lead to tensions between riparian states. Starting with the latter, these are the geopolitically influenced issues that we address below.

Legal status

As mentioned above, the legal status of the Caspian Sea has been a matter of debate among the five coastal states since the dissolution of the Soviet Union in the early 1990s. Previously, the Caspian had been shared 50-50 between Iran and the USSR by means

of bilateral agreements, but this entente collapsed after the independence of the new coastal states: Azerbaijan, Kazakhstan and Turkmenistan.

A long and difficult debate then raged over whether the Caspian should be considered a real sea or an inland lake. This question may seem simple at first glance, but is not trivial, as the underlying issue is to decide whether the 1982 United Nations Convention on the Law of the Sea (UNCLOS) applies, or whether coastal states can establish their sovereign spaces outside this international norm².

More than 20 years of negotiations on applying one or the other approach came to a conclusion with the signing on 12 August 2018 of the Convention on the Legal Status of the Caspian Sea, which provides a Caspian-specific solution outside UNCLOS³.

According to the Statute, each state is entitled to 15 miles of territorial waters, plus 10 adjacent miles for exclusive exploitation of biological resources. The remaining waters form what is called the 'common maritime space', open for use by all parties. The seabed and subsoil are divided into sectors for exploitation among the five states.

However, the Convention, which sets out the governing principles, does not determine the exact location of the boundaries or the specific allocation of these spaces to each state, a matter that is reserved for bilateral agreements (Figure 2).

² Currently, the only available access to the Caspian is from the Black Sea via the Don and Volga rivers and the 110 km long canal linking them.

³ Convention on the Legal Status of the Caspian Sea, 12 August 2018. Available at [Convention on the Legal Status of the Caspian Sea \(freshfields.com\)](https://www.freshfields.com/insights/publications/2018/08/convention-on-the-legal-status-of-the-caspian-sea) (accessed May 2021).



Figure 2: Division of waters according to the Convention of 12 August 2018. Various sources. Prepared by the author.

Although all five states have signed the convention, Iran, which has seen its share of this sea reduced to a meagre 11%, has not yet ratified it, so officially it has not yet entered into force. It is reluctant to do so because of strong internal criticism this has provoked, despite external pressure to do so, especially from Russia⁴. This has not prevented the establishment of bilateral agreements between Russia, Kazakhstan and Azerbaijan⁵, although neither Turkmenistan nor, for the reasons indicated, Iran has yet done so.

But apart from territorial issues, perhaps the most important aspect of the agreement from a strategic point of view is included in Article 3, which ensures the ‘non-presence in the Caspian Sea of armed forces not belonging to the parties’. This excludes a possible deployment of US or NATO forces in an area where, given the existing force ratio, Russia is guaranteed to dominate⁶.

⁴ Russia Demands Iran Ratify Caspian Sea Legal Convention, *Iran International*, 8 April 2021, available at [Russia Demands Iran Ratify Caspian Sea Legal Convention | Iran International \(iranintl.com\)](https://iranintl.com/russia-demands-iran-ratify-caspian-sea-legal-convention/). Accessed May 2021.

⁵ In fact, these trilateral agreements predate the Convention and date back to 2003.

⁶ The deployment of naval units obviously requires the use of Russian waterways. This clause is therefore aimed at the possible deployment of air or ground forces in one of the coastal countries.

Energy factor

All countries bordering the Caspian Sea are rich in hydrocarbons, which is why energy plays an important role in the region's geopolitics. In addition to Russia and Iran, true energy powers, the countries that emerged from the break-up of the Soviet Union have made hydrocarbons their main source of income.

The peculiar geographical location of the Caspian, with no open sea outlets, makes oil and gas exports less flexible and they have to adapt to the existing pipeline infrastructure, which has thus imposed a certain degree of specialisation. To put it briefly, Kazakhstan mainly exports oil to Europe, Turkmenistan gas to China, and Azerbaijan both resources to Turkey and Europe⁷.

A recent agreement (21 January 2021) between Turkmenistan and Azerbaijan that resolves a dispute dating back to the birth of the two countries may help Turkmenistan to reduce this dependency: the agreement on joint exploitation of the *Dostlug* (Azeri for friendship) gas field⁸. In addition to the positive aspects of the agreement in terms of cooperation between the two countries, it has strategic implications as it opens the door to the materialisation of an old project that could be of interest to both countries: the Caspian gas pipeline (TCP), which would allow Turkmenistan to reduce its dependence on China, directing part of its exports to European markets⁹ (Figure 3).

⁷ Kazakhstan mainly exports oil to European markets (more than 60%) via the Caucasus consortium and gas to Ukraine (20 %), Russia (7%) and above all to China (47%) via neighbouring Uzbekistan and Turkmenistan (Central Asia-Center Pipeline and Trans Asia Pipeline - TAGP). Azerbaijan exports oil and gas mainly to Turkey and Europe, for which it has developed the South Caucasus gas corridor (Baku - Tbilisi - Erzurum and TANAP) and the Baku - Tbilisi - Ceyhan (BTC) pipeline. For Turkmenistan, almost 100% of its hydrocarbon exports are natural gas to China through the TAGP pipeline; it is the country that has managed to diversify its exports the least. Data from the Observatory of Economic Complexity - OEC. Available at [OEC - The Observatory of Economic Complexity](#).

⁸ Azerbaijan, Turkmenistan sign MoU on joint exploration and development of "Dostlug" field in Caspian Sea, AZERTAC state news agency, 21 January 2021. Available at [Azerbaijan, Turkmenistan sign MoU on joint exploration and development of "Dostlug" field in Caspian Sea - AZERTAC - Azerbaijan State News Agency \(azertag.az\)](#) (accessed May 2021).

⁹ Linking in Baku with the South Caucasus gas corridor and from there reaching European markets, either via Turkey (TANAP) or via the Black Sea to Romania (White Stream -WS pipeline), a pipeline project that would link the Georgian terminal in Supsa with the port of Constanta in Romania from 2023 onwards.

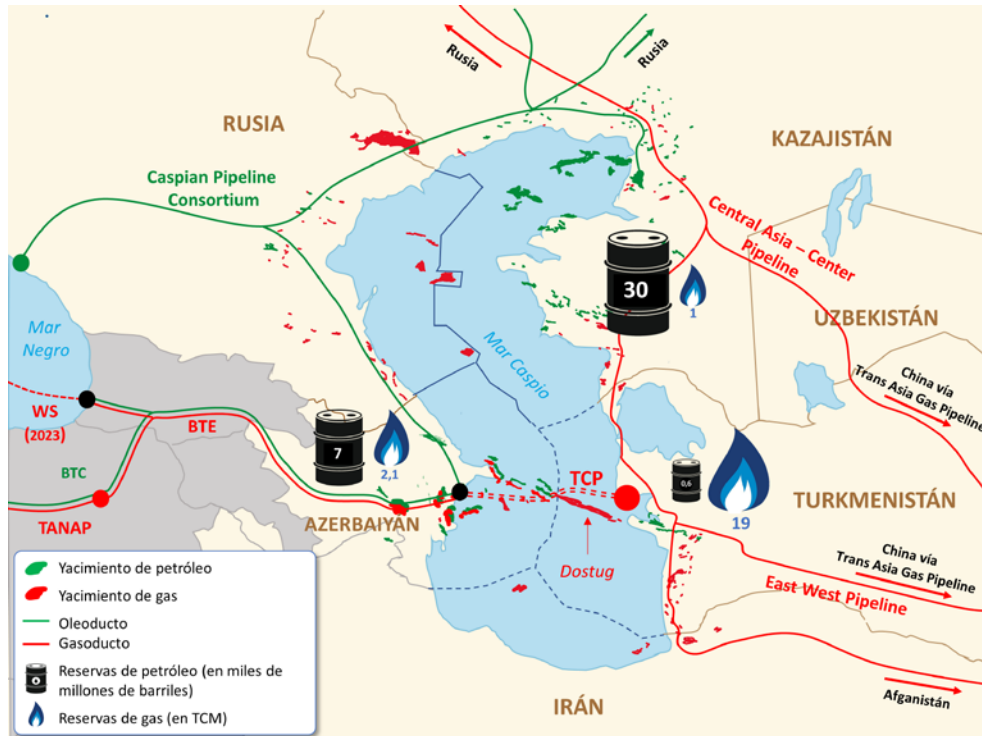


Figure 3: Energy resources and infrastructure in the Caspian. Various sources. Prepared by the author.

Diversification of sources of natural gas supply to the European Union (EU) in order to reduce its dependence on Russian gas is one of the reasons why, in the not too distant past, the EU was interested in at least negotiating the possibilities of transporting gas across the Caspian¹⁰ with Azerbaijan¹¹ and Turkmenistan¹².

But times have changed and the EU seems to favour renewable energies in the framework of green policies—the European Green Pact¹³—to the detriment of fossil fuels, discouraging investment in infrastructure and projects related to these energy sources¹⁴.

¹⁰ European Commission, Diversification of gas supply sources and routes. Available at [Diversification of gas supply sources and routes | Energy \(europa.eu\)](https://ec.europa.eu/energy/en/diversification-of-gas-supply-sources-and-routes) (accessed May 2021).

¹¹ The EU has a Strategic Partnership MOU in the field of energy with Azerbaijan, which takes into account Azerbaijan's importance both as a hydrocarbon producer and as a transit country for energy resources. Memorandum of Understanding on a Strategic Partnership between the European Union and the Republic of Azerbaijan in the field of Energy. Available at https://www.europarl.europa.eu/meetdocs/2009_2014/documents/dsca/dv/dsca_20130321_14/dsca_20130321_14en.pdf (accessed May 2021).

¹² Cooperation with Turkmenistan on energy is governed by a 2008 MOU which already mentions the desirability of the corridor through the Caspian to the Black Sea. European Commission website. Available at https://ec.europa.eu/commission/presscorner/detail/en/IP_08_799 (accessed May 2021).

¹³ 'European Green Pact: The EU's goal of climate neutrality by 2050'. European Council. Available at [European Green Pact - Consilium \(europa.eu\)](https://ec.europa.eu/eip/en/european-green-pact-consilium) (accessed May 2021).

¹⁴ The European Investment Bank will stop financing fossil fuel projects from the end of 2021. See 'The path out of fossil fuels', *European Investment Bank*, 9 December 2019. Available at [The path out of fossil fuels \(eib.org\)](https://www.eib.org/en/press/2019/12/09-the-path-out-of-fossil-fuels) (accessed May 2021).

While the EU once favoured the use of natural gas as an alternative, less polluting source than oil and coal as long as renewable sources were not fully competitive, this strategy seems to have its days numbered.

This is perhaps the reason why Russia, which *a priori* would see its interests harmed by the development of this project, could have compromised at this point with the TCP. Green policies add to the expected high construction costs of this pipeline, raising doubts about its cost-effectiveness. To oppose a project that could have been stillborn is to invest political capital that could be useful in other ventures.

Economic and transport corridors

Another aspect that gives strategic value to this region is its connectivity, in other words, the possibilities the Caspian offers to link east-west and north-south communications, which is of great importance both for the transport of goods between China and European markets and to facilitate Russia's exit to the Persian Gulf. From Caspian ports, multiple links can be established to connect the various corridors that converge in or near Caspian waters (Figure 4):

1. Firstly, a rail link from the Russian ports of Astrakhan and Lagan¹⁵, which connect to the *International North-South Transport Corridor (INSTC)*¹⁶. The Iranian ports of Anzali and Amirabad can also be linked to the same corridor, which connects by motorway to the ports of Bandar Abbas in the Strait of Hormuz, Bandar-e Jask and Chabahar in the Indian Ocean.

¹⁵ In July 2020, the construction of the port of Lagan was announced to substantially increase the trade capacity of Russian Caspian ports.

¹⁶ The INSTC was agreed in 2000 by Russia, India and Iran to link St Petersburg with the port of Bombay in India.

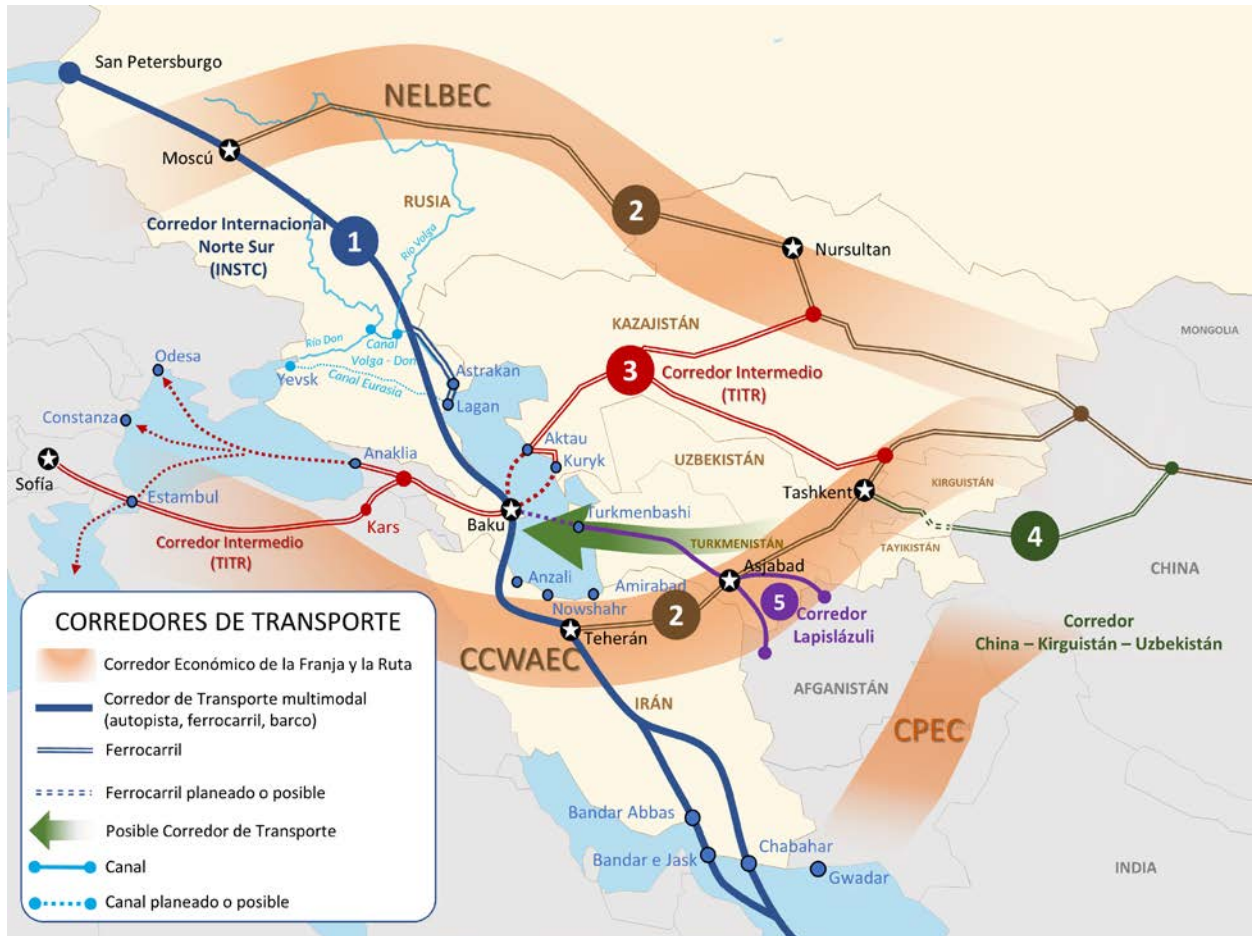


Figure 4: Main economic and transport corridors. Various sources. Prepared by the author.

2. Secondly, as far as the BRI is concerned, the Caspian can connect the New Eurasian Land-Based Corridor (NELBEC) in the north and the China-Central Asia-West Asia Corridor (CCWAEC) in the south through Iranian territory.
3. Between the two corridors and using the Kazakh ports of Aktau and Kuryk and the Azeri port of Baku, runs the intermediate corridor (Trans Caspian International Transport Route – TTIR – or Middle Corridor – MC)¹⁷, which from Kazakhstan connects via the Baku-Tbilisi-Kars (BTK) railway to Turkey and from there to Europe, as well as using Georgia and the Black Sea to also link up with the European rail network at the ports of Constanta (Romania) and Chornomorsk (Ukraine). This corridor represents a real possibility to transport goods from China to Europe bypassing Russian and Iranian territory, making it particularly attractive.

¹⁷ TTIR Web available at <https://middlecorridor.com/en/route>. Accessed May 2021.

4. One project that has recently gained interest is the China - Kyrgyzstan - Uzbekistan corridor, opened between Xinjiang and the Uzbek capital Tashkent. Although many doubt the usefulness of this corridor, as the section through Kyrgyzstan has no railway and cargo has to be transported by road, the possibility of an extension to the Turkmen port of Turkmenbashi would substantially shorten the TTIR route. Its consolidation as an alternative, however, requires major investment for the construction of the railway in the intermediate section, something that does not seem to be within the reach of the current Kyrgyz government¹⁸.
5. The Caspian is also essential for the Lapis Lazuli corridor, which connects Afghanistan with the Black Sea and Turkey via the South Caucasus¹⁹.

The recent Nagorno-Karabakh conflict between Armenia and Azerbaijan has also had an impact on east-west connectivity. Paragraph nine of the Moscow-brokered ceasefire agreement requires the Republic of Armenia to ensure the security of land communications (Zangezur corridor) connecting the territory of Azerbaijan with the enclave of Nakhchivan, bordering Turkey, to allow unrestricted two-way traffic of people, vehicles and goods²⁰. It remains to be seen whether this corridor materializes and perhaps, in the end, it is just reduced to a mere local connection. But on paper it is an additional avenue through which Turkey could extend its influence into Azerbaijan and from there into Central Asia, and is therefore viewed with great suspicion by Iran.

River connections complete the picture. The Caspian can be accessed from the Black Sea via the Don and Volga rivers, which are connected by a 101 km long canal, allowing ships of up to 5,000 mt to transit between the two seas (Volga-Don canal). The Eurasian Canal has been planned to overcome this constraint; with a length of some 700 km, it is intended to link the Russian ports of Lagan, under construction on the Caspian, and

¹⁸ The New China-Kyrgyzstan-Uzbekistan Corridor, *The Central Asia - Caucasus Analyst*, 23 November 2020. Available at [The New China-Kyrgyzstan-Uzbekistan](https://www.cacianalyst.org/publications/analytical-articles/item/13649-the-new-china-kyrgyzstan-uzbekistan-corridor.html)<https://www.cacianalyst.org/publications/analytical-articles/item/13649-the-new-china-kyrgyzstan-uzbekistan-corridor.html> Corridor (cacianalyst.org). Accessed May 2021.

¹⁹ For more information on this corridor see CASTRO TORRES, José Ignacio, 'La importancia de los corredores terrestres: el caso de Afganistán.' Analysis Document 29/2018 IEEE, 1 August 2018, p. 14. Available at http://www.ieee.es/Galerias/fichero/docs_analisis/2018/DIEEEA29-2018_Lineas_Terrestres_Comunicaciones_Afganistan_JICT.pdf (accessed May 2021).

²⁰Statement by President of the Republic of Azerbaijan, Prime Minister of the Republic of Armenia and President of the Russian Federation, *Presidency of the Russian Federation website*, 10 November 2020. Available in [Statement by President of the Republic of Azerbaijan, Prime Minister of the Republic of Armenia and President of the Russian Federation • President of Russia \(kremlin.ru\)](#) (accessed May 2021).

Yevsk, on the Sea of Azov, via the Kuma-Manych depression. This channel, which would act as a link from the INSTC to the Black Sea, could be used by vessels of up to 10,000 mt, increasing not only the logistical capacity of the Black Sea connection, but also facilitating access by large warships to the Caspian²¹.

The ‘New Great Game’

The term ‘New Great Game’ has been widely used since the 1990s to describe rivalry between great powers to gain military power, geopolitical supremacy and economic advantage in regions such as the Caspian, the Arctic, the Black Sea or the South China Sea²². The idea is based on the classic ‘Great Game’, an old narrative describing the struggle between Russia and the United Kingdom for dominance of this part of the world throughout the 19th and part of the 20th century. Thus, as far as the Caspian Sea is concerned, the term has been used to refer to the struggle for influence in this vital communications node between the US, Russia and China and, to a lesser extent, the EU. In the current case, however, regional powers such as Iran and Turkey are joining this Great Game independently, aligning themselves or, as far as possible, confronting global powers to suit their interests.

Russia

Considered an essential part of Russia's sphere of influence, the Caspian, and Central Asia and the Caucasus in general, are key regions for Russia's security. In addition to serving as a buffer zone against an emerging China and the rest of Asia, the region is a source of problems such as religious extremism, drug trafficking and other organised crime activities that alone justify active intervention in the region.

In addition to the military deployment it maintains on its own territory, including the Caspian flotilla, which since 2010 has been considerably reinforced to include more than 70 ships with various capabilities, marine infantry units and coastal defence units²³,

²¹ BEKTURGANOV N.S., BOLAIEV A.V. (2017) The Eurasia Canal as a Factor of Economic Prosperity for the Caspian Region. *Geography, Environment, Sustainability* (GES Journal), Vol. 10, issue 1, p. 33-41.

²² BAYRAMOV, Agha, ‘Conflict, cooperation or competition in the Caspian Sea region: A critical review of the New Great Game paradigm’. *Caucasus Survey*, 2021, Vol. 9, NO.1, 1-20.

²³ ALIYEV, Nurlan. ‘Russia's Military Capabilities in the Caspian’, *The Central Asia-Caucasus Analyst*, 21 February 2019. Available at [Russia's Military Capabilities in the Caspian \(cacionalyst.org\)](https://cacionalyst.org) (accessed June 2021).

Russia has not hesitated to intervene outside its borders when it has been deemed necessary. Thus, especially since its intervention in Georgia in the summer of 2008, it has secured a military presence in Abkhazia, South Ossetia, Armenia and, following the recent Nagorno-Karabakh conflict, Azerbaijan.

These interventions are complemented by a security and defence policy based on military cooperation. Bilaterally, Russia extends its influence into Central Asia with agreements that allow it to maintain military bases in Kazakhstan, Kyrgyzstan and Tajikistan. At multilateral level, Russia makes use of the Collective Security Treaty Organisation (CSTO)²⁴, in which it exercises undisputed leadership and to which Armenia, Belarus, Kazakhstan, Kyrgyzstan and Tajikistan belong.

For Russia, the real value of the CSTO lies in the organisation's potential to effectively limit external influence, particularly from China or Western countries. Consider that, among other things, the founding Charter of the CSTO obliges its members to consult among Allies on the mere possibility of allowing military forces from outside the organisation to be stationed in their respective territories²⁵. On the other hand, Russia's military hegemony in this space is reinforced by the fact that it is the main supplier of armaments and military equipment to these countries(Figure 5).

²⁴ The CSTO has its origins in the association formed in 1992 by the so-called Tashkent Pact, signed by the former Soviet republics with the aim of forming a collective security organisation. Subsequently, Azerbaijan, Georgia and Uzbekistan left the organisation at different times.

²⁵ Article 7 of the Charter of the Collective Security Treaty Organisation of 7 October 2002. Available at [CHARTER OF THE COLLECTIVE SECURITY TREATY ORGANISATION, dated 7 October 2002 \(odkb-csto.org\)](https://odkb-csto.org) (accessed May 2021).

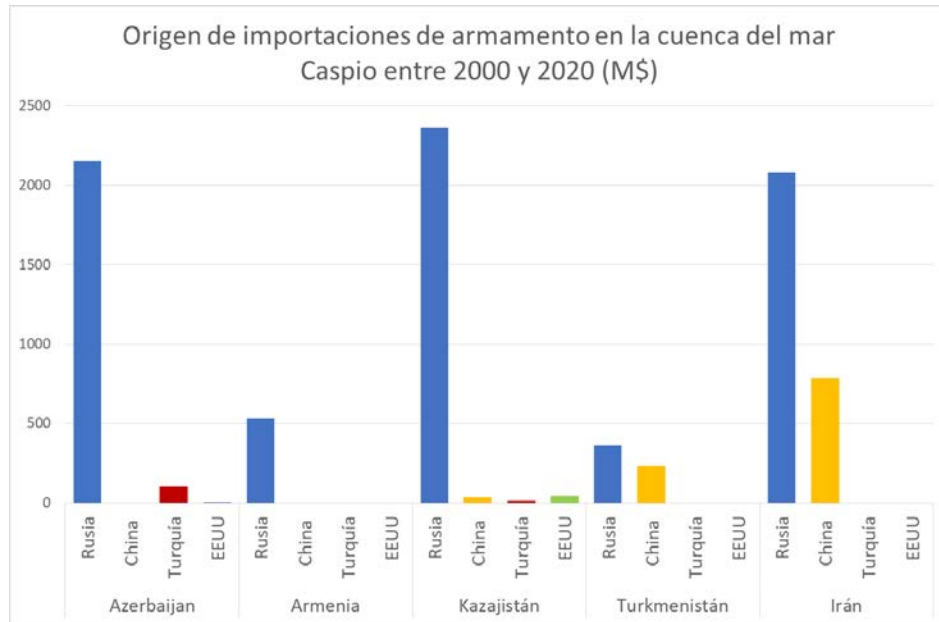


Figure 5: Origin of arms imports in the Caspian Basin. Source: SIPRI. Prepared by the author.

But beyond security issues, the political reintegration of this space is for Russia a *sine qua non* condition for the recovery of its role as a ‘Superpower’²⁶. To this end, Russia has launched what is perhaps the most ambitious cooperation initiative in the post-Soviet space: the Eurasian Economic Union (EAEU)²⁷, a supranational organisation of a markedly economic nature, which includes cooperation in key sectors, including energy²⁸, but which does not hide its political side and through which it can exert considerable influence²⁹ (Figure 6). For the time being, the organisation's scope is limited and only Armenia, Belarus, Kazakhstan and Kyrgyzstan, in addition to the Russian Federation itself, have joined.

But there is no doubt that the organisation is gradually gaining interest, and not only among the Russian Federation's neighbours. In addition to having signed numerous free

²⁶ DUGIN, Alexandr, ‘Putin Vs Putin: a vision of Russia in the 21st century’, *Hyperbola Janus*, 2017, p. 149 ff.

²⁷ EAEU Web at <http://www.eaeunion.org/> (accessed May 2021).

²⁸ Competition policy of the Eurasian Economic Union, *Federal Antimonopoly Service of the Russian Federation*. Available at www.fas.gov.ru (accessed May 2021).

²⁹ Through it, Russia can, for example, block bilateral agreements between these countries and China, maintain Russian as a *lingua franca* among its members, or promote cooperation in education and university education for students from these countries in Russia. Additionally, EAEU objectives include the integration of energy markets, for which specific programmes have been approved for electricity (November 2016) and oil (December 2017), with gas market regulation having experienced some difficulties. In order to unblock this issue, the Russian Federation has tabled a proposal to unblock the issue, which it intends to ratify next year.

trade agreements³⁰, Iran is in the process of negotiating its accession³¹ and another relevant regional actor—namely Turkey—has also been interested in accession for some time, at least ostensibly³². In the first case, interest would be mutual: the EAEU represents an opportunity for Iran to circumvent the US sanctions regime while Russia, if it were to join, would have an additional tool to exert some control over Iran's regional ambitions. In the case of Turkey, however, Armenia's reluctance³³ and the Turkish government's own priority of EU accession, which is incompatible with the EAEU, seem difficult to overcome.



Figure 6: The Euro-Asian Economic Union, EAEU. Various sources. Prepared by the author.

China

With sea routes threatened by undisputed US naval dominance and land routes that, not without difficulty, pass through Russia and Iran, the Caspian's multiple possibilities for

³⁰ The EAEU has signed or is negotiating free trade agreements with Cambodia, China, Egypt, India, Indonesia, Israel, Iran, Mongolia, Serbia, Singapore, South Korea, Turkey and Vietnam.

³¹ RUSSIA, IRAN, AND THE EURASIAN ECONOMIC UNION, *Russia in Global Affairs*, 14 April 2021. Available at [Russia, Iran, and the Eurasian Economic Union — Russia in Global Affairs](#) (accessed May 2021).

³² In 2014, Kazakh President Nursultan Nazarbayev extended an offer of membership to Turkey. In later statements, the Turkish Finance Minister also made the same point.

³³ 'Yerevan Calls 'Absurd' Turkey's Desire to Join Eurasian Economic Union', *ASBAREZ*, 21 August 2017. Available at [Yerevan Calls 'Absurd' Turkey's Desire to Join Eurasian Economic Union | Asbarez.com](#) (accessed June 2021).

establishing alternatives within the BRI framework give this region great strategic value. This is why in recent years China has spared no effort to establish a dense network of political and economic ties, carrying out an ambitious programme of investments in natural resources, industrial projects and infrastructure that, in 2017 and between the Caspian and Black Sea basins, reached USD 1 trillion³⁴. China's technological expansion is also noticeable and Chinese telecommunications companies have signed contracts to establish 5G telecommunications networks³⁵.

On the other hand, the energy sector has made China a major trading partner for these countries, especially in the cases of Kazakhstan, Turkmenistan and Iran (Figure 7). It is no coincidence that China gets just over than 10% of its global energy imports from this basin, of which natural gas is an important part³⁶ (Figure 7b). The attractiveness of these investments, on the one hand, and dependence on energy exports to China, on the other, give China considerable leverage over these countries.

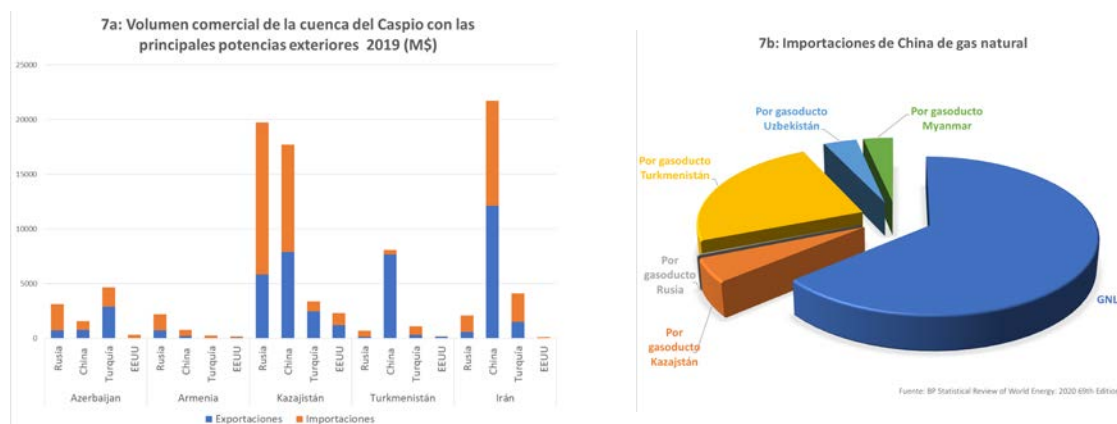


Figure 7: a. Caspian Basin trade volume and **b.** China natural gas imports. Source: Economic Complexity Observatory and BP Statistical Review of World Energy, 68th Edition. Prepared by the author.

³⁴ Antagonismen in der Nachbarschaft der Europäischen Union: Geopolitische Ambitionen in der Schwarzmeer-/Kaspischen Region #3, 1. Auflage 2020, BertelsmannStiftung. Available at https://www.bertelsmann-stiftung.de/fileadmin/files/user_upload/201104_BSt_ID806_Schlusselstaaten_3_Kaukasus_Voe_online.pdf (accessed May 2021).

³⁵ 'Central Asia looking to introduce 5G technology in major cities', *Caspian Policy Center*, 8 March 2021. Available at [Central Asia Looking to Introduce 5G Technology in Major Cities - Caspian Policy Center](#) (accessed June 2021).

³⁶ Data from the Economic Complexity Observatory, 2019. As mentioned above, Kazakhstan supplies China with 47% of its gas exports and Turkmenistan with almost 100%. Iran, subject to US sanctions, does not have many alternatives.

To maintain this, China needs to establish lasting alliances so it is unlikely to give up pursuing an autonomous foreign policy in line with its interests. This is demonstrated by the recent strategic agreements signed with Iran and the interest shown in developing bilateral relations with Azerbaijan to the highest level³⁷.

But here, aware that it is in Russia's backyard, China will have to tread carefully. Maintaining a healthy relationship with Russia will set the limits of this policy, and it does not appear that China is currently willing to jeopardise its relations with an ultimately more necessary Russia. The cooling of relations between China and Georgia, in which the latter had placed great expectations as an alternative to Russian influence in the country, is good proof of this considering, moreover, that the possible opening of the Zangezur corridor (as we have seen, connecting Azerbaijan with Turkey through Armenia and Nakhchivan) reduces Georgia's strategic value for China³⁸.

In this complex scenario, cooperation is the best way to iron out differences. Many voices on both sides are calling for the integration of their respective major projects: the EAEU and the BRI. In this regard, both Russia and China have committed to deepening a 'Greater Eurasian Partnership', a cooperation project proposed by President Putin in 2015 that aims to promote cooperation between organisations without supplanting them³⁹. The two countries already have a fruitful multilateral relationship in the context of the Shanghai Cooperation Organisation, which is political and economic in nature but has a strong military dimension.

United States

The United States which, among other reasons, has maintained a timid presence in the region due to difficulties of access, sees what is happening here through the lens of the global conflict between great powers, the 'Great Power Competition', which threatens its

³⁷ 'Xi calls for greater development of China-Azerbaijan relations', *China.org.cn*, 3 June 2021. Available at [Xi calls for greater development of China-Azerbaijan relations - China.org.cn](#) (accessed June 2021).

³⁸ 'A Chill in Georgia-China Relations', *ModernDiplomacy*, 23 October 2020. Available at [A Chill in Georgia-China Relations - Modern Diplomacy](#) (accessed June 2021).

³⁹ KORTUNOV, Andrey, 'Eight Principles of the "Greater Eurasian Partnership"', *Modern Diplomacy*, 5 October 2020. Available in [Eight Principles of the "Greater Eurasian Partnership" - Modern Diplomacy](#) (accessed June 2021).

hegemony and whose rivals are none other than China and Russia, the so-called 'revisionist powers'⁴⁰.

After the collapse of the USSR and taking advantage of the moment of weakness of post-Soviet Russia, the US began a gradual occupation of this hitherto inaccessible space, relying to a large extent on supranational organisations such as NATO, which in 1994 had managed to integrate all the countries of the Caspian Basin, with the exception of Iran, into its Partnership for Peace (PfP). Thanks to this favourable environment, the United States managed to establish military bases in Uzbekistan and Kyrgyzstan which, until their subsequent closure in 2010 and 2014, were of great importance for sustaining military operations in Afghanistan.

But the tables were turned after Putin became president of the Russian Federation in 1999. With its military intervention in Georgia in 2008, largely motivated by Georgia's declared intention to join NATO⁴¹, it clearly established the limits of Russian tolerance for US presence in its 'backyard', limits that the Nagorno-Karabakh conflict in 2020 has only confirmed.

In reality, largely motivated by military operations in Afghanistan, the US has more strategic interest in Central Asia than in the Caspian. In fact, the United States has a strategy for the former⁴², but lacks a specific one for the latter. Moreover, the withdrawal of Western forces from Afghanistan, which should be completed by 11 September, will do little to increase its regional influence and present opportunities for Russia, China and Iran to strengthen their respective positions.

Today the US is trying to maintain a minimal, almost token presence in Central Asia through the C5+1 platform⁴³ and, although there has been speculation that the US might establish military bases in Central Asia again, neither China nor Russia is likely to

⁴⁰ This is stated in the US National Security Strategy of December 2017 and reaffirmed in the Interim National Security Strategic Guidance issued by President Biden.

⁴¹ NATO Bucharest Summit Declaration, 3 April 2008. Available in [NATO - Official text: Bucharest Summit Declaration - Issued by the Heads of State and Government participating in the meeting of the North Atlantic Council in Bucharest on 3 April 2008, 03-Apr.-2008](#) (accessed June 2021).

⁴² United States Strategy for Central Asia 2019-2025: Advancing Sovereignty and Economic Prosperity. US Department of State, 5 February 2020. Available in [United States Strategy for Central Asia 2019-2025: Advancing Sovereignty and Economic Prosperity - United States Department of State](#) (accessed June 2021).

⁴³ The C5+1 platform was promoted by the Obama Administration in 2015 and includes the five Central Asian countries plus the US.

facilitate this⁴⁴ ⁴⁵. Sometimes silences speak louder than words, and the fact that President Biden's Interim Strategic National Security Directive does not devote a single line to Central Asia is significant⁴⁶.

Iran

Iran's position, which maintains its own geopolitical ambitions, is greatly conditioned by this 'New Great Game' unfolding around it. While it has been able to take advantage of power vacuums in its neighbourhood to expand its influence eastwards (Afghanistan) and westwards (Iraq and Syria), its projection northwards clashes with a powerful Russia, with whom it is obliged to come to terms. This has always been the case, but the strong pressure that the US is currently subjecting it to leaves Iran little choice. This is why Iran may eventually be forced to make concessions on issues such as the territorial sharing of Caspian Sea waters on unfavourable terms.

China, on the other hand, has also presented itself as a lifeline for an Iran beset economically by US sanctions, which have de facto isolated the Islamic Republic from international trade. The two countries recently concluded a 25-year strategic cooperation agreement signed last March, which has been presented by the regime as an unprecedented achievement⁴⁷. Little has transpired about the content of the agreement and only time will tell to what extent Iran has been forced to make concessions. What seems certain is that the agreement can be beneficial for the development of the BRI⁴⁸.

⁴⁴ 'China blocks US bases in Central Asia', *Asia-Pacific Research*, 14 May 2021. Available at <https://www.asiapacificresearch.com/china-blocks-us-bases-central-asia/5630275> (accessed June 2021).

⁴⁵ Moscow has recently signed an agreement with Tajikistan to jointly implement an air defence system, which undoubtedly strengthens Russia's influence in the country.

⁴⁶ Renewing America's Advantages: Interim National Security Strategic Guidance, March 2021. Available at <https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf> (accessed May 2021).

⁴⁷ 'Iran-China strategic partnership: a roadmap for mutual prosperity', *Tehran Times*, 4 April 2021. Available at <https://www.tehrantimes.com/news/459437/Iran-China-strategic-partnership-a-roadmap-for-mutual-prosperity> (accessed June 2021).

⁴⁸ There has recently been speculation about the possibility of developing an economic corridor between the two countries (China Iran Economic Corridor -CIEC) that would be divided into three branches: a northern corridor, which would correspond to the existing CCWAEAC that links both countries through Turkmenistan and Kazakhstan; a second branch through Afghanistan; and a third branch from the port of Chabahar connecting with the port of Gwadar, from where it links with the China-Pakistan Economic Corridor (CPEC) (see Figure 4).

For the Iranian regime, the consolidation of an 'entente cordiale' with two of the permanent members of the UN Security Council is of great strategic importance, so it is to be hoped that it will do everything in its power to maintain it.

Turkey

Turkey is also trying to extend its influence in the Caspian Basin and Central Asia by taking advantage of the ascendancy that 'Turkophony' (the common language, culture and traditions it shares with the countries of this region) allegedly gives it. To this end, Turkey founded the Cooperation Council of Turkic-Speaking States (CCTS) in 2009, which aims to revitalise the cultural ties that unite them (figure 8).

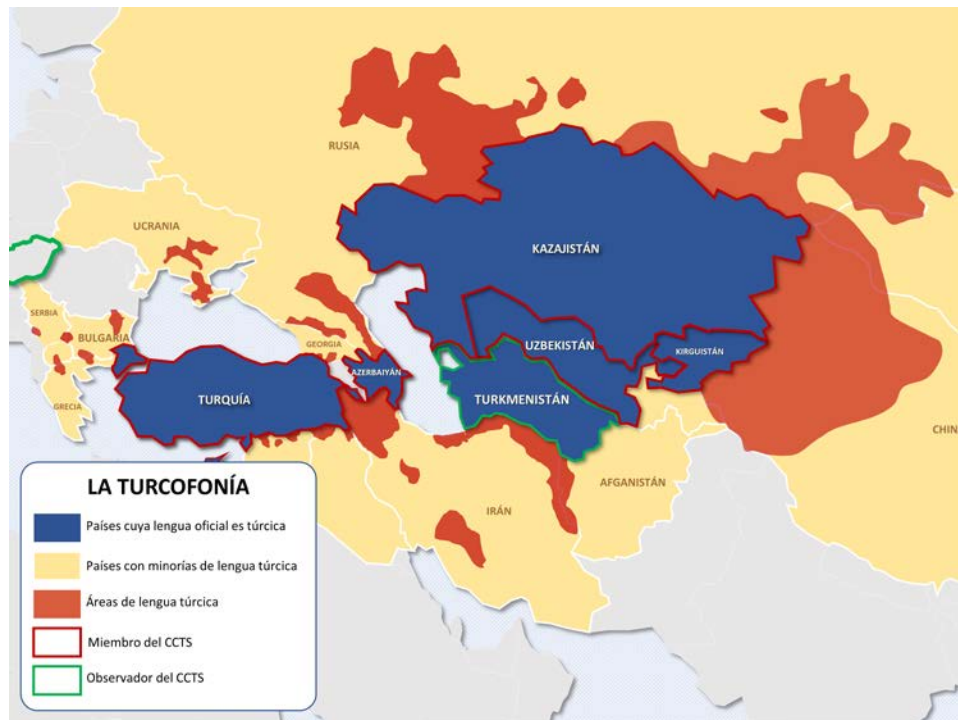


Figure 8: Turkophony. Prepared internally

Turkey has been able to project itself across the South Caucasus, bypassing the presence of Armenia, to Azerbaijan, with whom it maintains 'brotherly' relations under the motto of 'one people, two states'. The recent Nagorno-Karabakh conflict has also served to strengthen its geopolitical position on the western shore of the Caspian, increasing its reputation in the region, particularly as a result of the success of the drones manufactured by its defence industry.

Extending influence beyond the Caspian Sea is a different matter, and the 'Turkic' republics themselves, especially Turkmenistan, are not enthusiastic about Turkish presence. Turkey must here also reckon with Iranian opposition first and, above all, that of Russia, which is unwilling to allow interference in its own backyard. Moreover, if Turkey were able to project power to the borders of Xinjiang, China's reaction would not be long in coming. This border is particularly sensitive for China and it is because of Turkey's support for the Uyghur minority that Sino-Turkish political relations are not as satisfactory as they should be.

If Turkey continues to encounter political and trade difficulties in its relations with the Western bloc, it is likely to redouble its efforts to gain influence in the region, using its soft power instruments and defence industry. But it is also true that, as a result, it will end up interfering with Russia. Turkey will have to measure its steps to the millimetre.

Conclusions

The Caspian Sea has traditionally been an arena of almost exclusive interest and domination by the powers with access to its waters, in particular Iran and the Soviet Union. However, the evolving global geopolitical landscape has highlighted the strategic advantages that this part of Asia's geography can offer to those who secure access to its waters and surrounding lands. Its vast energy resources and connectivity, both north-south and east-west, have drawn the attention of the world's major powers to the region as they compete for global hegemony.

For Russia, the Caspian is part of its immediate environment, its near abroad as it was once defined, and it has traditionally exercised its hegemony there with little opposition. Following the collapse of the USSR, the emergence of new states in the Caspian has altered regional geopolitical balances, but Russia's need to maintain a stable rear-guard beyond the reach of rivals remains intact. To this end, Russia is asserting its military and political hegemony, deploying its armed forces and articulating cooperation strategies that, covering its entire southern border from the Black Sea to the Pacific, require an understanding with China.

The latter also needs stability in the region, from which it obtains 10% of its energy imports and through which the land routes run that allow it to maintain trade with the European

continent without depending on maritime routes, which are vulnerable to US naval superiority.

Both nations have made a virtue out of necessity and, spurred on by US pressure, have been able to reach an understanding that allows them to collaborate effectively in the Eurasian space. That is, without establishing a formal strategic alliance which, given the asymmetry of the relationship, would constitute a long-term trap for Russia in which it is not willing to be trapped.

Generating instability in the neighbouring regions of rival powers is part of the ABC of offensive realism proposed by John Mearsheimer and which US strategy seems to follow faithfully: 'Once a state achieves regional hegemony [and in Mearsheimer's view, the US is the only one to have achieved this] it has a further aim: to prevent other great powers from dominating their geographical regions...Regional hegemons are likely to try to cause trouble in each other's backyard'⁴⁹.

Will the US try to interfere in the Caspian? Of course, from the point of view of containment of rivals, the option is tempting. But in this space of Russian quasi-dominance and growing China's influence, the United States maintains a limited presence, not only in military terms, but also in political, economic, cultural, etc. (soft power). Influence starts with being there, and developments in the Nagorno-Karabakh conflict as well as the ongoing withdrawal of its troops from Afghanistan are pushing the US further away from the Caucasus and Central Asia. In these circumstances, collaboration with an allied power with the capacity and, above all, the ambition to increase its influence in the region—such as Turkey—could be interesting. But this requires a rebalancing of their relations in other arenas, such as Syria and the Eastern Mediterranean, or at least the possibility of compartmentalising their differences so that difficulties in one arena do not hinder cooperation in another.

The Caspian has been a relatively stable geographic setting where regional powers, under Moscow's watchful eye, have been relatively isolated from the turbulence of global geopolitics. This is likely to remain the case. Recent developments, such as the conclusion of the agreement on the legal status of its waters, contribute to maintaining stability and fostering cooperation, which gives cause for optimism. But external factors

⁴⁹ MEARSHEIMER, John, *The Tragedy of Great Power Politics* Norton&Company, New York, Ed. 2014, p. 365.

could alter the current balance. Systemic rivalry between the United States and Eurasian powers could, sooner or later, stage a new hotspot in the Caspian.

*Felipe Sánchez Tapia**
Colonel. IEEE Analyst