

# Turkish Contradictory Foreign Policy toward Iraq in 2005-2015

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## Abstract

One of most sensitive and potentially promising relationships in the Middle East is that between Turkey and Iraq. Crucial in Turkey's relationship with Iraq is its view of Iraqi Kurdistan. This article elaborates on the development of the Turkish foreign policy towards Iraqi Federal and Kurdistan Regional Government (IFG and KRG) in 2005-2015. The article analyzes several dimensions of Turkey's foreign policy towards KRG and IFG. Many observers have stressed on contradictory nature of Turkey's foreign policy toward IFG and KRG in post-2003 era. So the main question of this article is why there is no coherent approach in Turkish foreign policy toward central government of Baghdad and regional government of Erbil in 2005-2015? The answer of the article as its hypothesis is failing nature of Iraq central government and the vast oil resources in Kurdistan region have encouraged a pragmatic ,ups and down and contradictory relations between Ankara ,Baghdad and Erbil in 2005-2015. The article shows that Ankara increasing relations with KRG is a reflection of Turkish limits of influence in Iraq and in the region as a whole.

**Keywords:** Turkey; Foreign Policy; Iraq; Kurdistan Regional Government; Oil; Failing state

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**Introduction:**

Turkey underwent remarkable changes in the last decade. In 2002, the government of the moderate-Islamist Justice and Development Party (AKP) with its Prime Minister Recep Tayyip Erdoğan came to power as single party one. Turkey, under AKP, gradually started to change its rather passive role in foreign policy regarding not only its neighbouring region but also grew stronger bilateral relations with global powers. Turkey's project of pro-active and widely engaged foreign policy began to shape after 2002 and fully emerged in the post-2007 era after further consolidation of the AKP's power in the second term (see Robins, 2013).

The so-called New Turkish Foreign Policy (NFP) with its ambitious steps was at first highlighted as a remarkable success and ambitious project. Later on, it was criticized for its setbacks specially according to Syria crisis and neighbouring region and many observers considered Turkish foreign policy as inextricable and unsustainable.

It marked perhaps one of the most illustrative instances is an evolving policy towards Iraq. At the same time it shows both potential and limits of Turkish regional power. In 2003–2007, Ankara remained locked in the realist security approach of “default support” for Baghdad, seeing Iraqi unity as a counter-power to Kurdish nationalism. After 2007, AKP's establishment pursued closer ties with Baghdad by for example expanding economic and political relations. At the same time, AKP sought to get closer with Barzani's Kurdish Regional Government.

By 2009, such balancing proved to be unsustainable. Baghdad viewed it as an unwanted support for KRG's independence and at the same Turkey found it increasingly difficult to compete with the reality of strengthening Iranian influence over Baghdad government. At that time, Barzani's Iraqi Kurdistan became a more valuable partner for Turkey with regards to engaging in domestic Kurdish issue and recognizing Northern Iraqi hydrocarbon riches. As we can see, there is no any comprehensive approach in Turkish foreign policy toward Iraq in 2005-2015. So the main question of this article is why there is no coherent approach in Turkish foreign policy toward central government of Baghdad and regional government of Erbil in 2005-2015? The answer of the article as its hypothesis is failing nature of Iraq central government and vast oil resources in Kurdistan region have encouraged a pragmatic ups and down and contradictory relations between Ankara ,Baghdad and Erbil in 2005-2015.

**Analytical Framework:**

No universal definition for “weak state” or “failing state” exists. Some analysts describe state weakness as the erosion of state capacity — a condition characterized by gradations of a regime’s ability to govern effectively, which, in its most extreme form, results in the complete collapse of state power and function. Most countries in the developing world fall along this spectrum, exhibiting at least some elements of weakness. Failing states, which are seen as including only a handful of countries in the world, exhibit more pronounced weaknesses than others. Among the universe of weak and failing states, there is no single pathway to failure. In some cases, states are characterized by gradual, yet persistent, institutional decay and political instability. In other cases, states rapidly tumble into failure, faltering under the weight of political instability, an acute natural disaster, or economic crisis. Based on quantitative development indicators, weak and failing states tend to be among the least-developed and most underperforming states in the world.

The so-called “failed state” as an approach became prominent at the beginning of the 1990s, in both academic and policy discourses. As noted by Pedersen and colleagues, the failed-state concept still continues to enjoy widespread popularity for denoting a situation in which the governmental infrastructure of the state has collapsed to a serious extent. Although there is no single or commonly agreed upon definition of what constitutes a failed state, the prevailing literature indicates a certain consensus among existing definitions. Those nations that are perceived to comprise such a category are viewed as suffering from, or facing the risk of, acute instability. Most of the failed-state discourses are centered on the lack of a state’s capacity to carry out the basic services for which it is responsible, such as ensuring peace and stability, the rule of law, good governance, effective border control against external threats, and economic growth and sustainability. According to Zartman, state failure goes beyond revolt, coup, or protest. It refers to a situation in which a state’s structure, authority, law, and political order have collapsed and need to be reconstituted in some way. (Zartman, 1995)

Therefore, failure at the state level occurs if various structures, authority, power, laws, and the political order collapse. The political vacuum that occurs after state failure encourages non-state actors to take charge of the different roles of the state, leaving behind the actors that are

unable to rebound or fill the vacuum.( Lyons and Samatar ,1995: 12).The concept is associated not only with collapse, but also as a process in which the state fails to meet its responsibilities due to a gradual decline in its capacity.

Although, a clear definition of this concept is absent, which could open up the possibility to analyze it empirically. The way the term is defined in the literature is not only vague but also offers a range of characteristics as well as assumed consequences. Numerous observers, as well as projects which are to some extent politically oriented within the literature, have focused on formulating indicators that are perceived to be logical and supposed to be broadly shared by failed states. The assumption is that one or more such indicators can be seen in those states. The suggestion is that the label failed states self-evident and applied to particular cases. The condition of one state compared to the next among such states, however diverse they might be, is considered to be evidence of what is left relatively unexplained.

As identified by Call, researchers have frequently focused on applying a single solution to states where “symptoms” range from poverty to internal conflict, expecting that such a solution would be able to resolve all problems( Call, 2006).Meanwhile, Rotberg has identified various political variables that influence the level of weakness or failure in a state( Rotberg ,2003: 89)The main defining characteristic typifying state failure is deeply rooted politicized conflict, which is broadly aimed at the political center or some form of governmental authority. The argument is that prolonged political conflict occurs over a prolonged period of time. Hence, during this period, the state cannot entirely secure its territory and thus conflict becomes the only form of acceptable interaction among and between armed belligerents. Somalia, for instance, has broadly been a continuous theatre of politically orchestrated tensions and conflicts, particularly for the past thirty years.

Due to problems in exact definition of weak and failing state, this article uses U.S. government criteria for describing weak and failing states. U.S. government focuses on four major, often overlapping, elements of state function. Factors stressed include (1) peace and stability, (2) effective governance, (3)territorial control and porous borders, and (4) economic sustainability.

1- Peace and Stability: Failing states are often in conflict, at risk of conflict and instability, or newly emerging from conflict. Lacking

physical security, other state functions are often compromised; frequently cited examples of such states today include Sudan and Iraq.

2- Effective Governance: Countries can also be hampered by poor governance, corruption, and inadequate provisions of fundamental public services to its citizens. In some cases, as in North Korea or Zimbabwe, this may occur because leaders have limited interest, or political “will,” to provide core state functions to all its citizens. A government’s perceived unwillingness to provide adequate public services can incite destabilizing elements within a state.( IRIS Center Report , June 2005).

3-Territorial Control and Porous Borders: Weak and failing states may lack effective control of their territory, military, or law enforcement — providing space where instability can fester; such places may also be called “ungoverned spaces” or “safe havens.” The Pakistan-Afghanistan border and the Sahel region of Northern

Africa are common examples where such elements of state weakness exist.

4- Economic Sustainability: Many weak states are also among the poorest countries in the world. Arguably as a consequence of other security and political deficiencies, weak and failing states often lack the conditions to achieve lasting economic development. Such countries include Bangladesh and many in Sub-Saharan Africa(Rabasa et al.,2007).As the above factors show we can consider Iraq as a failing state specially for absence of peace and stability in this country in post-2003 era.

#### **Turkey-Iraq relations in historical perspective:**

Following the relatively stabilized era of 1960 to 1990, the Iraqi invasion of Kuwait on 2 August 1990 radically changed Turkey-Iraq relations. After UN SC Resolution 665, Turkey allowed United Nations forces to fly missions from its air bases. The allied coalition achieved its objective and had neither a mandate nor much desire to press on into Iraq itself. A cease fire agreement was signed at Safwan on 28 February 1991. However, after the cease fire, both Shiites in the south and Kurds in the north of Iraq had risen in revolt. Following that incident, UN SC Resolution 688 was passed, which called on Iraq to end its repression of its own population and paved the way for the creation by the coalition powers of a safe haven north of the 36th parallel in Iraq (just south of Arbil).

During the lack of authority in Iraq, Turkey's relation with Iraq was in a unique situation. The central government in Baghdad had no power in Northern Iraq but Turkey's core issue about Iraq was in Northern Iraq - Iraqi Kurdistan. So, the Turkish government created political relations with Iraqi Kurds, Talabani, and Barzani. Turkey found a pragmatic solution for its security problem in this unique situation but this situation was only a short term period and it changed after the Second Gulf War and the invasion of Iraq.

Prior to the implementation of sanctions, Turkey was one of Iraq's major trading partners, with total trade between the two countries valued at about \$3 billion per year. There was also a brisk transit business, from which Turkey received approximately \$1 billion per year by trucking goods to Iraq from Turkish ports. Estimates of Turkey's cumulative losses from the economic sanctions range from \$20 to \$60 billion. However, sanctions have not been a total loss for Turkey, as Turkish firms reportedly won export contracts under the OFFP valued at \$340 million in 2002, making Turkey Iraq's seventh-largest supplier under the U.N. program (Economist Intelligence Unit May 1, 2002).

Illicit trade in diesel fuel reportedly flourished along the Turkish border with Iraq during the implementation of sanctions, involving as many as 500 trucks per day at its peak. The smuggling was done using specially modified trucks that would carry food from Turkey into Iraq, and would pick up deeply discounted fuel products for the return trip. Turkish authorities made intermittent attempts to crack down on the illegal smuggling, mainly at times when the black market threatened its own economic or security interests. However, because the oil sales also provided revenue to Turkey's impoverished southeastern region, Turkish officials sometimes ignored the illegal trade (Economist Intelligence Unit, February 16, 2000).

Turkey's relationship with the Kurds of Iraq has historically been driven by the anxiety created by its own Kurdish minority in southeastern Turkey. Ankara fears that a strong, self-governing Kurdistan Region in northern Iraq could further incite the nationalist aspirations of its own Kurdish population. Turkey is also concerned by the presence of Kurdistan Workers Party (PKK) rebels within KRG-controlled territory. PKK rebels use northern Iraq as a safe haven to launch cross-border attacks against Turkey. Although it has engaged in limited military action targeting the rebels in northern Iraq, Turkey has also helped initiate a

high level of security and intelligence cooperation with the KRG in order to avoid any broad escalation of conflict in the region.

Turkey's "red lines" with regard to Iraqi Kurdistan have proven to be flexible, shifting as economic ties have expanded over the past few years. Indicative of these shifting red lines is the opening of Turkey's first ever consulate in the Kurdistan Region of Iraq in March. The new Turkish Consul General, Aydin Selcen, arrived quietly in Erbil on March 11, following up on a promise made by Turkish Foreign Minister Ahmet Davutoglu during a trip to Erbil in October 2009 (Lorenzetti, Maureen and Bob Williams , 2003 : 21).

There are a number of factors that have led to the improved relationship between Turkey and the KRG. The Turkish Consul General in Erbil says that political, economic, and security cooperation between the two sides has enabled the opening of the consulate. The economic relationship has been especially important. The Kurdish region is among the top ten trading partners of Turkey and Turkey is Kurdistan's largest trading partner. Several hundred Turkish companies operate in Kurdistan, accounting for more than half of the foreign companies registered in the KRG. The expanding economic ties between the two sides have the ability to help ease any tension in the political or security relationship. Turkish former Foreign Minister Ahmet Davutoglu recently expressed Turkey's desire to pursue a level of economic interdependency between Turkey and its neighbors. "If you have an economic interdependency, this is the best way to prevent any crisis," Davutoglu said. (The Washington Post, 8 April 2010).

Oil experts and advisors to the KRG express their concern that the Kurdish region might be overselling to Turkey, essentially giving away too much dependence to a neighboring state that may not be looking out for the best interest of the Kurds in Iraq. Moreover, Turkey has the ability to use its trade and investment as leverage in order to prevent Kurdish moves toward increased autonomy.

### **Iraq Failing state capacity after US invention**

Socio-cultural explanations for the increasing use of sectarian and ethnic identities for political mobilization are directly linked to the power of the state's institutions, its army and police force, but also its ability to deliver services to its population. The withdrawal or weakening of institutional power from society creates a vacuum for both ethnic

entrepreneurs to mobilize within and the purveyors of violence, justified in sectarian language, to exploit lawlessness . This focus on state weakness to explain sectarian mobilization supports Fearon and Laitin's argument that "financially, organizationally and politically weak central governments render insurgency more feasible and attractive due to weak local policing or inept and corrupt counterinsurgency practices."( Fearon and Laitin,2003 :76 ).

A coherent state relies on its ability to impose order on the population and to monopolize the deployment of collective violence across the whole of its territory. However, once a state has obtained the ability to impose and guarantee order, the basis of its sustainability and legitimacy moves to infrastructural power, delivering services the population benefits from as it operates across society unopposed (Mann, 1998 : 4). The degree to which a state has reached this ideal type can be judged firstly by the ability of its institutions to impose and guarantee the rule of law, then to penetrate society, mobilize the population, and finally regularly extract resources in the form of taxation .Ultimately, the stability of the state depends on the extent to which its actions are judged to be legitimate in the eyes of the majority of its citizens, and the ability of its ruling elite to foster consent( Gramsci, 1998: 145).

The initial causes of the security vacuum in Iraq were twofold, the lack of troops the invading forces brought with them, followed by the disbanding of the Iraqi army . Faced with the widespread lawlessness that is common after violent regime change, the United States lacked the troop numbers to control the situation(Dobbins et al, 2003:197 ).

In February 2003, in the run-up to war, Army Chief of Staff Eric Shinseki called

for "something in the order of several hundred thousand soldiers" to guarantee post-war order. James Dobbins, in a widely cited study on state building published in the run-up to the invasion, compared U.S. interventions in other states since the World War II . Dobbins concluded that occupying forces would need 20 security personnel, police, and troops per thousand people. Translated into American personnel, U .S. forces should have had between 400,000 and 500,000 soldiers to impose order on Iraq (Dobbins et al, 2003: 197).

In May 2003, the total strength of coalition forces numbered 173,000. This figured



dropped to as low as 139,000 in 2004, and only significantly increased after President George W. Bush announced the “surge” at the start of 2007 (O’Hanlon and Livingston, 2010). Paul Bremer’s decision to disband the Iraqi army in May 2003, forced 400,000 armed, trained, and alienated ex-soldiers out onto the streets, facing unemployment. Of even greater significance, Bremer’s decision meant that the Iraqi armed forces had to be rebuilt from scratch, a process that by its very nature was bound to take several years. Thus, the violence that shook Iraq after 2003 was a direct result of the security vacuum created by the lack of troops to impose order.

The civilian institutional capacity of the state in 2003 was in a similarly perilous condition. Iraq had staggered through two wars from 1980 to 1990 and was then subjected to the harshest and longest-running international sanctions ever imposed. The sanctions regime was specifically designed to break the government’s ability to deliver services and, with the notable exception of the rationing system, it was effective (Dodge, 2010: 89).

The civilian capacity of the state was dismantled by the looting that spread across Baghdad after the fall of the Baathist regime. This initial three weeks of violence and theft severely damaged the state’s administrative capacity: 17 of Baghdad’s 23 ministry buildings were completely gutted (Phillips, 2005:135).

Looters initially took portable items of value such as computers, before turning to furniture and fittings. They then systematically stripped the electric wiring from the walls to sell for scrap. This practice was so widespread that copper and aluminum prices in the neighboring states, Iran and Kuwait, dramatically dropped as a result of the massive illicit outflow of stolen scrap metal from Iraq (Allawi, 2007:116 ).

Overall, the looting is estimated to have cost as much as \$12 billion, equal to a third of Iraq’s annual GDP( Dobbins et al ., 2009:111). Following the destruction of government infrastructure across the country, the de-Baathification pursued by the

U .S. occupation purged the civil service of its top layer of management, making between 20,000 and 120,000 people unemployed and removing what was left of the state and its institutional memory(McConnell, 2006:40). The large variation in estimates indicates

the paucity of reliable intelligence on the ramifications of such an important policy decision .

After 2003, not only did the state's ability to impose order on Iraq disintegrate, but the coherence and capacity of its civil institutions also fell away. The population was bereft of order or state-delivered services. Against this background of war, sanctions, inadequate occupying forces, and resultant looting, Iraq in 2003 became a collapsed state.

In the aftermath of state failure, authoritative institutions, both societal and governmental, quickly lose their capacity and legitimacy(Zartman,1995:6).The geographic boundaries within which national politics and economics have been historically enacted simultaneously expand and contract. On one level, because the state has lost its administrative and coercive

capacity, the country's borders become increasingly meaningless. Decision-making power leaks out across the boundaries of the country to neighboring capitals – in Iraq's case, Amman, Damascus, and Tehran, as well as Washington. As this process accelerates regional and international actors are drawn into the conflict, for good or ill. More damaging, however, is that power drains into what is left of society, away from the state capital, down to a local level, where limited organizational capacity begins to be rebuilt. The dynamics associated with state collapse mean that politics becomes simultaneously international and highly local (Zartman, 1995:5)

In the aftermath of state failure, individuals struggle to find public goods, services, and economic subsistence and physically survive any way they can, usually through ad hoc and informal channels. When state authority crumbles, individuals not only lose the protection normally supplied by public offices, but are also freed from institutional restraints. In response, they often seek safety, profit or both . Their motives become more complex than when they could depend on the state(Kasfir, 2004:55).

This is exactly the situation that the Iraqi population found themselves in from 2003 onward . The state suddenly ceased functioning, leaving a security and institutional vacuum across Iraq. Iraqi society was initially overrun by opportunist criminals, then by the diffuse forces fighting in the insurgency, and finally by a full-blown civil war .It was

the creation of this coercive and institutional vacuum that allowed ethnic and religious entrepreneurs to operate

with such freedom and success. The Iraqi state, long the focus of political identity but also the provider of coercion and resources, ceased to exist. The Iraqi population was

cut loose, both ideationally and materially, and had to find political, coercive, and economic leadership where it could .

From 2003 to 2009, religious parties and militias became the major suppliers of these scarce resources. Individual Iraqi's could only access these resources by deploying a sectarian identity. A similar process is certainly playing out in Syria where protest and rebellion has triggered the retreat of the state .As I show in coming pages, this situation has widely affected on Iraq foreign relations and regional power calculations while engaging Iraq central government.

## **Two period of Turkey's foreign policy towards Baghdad**

### **A) Supporting Iraq unity**

We can roughly divide Turkey's foreign policy towards Baghdad into two overlapping periods: 2003–2009 and 2009–2015. The premise guiding Turkey's stance towards Baghdad and Erbil in the first period was continuing predominance of “realist-exclusionist approach” (Oguzlu, 2008). This stance can be characterized as a “default support for Baghdad” along with “an inherent suspicion towards Erbil”. The key premise was that supporting the KRG will eventually lead to emergence of an independent Kurdish state which would probably be hostile towards Turkey and support Kurdistan workers' party operating in Turkey so that the domestic Kurdish issue would hardly be solved. At the same time, the key premise was to keep Iraq united and strong as a buffer against sectarian tendencies specially from Kurds.

Generally, every potentially positive step towards the KRG was perceived as a major threat (Oguzlu, 2008). However, as AKP was gaining more confident position, it gradually initiated careful contact with KRG (Cagaptay and Evans, 2012). The “Kurdish factor”, however, spoiled relations and gave an upper hand to “realist-exclusionists”. As PKK renewed its insurgency in 2004, Ankara repeatedly criticized Erbil for not taking up sufficient precautions to prevent PKK from operating within its territory. Finally, in March 2007, after unofficial pre-negotiations, Turkish National Security Council gave go-ahead to high-

meetings with KRG officials and the first high-level visit of Davutoğlu to Erbil took place in October 2008 (Larrabee and Tol, 2011).

During “realist-exclusionist period” Turkey relied mostly on Baghdad and its Prime Minister al-Maliki for several reasons. Turkey believed in feasibility of al-Maliki’s goal to maintain strong united Iraq that would overcome sectarian resentments. Therefore, it seemed rational to bet on Baghdad led by al-Maliki, believing it would grow strong and eventually provide help while dealing with PKK. Evidence, however, proved opposite and the possibility of establishing control over Northern Iraq (and dealing with PKK) became highly unlikely. Several visits and phone calls were made between Ankara and Baghdad, who was assuring its support in fighting against PKK through 2006 and later on (Cagaptay and Evans, 2012). For example, during August 2007, premier al-Maliki signed a protocol against terrorism in Turkey and expressed “good will” to deal with the issue pro-actively on behalf of Turkey (International Crisis Group ,2008).

#### **B) Inclining toward Erbil**

AKP started to pursue the NFP towards Iraq more openly in 2008 and in 2009 – the year which might be named “The Year of Turkish Pro-activity” . The approach called “liberal-integrationist” has gradually obtained an upper-hand. This particular stance also modified approach towards the KRG and Baghdad. “The change in Turkish attitude towards Iraq did not come suddenly but gradually.” (Özcan ,2011: 80). Despite Baghdad’s and al-Maliki’s statements about supporting fight against terrorism, there were several major incidents showing considerable strength of PKK. The PKK’s offensive in the summer of 2007 along with its attack on Turkish border post in Dağlica in October 2007 resulted in a major cross-border operation “the Sun” of the Turkish Armed Forces to Northern Iraq in the beginning of 2008 (Jenkins, 2007). In October 2008, another attack on the border military post near Aktütün executed by PKK is considered as “the trigger” causing Turkey to acknowledge that dealing with PKK was not possible without help of Iraqi Kurds (Tavernise, 2008). Thus, since 2008 and on we see major policy shift regarding stance towards the KRG. Turkey started to diversify its relations and the event marks a turning to a balanced strategy between favoring Baghdad and Erbil. Several high level visits occurred subsequently, for example in October 2008 Ahmet Davutoğlu met Kurdish leader Barzani in Iraq,

which was the first high level visit after four years (Larrabee and Tol, 2011).

Despite Baghdad's continuous rhetoric promising steps against PKK, Turkey ceased to see the IFG as the partner who can help without the KRG support (Larrabee and Tol 2011). In 2010, during the historical visit in Turkey, Barzani pledged to pursue "all efforts" to stop the PKK. The attempt to "diversify" partners to deal with PKK was not welcomed by the IFG with al-Maliki, who gradually started to see it as an unacceptable incursion into internal affairs (Cagaptay and Evans, 2012). However, the main reason for worsening relations and mutually negative rhetoric between Ankara and Baghdad was the fact that "security dimension policy shifts" were followed by economic and political ones (further discussed below), which in al-Maliki's eyes went against his interest and weakened his leverage against the KRG. Since the second half of the year of 2010 Turkey gradually counted more on the KRG and its influence over PKK.

To sum up, since 2008 we can see the signs of changing policy regarding the issue of PKK from favoring Baghdad as a viable help to relying on Erbil. This policy trend can be further observed after 2010 Iraqi elections and along with other policy changes favoring Erbil over Baghdad in the security dimension. Turkey continuously tried to play "Barzani" card while dealing with PKK. Barzani clan regards PKK as its main rival in the pan-Kurdish discourse (International Crisis Group, 2013). But it is indeed not possible for Baryani to condemn PKK openly or take direct steps against it.

Kurd-on-Kurd fighting (remembering bloody civil war in 1994–1997 between Barzani and Talabani clans) is not popular and would decrease Barzani's popular support at home. However, Barzani has been happily using Turkey's invitation to bolster his position among both Turkish and Syrian Kurds on the expense of PKK. For example in November 2013, Barzani for the first time visited Diyarbakır and met with Erdoğan(Candar, 2013).

The KRG is also seen by Turks as a useful tool to manipulate Syrian Kurdish landscape currently dominated by the PKK's franchise PYD (Democratic Union Party). There were several (so far failed) attempts to create unified Kurdish command and governance of pro-PYD actors and other Kurdish political parties tied mainly to Barzani's KDP.

Non-implemented power-sharing deal from 2012 was renewed in Dohuk in October 2014 but it is not likely to change anything about the PYD monopoly in Syria. Last October/November, Ankara allowed some 150–200 peshmerga to cross Turkish territory to help a besieged symbolic city of Kobane (Solomon and Dombey, 2014).

Since Ankara renewed attacks against PKK after more than two years of ceasefire and negotiations in July 2015, Barzani said that PKK should “withdraw” from Iraqi Kurdish territory to prevent civilian casualties. Turkey repeatedly conducted air sorties on PKK safe havens in mountains of Iraqi Kurdistan. PKK also bombed oil pipeline on Turkish soil in July, carrying Barzani’s oil to Turkey and further to international markets. It was strongly condemned by KRG since such attacks led to loss of millions of dollars on revenues for Barzani (Johnson, 2015).

#### Kurdish Oil as a Source of pragmatic foreign policy making

Energy sector is an area where we can observe extensive dynamics of relations between Turkey, the IFG and the KRG. Turkey vastly invested into renovation of oil fields and explorations in southern Iraq during first period of 2003–2009 (Cagaptay and Evans 2012). Other large contracts and licenses for Turkish firms were granted with promises of further investments as well. However, internal Iraqi dynamics struck this mutually beneficial relation. The KRG is during the second period 2009–2015 in a serious dispute about sharing oil export revenues with Baghdad.

The tensions between Baghdad and the Kurds over oil surfaced at the beginning of the reconstruction process after the overthrow of the Baath regime. The first battleground between Baghdad and the Kurdish leadership was the constitution. Under Kurdish pressure, it included Article 112, which stated that “the federal government, with the producing governorates and regional governments, shall undertake the management of oil and gas extracted from *present* fields, provided that it distributes its revenues in a fair manner in proportion to the population distribution in all parts of the country...” (Constitution of Iraq) The term *present* remained intentionally nebulous, serving the KRG's future claims to oil reserves in its region. Hence, the Kurds were successful in “creating a constitutional framework for Iraq where the main question was not what control regions should have over oil, but rather what role was left for the national government.” (Kane, 2010: 6).

The second stage of contestation over oil was in the Kurdistan Region itself, in the form of the KRG's unilateral regional hydrocarbon

legislation. The Kurdish representatives in Baghdad did initially participate in the Maliki government's efforts to formulate a federal hydrocarbon law. Yet, this cooperation encountered constant disagreements. One was over the KRG's support of the use of Production Sharing Agreements (PSA). Most other members of the coalition objected to this, viewing such agreements as a form of neocolonialism. Another issue revolved around the right to extract oil in the disputed territories in Kirkuk.

These disagreements eventually led the KRG to withdraw from negotiations with Baghdad. In June 2007, the Kurdistan Parliament passed a regional Petroleum Law, (Petroleum Law of the Kurdistan Region, June 29, 2007) ratified as a Hydrocarbon Law in May 2009, essentially declaring that the KRG would now contract independently with international oil companies through PSAs. Shortly after signing the draft legislation, the KRG declared it was capable of exporting crude oil in commercial quantities. The next step was to sign PSAs with several international companies. Here it should be noted that the KRG had already signed such contracts prior to the negotiations with Baghdad. Nevertheless, the post-2003 government in Baghdad consented to this agreement retrospectively. In contrast, the contracts that followed were signed against Baghdad's will. Nevertheless, most of the corporations that entered PSAs with the KRG were small or middle-sized, as most major oil companies feared alienating Baghdad, regardless of the stagnation in the political process (Kelly, 2010: 748-749).

Initially, the KRG expressed its commitment to sharing its oil income with the central government. But six months after the Hydrocarbon Bill was passed, the president of the region, Masud Barzani, threatened during a visit to the European Parliament that the KRG would keep for itself revenues from the extracted oil because "they [Baghdad] often use it [oil revenue] against us [the Kurds]." (Reuters, November 10, 2009).

This threat has not been fully implemented, but it indicates the KRG's perception of its rights over oil extracted from the region. In October 2011, the KRG had a significant achievement in the form of a PSA with ExxonMobil. This contract was even more controversial than previous ones, as two of the six blocks given to Exxon were actually located in a disputed part of the Kirkuk governorate. (ICG ,April, 2012: 2).

Turkey is in energy sector “in the middle” and has a rather disadvantageous position. While it is useful for the KRG to diversify its oil exports, because it is making them less dependent on Iraqi consumption, Turkey lost considerable contracts and position in the rest of the country. “As long as the political basis of the Turkey-KRG relationship remains solid, any effort by Baghdad to rein in Erbil’s oil ambitions will run into a wall of Turkish resistance.” (Cagaptay and Evans, 2012: 13) Therefore, at the same time Turkey’s rising interest in energy sector within Iraqi Kurdistan is in fact a safety for Erbil against further pressure from Baghdad. Explanation why the IFG uses this sector to put pressure on Turkey lies in the fact that they can diversify their exports to Iran, Lebanon, Syria etc., and also easily lure another foreign investors in energy sector, rather than in other economic sectors.

As the dispute between Erbil and Baghdad over independent Kurdish oil exports went on, Turkish companies (as well as international ones) invested into Iraqi Kurdish oil fields. It is estimated that besides 4 billion barrels of oil, Erbil possesses 45 billion of unproven reserves, as well as up to 35–35 trillion cubic feet of gas reserves (Paasche and Mansurberg ,2014). Since summer of 2009, Baghdad has been arguing that Erbil cannot award contracts to oil companies without federal consent. It has further objected to independent exports, arguing oil riches of Iraq should be, according to the constitution, redistributed on the federal level from a joint pool. In 2013, Turkish companies eventually build a brand new Kurdish pipeline that would bypass existing federal Kirkuk-Yumurtalik pipeline to Turkey. Previously, Kurds were sending usually around 100.000 b/d through Kirkuk-Yumurtalik pipeline since late 2009 (Kardas ,2009). Additionally, Erbil was also officially selling oil to Turkey via trucks next to traditionally blooming smuggling – in 2013, reportedly some 20.000 b/d (Pamuk ,2013).

A new “independent” Kurdish pipeline started to operate in the beginning of 2014, currently sending around 400.000 b/d of Kurdish oil to Turkey (U. S. International Energy Administration, 2015). The latest attempt to reach a deal between Baghdad and Erbil occurred in December 2014. Parties firstly agreed that Kurds would hand over 550.000 barrels of oil to Iraqi state oil company each day. In exchange, they would receive 17 % from national budget (Salih, 2015a ). The deal, however, was only partially upheld by both sides while KRG does not sell enough oil through Iraqi state company and Baghdad does not fulfill its budgetary commitments either (Salih, 2015b).

#### Concluding Remarks

Turkey’s foreign policy towards Iraq and Iraqi Kurdistan experienced extensive changes in 2005–2015. AKP governments were gradually



leaving previous “security-based” and rather isolationist approach of the previous establishment. The New Foreign Policy of Turkey increasingly pursued after 2007 included various dimensions ranging from security, political to economic.

We can divide examined time into two overlapping periods (2003–2009 and 2009–2015). The first period marks pursuing policies in security, political and economic dimension towards the IFG and gradually creating patterns of cooperation even with institutional backing (High Level Strategic Cooperation Council). At the same time, relations with the KRG were still rather cold and cooperation with Kurds was viewed as a potential threat to stability of Iraq and security in the region.

However, gradually, contact and cooperation with the KRG was established, firstly covertly and since 2009 more openly. The second period 2009–2015, on the other hand, marks favoring the KRG over Baghdad, while relations with Baghdad and policies froze and rhetoric became hostile. The core interests of Turkey remain the same – to seek an ally to curb PKK’s ambition, seek profit and markets, ensure supply of hydrocarbon resources, and ultimately to ensure at least nominal Iraqi unity.

When Baghdad started to lose control of Sunni territories in 2013 (and finally lost it in summer of 2014 to ISIS), it was a further invitation for Turkey to enhance its relations with Kurdistan Regional Government(KRG) and pursue its foreign policy goals pragmatically and eventually more contradictory toward Iraq. In this situation, Ankara’s capacities to secure good and profitable relationship with Baghdad has thus severely limited. Because Iraq central government is seeing Ankara’s ties with Barzani as a threat to its national unity, while facilitating independent Kurdish oil exports.

From one point of the view, it can be interpreted as an attempt to have at least some “upper hand in Iraq”, securing a buffer against Iranian influence etc., while rather ambitious balancing strategy of being between Baghdad and Erbil failed. As Onis states: “Over-assertiveness and over-confidence in international affairs can have significant pay-offs in short term but can also be detrimental to national interest and to lead to isolation in the long term.(Onis, 2011: 62)

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