A new stage in relations between Turkey and Iran is likely to be opened by the signature of the interim agreement on the Iranian nuclear programme. After deep tensions in the last two years, due to the conflict in Syria and the deterioration of the Middle East landscape, Ankara and Tehran appear to be inclined to revive bilateral cooperation, in particular in economic and energy sectors. Recent political and diplomatic efforts go in this direction and could also have a positive impact on regional dynamics. Beyond particular reciprocal interests, this rapprochement seems to be part of Turkey’s wider attempt to reset its foreign policy and to regain a preeminent regional role.

Valeria Talbot, ISPI Senior Research Fellow
Turkey has strongly welcomed the interim agreement on the Iranian nuclear programme – reached by Tehran and the P5+1 countries (United States, Russia, China, France, United Kingdom and Germany) on November 24 – which could contribute to easing tensions in a troubled Middle East as well as favour a rapprochement in bilateral relations with Iran’s neighbour, opening a window of opportunity both at economic and security levels. Indeed, although Ankara and Tehran have never been close partners, in the past decade their relations improved, above all in the economic field, and cooperation intensified in key sectors such as energy and border security. However, the outbreak of the crisis in Syria in the wake of the Arab uprisings, and its degeneration in a proxy war involving the main regional powers, has brought Turkey and Iran to opposing positions and accentuated their traditional rivalry. In the last two years, in contrast with its “zero-problem” policy, Turkey has become more directly involved in the crisis in its neighbourhood, losing the image of impartial mediator in regional disputes it had in the past decade and reducing its regional ambitions. Nevertheless, recent regional developments and the AKP government’s attempts to re-approach Iran and Iraq might suggest a change of direction in Turkish foreign policy.

Cooperation with Iran

In the 2000s, rapprochement with Iran, along with Syria, was the cornerstone of Turkey’s wider strategy aimed at promoting stability and economic integration in the Middle East: abolishing visa requirements and creating free trade zones were the instruments of a policy based on “zero problems with neighbours”. In spite of the fact that this detente with Iran and Syria contrasted with the US ally’s priorities and interests, Turkey did not hesitate to follow an autonomous and independent approach in line with its own geostrategic and economic interests. Iraq’s instability, due to the US intervention in 2003, gave Turkey new space for manoeuvre and at the same time was the main catalyst of convergence between Ankara and Tehran, along with Syria, which shared the interest of containing Kurdish nationalism and preventing the creation of an independent state by their Kurdish minorities. In this context, counter-terrorism was also a common priority in a period in which the PKK (Kurdistan Workers’ Party) and its Iranian branch, the PJAK (Free Life Party of Kurdistan), intensified their attacks. Furthermore, one of the first Turkish-Iranian cooperation agreements signed in 2004, when Turkish prime minister Recep Tayyip Erdogan paid his first official visit to Iran, was related to border security.

1 About 7 to 26 million Kurds live in Turkey and Iran.
Since then bilateral cooperation progressed, especially in the economic sector, and Iran became Ankara’s top trade partner in the Middle East, with trade increasing from $2.4 billion in 2003 to $16 billion in 2011. In spite of the last two years’ bilateral tensions, there was just a small decrease in the volume of trade in 2012 – to $15.5 billion – mainly due to the first effects of US sanctions on imports from Iran. Hydrocarbons represent the majority of Turkish imports from Iran. In 2011 the Islamic Republic was the main oil supplier – covering 51% of Turkish oil imports – and the second gas supplier, behind Russia, providing 19% of Turkish gas needs. In the energy sector, two deals were signed in 2007: the first concerned the construction of a gas pipeline, while the second gave TPAO (Turkey’s national energy company) the right to develop three different areas of the South Pars gas field in Iran. Beyond energy cooperation, business has flourished in many sectors and Turkish firms have increased their presence in Iran – at the end of 2010 they numbered 1470.

These important economic and energy interests in Iran, along with the aim to foster political stability and economic integration in the Middle East, also help to explain Ankara’s engagement in trying to find a solution to the thorny Iranian nuclear dossier. Although Turkey has always recognized Iran’s right to acquire nuclear capabilities for peaceful purposes, it considered unacceptable the prospect of Iran as a nuclear military power which would change the regional balance of power and unleash a proliferation race in the Middle East. Therefore Turkey engaged in negotiations with Iran and, together with Brazil, in May 2010 brokered a deal with Tehran to enrich uranium on Turkish soil. The lack of support for an agreement, considered incomplete by the US and the international community, vanished the diplomacy efforts of Turkey, which did not hesitate to vote against the UN Security Council resolution to impose a new round of sanctions against Iran in June 2010. While on one side this move was perceived as a sign of Turkish foreign policy’s shift towards the Middle East to the detriment of traditional Western allies, and nurtured a wide debate on the loss of Turkey by the West, on the Turkish side it was an attempt to demonstrate its “strategic autonomy” and “problem-solving.

---

3 Ibidem.

4 Despite being given a six month period of exception, Turkey did not totally adhere to the 2012 US law demanding that states decrease their imports from Iran. Though in the oil sector Turkey tried to diversify the suppliers negotiating with Saudi Arabia and Russia in recent years, the same did not appear easily feasible in the gas sector due to the 25 year agreement (signed in 1996) with Iran, worth $23 billion.


ability” to affirm its leading regional role. Further efforts to play a mediator role were unsuccessful due to the fact that Turkey did not have enough leverage over Iran and other involved parties. On its side, Tehran did not want to vest Turkey with a role that would have enhanced its leadership ambitions in the Middle East.

**Changing dynamics in the Middle East: from cooperation to competition**

Changing regional dynamics as a result of the Arab uprisings, the conflict in Syria and the US withdrawal from Iraq, have had great impact on Turkish-Iranian relations. These have shifted from bilateral cooperation to competition, intensifying the historical rivalry between the two countries in extending their influence in the Middle East. Both “Turkey and Iran have sought to exploit the emerging ‘new order’ in the region to achieve their respective interests in the Middle East”.

In the wake of the Arab Spring, the balance seemed to shift in favour of Ankara. Indeed Turkey, not conservative Iran, was indicated as a possible “model” for, and considered as a “source of inspiration” by, Arab countries in transition where Islamist forces succeeded in the parliamentary and presidential elections after the fall of the old regimes. Furthermore, Turkish prime minister Erdoğan, not then Iranian president Mahmud Ahmadinejad, was hailed as the most popular leader in the Middle East. Whether or not Turkey could be considered a “model”, the emergence of a debate in the Arab media and public opinion turned out to be positive for Ankara, which tried to seize the opportunity to expand its influence, in particular in North Africa. Turkey’s image in the Arab countries has gradually improved since 2002. The Turkish ability to conjugate political Islam and democracy under the AKP government, its economic success, a more assertive stance in the regional dossiers and international context, Erdoğan’s harsh criticism of Israel’s attacks on the Gaza Strip, his support for the Palestinian cause, and last but not least the popularity of Turkish soap operas in the region, have contributed to improve Turkey’s image in the Arab countries. Positive perceptions meant a significant shift in Arab public opinion, which for a long time viewed Turkey through the lens of its Ottoman past. According to a survey carried out by TESEV in 2011, 71% of respondents in the Arab countries thought Turkey could be a model. At the same time, 69% of respondents in North Africa estimated it had a positive impact on the Arab Spring. In contrast, Iran’s role in the region was perceived negatively and the image of the Islamic Republic declined.

---

7 A.G. GÜRZEL, E. ERSOY, Turkey and Iran’s Nuclear Program, «Middle East Policy», XIX, 1, Spring 2012, p. 43.
8 F.S. LARRABEE – A. NADER, Turkish-Iranian Relations in a Changing Middle East, Rand 2013.
9 M. ARGUN et al., The Perception of Turkey in the Middle East 2010, TESEV, Istanbul, 2011.
Beyond the antagonism between two very different political and institutional systems, many sources of discord between Ankara and the Islamic Republic have emerged since summer 2011, the conflict in Syria undoubtedly being the most critical issue. Yet Iraq, the Kurdish issue, and the NATO defence system have also had a negative impact on bilateral relations.

In Syria, after unsuccessful attempts to press the allied regime of Bashar al-Assad to reform, Turkey converged with Sunni Gulf monarchies in calling for a regime change in Damascus and in sustaining the Syrian opposition forces both logistically and financially. On the other hand, Iran gave strong support to its longstanding ally in Damascus. Therefore, the crisis progressively transformed into both civilian conflict and a proxy war between the most influential regional actors, also becoming the main fault line of the Sunni-Shia divide in the Middle East. Having both ideological and geopolitical dimensions, Sunni-Shia rivalry has increasingly intensified after internal developments in Iraq (a Sunni regime under Saddam Hussein with a sizeable Shia community), brought the country closer to Iran, and reached its peak with the conflict in Syria. For the Sunni camp, led by Saudi Arabia, a change of regime in Damascus – even through international military intervention – would imply a reduction of Iranian influence and aspirations in the Middle East. On Iran’s side, a post-Assad Syria ruled by Sunnis, who represent the majority of the Syrian population, would be the worst scenario as this result would weaken the Shia crescent, endanger Tehran’s ties with Lebanese Hezbollah and reduce its regional leverage.

Deterioration of Turkish-Iranian relations due to the Syrian crisis has also impacted on intelligence cooperation to counter PKK and PJAK activities. This was an important element of bilateral rapprochement in the last decade. After the PKK attacks in 2012, Ankara feared that Iran could exploit the Kurdish card to destabilize the Turkish domestic context. This was the catalyst for starting a peace process with the PKK, after secret negotiations between Erdoğan's government and Abdullah Öcalan (the PKK leader detained in a Turkish prison). The results of the fragile ongoing process are still uncertain.

As for Iraq, since the end of 2011 Turkey and Iran have been competing to fill the vacuum left by the withdrawal of US troops. While Tehran’s sound ties with Shia authorities in Baghdad have shifted the country in the Islamic Republic’s sphere of influence, the AKP government has intensified its economic and energy relations with the autonomous Kurdistan regional government (KRG) in North Iraq, provoking strains in relations not only with the Iraqi central government but also with the United States. Indeed, the American administration opposes any move that could endanger Iraq’s stability and encourage its territorial disintegration. Turkey’s need to diversify energy suppliers for its economy was the catalyst...
for closer relations with oil-rich Iraqi Kurdistan’s gaining oil supply and other contracts without the consent of the central government in Baghdad. However, Turkish activism – Turkey has become the KRG’s main economic partner in the last few years – was seen as a destabilising factor in Baghdad and consequently in Tehran, and Iraqi president Nouri al-Maliki declared that Turkey was an “enemy state” interfering in Iraq’s internal affairs, because of its support for his political rivals.\(^{11}\)

Finally, tensions between Turkey and Iran stem from the Turkish government’s decision to take part in NATO’s missile-defence system, by stationing a early-warning radar in the south-east part of the country at the end of 2011. Although not expressly directed against Iran, this move irritated the Islamic Republic, which considered the defence system as a guarantee for Israel in a period of escalating regional tensions. Tehran was not reassured by the fact that Turkey insisted on not including Iran as a threat in NATO’s Strategic Concept, adopted in 2010.

**Is the “zero problem” policy back?**

Whether or not the six-month agreement between Tehran and the P5+1 countries on the Iranian nuclear programme will be successful in bringing this thorny dossier to a comprehensive solution, it has already achieved a first positive result by favouring detente in Turkish-Iranian relations. When in Tehran to attend an Economic Cooperation Organization meeting a few days after the nuclear deal, Turkish foreign ministry Ahmet Davutoğlu stated that enhanced cooperation with Iran would improve, and could even become the backbone of regional stability.\(^ {12}\) Furthermore, together with his Iranian counterpart, he called for a cease-fire in Syria in view of the January 2014 Geneva II peace conference.\(^ {13}\) Reinvigorating bilateral relations has significant economic implications above all: being a net energy importer and a corridor to the European market, Turkey intends to take advantage of sanction reductions on Iranian oil and gas exports and economic activities. Diplomacy has been set in motion and reciprocal high-level visits planned: it has been announced that President Hassan Rouhani will visit Turkey in January, while a visit of the Turkish trade minister Zafer Çağlayan to Iran has been already scheduled for mid-January. Indeed, enhancing bilateral trade exchange is their first common priority.


\(^{13}\) A.B. SOLOMON, *Turkish foreign minister says Iran and Turkey are united for regional stability*, The Jerusalem Post, 28 November 2013.
However, beyond good intentions and economic interests, some divergences still need to be settled. In particular, overcoming sectarian preferences, especially as regards the conflict in Syria, is a precondition for fruitful dialogue.

In addition, Davutoğlu’s recent remarks seem to indicate Turkey’s desire to regain the broker role it held before the Arab Spring and to be considered an influential regional player. Some analysts suggest that Turkey might achieve its regional aspirations by seeking “partners in peace” and not leadership in the Middle East. However, it remains to be seen if a moderate Iran could have the chance to become a “partner for peace”. In the medium and long-term, Iranian integration in the international system will reshape the Middle-Eastern political landscape, and will induce other regional players, not only Turkey, to rethink their foreign policy and geopolitical stance in relations with the Islamic Republic.

Beyond Iran, Turkey’s recent efforts to mend fences with Baghdad, following an exchange of visits by prime ministers and foreign affairs ministers in November, appear to be a further attempt to reset its foreign policy and shift back to “zero-problems”, at least with its closest neighbours. However, tensions remain with Israel, not to mention Syria and Egypt. A recent poll carried out by TESEV evidenced a decrease in the positive perception of Turkey in the Middle East and North African countries compared to previous polls, as a consequence of the Turkish regional stance in the last two years. The percentage of people having a positive view dropped to 59% compared to 78% in 2011. It is not surprising that the main decline was registered in Syria and Egypt – 22% and 38% respectively from 44% and 84% in 2011 – due to the AKP government’s stance and criticism of the current regimes in both countries. Furthermore, in spite of the fact that Erdogan remains a popular leader, the Gezi Park protests damaged the Turkish prime minister’s image both internally and externally and decreased the appeal of the Turkish model. Therefore, it seems that although there are encouraging moves towards Iran, and Iraq, many challenges to the reset of Turkey’s regional foreign policy do remain.

16 V. OZER, Reset of Turkish Foreign Policy or reset of the region?, «Hurriyet Daily News», 3 December 2013.
17 Turkey losing positive perception in the Middle East, «Hurriyet Daily News», 4 December 2013.