

U.S.'S POLICY IN CENTRAL EURASIA: SPECIFICS AND PROSPECTS

EVOLVING UNITED STATES POLICY TOWARD THE CASPIAN REGION: A DELICATE BALANCE

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Introduction: The Historic Picture

Historically, the United States had almost no involvement in the Caspian Sea region, which was so remote both in geographical and cultural terms that the U.S. government was barely aware of its existence. The 19th century "Great Game" of power politicking between Russia and Great Britain over the region took place before the United States had emerged as a world power, and it had at best a marginal role in this episode. Even when the United States became a major power, it focused its attention on

the western hemisphere and events in its own backyard.

The same could not be said of the actions of Russia in Manchuria at the time, and United States involvement in the Manchurian dispute brought the realization home to the Americans that in future Russia would be its major rival on the world stage.¹ Even at times in the following century

¹ Russia occupied Japanese-dominated Manchuria in 1901, an action which contributed to the outbreak of the

when the two powers cooperated, such as during World War II, their alliance was based more on strategic needs than on deep-seated conviction. The wartime military cooperation soon gave way to the Cold War, which lasted for most of the rest of the 20th century and affected most corners of the globe. The Caspian region was heavily dominated by Russia, with most of its territories comprising Soviet Republics. American activity there was nonexistent.

The situation was different in the countries bordering the former Soviet states, however. Iran, which lies on the Caspian Sea and shares borders with the former Soviet republics of Azerbaijan and Turkmenistan, was targeted by the U.S. as an ally against the Soviet Union at a fairly early juncture.² Russia retained a keen interest in Iran, despite the installation of the rightist regime in 1953, and the country became one of the earliest sites of superpower rivalry. Then, in 1979, the overthrow of the Shah by the ayatollahs and the siege of the U.S. embassy in Tehran destroyed the close relationship between Iran and the United States. This did not automatically give Russia the upper hand, though, because the Russian invasion of Afghanistan alarmed and threatened Iran, and the new Islamist rulers were suspicious of communism, with its atheistic overtones. In fact, Iran found themselves on the same side in supporting the anti-Soviet guerrillas in Afghanistan. Still, the ayatollahs did not cooperate openly with either Russia or the United States.

With the collapse of the Soviet Union in the early 1990s, the geopolitical map of the Caspian region changed beyond recognition. The former Soviet republics of Turkmenistan, Kazakhstan, Tajikistan, Kyrgyzstan, Uzbekistan and Azerbaijan became independent and Rus-

sia's borders shrank back to levels unimaginable a decade earlier.

At the time, the American establishment took a number of views on how the Bush Administration should react to the new regional power shift. The seismic events in the former Soviet Union were regarded by some as a potential threat to U.S. interests, and they cautioned the administration to tread carefully and not antagonize Russia by being too quick to form relationships with the newly independent countries of the region. In the event, the United States, perhaps understandably, focused more attention on the effects of the Soviet collapse in Russia and east and central Europe than on Central Asia and the Caspian.³

The situation remained the same after the start of the Clinton presidency in 1993. However, unfolding events in the former Soviet empire were closely monitored within America and many experts advised the U.S. Administration to adopt a proactive stance on the Caspian region sooner rather than later. One commentator, Ariel Cohen, admonished the government because "The Clinton Administration—intent on placating Moscow—has hesitated to take advantage of the strategic opportunity to secure U.S. interests in the Caucasus. During the first term of the Clinton Administration, the Department of State and the National Security Council neglected the Central Asian and Caucasian capitals, creating a policy vacuum for the region. This approach must change. U.S. involvement in this region—and the economic growth, prosperity, and tolerance that would accompany it—can ensure access to oil and natural gas, as well as economic opportunity, for American businesses in coming decades."⁴

Once the dust raised by the Soviet collapse began to settle, the U.S. did indeed begin to focus more attention on the Caspian, appointing a "special envoy" to the region, organizing reciprocal official visits, and making encouraging statements on the importance of the region and de-

Russo-Japanese War of 1904-1905. The U.S. President, Theodore Roosevelt, mediated at the postwar peace conference between Russia and the victorious Japanese, held in Portsmouth, New Hampshire.

² The 1953 coup in Iran that toppled the government of Mohammad Mossadegh and installed Shah Mohammad Reza Pahlavi was orchestrated by the CIA and British intelligence. Oil exploitation in Iran had been controlled by a British company, which took the vast bulk of profits from this resource. Mossadegh nationalized the Anglo-Iranian Oil Company (AIOC) in 1951, a factor that contributed to the coup.

³ See: A. Jaffe, "U.S. Policy Towards the Caspian Region: Can the Wish-list Be Realized?" *The Security of the Caspian Region: SIPRI*, 6 January, 2000, p. 1.

⁴ A. Cohen, "U.S. Policy in the Caucasus and Central Asia: Building a New 'Silk Road' to Economic Prosperity," *Background paper 1132, The Heritage Foundation*, 24 July, 1997.

velopments there. More substantial measures included the NATO Partnership for Peace programs, aimed at furthering military cooperation, the Co-operative Threat Reduction program in 1991⁵ and

⁵ The aims of this program, enshrined in a formal Congressional Act in 1993, were to facilitate the safeguard-

Foreign Military Financing program, as well as democracy-building assistance given under the Freedom Support Act 1992.⁶

ing and elimination of nuclear and other weapons in the former Soviet Union, and to prevent the proliferation of weapons of mass destruction (WMD).

⁶ See: A. Jaffe, *op. cit.*, pp. 1-2.

A Delicate Balancing Act

The new dispensation in the post-Soviet Caspian region may have provided new opportunities for American involvement, but in view of the fact that the newly independent states were still firmly in the Russian orbit, this involvement had the potential to incur the wrath of America's erstwhile Cold War foe. Besides this, having so recently won their independence the fledgling states were intent on guarding against any threat to their sovereignty, whether it came from America or anywhere else.

Involvement in the Caspian and Central Asian region would mean America had to contend with other players hoping to make their mark in the region, notably Turkey, Iran, and Saudi Arabia. This was to say nothing about the European Union and China, who were formulating their own policies toward the area.

Complicating the issue, as it so often does in geopolitics, was the oil question. Estimates of the oil and gas reserves of the Caspian region varied widely at the time, but it was apparent that they were substantial and hence gave the region a strategic importance that had to be factored into any U.S. decisions on its foreign policy stance. The idea was mooted that the Caspian oil industry could be developed to form a viable alternative to Gulf oil sources, hence ensuring better security of supply for those countries that depended heavily on Arab oil. Oil piped from the Caspian would also relieve stress on the Gulf oil ports and the Bosphorus Straits in Turkey, through which much Middle Eastern oil is transported and which are vulnerable from an environmental as well as a security perspective.

As scholars and diplomats debated, about thirty U.S. companies took the lead and invested billions of dollars in the region, hoping to "strike it big."⁷

Other major considerations for the U.S. were the possible security benefits that might accrue from a presence in this strategically important region. Although the Cold War was over, Russia and America had not overcome their rivalry. While the states of the region were now ostensibly independent, the shadow of Russian domination still fell over them, and there were those in the United States who felt their country should work to counter this. As one scholar noted: "U.S. policymakers are becoming increasingly concerned about the possible re-emergence of a new Russian empire, and they realize that ready access to the rich oil and gas resources of this region could fuel such an expansion. A new Russian empire conceivably might seek to gain exclusive control over the region's pipelines and limit U.S. access."⁸ It was argued that not only should Russia not be permitted to re-invent the Soviet Empire, but China, with its ever-increasing economic and political muscle, should not be allowed too much power in the region. Furthermore, there was the threat of Islamic radicalism: America needed to prevent militant Islamism from moving 'to turn Central Asia into its strategic rear.'⁹

⁷ *Ibid.*, p. 3.

⁸ A. Cohen, *op. cit.*

⁹ *Ibidem.*

American foreign policy in the Caspian region therefore needed to take all these things into account, with the ambition of not only forestalling Russian and Chinese ambitions in the area but also to help strengthen the worryingly weak states in the region. The Clinton Administration did in fact work “behind the scenes with mixed success to thwart foreign companies from joining with Iran’s national oil company, NIOC, to construct energy export outlets via Iran.”¹⁰

The terrorist attacks on the United States on 11 September, 2001 threw the issue into a new light, particularly with regard to the threat posed by radicals in this heavily Muslim, potentially unstable region. More than ever before, Americans felt they had to have meaningful contact with the Muslim world, of which the Caspian region is such an important part.

The time had come to take a look at the big picture of Caspian affairs, rather than, as in the past, looking at events on a case-by-case basis. Under this approach, the policy focused on bilateral relations between the U.S. and the individual regimes, regional developments such as the dispute between Armenia and Azerbaijan,¹¹ the relationship between Russia and the U.S., and that between Iran and the U.S. This approach makes sense in terms of domestic considerations, such as the strong U.S. Armenian-American lobby, the demand for action against Iran on the grounds of its support for terrorist groups and its violent anti-American rhetoric; and the anti-Russian feeling that prompted Congressional opposition to the construction of pipelines through Iran, Afghanistan and Russia.¹² According to a member of the American House of Representatives: “The terrorist events of September 2001 brought a profound and lasting transformation to U.S. policies and priorities toward the countries of Central Asia. Regions and nations that had been at the periphery of concern have taken on new importance because of the threat posed by terrorists and the states that sponsor them. Expanding U.S. security engagement and cooperation with Central Asian States has been viewed as a key mechanism to promote their integration into Western political military institutions, encourage civilian control over militaries, and institutionalize cooperative relations with the United States military, while dissuading other parties—such as Russia and China—and threats to U.S. national security—particularly Iran—from seeking to dominate the region.”¹³

The 9/11 attacks also increased America’s fear of nuclear proliferation. After the disintegration of the Soviet empire the U.S. with the cooperation of Russia, had taken measures to put Soviet nuclear weapons and materials beyond use. Not all these weapons and materials were on Russian-controlled soil, however, and the possibility arose that they might be used by terrorists belonging to numerous radical Islamist and nationalist movements.

As the Chairman of the House Subcommittee on Middle East and Central Asia, Ileana Ros-Lehtinen, pointed out: “Major U.S. security interests have included the elimination of nuclear weapons remaining in Kazakhstan, for example, after the collapse of the Soviet bloc. There are active research reactors, uranium mines, milling facilities, and nuclear waste dumps in Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan, many of which reportedly remain inadequately protected. Kazakhstan and Uzbekistan reportedly had significant chemical and biological warfare facilities during the Soviet era. U.S. efforts to dismantle chem-bio and nuclear facilities in the region to prevent terrorists from procuring these deadly weapons are a priority concern for this Subcommittee.”¹⁴

The United States’ view of the potential threat was summarized in a State Department advisory: “Elements and supporters of extremist groups present in Central Asia, including the Islamic Jihad Group,

¹⁰ For more detail, see: F.W. Hays, “US Congress and the Caspian,” available at [<http://www.ourworld.compurve.com/HOMEPAGES/USAZERB/333.htm>].

¹¹ The two countries have been at loggerheads over the territory of Nagorno-Karabakh since 1988.

¹² See: F.W. Hays, *op. cit.*

¹³ Opening Statement of Hon. Ileana Ros-Lehtinen, Chair, Subcommittee on the Middle East and Central Asia Hearing: “U.S. Security Concerns in Central Asia,” 26 October, 2005.

¹⁴ *Ibidem.*

al-Qa'eda, the Islamic Movement of Uzbekistan (IMU), and the Eastern Turkistan Islamic Movement, have expressed anti-U.S. sentiments in the past and have the capability to conduct terrorist operations in multiple countries." The advisory also pointed out that "Previous terrorist attacks conducted in Central Asia have involved the use of improvised explosive devices and suicide bombers and have targeted public areas, such as markets, local government facilities, and the U.S. and Israeli Embassies in Uzbekistan. In addition, hostage-takings and skirmishes have occurred near the Uzbek-Tajik-Kyrgyz border areas."¹⁵

Besides energy,¹⁶ terrorism and geostrategic considerations, the United States policy on the Caspian region in the post-Soviet era has also been influenced by the political and social turbulence of the region, as well as its considerable economic problems. Although the governments in the region have acquired some of the trappings of democracy, they are still largely authoritarian, with little tolerance for dissent.

As Charles H. Fairbanks, Jr., former deputy assistant Secretary of the U.S. State Department, noted in 2001: "All the countries of the Caucasus and Central Asia now have parliaments, elected presidents, and (Turkmenistan excepted) multiple parties... (However) the ruler is a powerful president who typically was the Communist first secretary during Soviet days. There is no effective power sharing, whether with parliaments, local governments, or independent judiciaries... While presidents and parliaments alike are chosen through multiparty elections, chicanery and vote-rigging are common. Parties other than successors to the Communist Party are mostly small and focused on personalities... in abrupt contrast with the overly strong Soviet state, all the states in this group are weak or weakening; several have wavered in and out of the 'failed state' category."¹⁷

The U.S. Department of Energy also views the Caspian region as an area of political tensions and regional conflicts,¹⁸ not to mention considerable health and environmental threats¹⁹ and enormous geographical constraints.

Into this complicated mix must be added two other factors of growing importance to the United States: creating and maintaining good relationships with the Muslim world, encouraging "U.S.-oriented regimes and open societies" and promoting the "well-being of Turkey," an important U.S. ally.²⁰ The deterioration in relations with the Muslim regions of the world following America's use of force in Iraq, and its hardline diplomatic stance, have made it more crucial than ever that America gets closer to potential allies in the Muslim world.

¹⁵ State Department Advisory, 29 April, 2005.

¹⁶ Other estimates of oil reserves were much lower than Cohen's (see note 17). According to the U.S. Department of Energy, "The Caspian Sea is developing into a significant oil and gas exporting area, and the Caucasus is a potentially major world oil transit center. Proven oil reserves for the entire Caspian region are estimated at 17-44 billion barrels, comparable to proven reserves in the North Sea (around 15-17 billion barrels). Natural gas reserves are larger, accounting for almost two-thirds of the region's total hydrocarbon reserves proved possible."

¹⁷ Ch.H. Fairbanks, Jr., "Ten Years after the Soviet Breakup: Disillusionment in the Caucasus and Central Asia," *Journal of Democracy*, Vol. 12, No. 4, 2001.

¹⁸ To quote the department's website: "In almost any direction, Caspian region export pipelines may be subjected to regional conflicts... Numerous ethnic and religious groups reside in the Caspian Sea region, and continuing conflicts pose threats to both existing pipelines and those under construction. ...Afghanistan remains scarred and unstable after years of war. Negotiations to resolve the Azerbaijan-Armenia war... have yet to make significant progress. Separatist conflicts in Abkhazia, South Ossetia, and Ajaria in Georgia flared in the mid-1990s... Russia's war with Chechnya has devastated the region around Groznyy in southern Russia, and the September 2004 terrorist massacre in Beslan underlines the tenuous political situation in the Caspian region. The most significant problem with the Caspian Sea's oil and natural gas resources is the lack of an agreement among the five littoral states."

¹⁹ For a summary of these issues, see [www.eia.doe.gov/emeu/cabs/caspenv.html].

²⁰ B. Shaffer, "U.S. Policy Toward the Caspian Region: Recommendations for the Bush Administration," available at [www.ksg.edu/bcsia/sdi]. The executive summary is reproduced in *Kazakhstan News Bulletin*, Vol. 3, No. 2, 3, September 2001.

Policy Objectives

A succinct summary of the U.S.'s main objectives with regard to the Caspian region was given by Doug Bereuter, Chairman of the Subcommittee on Asia of the House of Representatives in 1998: "Stated U.S. policy goals regarding energy resources in this region include fostering the independence of the States and their ties to the West; breaking Russia's monopoly over oil and gas transport routes; promoting Western energy security through diversified suppliers; encouraging the construction of east-west pipelines that do not transit Iran; and denying Iran dangerous leverage over the Central Asian economies."²¹

Congressman Howard L. Berman stated, somewhat disingenuously, that "American interests in the region are simply to ensure its progressive political and economic development and to prevent it from being under the thumb of any outside power, be it Russia or Iran."²² He did not apparently regard the United States as an "outside power," or consider that America's attempts to keep other powers out might be construed as dangerous interference in the region.

Clinton's Deputy Secretary of State Strobe Talbott affirmed that the United States would "discourage any one country from gaining control over the region" and "urge all responsible States to cooperate in the exploitation of regional oil and other resources." The "any one country" was clearly Russia, which despite the fall of the Soviet Union still had an inordinate amount of power in the region.²³ Ambassador Richard L. Morningstar outlined the U.S. objectives in the Caspian region in the following order:

- "a. Strengthening the independence, sovereignty, and prosperity of the new Caspian states and encouraging political and economic reform;
- "b. Mitigating regional conflicts by building economic linkages between the new states of the region.
- "c. Bolstering the energy security of the U.S. and our allies and the energy independence of the Caspian region by ensuring the free flow of oil and gas to the world market place.
- "d. And, enhancing commercial opportunities for U.S. companies."²⁴

The Ambassador's testimony indicated that America gave the highest priority to political considerations, even over economic ones, and that "the fundamental objective of the U.S. policy in the Caspian is not simply to build oil and gas pipelines. Rather it is to use those pipelines, which must be commercially viable and environmentally sustainable, as tools for establishing a political and economic framework that will strengthen regional cooperation and stability and encourage reform for the next several decades."²⁵

The U.S. Energy Department indicated that while the U.S. had an interest in diversifying its sources of oil, the country's aims were much wider, centering on guaranteeing "the independence, sovereignty, and prosperity of the Newly Independent States of the Caspian Basin" and making sure that they would enjoy "unfettered access to world markets without pressure or undue influence from

²¹ U.S. Congress, 105th Congress, Second Session, Committee on International Relations, Hearing, U.S. Interests in the Central Asian Republics, 12 February, 1998, available at [http://commdocs.house.gov/committees/intrel/hfa48119.00/hfa48119_0.HTM].

²² *Ibidem*.

²³ See: *Ibidem*.

²⁴ Testimony by Richard L. Morningstar, Special Advisor to the President and Secretary of State for Caspian Basin's Energy Diplomacy, before the Senate Subcommittee on International Economic Policy, Exports and Trade Promotion, 3 March, 1999, available at [<http://www.treemedia.com/efrlibrary/library/morningstar.html>].

²⁵ *Ibidem*.

regional powers.” The commercial interest included “maximizing commercial opportunities for U.S. firms and for U.S. and other foreign investment in the region’s energy development.”²⁶ Satisfying these objectives could be best achieved by promoting the construction of multiple export routes on the basis of commercial viability, rather than political considerations.

The United States’ overwhelming interest was in making sure that the area was not dominated by Russia, for at the time the policy was formulated it was understood that Russia was the only dominant power in the region. However, this did not imply excluding Russia, and the State Department was careful to make it clear that no containment doctrine was in place. The Assistant Secretary for Policy and International Affairs thus underlined in his testimony before Congress that “Our Caspian policy is not intended to bypass or to thwart Russia... We support continued Russian participation in Caspian production and transportation. We would also welcome their participation in the Eurasian corridor. U.S. companies are working in partnership with Russian firms in the Caspian.”²⁷

Purging Russia from the area might lead to the ascendancy of other emergent powers, such as Iran or China, an outcome that the United States would view with concern (see below).

Why did the U.S. policy statements underscore the necessity to support the sovereignty of the new states of the Caspian Sea region? As an American scholar explains: “Russia and Iran historically have dominated the Caspian Sea region. Preventing the resurgence of aggressive Russian imperialism, especially in what used to be Russia’s backyard in the 19th and 20th centuries, is strategically important to the United States. Russia may remain reasonably friendly and cooperative as a democracy, but this is unlikely to be the case if Russia chooses to reoccupy the southern Caucasus and Central Asia and coerce their peoples. Moscow, not Tbilisi or Baku, would gain from control of the area’s impressive energy resources. Tehran appears interested in turning Uzbekistan, Kazakhstan, and other countries in the region into a market for both its goods and its ideology. Iranian domination would be likely to prevent the successful flow of oil to the West as well as the involvement of American companies in the economic development of the new Silk Road. **An Iranian presence, like a Russian presence, would hinder the development of democracy and free markets throughout the Caucasus and Central Asia. Therefore, it is in the U.S. national interest to see that Kazakhstan, Azerbaijan, Georgia, and other states maintain their sovereignty and territorial integrity** (emphasis added.—*A.I.*). These countries stand to benefit from the development of oil and natural gas on their soil, which would make their peoples richer and their governments solvent. The United States should make every effort to support the sovereignty of the Eurasian states over their resources.”²⁸

While the U.S. is not directly or even indirectly dependent on Caspian oil and, in fact, imports much of its oil from non-Middle Eastern sources, its economic performance is intricately connected with the state of energy supply in the international market. Events in and around the Caspian Basin therefore impact on the United States. The U.S. policy toward this region, by implication, thus has economic, as well as political and strategic, motivations. The 9/11 attacks and ongoing conflict between the U.S.-led western coalition and the Muslim world have enhanced the strategic significance of the Caspian region, which has a substantial Muslim population. This region, moreover, provides routes for drugs trafficking and light weapons proliferation, on which the United States is keen to crack down.

As long ago as 1999, the Pentagon recognized the increasing strategic importance of the Caspian region by reassigning senior command authority over American forces in Central Asia from the Pacific Command to the Central Command. Although largely ignored by the media, this move, de-

²⁶ *Ibidem*; Statement of Robert W. Gee, Assistant Secretary of State for Policy and International Affairs, Department of Energy.

²⁷ *Ibidem*.

²⁸ A. Cohen, *op. cit.*

scribed by Michael Klare as “a rare alteration of military geography,” marked an important shift in American strategic thinking on Central Asia. As a remote outpost of Pacific Command, which is centered on Japan, it had received scant attention. But now the region came under the direct authority of Central Command.²⁹

The events of 11 September 2001 further increased the strategic importance of the area in the eyes of U.S. policymakers. Under the pretext of combating terrorism and fighting drug peddlers, the Pentagon has reportedly adopted plans to enhance its military presence in the Caspian Sea region and to increase its patrolling of the area. To complement the U.S. military presence in the Persian Gulf, Afghanistan, and Central Asia,³⁰ the Pentagon has been showing an interest in gaining a foothold in Azerbaijan.³¹

Managing the Competition: Russia and Iran

After Russia, Iran and China are regarded by the United States as the two states whose interests are most likely to clash with its own purposes in the Caspian. Russia, China and Iran are major players in the Caspian region and Central Asia, for geopolitical as well as economic reasons, and while the United States has to accept their presence and role there, it regards them as major challengers to its own emerging interests in the region. While the U.S. cannot exclude their interests and ambitions, it tries to maneuver its affairs in such a way that these states do not hamper American activities and goals in the area.

Iran

One of America’s most implacable enemies, Iran has the potential to be a serious stumbling block for the U.S. in the Caspian region by thwarting U.S. aspirations to ensure that the area’s resources are not dominated by regional powers. Relations between the United States and Iran have been consistently poor since the overthrow of the Shah and the installation of the ayatollahs in 1979. The end of the Cold War did not change this situation, and in 1995 the U.S. government under Clinton imposed sanctions on U.S. economic activity in Iran. Through the Iran-Libya sanctions Act (ILSA) in 1996, foreign countries were also dissuaded from making substantial investment in Iran. In 1997 a brief thaw in relations resulted in certain trade restrictions being lifted, with American companies allowed to export food and medical items to Iran. But sanctions on arms remained and the United States has made ongoing attempts to limit Iran’s importance in the context of regional energy supply, notably in the area of pipeline planning and construction.³² ILSA was extended in 2001 by the Bush Administration.³³

²⁹ See: M.T. Klare, “The New Geography of Conflict,” *Foreign Affairs*, Vol. 80, No. 3, May-June 2001.

³⁰ The United States currently has military bases in Kyrgyzstan, but it was ordered out of its Uzbekistan base in 2005.

³¹ The U.S. has officially denied persistent rumors that it wishes to open a military base in Azerbaijan, and Azerbaijani President Ilham Aliyev is quoted as having said in December 2005: “I have said this before, and I repeat: ‘Azerbaijan will not host American military bases on its territory,’” available at [www.eurasianet.org/departments/insight/articles/eav091205ru.shtml].

³² The logic was that: “Development of Iran’s oil and gas industry and pipelines from the Caspian Basin south through Iran will seriously undercut the development of east-west infrastructure, and give Iran improper leverage over the economies of Caucasian and Central Asian States. Moreover, from an energy security point of view, it makes no sense to move yet more energy resources through the Persian Gulf, a potential major hot spot or chokepoint. From an economic standpoint, Iran competes with Turkmenistan for the lucrative Turkish gas market. Turkmenistan could provide the gas to build the pipeline, only to see itself displaced ultimately by Iran’s own gas exports” (“Hearing on U.S. Interests in the Central Asian Republics,” House of Representatives, Subcommittee on Asia and the Pacific, Committee on International Relations, Washington, DC, available at [http://commdocs.house.gov/committees/intlrel/hfa48119.000/hfa48119_of.ht]).

³³ Congressional Research Service, The Library of Congress CRS Issue Brief for Congress, Order Code IB93033, “Iran: Current Developments and U.S. Policy,” Updated 25 July, 2003, Kenneth Katzman Foreign Affairs, Defense, and Trade Division.

America's hostile, isolationist stance toward Iran had its critics. They argued that Iran is the only stable country in the region, which can provide a secure export route for Caspian gas and oil. For instance, Frederick Starr (Chairman of the Central Asia-Caucasus Institute at the Paul H. Nitze School of Advanced International Studies) said in testimony to Congress that "The heaviest burden of the measures we are taking toward Iran fall disproportionately on Azerbaijan, Kazakhstan and Turkmenistan, for it prevents them from exporting their gas and oil by one of the obvious alternative routes to Russia, namely Iran. The U.S. position has been to argue that this would not be in the Central Asians' own interest. None of our friends in the region agree."³⁴

Starr also argued that "the Iran-Russia relationship in the last 6 years has been a curious one. Neither has great assets of oil and gas in their area of the Caspian, and both have felt themselves under pressure from U.S. policy. I think to that extent they have teamed up, the tie was created by us and not by events."³⁵

American-Iranian relations have deteriorated under the Administration of George Bush II. The United States is highly critical of Iran's apparent determination to develop a nuclear weapon and is apprehensive of its efforts to build relationships with some of the other countries in the Caspian and Central Asia, relationships which could neutralize America's growing influence.

Iran's growing ties with nongovernmental groups in the region are also a major concern. Besides giving support to certain Islamic groups branded as terrorists, Iran has, according to an American analyst, been increasing its activism in the states of the former Soviet Union. Ilan Berman, Vice President for Policy, American Foreign Policy Council, asserts that Iran is making "an effort to counterbalance and offset the expanded American military presence in the region through new energy contacts with countries such as Georgia and Ukraine, and a more aggressive military profile in the Caspian Sea; training regional radicals, such as elements of the al-Qa'eda affiliated Islamic Movement of Uzbekistan (IMU)."³⁶ Berman feels that "Over time, these initiatives will have an impact on Central Asia and the Caucasus in a way that will be deeply detrimental to ongoing U.S. operations in Afghanistan and Iraq, and to larger American policy in the War on Terror." The American option according to him lies in "'regime change' ... initiatives that delay and derail Iran's nuclear ambitions and [through] those that empower opposition forces inside and outside of the Islamic Republic—should be the starting point for any serious American strategy."³⁷

Russia

America's relationship with Russia is far more nuanced than its overtly hostile one with Iran. Although the collapse of the Soviet Union and ending of the Cold War heralded an end to the open enmity between the two states, in the years since then their relations have waxed and waned, alternating between cooperation, estrangement, rapprochement and indifference. Things have not always gone smoothly between Washington and Moscow in the decade and a half since the Soviet collapse, but they do not regard each other as a real threat to their interests, and all three U.S. presidents who have

³⁴ Statement of Frederick Starr, Chairman of Central Asia-Caucasus Institute, Paul H. Nitze School of Advanced International Studies of Johns Hopkins University, before the Senate Subcommittee on International Economic Policy, Exports and Trade Promotion, 3 March, 1999, available at [commdocs.house.gov/committees/intlrel/hfa48119.000/hfa48119_0.HTM].

³⁵ Ibidem.

³⁶ I. Berman, *U.S. Foreign Policy Challenges Posed by Iran*, Briefing before the House International Relations Committee Subcommittee on the Middle East and Central Asia, 18 October, 2005.

³⁷ Ibidem.

served since then have kept in mind that “productive relations with Russia were one of the highest priorities of American foreign policy.”³⁸

In the post-Soviet era the United States has extended a great deal of assistance to Russia, particularly with the goals of helping develop civil society, protect and dismantle nuclear installations and weapons systems, promote democracy and assist with its economic progression to a market economy.

Although much diminished since the Soviet days, Russia is still a major power, and one that possesses considerable conventional military as well as nuclear power. American policy thus also aims to prevent the resurgence of Russia as a rival superpower, and one aspect of this is limiting its influence in the areas surrounding its borders. Since the Cold War, attempts have been made to get Russia to negotiate over arms control, as well as to participate in cooperative threat reduction programs. While selectively cooperative, Russia has maintained a fiercely independent stance on issues such as NATO’s expansion to neighboring states, separatist activity in Chechnia and other sensitive regions, American military actions in the Balkans, human rights issues in Russia itself and other contentious topics. One such point of disagreement is Russia’s response to regional conflicts in the Caucasus and its efforts to strengthen its control over Central Asia, efforts which have attracted strong condemnation from the U.S.

The slightly edgy relationship between the two former superpowers improved immeasurably after 9/11, when they formed a close alliance against extremist Islamic terrorism. Russia cooperated with the U.S. during its military intervention in Afghanistan, and supported the siting of U.S. bases in Central Asia to help with the Afghan campaign. The countries also cooperated on furthering energy security and nuclear issues, notably those concerning North Korea and Iran. According to a report by the Council on Foreign Relations,³⁹ “Moscow and Washington had never been closer in their reading of global dangers. The issues at the top of each side’s international agenda—Islamist terrorism, nuclear proliferation, and energy—seemed, for once, to be the same. And the United States, for a change, actively wanted Russia to join in meeting these threats, not merely to stay out of the way.”⁴⁰ However, it goes on to note that “there has been a swing of the pendulum in last couple of years and Russia has been increasingly concerned about its loss of influence in the former Soviet space and is suspicious of American motivation.”⁴¹

Russian interference in regional affairs, particularly in the former Soviet space, has generated concerns in the U.S. But the scholarly community appears to be more in favor of dialog and sympathetic understanding of the developments than raising an unnecessary hue and cry. As Eugene Rumer of the National Defense University says, “Russia’s pattern of behavior toward her neighbors has been the other major area of recent criticism of Russian international behavior ... Russian heavy-handed interference in its neighbors’ affairs is well documented. However, this is an area where once again Russian behavior is more apt to be interpreted as a sign of weakness, rather than strength... Perhaps, the biggest problem that Russia poses in relation to its neighbors is in the area of the so-called ‘frozen conflicts’—in Abkhazia, Moldova, South Ossetia and Nagorno-Karabakh. Russian involvement with a number of these breakaway regimes is a long-standing irritant in Moscow’s relations with some of its neighbors, the United States and other countries. The dilemma facing U.S. policymakers in this area is whether to confront Russia more forcefully or stay the course of patient, albeit unproductive

³⁸ St. Sestanovich, L. Feinstein, *Russia’s Wrong Direction: What the United States Can and Should Do*, Report of an Independent Task Force, Council on Foreign Relations (CFR), 2006.

³⁹ See: *Ibidem*.

⁴⁰ *Ibidem*.

⁴¹ *Ibidem*.

dialog. The balance of arguments appears to favor dialog, though one that needs to be intensified if we are to achieve our stated objective of ‘unfreezing’ these conflicts.”⁴²

However the U.S. responds to Russia’s actions in the future, it is likely that the American policy will have as its ultimate goal the reduction of Russian control over the neighboring area, including the Caspian Sea region.

C o n c l u s i o n

As the only remaining global superpower the United States’ over-arching foreign policy priority is to maintain the status quo in the world. This implies that the United States must prevent other major powers from challenging its position or altering the status quo in a manner that would go against America’s perceived interests.

President George Bush II came to power in 2001 with an overtly neoconservative foreign policy outlook, its policies aimed at perpetuating America’s global hegemony. This outlook has been tempered somewhat in recent years, in response to complex problems and challenges, not least of which are the events of 9/11 and the war against terror. Despite this, and despite that fact that many in the United States do not support the neoconservative agenda, there is a determination on the part of most Americans to ensure that their country retains its position as the senior partner in world affairs. There is unanimity on this right across the political spectrum; the major difference between the liberals and the neoconservatives center not on the goal itself but on the methods by which the goal is achieved. Whereas the liberals prefer a multilateral approach, the conservatives tend to be more unilateral in their approach.⁴³

However, as the broad goals of U.S. foreign policy will remain the same, whoever wins power in the next U.S. election is unlikely to alter that country’s strategy when it comes to the Caspian region.

The Caspian Basin/Central Asia has emerged from its status as a backwater as far as American goals and interests are concerned, to a crucial area for maintaining and advancing the United States’ global hegemony. Other regional and global powers, including Russia, Iran and China have interests in the region and so U.S. involvement in the Caspian gives America the opportunity to check the ambitions of these rivals. Important planks of U.S. policy in the area are: constructive engagement with Russia with the ultimate goal of regulating its economic growth and its role in global energy politics; and containing Iran by attempting to isolate it internationally and preventing it from developing leverages in the Caspian region and ties with other powers such as Russia. As far as China is concerned, the U.S. has been carefully monitoring the aggressive Chinese search for energy security and tries to make use of Caspian and other energy sources to develop leverages against China.

The troubled circumstances prevailing in the small states of the Caspian region provide the United States with many opportunities to advance its goals there, whether these are in the areas of security, economic considerations or political and economic reform.⁴⁴

⁴² Prepared Statement, Subcommittee on Europe and Emerging Threats, “Hearing on Developments in U.S.-Russia Relations,” 9 March, 2005, by Eugene B. Rumer, Senior Fellow, Institute for National Strategic Studies, National Defense University, available at [http://www.house.gov/international_relations/109/rum030905.htm].

⁴³ The foreign policy approach of the Bush regime, or the so-called “Bush Doctrine” was outlined by President George Bush in a speech at West Point on 1 June, 2002, available at [www.whitehouse.gov/news/releases/2002/06/20020601-3.html].

⁴⁴ For an up-to-date summary of stated U.S. goals and activities in the region, see: [www.state.gov/p/sca/rls/rm/2006/65292.htm].

America has also made it a high priority to promote regional cooperation and integration, and the weakness of these countries will make it difficult for them to withstand U.S. overtures. In fact, despite some serious setbacks in relations with the United States, such as the repercussions experienced by Uzbekistan after the Andijan incident in May 2005,⁴⁵ there are signs that some of the Central Asian countries are seeking closer ties with America in a possible attempt to reduce their reliance on Russia.

It is debatable whether the U.S. will ever become the dominant player in a region with so many contending powers and interests. However, it is unlikely that the United States will allow any other country or group of countries to gain the ascendancy either in this strategically vital but volatile and unpredictable region.

⁴⁵ In which a number of protesting civilians, alleged by the government to be Islamic extremists, were machine-gunned by Uzbeki troops. The Tashkent government puts the death toll at 187, but other reports say it was much higher.