

**TURKMENISTAN’S ENERGY INDEPENDENCE POLICY REGARDING
SINO-RUSSIAN COMPETITION: THE ROLE OF PERMANENT NEUTRALITY
IN THE NEW GREAT GAME**

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ABSTRACT

Turkmenistan continued its existence under the rule of the Union of Soviet Socialist Republics (USSR) for about a century and all its fossil resources were operated by the USSR at that time. Having gained its independence after the USSR collapsed, Turkmenistan had to operate its rich natural resources rationally to maintain its existence as an independent state. As Russia announced the “near abroad doctrine” in 1993, Turkmenistan declared its “permanent neutrality” statute in 1995 to avoid the historical Russian influence and interference in its domestic affairs. Turkmenistan, which wanted to generate a national policy with Berdimuhamedov who came to power in 2006, started to adopt a similar policy approach in the energy sector. After the natural gas sales dispute with Russia in 2009, Turkmenistan tried to create a balance policy by developing its relations with China in the region especially as a part of China’s energy policy to resort to alternative energy routes is in line with Turkmenistan’s own principles. Moreover, Turkmenistan has sought alternative ways outside Russia to maintain its competitive position in energy prices and to ensure diversification in pipeline routes. On the other hand, Turkmenistan must allocate a serious budget to discover new energy deposits and to extract the natural gas. But it is not possible to finance all these mega-projects from the state budget. So, this rarifies Turkmenistan to develop a national energy policy and naturally causes a serious increase in its dependence on China, which stands out in energy investments all over the world.

Being aware of all these risks, threats or opportunities, Turkmenistan adheres to the policy of "permanent neutrality" in order to develop a national energy policy and not to turn into a competition zone of great powers. In this study, how successful Turkmenistan has been in its independent energy security associated with the regional competition between Russia and China since the Cold War will be elucidated in the context of energy diplomacy and permanent neutrality policy.

Keywords: Energy Diplomacy, Permanent Neutrality, Competition, Turkmenistan, China.

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Arařtırma Makalesi/Research Article–Geliř Tarihi/Received:11/03/2021–Kabul Tarihi/Accepted: 23/04/2021

ÇİN-RUS REKABETİ BAĞLAMINDA TÜRKMENİSTAN'IN ENERJİ BAĞIMSIZLIĞI POLİTİKASI: YENİ BÜYÜK OYUN İÇİNDE DAIMİ TARAFSIZLIĞIN ROLÜ

ÖZET

Türkmenistan, yaklaşık bir asır boyunca Sovyet Sosyalist Cumhuriyetler Birliği (SSCB) yönetimi altında varlığını sürdürdü ve o dönemde tüm fosil kaynakları SSCB tarafından işletildi. SSCB'nin dağılmasının ardından bağımsızlığını kazanan Türkmenistan, bağımsız bir devlet olarak varlığını sürdürebilmek için zengin doğal kaynaklarını rasyonel bir şekilde kullanmak zorunda kaldı. Rusya'nın 1993'te "yakın çevre doktrini"ni açıklaması üzerine Türkmenistan, tarihi Rus etkisinden ve iç işlerine müdahalesinden kaçınmak için 1995 yılında "daimî tarafsızlık" statüsünü ilan etti. 2006 yılında iktidara gelen Berdimuhamedov ile milli bir politika oluşturmak isteyen Türkmenistan, enerji sektöründe de benzer bir politika yaklaşımını benimsemeye başladı. 2009 yılında Rusya ile yaşanan doğal gaz satışı anlaşmazlığının ardından Türkmenistan, özellikle Çin'in enerji politikasının bir parçası olarak alternatif enerji yollarına başvurma girişimini kendi çıkarlarına da uygun şekilde belirleyebilmek ve bölgede bir denge politikası oluşturabilmek için Çin ile ilişkilerini geliştirmeye çalıştı. Ayrıca Türkmenistan, enerji fiyatlarındaki rekabetçi konumunu korumak ve boru hattı güzergahlarında çeşitlendirmeyi sağlamak için Rusya dışında alternatif yollar aramıştır. Öte yandan Türkmenistan, yeni enerji yataklarının keşfedilmesi ve doğalgazın çıkarılması için ciddi bir bütçe ayırmalıdır. Ancak tüm bu mega projeleri devlet bütçesinden finanse etmesi mümkün değildir. Dolayısıyla bu durum Türkmenistan'ı milli bir enerji politikası geliştirmesini zorlaştırmaktadır ve doğal olarak tüm dünyada enerji yatırımlarında öne çıkan Çin'e olan bağımlılığına sebep olmaktadır.

Tüm bu risklerin, tehditlerin veya fırsatların farkında olan Türkmenistan, ulusal bir enerji politikası geliştirmek ve büyük güçlerin rekabet alanına dönüşmemek için "kalıcı tarafsızlık" politikasına bağlı kalmaktadır. Bu çalışmada, Türkmenistan'ın Soğuk Savaş'tan günümüze dek Rusya ile Çin arasındaki bölgesel rekabet içinde bağımsız enerji güvenliğinde ne kadar başarılı olup olmadığı enerji diplomasisi ve daimî tarafsızlık politikası bağlamında açıklanacaktır.

Anahtar Kelimeler: Enerji Diplomasisi, Daimî Tarafsızlık, Rekabet, Türkmenistan, Çin.

INTRODUCTION

Turkmenistan, which has the sixth largest natural gas reserves in the world (BP, 2020, p. 2), declared a policy of "permanent neutrality" shortly after its independence. While Turkmenistan is a serious potential country for China and European countries experiencing problems in terms of energy supply, it is a state that needs to be kept under control of Russia which is the main energy supplier for both sides. While China wants to make sufficient use of Turkmenistan's energy resources in the context of energy security, Russia does not want Turkmenistan to decrease its playmaking role in the energy field by making energy agreements with different countries and regions.

Having an important geostrategic position not only in regional but also global energy supply competition and route, Turkmenistan has therefore decided to keep itself away from agreements or organizations that will make it a part of political or military alliances to benefit more from the domestic energy resources.

Having gained its independence almost a century later, Turkmenistan is aware of the importance of its independence and in this context, it refrains from taking the moves that completely exclude Russia from Central Asia, which is still known as Russia's backyard. On the other hand, Turkmenistan tries to establish its own national identity and foreign policy approach and accordingly it has declared "permanent neutrality" in the post-Cold War era. Turkmenistan's biggest income comes from energy resources, and therefore it must develop an independent policy in the energy sector. Considering the increasing influence in the region in China in recent years, Turkmenistan must tread a fine line between two great powers. Also, in this study, evaluations will be made on natural gas in terms of energy security and independence of Turkmenistan. Because Turkmenistan is not a net exporter of oil and therefore it tries to play its key role in energy security through natural gas resources.

This study consists of three chapters: in the first chapter, the conceptual framework in which energy diplomacy and "permanent neutrality" policy will take place; in the second chapter, to grasp the elements that will determine the core of the work, the structure of Turkmenistan and its geopolitical and economic importance will be touched upon; and in the last part, Turkmenistan will be evaluated within the "great game competition" in Eurasia.

1. LITERATURE REVIEW

The need for this essay is that previous studies in academic literature review on Turkmenistan's energy security often fail to address the main reasons for how Turkmenistan has acquired a more independent energy policy without Russia. Firstly Turkmenistan, which has been under Russian occupation for many years, had to establish its unitary structure and territorial integrity for an independent foreign policy. Accordingly, the "permanent neutrality" policy announced by Turkmenistan has been analyzed in detail. Also, considering that Turkmenistan must produce and export energy in order to ensure its political and economic stability, the direct relationship between energy security and "permanent neutrality" becomes more evident. Therefore, this study is expected to contribute to the literature review by fulfilling this missing and to bring a new perspective to the energy security studies on Turkmenistan. This chapter consists of two parts: the first one is the necessity of establishing energy diplomacy for a sustainable economic development as a conceptual framework of the study and the other is Turkmenistan's neutrality policy announced in 1995.

Diplomacy is the art of conducting international relations and negotiations in accordance with their own interests, and in this respect, diplomacy is a foreign policy tool that seeks to resolve international conflicts through peaceful means instead of war (Dag, 2009, p. 150).

Energy diplomacy, on the other hand, would be incomplete to define international activities aimed at ensuring energy security, and therefore it can be defined as multi-faceted activities and contacts that stem from the power and unit of a country, generally aiming to achieve strategic goals and contribute to the realization of foreign policy goals (Akbulut, n.d.).

Energy diplomacy or energy security approaches in Central Asia are also considered as interdependence or zero-sum. Even though the military and economically weak Turkmenistan expresses an interdependence especially in the context of China's energy security, it is also evaluated that in a much wider geography small countries such as Turkmenistan or Kazakhstan, rich in natural reserves, have turned into a kind of competition area with a realistic approach between strong regional countries such as Russia and China (Garrison & Abdurahmonov, 2011, p. 381). Especially when assessed from a neorealist perspective, the fact that the energy issue has turned into a survival problem in the development of countries like "*self-help*" has hardened the competition over fossil resources since the Industrial Revolution. Due to the direct reflection of the political events experienced in 1973 on energy prices, the necessity to consider energy security in terms of international relations has emerged. As Kenneth Waltz points out, the principle of "absolute gain" does not create cooperation as the increased capabilities and power of a state will create suspicion and security concerns in other states (Waltz, 2015, p. 133). Therefore, the price crisis between Russia and Turkmenistan in the past is a result of this approach. It is also difficult to create what Waltz calls "integration" between Russia and China on Turkmenistan in a much wider context today. Turkmenistan is not only rich in natural gas resources but also a strategic energy transit route in the East-West and North-South direction. Russia's ability to maintain price control over energy prices in Europe, China and East Asia; or China's access to energy in its near land geography at easy, sustainable and affordable prices both increases the importance of countries like Turkmenistan and turns these regional countries into the center of competition.

However, a possible military intervention in the energy competition in the region will pave the way to a conflict or terrorist elements that can trigger due to political or economic instability. This, in turn, may disrupt China's not only energy-based trade activities, but may also cause both China and Russia to be contained by the US. Due to the fact that the region does not have a border to open seas and is geographically isolated from Europe and the USA has enabled China and Russia, the big neighbors in the region, to be effective on Turkmenistan and other countries in the region (Garrison & Abdurahmonov, 2011, p. 382).

By providing the historical and military power of Russia and the economic power of China through investments and loans after the Cold War, they provided an isolated stable region in the region. Thus, competition over energy resources is mostly shaped by economic tools. As Joseph Nye points out, powerful states should not only be a source of aid but also a center of attraction (Nye, 2005, p. 17). Especially at a time when Turkmenistan is trying to eliminate its historical dependence on Russia, China uses its economic power tools rationally to assure that Turkmenistan will not experience previous crises with Russia even if the interdependence rises in favor of China.

Energy investments require very high capital for the research, discovery, extraction and transportation costs and also the return period is long and therefore they include many political and economic risks (Wang, 2016, p. 6). That is why the risk is generally shared by state-based companies in energy investments. The realization of these long-term investments depends on political and social stability as well as economic. The end of the closed economy model of the Feudal era with the French Revolution and the replacement of the modern production style with the Industrial Revolution increased the dependence on energy (Kılıçaslan, 2015, p. 88). So, paying regard to the rivalries and conflicts over energy resources throughout history, the powers that want to be effective in the region must increase their investments in parallel in other fields. In this direction, State-Owned Enterprises (SOEs) and private international energy companies stand out. Considering the energy resources as a part of the national security, and the strategic geopolitical nature of gas trade increases the role of state-based oil companies such as Gazprom, Rosneft, Transneft, China National Petroleum Corporation (CNPC), China National Offshore Oil Corporation (CNOOC), and Sinopec in energy trade and security in the region (Ziegler & Menon, 2014, p. 29).

Permanent neutrality is “*the neutral foreign policy strategy adopted by states in both times of war and peace. Accordingly, the state that implemented this policy must give up its policies of declaring war or being a party to agreements that can lead to war, in return for the guarantee of its territorial integrity by other states*” (Dag, 2009, p. 358). However, the state declaring its neutrality can become a member of non-military international institutions and organizations. The declaration of neutrality of a state does not make it legally permanent. In order for a state to be declared as a “neutralized state”, other states must also accept this in the United Nations (UN), and even some must be guarantors (Terzioglu, 2012, p. 45). For example, although Moldova declared “neutrality” in the 1994 Constitution, this declaration is not accepted internationally, or any state/organization has not been under this obligation. However, it should not be forgotten that states have the right to withdraw from their neutrality policies at any time and there is no binding article to prevent this.

The fact that Turkmenistan is located in a geography where East and West meet, has rich natural resources and ethno-cultural elements made it compulsory for Turkmenistan to pursue a more rational policy instead of seeking adventures in post-independence foreign policy (Shikhmuradov, 1997, p. 1). Increasing the public’s belief in the new state structure to be built after independence also required stability in the field of economy.

Turkmenistan, which had to survive in the global competition of the great powers, had to ensure its internal unity and stability by benefiting from its rich natural resources and to have good relations with its neighbors as well. It is understandable that Turkmenistan has turned to a policy of neutrality in order not to become a new center of competition among great powers on the rich energy resources in its geography. Turkmenistan became a party to the nuclear disarmament agreement to strengthen the neutrality policy, announced and approved in 1995, did not let foreign powers use their military bases in its country or become a member of any military pact (Shikhmuradov, 1997, p. 4).

The fact that the region is historically in a conflict and competition area also means avoiding these tensions completely or partially thanks to its neutrality policy. Although Turkmenistan claimed to adhere to its “neutrality policy”, it had to accept China’s claims in foreign policy to start a new pipeline project with China. Accordingly, with the “Joint Declaration between the People’s Republic of China and Turkmenistan”, signed on 29 August 2008, Turkmenistan declared its opposition to Taiwan’s independence initiatives(‘Joint Declaration Between the People’s Republic of China and Turkmenistan’, n.d.). Therefore, Turkmenistan’s neutrality policy is equated with China’s “peaceful development” policy in terms of establishing the country’s unity and increasing its trade channels. Turkmenistan, which was under the rule of the Soviet Union for a century, lacked the military and economic power to ensure the existence of the country so it preferred a more peaceful foreign policy via neutrality policy. In this way, Turkmenistan neither turned into a conflict area among Russia, the USA or China in the post-Cold War period nor remained under the control of the one in every sense. However, Turkmenistan still cannot benefit sufficiently from the neutrality policy it declared about 25 years ago because foreign dependency still continues in investments, infrastructure or energy sector that is the only financial option that could increase the income of the country (Silva, 2021, p. 68). Turkmenistan’s natural gas supply to the West via Russia was not very sustainable in the mid-2000s and now Ukraine’s share ($\frac{3}{4}$) in total natural gas sales shifted to China at the end of a decade.

2. TURKMENISTAN AND ITS ENERGY SECURITY POLICY

Having borders with countries such as Iran, Uzbekistan, Azerbaijan, Kazakhstan and Afghanistan, Turkmenistan has a geostrategic position in the center of Eurasia. Turkmenistan, one of the richest natural gas resources in the world, is also of vital importance in terms of global energy security supply. After the dissolution of the USSR in 1990, Saparmurat Niyazov, the country’s first president in the elections held in October, initially seemed to be taking democratic steps like the Constitution, but similar to the Communist structures in the USSR and China, the one-party totalitarian system prevailed in the country. As Niyazov was a former Russian diplomat and politician and he continued a totalitarian regime similar to the USSR after post-Soviet Turkmenistan (Malashenko, 2012, p. 3). While Turkmenistan President Niyazov signed a 10-year dual citizenship agreement with Russia in 1993, on the other hand, he switched from the Cyrillic alphabet to the Latin alphabet in 1995 in order to increase the national and independent existence of the country (Yaman, 2016, p. 50). Thus, Niyazov was trying to focus on the economic-political development of her country by following a balanced and cautious foreign policy.

In other words, he wanted Turkmenistan to gain a national identity by trying to maintain its relations with Russia temperately as the newly independent country was dependent on Russia economically. Niyazov’s identifying himself as the head of the Turkmen (Turkmenbashi) was the symbol of the idea of creating a new nation (Malashenko, 2012, p. 2).

Although Niyazov passed the “permanent neutrality country” with a general vote in the UN in 1995 to develop autonomous policies in a geography with historical problems, he had to be in cooperation with international institutions and regional cooperation in order to market the natural resources, and that is why Turkmenistan has become a member of the Economic Cooperation Organization (ECO), International Monetary Fund (IMF), World Bank (WB), The European Bank for Reconstruction and Development (EBRD) (Kasim, 2016, p. 97). One of the aims of Turkmenistan to adopt this policy was the necessity to take an economic-political step to get rid of the dependence on Russia in energy and to diversify its pipeline routes. Turkmenistan, which has been dependent on Russia for many years in foreign markets in natural gas sales, has to focus on pipelines in natural gas exports due to its landlock position (Aminjonov, 2016, p. 8). Another aim of the neutrality policy was to prevent Russia from interfering with the internal affairs as a reaction to the “near abroad” doctrine announced by Russia in 1993 (Sari, 2016, p. 157).

In the post-USSR Niyazov period, as the totalitarian rule continued, the state-centered economy model was applied instead of the free liberal market, which led to the concentration of capital in certain elite segments (Eyidiker, 2020, p. 19). This led to a serious privatization of state resources in strategic areas such as the energy sector to raise funds for the state. In this context, the Turkmenistan administration established an institute called “Turkmengeologiya” which was one of the old production centers in 1996 in order to control and centrally manage all processes in the discovery and extraction of Turkmen gas (Nogayeva, 2015, p. 326). The natural gas resources to be produced by the newly independent Turkmenistan with its own national companies and research institutions was an important strategy in achieving its national goals.

Gurbanguly Berdimuhamedov, who came to power after the death of Niyazov in 2006, continued the “neutrality policy” and Turkmenistan entered into a more active era in foreign policy. Although the totalitarian political regime continued under Berdimuhamedov after Niyazov, the real reform or change took place in the way of liberalization (Malashenko, 2012, p. 4). In this sense under Berdimuhamedov administration, the biggest shift in Turkmenistan’s foreign policy has been the energy sector. While Turkmenistan continues not to be a part of the Shanghai Cooperation Organization (SCO) in accordance with the neutrality statute, it has started to develop its multi-faceted relations especially in energy sector with China, which is a SCO member. In order to break the monopoly of Russia in the context of energy security, it was a necessity for Turkmenistan to increase the number of countries to sell natural gas. Accordingly, the energy agreement signed with China in 2009 is an important milestone. Turkmenistan used to export about 85% of its natural gas to Russia until 2009, but now but now Russia has been replaced by China (Sari, 2016, p. 158). Having recently gained its independence, Turkmenistan was economically dependent on Russia and had to let Russia sell its gas to Europe at a price that was three times higher (Sari, 2016, p. 153).

Turkmenistan's monopolistic Russian impasse compelled the country to act with China in the energy field. Naturally, Turkmenistan, unable to get the income it deserves from its natural resources, has sought new markets. However, in addition to the long duration of the agreement and construction process of the pipelines, Turkmenistan's failure to take the step of opening up (go out strategy) in the field of energy during the Niyazov period has become effective only under Berdimuhamedov rule. However, it should not be forgotten that Berdimuhamedov managed this policy shift thanks to the political independence of the country under the "permanent neutrality" during the Niyazov period.

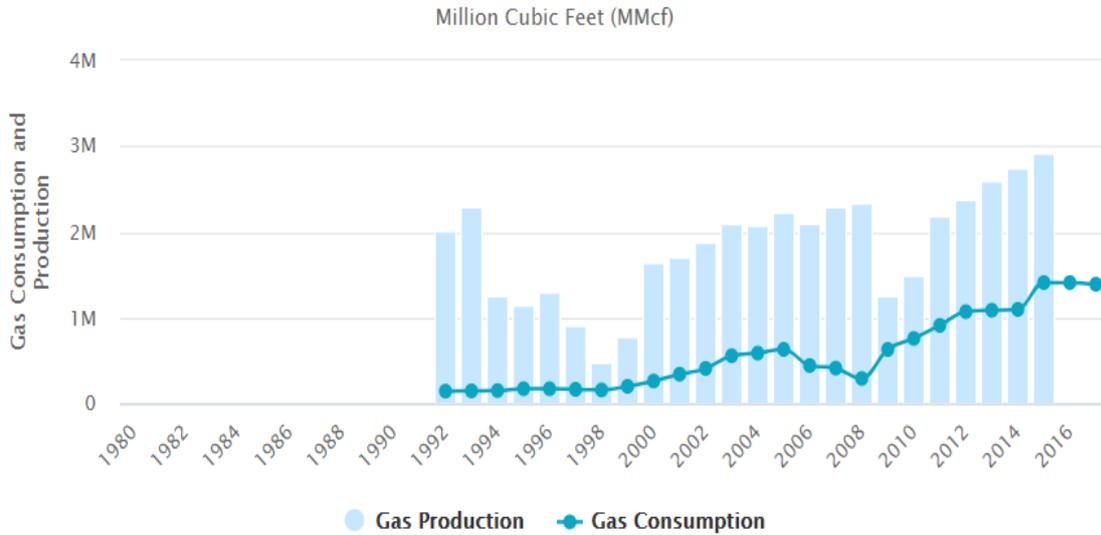


Figure 1: Turkmenistan Gas consumption and Production after the Cold War (MMcf)
(‘Turkmenistan Natural Gas Reserves, Production and Consumption Statistics - Worldometer’, n.d.)

Turkmenistan has the largest natural gas reserves in Eurasia and the sixth largest in the world. While Turkmenistan uses half of the gas it produces for its domestic consumption, it exports the rest. According to BP's Statistical Review of World Energy 2020 report, Turkmenistan's total natural gas reserves rose from 2.6 trillion cubic meters in 1999 to 19.5 Tcm in 2019; and at this period natural gas production rose from 33.3 billion cubic meters to 63.2 bcm, and its consumption increased from 17.1 bcm in 2009 to 31.5 bcm in 2019 (BP, 2020, pp. 32–36).

Table 1: Natural Gas Pipeline Export Direction, 2017,bcm (Pototskaya, 2020, p. 159)

Exporting countries	Export volume	Importing countries						
		Turkey	Russia	China	Kazakhstan	Belarus	Ukraine	Europe
		bn. cu. m.	bn. cu. m.	bn. cu. m.	bn. cu. m.	bn. cu. m.	bn. cu. m.	bn. cu. m.
Russia	215,4	27,6	-	-	3,3	17,8	-	161,7
Europe	149,5	-	-	-	-	-	13,3	-
Turkmenistan	33,6	-	-	31,7	0,3	-	-	-
Kazakhstan	13,2	-	12,1	1	-	-	-	-
Uzbekistan	11,8	-	6,7	3,4	1,7	-	-	-
Azerbaijan	8,9	6,3	-	-	-	-	-	2,1

In addition to Turkmenistan's natural gas production and consumption data, the direction of natural gas trade is also noteworthy. As deduced from the table, the natural gas export route of Turkmenistan is towards the East. On the western side, it is found out that Russia dominates the western market, remaining from the USSR period. Therefore, it is essential for Turkmenistan to turn to the West or South to expand its energy market. A similar gas agreement between Azerbaijan and Turkey can also be done with Turkmenistan and thus Turkmen gas can be transported to Europe via Anatolia. The fact that the energy pipelines from Turkmenistan to the West in the Soviet era were via Russia requires the construction of new pipelines. Although Turkmenistan makes about 85% of its natural gas exports to China, which has not signed the *"the Energy Charter Treaty"* agreement, making Turkmenistan weaker against China in possible legal disputes (Wang, 2016, p. 10). This is another fact that necessitates Turkmenistan to diversify its natural gas export routes. With the "landmark deal on the status of the Caspian Sea" agreement signed in August 2018, the status problem in the Caspian region was partially resolved and mutual goodwill was shown. Moreover in January 2020, Turkmenistan and Azerbaijan reached a historic agreement by signing the *"Dostlug"* (Friendship) agreement in the oil field on the Caspian Sea (Agencies, 2021). Thus, the project of "Trans-Caspian Gas pipeline" seen as a dream for years could be in operational and Turkmen gas can be transferred to Europe via Turkey.

Similarly, Turkmenistan can double its current production if both European and The Turkmenistan–Afghanistan–Pakistan–India Pipeline (TAPI) projects are implemented. In this regard, especially the reconstruction of TAPI that was scuttled in 1990s can be a new market and economic recovery for Turkmenistan (Ozgoker & Yilmaz, 2015, p. 126). The continuation of the war and unstable environment in Afghanistan and the high cost of the project are the biggest obstacles to the realization of the TAPI project. Afghanistan, where the instability that exists with the American intervention is gradually increasing, causes the disconnection between Central Asia and the Indian Sea.

Establishing peace and stability in Afghanistan will, on the one hand, create new markets for the Central Asian countries and reduce the influence of China and Russia on the countries of the region in the field of energy, on the other hand, it will further increase China's trade in the region with Belt and Road projects. Moreover, the possibility that China may pitch into pipeline energy deals with Iran is also against the US interests.

Moreover, even if there is financing to implement the project, Turkmenistan must guarantee to produce and to transport annually 30 billion cubic meters of natural gas along this line. The fact that Turkmenistan is not politically dependent on Russia and China allows it to make such mega projects in the field of energy. The important thing is that Turkmenistan, which has an insufficient budget, must find investors which can finance or give loans for these big projects. However, the difficulty of any country other than China to invest in big projects after the 2008 economic crisis caused it to make the majority of natural gas exports to China, which invested directly in Turkmenistan. This dilemma of Turkmenistan causes it to not fully utilize from its energy resources in the context of its "permanent neutrality" policy.

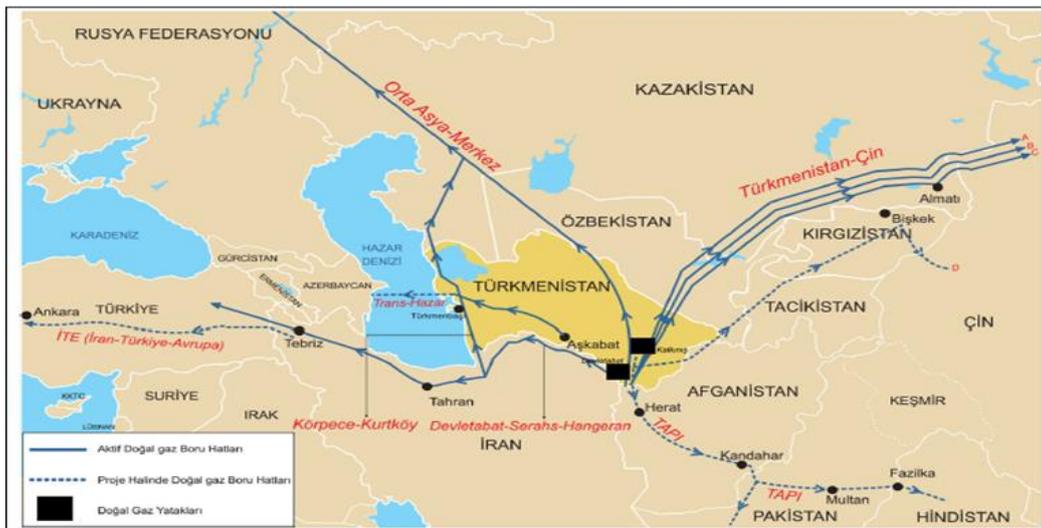
Before declaring its independence, Turkmenistan was exporting more than twice its natural gas exports to Russia in 1989. The Central Asia-Central natural gas pipeline, which was operational in 1960, was operated by the USSR, and by 1989 reached a production capacity of 88.5 billion cubic meters/year (İsmayilov, İsmayilov, & Budak, 2014, p. 32). After Russia issued this bill to Turkmenistan after the natural gas payment crisis with Ukraine in 1997, natural gas exports fell from 81.4 bcm in 1989 to 15.7 bcm in 1997 (Vasánczki, n.d., p. 7). Russia reduced the natural gas flow of Russia to almost 12 bcm in 2009, however, Berdimuhamedov insisted on not accepting the offer of withdrawal in natural gas prices. In fact, Russia was planning to settle Turkmenistan for the natural gas price it determined. However, Turkmenistan did not back down, relying on the natural gas agreement it signed with China. In 2009, an agreement specifying a price of 250 dollars for each 1000 cubic meters up to 30 bcm per year was signed between Russia and Turkmenistan (İsmayilov et al., 2014, p. 36). The strategy of Turkmenistan in signing this agreement was due to that it could not fully predict the future of the natural gas agreement with China. At the end of 2016, when the annual natural gas trade capacity with China reached 30 bcm, gas flow to Russia was also terminated. In this respect, it is seen that Turkmenistan acts quite rationally in the field of energy in its foreign policy.

Table 2: Turkmenistan Natural Gas Export 2010-2018, bcm (Pirani, 2019, p. 2)

Bcm	2010	2011	2012	2013	2014	2015	2016	2017	2018
Production (sales gas)	40.1	56.3	59.0	59.0	63.5	65.9	63.2	58.7	61.5
Total gas balance	40.1	56.3	59.0	59.0	63.5	65.9	63.2	58.7	61.5
Domestic consumption	18.9	20.7	17.6	18.7	20.0	27.0	25.5	22.9	24.5
Export (total)	21.2	35.6	41.4	40.3	43.5	38.9	37.7	35.8	37.0
To/through Russia	10.7	11.2	10.9	10.9	11.0	3.1	0	0	0
To Iran	7.0	10.0	9.0	5.0	6.0	7.0	7.0	0	0
To Azerbaijan (swaps via Iran)	0	0	0	0	0	0	0	1	1
To Kazakhstan	0	0.3	0	0.3	1	1	1.3	1.5	1.5
To China	3.5	14.1	21.5	24.1	25.5	27.8	29.4	33.3	34.5

As understood in the table, the declining exports to Russia after the crisis in 1997 continued with a similar trend after 2010 and ended by 2015. Similarly, it is seen that Turkmenistan's gas export to Iran ended at the end of 2016. In 2017, a natural gas swap agreement was signed with Azerbaijan, and gas was exported to Azerbaijan at a similar rate in exchange for the natural gas supplied to Nakhichevan via Iran. The most important development here is that gas exports to China have increased 10 times in a decade. However, it is debatable how much this serves Turkmenistan's energy security. Turkmenistan's dependence on China instead of Russia in natural gas exports has naturally increased its dependence on China economically.

There are three existing pipelines between Turkmenistan and China. These natural gas pipelines, known as A, B and C lines, have capacities of 15,15 and 30 bcm respectively. Central Asia-China Gas Pipeline, having parallel pipelines running for 1830 km, has three lines A, B and C and Line A & B started in 2009 and Line A became operational in 2011 and line B in 2010 and lastly Line C started in 2012 and became operational in 2015 (CNPC, n.d.). In addition to these, the 30 bcm-capacity D pipeline, which started in 2014 and is supposed to be operational by 2025, is expected to reach China via Uzbekistan, Tajikistan and Kyrgyzstan, bypassing Kazakhstan. With the line D, it is seen how important Turkmenistan is in China's energy security. However, China, which attaches great importance to energy security, follows a strategy of supplying even the energy it imports from a country through different corridors. Although there are two different natural gas pipelines between Iran and Turkmenistan with an average capacity of 20 bcm, the bilateral energy trade has also been interrupted by the USA-based economic embargoes or sanctions due to the nuclear weapons research Iran has developed. The transportation of Turkmen gas projects via Iran to Turkey and then to Europe have not realized due to similar concerns. In this context the NABUCCO (Turkey–Austria gas pipeline) project, which will extend about 300 km under the Caspian Sea, was also canceled due to risks of Hazar status (Malashenko, 2012, p. 9).



Map 1: Natural Gas Pipelines of Turkmenistan (İsmayilov et al., 2014, p. 34)

2.1. The New Great Game in Eurasia

Central Asia turned into a rivalry of the great powers after the collapse of the Soviet Union. The competition between Tsarist Russia and England that started in the 18th century and continued in the 19th century for raw material resources and finding new markets turned into a great power struggle in the Central Asian lands called the “Great Game” (Yaman, 2016, p. 18). The great areas of competition over energy issues are regarded great games in the international relations discipline. After the First World War, Turkmenistan was both governed centrally by the USSR period and colonized in terms of its rich natural resources. And then China, which has made a great economic leap forward in the last 30 years, has joined the race that started first between England and France and other Western countries in the Industrial Revolution. After the Cold War, China’s orientation towards Eurasia as a new and powerful player caused the whole region from the Black Sea to Central Asia to be called the “New Great Game” (Buzan & Wæver, 2003, p. 422). The frozen problems that emerged after the independence, the historical Russian influence and North Atlantic Treaty Organization’s (NATO) desire to be active in the region all increased conflicts and instability in the region. As the Turkic states’ ability to solve radical Islam and drug trafficking gradually decreased with the War of Afghanistan, they are looking for new playmaking countries that will bring stability and peace in the region (Ozgoker & Yılmaz, 2015, p. 130). As Rauf purports that the tug-of-war competition between the great powers continues in Central Asia in the region and the small countries are still looking for new partners to ensure their security and economy (Rauf, 2017, p. 149).

According to geopolitical theorist Brzezinski; there are about twenty-five countries on and south of the line from Crimea to Xinjiang (Uygur Autonomous Region in China), and no state is in full political balance in this multi-ethnic region (Brzezinski, 2017, p. 80). That is why continuous competition based on historical disagreements and insecurity is one of the main issues in achieving permanent stability in the region. Until peace and stability are restored in Afghanistan, the link between Turkmenistan and India is not easy to realize, and therefore dominance over the “pivotal area” including Turkmenistan increases the competition for the new great game (Rauf, 2017, p. 155).

While it is acknowledged that China and Russia developed neomercantilist policies on energy deposits in Central Asia and the Caucasus, the USA tried to exist in the region with liberal policies as well [(Ziegler & Menon, 2014, p. 18). The fact that the countries in the region had autocratic governments and the fear that the USA could interfere with the internal affairs of the Central Asian countries through human rights and democratic governance in the post-Cold War period led the USA to become politically behind in competition over time. However, the responsibility of preventing instabilities based on security and economic problems that would arise in the new period was naturally abandoned to China and Russia. The region’s lack of access to the high seas, where the United States is the unique power, required the countries in the region to rationally develop multi-faceted relations with China and Russia. The fact that energy is the most important factor in the development of the countries in the region and reaching the level of social stability and welfare has led to the implementation of energy policies with a state-centered neomercantilist approach (Ziegler & Menon, 2014, p. 20).

Although the USA does not need to import energy, it must maintain its dominant role in the global energy trade to maintain its hegemony. Especially in Central Asia, which is rich in natural gas resources, new energy routes and long-term energy contracts realized without the involvement of the USA are against the national interests of the USA. In this context, Russia and China must work together so that they can keep the USA away from the region while entering a new competition area among themselves. Therefore, a very cautious and rational strategy must be implemented between the two states. Given the desire of each state to maximize its own national interests in the energy field, China, which is dependent on energy, is supposed to carry out this strategy much more carefully.

In this context, it is very rational for China to increase its energy import and energy investments in Russia in a similar way. According to Erkan and Ates, the relationship between Russia and China in terms of energy is mainly on demand and supply and therefore it is not perceived as a threat especially to China because Russia has financial dependency on China and also China has multidimensional energy policy (Erkan & Ates, 2019, p. 432). That is, Russia is economically incomparable with China, and in this respect, it must sell energy to China for a sustainable economy and needs China's foreign investments for projects that require large costs. So, it is not easy for Russia to use energy as a direct weapon against China. While Russia wants to realize its interests in Central Asia in a more security and political context based on its historical sovereignty, it is seen that China tries to establish its security in the field of trade and energy by giving priority to economic investments in the countries of the region (Cooley, 2015, p. 2). Accordingly, Russia does not want to lose its control in the region relying on its military power and in this context, it does not compromise its security approach in the region since the announcement of the "near abroad" doctrine. In line with the Atlanticist understanding that emerged in Russia after the Cold War, it envisaged the development of closer relations with the West, but it strengthened the policy of returning to the Eurasian region again due to the economic crisis Russia experienced as it could not find the necessary support from the West (Kasim, 2016, p. 103).

At the end of the 2000s, Azerbaijan and Kazakhstan started to get rid of their energy dependence on Russian pipelines in energy exports and thus had a chance to compete in energy prices (Overland, 2009, p. 3). Turkmenistan also began to reduce the Russian monopoly during this period, and only succeeded after a decade later. It should not be forgotten that China's national energy companies have helped the countries in the region break their dependence on Russian pipelines. There are three goals in China's pursuit of this policy: firstly, diversifying imported energy routes in the context of energy security and obtaining reasonable energy prices; secondly, increasing its investments with Belt and Road Initiative (BRI) projects in these regions and increasing its political and economic weight on these countries; and thirdly, to balance the historical Russian influence in the Central Asia sphere and also, if possible with the SCO, to prevent the return of the US to the region. One of the objectives that China aims via the BRI is to create new corridors (Cooley, 2015, p. 5). Opening these corridors requires investments that include many sectors such as energy, infrastructure, and logistics.

Table 3: Turkmenistan Gas Production by Company (Pirani, 2019, p. 6)

Bcm	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 est
Total production (sales gas)	33.3	40.1	56.3	59.0	59.0	63.5	65.9	63.2	58.7	61.5	62
Turkmengaz and other state-owned companies											
Turkmengaz: to China, including from Galkynysh*	0	1.0	11.0	18.1	19.6	19.2	15.5	17.8	20.5	25.7	25.8
Turkmengaz: for other export routes and the domestic market**	33.2	35.5	40.2	34.1	32.7	33.4	36.2	30.4	23.0	19.5	18.9
<i>Exports to Russia</i>	11.8	10.7	11.2	10.9	10.9	11.0	3.1	0	0	0	0
<i>Exports to Iran</i>	7.0	7.0	10.0	9.0	5.0	6.0	7.0	7.0	0	0	0
<i>Exports to Kazakhstan</i>	0	0	0.3	0	0.3	1	1	1.3	1.5	1.5	1.5
<i>For domestic market</i>	14.4	17.8	18.7	14.2	16.5	15.4	25.1	22.1	21.5	18.0	17.4
Private companies											
CNPC: under PSA at Bagtyarlyk*	0.1	3.6	4.6	5.5	5.5	9.1	12.5	12.8	13.0	13.0	13.2
Petronas: offshore Caspian block no. 1			0.58	1.28	1.23	1.75	1.69	2.22	2.16	3.33	4.15
Private companies, as % of total	0.03	8.9	9.2	11.4	11.4	17.1	21.5	23.8	25.8	26.5	28

As noticed clearly in the table, while Turkmenistan produces 44.7 bcm of 62 bcm of natural gas with national oil companies, Chinese and Malaysian private oil companies produce 28 bcm of natural gas. China produces approximately 40% of the natural gas imported from Turkmenistan by its own companies. In addition to being the country that exports Turkmen gas, China is the largest energy investor in the region as a producer, making China more advantageous in the long-term Sino-Russian competition. Thanks to Chinese stated-owned national energy companies, Turkmenistan has come close to the production capacity as in the USSR era.

The fact that Turkmenistan, which is rich in natural gas, gained its new independence and wanted to continue its neutrality policy, the historical Russian influence and the long-term policies of the USA and Europe in the region made it obligatory for China to make its energy policies towards Turkmenistan with more economic tools. Particularly, Turkmenistan's desire to fill this gap with China after the energy crisis with Russia increased mutual rapprochement. Aware of the power of the USA to intervene in any country by using economic and social crises, China wants these countries to have sustainable economies as well. Although this situation harms Russia economically, it ensures that Russia acts in harmony within the SCO in terms of regional security. Moreover, China has built natural gas and oil pipelines extending from Russia to China during this period and has eliminated Russia's economic losses by making long-term energy agreements. In addition, China aims to create an effective political, economic and security cooperation in the region by aligning the other two regional organizations the Commonwealth of Independent States (CIS), the ECO led by Russia with the SCO (Rahman, 2011, p. 74).

CONCLUSION

It is elucidated in this study that Turkmenistan has developed its energy independence policy substantially in the post-Cold War period. Since 2009, it has significantly reduced the flow of gas to the Russian market, where it is historically dependent on energy resources, and at the end of 2015 it completely stopped. In this respect, 2016 can be regarded as a symbol of the proclamation of Turkmenistan's independence in energy policy. However, it could not diversify its markets so far now and that is Why Turkmenistan was heavily dependent on China in natural gas trade. In order words, Turkmenistan has managed to get rid of its dependence on Russia in natural gas imports but instead it is now depended on China.

Niyazov, the previous President of Turkmenistan, believed that he could achieve an independent energy policy on the condition that he kept in touch with Russia until he could provide a political and economic stabilization in the state. Since the Central Asia, in which Turkmenistan has a strategic location, historically has a central place in the energy competition, it is explored that Niyazov declared "permanent neutrality" both to follow the policy of not getting involved of the possible energy competition and to drift gradually apart from historical Russian influence in the country. Although Niyazov managed not to allow the country to return to a rivalry or conflict zone among the great powers, he could not change the historical Russian supremacy of the natural gas trade. Nevertheless, the effect of "permanent neutrality" policy on the country attaining a certain internal stability in a risky geography after independence cannot be denied.

Gurbanguly Berdimuhamedov, who came to power after Niyazov, knew that the main way for the country to get rid of Russian domination in the energy field was a go out strategy in its foreign policy. By liberalizing the country in the field of energy, Berdimuhamedov succeeded in attracting foreign investors to his country and finding a new powerful market. Although China does not sell any natural gas to Russia, it has come close to its production and sales capacity in the Soviet Union period. Having achieved this, now Turkmenistan must activate its energy diplomacy and initiate a policy of diversifying the countries and regions it exports energy to as a new challenge. Otherwise, China that has taken the place of Russia both as an investor and seller country may cause new crises for Turkmenistan in the future. Therefore, it is revealed in this study that Turkmenistan will achieve a fully independent energy policy on the condition that it can implement projects such as TAPI or Trans-Caspian in addition to the existing pipelines. In this regard, the multifaceted security concerns in the region after the Afghanistan War are the biggest obstacle to investments in the region.

The increasing dependence on energy in parallel with the rising economic development of China has also attracted China to Central Asia and caused the historical competition in the region to be called the "new great game". The USA's involvement into the competition over energy resources in the Central has four main reasons: breaking Russia's monopoly on Europe, preventing China's easy access to energy; central Asian countries' access to new markets such as Europe or India; and maintaining its dominant role in the global energy market. However, the policies of the USA directly targeting China and Russia cause China and Russia to get closer to each other. Therefore, it will not be in the interests of either side to see a fierce competition between China and Russia.

Being aware of all these issues, Turkmenistan ensures both its country and the region become more stable by not participating in possible political or military alliances. Likewise, energy security or the economic stability based on energy income is the main issue in foreign policy of Turkmenistan, so it has followed a balanced policy towards great powers. In this respect, the relationship between Turkmenistan's "permanent neutrality" and energy security can be summarized under four issues, which also underlines the relationship between independence policy and energy security. Firstly, by declaring "permanent neutrality" at the beginning of its independence years, Turkmenistan did not face embargoes or occupations as part of or in line with the energy competition among major powers like many energy-rich countries. Secondly, thanks to its permanent neutrality, Turkmenistan not only established its national unity and integrity, but also managed to switch to the Chinese pipeline alternative after the energy crisis with Russia. Thirdly, owing to its independent foreign policy, Turkmenistan has managed to attract investments in the energy sector in line with its own interests. Although foreign investments in the energy field created a new economic dependency due to its inadequate economic power, this situation has always prevented Turkmenistan from turning into a hot conflict area. By means of China's investments supported by national energy companies or SOEs, the spread of terrorist elements in Afghanistan to the country or the region is prevented by preserving the economic and politic stability in the country. Finally, as Turkmenistan has carried out the permanent neutrality, it can act more comfortably in its foreign policy and thus, in the future it can both create alternative new energy corridors via pipelines in its region and strengthen the national energy policy. As a result, Turkmenistan was able to preserve its political and unitary structure first by implementing "permanent neutrality" policy and thus it brought about a chance to take the necessary steps such as privatization and investments to protect its own interests for the energy security.

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