



SPECIAL REPORT

2301 Constitution Ave., NW • Washington, DC 20037 • 202.457.1700 • fax 202.429.6063

ABOUT THE REPORT

This report reviews the growing competition between Turkey and Iran for influence in Iraq as the U.S. troop withdrawal proceeds. In doing so, it finds an alignment of interests between Baghdad, Ankara, and Washington, D.C., in a strong and stable Iraq fueled by increased hydrocarbon production. Where possible, the United States should therefore encourage Turkish and Iraqi cooperation and economic integration as a key part of its post-2011 strategy for Iraq and the region. This analysis is based on the author's experiences in Iraq and reviews of Turkish and Iranian press and foreign policy writing.

ABOUT THE AUTHOR

Sean Kane is the senior program officer for Iraq at the United States Institute of Peace (USIP). He assists in managing the Institute's Iraq program and field mission in Iraq and serves as the Institute's primary expert on Iraq and U.S. policy in Iraq. He previously worked for the United Nations Assistance Mission for Iraq from 2006 to 2009. He has published on the subjects of Iraqi politics and natural resource negotiations. The author would like to thank all of those who commented on and provided feedback on the manuscript and is especially grateful to Elliot Hen-Tov for generously sharing his expertise on the topics addressed in the report.

© 2011 by the United States Institute of Peace.
All rights reserved.

SPECIAL REPORT 276

JUNE 2011

CONTENTS

Introduction	2
Neo-Ottoman and Neo-Persian Competition?	3
Iraq Struggles to Chart Its Own Course	7
Iraqi-Turkish Alignment	9
Conclusion	13

Sean Kane

The Coming Turkish-Iranian Competition in Iraq

Summary

- The two rising powers in the Middle East—Turkey and Iran—are neighbors to Iraq, its leading trading partners, and rapidly becoming the most influential external actors inside the country as the U.S. troop withdrawal proceeds.
- Although there is concern in Washington about bilateral cooperation between Turkey and Iran, their differing visions for the broader Middle East region are particularly evident in Iraq, where a renewal of the historical Ottoman-Persian rivalry in Mesopotamia is likely as the dominant American presence fades.
- Turkey aims for a robust Iraqi political process in which no single group dominates, sees a strong Iraq as contributing to both its own security and regional stability, and is actively investing in efforts to expand Iraqi oil and gas production to help meet its own energy needs and fulfill its goal of becoming the energy conduit from the Middle East to Europe.
- Iran prefers a passive neighbor with an explicitly sectarian political architecture that ensures friendly Shiite-led governments; sees a strong Iraq as an inherent obstacle to its own broader influence in the region and, in the nightmare scenario, once again possibly a direct conventional military threat; and looks askance at increased Iraqi hydrocarbon production as possible competition for its own oil exports.
- Baghdad meanwhile believes that it can become a leader in the Middle East but is still struggling to define an inclusive national identity and develop a foreign policy based on consensus. In its current fractured state, Iraq tends to invite external interference and is subsumed into the wider regional confrontation between the Sunni Arab defenders of the status quo and the “resistance axis” led by Shiite Iran.
- Turkey has an opening in Iraq because it is somewhat removed from this toxic Arab-Persian divide, welcomes a strong Iraq, and offers the Iraqi economy integration with international markets. Ankara could now allay Iraqi Shiite suspicions that it intends to act as a Sunni

ABOUT THE INSTITUTE

The United States Institute of Peace is an independent, nonpartisan institution established and funded by Congress. Its goals are to help prevent and resolve violent conflicts, promote postconflict peacebuilding, and increase conflict management tools, capacity, and intellectual capital worldwide. The Institute does this by empowering others with knowledge, skills, and resources, as well as by its direct involvement in conflict zones around the globe.

BOARD OF DIRECTORS

J. Robinson West (Chair), Chairman, PFC Energy • **George E. Moose** (Vice Chairman), Adjunct Professor of Practice, The George Washington University • **Judy Ansley**, Former Assistant to the President and Deputy Security Adviser under President George W. Bush • **Anne H. Cahn**, Former Scholar in Residence, American University • **Chester A. Crocker**, James R. Schlesinger Professor of Strategic Studies, School of Foreign Service, Georgetown University • **Kerry Kennedy**, President, Robert F. Kennedy Center for Justice and Human Rights • **Ikram U. Khan**, President, Quality Care Consultants, LLC • **Stephen D. Krasner**, Graham H. Stuart Professor of International Relations, Stanford University • **John A. Lancaster**, Former Executive Director of the National Council on Independent Living • **Jeremy A. Rabkin**, Professor, George Mason School of Law • **Judy Van Rest**, Executive Vice President, International Republican Institute • **Nancy Zirkin**, Executive Vice President, Leadership Conference on Civil Rights

MEMBERS EX OFFICIO

Michael H. Posner, Assistant Secretary of State for Democracy, Human Rights, and Labor • **James N. Miller**, Principal Deputy Under Secretary of Defense for Policy • **Ann E. Rondeau**, Vice Admiral, U.S. Navy; President, National Defense University • **Richard H. Solomon**, President, United States Institute of Peace (nonvoting)

The views expressed in this report do not necessarily reflect the views of the United States Institute of Peace, which does not advocate specific policy positions.

To request permission to photocopy or reprint materials, e-mail: permissions@usip.org

power in the country and not allow issues on which Turkish and Iraqi interests deviate to set the tone for their relationship.

- The U.S. conceptualization of an increased Turkish influence in Iraq as a balance to Iran's is limited and could undermine Turkey's core advantages by steering it towards a counterproductive sectarian approach. A more productive U.S. understanding is of Turkey as a regional power with the greatest alignment of interests in a strong, stable, and self-sufficient country that the Iraqis want and that the Obama administration has articulated as the goal of its Iraq policy.
- On the regional level, a strong and stable Iraq is a possible pivot for Turkish and Iranian ambitions, enabling Ankara and hindering Tehran. Washington may well have its differences with Turkey's new foreign policy of zero problems with its neighbors, but the Turkish blend of Islam, democracy, and soft power is a far more attractive regional template than the Iranian narrative of Islamic theocracy and hard power resistance.
- The United States should therefore continue to welcome increased Turkish-Iraqi economic, trade, and energy ties and where possible support their development as a key part of its post-2011 strategy for Iraq and the region.

Introduction

The U.S. military withdrawal from Iraq is reordering political dynamics not only in Baghdad but also in the broader Middle East. Nature abhors a vacuum, and a number of actors are seeking to fill the outsized role that America has played in Iraq over the last eight years. The two rising powers in the region, Iran and Turkey, share borders with Iraq and are rapidly becoming the most influential external actors inside the country. Their political sway was made clear during Iraq's extended 2010 cycle of government formation, when they were respectively instrumental in consolidating the two leading political groupings: Ayad Allawi's Iiraqiyya and (eventually) Nouri al-Maliki's National Alliance. The connections between Iraq and its two neighbors extend further than politics, however. Turkey and Iran are Iraq's two main trading partners, and deep cultural and religious ties date to the centuries-long struggle for the control of Mesopotamia between the Ottoman (Turkish) and Safavid Persian (Iranian) empires.

The relationship between Turkey and Iran has received heightened attention in the United States since the effort by Turkey and Brazil to negotiate a deal on the handling of Iran's nuclear fuel in mid-2010. Although Ankara argues that Turkey's new foreign policy platform of "zero problems" with its neighbors and independent stance toward Western policy in the region poses no contradiction to its traditional Western alliances, some American policymakers and analysts view this approach as a realpolitik move by Turkey to reorient itself to the Muslim world, including Iran, based on Turkish economic and energy interests.¹ Others believe that, despite this shift, Turkish and Iranian relations remain dominated by mutual mistrust and that the two countries view themselves as competitors for influence and preeminence in the region.² More recently, a flurry of analyses has looked at Turkish and Iranian involvement in Iraq and whether the two countries consciously consider themselves rivals there.³ To date, however, commentary has been more scant on how Iraqis relate Turkish and Iranian activities to their national interests and their ongoing struggle to define their national identity.

At this juncture, it is difficult to separate the struggle within Iraq over power and resources from the larger regional confrontation between the United States, Sunni Arab states, and Shiite Iran. Iraq has been unable to reach consensus on foreign policy or regional orientation, and thus remains a regional playground rather than a regional player.

In this zero-sum game, Turkey has the advantages of being neither Arab nor Persian and of demonstrating a newfound distance from Western powers. Its strategic goal of becoming an energy conduit from the Middle East to Europe also gives it a compelling economic interest in a unified and prosperous Iraq fueled by increased hydrocarbon production. Iran, on the other hand, has the advantage of religious and cultural ties with the majority of Iraq's population, but its involvement in the country is toxic for the minority Sunni population and watched warily by all Iraqi nationalists. Iran also fought one of the twentieth century's most destructive wars with Saddam Hussein's Iraq and prefers a passive neighbor incapable of instigating regional dynamics. It is wary that the new Iraq might use its oil wealth to rearm and once again become a conventional military rival or, equally worrying, a base for the United States to project power in the region. In addition, as a major oil and gas producer, Iran likely views major planned increases in Iraqi hydrocarbon production as potential competition that could in the long term reduce its own Organization of Petroleum Exporting Countries (OPEC) production quota.

The relative alignment of interests between Ankara and Baghdad seemingly gives Turkey a soft-power advantage in any incipient rivalry with Iran inside Iraq. A strong note of caution is nonetheless in order. The Shia community in Iraq retains lingering concerns, buttressed by Turkish missteps, that Ankara intends to act as a Sunni power within Iraq. Meanwhile, Iraqi nationalists watch to see whether Turkey's so-called neo-Ottoman foreign policy⁴ of becoming the central actor in the region hides an intent to bring northern Iraq—the old Ottoman *vilayet* of Mosul—into an explicitly Turkish orbit. Turkey has a real convergence of interests with Iraq that could serve Turkish interests in the region, Iraqi interests in reemerging as an independent regional actor, and U.S. interests in a stable Iraq and Turkish gains in the region at Iran's expense. However, Turkey must proceed carefully if it is to realize this potential.

Neo-Ottoman and Neo-Persian Competition?

From the sixteenth century until the collapse of the Ottoman Empire after World War I, Iraqi history was largely determined by the ebb and flow of conflict between Ottoman Turks and the Safavid Persians. After Persia converted to Shiism, control of Shia holy sites in Najaf, Karbala, and Samarra became symbolically significant to the Safavids, and the Ottomans tried to maintain Iraq as a Sunni buffer against the spread of the rival sect. In this centuries-long struggle, military conflict between the two empires focused on Mesopotamia rather than Asia Minor. After Baghdad changed hands several times in the sixteenth and seventeenth centuries, the 1639 Treaty of Zuhab ended 150 years of intermittent wars between the two states over territorial disputes by granting Mesopotamia to the Ottomans. However, weakened by its ongoing struggle with the Safavids, Ottoman suzerainty was often nominal in Iraqi Kurdistan and the far south of Iraq. In fact, border wars between the two empires never really ceased. Between 1555 and 1918, Persia and the Ottomans signed no fewer than eighteen treaties delineating their disputed borders. The last century—the British mandate in Iraq, several decades of a strong independent Iraqi state, and the post-2003 American occupation—has been a hiatus from the historical pattern of Turkish and Iranian struggle for preeminence in Iraq. U.S. troops are scheduled to withdraw by December 2011, and the Iraqi state is not yet reconsolidated. Is competition among the heirs of the Ottoman and Persian empires likely to resume?

In July 2010, Iraqi foreign minister Hoyshar Zebari identified Iran and Turkey as the biggest players and rivals inside Iraq.⁵ More broadly, Henri Barkey sees Ankara and Tehran as representing diametrically opposed worldviews: a constitutionally secular state and Islamic theocracy.⁶ In Barkey's opinion, the two governments have cooperated when nec-

Iraqi foreign minister Hoyshar Zebari identified Iran and Turkey as the biggest players and rivals inside Iraq.

essary but have emerged as rival models for blending Islam and politics for much of the Muslim world. Others are not persuaded by the concept of neo-Ottoman and neo-Persian competition. Marina Ottaway disagrees specifically with the notion of a Turkish-Iranian rivalry in Iraq, arguing that Turkey has no interest in antagonizing Iran by playing the Sunni card in Iraq and has shown through its votes at the United Nations that it values good relations with Iran.⁷

Much of the recent interest in this topic can be traced to the dynamics unleashed by Turkey's neo-Ottoman foreign policy, which envisions the deployment of its substantial soft-power assets to promote a high-profile political and economic role for Turkey in the Middle East.⁸ As it relates to Iran, the policy contains a possible tension between, on the one hand, the neo-Ottoman imperative of Turkey warming its relations and increasing economic and energy ties with Iran and its other Muslim neighbors, and, on the other, Foreign Minister Ahmet Davutoğlu's vision of Turkey as the natural center and leader of the Middle East. The latter could bring Ankara into rivalry with a Tehran confident that Iran's own long history and civilization justifies an influence beyond its borders.⁹

Both sides of Turkey's reorientation have been on display in recent years. Turkey's activist foreign policy includes an almost compulsive need to be seen as the central diplomatic player in the resolution of regional disputes, whether the Iranian nuclear file, brokering indirect talks between Israel and Syria, or seeking to facilitate political compromise in Iraq. Turkey is also challenging Iran for popularity on the metaphorical Arab Street by virtue of its perceived standing up to Israel on Gaza and the United States on the 2003 invasion of Iraq.¹⁰ At the same time, the growing traction of political Islam in Turkey since the Islamist Justice and Development Party (the AKP) came to power in 2002 has given momentum to neo-Ottoman inspired efforts to mend Turkey's historically difficult relations with its Muslim neighbors.

Meanwhile, an increasingly isolated Iran locked into a multifaceted struggle with the international community has its own reasons to warm its historically cool relations with Turkey. In broad terms, Ankara's new foreign policy embodies some of the elements of seeking regional autonomy from Western interests that Tehran prizes. Iranian academic Kayhan Barzegar describes a deep sense of insecurity in an unstable neighborhood as a central part of Iranian political culture.¹¹ It is striking how frequently the words *threatened* and *encircled* are used among Iranian foreign policy experts writing in English. Tehran has a deep-seated mistrust of the international community and its suspected objectives in the Persian Gulf, and views the presence of U.S. troops on its borders in Iraq and Afghanistan as blocking the natural leading regional role that it should be playing.¹² A central feature of Iranian foreign policy is therefore regionalism, with two core themes—self-reliance among regional states and the exclusion of outside powers from the Middle East—that jibe with any rhetorical or substantive turn away from the West by Turkey.

Warming relations can also be explained by a convergence of strategic economic interests. Turkish foreign minister Davutoğlu has commented that "our economy is growing, and Iran is the only land corridor for us to reach Asia."¹³ For Iran, trade with Turkey has become an economic lifeline in the wake of UN, U.S., and EU economic sanctions. Bilateral trade has grown from \$1.2 billion in 2002 to \$10 billion by 2008. During a February 2010 visit to Tehran, Turkish president Gul targeted increasing this figure to \$30 billion. Most of the bilateral trade consists of Iranian hydrocarbon exports to energy-hungry Turkey—where Iran is now the second-largest natural gas provider—and the two countries have recently signed major pipeline and exploration deals.

In the coming decade, a post-U.S. withdrawal Iraq may be the setting in which the contradiction between Iran and Turkey's respective ambitions to be the regional center of gravity and their mutually beneficial, growing bilateral ties come to a head. Tehran sees the

new Iraq as a focal point through which to reorder relations in the region and the security architecture of the Persian Gulf.¹⁴ Iran argues that such a posture is fundamentally defensive and required for its survival. However, Iran's proactive foreign policy since 2003 has caused alarm in the United States, Arab countries, and to some extent Turkey, given past efforts to export its Islamic revolution in the 1980s and the support it provides to militant groups in Iraq, Lebanon, Gaza, and the Gulf that is the cornerstone of its current approach. How the Iraqi vacuum is filled after the scheduled December 2011 withdrawal of U.S. troops will now be critical to both Iran and Turkey, and will directly influence the respective prospects for success in their regional ambitions.

Nations Have No Permanent Friends or Allies

Eighteenth-century English statesman Lord Palmerston famously stated that nations have no permanent friends or allies, only permanent interests. The starting point for forecasting the direction of Iranian-Turkish relations is therefore to examine each country's interests in their old battleground of Mesopotamia. First, the commonalities. Both emphasize maintaining the unity and territorial integrity of Iraq, particularly as it relates to their own restive Kurdish minorities, and avoiding a return to all-out sectarian conflict. Both also, somewhat reluctantly, accept the model of a federalized Iraq, but likely differ on the extent of decentralization this should entail.

It is on who should rule Baghdad and how that Ankara and Tehran have profound differences. As a secular democracy, Turkey publicly advocates for a genuine political process and broad, representative, and inclusive Iraqi governments in which no single group dominates. Although in practice tinged by its own Sunni orientation, particularly since the Islamist AKP came to office, Turkish political activity in Iraq does not approach Iran's overtly sectarian approach. Tehran's irreducible priority continues to be to ensure a Shiite-dominated government in Baghdad that would turn a traditional security threat into a friendly state.¹⁵ This interest is demonstrated by its emphasis on uniting all Shiite Islamist political parties into an umbrella alliance in Iraq's recent elections. Influenced by what it views as extreme Arab nationalism in Iraq under Saddam Hussein, Tehran is wary of reconciliation efforts, which one Iranian academic refers to as re-Ba'athification.¹⁶ Iran and Turkey therefore tend to work at cross purposes in Iraqi politics, as seen in the protracted power struggle surrounding Iraq's 2010 election cycle and the postmortem commentary in each country's press as to which had triumphed when the new government finally took shape.¹⁷

Tehran and Ankara also differ in their reactions to the U.S. policy goal of a sovereign, stable, self-reliant Iraq capable of positively influencing regional stability. Turkish officials assert that they cannot overemphasize the importance of a stable Iraq to Turkey, remarking that Turkey has paid a heavy price whenever Iraq is not stable, and that when Iraq is stable, the region is stable.¹⁸ Ankara had no particular fondness for Saddam Hussein, but the Turkish national security establishment did consider the Ba'athist regime a bulwark against both perceived Kurdish separatism in Iraq and Iranian adventurism in the region.¹⁹ The view from Tehran is radically different. Iraq has since ancient times been a rival and, more recently, a check to Iranian influence in the Middle East. This latter role encompasses the disastrous eight-year war Saddam Hussein launched in 1980, which included chemical weapons strikes against Iranian cities and the death and injury of as many as a million Iranians. Given this history, the prevalent view among Iran's academic and political elite toward Baghdad is still one of mistrust and perceived threat.²⁰ In fact, it is the veterans of that conflict that now rule Iran and they largely prefer a relatively weak, divided, and passive neighbor incapable of posing a future political or conventional military threat.

As a secular democracy, Turkey publicly advocates for a genuine political process and broad, representative, and inclusive Iraqi governments in which no single group dominates. . . . Tehran's irreducible priority continues to be to ensure a Shiite-dominated government in Baghdad.

The third major area of diverging interests is trade. Both Turkey and Iran are vying to become Iraq's leading commercial partner. Turkey sees Iraq as an integral part of its effort to become the economic bridge from the Middle East to Europe. Iran sees an opportunity to shift Iraqi trade eastward, away from its traditional orientation to the Arab world and Turkey, as part of its effort to become the connection between the Middle East and central Asia.²¹

Iran estimates its 2009 trade with Iraq at between \$4 billion and \$5 billion and has set a goal of increasing this to \$20 billion within two years.²² Turkey estimates its own Iraqi trade at greater than \$6 billion and expects it to grow to \$20 billion within four years. In an ironic twist, the Kurdistan region has become the Turkish economic beachhead into Iraq, and Turkish companies now have leading roles in the construction, trade, and energy sectors in the north of the country. Iran, meanwhile, has the pride of place in southern and central Iraq, where it has become a leading investor in infrastructure, energy, and religious pilgrimage projects. Iranian scholar Mohsen Milani sees this as part of Iran seeking to realize a key foreign policy goal of establishing a "sphere of influence" in Iraq's southern provinces.²³ At least since 2009, both countries have sought to expand into the other's area of comparative advantage. In August 2010, Iran opened a trade center in the Kurdish city of Suleymaniya, its first such outpost. However, the Iranian deputy minister of commerce dampened the excitement surrounding its opening, complaining that Turkey, which he described as "Iran's rival in that country," had already opened twelve such centers.²⁴ Turkey has indeed been aggressive in expanding its trade with Iraq. In October 2009, it opened a consulate in the southern city of Basra, Iraq's oil-rich second city and only major port, a move described by Joost Hiltermann as part of a strategy to dampen Iranian influence in Iraq through investments and trade.²⁵

Despite the importance of trade with Iraq to both Iran and Turkey, the future of Iraq's energy sector is even more significant and yet another area of difference. Turkey is not a significant oil or gas producer but instead a rapidly growing hydrocarbon consumer. Moreover, a key strategic plank of its neo-Ottoman foreign policy is to become the main energy conduit from the Middle East to Europe. As a hydrocarbon consumer and transit point, Turkey stands to gain on two fronts from dramatically increased Iraqi hydrocarbon production. Consequentially, Turkish state-owned and private energy companies have directly invested in six gas and oil fields in southern and central Iraq and are major players in oil exploration efforts in Iraq's Kurdistan region. Iran is a hydrocarbon exporter, and, though it has explored gas transit deals with Iraq, its ability to tap its own vastly underexploited oil and gas reserves is precluded by international sanctions. Iraq's ability to move forward with major international investment that Tehran cannot even contemplate for the foreseeable future. Even partial Iraqi success in production increases could see Iraq overtaking Iranian production levels by 2015, and OPEC production quotas would therefore have to be recalculated.²⁶ This in turn might reduce Iranian oil receipts and thus undermine the energy card it can now play with key members of the UN Security Council in regard to its nuclear program. If this were not enough, Tehran is uneasy that increased oil receipts would allow Iraq to rearm—Baghdad is already using oil revenues to finance a \$13 billion foreign military sales program with the United States that includes M1 Abrams tanks, armed Scout helicopters, and possibly Apache helicopter gunships and F-16 fighter planes.²⁷

Any possible continued U.S. military presence in Iraq is the final point of difference between the two countries. The Turkish parliament famously refused to provide permission for U.S. troops to use Turkey as an invasion route in 2003. Privately, however, they now express support for a small, continued U.S. presence in Iraq after 2011 on the basis of worries about Iranian dominance in Baghdad and the future of the trilateral security mechanism established between Turkey, Iraq, and the United States in 2008 for combating the Kurdish Worker's Party (PKK). This mechanism, from the Turkish perspective, has proven useful in

addressing a top national security concern and provided a diplomatic channel through which Turkey was able to conduct its outreach to the Kurdistan Regional Government (KRG). For Iran, the national security priority is the departure of “encircling” U.S. troops from Iraq and Afghanistan. Tehran lobbied against the 2008 Security Agreement between Iraq and the United States that authorized the American military presence in the country until December 2011. It is now pushing strongly, most notably through the Sadrist Trend and its leader Muqtada al-Sadr (currently studying at the Iranian city of Qom), to prevent any request by the Iraqi government for a continued U.S. troop presence after 2011. In a reminder of how long events can echo, Iran viewed the 1980s invasion by Iraq as the culmination of a series of Western-instigated attempts to thwart its ambitions in the Gulf.²⁸ It now perceives a longer-term U.S. presence in Iraq as part of an uninterrupted effort to accomplish the same.

Iraq Struggles to Chart Its Own Course

Iraqis do not welcome the current extent of foreign involvement in their internal affairs and believe they have the potential to be leaders in the Middle East. They accept the current state of affairs because, given internal disunity, they have no other choice. As Iraqi foreign minister Zebari put it last year,

What worries us are interventions by regional countries in the internal affairs of Iraq and their attempts to install themselves as patrons of its future, the form of the next government, and who will head the government. . . . This is unacceptable. . . . The reasons for this are the . . . absence of a united political or government position on these matters. We hope that the next government will be a coalition of homogeneous, strong, and patriotic forces that . . . deals with others with one language and one message. Only then will the other sides respect the sovereignty of Iraq.²⁹

Iraqis outside the Kurdistan region remain fiercely nationalistic, but the equivalent of an arms race rages among the country’s fragmented polity. If parties and militias associated with a particular community receive foreign support, finance, and arms, their rivals must also seek foreign sponsors or be unable to compete. The result is disproportionate foreign influence in Iraqi politics: Shiite Islamist parties such as Da’wa, the Sadrist Trend, and the Islamic Supreme Council of Iraq receive varying degrees of support from Iran, and the mainly Sunni groupings such as Iraqiyya and Tawafuq are bankrolled by the Gulf States and politically supported by Syria and Turkey. Because of this direct link between foreign actors and the internal struggle for power, it is difficult to see how Iraqis will be able to develop a consensus foreign policy until greater internal reconciliation is achieved. In the interim, Iraq’s political divisions have become inseparable from growing sectarian tensions in the region, which vastly complicated last year’s drawn-out government formation negotiations and resulted in sprawling power-sharing arrangements.

Ultimately, Iraq will need to chart a unique and independent approach to the region that reflects a still elusive internal consensus on its national identity. Iraq is home to a multitude of ethnic and religious groups, and a national identity based straightforwardly on either Arab nationalism or Shiite solidarity would be variously exclusive of Kurds, Turkmen, Caldo-Assyrian Christians, or non-Shiite Muslims. Thus at the regional level, Iraq must avoid becoming a member of the Sunni or Shia camp, and at the international level it must not veer too close to either Iran or the United States. This delicate balancing act will be difficult to accomplish, but any other approach would likely be inimical to Iraq’s stability and its chances of avoiding a Lebanon-style confessional system and perpetually weak state.

The Two Competing Poles

From an Iraqi perspective, Saudi Arabia and Iran represent the opposite ends of the competing tendencies pulling at the fabric of Iraq’s post-2003 identity. Saudi Arabia is the guardian

Iraq is home to a multitude of ethnic and religious groups, and a national identity based straightforwardly on either Arab nationalism or Shiite solidarity would be variously exclusive of Kurds, Turkmen, Caldo-Assyrian Christians, or non-Shiite Muslims.

of the Arab regional order that since 1979 has felt threatened by revolutionary Iran's overthrow of the Shah. Its austere Wahhabi state religion tends to view those who stray from a literal interpretation of the Quran as apostates, including Shiite Muslims, who are often referred to as the rejectionists. Shiite postrevolutionary Iran's system of government, the *velayat-e Faqih* (rule by a Supreme Islamic jurist), and active efforts to export its revolutionary model during the 1980s were therefore not just a political threat to the regional establishment but also a form of heresy that could arouse Shiite populations in Iraq, eastern Saudi Arabia, Bahrain, and other countries of the Gulf. During this period, Saddam Hussein anointed himself the guardian of the Arab world's "eastern gate" and Saudi Arabia was a major financier of the ruinous war he launched with Iran in 1980. Although during much of the 1990s Iran pursued a less confrontational foreign policy of accommodation with traditional Arab powers such as Saudi Arabia and Egypt, some Arab leaders view the combination of the 2003 U.S.-led overthrow of the Hussein regime and an increasingly proactive Iranian foreign policy under hard-line leaders such as Mahmoud Ahmadinejad as a threat to the regional order comparable to the 1979 revolution. These trends sparked King Abdulla II of Jordan's widely cited remark ahead of Iraq's January 2005 elections regarding the emerging threat of a Shia crescent in the region, and animate the diverging responses of regional players to the Arab Spring now sweeping through the region (especially in Bahrain).

Iraq does not fit neatly into either camp. It is a Shia majority country but from Ottoman times until 2003 was ruled by its Sunni Arab minority. It also has a strong and proud tradition of secularism. In recent times, Saddam Hussein's pan-Arab Ba'ath party aligned itself more closely with the Sunni Arab regional order. The 2003 overthrow of the Ba'ath regime and the resulting democratic system, which allowed Iraq's Shia majority to express its demographic weight, was thus a strategic opportunity for Iran. Much as how Saddam Hussein's invasion of Iran in 1980 was an attempt to take advantage of the disarray in Tehran following the overthrow of the Shah to shape Iran's politics to Iraq's benefit, the post-2003 chaos in Iraq was an opportunity for Iran to fight this old war in a new way.³⁰ Over the last eight years, Iran has expanded its political influence and economic activity in Iraq, whereas Saudi Arabia and other Arab states have been slow to engage with Baghdad and provide legitimacy to a Shia-led government they regard as an Iranian proxy. Shiite Islamist parties in Iraq have been similarly mistrustful of Sunni Arab states, their perceived ties to Saddam Hussein's regime, and their sometimes prejudiced outlook toward the Shiite faith. This mutual suspicion has been amplified by alleged slights on both sides and the Iraqi Shiite view that the majority of foreign fighters in Iraq have originated from Saudi Arabia or been inspired by its Wahhabi creed.³¹ Meanwhile, targeted assassinations and kidnappings of Sunnis by Iranian-backed Shiite militias, often operating out of government ministries, were a central factor in Iraq's descent into civil war from 2006 to 2008. Their largely unchecked activities helped consolidate the Sunni Arab view as to the sectarian nature of Baghdad's new elite.

Despite the new Iraq's likely unavoidable frictions with key Arab states, Iran has not received an unambiguous welcome in Iraq. Iraqis also hold strong memories of the sheer brutality and the hundreds of thousands of casualties from the Iran-Iraq War. Substantial tensions and unresolved issues remain from this conflict, including disputes over the two countries' border in the Shatt al-Arab waterway, Iran's periodically raising reparations claims for damages resulting from Iraq's 1980 invasion, and the continued presence of the Iranian dissident organization, the Mujahedin-e-Khalq, inside Iraq. Sunni Arab Iraqis in particular are adamantly opposed Iranian influence in the country and perceive it somewhat self-servingly, but not without some justification, as the invisible hand manipulating sectarianism in Iraq. Meanwhile, led by Prime Minister Maliki's State of Law coalition during the 2010 elections, Shiite political parties in Iraq have increasingly embraced Iraqi nationalist over

Shiite-oriented sectarian political rhetoric. Although Maliki remains an often polarizing figure in Iraq and certainly retains important ties to Tehran, it is telling that the most widely popular act of his tenure in office was the military offensive against the lawlessness of the Iranian-backed Mahdi Army militia in Basra in early 2008.

The foregoing suggests naturally occurring nationalist response to excessive Saudi or Iranian involvement in Iraq. Qusay al-Suhail, a Sadrist candidate for prime minister and the eventual deputy speaker of Iraq's new parliament, sums up this perspective:

We [Iraqis] seek to provide an equilibrium between them [Iran and Saudi Arabia]. . . . Saudi Arabia and Jordan view Shiites as a homogeneous bloc and as a threat. This is an exaggeration. Iraq has many different ethnic and religious groups, as well as an array of political currents. We have good relations with Iran based on our shared religion—and only based on this. Our Arab bond is stronger than our religious one.³²

Iraqi-Turkish Alignment

Saudi Arabia and Iran continue to represent the starkest opposing tendencies in Iraq, but Turkish influence is the most significant regional counterweight to Iranian preeminence. That Turkey is not identified with either pole of the region's toxic ethnic (Arab-Persian) and religious (Saudi Wahhabi-Iranian Rule of the Jurist) divides means that it has greater acceptance in Iraq and potential for positive input. From the Iraqi Shia point of view, Turkey, despite being Sunni Muslim, is not perceived as a source of terrorist attacks in Iraq or intolerance toward Shiism in the way that the Wahhabi creed is.

However, despite its status as a secular state, Turkey will have to tread very carefully not to be seen as, effectively, a Sunni power grouped with the Arab states' agenda in Iraq. This caution is especially needed in the political realm, where Iraqi nationalism will still arouse responses to perceptions of excessive meddling in their sovereign affairs from their former imperial administrators. Finally, and separate from the energy sector, issues related to another critical natural resource—water—have undermined Turkish-Iraqi relations in the past and threaten to do so again.

Bridging the Sectarian Divide

Turkey publicly supports a robust political process in Iraq in which no single group dominates. In private, Turkish foreign policy experts state that Ankara does not seek a conflict with Iran or Shiite parties in Iraq but instead hopes to increase the country's stability by strengthening national reconciliation. However, there is sometimes a gap between Turkish intentions, the impacts of their interventions, and Iraqi perceptions.

Although Turkey maintains relationships with Shiite political parties in Iraq, it noticeably supported the Iraqi premiership ambitions of the Sunni and secular Iraqiyya list in Iraq's 2010 election cycle. Somewhat embarrassingly, open lobbying by the Turkish ambassador for Shiite Prime Minister Maliki to be replaced after the inconclusive March 2010 elections led to his being temporarily banned from Baghdad's International Zone by the Iraqi government. Turkey has also been vital to the assembly of Sunni-oriented political coalitions in Iraq. These include the Arab nationalist Al-Hadba bloc, which won local elections in Iraq's northern province of Ninewa in January 2009, and Turkey's encouragement to Arab nationalist, neo-Ba'athist, Sunni Islamist, and ethnic Turkoman elements in the Iraqiyya slate to contest the 2010 national elections together under the leadership of the secular Shiite Ayad Allawi. Ankara might see these efforts as meant to ensure a balanced political process and a natural counterweight to the National Alliance umbrella of Shiite parties openly brokered in Tehran.³³ Some segments of Iraq's Shiite community, however, see these activities as evidence of Turkey's overt Sunni agenda. In particular, criticism by Maliki supporters was

That Turkey is not identified with either pole of the region's toxic ethnic and religious divides means that it has greater acceptance in Iraq and potential for positive input.

pointed that Turkey worked with “Saudi Arabia’s absolute monarchy” to play “sectarian games” and undermine government formation in Iraq.³⁴ The contrasting dynamic of the Shiite-led government’s criticism of Turkey and the parade of press conferences in Ankara by senior Sunni leaders from Iraqiyya praising Turkey and calling on it to increase its role in Iraq was not healthy for Turkish influence in the country.³⁵

Turkey’s involvement in Iraq is by no means as sectarian as Iran’s or Saudi Arabia’s. Shiite politicians—including Maliki immediately before he was nominated for a second term in November 2010—regularly visit Ankara, and Turkish prime minister Recep Tayyip Erdoğan has made multiple well-received visits to Baghdad. Turkey has also developed positive relationships with the Sadrist movement. Notably, a Turkish consortium recently outbid an Iranian group to win an \$11 billion contract to renovate Baghdad’s Sadr City neighborhood. One does not see a similar array of contacts between Maliki, the Shiite parties, and Saudi Arabia. Maliki has famously not visited Riyadh since taking office, and the kingdom has yet to open an embassy in Baghdad. Likewise, Iraqiyya leader Ayad Allawi made no formal visit to Tehran during Iraq’s contentious government formation struggle. Nevertheless, a perception continues to exist among Iraqi Shia, and is even echoed within the secular Turkish security establishment,³⁶ that the highly active diplomacy of Turkey’s current government toward Iraq’s Sunni minority constitutes a sectarian approach to Iraq.

Turkey’s comparative advantage in Iraq lies in its perceived neutrality and the economic integration with the region and European markets it can help provide. The foregoing suggests that these assets are potentially diminished to the extent that Turkey becomes enmeshed within the corrosive Sunni-Shia dynamic of the regional cold war. Despite the AKP government’s perhaps instinctual support for Iraqiyya, the Turkish leadership appears to appreciate this. In a WikiLeaks cable, a senior Turkish foreign ministry official “lamented” Iran’s efforts to influence Iraq’s election, but also noted that Saudi Arabia is “throwing around money” with political parties because it is unwilling to accept the inevitability of Shia dominance in Baghdad. He went on to speak of the “need to forestall a deepening of the sectarian divide [in Iraq].”³⁷ Turkey has also taken symbolic steps to reach out to the Shia community that it would be difficult to imagine, for example, Saudi leaders taking. In December 2010, for the first time since the AKP came to power, Prime Minister Erdoğan publicly attended ceremonies in Istanbul to commemorate the Shiite holy day of Ashura. In March 2011, and accompanied by as many as a couple of hundred Turkish businessmen, Erdoğan made a symbolically important visit to the Shiite holy city of Najaf in southern Iraq and met with Grand Ayatollah Ali al-Sistani.

In its engagement with the Iraqi Shia, Turkey has the successful experience of its outreach to the Kurdistan region in Iraq since 2008 to draw on. The historically hostile relationship between the semiautonomous region and Turkey has been transformed on the back of deepening economic ties and Ankara’s willingness to politically acknowledge the KRG (Erdoğan recently became the first Turkish prime minister to visit the regional capital of Erbil). This has led to fruitful Turkish-Iraqi Kurdish collaboration on a range of issues, including at least a temporary pacifying of the PKK pending the outcomes of the Turkish government’s overtures to disaffected Kurdish populations in southeastern Turkey. It has also opened a gateway to increased Turkish influence in northern Iraq and beyond. A similar strategic outreach to Shiite parties based on economic integration and Ankara’s and Baghdad’s common interest in a stable and strong Iraq could have similar mutual benefits. Like its reset with Erbil, if such an approach is to succeed, Ankara will have to move beyond symbolic gestures and consider its overall diplomacy toward Baghdad. Turkey’s pushing for reconciliation, inclusive governments, and genuine power sharing in Iraq is one thing, but if it continues to midwife electoral coalitions and openly back prime ministerial candidates, Ankara could undercut its core asset of neutrality and slip into the straitjacket of sectarian politics that currently binds Iraq and the region.

If it continues to midwife electoral coalitions and openly back prime ministerial candidates, Ankara could undercut its core asset of neutrality and slip into the straitjacket of sectarian politics.

Where Does Neo-Ottomanism End?

A second important limiting factor in the political scope of Turkey's influence is the perceived ultimate intent of its interventions. This is an outgrowth of the connotations surrounding the application of Turkey's neo-Ottoman foreign policy to states that were once provinces of the Ottoman Empire. Foreign Minister Davutoğlu's October 2009 speech in Sarajevo (itself a former Ottoman provincial capital) contained the thesis that the Balkans, the Caucasus, and the Middle East were all better off under the Ottomans. His message that Turkey was now returning to provide leadership and even unity in its near abroad was widely noted in the region and not necessarily well received by Iraqi nationalists. Turkey has, of course, no plans to reconstitute the Ottoman Empire, but it must be careful because in Iraq perceptions can be as important as reality.

In this vein, Iraqi nationalists note that through the combination of its opening with the KRG, its ties with ethnic Turkoman in the northern cities of Kirkuk and Tal Afar, and its role in stitching together the Arab nationalist bloc of Al-Hadba in Ninewa province, Turkey now has close ties, and in some cases client relationships, with the major political actors in the Iraqi provinces that make up the historical Ottoman *vilayet* (state) of Mosul. This is sensitive because although the vilayets of Mosul, Baghdad, and Basra were once all part of the Ottoman Empire, Turkey actively negotiated after World War I for the Mosul vilayet to be part of the new Turkish republic rather than of Iraq.

Senior Sunni and Shia politicians have privately raised the question of whether Ankara is seeking to control northern Iraq's economy and politics, in effect drawing the former Mosul vilayet into an explicitly Turkish orbit. For example, when asked about the 50/50 split of the March 2010 election results in the disputed province of Kirkuk between Iraqiyya and the Kurdistan Alliance, a senior adviser to Prime Minister Maliki caustically remarked that "some external party" had arranged this neat division.³⁸ Likewise, one of Iraq's most senior Sunni politicians said that Turkey's ever-increasing activity in northern Iraq is a source of concern to Iraqi nationalists in light of the ideological underpinnings of neo-Ottomanism. He stressed that Iraqis would reject any external interference that threatened the country's territorial integrity.³⁹ To complete the circle, though enjoying the benefits of transformed relations with Ankara, some Kurdish politicians worry that Ankara seeks to use economic dependence to turn the Kurdistan region into a Turkish vassal.

Once again, Turkey has no ambitions to redraw the post-Ottoman boundaries of the modern Middle East. But perceptions are critical, and Ankara would be well served to avoid an impression that it is seeking to establish quasi-suzerainty over northern Iraq. Turkish involvement in Iraq may not provoke the automatic vitriolic response from parts of the Iraqi body politic as do Saudi Arabia and Iran, but Ankara still needs to tread carefully if it is not to run afoul of Iraqi nationalism.

Mixing Oil and Water

Iraq has a unique combination of vast unexploited hydrocarbon reserves and a newfound openness to international markets that could become the engine of growing prosperity at home and political clout abroad. The country is also historical Mesopotamia—"the land between the two rivers"—and the Tigris and Euphrates river systems have been the basis for Iraq's traditionally productive agricultural economy, its great ancient civilizations, and sustenance for daily life in its major cities. These two resources, oil and water, will play instrumental roles in any resurrection of the Iraqi state and are a lens through which Iraqis will evaluate their relationships with all of their neighbors.

Iraq has initiated a major effort to expand its oil and gas production from the current 2.7 million barrels per day to 12 million by 2017 by signing ten oil deals and four gas contracts

Iraq has a unique combination of vast unexploited hydrocarbon reserves and a newfound openness to international markets that could become the engine of growing prosperity at home and political clout abroad.

with international companies and by allocating billions to upgrade its oil and gas storage and transportation infrastructure. Experts believe that although Iraq is unlikely to meet the ambitious production target that would put it on par with Saudi output, it could reach 4.6 million barrels per day by 2015, and thus overtake Iranian production that year.⁴⁰ Perhaps in response to this prospect, the tenor of the handling of oil and gas issues between Iran and Iraq has been noticeably rocky. This is not to say that Iraq and its eastern neighbor have not cooperated on energy issues. Iran is a significant source of electricity imports for Iraq, the countries have signed a memorandum of understanding (MOU) for Iraq to import gas from Iran, and Iranian news sources cite discussions to jointly exploit oil fields that straddle the countries' common border. However, in December 2009, Iraq accused Iranian troops of crossing its border and occupying the Fakka oil field in southeastern Iraq. This dispute was ultimately resolved, but an October 2010 OPEC meeting included tense exchanges between the Iraqi and Iranian oil ministers about competing estimates of their respective proven oil reserves and corresponding entitlements to future OPEC production quotas.⁴¹

Commonality between the Iraqi goal of oil providing the engine for Iraq's entry into the globalized world market and Turkey's aim to be the energy conduit from the Middle East to Europe is obvious.

In contrast, commonality between the Iraqi goal of oil providing the engine for Iraq's entry into the globalized world market and Turkey's aim to be the energy conduit from the Middle East to Europe is obvious. Turkey has been a direct investor of major Iraqi oil and gas contracts since late 2008, the Turkish state-owned TPAO company participating in consortia that have won technical service contracts to develop Basra's Siba gas field, the Mansuriyah gas field in Diyala, and the Buzurgan, Abu Ghirab, and Fakka oil fields in Maysanne province (the latter is ironically the same field which Iran was alleged to briefly occupy in late 2009). In September 2010, Baghdad and Ankara also signed a fifteen- to twenty-year MOU to expand the current 400,000 barrels per day of oil exported through the pipeline from Iraq to the Turkish port of Ceyhan in the Mediterranean and to add a natural gas line. In general, economic integration with Turkey, which is fully linked to European and international markets, offers the Iraqi economy more benefits than an Iran increasingly isolated by international sanctions. Iraqis also prefer Turkish products to Iranian goods, and some locals accuse Iranians of dumping cheap subsidized goods on the Iraqi market. Mutually beneficial economic and energy cooperation is therefore likely to be a key booster of Turkish-Iraqi relations, and during a January 2011 visit to Baghdad, Turkish foreign minister Davutoğlu unsurprisingly pushed for a Turkish, Syrian, Jordanian, Lebanese, and Iraqi free trade area.

The issues surrounding Iraq's second critical natural resource—water—could impede economic integration, however. In 2011, Iraq finds itself in a crisis of water scarcity virtually unmatched in its long history, attributable to a combination of an extreme multiyear drought, poor domestic water management, and decreasing water flow in the Tigris and Euphrates due to upstream dam construction in Turkey, Syria, and Iran.⁴² Although Iraq has complained about alleged Iranian river diversion projects and wastewater discharge contributing to increased water and soil salinity in southern Iraq,⁴³ its most substantial regional water concerns relate to Turkey. In particular, Ankara's decision in 1983 to proceed with the construction of the massive Southeast Anatolia (GAP) project—twenty-one dams and nineteen hydroelectric stations—contributed to a halving of water flow of the Euphrates into Iraq and a strained bilateral relationship between Turkey and Iraq for the balance of the decade. Turkey's current plans to proceed with the Ilisu Dam project are forecast by some Iraqi water experts to have a similar magnitude of effect on water flows from Turkey to Iraq via the Tigris,⁴⁴ with possible attendant consequences for bilateral relations. For example, in 2009 the Iraqi parliament reportedly refused to pass a Turkish-Iraqi free trade agreement because it did not include provisions on water flows in both the Tigris and Euphrates.⁴⁵ According to the Iraqi press, water issues also received "exceptional attention" in meetings between Maliki and Erdoğan on the latter's March 2011 visit to Baghdad, with the Iraqis stressing that an agreement on water has to be part of any strategic pact between the two countries.⁴⁶

Turkey's dim views toward the possibility of a regional water-sharing treaty with downstream riparian states and the primacy of domestic irrigation and hydropower considerations in its water policy are long-standing. However, given the regional stakes of its incipient rivalry with Iran inside Iraq, as well as the economic and energy benefits to Turkey of increased integration with Iraq, Ankara would be well served to consider actively participating in regional water management fora and even raising the water levels it determines for release to Iraq through Syria. In this respect, recent reports that Turkey has agreed to increase water discharges in the Euphrates river to allow Iraq's Hindiya hydroelectric power station to function at full capacity should be taken as a positive signal.⁴⁷

Conclusion: Iraq, Turkey, Iran, and the Changing Middle East

The center of attention in the Middle East has over the past decade swung from Egypt and Saudi Arabia eastward toward Iran and Turkey.⁴⁸ The willful decision of the Arab countries to stay out of Iraq after 2003 is both a symptom of and a contributor to this broader regional shift. Especially when contrasted with the stagnant autocracies of the Gulf and North Africa, Turkey conveys a sense of soft-power economic dynamism and Iran a narrative of hard-power resistance to the "imperialist" international order. Each in its own way has appeal to the disillusioned publics that rose up in Tunisia, Egypt, and elsewhere in early 2011. It remains to be seen how the Arab Spring will affect what was the emerging Turko-Persian dynamic in the Middle East, but in any scenario Turkey and Iran will likely continue to stand out as descendants of historical empires rather than as invented nation-states, their contrasting efforts to blend Islam and politics, and their respectively independent or outrightly hostile stands toward U.S. foreign policy.

In the midst of upheaval in the region, Turkey's neo-Ottoman policy of zero problems with its neighbors and increasing ties with Iran based on economic, energy, and regional interests is of some concern in the United States. However, despite the commonality of interests between Ankara and Tehran on bilateral issues, the scheduled U.S. military departure from Iraq will likely bring them increasingly into direct competition in the old Ottoman-Persian battlefield of Mesopotamia. The stakes both countries perceive for their ambitions of how the vacuum in Iraq is filled are too difficult to be reconciled. Ankara looks for an inclusive and relatively secular Iraq in which no single group dominates and its mostly Sunni allies preferably play a genuine role. Turkey positively regards a strong Iraq as bolstering its own security and is privately concerned about what will follow the U.S. troop departure. Tehran prefers a weak neighbor with explicitly Shi'ite-led governments incapable of proving a political, economic, or conventional military rival. It also perceives any continued U.S. military presence in Iraq after 2011 as inherently threatening.

It is equally important to look at this growing competition from the Iraqi perspective. The immediate conclusion is that Iraqis, given their continuing deep internal divisions, are unable to develop a consensus foreign policy based on national interests. Despite a strong sense of Iraqi nationalism, Iraqi politics cannot in the current fractured environment be separated from the regional confrontation between Sunni Arab states defending the status quo and the Iranian-led resistance axis. In this battle, the interventions of Iran and Saudi Arabia in Iraq are the most polarizing and are considered by Iraqis as having directly contributed to suicide bombings, sectarian militias, and the post-2003 descent into civil strife. Turkey, to some extent removed from the Arab-Persian divide and enjoying good relations with both camps, has the potential to find a more positive reception. Moreover, unlike oil producers Saudi Arabia and Iran, Turkey has active reasons to wish for the success of Iraq's strategy to use a massive hydrocarbon expansion to rebuild at home and gain clout abroad. This is not to say that Iraq does not need or desire healthy relations with all of its neighbors but that at the moment, Turkish and Iraqi interests are aligned most closely.

Of all countries, Turkey should also understand the importance to Iraq of finding a balance among secularism, Islam, and democracy while developing an independent foreign policy not categorized by past paradigms. Turkish interventions in Iraq, however, have not always hewed to these precepts. Ankara publicly calls for increased reconciliation in Iraq and a robust and inclusive political process in which no group dominates, but Turkish intentions and Iraqi perceptions do not always coincide. Turkish involvement in helping midwife the mostly Sunni Iraqiyya electoral coalition and openly backing prime ministerial candidates risk its becoming lumped with the Arab states' agenda in Iraq. Its growing role in the old Ottoman vilayet of Mosul is also arousing Iraqi concerns about territorial integrity. Turkey's core advantage in Iraq is its economic strength and ability to transcend the sectarian divide in the region. To overcome these concerns, Ankara would now be well served to replicate the model of its growing political outreach and economic links with the KRG with Shiite-led governments in Baghdad and to consider how to prevent key areas on which Turkish and Iraqi interests diverge, such as regional water sharing, from setting the tone for the bilateral relationship.

How Should the United States React?

The United States has direct interests in who fills the postwithdrawal vacuum in Iraq. Looking forward, an Iraq that remains weak and divided will continue to be a regional power vacuum largely filled by Iran, a prize contested between Arabs and Persians, and a possible source of regional instability in terms of external spillover from internal conflicts. In contrast, a stable and strong Iraq able to address thorny questions of its national identity, develop positive relations with its neighbors, and agree on a foreign policy based on a uniquely Iraqi identity rather than Arab nationalism or Shiite solidarity could become a net contributor to regional stability. It would also naturally be a limiting factor on Iranian influence in the region, and likely bolster Turkish efforts to establish itself as the regional hub.

Given this, U.S. policymakers have looked positively at increased Turkish influence in Iraq as a counterbalance to Iranian preeminence there. Such a limited conceptualization could undermine Turkey's core competitive advantage by steering it toward a counterproductive sectarian approach in Iraq. A more productive understanding identifies Turkey as the regional power with the greatest alignment of interests in the emergence of the strong, stable, and self-sufficient country that Iraqis want and the Obama administration has articulated as its goal. This complementarity of Turkish and American interests on Iraq extends to the regional level. A strong and stable Iraq is a possible pivot for Turkey's and Iran's wider regional ambitions, enabling Ankara and hindering Tehran. Washington may well have its differences with Turkey's new foreign policy and will no doubt clash with Baghdad on some of its regional choices as well. This aside, Turkey's blend of Islam, democracy, and soft power is a more attractive regional template than Iran's formula of Islamic theocracy and hard power.

The United States should therefore continue to welcome increased Turkish-Iraqi economic, trade, and energy ties and where possible encourage their further development as a key part of its post-2011 strategy for Iraq and the region. This could be achieved by creatively continuing security cooperation among Iraq, the United States, and Turkey on combating the PKK, nudging Ankara and Baghdad to make progress on potential wedge issues such as regional water sharing, and providing discreet feedback to Ankara when Shiites and other Iraqis are aroused by overly energetic Turkish political activity in their country.

A stable and strong Iraq able to address thorny questions of its national identity, develop positive relations with its neighbors, and agree on a foreign policy based on a uniquely Iraqi identity rather than Arab nationalism or Shiite solidarity could become a net contributor to regional stability.

Notes

1. See, for example, James Traub, "Turkey's Rules," *New York Times*, January 20, 2011.
2. See, for example, Henri Barkey, "Iran and Turkey," in *Iran Primer: Power, Politics, and U.S. Policy*, ed. Robin Wright (Washington, DC: United States Institute of Peace, December 2010), <http://iranprimer.usip.org>; and Elliot Hen-Tov and Bernard Haykel, "Turkey's Gain Is Iran's Loss," *New York Times*, June 18, 2010.
3. See, for example, Rania Gamal, "Turkey, Iran Battle for Clout, Deals in Iraq," Reuters, December 8, 2010.
4. The term *neo-Ottoman* was coined by Turkish journalist Çengiz Candar after the Cold War, and reflected his belief that Turkey's traditional foreign policy was causing it to turn in on itself.
5. Quoted in "Zebari Concerned over Turkey's Iraq Policy," *Today's Zaman*, August 19, 2010.
6. Barkey, "Iran and Turkey."
7. Quoted in Mahir Zeynalov, "Turkey's Policy in Iraq Aims for a Broad-Based Government," *Today's Zaman*, August 8, 2010.
8. Omer Taspinar, "Turkey's Middle East Policies: Between Neo-Ottomanism and Kemalism," Carnegie Papers no. 10 (Washington D.C., Carnegie Endowment for International Peace, September 2008).
9. Anoushirvan Ehteshami, "The Foreign Policy of Iran," in *The Foreign Policies of Middle East States* (Boulder, CO: Lynne Rienner, 2002), 283–309.
10. Hen-Tov and Haykel, "Turkey's Gain."
11. Kayhan Barzegar, "Iran and the Shi'ite Crescent: Myths and Realities," *Brown Journal of World Affairs* 15, no. 1 (Fall/Winter 2008): 94.
12. See Abbas Maleki, "Iran," in *The New Silk Roads: Transport and Trade in Greater Central Asia*, ed. Frederick Starr (Baltimore: Johns Hopkins University Press, 2007); and Kayhan Barzegar, "Iran's Foreign Policy Strategy After Saddam," *Washington Quarterly* 33, no. 1 (January 2010).
13. Quoted in Traub, "Turkey's Rules."
14. Kayhan Barzegar, "Iran, New Iraq, and the Persian Gulf Political-Security Architecture," *Iranian Journal of International Affairs* 20, no. 1 (Winter 2007–08): 93–110.
15. Mohsen M. Milani, "Iran's Strategies and Objectives in Post-Saddam Iraq," in *Iraq, Its Neighbors, and the United States*, ed. Henri Barkey, Scott Lasensky, and Phebe Marr (Washington, DC: United States Institute of Peace, 2011).
16. Kaveh Afrasabi, "On the Iraq Study Group Recommendations: Common Ground For U.S. and Iran," Agence Global, December 8, 2006. Afrasabi criticizes the Study Group's recommendation to recruit former army and police officers into Iraq's Security Forces as "re-Ba'athification" and says that "neither the [Iraqi] Shiites . . . nor anyone in Iran favors this recommendation."
17. See, for example, Mahir Zeynalov, "Turkey Not Really the Loser in Iraq's Government Deal," *Sunday's Zaman*, November 14, 2010; and Hassan Hanizadeh, "Iraq and Government Formation," Press TV, December 25, 2010.
18. Remarks by Can Oğuz, counselor at the Turkish Embassy in Washington, D.C., at "Turkey's Engagement in Iraq: Challenges and Opportunities for U.S. Foreign Policy," Middle East Institute/Carnegie Endowment for International Peace, November 30, 2010.
19. Taspinar, "Turkey's Middle East Policies," 17.
20. Kayhan Barzegar, "Iran's Foreign Policy in Post-Invasion Iraq" (journal compilation, Middle East Policy Council, 2008).
21. *Ibid.*, 54–55.
22. Remarks by Hossein Rahmaniya, secretary general of Iran's Central Chamber of Cooperatives, "Iran to Open Trade Center in Northern Iraq," Fars News Agency, August 11, 2010.
23. Milani, "Iran's Strategies and Objectives in Post-Saddam Iraq."
24. Remarks by Babak Afqahi, deputy Iranian minister of commerce, "Iran to Open Trade Center in Suleymaniya," *Tehran Times*, August 5, 2010.
25. Gamal, "Turkey, Iran Battle for Clout."
26. See Roshanak Taghavi, "Iran vs. Iraq: Why Tehran Is Nervous about Iraqi Oil," *Time Magazine*, April 22, 2011.
27. The planned purchase of F-16s is particularly sensitive, with the deputy chair of the Iraqi parliament's Defense Committee criticizing Iran for pressuring the Iraqi government to buy French-made Mirage fighters instead. See "Iran Presses on Iraq to Replace US Weapons Deal with French," AK News, February 9, 2011.
28. Joost Hiltermann, "Deep Traumas, Fresh Ambitions: Legacies of the Iran-Iraq War," *Middle East Report Online*, Winter 2010. www.merip.org/mer/mer257/hiltermann.html.
29. "Interview with Iraqi Foreign Minister," Al-Hayat website, September 14, 2010. On file with the author.
30. Hiltermann, "Deep Traumas, Fresh Ambitions."
31. As Deputy Speaker of Parliament Qusay al-Suhail said, "Most of the terrorists are of Saudi origin. I mean that ideological viewpoint. Most of them are Wahhabis. They come mainly from Saudi Arabia" (ORSAM, "Interview with Sadrist MP Dr. Qusay al-Suhail," Center for Middle Eastern Strategic Studies, Baghdad, February 9, 2010, www.orsam.org.tr/en/showOrsamGuest.aspx?ID=54).
32. Quoted in Joost Hiltermann, "Iraq the Impasse," *New York Times Review of Books*, August 19, 2010.
33. See Reidar Visser, "After Sadr–Badr Compromise in Tehran, the Iraqi National Alliance (INA) Is Declared," August 24, 2009, www.historiae.org/ina.asp.
34. Jaffar al-Rikabi, "Maliki Seeks a 'Third Way,'" *National Review Online*, January 5, 2011.
35. See, for example, Deputy Prime Minister Saleh al-Mutlaq's remarks in "Iraqi Politician Says Turkey Should Play Role in Iraq," *Today's Zaman*, May 6, 2010; Vice President Tariq al-Hashemi's remarks in "Iraqi Vice-President Says Turkey's Role in Iraq 'Neutral,'" *Today's Zaman*, October 9, 2010; and criticism of Finance Minister Rafi' Essawi's September 2010 visit to Turkey because it allegedly included a call for Turkish intervention in Iraq's government formation in "No, Rafi' al-Essawi," *Al-Bayyana Al-Jadeeda*, September 21, 2010.
36. See, for example, Taspinar, "Turkey's Middle East Policies," 20.

An online edition of this and related reports can be found on our Web site (www.usip.org), together with additional information on the subject.

37. Remarks by Ambassador Feridun Sinitioğlu, the Turkish Foreign Ministry's undersecretary, quoted in "Leaked Cable Reveals Dissatisfaction of Ankara with Maliki," *Today's Zaman*, December 7, 2010.
38. Interview with the author, Baghdad, May 2010.
39. Interview with the author, Baghdad, December 2010.
40. See Barbara Lewis and Rania El Gamal, "Iraq Oil Output Seen Increasing, But Remains Short of Radical Change," Reuters, October 29, 2010.
41. See, for example, David Blair, "Iraq Jostles for Power in OPEC," *Financial Times*, October 12, 2010.
42. See Liz Sly, "Iraq in Throes of Environmental Catastrophe, Experts Say," Reuters, July 30, 2009.
43. See Nizar Latif, "Iraq Blames Iran for Water Pollution," *The National*, January 15, 2010.
44. Phil Sands and Nizar Latif, "Iraq's New War Is a Fight for Water," *The National*, September 4, 2009.
45. See Energy & Geopolitical Risk, "Interview: Iraqi Minister of Water Resources," *Middle East Economic Survey* 1, no. 1, February 2010.
46. See "Council of Ministers Discusses Legal Means to Secure Iraq's Water Share," *Aswat al-Iraq*, April 3, 2011.
47. See "Turkey to Raise Euphrates Water Levels for Iraqi Hydro-power Station," *AK News*, April 17, 2011.
48. See, for example, Mohammed Ayoob, "The Middle East's Turko-Persian Future," *Foreign Policy*, January 11, 2011.



**United States
Institute of Peace**

2301 Constitution Ave., NW
Washington, DC 20037

www.usip.org