

# **Energy strategies in the Syrian conflict. A Central and Eastern European perspective**

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For over half a decade, Syria, one of the key states in the Middle Eastern region has been experiencing turmoil. Many consider ethnic and religious differences as the main source of the conflict. While this starting point is correct, analysts have failed to emphasize the energy conflicts in the background of the international and regional frontlines. The paper aims to investigate the energy related motivations of the most important regional and global actors amidst the conflict in Syria.

**Keywords:** Syria, energy policy, energy security, pipelines

**JEL codes:** N75, P28, P48

## **1. Introduction**

In recent years, Syria has become the main battlefield of the shift in power in the Middle East. It is becoming more and more obvious that the events in Syria which began on 15 March 2011 are not simply rooted in the totalitarian regime of Bashar el-Assad and the subsequent internal social unrest (the Arab Spring). The country is ruled by chaos, and besides the self-destructive nature of social unrest, the regional and global powers' race for power is an active contributor to this chaos.

The media is limited to reporting religious and ethnic differences and the losses in the daily battles. Reports of the military conflicts, cooperation or struggles of local, regional and global political powers are also heard often (Carpenter 2013; Jenkins 2014). However another decisive aspect of the modern history of the Middle East is much less talked about: the issue of energy, which is a key part in the political and military games of the region. Although in the fighting in Syria ad hoc or tight power coalitions and disputes are closely interconnected with the energy strategy of the countries, for some reason these aspects are much less studied.

Specifically, there have been few unified examinations of the geopolitical and energy policy aspects of the Syrian conflict.

It is a fact, the current fall of oil prices and their being stuck at low levels might reduce the interest in energy safety. This attitude might be strengthened by the fact that from a Central and Eastern European perspective, interruptions in gas supply safety and the shutting down of the taps seems remote. At the same time, in the media the previous great gas pipeline disputes (Nabucco vs. South Stream) have faded away. Still, the energy issue is a crucial component of the Middle Eastern situation, and of the conflict in Syria. Following the migrant crisis of 2015, it is obvious that the region is closer to Europe than had been previously thought, and the problems there affect the Central and Eastern European region, also from the aspect of energy supply safety.

This paper aims to present the energy related interests of the regional and global participating states in the war in Syria, and their strategies and tactics from a Central and Eastern European perspective.<sup>1</sup> The paper does not however make suggestions or predictions about the military or humanitarian outcome of the Syrian conflict. The chances of the survival of Assad's regime or Islamic State, or possibilities of establishing the Kurdish state are not topics of this paper either. The analysis aims to survey the effect of the crisis that began with the Arab Spring on the energy strategies of the key regional and global participants in the Syrian conflict. It seeks to answer the following questions. First, what energy related ideas led the decisive countries (Turkey, Iran, Israel)<sup>2</sup> and the superpowers (USA up to the election of Donald Trump, and Russia) to play an active role in the crisis in the Syrian peace process? Second, what effects might the events have on the safety of supply of Europe, more precisely of Central and Eastern Europe, so the energy analysis will touch upon the limited role of the European Union as well. The paper only mentions the strategies of the local players (Syrian resistance groups, Syrian, Iraqi and Turkish Kurds, Islamic State etc.) to the extent to which they influence the energy related concerns of the regional and global participating states.

Since land transit could result in a diversification potential for Central and Eastern Europe due to the geographical position of Syria, the analysis focuses on the classical pipeline development opportunities. Issues of the liquefied natural gas (LNG) market are not the subject of the study. It is important to highlight that due to the common factors of pipeline

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<sup>1</sup> As in business studies stakeholder-oriented leadership (Blaskovics 2016) is a crucial issue, the interests of the regional and global participants are also of key importance in energy strategies.

<sup>2</sup> Iraq is left out of the energy strategy analysis because the government mainly focused on regaining control of the territories lost by the Islamic State.

networks, fossil fuels (oil, natural gas) are uniformly (and not separately) discussed in the study.

## **2. Supply security dilemmas in Central and Eastern Europe with reference to the Middle East**

Since the middle of the 2000s, mostly due to the 2006 and 2009 Russian-Ukrainian energy disputes, the desire for secure supply in Europe became stronger. Several experts drew attention to the need of countries dependant on hydrocarbon imports to diversify their fossil fuel supply, if possible (Wallander 2006). This means that it would be favourable for these countries to get their fossil fuel imports from more sources and through more routes.

Many countries of Central and Eastern Europe (CEE) have started to see serious opportunities in the emergence of alternative transport and production technologies in order to remedy the security issues of gas supply, namely in the unfolding of LNG import and unconventional gas production. All of these ideas were closely linked to the concept of a North-South energy corridor supported by the EU and the CEE member states.

For CEE this meant getting alternative transportation routes to have access to energy sources of other regions beyond the Russian sources (Emerson 2006). In the essentially geopolitical rivalries, the dispute over diversification became a central topic in the construction of the Blue Stream, and then the South Stream pipelines, both Russian initiatives, and their competitor, the Nabucco pipeline, which would have opened to Middle Eastern and Caspian sources (Virág 2014). Although South Stream and Nabucco are off the agenda now, the underlying dilemma remains. The importance of diversification of the routes and sources stays equally important in CEE, even if the related ideas have become overshadowed by other international topics. Several factors indicate that this problem will continue to be relevant.

The relationships between Russia and Ukraine have reached an all-time low, which heavily influences the supply security of the region. Following the Russian-Ukrainian conflicts, Ukraine started to seek means to become energy independent from Russia. Today, Ukraine wishes to become the periphery of the EU, and not of Russia (Braun – Póti 2016). As a consequence, Gazprom did not give up on its plans to establish gas pipelines which bypass Ukraine after the failure of the South Stream, but this will not change the source diversification of CEE significantly.

Moreover, Russia has mentioned several times that it might abolish gas transportation to Europe across Ukraine in 2019, i.e. when the current transit contract between Russia and Ukraine expires, which will be a significant challenge for the Central and Eastern European region (Gazprom 2015). This means that even if the Turkish Stream is created as a little sibling to either the Nord Stream 2 or the South Stream, it will not promote the source diversification of the region. Replacing the Ukrainian route is only a swap in transportation corridors.

Despite the diversification deficit, not much is talked about channelling alternative energy sources into the CEE region, such as from the Middle East.

### **3. The Middle Eastern turn: the Iran nuclear deal**

A major obstacle in the Nabucco pipelines, meant to bring about diversification of sources and routes, was that no appropriate export partner was found, and those that were available did not have enough transportable gas. For long the states of the Caspian region seemed to be the most likely partners, but the investments did not. As an alternative to Nabucco, the so-called TAP pipeline might be constructed, which would avoid the Central and Eastern European region. The Central and South Eastern Europe Gas Connectivity (CESEC) is in charge of how different countries link to that pipeline and related issues (CESEC 2015).

While the idea of the Nabucco was fading away, there have been several changes in the Middle East. On 14 July 2015, after the signing of the Iran nuclear deal (Joint Comprehensive Plan of Action 2015), Iran regained much of its power in the Middle East. Following the agreement, the sanctions were lifted and Iran could obtain significant economic and political benefits, which could be used to increase its influence in the region. As the sanctions are lifted, the European Union may again become Iran's most important trading partner (Gálik et al. 2015).

This provides the opportunity for major changes in the energy status quo of the Middle East in the future. The reappearance of Iran in the international energy market may bring about new turns in the Middle Eastern race for power. Iran has almost 10% of the world's conventional oil reserves. Some experts agree that it will eventually join the likewise Shia majority Iraq and

outperform the Sunni Saudi Arabia in crude oil production. It is no surprise then that the latter was not happy about the international rehabilitation of Iran.

Saudi Arabia is not afraid of the Iranian nuclear programme itself, but sees a challenge in the increase of Iran's regional power after the lifting of the sanctions. The lifting of the economic, energy related and weapons trafficking restrictions for Saudi Arabia meant that the USA practically approved of Tehran's armaments. Iran's influencing of oil prices through energy repositioning imposes a threat to Saudi Arabia's existing export markets.

Small states along the Gulf share the Saudi opinion. Shia Iran might find a similar competitor at the energy sector in Sunni Qatar, too. Qatar and Saudi Arabia are both regional rivals of Iran, but consider each other competitors, too. While Bahrain, Kuwait and the United Arab Emirates accepted the framework set by the Saudi strategic interests, Qatar wished to strengthen its independence from Saudi Arabia by supporting the Muslim Brotherhood in several North African countries and in Syria during the Arab Spring, an organization that the Saudis consider their enemy (Roberts 2015).

According to BP's statistics, although Iran possesses the world's largest natural gas reserves, thus providing over 18% of the global supply, it is not much ahead of Qatar, which possesses 13% of the world's reserves (BP 2016). To make things more complicated, the two countries share the world's largest gas reserve, the South Pars/North Dome gas field. Estimates say this reserve would be able to provide enough gas for the members of the European Union for 70 years, if the current storage and production levels are kept. The geopolitical problem is that they do not want to cooperate. The question has always been whether it is possible, and if so, who enjoys the benefits of the field. During the international embargo on Iran it was obvious that it had no power in Europe. This situation may change drastically with the lifting of the embargo.

#### **4. Seeking new export routes: Turkey and Syria become more appreciated, but also rivals**

The conflict in Syria brought several dilemmas to the surface about Turkey as the bilateral political relations that previously seemed to improve and become relatively stable started to decline. The unstable political situation has unfavourable effects on economic relations, and

there is a huge flow of migrants towards the Syrian-Turkish border. In addition, the threat imposed by the Kurdistan Workers' Party (PKK), the challenges of national security provoked by the possibility of autonomy of the Kurdish people in Syria, and the deterioration of the Turkish and Iranian relationships each pose great risks for Turkey (Hinnebusch – Tür 2013).

Thanks to its geographical location, Turkey may find serious opportunities in energy strategies in the conflict in Syria. Turkey realized its opportunities stemming from its transit roles and has been interested in joining and driving any alternative pipeline projects that might link Europe to Asia in an East to West direction. In the middle of the 2000s, Turkey was not satisfied with the mediator's role it was assigned in the Nabucco versus South Stream debate, but wished to become the distribution centre and a trader in the given pipeline project. It wanted to buy natural gas at its Eastern borders for a low price, and resell it at a higher price on Western European markets (Deák 2007: 131).

Syria and Turkey considered each other important economic partners and the relationship between Erdoğan and Assad was pragmatic. During the time of foreign minister Davutoğlu, trade politics between Turkey and Syria were liberalized, Turkish capital investment spread in Syria, and they launched joint crude oil extraction and export ventures from 2008. At the same time of the Syrian-Turkish alignment, Turkey started negotiations with the Sunni Qatar about constructing a pipeline for European transits. According to plans, this 1,500 km long pipeline would access the European markets across Sunni majority countries, Saudi Arabia, Syria and Turkey.

At the same time, with the proceeding of the Iran nuclear deal, the opportunity rightly arose in Iran to reach European markets with the help of its strategic partner, Syria, once the agreement is signed, the sanctions are lifted and the energy production is boosted. This opportunity was backed by the fact that the relationship between Iran and Syria has been close ever since the 1979 Islamic revolution in Iran. Syria remained the most important supporter of Iran in the 1980-1988 Iraq-Iran war, too.<sup>3</sup> The two administrations have common interests in supporting Hezbollah of Lebanon and Hamas in Palestine, which also makes Israel and the United States their mutual enemy. The strength of the relations is indicated by the fact that the parties signed a mutual protection agreement in June 2006.

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<sup>3</sup> During the war, Syria shut down its Trans-Syrian oil pipes which at the time served as transit for approximately half of the Iraqi exports. In return, Iraq provided continuous support for Syria from its oil income (Saab 2006).

This leads us to the energy related and foreign policy aspects of the Syrian crisis, where the key question is whether Syria can become the Western transit of the Middle Eastern hydrocarbon reserves, and if so, for which source countries.

Syria became independent in 1946, and ever since March 1963 it has been ruled by the Arab Socialist Ba'ath Party, more precisely by the Assad family. Hafez el-Assad (1930-2000) was the head of Syria for 30 years after he was elected as president in 1971. During that time, an oversized presidential institution, the party and representation system based on the hegemony of the Ba'ath Party and Ba'ath ideology became predominant (Bhardwaj 2012: 85). After Hafez's death in 2000, his son, Bashar el-Assad seized power (Csiki – Gazdik 2013: 43).

The positions of the Assad regime created a very unique situation in Syria from an ethnic and religious point of view. In the country that is mostly populated by Sunnis, the Alawites that belong to the Shia branch have the power. This means that the majority of leading positions in the army and the secret service are in the hands of a religious group that comprises only 13% of the population.<sup>4</sup> It is no surprise then that following the Arab Spring, mostly Sunni protesters took part in the events, and the Free Syrian Army (FSA), the armed resistance is also mostly made up of Sunni members.

In accordance, the previously outlined Sunni Qatar-Saudi-Turkish gas pipeline project and its route is blocked by the Syrian regime, led by Bashar el-Assad. The Alawite sect, which belongs to the Shia branch of Islam, practically cut off the Southern, Sunni oil states of the Middle East from getting their resources through a pipeline, i.e. at a good price, to European markets, and at the same time prevented Turkey from obtaining a decisive transit position in the transportation of hydrocarbons coming from the Persian Gulf and going to the West. Therefore, there is a palpable energy conflict behind the conflict in Syria. The question is whether certain regional participants and superpowers formed their strategies and tactics in the Syrian peace process in accordance or in opposition to this.

## **5. The conflict in Syria and the regional participants**

### **5.1. Countries of the Gulf Cooperation Council (GCC)**

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<sup>4</sup> Chances for self-representation before the crisis were given to Christians, the Druze, the Ismaelites, and the Cherkess.

The supporters of the opposition fighting the Assad regime include as key figures the countries of the Gulf Cooperation Council (GCC), countries that have huge crude oil and natural gas reserves, especially Qatar and Saudi Arabia.<sup>5</sup> The Sunni states that are in close cooperation with the United States have clear aims: to stop the expansion of Iran by abolishing the current Syrian government. The new realities in the Middle Eastern energy positions in favour of the capital coming from the West and Gulf region cause further significant shifts by destabilizing Syria or an eventual change of the political system, and thus stopping Iran from getting its hydrocarbons to Europe through new pipeline networks. Thus, the above energy related dilemma and the regional status quo both deepen the current differences between Sunni and Shia regimes.

The GCC states first attempted to exercise pressure on the Syrian leadership through the Arab League, later by giving regular financial and military support to the opposition. Besides, popular news channels (such as the Al Jazeera owned by Qatar, or the Al Arabiya in majority possession of Saudis) preachers are used also to influence the wider public.

Already in 2012, news appeared that Saudi Arabia was trafficking weapons through Jordan to the Free Syrian Army, founded in 2011 (Ottens 2012). The United Arab Emirates, Qatar and Saudi Arabia became the key external supporters of several extremist groups fighting in Syria. Some say that the relationship of these countries to Islamic State is more than controversial (Rogin 2014). Since the beginning of the conflict in Syria over 3 000 people left the GCC countries to fight in various rebel groups. The oil states have done nothing in particular to stop these people (Al-Rasheed 2015).

Moreover, the GCC countries, and mainly Qatar and Saudi Arabia, have been supporting different groups, which significantly contributed to the fragmentation of the Syrian opposition. The Qatar-Saudi rivalry remains, except for a short period in 2014, and was eased by a change in the Saudi king and worsened by the Iran nuclear deal. Finally, the weakening of the Muslim Brotherhood brought peace in the difference of interests. From that point, the most important common goal of Qatar and Saudi Arabia was to overthrow president Assad, who was blocking Sunni energy cooperation (Arany et al. 2016: 266-267). A further problem

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<sup>5</sup> The full name of the organization is the Cooperation Council for the Arab States of the Gulf (CCASG). The GCC was created in 1981 by the United Arab Emirates, Qatar, Kuwait, Oman and Saudi Arabia. The establishment of the group was propelled by fear from the export of the Iranian revolution, and is currently dominated by the shift in the regional power status quo. Energy related questions are a key element of this.



is that the Free Syrian Army could not efficiently and transparently distribute the obtained support, which could have ended up with extremist groups.

## 5.2. Turkey

In the beginning, it seemed that the Middle Eastern countries that started a reform after the Arab Spring could follow Turkey's example. However, the revolutionary processes did not yield the expected results. Turkey's strategies "first led to a point where the 'zero problems with the neighbours' foreign policy became unsustainable and obsolete, second to an unsuccessful attempt of transforming the states of the Middle Eastern region, and third to a dead end of supporting moderate Islamist movements" (Arany et al. 2016: 260).

Turkey had the aim of overthrowing the Assad regime and preventing the Kurdish autonomy in Northern Syria. From an energy aspect, the aim of Turkey was to stabilise and increase the existing and potential energy transit positions. With Syria, Turkey's main purpose was to block the possibilities of transit through Syria, and to subdue it under Turkish interests.

The Turkish government expressed its support for the Syrian opposition on 15 November 2011. By 2012 it was clear for the general public that Turkey is also supporting the Free Syrian Army, and it openly cooperates with the United States, Saudi Arabia and Qatar, namely the group of countries that indirectly help the rebels both with funding and arms (Schmitt 2012). The operating centre of the Free Syrian Army was also established in Turkey. Bilateral relationships eventually turned sour in lack of a stronger US influence, and Turkey, just like Saudi Arabia and Qatar, built its own network of allies among the opposition.

By the summer of 2012 the border crossings between Syria and Turkey were under the control of the Syrian opposition, and the primary supply routes of the opposition groups were coming from Turkey, which led to Islamic State gaining strength in the region.<sup>6</sup> Finally, the strengthening US-Kurdish cooperation forced Turkey to open towards Russia. So following a

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<sup>6</sup> The interests of Turkey and Islamic State only partly overlap and given the continuously changing environment they change dynamically. Just as Islamic State became an indirect threat for Turkey, the government on the one hand acted against it, and on the other hand used the threat to justify actions against the Kurdistan Workers' Party (PKK). For details see Arany et al. (2016: 259-264).

highly visible breakup of the two parties,<sup>7</sup> an agreement was signed, but its precise details were not disclosed.

### **5.3. Iran**

For Iran, the Syrian peace process represents very high stakes. The collapse of the Alawite administration in Syria would significantly change the Middle Eastern status quo, and would cause severe damages to Iran, because so far it could keep an eye on the Arab world through Syria and had connections to the Hezbollah. As for the energy related issues, instability in Syria is a heavy obstacle in the way of Iran's projects to get their hydrocarbon exports to the West on land across Syria.

Iran provided significant support to the Assad regime as the conflict in Syria expanded. As part of this, it ordered several troops of the Revolutionary Guards and the subordinate Basij militia to Syria, mainly to provide training and support. In May 2015, 7 000 armed troops (mostly Iranians and also some Iraqis) arrived to protect Damascus, after the Syrian government forces lost significant territories to the rebels and Islamic State. This roughly coincided with the fall of Ramadi in May 2015 after which the USA reluctantly allowed the use of Shia warriors in Iraq. The Hezbollah of Lebanon, an ally of Iran, also took part in the fights on Assad's side.

### **5.4. Israel**

The relationship between Israel and Syria has been burdened by territorial disputes for decades. In the war of 1967, some 70% of the Golan Heights came under Israeli rule. The territory, annexed in 1981, has strategic importance for the Jewish state due to its location and water reserves. Before the Arab Spring, the Israeli defence suggested offering territorial concessions to its North-Eastern neighbour with the aim of easing the Syrian-Irani relationship, but the conflict in Syria removed this opportunity from the agenda (Csiki – Gazdik 2013: 59).

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<sup>7</sup> The temporary (9-month) breakup between Putin and Erdoğan was caused when Turkey shot down a Russian fighter jet which was bombing in Syria and violated Turkish airspace.

Although some say a Syrian regime change might favour the Israeli government, however, if the stability of Syria is permanently lost, that would be a risk for the security of Israel state. The fact that Syria has become a failed state and a cradle for terrorism is a potential threat to the Jewish state. This forces Israel to carefully consider its moves. Israel therefore mainly focuses on keeping an eye on the events and securing its Northern borders.

Israel is experiencing fast population growth, which leads to increasing energy demands. Heavy dependence on foreign hydrocarbon sources, mostly from Egypt, is a serious problem for the country. Israel and Egypt signed a long-term agreement in 2005 which says that Egypt sells natural gas to Israel through a branch of the Arab gas pipeline, coming through the Sinai Peninsula to Jordan and Syria. Transportation began in 2008, but the Arab Spring brought uncertainty. In 2011 terrorists blew up the gas pipeline seven times and as a consequence the Egyptian gas exports to Israel were stopped.

Eventually, the challenges in Israel's supply security were solved by discovering their own hydrocarbon reserves. In 1999 the Jam Thetis consortium discovered the first significant natural gas fields at sea, only 30 kilometres off the coast of Askelon. Following ten years of research, the US energy industry consortium, Noble Energy<sup>8</sup>, discovered in 2009 the Tamar natural gas field, 90 kilometres west of the city of Haifa, from which regular extraction began in 2013. The annual 12 billion cubic metres of natural gas reach the Asdod terminal through underwater gas pipelines. According to more recent research, there is a huge and continuous natural gas and oil field at the bottom of the Mediterranean Sea, from the Israeli coast all the way to Cyprus. At a territory of 83 thousand square kilometres, there are estimates of 10-15 thousand billion cubic metres of natural gas in the Eastern basin of the Mediterranean Sea. Therefore, the Tamar gas field is not the only one where production is possible. In December 2010, the Leviathan gas field was discovered, which has the largest known reserves to date.

These discoveries secure Israel's supply of electricity, reducing its price significantly. These reserves make gas imports unnecessary in the future, and the country can become a significant natural gas exporter. In June 2013, the government ruled that 40% of the Israeli natural gas can be exported.

According to current international regulations, Israel is solely entitled to extract the natural resources at the bottom of the sea in a radius of 560 kilometres from its coasts. However, due

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<sup>8</sup> Noble Energy is an oil company from Texas, it has 37% of the shares of the consortium working on the Tamar gas field, while the majority of shares are owned by Israeli companies.

to historical, geographical and political reasons, the situation is far from simple. Lebanon also demands the underwater reserves. There are heavy debates about the rights over the gas fields across the Gaza strip, too.

Given that Cyprus is only 200 kilometres away from Haifa, Turkey, which occupies part of the island, might also demand the gas fields. In December 2010, Israel and Cyprus marked the borders of the maritime economic region between the two countries. They negotiated about building a new pipeline, which would transport natural gas from the gas fields located between the Israeli and Cyprian coasts first to Cyprus, then across Greece to other European countries. A possibility of a Turkish export route also came up, but that would first require the settlement of the situation in Cyprus in general.

## **6. The conflict in Syria and the superpowers**

In the events of the conflict in Syria, superpowers such as Russia and the United States have key roles. Energy related interests are clear in these cases as well.

### **6.1. Russia**

By the middle of the 2000s, the Middle East was only secondary in Russian foreign policy, compared to the relationships of Russia to the US and to Europe. Starting from 2005, Russia began to form closer relationships with the countries of the region because of the latter relations.<sup>9</sup> The main motivations for Russia were trafficking arms and energy related concerns (Allison 2013).

It had little success in influencing energy prices at the Gas Exporting Countries Forum (GECF) and through its Saudi connections in the OPEC. Although Russian energy companies are present in almost all states of the Middle Eastern region, its income from extraction is not significant. For Russia the most important area in which it has indirect influence is the hydrocarbon trade. Russia predominantly exports to Europe, therefore its aim is to preserve its market positions there. In this respect, the Middle East is a constant rival, as it is the third

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<sup>9</sup> In 2005 Russia obtained an observer status in the Organisation of Islamic Cooperation (OIC), in 2006 it built diplomatic relations with Hamas that won the Palestine elections, and approached Iran and Israel, too (Tálas – Varga 2013: 72).

most important source for imported gas to the European Union, and the second largest for crude oil imports.

Russia has few allies in the region: besides Iran,<sup>10</sup> only Syria. Moreover, the Russian-Syrian relationship, and more precisely the relationship of the government of the time in Moscow and the Assad family go back over four decades. Russia has had decades of monopoly over providing the Syrian army with weapons (Tálas – Varga 2013: 77). Russia has been renting the Tartus naval base since 1971, which is currently the only base preserving the Russian presence at the Mediterranean Sea. The Syrian harbour is the only Russian base outside the Commonwealth of Independent States (CIS) region. To preserve closer relations and keeping Assad in power is further backed by the fact that instability in the Middle East may affect the safety of the Caucasian region adversely, which would be a national security risk for Russia.

Besides, Russia has strong energy related motivations, mostly about crude oil and natural gas. Before the conflict in Syria, the most significant Russian company in the region was the Stroytransgaz, the builder of the 324 kilometre Syrian section of the Arab Gas Pipeline (AGP). The network connects Egypt, Jordan, Syria and Lebanon. The Russian company also received offers to build a natural gas processing plant in Homs. What is more important in the analysis of the tactics of Russia is that it has no interests in the expansion of either Sunni or Shia gas transportation from the Middle East to Europe, an important transit route of which could be through Syria.

Russia repeatedly protected Assad. In the UN Security Council it repeatedly vetoed proposals to sanction Syria and to overthrow Assad (e.g.: on 4 October 2011, 4 February 2012, and 19 July 2012.) In this respect, Russia could also rely on China, which is cautious and its main goal is to protect its economic, energy related interests. The aim of China as the world's largest crude oil importer is to avoid conflicts with its Middle Eastern partner, Iran, and to strengthen Chinese-Russian relationships. This is the motivation behind China's foreign policy principle of not interfering with internal affairs. For both countries the interference in Libya serves as a warning, as both of them lost serious economic positions in the North African country, especially in the oil sector (see Trenin 2013).

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<sup>10</sup> After the 1979 revolution, Iran sought relations to improve its relations with Russia. After the fall of the Soviet Union, the bilateral relationship remained strong. The Western sanctions over Iran caused it to establish a strong commercial partnership with Russia. The nuclear cooperation between the two countries remained strong even after the Iran nuclear deal.

During the Arab Spring, Russia had a reactive, defensive behaviour, and sometimes showed controversial politics (Tálas – Varga 2013: 75). When the conflict in Syria deepened, and the positions of the Assad family weakened, Russian became the main shaper of the process. It had a leading role in the 2013 chemical weapons crisis, too. By the end of September 2015, a spectacular Russian military intervention began in Syria. The main aim of Russia was to stabilize the weakened Assad, by weakening the opposition groups and also to push Islamic State back. “70-90% of the attacks were not against the Islamic State, but against different Syrian opposition militia, not even on territories where the major centres of ISIS were located, but in the areas crucial to the survival of the present regime” (Arany et al. 2016: 284).

The active military intervention offered an opportunity for Putin to break out from international isolation following the Russian-Ukrainian conflict, and what is more, the preservation of the conflict, and consequently the instability of the Middle East conserves the energy status quo as well.

## **6.2. The USA and Europe**

The prestige of the United States has faded in the past decade and a half due to its wars against terror. The biggest military and economic power of the world and its allies still see an opportunity to push back Iran and Russia, close allies of Syria, even after the Iran nuclear deal.

With a heavy legacy of the Bush administration, Barack Obama announced pragmatic and cooperative politics in the Middle East at the beginning of his presidency. As a sign of this, in 2010 a US ambassador was appointed to Syria. Probably Obama’s biggest diplomatic move of his two terms was to reach an agreement with Iran and had the Iran nuclear deal<sup>11</sup> signed, and promote peace talks between Syria and Israel, despite heavy debates with certain Republicans in Congress.

Despite the US measures, the relationship between Syria and the USA has been burdened with long standing differences that have several roots. The Syrian regime has had a close relationship with Iran and cooperated with Hezbollah of Lebanon, the Palestinian Hamas and has unsettled relations with Israel. The question is whether in the case of the Iran nuclear deal

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<sup>11</sup> The European Union also had a decisive role in preparing the agreement.

the USA indeed wanted to remove all obstacles from the way of a Iran-Syria axis. Is it in the interests of the US that Iran gains a large share of the European energy market, at the expense of its Sunni allies? Taking into consideration the former politics of the United States, the answer is a clear “no”.

It is true that the events in Syria hit the US administration unprepared. Therefore, US diplomacy was very careful in its reactions, fearing the escalation of the conflict. Although the Obama administration used the politics of gradual change, it basically approved the anti-Assad movements and gradually increased its pressure on the Syrian regime using diplomatic means. In doing so, the USA had two strategic partners in the region, Turkey and Saudi Arabia.

The United States and the European powers initially called for a political solution. In Spring 2011 however France was one of the first to call president Assad to step down. At that point Obama only criticised the Syrian regime in the media, called for reforms and opening up, which he then gradually emphasised with a growing number of economic sanctions. The US president only called for Assad to leave power a few months later. However, the diplomatic pressure was not effective without Russian and Chinese support. As discussed, Russia and China used their veto and resisted every attempt in the UN Security Council that aimed at overthrowing president Assad from the outside, either from US, British or French initiatives. And since the Obama administration did not come up with political plans, and instead supported peace initiatives coming from other countries or groups of countries,<sup>12</sup> no significant result was reached. After this, the USA applied more direct measures, and practically supported the Syrian opposition with non-military deliveries, such as communication devices, medication, intelligence information, etc. (Hosenball 2012).<sup>13</sup>

Since the failure of the opportunities for consolidation in Syria, the United States has been closely cooperating with the GCC countries. An undisclosed secret service document claims that in 2012 the USA was already aware of the fact that the GCC countries and Turkey wished to form an enclave led by extremist Salafists in Syria in order to break up the territories dominated by the Shia. This implicit support politics worked until Islamic State, formed later, started to openly threaten the Western world (Varga 2015).

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<sup>12</sup> See the Partners Planning Syria Crisis Group, a French initiated international group; the Kofi Annan peace plan; and the Lakhdar Brahimi peace plan.

<sup>13</sup> According to the diplomatic documents leaked by Wikileaks, the United States financed Syrian opposition groups even before the Arab Spring (Whitlock 2011).

The Obama administration broadened its relationship with Syrian opposition organizations, partly with the aim of gathering credible information about the reliability of these groups, their organizational and control infrastructure, and provide its partners in the Gulf region with that information (Csiki – Gazdik 2013: 65). Western secret services also provided support to some Syrian opposition groups that were close to extremist Islamic organizations. It is important to note however, that the political relationship between the USA and the GCC countries was never spotless, despite their common interests in the case of Syria. An indicator of this is that the US administration did not start military intervention despite a UN study, which's findings were published on 21 August 2013, said that sarin gas was used in a district of Damascus against the civilian population. The US administration had previously named the usage of such weapons as a red line which would provoke intervention. The relationship with the GCC countries deteriorated significantly by the end of Obama's second term. This had several reasons, for example the previously discussed Iran nuclear deal and another energy related conflict.

The United States extracts non-conventional energy sources,<sup>14</sup> namely hydrocarbons located in a non-traditional geological locations, which does not only make it is less dependent on Middle Eastern fossil fuels, but also a competitor. The development of the technologies took place in the middle of the 2000s in the United States and continued during the Obama administration. The struggle between Saudi Arabia and many other OPEC member states and the United States would deserve a separate study, let it suffice to say here that the Arab states of the Gulf region want to keep oil prices low, and by doing so wish to prevent the market expansion of American non-conventional producers.

This is how the biggest allies of the USA in the Syrian conflict became the Kurdish people of Northern Syria and the Arab groups they cooperate with, which led to serious tensions with the Iraqi government and Turkey.

## **Conclusions**

A legacy of the crisis in Syria is the use of chemical weapons, hundreds of thousands of victims, the rise of Islamic State, the migrant crisis and the spread of global terrorism. The

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<sup>14</sup> Non-conventional gas, known as shale gas, is a type of natural gas located much deeper than conventional gas, i.e. 4-6 kilometres under the ground, stuck among the layers of rock, which can only be extracted with an expensive technology called hydraulic fracturing. For details of the process see Hamberger (2011).



indicators of the crisis are the ethnic and religious divide, and the energy related concerns of regional and global powers. This divide further deepened the existing religious fractures in the Middle East.

The differences between Iran and Saudi Arabia and other Sunni regimes of the Gulf region have played a significant role in the instability of Syria. While the former fights on the side of the government forces with its ally, the Shia Hezbollah of Lebanon, the latter are the main supporters of the Syrian rebels. The two sides of the conflict also differ in energy related issues: On the one side we find the Shia Iran, rich in hydrocarbons, and Syria, with a Shia government, acting as a transit country. On the other side, we find the Sunni states also rich in hydrocarbons and Turkey, participating in the Sunni transit.

It is in the fundamental energy strategy interests of Turkey to strengthen its central role in Europe's energy supply, originating from its geopolitical position. This is why it is important for Turkey to make sure that the eventual reintegration of Iran into the international energy market takes place in accordance with Turkish ambitions. In this respect, a stable Syria, which is the closest neighbour of Turkey, open to the Mediterranean Sea, has significant transit potential and may become the biggest rival of Turkey. Therefore, any uncertainty about the future of Syria comes in handy from a Turkish point of view.

Iran is a major power in the region, and following the nuclear deal framework of 2015, in the future it could represent its energy related interests in the Middle East and thus in the conflict in Syria more strongly. It plays a key position in the Syrian peace process, and it favours keeping the Assad family in power, because they have long historical relationships. Syria can also play a key role in Iran's future Western energy exports.

In this respect it is a fundamental question of the near future whether the new US administration will continue the lifting of energy related sanctions imposed on Iran and whether the investments facilitating exports will proceed according to Iran's interests. Even more so as Saudi Arabia and Israel still consider Iran to be a threat in the region. Besides the US-Iranian relationship, the nature of the Saudi-US and Israeli-US foreign relations also have a key role.

Israel has been preoccupied with its own internal changes, and thus following the Arab Spring it no longer has the attention of the Arab world. The Israeli security risk might be increased by non-governmental participants in the region, which could turn into internal rivals of the

local state. In parallel to the conflict in Syria, Israel discovered hydrocarbon reserves in the Eastern basin of the Mediterranean Sea and consequently may become a key exporter to Europe. The pipelines of these hydrocarbons would lead from the natural gas fields of Israel to Cyprus, where it would continue towards Greece or Turkey. A prerequisite of this is to settle the situation in Cyprus, and to build closer cooperation Greece and Turkey. The new administration of the USA may promote this issue to a large extent.

Russia was sceptical about the conflict in Syria at first. It considered the advancement of extremist Islamic groups and the aim to overthrow the Assad regime in the background of the civil war, and refused any foreign action not authorised by the Syrian government. Russia's active participation in the crisis made it a key figure in the Middle East. The centre of its strategies, just like Iran's, is preserving the Assad regime. However, the strengthening of the Syrian administration's power is not the final aim of Moscow. It is only a requirement if the Syrian peace process is to be carried out based on the existing political and legal structures (Arany et al. 2016), and preserving Russia's existing European energy markets as well. The current crisis provides opportunity for Russia to increase its influence, reduce its international isolation and confirm its superpower status.

The USA, following the wars in Afghanistan in Iraq, did not wish to engage in another military conflict in the Middle East. Although the role played by the Obama administration is limited in the region, as the civil war in Syria progressed and the hope for a diplomatic solution was abandoned, the West increasingly provided support to the opposition groups fighting the Assad regime.

**Table 1. Main actors: aims, strategies and tactics**

<b>Actors</b>	<b>Energy situation</b>	<b>Political aim</b>	<b>Energy strategy</b>	<b>Energy tactics</b>	<b>Steps in Syria</b>
<b>Iran</b>	Nuclear deal	Increase its influence in the region	Energy repositioning, capturing new export markets, especially in Europe across Syria	Opportunity arose to reach European markets	Significant military support to the Assad regime
<b>Saudi Arabia, Qatar and other GCC States</b>	Syria cut off the Sunni oil states from getting their resources through a pipeline to Europe	Stop the expansion of Iran	Stopping Iran from getting its hydrocarbon to Europe through new pipelines	Destabilizing Syria	Giving regular financial and military support to different opposition groups
<b>Turkey</b>	Syria prevented Turkey from obtaining a decisive transit position in the transportation of hydrocarbons from the Persian Gulf to the West	Overthrowing the Assad regime and preventing the Kurdish autonomy in Syria	Stabilise and increase the existing and potential energy transit positions	Interest in joining and driving any alternative pipeline project	Build its own network of allies among the opposition in Syria
<b>Israel</b>	Discovering new hydrocarbon reserves	Security	Gas import is unnecessary, a significant natural gas export opportunity will be available in the future	Debates about the rights over the gas fields, new energy regulation	Observing the Syrian events and securing the Northern borders
<b>Russia</b>	The Middle East is a constant rival and has few allies in the region (Syria, Iran)	Stabilize the power of Assad, break out from international isolation	Preserve its energy market positions in Europe	The instability of the Middle East conserves the energy status quo	Vetoed proposals to sanction Syria and to overthrow Assad in the UN Security Council, military intervention
<b>USA</b>	Iran nuclear deal	Push back Iran and Russia, close allies of Syria	Less dependent on Middle Eastern fossil fuels, limiting Iran's share in the European energy market	Technological revolution in non-conventional fossil fuel sector	Diplomatic pressure against the Syrian regime, followed by more direct measures (support for the Syrian opposition)

In the future, we face the interesting questions of what shape the US relations with Iran, Israel, Turkey and the countries of the Gulf region will take, taking into consideration the dilemmas about the security of supply of energy. The USA has lost the initiative and its leading position in the fight against the Islamic State, and in the Syrian peace process. The question is whether this is going to change with the presidency of Donald Trump.

As for the European Union, its Syrian politics are not much different from those of the US. One reason for this, besides the lack of a uniform foreign policy, is that at the time of the eruption of the crisis, the EU was preoccupied with its own economic crisis and the Greek crisis, and later with handling the processes which threaten the future of European integration (such as rising Euro-scepticism and Brexit). Although the cold relations between the EU and Russia have been influencing the foreign policy agenda of the EU for some time, the possibility of diversifying crude oil and natural gas supplies did not really come up in European capitals. When the EU decision makers were thinking about the Middle East, they were concerned about the challenges posed by migration, and not about source diversification of hydrocarbon imports. This is one of the main consequences of the permanent crisis in Syria.

The marginalization of the transport potential of Syria could open the door to the exports by applying LNG technology, from which the East Central European region could also benefit, if the development of the right network infrastructure and capacities took place in the future. In addition, other alternative hydrocarbon resources may also be available, e.g. the gas assets discovered in the West of the Black Sea, or of the huge Israeli, Cypriot and Egyptian Zohr Fields in the Eastern basin of the Mediterranean Sea, which are still unexploited.

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