

## Oil and intra-state conflict in Iraq and Syria: sub-state actors and challenges for Turkey's energy security

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**Abbreviations:** BOTAŞ: Turkish-state-owned pipeline company; EMRA: Energy Market Regulatory Authority in Turkey; GDP: Gross domestic product; ISIS: Islamic State of Iraq and Syria; HDP: Peoples' Democratic Party in Turkey; HPG: People's Defense Force, Kurdistan Workers' Party (PKK)'s militia; JDP: Justice and Development Party in Turkey; KCK: Kurdish Freedom Movement; KDP: Kurdistan Democrat Party in Iraq; LNG: Liquefied natural gas; OECD: Organisation for Economic Co-operation and Development; PYD: The Democratic Union Party in Syria; PKK: Kurdistan Workers' Party; TANAP: Trans-Anatolian Natural Gas Pipeline; YPG: The People's Protection Units, the Democratic Union Party's (PYD's) armed forces in Syria.

Major events since 2014 in the Middle East have brought Turkey's growing energy import dependency and resulting risks into an unease about its energy security. Especially after Turkey's downing of a Russian jetfighter at the Turkish border with Syria on 24 November 2015, policy makers began reconsidering Turkey's diversification of gas supplies. Similarly, Turkey's increasing oil imports from Iraq raised questions about inter-state and intra-state conflicts and their implications for energy security in the region since the fall of Mosul in Iraq to the Islamic State of Iraq and Syria (ISIS) on 10 June 2014. The continuing dependency on fossil fuels of the Middle East not only in Turkey's energy mix but also in world energy demand requires further analysis of oil and conflict in the region, no matter how inconvenient or ideologically and emotionally fraught it is. This article addresses the relationship between oil and conflict. Then, it examines the case of Turkey's increasing energy relations with the Kurdistan Regional Government (KRG) to elucidate the implications of inter-state and intra-state conflict on regional interdependence in the region. The argument asserts that risks of an abrupt regime change or revolutionary regime formation in the aftermath of civil war in Syria and ethnic or sectarian violence in Iraq should be re-evaluated. These risks, highly associated with intra-state conflicts, present challenges for Turkey's energy security and most importantly for human security in the region.

Ankara's long-time aspiration of being an energy hub, underlying the country's geo-strategic location to diversify suppliers and transportation routes for Europe's gas imports, has been upheld since the inauguration ceremony for the Baku–Tbilisi–Ceyhan oil pipeline in July 2006.<sup>1</sup> However, there were some limitations such as long-term gas contracts signed with Russia and Iran and lack of infrastructure to transport required volumes of gas

from other supplier countries. A series of energy deals between 2011 and 2014 aimed to access oil and gas resources in Turkey's energy-rich neighbours. The agreements with (1) Azerbaijan for the Trans-Anatolian Natural Gas Pipeline (TANAP) transporting Caspian gas directly to European energy markets and replacing the larger and more expensive Nabucco project,<sup>2</sup> (2) Russia, where Turkey approved the South Stream gas pipeline's transit through the Turkish exclusive economic zone in the Black Sea right after the TANAP deal with Azerbaijan in December 2011,<sup>3</sup> and then the memorandum of understanding signed between Russia and Turkey in December 2014 to build the so-called 'Turkish Stream', which would abolish the South Stream project and redirect the gas pipeline to Turkey,<sup>4</sup> and (3) the KRG, to build a new oil pipeline between northern Iraq and the Ceyhan terminal in March 2013,<sup>5</sup> following talks with the Iraqi federal government to extend the Kerkuk–Ceyhan pipeline to Basra in July 2012,<sup>6</sup> were mostly prioritizing accessibility and affordability of energy resources for supplying Turkey's growing energy needs as well as building an energy hub in Turkey. Nonetheless, the rapidly changing geopolitics of the Middle East since ISIS's formal declaration of a 'new Islamic caliphate' on 29 June 2014 and Russia's military intervention in Syria on 30 September 2015 highlight challenges for Turkey's energy security.

This article is divided into three sections. The first section presents an overview of Turkey's energy security in light of the International Energy Agency's definition of energy security and selected criteria to assess it. The second section outlines the major findings important for oil related inter-state and intra-state conflict in the literature. The third section focuses primarily on Kurdish sub-state actors in Iraq and Syria since they have an increasing role in the intra-state conflicts of the region and are important for Turkey to manage risks in its energy security. The article concludes with an overview of the argument and its policy implications.

### Turkey's energy security

The International Energy Agency defines energy security as 'the uninterrupted availability of energy sources at an affordable price'.<sup>7</sup> In addition to accessibility and affordability of energy resources, two other criteria, namely the reliability of energy suppliers and the sustainability of energy resources are crucial. Turkey has been experiencing the fastest energy demand growth among the Organisation for Economic Co-operation and Development (OECD) countries and the second highest demand growth after China over the last 10 years. Turkey imports about 75 per cent of its primary energy supply, where oil and gas account for 60 per cent in 2014, and the country's oil and gas use is expected to double over the next decade.

Despite the need for diversification of energy suppliers in Turkey and the country's high dependence on imported fossil resources, little changed in the last decade, and the same group of countries preserved their large share of Turkey's total oil and gas imports. In 2005, Turkey imported gas from Russia (66 per cent), Iran (16 per cent), and used liquefied natural gas (LNG) (18 per cent). In subsequent years, Russia dominated Turkey's gas imports through the Blue Stream pipeline, although its share in the West pipeline and LNG imports declined between 2005 and 2009. In 2014, Turkey's largest gas suppliers were still Russia (55 per cent) and Iran (18 per cent), and 86 per cent of total imports were delivered via pipelines.<sup>8</sup> Oil imports from Iraq have replaced a large share of Iranian

oil imports since 2011. Iran's share in Turkey's oil imports declined to 30 per cent from 55 per cent in 2011, while Iraq's share increased from 20 per cent in 2012 to 31 per cent in 2014.<sup>9</sup>

On the other hand, the share of renewables in electricity production was targeted to be 30 per cent in 2023 but efforts to increase energy resource sustainability have been very limited, given the current low share of renewables in energy supplies and consumption. For example, in 2012, fossil (oil and gas) and solid (coal, lignite, and other solids) fuels had the largest share in Turkey's primary energy supply, with 59 per cent and 34 per cent, respectively, while hydro (4 per cent) and renewables (3 per cent) had lower shares.<sup>10</sup> Similarly, in 2014, the share of renewables (3 per cent, wind only) in electricity production was insignificant, while natural gas (48 per cent), solids (30 per cent, including 14 per cent coal imports), and hydro (16 per cent) had larger shares.<sup>11</sup>

In short, while more than 90 per cent of Turkey's oil and gas supplies are imported, not only does Turkey's primary energy supply excessively depend on fossil and solid fuels but also its electricity production has risks of disruption, given the high share of gas supplies in electricity production and gas imports via pipelines. In 2014, Turkey imported 73 per cent of its gas supplies from only two countries (Russia and Iran), and the same rate of oil imports was predominantly from three Middle Eastern countries (Iraq, Iran and Saudi Arabia). Turkey's exit cost in its energy relations with these large suppliers is significantly high in the short and medium term, especially for pipeline-bounded oil and gas imports. Therefore, the asymmetric interdependence between Turkey and its energy suppliers reflects a particular conception of energy security based on accessibility and affordability at the expense of reliability and sustainability of energy resources.

## Oil and conflict

The increasing turmoil in Syria and Iraq raises questions about the relationship between oil and conflict. The mounting costs of conflicts have put enormous pressure on government budgets and diverted resources away from much-needed social spending. Moreover, by January 2016 the lowest oil prices in twelve years signalled possible energy security risks because lower oil prices affect economic and fiscal activity, as well as political stability in the Middle East.<sup>12</sup> Such prices also undermine oil production and investments in other regions, since their costs are not competitive with the lowest cost of oil production in the Middle East region.<sup>13</sup>

In a low price driven world oil market, understanding and explaining the impact of oil wealth on conflict in the Middle East is important. The conventional argument about oil-rich states being targets of international conflict is easily applied to Middle East geopolitics since the American invasion of Iraq in 2003.<sup>14</sup> However, petrostates with 'revolutionary governments' or an anti-status quo foreign policy engage in militarized interstate disputes at a much higher rate on average than other states.<sup>15</sup> The concept of 'revolutionary government' in petrostates is a key to understanding domestic political dynamics and how oil wealth supports resource-backed aggression. In fact, just being a petrostate, a state in which the oil sector has a dominant role in the national economy with at least 10 per cent of its gross domestic product (GDP), is not sufficient to explain the link between oil and international conflict. Rather, a revolutionary government defined as 'one that transforms the existing social, political, and economic relationships of the state by overthrowing or

rejecting the principal existing institutions of society',<sup>16</sup> and the oil income interact in a way that explains why some petrostates are more likely to enhance conflict or launch a militarized interstate dispute. Libya under Gaddafi's rule, Iraq under Saddam's rule, Sudan and Iran till Khatami's presidency can be listed as major examples for evidence. It is also important to note that oil does not cause revolutionary government. While it can be argued that the high oil prices contribute more to oil wealth, this does not cause the emergence of revolutionary governments. But oil has an important role in secessionism and intra-state conflict.<sup>17</sup> The implications of oil wealth are important to explain and understand intra-state conflict in Iraq and Syria.

Although each petrostate with a revolutionary government has its context-specific political dynamics, in general these countries have more experience in civil wars than non-petrostates.<sup>18</sup> Furthermore, petrostates have long-lasting autocratic regimes. The leaders in petrostates have greater policy autonomy than non-petrostate leaders, because oil wealth creates a rentier economy with a spending effect, which allows redistribution of oil income to buy political support.<sup>19</sup> In addition, oil income supports petrostates' military expenditures and consequent capabilities. Oil under these circumstances can generate conflict-enhancing behaviour and more adventurous aggressive foreign behaviour with low risk of domestic punishment.<sup>20</sup> On the other hand, lower oil prices can undermine the spending effect, and therefore can lower the risk of inter-state conflicts. Nevertheless, such prices affect economic and fiscal activity that facilitates redistribution of oil income in favour of the authoritarian regimes in petrostates, which do not necessarily have revolutionary governments. Hence, the implications of oil wealth during lower price oil markets can be ironic in terms of increasing intra-state conflicts in the Middle East.

The literature on inter-state conflict (militarized interstate disputes) underlines the effects of how a regime is formed and how it has changed. It should be noted that there is no statistically significant relationship between regime type (democratic or autocratic) and international conflict when we analyse at the state level.<sup>21</sup> The arguments of democratic peace theory as democracies do not fight with each other can only be considered at a dyadic level.<sup>22</sup> In other words, having a democratic regime does not mean those states do not engage in war. Rather, regime change and regime formation are more important variables than regime type to explain reasons for inter-state conflict at state level.<sup>23</sup> States with evolutionary regime formation and gradual regime change are less likely to engage in inter-state conflict than states with revolutionary regime formation and abrupt regime change.<sup>24</sup> These findings are important to elucidate further the conflict enhancing behaviour of a petrostate with a revolutionary government past.

Accordingly, the social and political movements following the so-called Arab Spring, which started in Tunisia in December 2010, unfold the problems of state-building and regime formation in the history of the Middle East. When we consider the rapid changes in the region since ISIS's attack on Mosul in June 2014, a high degree of uncertainty in key areas of regime-nature, intra-societal balances, and inter-state relationships throughout the region moved an already volatile Middle East towards not only greater instability but also towards a traumatic state of affairs for human security. The dangers of abrupt regime change enforced by sub-state actors or a power struggle via proxy wars among non-petrostates and conflict enhancing petrostates with a revolutionary government experience in the past should be re-considered by all involved parties in the aftermath of civil war in Syria, ethnic or sectarian violence in Iraq, and the war in Yemen.

To sum up, the existence of oil does not necessarily trigger conflict, but the consequences of oil wealth associated with the potential of radical regime change and policy autonomy of leaders in conflict enhancing petrostates should be carefully examined to understand challenges for energy security in the Middle East. The relationship between oil and secessionism in explaining intra-state conflicts is important in understanding how a power struggle over oil wealth can pose serious risks also for regional interdependence between Turkey and its energy-rich neighbours.<sup>25</sup> The following section focuses on Turkey's increasing energy and trade relationship with Kurdish sub-state actors in Iraq and deteriorating relations with other Kurdish sub-state actors in Syria.

### Intra-state conflict and Kurds in Iraq and Syria

The neighbouring energy-rich countries of Turkey are important not only for its energy security but also for its efforts to strengthen regional interdependence via booming trade relations. Between 2004 and 2009, the most popular export destinations in terms of the increase in the total number of Turkish firms exporting to one country were Iraq (3326 firms), Azerbaijan (2687 firms), and Iran (2566 firms).<sup>26</sup> Turkey is a major investor in the Kurdish region of Iraq, with 1329 companies ranking number one in 2014 among all foreign firms registered to do business there.<sup>27</sup> Furthermore, about 300 local firms have been established by Turkish citizens in the Kurdish region.<sup>28</sup> Turkey's exports to Iraq have also been steadily increasing from \$3.9 billion in 2008 to \$11.9 billion in 2013.<sup>29</sup> However, the last two years accounted for a decline in exports (\$8 billion in 2015)<sup>30</sup> due to rising instability and logistical difficulties after ISIS attacks to northern Iraq.

Relations between Turkey and Kurds in Iraq have historically been uneasy.<sup>31</sup> Since the Kurdistan Workers' Party (PKK) launched armed attacks from Iraq against Turkish territories in 1984,<sup>32</sup> the key factor in Turkish foreign policy towards Iraq has been a deep suspicion of the gradual transformation of Kurdish rule to an autonomous federal region and the Kurdish people's historical aspirations to an independent state, which was perceived to bring negative repercussions for Turkey's own 'Kurdish problem'.<sup>33</sup> While the US invasion of Iraq in 2003 added to a decades-old belief among the Turkish public that the foreign powers intend to create an independent Kurdistan that would partition Turkey, the Justice and Development Party (JDP) government pursued a new activism in its foreign policy known as 'zero problems with neighbours'.<sup>34</sup> Turkey's then Minister of Foreign Affairs Ahmet Davutoğlu's over-confident foreign policy was explicitly praised by senior foreign policy figures asserting 'Turkey as a new rising power center in the most important corridor region of the world'.<sup>35</sup> In light of such a transformation in Turkey's approach to the Middle East, then Foreign Minister Davutoğlu visited the KRG and announced the opening of a consulate in Erbil.<sup>36</sup> In March 2011, Turkey's then Prime Minister Recep Tayyip Erdoğan visited the KRG region, the first for such a high level visit.<sup>37</sup> The JDP government's decision to increase cooperation with the KRG aimed to strengthen a regional interdependence in which energy security has been both a goal and an instrument by creating economic incentives to lessen risks of Kurdish secessionist aspirations in Iraq and to solve Turkey's Kurdish problem.<sup>38</sup>

However, the power struggle over the ownership and distribution of oil revenues in Iraq created a tension between Turkey and the federal government in Baghdad during the period between KRG President Massoud Barzani's visit to İstanbul in April 2012 and

Iraq Prime Minister Nouri al-Maliki's resignation in August 2014. The Turkish government tried to move beyond the conflict between the KRG and the Iraqi federal government in Baghdad about oil revenue-sharing mechanisms, management of oil fields, and disputed territories. But in the absence of a federal hydrocarbon law, a set of ambiguities and omissions in the related articles of Iraq's constitution impeded significant progress in increasing oil production and distributing oil wealth in all Iraqi governorates.

The most controversial issue in the constitution is about oil ownership under the federal structure of the Iraqi state. Although no federal unit can technically separate from Iraq, Article 119 recognizes the right of one or more governorates to organize into a region, and Article 117 specifically endorses the region of Kurdistan as a federal region. These articles, along with Article 140, which asks for a census and a referendum in Kirkuk and other disputed territories 'to determine the will of their citizens', create ambiguity in defining regional borders and oil fields belonging to one or neighbouring regions.<sup>39</sup> While Article 111 states that 'oil and gas are owned by all the people of Iraq in all the regions and governorates', Article 112.1 contradicts this, referring to the joint management of 'present fields' by the federal government, oil-producing governorates and regional governments, and implying that new exploration and production is to be fully controlled by regions and provinces, excluding the federal government.<sup>40</sup> There is more ambiguity in the constitution, regarding oil sector management. Articles 115 and 121.2 state that the regions and producing governorates have the final say in the areas of shared (Article 114) and regional (Article 121) jurisdiction. In light of these specific articles, the meaning of 'present field' in Article 112.1 is the most contentious point. 'Present field' is not a standard term in the petroleum industry, thus it can be interpreted in multiple ways,<sup>41</sup> which creates disputes regarding a revenue sharing formula. Article 112.1 clearly states that the federal government, with the producing governorates and regional governments, distributes the revenues from the present fields 'in a fair manner in proportion to the population distribution in all parts of the country'. Unless 'present fields' are defined as developed and undeveloped discovered Iraqi oil fields, revenue distribution would obviously favour the provinces where the bulk of oil reserves is located.<sup>42</sup> Thus, the bone of contention between the KRG and the Iraqi federal government has been control over northern Iraq's oil production and revenues.

Nevertheless, Turkey increased its cooperation with the KRG government and tried to downplay the tension between Erbil and Baghdad. Ankara talked with Baghdad about extending the Kirkuk–Ceyhan pipeline to Basra in July 2012. In December 2012, the Turkish-British venture Genel Energy trucked a small amount of oil extracted in the Kurdish region to Turkey's Ceyhan terminal. However, the Iraqi oil ministry responded swiftly to Kurdish oil exports bypassing Iraq and suspended payments for the 17 per cent of its federal budget allocated to the KRG for its share of national oil production.<sup>43</sup> Not only Iraq but also the United States opposed oil exports from any part of Iraq without the approval of the federal Iraqi government.<sup>44</sup> But in March 2013, a framework agreement was reached between Turkey and the KRG, which includes investing in some exploration blocks and facilitating oil and gas exports in the Kurdish region.<sup>45</sup> In May 2013, then Prime Minister Recep Tayyip Erdoğan announced a deal between Exxon Mobil and a Turkish state-run oil firm to develop projects in the Kurdish region. Although Iraq's deputy prime minister of energy declared that 'the deal is illegal and is not in line with the Iraqi constitution,' Erdoğan emphasized the importance of energy cooperation with the KRG.<sup>46</sup> When

the construction of an independent pipeline to carry oil from the Kurdish region to Ceyhan terminal in Turkey was completed at the end of 2013,<sup>47</sup> the Turkish-state-owned pipeline company, BOTAŞ also started building a new gas pipeline route towards the northern Iraq border to import gas from this region.<sup>48</sup>

Although the Turkish government's decision to allow operation of new independent pipelines from the KRG region to Turkey seeks a balance between Erbil's fears of exploitation by the federal government and eliminating Kurdish secessionist aspirations, Baghdad asserts its rights over both old and new oil fields ('present fields' in the constitution). The KRG's claims to sign contracts for any new fields in its territory<sup>49</sup> and closer relations with Turkey to access international markets underline the relationship between oil wealth and intra-state conflict in Iraq. In October 2013, Turkey emphasized its respect for Iraq's constitution and stated that 'it will not permit any kind of oil shipments without the approval of the federal government in Baghdad'.<sup>50</sup> In the aftermath of ISIS's initial attacks on northern Iraq in June 2014, the required defence cooperation between the KRG's Peshmerga armed forces and the Iraqi army forced the new government of Haider al-Abadi to sign a temporary agreement with the KRG to settle the oil dispute.<sup>51</sup> However, Peshmerga forces had taken control of Kirkuk and its giant oil field, as well as other major fields in the north of ISIS-controlled areas. As of January 2016, the KRG controlled areas were enlarged by about 40 per cent.<sup>52</sup>

The confrontation with ISIS has also revealed the fierce competition among Kurdish political groups. The Democratic Union Party (PYD) in Syria has been in rivalry with the Kurdistan Democrat Party (KDP) over the Syrian Kurds.<sup>53</sup> In fact, a media war after the siege of Kobane (known also as Ayn al-Arab) by ISIS in September 2014 demonstrated entrenched divisions among sub-state Kurdish actors. Although the PYD and its armed forces of the People's Protection Units (YPG) in Syria are strongly interlinked with the PKK and its militia People's Defense Force (HPG) is training the YPG, their leaders and the pro-PKK Kurdish Freedom Movement (KCK) leaders exchanged accusing statements.<sup>54</sup> Because the quick advancement of ISIS next to KRG controlled areas in Iraq raised questions about the actual military capability of Kurdish armed groups in Iraq. However, the PYD of Syria and its armed forces, the YPG, were able to take control of the Kurdish-majority areas (now called Rojova, 'the West') in northern Syria. The political rivalry among Kurdish parties was evident when Barzani stated 'PKK, PYD are the same' in March 2016 following an official condemnation of the PKK officials' threat to disrupt the export of natural gas from the KRG region through Turkey.<sup>55</sup>

Meanwhile, Turkish foreign policy has been like a roller coaster ride since the raging civil war in Syria in 2012, when the fighting between opposition groups and the government forces reached the capital Damascus and Aleppo.<sup>56</sup> The turning point for the JDP government's threat perception against ISIS and other sub-state actors in the region was advancement of YPG forces in Syria and their capture of Tal Abyad, a strategic northern border town, from ISIS on 16 June 2015. On 20 July 2015 a Turkish suicide bomber recruited by ISIS killed dozens of youth peace activists gathered in Suruç to deliver aid for children in Kobane, which is a couple of hours away from the Turkish border town.<sup>57</sup> On the other hand, the results of the June 2015 general elections, which recorded the highest support for the pro-Kurdish Peoples' Democratic Party (HDP) in Turkish political history, had raised hopes for a conflict resolution process of Turkey's Kurdish problem.<sup>58</sup> However, the incidents following the Suruc bombing and the JDP-led interim government's shift to



military measures against the PKK ended the ceasefire. The clashes escalated between Turkish security forces and the PKK has been devastating for Kurdish people living in the insurgency zones. While political parties failed to form a coalition government, the intensified attacks by the PKK against security forces and another ISIS suicide bombing in Ankara on 10 October 2015, which was the deadliest terrorist attack in Turkey, spread fear among the public.

Following the rising insecurity surrounding ISIS attacks in urban areas and the military measures against the PKK, Ankara's insistence on a military defeat of the Bashar al-Assad regime as a condition of joining the US-led operations against ISIS was halted.<sup>59</sup> In a statement issued on 24 July 2015 Turkey announced that it would allow US forces to operate against ISIS out of Incirlik Air Base as well as from bases in Diyarbakir and Malatya.<sup>60</sup> Although Turkey's alleged involvement with ISIS was interpreted as Turkey's disappointment with the US's vigilant policy to remove the Assad regime in full force and as Turkey's containment policy against Kurdish groups' advancement in Syria,<sup>61</sup> the government's relations with the post-state entity ISIS and Kurdish sub-state actors in Syria and Iraq developed into a new phase.

The US support for and cooperation with the YPG, the military unit of the PYD raised questions in Ankara. Turkey considers the PYD to be an offshoot of the PKK despite Ankara's initial approach to engage the PYD into opposition for the removal of the Bashar al-Assad regime in Syria. In fact, in July 2013 then Foreign Minister Ahmet Davutoğlu explicitly stated Turkey's three basic expectations from PYD: (1) not to cooperate with the Assad regime, (2) not to form a de facto political status in Syria, and (3) not to endanger the security of Turkey's border.<sup>62</sup> The so-called 'Kurdish corridor'<sup>63</sup> was perceived as Turkey's recurring nightmare about an independent Kurdish state and a threat to its military measures against the PKK.<sup>64</sup> The US government also designates the PKK a terrorist organization but says it regards the YPG as a separate group. The American effort to rebrand the YPG as a coalition with Arab rebels called the Syrian Democratic Forces has brought only a small number of Arabs into the force so far. Thus, the political tension among opposition groups in Syria as well as between Turkey and the United States over the involvement of PYD forces in war against ISIS has continued since 2013.<sup>65</sup>

In short, within the complicated and ever-changing power landscape in Syria and ISIS controlled areas of Iraq, the post-state entity of ISIS and Kurdish sub-state actors have gained ground that represents clear risks of abrupt regime changes within the existing states of Iraq and Syria or revolutionary regime formation if partition of Syria occurs.

## Conclusion

The JDP government's efforts to create regional interdependence with its neighbouring energy-rich states were severely undermined through rising violence in Iraq and Syria's collapse into a failed state. Furthermore, the structural problem for democratization in petrostates limits the benefits of regional interdependence particularly for ordinary people.<sup>66</sup> The structure of the rentier economy in petrostates combined with the repression effect is well known to be the major problem in intra-state conflicts of the region. The dependence of prominent state bureaucrats, military officials, regional administrators, and businessmen on the allocation of oil wealth, strictly controlled by the political leadership and its extended network of family/tribe members, further strengthens the policy autonomy of



leaders in the petrostates of the Middle East. Similarly, the ruling political leaders in Iraq, including in the Kurdish region, have been closely associated with networks of major tribe members along sectarian lines.<sup>67</sup> These groups are supportive of the ruling political leadership to the extent that oil revenues and resources in nepotistic sectors are distributed selectively in exchange for political acquiescence.<sup>68</sup> In fact, previous Prime Minister Nouri al-Maliki's authoritarian rule and nepotism has reignited ethnic and sectarian violence in Iraq, where May 2013 saw the most violent politically related attacks since 2006 and 2007, and before the expansion of ISIS into Iraq.<sup>69</sup>

Therefore, it is important to note that the on-going strife in the region is mostly driven by agencies of intra-state conflict, which is embedded in the structural problems of democratization and the struggle over distribution of wealth among social forces.<sup>70</sup> In other words, solely focusing on oil and interstate conflict or a proxy war, which can change the geopolitical map of Syria and Iraq would be misleading. In light of the arguments that underline the risks of abrupt regime change in existing states or 'revolutionary regime formation',<sup>71</sup> intra-state conflicts are a potential for combustion in the region in the aftermath of bloodshed among various ethnic and sectarian groups.

Accordingly, the role of Kurdish sub-state groups should be reconsidered by all actors involved in Syria and Iraq. While Turkey, Russia and the United States officially endorse the territorial integrity of Iraq, their geostrategic differences regarding the Syrian conflict pose serious contradictions for energy security in the region. The YPG, fighting together with some Free Syrian Army-aligned rebels, and backed by US-led coalition air strikes against ISIS, have taken control of some territories in Syria with its ethnically mixed population.<sup>72</sup> While Washington shied away from engaging diplomatically with the PYD, the Syrian civil war has been sowing feelings of mutual distrust and revenge for so long that an exclusive military focus to defeat ISIS is insufficient. Moreover, Russia's presence in Syria now creates stronger threat perceptions among various groups in their competition to capture new territories while rolling back ISIS. In fact, the tension between the Erbil and Baghdad governments over ownership and control of oil revenues adds to the entrenched divisions within Kurdish groups who use the Russian military presence in Syria as leverage in their bargaining with the United States.<sup>73</sup>

No matter how ideologically and emotionally fraught it is, Kurdish secessionism and/or the strategic benefits of a 'Kurdish corridor' could not eliminate structural and agency driven problems of intra-state conflict underlined in this article. Consequently, Turkey and other involved parties in the region should focus on a political map that compares short-term benefits of a proxy war or stability enforced by sub-state actors' authoritarian control over oil revenues and secure pipeline routes with the long-term benefits of empowering distributive mechanisms of oil wealth for human development within the territorial integrity of Iraq and Syria. In other words, a narrow agenda prioritizing accessibility and affordability of energy resources is insufficient to enhance energy security since the reliability of energy suppliers matters and cannot be maintained in the paradox of energy trade and oil wealth impeding peaceful and democratic change in the region.

## Disclosure statement

No potential conflict of interest was reported by the author.

## Notes

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42. Anbar, Duhok, Babail, and Diwaniya provinces have no developed or discovered oil and gas fields. The ethnic and sectarian distribution of the population in oil- and gas-rich provinces favours relatively Shi'ite and Kurdish people, except for Kirkuk, which is a multi-ethnic province.
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54. For details, see O. Ali, 'The Implications of the War on ISIS in Kurdistan', *ORSAM Review of Regional Affairs* 10, (Ankara: ORSAM, September 2014), pp.5–7.
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process' by the KRG President Massoud Barzani, see the last section in *Conflict, Democratization and the Kurds in the Middle East: Turkey, Iran, Iraq and Syria* edited by D. Romano and M. Gurses (New York, NY: Palgrave Macmillan, 2014).

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