

Q & A: CYPRUS, GREECE, ISRAEL, US AND ENERGY IN THE EASTERN MEDITERRANEAN

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In recent years, energy, and its connection to security and stability in the Eastern Mediterranean, has increasingly occupied headlines. To say the least, the geographical area in question is pregnant with risks of major upheavals, including armed conflict of which Syria is the current glaring example. What would be a simplified -- if we are allowed to use the term -- outline of the major concerns emerging against the backdrop of oil and gas exploration and current strains and stresses in the region?

It takes courage to use the term "simplified" about a vortex that continues to threaten international peace and security. With the Middle East crisis as the perennial backdrop, countries like Cyprus, Greece, and Israel are developing mutual ties in order to proceed with exploiting energy discoveries in their respective seas. But, of course, nothing is simple in the Levant. Turkey continues to flex its muscles under the increasingly strident leadership of PM Erdogan, who misses no opportunity to declare Turkey's unilateral "rights" in every direction. A nascent strategic partnership between Greece and Israel has been affected by Greece's economic collapse and repeated external bailouts. Cyprus remains divided, with Turkey occupying its northern part and demanding a "re-united" island under a federated state that recognizes the Turkish minority as an equal partner of the majority Greek population and, effectively, legitimizes the results of the 1974 Turkish invasion of the island without any meaningful settlement. In the immediate background, the US is concerned with maintaining peace in the region and promoting American oil interests already developing in the Levant. At the end of the day, there is unfortunately nothing "simplified" about this mind-boggling situation.

What is the present relationship between Greece and Israel?

Both countries have been working to expand their relations in recent years. After decades of a chilly approach to Israel, Greece has made a truly strategic volte-face and is seeking meaningful, close ties with the Jewish state. Israel, on the other hand, has publicly acknowledged this emerging "strategic relationship" and is working hard to promote it. Unfortunately, the economic catastrophe that has struck Greece makes bold moves difficult for Athens. Greece has not crossed into safe territory yet and political instability is still a distinct possibility. As a result, many initiatives, which looked workable until the present crisis struck in 2010, have been put on the backburner. Naturally, Israel is concerned with the delay but the present Greek condition is such that Greek political parties remain focused, almost exclusively, on the domestic scene.

Assuming that Greece regains stability soon, what should be the immediate focus of improving relations between Greece and Israel?

Undoubtedly, the hottest issue right now is oil and gas. And here Cyprus enters the equation as a key partner of both Athens and Jerusalem thanks to its emergence as a major energy player in the Eastern Mediterranean. The real knot in any such tripartite partnership is Turkey. Under the leadership of PM Erdogan, Turkey has been moving dangerously closer to radical Islam and becoming a major concern to the Western alliance. Ironically, Turkey remains in NATO and thus possesses leverage to frustrate Western security initiatives in the region. Turkey has distanced itself from Israel and Israel eyes Turkish warming relations with radical Islamists with justified alarm. And Ankara shows no sign of tempering its stance on Cyprus. The recent incident with the Norwegian oceanographic vessel MV Princess, chased by a Turkish warship while exploring the seabed on behalf of the Cypriot Government, is clear evidence that Turkey remains unpredictable and willing to exploit particularly European Union indecision and procrastination.

Many observers identify Cyprus as the emerging linchpin of energy security in the Eastern Med. Yet, the island is still divided and the economy in the once prosperous part of free Cyprus has collapsed. How do these two facts -- division and economic collapse -- can be offset so that Cyprus may fulfill a more active role in the energy equation?

This is truly the five million dollar question. Turkey remains adamant on the division issue but, on the other hand, Ankara knows full well that its burgeoning demand for hydrocarbons is such that it would be unwise, to say the least, for the Turks to cut themselves off the exploitation of already discovered oil and gas deposits so close to their country. Relations with Israel remain lukewarm and constant Turkish provocations in the Greek Aegean appear to help little in promoting stability with Greece. In the end though Turkey may be biting more that it can chew: Cyprus-Israel cooperation is advancing faster than perhaps the Turks expected and US business interests have become a major partner in this developing relationship. Only a few days ago, the Government of Cyprus and the so-called "Block 12 partners," i.e. Noble Energy, the Texas-based oil company, and the two Israeli companies Delek and Aver, agreed to accelerate face-to-face negotiations on building and operating an offshore LNG facility. Despite its economic woes and the political impasse with Turkey, the Cypriot Government shows political and economic initiative that do not go unnoticed in Ankara, Turkish saber-rattling notwithstanding. The Turks will be ill-advised to ignore the developing dynamic

surrounding the Block 12 partners and Cyprus, which, so far, has excluded any Turkish presence in the negotiations.

Where is the United States standing in all of this?

American strategic interests in the region are increasingly challenged by fast-paced developments that defeat even the most comprehensive intelligence estimates. American policymakers contemplate the chaos in Syria; Iran's persistent meddling in the Syrian conflict; the Palestinian crisis; and a resurgent Russian attempt to reestablish credible presence in the "warm waters" with increasing concern. Vladimir Putin's most recent play in the Crimea, and the West's rather confused reaction to it, has added to American worries. The Obama administration realizes that, after a decade of war, the US is perhaps growing weary as President Obama so pointedly suggested in remarks ahead of a scheduled visit to Saudi Arabia at the end of March when he observed that the United States "has its limits" in what it could militarily do in Syria. It is not surprising, therefore, if, between the Cyprus impasse and Greek-Turkish frictions, Washington now signals that it has had more than its share of attempting to bridge the unbridgeable and is ready for fresh proposals.

Yet, the United States still remains the superpower and its choices keenly influence the region.

No doubt about that. It is necessary, therefore, for the United States to assume again a leadership role, especially in regard to Turkey -- although, US-Turkish relations appear wearing thin thanks to Erdogan's now open support of Islamic forces inimical to Western interests. Nevertheless, Turkey's grandiose intentions -- planning to acquire an aircraft carrier and numerous new surface combatants, for example -- make a more active US involvement in the triangle Greece-Cyprus-Israel imperative. A good beginning is the Nemesis search-and-rescue training exercise, with the participation of Greece, Cyprus, Israel and the US. Nemesis is an effective demonstration of a strengthening relationship between the four countries as technical efforts to exploit hydrocarbons in the area gain momentum.

Can then Turkey afford to play the spoiler?

This question can only be answered by Turkey's current leadership. It was always a strong belief among the few Western analysts who always perceived Turkey as **not** the "bulwark for the West" that, eventually, Ankara would fall victim to its own intransigence and grandiose schemes. Currently, Erdogan's Islamic play brings Turkey closer to Iran and the terrorist Hamas organization, not to mention

the Turkish maneuvering in Syria on the side of fanatical Islamic factions. It remains to be seen whether such tactics will gradually lead Turkey to a major change of tack because of the advent of its own "silent Islam" majority. If such trends continue, Turkey could indeed emerge as yet another locus of instability in the region directly threatening Western interests.

All in all, can we speak of oil-gas becoming the adhesive material that could lead to a well-defined, functional, and proactive cooperation involving Greece, Cyprus, Israel and the United States?

Oil and gas could be the primer for all four countries to work out a well-defined cooperation formula that will leave behind assumptions and strategic mantras of the past. Greece, especially in its present position, would gain significantly from strengthening such cooperation. Cyprus is already scoring points with its determined stance on exploration and joint ventures with US and Israeli firms. With Turkey on its current course, **Israel emerges as the de facto front line of defense against Islamic fanaticism and threats of terrorism for the Atlantic alliance** and will greatly benefit by strengthening the corridor Cyprus-Aegean-Greece as the strategic depth it lacks on all other directions. As for the US, whose influence in the region has been diminishing thanks to events since 9/11, closer economic and defense ties between Greece and Israel will be keen factors in providing traction to US efforts against the re-appearance of Russia in the vicinity and, in the process, working out a new security understanding in the Eastern Med that would abandon fixations of the past which have demonstrably damaged American interests.