

In the 'Great Game' of the 19th century, global powers attempt to gain political control of a key region and therefore access to its resources and exploit its geographical position.

The expression was used particularly for what was in effect a confrontation between the Russian empire and the British Empire over the northern approaches to the Indian Raj – India, Pakistan, Afghanistan.

The Caspian Sea Basin (CSB) is currently an arena for geopolitical competition amongst a range of players from both inside and outside the region.

The perceived benefits of gaining the upper hand in political influence include opportunities to dominate the exploitation of the region's natural resources. This might include taking the lead role in exploration, production and ultimately transportation of the finished product.

Political influence in the CSB could also lead to geopolitical influence over the neighbouring regions of the Trans-Caucases and Central Asia.

Furthermore, the CSB is also seen from a European standpoint as vulnerable to emerging security threats. These include terrorism, drug trafficking, the proliferation of weapons of mass destruction, environmental degradation and regional disputes.

These combined factors help to explain why Russia, the United States, China, India, the European Union and even Turkey are players in this 21st century 'Great Game.'

In the immediate post-Cold War period the CSB was considered to be of little geopolitical significance by the West. Instead Russia was allowed to maintain a degree of influence over a region regarded as troubled by domestic political problems that deterred outside investment.

However, by the mid-1990s Western perceptions of the CSB changed dramatically.

With the discovery of an estimated 80 billion barrels of oil, the CSB was now seen as a significant energy producing region and potentially major supplier of natural resources to the West. In the case of Azerbaijan for example, the West is specifically interested in its estimated 7-13 billion barrels of crude oil and 30 trillion cubic feet of natural gas reserves.

However Western interest in the CSB was complicated by the global re-emergence of Russia.

At the beginning of the 21st Century Russia's economic fortunes improved, mainly as a result of increased global oil prices. This allowed Russia to consolidate its position as the world's second largest producer and exporter of oil and a major producer of natural gas.

At a recent London conference, a Russian diplomat also described his country as "an integral part of Euro-Atlantic civilisation."

He was also very aware of the impact on western opinion of what he called "the catastrophe in the Caucasus" for which he blamed irresponsible leaders and their military gambles.

It is clear that Russia sees itself as a Great Power, seeking international respect, but it is a flawed one.

President Medvedev himself recognised a few days ago that its democracy is weak, and it has problems of corruption, alcoholism and an ineffective economy. It has the enormous demographic time bomb of a huge country with a population declining below 140 million, weak infrastructure and a lack of economic diversity.

But nobody should write off this nuclear armed bear with its seat on the United Nations Security Council, its veto, and its energy and raw materials resources.

It is determined not to be left out of the Great Game. As that Russian diplomat also said "Strategic discussion is not an option, it is an obligation."

Russia's strategic location and control over most export routes for Central Asian oil and gas make it a very significant player on issues related to the CSB's energy reserves.

Of particular significance are battles for influence over the pipelines and transportation routes that connect the region with the consumer markets of Europe, Russia, the United States, China and Iran.

Oil enterprises are striving to develop pipeline routes that in the CSB theatre not in Russian interests. Russia has responded with, amongst other things, the SOCAR-Gazprom memorandum of understanding to buy Azerbaijan natural gas next year.

In terms of global institutions, the CSB has now become a rather crowded place.

The West's regional representation, for example, includes the Organisation for Security and Co-operation in Europe (OSCE) and NATO.

Such involvements have increased in significance as Western oil companies continue to expand their business activities and financial stakes in the region.

A significant NATO presence within and close to the CSB reflects not only its own strategic transformation but also the contemporary geopolitical outlook .

Since the end of the Cold War NATO's emphasis on territorial defence of its members has shifted to address conflict and instability beyond its treaty borders. These changes are mirrored in the desire of certain CSB states to rely on NATO to counter-balance Russian influence.

This has increased in significance since Russia's conflict with Georgia in 2008. But how likely are such desires to be met?

Russia's removal of a Georgian military presence in the separatist regions of South Ossetia and Abkhazia was widely regarded as an attempt to consolidate its position in the Caucasus region.

It is concerned that Georgian membership of NATO, with its Article 5 commitment to mutual defence, would put a much greater threat on one of its southern borders. I remind you that a threat is an intention plus a capability.

It is also made uneasy by a pro-Western Georgian government, and perceptions that the Baku-Tbilisi-Ceyhan pipeline is motivated more by geopolitical considerations than economic prudence.

Note : NATO did not interfere militarily despite capabilities in Turkey and the Black Sea. Issues of NATO and the EU will be discussed in Part 3.

Public opinion in Britain would have had great difficulty with military intervention in the region. An opinion poll in September 2009 showed that as well as the expected 60% opposition to British troops in Iraq, our presence in Afghanistan is opposed by 53% of the people.

Even military action which resulted in victories for the rights of self determination in Northern Ireland, an integral part of Britain, and the liberation of the Falklands Islanders from the invasion from the Argentine in the 1980's now only have outright support from just over half of the British people.

Aside from natural resources the CSB presents other security challenges that explain the West's continued interest in the region.

The Nagorno-Karabakh issue is still regarded as a tinderbox. Turkey's role as a player may be confirmed if the President of Armenia goes to a football match in Turkey on 14th October, and the border reopens by Christmas, as some hope.

Negotiations under the Prague process or otherwise must be better than the use of force in the resolution of this issue. But there may be no easy – or quick – resolution. It took thirty years of low level violence and ten years of political action in the public domain before a final settlement was implemented in the Northern Ireland region of Britain.

All CSB states regard terrorism as a key security concern. Terrorism, or religious nationalism, presents a particularly acute problem for Russia and its restive regions of Chechnya and Ingushetia.

As Western interests continue to develop within the CSB the potential for terrorist attacks on pipelines also increases.

A further target for terrorist attacks might be the development of supply routes across the

Caspian Sea for non-lethal cargo for US commitments in Afghanistan – perhaps as many as 30,000 containers a month.

Conversely, the CSB is also a major transit route for Afghan narcotics.

According to the US State Department's 2009 International Narcotics Control Strategy Report, Azerbaijan is a transit route for Afghan opiates on three fronts: from Central Asia and across the Caspian Sea, or from Iran through the south of the country or Nagorno-Karabakh.

Another to regional security is the legal status of the Caspian Sea. The big question is – is it a sea, or is it a lake? Iran has a lot to gain and Kazakstan a lot to lose if it's the latter, because during the Cold War the Soviet Union and Iran were the only states with a coastline on it. With the collapse of the Soviet Union five new states laid territorial claims to parts of the Caspian Sea.

Such issues may be challenges to the exploration of the Caspian Sea's natural resources and pipeline routes.

Nevertheless, regional cooperation IS desirable, IS possible, and IS happening.

On 11th September 2009, informal talks took place between 4 of the 5 countries concerned. Iran is publicly angry about being omitted. This "secret summit" was discussed more fully in Part 1 – Is it a sea or is it a lake?

Resolution of the long standing tension between Turkmenistan and Azerbaijan could allow Turkmenistan to divert some of its gas supplies away from Russian pipelines and into the proposed Nabucco project.

To overcome the perceived geopolitical interference of such projects Russia is of course countering with its alternative South Stream pipeline.

Since 2005 Russia, Azerbaijan, Kazakhstan and Turkmenistan have been part of the Central Asian Regional Information and Coordination Centre (CARICC).

The overall objective of the centre is to facilitate information exchange and analysis, and to assist regional law enforcement cooperation in countering narcotics smuggling.

With its headquarters in Almaty, Kazakhstan, CARICC is supported by the United Nations Office on Drugs and Crime in its law enforcement efforts. CARICC also works in partnership with such international players as Interpol.

CARICC's successes to date have included the seizure of Afghan narcotics in cooperation with regional partners. This has included 41 kg of heroin in Azerbaijan, and 28 kg in Turkmenistan.

Operations undertaken by CARICC have also resulted in the dismantling of ten drug trafficking groups and the arrest of several traffickers.

Both of these operations were coordinated with Turkish agencies, and although relatively small quantities were seized, they do prove the value of effective international co-operation on key issues.

The measurement of public opinion about the political importance of the CSB to the international system is practically non-existent, but conclusions might be drawn from what is known.

A 2005 opinion poll in The Times of London raised the issue of Britain potentially having to import half of its gas requirements from Scandinavia and Russia. According to the results of the poll, 83% of respondents considered this a cause for concern.

To overcome potential shortfalls in energy supplies, 79% of respondents approved of investment in new energy generating plants and in particular renewable resources.

People of the West now see nuclear power as a more reliable source of energy as well as being potentially cheaper. 2008 also saw British popular support for nuclear energy increasing. For the first time there was more support nuclear power than opposition.

A similar range of inferences can also be gauged from more contemporary American public opinion.

A survey in March 2009 found 59% of Americans favoured the use of nuclear energy.

Another survey indicated that 77% of Americans endorsed increased government efforts to encourage the development of alternative sources of energy production.

Remember that Sheik Yamami of Saudi Arabia and OPEC said of the duration of the hydrocarbon age: The Stone Age didn't end because the world ran out of stones.

The CSB region is not widely regarded as a geopolitical region of essential importance to global security. A June 2009 poll found that 51% of Americans regarded North Korea as a direct threat to US security. Only 11% regarded Russia as a major source of security concerns.

Despite a lack of information regarding Western public opinion of CSB-related issues, the West is home to many influential state and non-state players.

Through web searching and organisations like Human Rights Watch, the Western public is free to take whatever information it wants regarding democracy in the region and use it to mould its own opinions and the opinions of its leaders.

The world constantly changes. The doctoral thesis of the favourite son of Col Gaddafi of Libya said ; "Citizens in undemocratic states are not represented in the decision making processes of intergovernmental organisations."