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The Rentier State Model and Central Asian Studies: The Turkmen Case

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After the collapse of the Soviet Union, the theoretical perspectives for Central Asian studies became less capable to explore the region. The new republics of the region cannot be politically considered any more as a part of Soviet studies. They cannot be ideologically examined as socialist countries either. Some scholars have tended to survey Central Asian republics as a part of the Muslim world. However, the radical secularist political and bureaucratic structures of these republics, in addition to the weaknesses of the Islamic institutions (except Uzbekistan and Tajikistan), have complicated an Islam-based theoretical framework. The rising (particularly official) nationalism in these countries is also claimed to be an alternative window to analyze the region. However, nationalism is used very instrumentally by the governments of these countries, and moreover, does not have an institutionalized popular basis. Therefore, nationalism cannot be an independent tool of analysis. So, what might be the new theoretical perspective for Central Asian studies?

I argue that the rentier state model based on the natural gas and oil politics is the best analytical tool to analyze the newly independent republics of Central Asia. Natural gas and oil politics essentially affects both socio-economic and political structures of those countries, in a similar way that it has shaped the rentier states of the Middle East and North Africa. Furthermore, natural gas and oil politics has an eminent impact on Central Asian republics' foreign policies and their intra-regional relations, similarly to the explanations proposed by the rentier state model.

This paper will analyze Turkmenistan, as a representative case of the region, through the lens of the rentier state model. The first part of the paper will examine Turkmen domestic politics. I will begin with the relationship between the rentier economy and the colonial legacy. Then I will compare Turkmenistan and Libya as two rentier states. Next, I will examine Turkmenbashi's authoritarian rule. The second part will survey Turkmen foreign policy in light of the rentier state model in three issues: (1) Turkmen policy on the Central Asian integration, (2) Turkmenistan's neutrality status, and (3) Turkmen natural gas and oil policy based on multi-optional pipeline projects.

The Rentier State Model and Turkmen Domestic Politics

The Rentier Economy and The Colonial Legacy

The basic definition of a 'rentier state' is 'a state reliant not on extraction of the domestic population's surplus production but on externally generated revenues, or rents, such as those derived from oil.'¹ In this perspective, a rentier state is based on a rentier economy 'in which income from rent dominates the distribution of national income, and thus where rentiers wield considerable political influence.'² Since the rent (i. e., the income

derived from the gift of nature³) dominates the significant amount of the GDP, a rentier state generally lacks a productive outlook. In the literature some other terms, such as 'allocation state'⁴ and 'distributive state,'⁵ are used interchangeably with 'rentier state.' Those alternative terms emphasize the functions of state (allocation and distribution), instead of its source of revenue (the rent).

The rentier states are mainly located in the Middle East and North Africa. Lisa Anderson adds Venezuela to the list of rentier states, which includes Libya, S. Arabia, Iran, and Nigeria, among others.⁶ In addition to the rentier economy, many of these states share an historical institutional legacy. State structures in these countries began to be consolidated after colonization and the territorial boundaries 'had been created by outside powers before state-building started.'⁷

Along the same vein, the borders of today's Turkmenistan were drawn by Moscow in 1924 by the foundation of Turkmenistan Soviet Socialist Republic. The 'Turkmen nation' was designed by meeting Stalin's four criteria of nationhood: unity of language, territory, economy, and historical culture.⁸ Turkmen nation-building, however, was not consolidated in the Soviet era. During that period, the Turkmen nation has continued to be 'a tribal confederation rather than a modern nation', mainly because of the persistence of endogamy and dialects between tribes.⁹ Turkmenistan declared sovereignty in 1990 and independence in the following year. Since that time it has been in transition from socialism to a rentier economy.

The Turkmen economy depends on the revenues from natural gas, which constitute major portion of the GNP. According to data of January 1999, natural gas constituted 70

per cent of Turkmenistan's total export, cotton fiber - 12,8 per cent, and crude oil and oil products 9 per cent.¹⁰ As this data shows, Turkmenistan's oil production is less important than that of natural gas. The state has a monopoly on the property of natural gas and oil reserves, their revenues, and the distribution of those revenues. The state aims to use natural gas revenues to consolidate its institutional structure. It also seeks to gain popular support by providing free housing, electricity, water, and bread. Similar to other rentier states,¹¹ Turkmenistan's political legitimacy remains quite low and is bound to the state's ability to continue these welfare functions.

The former socialist system and current rentier state structure in Turkmenistan have some similarities. Both systems generally bring in an unproductive and huge number of government employees.¹² Moreover, they both provide social services and subsidies. However, the meanings of those policies differ in socialist and rentier regimes. While the former implements those policies as a result of socialist mode of production and state-based property system, the latter use these policies as welfare programs and distribution of external capital flow while possessing a capitalist economy.

In rentier states, the combination of the rentier economy and the colonial legacy results in two general problems. Economically, colonial exploitation is an impediment for industrialization. After independence the new state is supposed to initiate an industrialization policy. However, the rentier economy encourages short-term expenditure rather than long-term investments. In other words, the rentier revenues become a source of shortcoming, instead of an opportunity, for economic development. The second problem is political. The colonial power systematically diminishes sources of resistance, including

traditional social institutions. Following independence, society needs to rehabilitate the oppressed social institutions and associations. Nevertheless, the state becomes too powerful in comparison to the society due to the rentier revenues. The state, analogous to colonial policies, regards social institutions and associations as sources of political resistance and oppresses them. The result, in many rentier states, is weak society in short-term and weak state in long-term.

Turkmenistan has faced the economic and political problems caused by the Soviet colonialism and the rentier economy. Between 1961-1980 more than 500 billion cubic meters natural gas were produced in Turkmenistan SSR.¹³ Moscow exploited that production and did not invest in the native country. Currently, Turkmenistan lacks an industrial infrastructure at any level. Following independence the state has spent the natural gas revenues to the luxurious consumption rather than to the long-term infrastructure. Similarly, the Soviet Union created an institutional vacuum in the Turkmen society by destroying the social and religious institutions. On the other hand, the bureaucracy is a benefit provided by the Soviet Union to Turkmenistan. Turkmenistan inherited a bureaucratic structure from the Soviet Union like other Central Asian republics, which is hard to find in many Middle Eastern rentier states. Since independence the Turkmen state has established a monopoly on political, economic, and even social life using natural gas revenues. The state does not allow the development of social forces and systematically weakens them to preserve its own hegemony. As a result, the rentier economy consolidates authoritarianism in Turkmenistan.

Comparison between Turkmenistan and Libya

The rentier state is financially depends on international capital inflow. The external revenues free the state from the need of taxation. '[W]henver the state essentially relies on taxation the question of democracy becomes an unavoidable issue, and a strong current in favor of democracy inevitably arises'.¹⁴ On the contrary, the political principle in a rentier state is 'no representation without taxation'. Moreover, since oil production is a capital-intensive industry, it results in a lack of organized labor through unions and leftist opposition while supporting centralized state structure. For these reasons, the rentier state structure is essentially is incompatible with democracy. It is well-matched with various kinds of authoritarian regimes. In S. Arabia, the rentier state structure co-exists with a monarchy, in Iran with a theocracy, and in Algeria with an oligarchy.

Turkmenistan is neither a monarchy nor a theocracy nor an oligarchy. Libya is the rentier state that is most similar to Turkmenistan in terms of political regime. Both countries are ruled by leaders who created personal cults (Turkmenbashi and Kaddafi).

Dirk Vandewalle's analysis of Libya is insightful to compare these two countries through a rentier state perspective. Turkmenistan does not fit Giacomo Luciani's rentier state model in two issues. Vandewalle's explanations on Libya are helpful to solve these two problems. First, Luciani claims that in a rentier state individuals seek their interests within the system that is in charge of distribution. Therefore, 'Loyalty is to the system, not to individuals in power.'¹⁵ That contradicts Turkmenbashi's personal rule. Vandewalle, however, revises this model claiming that 'as particular in Libya, a careful and deliberate association of the

two [the distributive system and the leader] can yield a high political payoff, especially if it involves a charismatic leader.’¹⁶

Second, Luciani argues that a rentier state ‘does not need to refer a national myth and, as a matter of fact, will usually avoiding so.’ ‘A national myth,’ for Luciani, ‘may be interpreted as a basis to claim a say’¹⁷ for the sections of the population that are excluded from the allocation process. Turkmenistan, however, is not a patrimonial state like Gulf monarchies. It has a tribal structure, but the state is by no means captured by a single tribe. The state claims to represent the nation as a whole and promotes several national myths to unify the nation. The media and schools indoctrinate those national myths to the people. Vandewalle’s explanations on Libya are, again, helpful to solve the contradiction between the rentier state model and the Turkmen case. Vandewalle stresses ‘In Libya, particularly, we find its leader employing a powerful combination of ideology, charisma, reliance on moral persuasion and religious symbols, and invented *national myths* ...to instill a sense of community and create political allegiance where formal mechanisms are absent or meaningless.’¹⁸

Turkmenistan and Libya have also some other similarities, which are typical features of rentier states. First of all, they both have political structures based on colonial legacy and the luxury of oil and natural gas.¹⁹ Second, they have small populations (Turkmenistan 5 millions, Libya 2 millions) and huge hydrocarbon reserves. That encourages migration, especially worker transfer, from neighboring countries. Third, the distinction between public and private goods is often blurred in both countries, like many other rentier states.²⁰ It is hard ‘to distinguish treasury from pocket’ of the leader in Libya.²¹

So does in Turkmenistan. Finally, both states are pursuing nation-building policies to strengthen national identities vis-à-vis supranational ones (Islam, pan-Turkism, and pan-Arabism). In the following section, I will focus on the nation-building and other policies of Turkmenbashi to see the relationship between the rentier state structure and authoritarian regime in Turkmenistan.

Turkmenbashi's Authoritarian Rule

Saparmurat Niyazov, elected as the first president in 1990 and the president for life in 1999, has ruled Turkmenistan for a decade with an authoritarian regime.²² He was given the name of 'Turkmenbashi' (the head of Turkmens) following the independence. The legislative bodies, The *Mejlis* (Parliament) and *Halk Maslahaty* (People's Council), only rubber-stamp his decisions. The ministers do not have real power and they are frequently humiliated and sometimes fired by the President in live TV broadcasts. Military/civil bureaucrats also cannot limit Turkmenbashi's charismatic authority. Turkmenbashi's most significant policy, '*10 Yyl Abadancylyk*' (10 Years Stability), was declared in December 1992.²³ This policy aims to preserve political stability and socio-economic development avoiding opposition and political crisis. Following the declaration of independence, two opposition parties were constituted: *Agzybirlik* (Solidarity) and the Democratic Party. These parties have been suppressed and are now banned. The Peasant Party was planned as a non-opposition party. Although it was registered, this party became inactive. As a result, Turkmenbashi's Democratic Party of Turkmenistan (formerly the Communist Party of Turkmenistan) is the only political party.

Under the direction of Turkmenbashi, the Turkmen State initiated the nation-building policy to fill the ideological vacuum, to maintain the source of legitimacy for the new nation-state, and to adapt to the inter-*national* system. The governmental nation-building policy has two main goals, the unity of Turkmen tribes and gradual socio-cultural de-Russification of Turkmenistan. These goals are pursued through promoting Turkmen as the vernacular language, using history writing and propaganda, controlling education, and channeling the media to transmit symbols and narratives. The development of Turkmen as the vernacular language both helps to maintain national homogeneity as a 'national glue' extinguishing differences between tribal dialects and to weaken the influence of the Russian culture.

Tribal identities, especially the five biggest ones, Teke, Yomut, Ersary, Salyr, and Saryk, are still influential in social life. The lack of a hierarchical mechanism and leadership within the tribes is a historical legacy,²⁴ which weakens the current political roles and influences of the tribes. Although Turkmenbashi is from the Teke tribe, his tribal loyalty is not strong since he grew up in an orphanage. He does not seek the dominance of the culture of Teke, the biggest tribe which was politically effective during the Soviet period.²⁵ Turkmenbashi's goal is to create a shared Turkmen culture.

The Turkmen society has a very limited role in the political life. The dearth of civil associations, a free media, a bourgeoisie class, and political parties result in the weakness of society vis-à-vis the state. The rentier state policies of Turkmen state (e.g., free electricity, water, and natural gas supplies) based on natural gas income, instead of the tax of the citizens, consolidate this uneven relation between the state and the society. The

bureaucratic *nomenclatura* try to preserve the rentier state regime, depending on the profits of natural gas like many Middle Eastern countries. On the other hand, the new generation, especially 4000 young Turkmen currently being trained in 24 countries abroad,²⁶ may strengthen Turkmen society in the future.

The Rentier State Model and The Turkmen Foreign Policy

The Turkmen Policy on the Central Asian Integration

In 1991, when the Soviet Union collapsed, the leaders of Central Asian countries met in Ashgabat and discussed common problems. However, they could not formulate a shared strategy and each country took its own way. After that, Turkmenistan set up bilateral relations with other Central Asian countries. Turkmenbashi has opposed the Central Asian integration since the early 1990s.²⁷

Several factors, such as the threat of Russian re-intervention to their independence, intra-regional minority and border tensions, and ecological problems, encouraged Central Asian republics to a regional integration. Those countries have strong religious (Sunni Islam), linguistic (Turkic with the exception of Tajikistan), and ethnic ties. The term 'Turkestan'²⁸ was used to define Central Asia as a unit entity symbolizing these ties. In early 1994, Kazakhstan and Uzbekistan signed an agreement to create a common economic space. In May 1994, Kyrgyzstan joined this agreement and the Central Asian Economic Union (CAEU) was founded.²⁹ In 1999, Tajikistan became the fourth member. This organization's initial objectives were the free movement of goods, services, capital, and labor among the members. The CAEU has been partially institutionalized; it has a permanent executive committee, a planning committee, a bank for cooperation and

development, and an interstate council which meets once a quarter.³⁰ In the summit of Central Asian countries in July 1998, Turkmenistan refused the invitation of other members to join to the CAEU. Turkmenbashi re-emphasized that Turkmenistan would go its own way.

Some analyses attempt to explain Turkmenistan's reluctance toward the Central Asian integration in light of its nation-building process. They claim that although Turkmenistan has cultural, historical, and ethnic ties with other Central Asian republics, it avoids a common Central Asian or Turkestan identity because that may challenge the construction of its own national identity.³¹ Nevertheless, Uzbekistan, though it also seeks a nation-building policy, is very enthusiastic toward the Central Asian unity. Therefore, it is very difficult to explain the different policies of these two countries through lens of nationalism. The rentier state model, especially Luciani's model on regional integration, has more explanatory power in this issue.

Luciani categorizes states in the Middle East in two groups: allocation and production states. The term 'allocation state' is used interchangeably with 'rentier state.' Both of these terms define a state where rent is earned and allocated by the government. In the words of Luciani, allocation states are 'states whose revenues derives predominantly (more than 40 per cent) from oil or other foreign resources and whose expenditure is a substantial share of the GDP.'³² The production state, on the other hand, is not based on oil or natural gas, but on the other rent-like sources, such as migrant workers' remittances, transit fees, and aids.³³ Foreign aids and military supports to production states can be provided by both neighboring allocation states and global super powers.

According to Luciani, S. Arabia is an allocation state and Egypt is a production state *par excellence*. Luciani claims that oil and natural gas revenues became sources of frustration and envy among Arab countries. For that reason, allocation and production states have different attitudes toward pan-Arab integration. 'The production states are aiming at a kind of regional cooperation that will regulate migration, liberalise trade and financial flows within the region and establish protection vis-à-vis the rest of the world.'³⁴ Egypt, for example, with its huge population and economic needs, seeks a pan-Arab unity in which it can gain financial benefits at the exchange of its military capacity. Allocation states, however, focus on the survival of their sovereignty and refrain from a regional integration:

Because they are structurally dependent on imports for almost all consumption and investment goods, they are extremely reluctant to give preferences to any other country and attach priority to being able to shop freely. For the same reason, they wish to be able to invest their surplus funds anywhere in the world. *De Facto* they need labour, but do not wish to formally acknowledge this by signing treaties with the countries of origin. In their present investment plans, access to the markets of industrial countries is much more important than protected access to a regional market.³⁵

S. Arabia and other Gulf monarchies, as typical allocation states, avoid a pan-Arab unity. In their perspective, '[t]he pan-Arab national myth...becomes the ideological cover that legitimizes a certain degree of interference in the domestic affairs of other countries in exchange for grants and subsidies.'³⁶

Luciani's model has also explanatory power in the integration of the Central Asian republics. Through the lens of this model, Uzbekistan is a production state that hopes to benefit from regional integration. It aims regional regulations via supranational institutions.

Uzbekistan has the biggest population of the region (22 millions) with a moderate natural gas production and pursues a regional hegemony to benefit from its neighbors' hydrocarbon reserves. Turkmenistan, however, is a typical allocation state that refrains from supranational integration. It would like to be free from formal constraints about investment and labour migration issues. Turkmenistan wishes to consolidate its sovereignty and is jealous against any intervention to its domestic issues.

Turkmenistan has huge natural gas reserves, which is the fourth biggest in the world (after Russia, the US, and Canada). Turkmenistan considers itself as financially self-sustainable and does not wish to share the wealth of the natural gas with its neighbors. Moreover, Turkmenistan needs to attract foreign investments to rehabilitate the disastrous Soviet legacy of economy and to be industrialized. Foreign trade is also vital for Turkmenistan, which depends on imported manufactures. Therefore, it does not give preferences to any other country and aims to pursue an 'Open Doors Policy' to broaden the range of countries that it has economic relations. For these reasons, Turkmenistan rejects not only the Central Asian integration, but also any kind of regional integration; it declared the neutrality status as well.

Turkmenistan's Neutrality Status

Turkmenistan, as an allocation state, wishes to restrict its sovereignty for neither Central Asian Economic Union, nor Turkic speaking countries summit, nor Commonwealth of Independent States. It would like to be free in its natural gas policy and to benefit from its reserves alone. To refrain from any supranational integration, it declares the permanent neutrality (*baki bitaraplyk*) status.

The neutrality status was formalized in the Turkmen Constitution. According to the Constitution, Turkmenistan committed not to start military conflict or war except in self-defense; not to participate in military pacts; not to maintain, produce, or transfer weapons of mass destruction; to refrain from political, diplomatic, or other moves that might lead to armed conflict or to take side in a conflict; and to refrain from leasing its territory to foreign military bases (Articles 5-6). Turkmenistan claims to constitute peaceful, amicable and beneficial relationships and dialogue with other countries, to refuse to participate in any economic sanctions, to support world community in its effort to prevent wars, and to esteem mutual respect, shared benefits, and non-intervention into domestic affairs.³⁷

In July 1992, in the meeting of the Conference on Security and Co-operation in Europe, Turkmenbashi articulated neutrality for the first time as a foreign policy principle. In 1995, the Economic Cooperation Organization and the Non-Alignment Movement recognized the neutrality status of Turkmenistan.³⁸ Finally, the permanent neutrality of Turkmenistan was accepted by the UN with the unanimous support of 185 countries on 12 December 1995.³⁹ Given the neutrality status, Turkmenistan refuses to take part in any integration of the Central Asian countries, of the Turkic states, of the Muslim countries or of the former Soviet republics.

Turkmenbashi always emphasizes that Turkmenistan accepts only bilateral and reciprocal relations based on self-interest: 'No postulates, favoring the common language, culture, territory or resources will convince us of the necessity of integration on a centralized basis.'⁴⁰ Many countries appreciate Turkmenistan's neutrality status. This status, for instance, is convenient for India, which fears the constitution of an Islamic bloc

in Central and South-Eastern Asia, including Pakistan.⁴¹ Additionally, this status is very favorable for US interests, which oppose any hegemonic power (e.g., Russia) in Central Asia and support the adoption of the international free trade and de-nuclearization in this region.⁴²

As I mentioned earlier, Turkmen state creates various national myths to unify the nation. The permanent neutrality became one of the widespread myths and narratives that aim to promote a sense of national pride and consciousness. TV channels and radios frequently repeat this phrase: ‘The first country which was accepted as permanently neutral by the UN, is our fatherland Turkmenistan. All Turkmens have the right to be proud of their fatherland. Therefore, it is compulsory for all of us to serve our fatherland.’ TV and radio broadcasts, poems, songs, and speeches praise *garassyz, baki bitarap* (independent and permanently neutral) Turkmenistan and its *merhemetli* (merciful) President. The day that the UN recognized the neutrality status of Turkmenistan, December 12, is accepted as the Day of Neutrality, the second most important national holiday in Turkmenistan after the Independence Day. In addition to this mythical aspect, neutrality status has significant pragmatic dimensions. Turkmenistan primarily expects that the neutrality status facilitate its natural gas and oil policy.

The Turkmen Natural Gas and Oil Policy

The natural gas and oil policy shapes, even determines, Turkmenistan’s relationship with other countries. Turkmenistan has estimated 21 trillion cubic meters of natural gas, and 6.8 billion tons of oil reserves.⁴³ In spite of the vital position of natural gas export for Turkmenistan, it could not sufficiently benefit from its huge resources. Turkmenistan sells

natural gas to Russia, Ukraine, Iran, Armenia and Georgia, but has price and payment problem with most of the customers, except Iran. Turkmenistan has periodically threatened to terminate natural gas export to several of these countries as a sanction, and sometimes stopped natural gas export.⁴⁴ For that reason Turkmenistan's natural gas export has decreased, annually, from 1992 to 1998, as follows (billion cubic meters, respectively): 51.8; 55.9; 26.1; 22.6; 24.3; 6.5; 1.8. ⁴⁵ In 2000, Turkmenistan partially solved this problem by a new export agreement signed with Russia.

Turkmenistan aims to reach several natural gas customers through various alternative transportation projects to raise its bargaining power, to maintain export stability, to augment the amount of natural gas export, and to decrease its dependence on Russia. Russia is the world's biggest natural gas producer (550-600 billion cubic meters in a year)⁴⁶ and a competitor of Turkmenistan. In this regard, the most important objective of Turkmen natural gas policy is to have a multi-option gas pipeline network to by-pass Russia. Turkmenistan still exports its natural gas mainly by the Russian gas pipeline, Central Asia - Center. In December 1997, Korpedje-Kurt-Kui pipeline was opened between Turkmenistan and Iran and became the first Turkmen gas pipeline to by-pass Russia.⁴⁷ This pipeline has much less capacity than the Russian one has. Therefore, Turkmenistan pursues four new gas pipeline-projects: to Turkey and Europe via the Caspian Sea (Trans-Caspian), to the same countries via Iran (Trans-Iran), to Pakistan via Afghanistan, and to China and Japan via Uzbekistan and Kazakhstan.⁴⁸

In October 1998, Turkmenistan and Turkey signed an agreement to export Turkmen natural gas to Turkey and then to Europe via the Trans-Caspian pipeline. This 2000 km

pipeline will cost \$ 3 billion. Russia opposes this project, because that will end the Russian monopoly on the transportation of Turkmen natural gas and that may also stop the export of Russian natural gas (with the Bluestream project via the Black Sea) to Turkey. The second project is 1400 km Trans-Iran gas pipeline, which will extend from Turkmenistan to Turkey via Iran. Turkey and Iran decided this project by the treaty signed in April 1996.⁴⁹ Although Iran has constructed the parts of that pipeline in its own territory, Turkey has suspended this project because of the resistance of the US and the anti-Iranian actors in Turkish domestic politics. Iran strongly opposes the Trans-Caspian gas pipeline project since it would impede the Trans-Iran pipeline project.

The Turkmenistan-Afghanistan-Pakistan pipeline is planned to be 1,500 km. An international consortium, Centgas, is still working on this project.⁵⁰ It is uncertain yet the implications of the US bombing of Afghanistan on this plan. The last alternative pipeline plan is the China-Japan project. A consortium constituted by Exxon, the Chinese national Petroleum Corporation, and Mitsubishi has been working on this project since 1995. Natural gas market in China is expected to be 100 billion cubic meters in 2010.⁵¹ This pipeline is planned to be 6700 km and to provide 30 billion cubic meters of natural gas in a year.

The materialization of some of these projects is crucial for the orientation of Turkmen foreign policy. Turkmenistan chooses its friends and enemies concerning the competition in the natural gas and oil markets. For example, the relationship between Turkmenistan and Azerbaijan broke down because of those countries' disagreement on the status of some overlapping oil reserves in the Caspian Sea. Similarly, Turkmenistan was

cooperating with Taliban expecting to hasten the Turkmenistan-Afghanistan-Pakistan pipeline project. Identities (i.e., Turkestani, Turkic, or Islamic) have minor impacts on Turkmen foreign policy in comparison to the factors related to natural gas and oil issues. In the debate about the legal status of the Caspian Sea and the oil reserves in the Caspian Sea basin, for instance, Turkmenistan supported the opinion of Russia and Iran (considering the oil benefits) against that of Kazakhstan and Azerbaijan (ignoring its shared cultural identity with these countries).⁵² In sum, the natural gas and oil policy, including the pipeline projects, is the main decisive factor for Turkmen foreign policy.

Conclusion

The rentier state model has the explanatory power in both Turkmenistan's domestic politics and foreign policy. The rentier economy supports the continuity of Turkmenbashi's authoritarian regime. Similarly, the rentier state structure shapes Turkmen outlook toward the regional integration in Central Asia and encouraged the declaration of the neutrality status. The natural gas and oil politics is the main pillar of the Turkmen foreign policy. The rentier state model also has explanatory power in the intra-regional relationship between Central Asian countries (e.g., Turkmenistan and Uzbekistan). It might be an effective theoretical tool for the analysis of other natural gas or oil-rich countries of the region (i.e., Kazakhstan) as well.

The rentier economy shapes state-society relations in Turkmenistan. The Turkmen state subordinates the society mainly because it has financial autonomy and a relatively 'modern' institutional structure while the society lacks an institutional network. The Turkmen state, so far, has achieved unifying the tribes and maintaining political stability

without any internal tension.⁵³ The short-term stability, however, does not guarantee the long-term survival for the authoritarian regime. Silence does not mean consensus. In the future, several groups may claim political articulation in the public sphere, although today they act ‘as if’⁵⁴ they are loyal to the regime. Furthermore, after Turkmenbashi’s personal rule, economic problems might ignite tension between tribal loyalties in the worst-case scenario. As Kiren Chaudry stresses in her analysis of S. Arabia, strong rentier states face hard times in economic crises.⁵⁵ Turkmenbashi and his cadre justify the authoritarian regime with the threat of political instability. On the contrary, strong society and social participation are vital for maintaining long-term stability.

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Notes:

¹ Lisa Anderson, “Policy-Making and Theory Building: American Political Science and the Islamic Middle East”, in Hisham Sharabi (ed.), *Theory, Politics and The Arab World: Critical Responses* (New York: Routledge, 1990), p. 61.

² Simon Bromley, *Rethinking Middle East Politics* (Austin: University of Texas Press, 1994), p. 94.

³ Hazem Beblawi, “The Rentier State in the Arab World”, in Giacomo Luciani (ed.), p. 85.

⁴ Giacomo Luciani, “Allocation vs. Production States: A Theoretical Framework”, in Luciani (ed.).

⁵ Dirk Vandewalle, *Libya Since Independence* (Ithaca: Cornell University Press, 1998).

⁶ Anderson, p. 61.

⁷ Vandewalle, p. 31.

⁸ Chantal Lemercier-Quelquejay, ‘From Tribe to *Umma*’, *Central Asian Survey*, Vol. 3, No. 3, 1985, p. 21.

⁹ Alexander Benningsen and S. Enders Wimbush, *Muslims of the Soviet Empire: A Guide* (London: C. Hurst and Company, 1985), pp. 95, 98.

¹⁰ *Turkmenistan News Weekly*, 5 April 1999.

¹¹ See Vandewalle, p. 27.

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- ¹² Beblawi, p. 91.
- ¹³ Togrul Aydin, "Turkmenian Oil and Gas", *Caspian. Official Publication of TIOGE '96*, (1996), pp. 2-5.
- ¹⁴ Luciani, p. 75.
- ¹⁵ Luciani, p. 76.
- ¹⁶ Vandewalle, p. 26.
- ¹⁷ Luciani, p. 77.
- ¹⁸ Vandewalle, p. 29; emphasis added.
- ¹⁹ See for Libya Vandewalle, p. 37.
- ²⁰ Beblawi, p. 91.
- ²¹ Vandewalle, p. 27.
- ²² See for the authoritarian regime in Turkmenistan: Semih Vaner, "Le Turkmenistan: Pouvoir Personnel et Ressources Energetiques", *Defense Nationale*, Vol. 55, No. 8-9, 1999, pp. 139-141; John Anderson, "Authoritarian Political Development in Central Asia: The Case of Turkmenistan", *Central Asian Survey*, Vol. 14, No. 4, 1995, pp. 509-527.
- ²³ *Turkmenistan News Weekly*, 11 November 1998.
- ²⁴ See: Mehmet Saray, *The Turkmens in the Age of Imperialism: A Study of the Turkmen People and Their Incorporation into the Russian Empire* (Ankara: TTK, 1989).
- ²⁵ Lemerrier-Quellejey, p. 23.
- ²⁶ *Turkmenistan: Today and Tomorrow*, edited by Muhammed H. Abalakov (Ashgabat, 1999), p. 101.
- ²⁷ Quoted in Anderson, p. 523.
- ²⁸ Turkestan has been the name of the land placed between Caspian Sea, Great Wall of China, Kazak Steppes, and Indian Mountain. Today, eastern Turkestan is located in China (the Xinjiang region).
- ²⁹ Nesrin Sungur, 'Yeniden Yapılanma Sürecinde Orta Asya Türk Cumhuriyetleri ve Geçiş Dönemi Sorunları', in Büsra Ersanlı Behar (ed.), *Bagimsizligin İlk Yillari* (Ankara, Kültür Bakanlığı, 1994), pp. 240-241.
- ³⁰ Richard Pomfret, 'Trade Initiatives in Central Asia: The Economic Cooperation Organization and the Central Asian Economic Community', in Renata Dwan and Oleksandr Pavliuk (eds.), *Building Security in the New States of Eurasia: Subregional Cooperation in the Former Soviet Space* (New York, M .E. Sharpe, 2000), p. 21.
- ³¹ See R. Freitag-Wirminghaus, 'Turkmenistan's Place in Central Asia and the World', in Mehdi Mozaffari (ed.), *Security Politics in the Commonwealth of Independent States: The Southern Belt* (New York, Macmillian Press, 1997), p. 76.
- ³² Luciani, p. 72.
- ³³ Bromley, p. 95.
- ³⁴ Luciani, p. 82.
- ³⁵ Luciani, p. 82.
- ³⁶ Luciani, p. 83.

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- ³⁷ *Foreign Policy of Neutral Turkmenistan: Speeches, Statements and Interviews by Turkmenbashi* (Ashgabat, The Ministry of Foreign Affairs of Turkmenistan, 1997), pp. 106-109,112.
- ³⁸ See Boris O. Shikmuradov, 'Positive Neutrality as the Basis of the Foreign Policy of Turkmenistan', *Perception*, Vol. 2, No. 2, 1997.
- ³⁹ *Turkmenistan: Today and Tomorrow*, p. 15.
- ⁴⁰ *Foreign Policy of Neutral Turkmenistan*, p. 35.
- ⁴¹ Madan Mohan Puri, 'Central Asian Geopolitics: The Indian View', *Central Asian Survey*, Vol. 16, No. 2, 1997, p. 251.
- ⁴² Stephen Blank, 'Energy, Economics and Security in Central Asia: Russia and its Rivals', *Central Asian Survey*, Vol. 14, No. 3, 1995, p. 397. See also Graham E. Fuller, 'Central Asia: The Quest for Identity', *Current History*, Vol. 93, No. 582, 1994, p. 149.
- ⁴³ *Guide For American Business: Energy Markets of Europe, Russia, & The CIS*, The US Commercial Service/US Department of Commerce, (September 1997), p. 143.
- ⁴⁴ See: *Turkmenistan Country Overview*, TDA Crossroad of the World Conference, p. 7.
- ⁴⁵ *Special Survey. Official Publication of TIOGE '99*, p. 199.
- ⁴⁶ *Caspian. Official Publication of TIOGE '97*, (1997).
- ⁴⁷ *Special Survey. Official Publication of TIOGE '99*, p. 199.
- ⁴⁸ See Frederic Grare, 'La Nouvelle Donne Energetique Autour de la Mer Caspienne: Une Perspective Geopolitique', *Cahiers d'etudes sur la Mediterranee orientale et le monde turco-iranien*, Vol. 23, 1997.
- ⁴⁹ *Turkmenistan News Weekly*, 31 August 1998.
- ⁵⁰ *Turkmenistan: Today and Tomorrow*, p. 71.
- ⁵¹ *Turkmenistan News Weekly*, 29 March 1999.
- ⁵² Between 1995-98, Turkmenistan, Russia, and Iran argued that Caspian Sea was technically a lake and they supported condominium principle in the governance and participation of the Caspian Sea resources. On the other hand, Kazakhstan and Azerbaijan insisted to benefit their coastal reserves without the intervention of other littoral states.
- ⁵³ See: David Nissman, 'Turkmenistan (Un)transformed', *Current History*, Vol. 93, No. 582, 1994, p. 186.
- ⁵⁴ For acting 'as if' in an authoritarian country see Lisa Wedeen, *Ambiguities of Domination: Politics, Rhetoric, and Symbols in Contemporary Syria* (Chicago: The University of Chicago Press, 1999).
- ⁵⁵ Kiren Aziz Chaudry, "The Price of Wealth: Business and State in Labor Remittance and Oil Economies", *International Organization*, Vol. 43, No. 1, 1989, pp. 101-145.