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The main goal of this brief paper is to focus on the complex relationship between energy and conflict in a given geographical space made up of what is often described as the Barents region. Our interest in this particular region is justified by two facts. Firstly, this region has become a model for cooperation between countries that only fifteen years ago belonged to the two opposite military-political blocs – or remained formally neutral – and after the end of the Cold War, under new political circumstances, decided to tear down the regional dividing lines and open a new chapter in their relations. Secondly, the area is believed to contain huge energy resources and may become a new energy province providing both Europe and the rest of the world with energy.

In other words, developments in the Barents region have proven that reconciliation over the old dividing lines is possible if there is a political will to do so, but at the same time the discovery of huge energy deposits in the region may lead to rising the stakes and turn it into an area where new conflicts of interests can emerge, this time not of ideological but rather of economic character. What makes the situation in the region even more complicated is that the Russian part of the region has traditionally played a crucial role in Russian military strategy and planning and is still described as a strategic bastion.[1] When we in addition know that the current Russian leadership directly links the country's grand strategy with its energy resources we have all the ingredients that may make a study of the relationship between energy and conflict in this particular area a rather daunting task.

In order to address this problem I will focus on two energy projects that are directly linked to the Barents region and look at how these two projects are viewed by various actors who are involved in their realization or may be affected by it. Then I will identify the main issues relevant for

the European debate on energy security and conclude the study by looking at how the identity of the actors involved may impact on their choices of various energy strategies and how these policy choices may either increase or decrease conflict potential in Europe.

Energy projects and their readings

The two energy projects that will be in the focus of this study are the planned development of the Shtokman gas field and the Northern European Gas Pipeline (NEGP).

The **Shtokman gas and condensate field**, located 550 km north-east of Murmansk was discovered in 1988. It has proven natural gas reserves of 3,200 bcm of the gas[2] about twice as much as the Troll field in the North Sea, Europe's biggest producing offshore gas field. According to various plans the development of the field was to begin in 2007, 2010, 2015 or even in 2020. The field is to produce between 60-90 bcm of gas per year and the required investments could amount to some $ 30 billion, including the planned LNG plant. The most important market for gas produced at Shtokman is West Europe – via a planned pipeline – and the US where the gas is to be shipped on board of a fleet of LNG ships.

In order to provide Western Europe with gas from Shtokman there was a plan in the beginning of the 1990s to build a gas pipeline going from the Murmansk area through the Kola Peninsula and Karelia to the Gulf of Bothnia, and then under the Baltic Sea to Germany and other Western European gas customers. The pipeline was to be build by a Finnish-German-Russian consortium, but in the end of the 1990s it seemed that these plans were postponed or even dropped. However, on 8 September 2005, German and Russian companies BASF, E.ON and Gazprom signed a deal on the construction of the gas pipeline to be used to deliver Russian gas to Germany.[3] Since Russian President Vladimir Putin and German Chancellor Gerhard Schröder were present at the ceremony, the deal was immediately read both by its supporters and opponents not only as an economic agreement, but also as a political one.

NORTHERN EUROPEAN GAS PIPELINE

NEGP is to be a 1200 km long gas pipeline that is to be build by 2010 under the Baltic Sea from Portova Bay (Russia) to Greifswald (Germany) in order to supply the Western customers with 55 bcm of Russian gas per year. The Russian gas giant Gazprom owns 51% of the shares in the project, while the two German participants – BASF and E.ON – control

24.5 % each. The owners of the project present it as 'a new chapter in the history of cooperation with European gas consumers' and its main goal is to deliver 'Russian natural gas to Western Europe avoiding transit states along its route.' The main economic rationale for the project is the expected rising demand for gas in Europe, that is going to need 100 bcm of gas more than it consumes today by 2010. According to official reading of the project, the opening of the new route is to result in a diversification of export routes, 'make supplies more flexible and directly connect gas transport networks of Russia and other countries in the Baltic Sea area to the European gas grid. In addition the NEGP will bypass transit states reducing sovereign risks and costs of Russian gas delivery and enhancing reliability of export supplies.' Another important goal of this project is to 'expand gas supplies to Scandinavian countries as well as provide reliable gas supplies to consumers in Western Europe, the North-Western region of Russia and the Kaliningrad Region.' [4]

These two energy projects are maybe the most important new developments in what could be termed a new chapter in the European energy game. They are to help Russia export its energy resources to Western markets, and help the West solve its own energy security dilemma.

However, these two projects have been read in different ways by different European actors. Some of them have expressed huge interest in joining these projects, while others meant that the realization of some of these projects could be harmful to their national economic and even security interests In order to understand why the various European actors read these two projects in so different manners it is important to start with a brief presentation of these readings, and then to make an attempt at explaining what are the reasons for such different readings of these two projects that are apparently to help Europe address its energy security dilemma.[5]

When we look at the current state of the European debate on energy security and readings of these two projects – and Russia's role – in the European energy security game, we notice that Norway is one of the countries that present the most enthusiastic approach towards energy

cooperation with Russia, while Poland represents the opposite end of the scale and can be properly described as the country that has shown most reluctance to deepening of its energy cooperation with the same actor. What has made these two European actors and Russia's neighbours adopt two so different strategies for energy cooperation with Russia ? What has made them present future energy cooperation with Russia in so different discursive manners, either as an opportunity or as a threat?

Norwegian reading of Shtokman: an opportunity?

As far as Norwegian reading of future energy cooperation with Russia is concerned, Norway adopted a strategy of presenting this cooperation as an opportunity for Russia and Norway to develop their cooperation in the North, and as a chance for the Norwegian companies, Statoil and Hydro, to join the Russian gas giant Gazprom in the development of a difficult and challenging gas project at the Shtokman field. The two Norwegian companies decided to participate in a bid for Shtokman, and after the first round they were among the five Western companies – the others being the French Total, and the US based ConocoPhilips and ChevronTexaco – on the Gazprom's so-called short list of potential cooperation partners. Also Norwegian policy makers adopted a similar approach to deepening of energy cooperation with Russia, a cooperation that was presented by both the Norwegian and Russian policy makers as a strategic partnership.

There were, however, two slightly different rationales for this cooperation. President Vladimir Putin was aware of the fact that the main reason why foreign companies were interested in cooperation with Russia was the country's mineral wealth and its mineral raw material resources, that were at the same time seen as having 'important potential for the country's economic development.'[6] It was, however, widely believed that in Putin's Russia the Western companies would be given access to Russia's mineral wealth first and foremost in a situation when the development of the new assets would require competence that is 'currently beyond Russian firms' capabilities'.[7] This was also the main Russian rationale for having accepted the Western – and the Norwegian – bid for Shtokman. In his comments on the development of the Shtokman field president Putin presented a rather pragmatic view on why Russia was interested

in developing closer cooperation with Norway: 'You have indeed heard that we have talks with many countries on the development of various fields. But the Norwegian companies are on the top of our list. We are very pleased to have them working with us. They work without any arrogance and in a very professional manner. They have already developed infrastructure in the High North while their own production sinks. That means that it would be natural to combine our efforts without spending extra money on unnecessary infrastructure.'[8]

As far as the Norwegian rationale for closer energy cooperation with Russia, especially in the Barents region, was concerned the reasons for that were presented by the Norwegian Foreign Minister, Jonas Gahr Støre, in his Washington speech[9] in which he outlined the main lines of Norwegian foreign policy. In Støre's words developing Norway's relations with Russia is a cornerstone of Norwegian High North Policy, and the Norwegian management of this bilateral relationship has been a real contribution to peace and stability in Northern Europe. He added that Norway wanted to 'move forward in developing a new kind of relationship built on joint opportunities, in improving the management of living resources and not least in pursuing what president Putin has called a strategic energy partnership between Norway and Russia.' Støre was also clear in his assessment of the role of energy when he added that energy is a new dimension that contributes to reintroducing the High North to the political scene. He also clearly showed that he understood the role energy policy plays in Russian designs, and referred to the question of energy security, energy supply and energy dependency as important elements of a new political game in Europe, pointing at the fact that consumers and providers could have different approaches to these issues.

It was not only official Norway that has been showing interest in increasing the level of energy cooperation with Russia. A brief analysis of the titles of articles published in main Norwegian media over the last months shows that this cooperation was seen as an important element of Norwegian strategy, but also that this cooperation was seen as bound with some risks. On 24 April 2006 one of the main Norwegian newspapers, *Dagbladet*, published an article entitled 'Gas, Bread and Circus. Statoil

and Hydro want to serve Putin's tool Gazprom'. On 21 May 2006 *Bergens Tidende* had an article on 'energy bear that roars in the North'. On 15 June 2006 *Dagens Næringsliv* wrote about Norwegian companies 'running after Putin', while on 2 July 2006 Norwegian press agency NTB had an article entitled 'Russians fish for Norwegian oil expertise'. On 18 July 2006 *Dagens Næringsliv* wrote that 'hope for cooperation on Shtokman is on increase' and on 10 August *Nordlys* had an article entitled 'While we wait for Gazprom'.

The Norwegian companies, policy makers and public hoped that the cooperation between Norwegian and Russian energy sector was to result in a qualitatively new situation in the High North, that by joining forces Gazprom and its Western partners were to be able to establish a new European energy province. Norwegian companies' offshore activities have been moving towards the High North since the beginning of the Norwegian oil and gas adventure, and the High North was to become a Russian-Norwegian energy meeting point, where Norway was to cooperate with Russia on the development of huge energy assets, when it was 'time to integrate Norwegian and Russian expertise.'[10] Norway was to provide state of the art offshore technology, while Russia was to retain control over its energy assets and use them as a policy tool in the country's energy strategy, and in its relations with various actors interested in strengthening energy cooperation with Russia as a way of addressing their own energy security dilemma. There were also some hopes among the Norwegian energy policy makers and managers that the energy cooperation with Russia in the High North could result in a sort of melting of Norwegian and Russian energy interests in the North. According to this vision Russia was to take in use the Norwegian pipeline networks that were to have free transport capacity due to the expected decrease in Norwegian production of gas and oil on the continental shelf. In that sense cooperation with Russia in the High North was not only to provide an opportunity to Norwegian companies to participate in an ambitious and challenging energy project in the Shtokman field, but also to prolong the whole life cycle of the Norwegian gas and oil industry that faces a sharp decrease in production in years to come.

This 'Shtokman as an opportunity' vision was however completely shattered by the Gazprom's 9 October 2006 decision to develop Shtokman on its own. According to *RIA Novosti* Alexei Miller, Gazprom's CEO said that his company had failed to find partners able to propose acceptable conditions for the development of the deposit. In that situation Gazprom plans to develop Shtokman on its own and send gas from this deposit to European customers via the planned NEGP pipeline. Also president Putin said that Russia was reconsidering its plans, and that gas from Shtokman may be sold not on the US LNG market, but be pumped via a planned pipeline to Germany that is to play a special privileged role in Russian energy designs for energy cooperation with Europe.[11]Putin's proposal on assigning Germany a special energy role was repeated during his September and October meetings with the new German Chancellor Angela Merkel, with whom Putin did not mange to develop such a cordial relationship as with her predecessor Schröder. However, it seems that Merkel's Germany may be interested in pursuing a more balanced policy towards energy cooperation with Russia and base it more on a common European energy strategy. If it was to be the case, this shift in German attitude towards energy cooperation with Russia would be more then welcomed by at least some Central European actors, and especially by Poland that has voiced many concerns in connection with Russian-German energy rapprochement under Schröder.

Polish reading of NEGP: a threat?

While Norway treats possible energy cooperation with Russia as an opportunity and a chance to strengthen overall cooperation with its Eastern neighbour, the Polish attitude towards energy cooperation with Russia is completely different. The Polish overdependence on Russia as a supplier of energy is interpreted as a threat to the country's energy security and national sovereignty. In the Polish security doctrine of 4 January 2000 the importance of this issue was underlined in the chapter dealing with the questions of economic security in the following words: 'Securing the energetic security of the country requires diversification and protection of the sources, and channels of supply of the most important imported sources of energy such as oil and natural gas. It is necessary to secure guaranteed, long-term supply of the energy resources to our country and

to try to find suppliers both in the countries that are our allies and in other countries.'

Poland has voiced many concerns about the use of energy for political purposes and one of the top priorities of the Polish political establishment has therefore been to find new alternative sources of energy supplies that would make Poland less dependent on deliveries from Russia. This was the main rationale behind the signing in September 2001of a Polish-Norwegian deal on deliveries of Norwegian gas to Poland. This project was dropped by the new Polish government that came to power only weeks after the signing of the agreement, but the issue of Polish need for diversification of the country's energy supplies reemerged after the 2005 elections and is today again defined as a top political priority.[12]

Until recently Poland has played a double role in the European energy game in the making. Especially after the construction of the so called Yamal Gas Pipeline Poland was not only to be treated as a final market for Russian gas and oil, but also as a transit country for supplies of Russian energy to the rest of Europe. This transit role secured Poland a certain level of energy security, because any action against Poland would also do harm to other Russian energy customers in Europe and in that sense damage Russia's credibility as a strategic partner of core European countries, especially Germany, France and Italy. However, when Russia and Germany decided to go on with the NEGP project, it was immediately read in Poland as a threat to the country's transit role, and therefore an immediate threat to the country's overall energy security. When Russia in addition showed in January 2006 that it was willing to use energy as a political weapon in order to make Ukraine pay more for the Russian gas – and indirectly punish Ukraine for the Orange revolution – the Polish establishment got really nervous, and the debate on energy security and possible ways of addressing this serious challenge gained momentum.

While the owners of the project present it as a chance for Europe to meet its growing gas demand, the Polish establishment reads it as a threat to the country's energy security and as a political and even geopolitical challenge.

As far as the political dimension is concerned the realisation of the project is, according to the Polish reading, to have huge political consequences, not only for the countries that are to be circumvented by the pipeline, but for the whole European integration project. This project is seen as a clear proof of the lacking ability on the part of the European Union to have a common energy policy. By signing this deal, it is said, Germany confirms that its bilateral economic and political relations with Russia are more important than cooperation with the country's important EU partners facing the same energy dilemmas. According to this reading the NEGP is to be realised not so much as to provide European customers with Russian gas, but to provide German customers with Russian gas, to cement German–Russian economic and political bilateral cooperation, and to deprive the actual (Poland, Ukraine and Belarus) and potential (the Baltic coun-

tries) transit countries of their leverage in relations with Russia. This could expose them to Russia's unveiled threats of using 'energy leverage' as a political tool. In addition, this deal shows the lack of a common EU energy policy and a lack of an intra-EU energy solidarity. The EU that is not able to cooperate on such important issues as energy security of its member countries could not be seen as a serious actor and could not provide viable protection against what was seen as a possible Russian energy black mail. This deal was seen simply as a manifestation of economic egoism and re-nationalisation of long term strategy in the field of energy security on the part of one of the core countries of the EU. This bode not well for the future of the European integration project and for the future of common European energy policy.[13]

As far as the geopolitical dimension of the project was concerned the project is interpreted as an attempt at regaining geopolitical influence in Central Europe. According to this reading Germany could realise its Mitteleuropa dream of becoming the main player in the region, and project its political, economic and cultural power on that area under the EU-disguise, while Russia was to strengthen its geopolitical grip on the area that is seen in Russian geopolitical discourse as vital for the country's survival as an important geopolitical unit and 'projector' of geopolitical influence. Read in this manner the NEGP is seen as a symbol of the rebirth of the regional Russian–German concert of powers symbolised in the past by the cooperation of these two powers in the partitions of Poland, in their secret military cooperation in the time of the Weimar Republic and Bolshevik Russia, by the Rapallo Treaty and in the most dramatic way by the Ribbentrop–Molotov pact of August 1939 that resulted in the outbreak of the Second World War. This concern was voiced in the strongest way by the Polish Minister of Defence, Radoslaw Sikorski, at a conference held in Brussels in May 2006. Commenting on the NEGP project he said that 'Poland has a particular sensitivity to corridors and deals above our head. That was the Locarno tradition, that was the Molotov-Ribbentrop tradition. That was the 20th century. We don't want any repetition of that.'[14]

Having in mind the dramatic consequences this German–Russian cooperation had for the whole region it has to be said that Sikorski's

statement – that was widely criticised in Germany as improper – could be interpreted not only as an attempt to politicize but also to securitize the issue, to present it as a threat not only to cohesion of the EU and its energy policy, not only as a threat to energy security of the region circumvented by the planned pipeline, but also as a threat to the very existence of Poland – and probably some other countries – as an independent subject of European politics. No matter whether this reading was right or wrong this understanding of the NEGP was put on the European agenda and has thus become a part of what could be labelled 'official European NEGP discourse'. One can, however, ask why this particular energy project involving Russia is read as an almost existential threat, while another energy project that also involves Russia seems to be read by Norway, a country that seems to share the same values and live up to the same norms as Poland, has been until quite recently read as an opportunity. To find a proper answer to this intriguing question one has to take a look at two other aspects of the broader context of the European energy security debate – the debate on the energy security itself and its identity dimension.

Energy and security

When addressing the issue of energy security it is practical to start with an attempt to map the concept. Energy security can be said to have at least four aspects and the debate on energy security may address either all of them or focus on only some. Threats can be seen as stemming from the lack of available resources and labeled resource related threats to energy security. These threats may also have a purely economic dimension, meaning that energy commodities are available physically but the price you have to pay for getting access to them is prohibitive or too high. Discussion on energy security may also focus on technological aspects, for instance on the issue of transport bottlenecks, on the threat energy transport may pose to environment or on the use of other, easier available raw materials as a replacement for the energy commodities that are either too expensive or unavailable for other reasons. In many cases debate on energy security also focuses on what could be termed political aspects of that issue. Among the most important questions policy makers have to address when discussing this dimension of energy security are the ques-

tion of the use of energy resources as a political leverage, the question of political stability of the country that is to supply one with energy, and the precautions that can be taken in order to minimize the risk of being exposed to politically motivated energy threats.

When addressing the issue of energy security policy makers should also have in mind what sort of threat their country is to face. To what extent potential threats are probable, what is the scope of the energy security threat – those are only a few of questions that have to be addressed. Is the energy security relevant threat of imminent character, or is to be treated as something that can happen only in theory? Do we face a low-scale threat that we can cope with without big problems, or do we face something that can be described as an existential threat to our society or to our vital economic interests?

The very nature of the potential threat is also an important issue policy makers have to deal with when addressing energy related threats to security. They have to understand whether they face technological problems that can be coped with if one takes in use another technology or transport method. Are the threats to be addressed of political character, like political pressure, where our ability to address the problem is rather limited or are they related to the increasing shortage of energy resources due to the depletion of global gas and oil deposits? Another problem they have to face is the economic challenge linked with the increasing energy prices at the international market and suppliers' demand for higher price for their energy commodities.

When discussing the issue of energy security one has to bear in mind that energy security means different things to different actors involved in international energy game. An energy producer approaches the issue of energy security in completely different manner than an energy customer, while transit countries may view the issue from another angle. This means that energy security related interests of these three groups of actors do not necessarily overlap, and sometimes are even on a clear collision course. This may make cooperation in addressing energy security related concerns a rather challenging task and may increase rather than

decrease potential for conflict in relations between actors with so different approaches to this issue.

Energy and security in the Barents region[15]

There are three important elements of energy security equation to be dealt with in the Barents region. Two of them are of more local character, while the third may have impact beyond the borders of that region. One has to understand that the Barents region is to be treated more as a virtual energy province than as a real one. It is true that there are some energy resources identified in that region, but little is known about how big they are, how economically and technologically feasible is their exploitation and to which markets they are going to be directed.

The first issue that has to be addressed when discussion on the future development of the Barents region as a new energy province is concerned can be termed as a hard versus economic security problem. The area that is going to be developed as a new energy province is also an area of high concentration of Russian strategic naval forces and their main area of deployment, transit and operations. Important decisions on the future of these Russian strategic assets have to be made and solutions have to be found to address the issue of the coexistence of Russia's nuclear strategic assets in the region and the development of the regional branch of the country's energy sector. According to various Russian plans the Murmansk region that is today the area of concentration of Russia's strategic nuclear forces is to become an international energy hub and Russia – and maybe international operators – are, according to these plans, to export huge quantities of oil and gas to international markets. An important emerging issue is therefore how to make the country's strategic forces and its regional branch of the energy sector live side by side, with both of them accommodating one to another.[16]

If these energy developments plans are to be realized in the region we will probably see a huge increase in the maritime traffic along the Norwegian coast and this could cause some problems in bilateral Russian-Norwegian relations, especially as far as the protection of environment and minimization of the risk of environmental catastrophe are concerned. Another

issue that has to be solved in bilateral relations is the issue of sovereignty and border delineation in the region, and the issue of slightly different interpretation of international regimes and agreements. Russia and Norway have not yet decided where their maritime border in the Barents regions is to go, and Russia does not fully accept the Norwegian interpretation of the Svalbard Treaty and its consequences for exploitation and management of maritime and natural resources in the region. Having in mind a clearly visible disparity of economic, demographic and not least military capabilities of the two countries this may result in some tensions and problems, especially in a situation when Norway may have some problems with persuading its traditional NATO allies that they should support the Norwegian claims. This disparity of potentials and uncertainty as to which direction Russia is going to take in the near future may be labelled "Norway's Russian dilemma" and is seen as one of the long-term strategic challenges Norwegian policy makers have to deal with in the regional context.[17]

Developments in the Barents region, especially the possible development of the region as a new energy province will also have huge impact on the European energy security debate as the resources to be discovered and exploited in that region may help Europe – and maybe the USA – address its own energy security dilemma. Europe is going to be more and more dependent on the imports of energy and Russia is indeed one of the most important actual and future energy providers. To what extent European energy needs are going to be met by supplies coming from the Barents region remains still to be seen, but the region is already seen as an important potential source of energy for Europe.[18]

Certain European actors display, however, a certain feeling of insecurity as far as the future of European energy cooperation with Russia is concerned. The main reason for that is that they see a clear tendency on the part of Russian current leadership to use energy as a political tool. This political use of energy has been evident in many moments of recent history, the most evidently in the row between Ukraine and Russia in 2005 and 2006 that culminated in the halt of gas supplies to Ukraine in January 2006.

What makes some of the members of the EU nervous is the clear linkage between Russian energy sector and the country's grand strategy realised by Vladimir Putin.[19] Russia is today an important supplier of gas to the EU covering more than 42% of import and approximately 20% of demand. More than 60% of the whole export of gas from Russia goes to the EU. This makes Russia the most important supplier of gas to the EU, and the EU the most important gas customer of Russia. Russia's energy cooperation with the EU defined formally as Russia-EU energy dialogue is an important part of Russia's overall energy strategy that in turn has become the centerpiece of Putin's national grand strategy. With Putin's ascent to power we could see that Russia was redefining the goals – and instruments – of its national grand strategy. What has been the trademark of Putin's approach was a shift from traditional power politics to a more geo-economic and pragmatically oriented approach.[20]

The energy sector plays indeed a central role in this new Russian grand strategy. The main elements of this energy centred grand strategy can be described as follows:

- The consolidation of the state's role in the energy sector (Rosneft and Gazprom);
- The strengthening of the link between the country's political and economic elite by making them overlap;
- The maintaining of the state's control of the pipeline system (Transneft);
- Control by Russia of the main export routes linking Russian energy 'deposits' with the global markets, known also as the strategy of transit avoidance;
- The policy of preventing access to markets of actual and potential suppliers of energy (Uzbekistan, Kazakhstan and Turkmenistan);
- The policy of using energy as a political tool;
- The strategy of the limiting of the role of Western companies in the Russian energy sector;
- The policy of using Russian energy sector as a way of increasing Russia's economic and political influence in the countries defined as important from a geopolitical point of view;
- The adoption of a comprehensive approach to the energy sector (Putin's thesis) and its problems.

During a conference organised by Moscow International Petroleum Club in 2000 the then Russian Minister of Foreign Affairs Igor Ivanov described the interdependence between Russian foreign and energy policy in the following way:
'One main priority of our foreign policy is further expansion and deepening of mutually advantageous cooperation with foreign countries and assisting in the implementation of large-scale investment projects in the energy sphere.'

The Russian Minister of Fuel and Energy V.Kalyuzhniy described the importance of gas and oil for the well-being of the Russian state and its citizens in an even more dramatic way:
'Oil and gas is a sharp-edged and effective foreign policy weapon and an efficient vehicle of mutually beneficial international cooperation in developing fuel and energy resources, enhancing the effectiveness of their use, and expanding to new and promising energy markets.'[21]
Kalyuzhniy was also aware of the fact that Russia needed a substantial amount of money in order to make its energy sector sustainable when he said that:
'Russia's oil and gas industry needs billions in investments. Without this it will just get bogged down and choke of its own problems'.

The attraction of new investors was, however, not possible without having access to a reliable market, and this need for investments/access to markets dilemma has probably been one of the main inputs in the work on the new Russian grand strategy developed by the country's new leadership. Another important issue that had to be addressed if the implementation of this new energy strategy was to be successful was the problem of Russia's dependence on transit countries through which Russia had to export most of its energy commodities and the problems of infrastructural bottlenecks that posed problems for Russian exporters.

It seems that at least some of these strategic problems could be solved by the development of Russia's energy assets in the High North (Shtokman) and by the construction of a pipeline circumventing transit countries (NEGP). However, the fact that Russian leadership treats these two

energy projects as strategic ones makes actors that could be affected by their realization rather more than less nervous. On the one hand the two projects are being presented as a potential solution to Europe's energy security dilemma, but on the other hand their realization is going to increase rather than decrease Europe's energy dependence on Russia and make it even more difficult for Europe to diversify its supplies of energy. This also explains why Polish attitude towards the NEGP has been so negative and why Poland seems to have problems with accepting the energy rapprochement between Russia and Germany.

When the decision on construction of NEGP was made public Polish policy makers voiced their strong concerns for three reasons. Firstly, they claimed that the construction of the NEGP would mean the abandonment of the Yamal II construction which was seen as contradictory to the Polish-Russian gas agreement. Secondly, construction of Yamal II was to increase Polish transit capacities, which was seen as consistent with the country's energy security priorities. And thirdly, they referred to what was described as Central and Eastern Europe's problematic experience in cooperation with Russia in the energy sphere.[22] It seems that especially this last issue has played a major role in Central Europeans' reading of Russia's intentions with the NEGP. In order to understand why Central Europeans have displayed so much distrust towards Russia – and towards tightening energy cooperation with Russia – we have to look at two aspects – one that has much to do with their current overdependence on Russia and the other one that has to do with Russia's role in the shaping of Central and East Europeans' political identity.

Energy and identity: what is this all about and what can be done?

As mentioned above there are two reasons why some EU members are sceptical to tightening energy cooperation between the EU and Russia. First, there are clear economic and political risks linked with this group of countries' overdependence on energy – especially gas – supplies from Russia. While the EU as a whole covers only slightly less than 25 per cent of its gas needs by importing gas from Russia, the new member countries cover almost 75 per cent of their consumption of gas by importing it from Russia and some of them – Latvia, Lithuania, Estonia import 100 per cent

of the gas they consume. These countries may feel that their overdependence on Russia may cause not only economic but also political problems because Russia may be tempted to use the energy leverage in order to get some political concessions, increase its political influence and limit their sovereignty.

The fear of Russia and its intentions is deeply rooted in the history of Russia's relations with the countries of the region. This fear has also been one of the main driving forces in these countries' post-Cold War choice of strategy of seeking closer cooperation and full membership in the two Western clubs. NATO was to provide them with military security against what was defined as a potential revival of the imperial thinking in Russia, and the EU was to provide these countries with additional economic support on their way towards what they saw as European economic and social 'normalcy' and help them decrease their economic dependence on Russia.

However, although these countries seem to have been able to escape Russia's sphere of geopolitical influence and somehow leave the Russia's sphere of interests they still feel that their energy dependence on Russia can cause some problems in the future, that Russia may use its energy leverage to the detriment of their overall security. Although they are safely anchored in the Western institutions, they feel that these Western institutions do lack deep, first-hand knowledge of Russia and have a naive view of Russia. At the same time they may fear that the growing Western Europe's dependence on supplies of energy from Russia may make the West reconsider its policy, make some of the core EU countries – like Germany or France – embark on a bilateral rather than a multilateral energy cooperation with Russia, and at the end of the day destroy one of the fundamental elements of the European integration project – the solidarity of its members.

The way actors view each other, the way actors interpret each others' intentions and designs, also in the field of energy policy, has much to do with these actors identity as players on the international stage. Identity is, however, not given once and for all, is not a constant, but rather something

that is constantly negotiated and renegotiated, something that is shaped not only by the actors' historical experiences, traumas and moments of glory, but also by their current social and political interaction with other actors on the international stage. This may also provide a solution to what is today seen as an increasing conflict of interests between the countries that view energy dependence on Russia as a long-term threat or at least risk, and those who still view Russia as a reliable strategic partner in the sphere of energy.

What seems to be at the very core of the problem today is the reading of Russia's long-term intentions in the sphere of energy policy – and more generally the choice of the path of development by Russia. Whether something is defined as a threat depends on two factors – the capability of the actor to inflict damage on other actors' interests and his intention to do so. Some of the EU members seem to believe that Russia has both capability and intention, while others claim that although Russia has the capability to inflict damage in the energy sphere, the country has no intention to do so, as it would be detrimental not only to the West's interests, but also to Russia itself. This liberal economic interdependence argument may have some hold, but in the area that over the last centuries has been exposed to so much conflict and cruelty the reality is read mostly in purely realist terms and states are suspected to have the intention of acting in a rather predatory manner. What can be done in order to change this attitude?

Norway may provide a good example to follow. Although during the whole Cold War period the Soviet Union had been defined as the main source of existential threat to Norway – and this was the most important reason why Norway decided to join NATO – after the collapse of the Soviet Union Norway embarked on a policy of engaging Russia. In order to engage Russia, Norway, in co-operation with its Nordic neighbours and other allies (the EU, the US), has been trying to establish a new framework for interaction in the region. In January 1993 a new regional body – the Barents Euro-Arctic Region (BEAR) – was launched by the signing of the Kirkenes Declaration.

From the very beginning BEAR has been a highly politicized project, and its main aim was bridging various gaps in a former 'frontline' area.[23] BEAR was to serve as a testing ground for ideas on development of regional co-operation over the former Iron Curtain. The creation of BEAR was a project involving former Cold War foes who were in that way contributing to getting rid of what was in this period perceived as a negative burden of the past.

Notwithstanding the fact that Norway was still a member of NATO, a military bloc perceived by Russia as a relic of the past, the country was stretching a helping hand to its great neighbour in east and tried to bridge a number of gaps in bilateral and multilateral relations. What has been a special feature of Norwegian policy towards Russia in the post-Cold War period was the attempt made by the Norwegian political establishment at supplementing the old relationship with Moscow based on the Norwegian membership in NATO with a new bilateral Norwegian-Russian agenda.
Norwegian policy towards Russia in the post-Cold War period has been based on the traditional policy of close co-operation with NATO, providing Norway with hard security guarantees in a time when Norway was also willing to develop more balanced bilateral relations with Russia. These relations were to be a part of a broader new liberal-institutional European framework of co-operation. Due to internal developments in Russia in the early 1990s and to Norwegian choices and decisions in foreign and security policy, these relations have over the last fifteen years become less 'geopoliticized' and more co-operative; more attention seems to be paid to co-operation in fields where both parties see their interests served, and if the countries compete with each other, they compete not so much as members of military alliances but as actors defending their interests mainly in the economic sphere.
The Norwegian example is interesting because it shows that is it is possible to embark on a new policy towards a country that for more than four decades had been seen as a source of strategic existential threat to Norway. The fact that Russia / the Soviet Union had been perceived as a threat and had contributed to forming modern Norwegian political identity as the most important constituting and threatening Other has not prevented the Norwegian establishment from embarking on a new policy

towards the country's big neighbour in the east. It is not that Norway does not have its concerns in relations with Russia, it is not to say that Norway does not watch the recent developments in Russia with some nervousness. This does however mean that the Norwegian leadership has made a conscious effort at opening a new chapter in relations with Russia, the fears of former period notwithstanding.

Norway has embarked on an active policy of building institutional bridges and narrowing the political gaps in relations with Russia, a policy that could be described as rooted to a very large extent in an institutional-liberal perception of the realm of international relations. One of the most important Norwegian initiatives 'expressing' this institutional-liberal approach was the creation of the Barents Euroarctic Region (BEAR) in January 1993. The creation of this form of regional co-operation was a manifestation of the political will to make Russia a part of a broader European institutional network, and it seemed that Russia itself was interested in this political rapprochement with its Western neighbours as Russian foreign policy discourse of 1992 was dominated by the so-called 'atlanticist' approach that sought to establish closer co-operation between Russia and the West. Norwegian policy towards Russia can be described as a policy of stretching of hands towards Russia. Due to the fact that Norway was a part of an effective military alliance, the country felt secure to pursue a policy of inclusion towards its eastern neighbour. NATO membership gave Norway a secure anchor in the transatlantic community and made the policy of opening towards Russia a safe game, as Norway could always count on the support of its NATO allies in case something went wrong in bilateral relations with Russia. In addition to that institutional security anchor, Norway that is itself a great global energy power, has not felt threatened by Russia's energy strategy to the extent the countries that depend energetically on Russia may have felt.

In the case of Central European countries, like Poland, the policy towards Russia has been driven more by historical experience and by the search for a new 'international role' than by a sober assessment of interests and goals. The main goal of Polish policy in the formative years of independent Polish statehood could be described as escaping the Russian sphere of influence. To manifest and underline the pro-Western policy of new

Poland it was very important to 'dissociate' from Russia. For Poland, NATO and EU membership was a means of securing the achievement of the strategic goal of 'escaping' the Russian sphere of influence. By obtaining a NATO security guarantee and becoming an EU member, Poland could open a new chapter in its relations with Russia, and pursue a policy of building relations based on a true recognition of each others' legitimate interests. However, the developments in both Russia – with a shift towards a more authoritarian and less democratic regime and towards a more assertive foreign and security policy – and in Poland – with a shift towards a more historical foreign policy – have contributed to souring bilateral relations and re-opening of some historical wounds. To what extent Poland is going to be able to follow the Norwegian path in its relations with Russia and open a qualitatively new chapter in bilateral relations and accept a greater role for Russia – and the Russian part of the Barents region – in European energy policy remains to be seen. The outcome will depend not only on the ability of the Polish leadership to open this new chapter, but also on the ability of the Russian leadership to convince Poland – and other actors – that Russia can be treated as a credible economic partner with no hidden imperial agenda and on the ability of Poland's EU and NATO partners to provide Poland with self-confidence that will enable the country to make this new opening.

The goal of this brief paper was to look at how energy, security and identity do interplay in the Barents region, and how this interplay may contribute to rising or decreasing conflict potential in the region and in Europe as a whole. This brief study focused on how identity of the actors involved in the realization of energy projects in the region affects their choices of policy and how this identity of actors may impact on conflict potential in Europe. By looking at the two specific energy projects and then showing that actors interpreted these projects in various ways depending on their identity, we established a direct link between the reading of the international scene in geopolitical, geoeconomic and identity terms. By focusing on Polish and Norwegian policies towards energy cooperation with Russia we have tried to show that identity does indeed matter. At the same time we have, however, tried to show that in the case of Norway it was possible to make an effort and to try to overcome the burden of the past and open a new chapter in bilateral and multilateral relations.

Footnotes

[1] For more on the military dimension see Kipp, Jacob (1999) Russia's Northwest Strategic Direction, *Military Review*, July-August, text available also at FMSO under: http://fmso.leavenworth.army.mil/fmsopubs/issues/rusnwstrat/rusnwstrat.htm
For a Russian view on that issue see Kokoshin, Andrei (2003) *Strategicheskoye upravleniye. Teoriya, istoricheskiy opyt, sravnitelnyy analiz, zadachi dlya Rossii* (Strategic Management. Theory, historical experience, comparative analysis and the tasks for Russia), Moscow: MGIMO and ROSSPEN, pp.319-320.

[2] According to a more recent assessment the field may have as much as 4 000 BCM – for more details on that see ://lenta.ru/news/2006/10/19/shtokman

[3] For more on that see: http://www.polit.ru/news/2005/09/08/ecothbasf.html

[4] http://negp.info/

[5] For more on various readings of NEGP see Godzimirski, Jakub M. (2006) How to Read Readings of the NEGP?, *Baltic Mosaic* nr.1, pp.34-47. The whole issue of the journal was devoted to the question of NEGP and how this project is read by various Europan countries.

[6] Balzer, H. (2006). 'Vladimir Putin's Academic Writings and Russian Natural Resource Policy'. *Problems of Post-Communism* 55(1), pp.48-54.

[7] Balzer, H. (2005). 'The Putin Thesis and Russian Energy Policy'. *Post-Soviet Affairs* 21(3), pp.210-225.

[8] *Dagens Næringsliv*, 17 July 2006.

[9] Jonas Gahr Støre's speech in Washington on 15 June 2006. The text of the speech is available at: http://www.odin.no/ud/english/news/speeches/minister_a/032171-090614/dok-bn.html

[10] Carlsen, Henrik (2005) *Challenges and opportunities in the Far North*, Presentation given at Troms County Committee on 6 December 2005, available from Statoil.com.

[11] *Expert on-line*, 25 September 2006 and *Gazeta.ru*, 11 October 2006.

[12] For the Polish reading of energy security see Raport: Bezpieczenstwo energetyczne Polski, *Bezpieczenstwo narodowe* nr.1/ 2006, pp.14–27.

[13] On the reading of the NEGP by the Polish President Lech Kaczynski see http://service.spiegel.de/cache/international/spiegel/0,1518,404675,00.html

[14] http://serwisy.gazeta.pl/swiat/1,34174,3321425.html and http://service.spiegel.de/cache/international/0,1518,413969,00.html

[15] For an interesting analysis of how the discovery of energy resources may change various actors' approaches to this region see Godzimirski, Jakub M. (2005) The New Geopolitics of the North?, *Security Policy Library* nr.2, The Norwegian Atlantic Committee: Oslo.

[16] For an interesting analysis of that issue see Åtland, Kristian (2003) *Russisk Nordområde-politikk etter den kalde krigen: forholdet mellom næringsinteresser og militærstrategiske interesser*, FFI Rapport – 2003/00713; Forsvarets Forskningsinstitutt

[17] For more on that dimension see Udgaard, Nils Morten (2005) Nordområdendes strategiske betydning i et nytt årtusen, *Kort-Info* nr.7, The Norwegian Atlantic Committee: Oslo.

[18] For more on the Norwegian perspective on this issue see Austvik, Ole Gunnar (2006) Oil and gas in The High North - A perspective from Norway, *Security Policy Library* nr.4, The

Norwegian Atlantic Committee: Oslo.

[19] For more on that link see Smith, Keith (2006) Russian energy policy and its challenge to western policy makers, *Security Policy Library* nr.4, The Norwegian Atlantic Committee: Oslo. See also Hill, Fiona (2004). *Energy Empire: Oil, Gas and Russia's Revival*. London: The Foreign Policy Centre and Olcott, Martha B. (2005). *Vladimir Putin and Russia's Oil Policy*. Washington: Carnegie Endowment for International Peace for an even more insightful analysis of Putin's energy strategy.

[20] V.Putin elaborated on that issue in an interview with Indian journalists that is available at the following web address: http://www.cdi.org/russia/johnson/4549.html

[21] Both Ivanov's and Kalyuzhniy's texts can be found in a special issue of *International Affairs* devoted almost exclusively to Russian energy sector (*International Affairs* vol.46, nr.2, 2000).

[22] For more on that see presentation given by a Polish expert Iwona Wisniewska at Harriman Institute on 10 April 2006 available at http://www.harrimaninstitute.org/MEDIA/00492.pdf. Also two other presentations given at the same seminar focus on positive and negative sides of increased energy cooperation between EU and Russia. These two are available at http://www.harrimaninstitute.org/MEDIA/00491.pdf (Ariel Cohen's presentation on NEGP) and http://www.harrimaninstitute.org/MEDIA/00493.pdf (Jonathan Stern's presnation on history of European – Russian energy cooperation).

[23] More on that in Tunander, Ola (1994) 'Inventing the Barents Region: Overcoming the East-West Divide', in: Schramm Stokke, Olav and Ola Tunander (eds.) (1994) *The Barents Region: Co-operation in Arctic Europe*, Sage; London and Jervell, Sverre (1994) 'The Barents Co-operation Intitative: Security in Northern Europe after the Cold War', in: Bæcklund Göran (ed.) (1994) *Common Security in Northern Europe after the Cold War*, Stockholm: Olof Palme International Centre. On the Russian reading of BEAR, see Sergounin, Aleksander (1999) 'The Barents Regional Co-operation and the Russian Security Discourse', in: Flikke, Geir (ed.) (1999) *The Barents Region Revisited*, Conference Proceedings, Oslo: Norwegian Institute of International Affairs.

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