

Energy and Soft Power: a Chance for the Role of the European Union in the International Order?

Veronica Lenzi¹

Abstract

The worldwide rapid increase in energy demand, especially from actors such as China, has created considerable competition with other importing countries, as the United States. The European Union is particularly exposed to the current critical situation by reason of its intrinsic weakness on the matters inherent to security and, notably, a fleeting common energy policy.

Since energy is a variable that will strongly determine the priorities of the major buying countries, not only from a trade point of view but also from a foreign policy perspective, several scholars argue that Europe should then undertake an alternative path. In this paper, I analyze the global trade war for energy resources will be studied through the lenses of the EU's foreign policy interests.

The paper will focus on the use that Europe can make of its soft power on hard issues, e.g. energy. I will demonstrate that EU's marked multilateral approach, economic relevance, and geographical position, can lead Europe to play a substantial role in the definition of the energy political and economic agenda. In fact, Europe can represent the necessary point of equilibrium between the approaches of other big importing countries, China and the United States.

First, the paper will discuss the current energy competition scenario, analyzing why the present situation is likely to lead to consistent and constant political conflicts. Second, the study will concentrate on Europe. It will move to investigate how it is possible to define soft power in relation to trade and security issues. Through a comparative analysis of the instruments that the U.S., China and the EU assign to energy regulation and competition, the potential of the EU soft power in reforming the inter-governmental relations on energy among buyers will be confronted with the American combined use of soft power and military dissuasion and the Chinese aggressive and focused energy diplomacy. Finally, the paper will investigate the main limits shown by the European approach to the implementation of its foreign and energy policies. I will consider the changes necessary for European soft power to recollect and develop its potential, to successfully address Europe's energy insecurity and define a different framework that reinforces and compacts the front of the major importing countries.

¹ IMT – Institute for Advanced Studies, Lucca, veronica.lenzi@imtlucca.it

1. Energy Competition Scenario: The Inexhaustible Hunger for Resources

Uncertain Perspectives of the Energy Market

Different opinions exist about the consequences of the current energy course; most of them describe the present situation as unsustainable not only in the long run, but also on a short-term scenario. However, each forecast –no matter how very well documented in terms of data- relies on particular assumptions about the meaning of energy trends that normally reflect a specific point of view of the actor who produced it, were it a government, oil company, or international organization. Despite the interpretative stance one may choose, however, it is undeniable that the energy market is expected to hugely rebalance in the upcoming decades. The 2009 World Energy Reference Scenario (IEA, 2009) confirms that the global energy demand has reduced its annual growth to 1.6% average between 2006 and 2030, mainly because of the effects of the economic crisis and the rise in energy prices. Demand for natural gas grows by 1.8% per year while renewables grow at an average rate of 7.2% per year, though remaining quite marginal in the overall energy mix, especially outside OECD. Prices favor the usage of coal, whose demand is projected to increase more than for any other fossil fuel, while oil remains the dominant energy resource. In fact, if we analyze the usage of coal we can easily see how –despite public declarations about the quest for new sources of energy- both industrialized and industrializing countries tend to rely on more classic types of fuels.

As expected, the world economies that are leaders in growth are also accountable for the largest part of increase in energy demand. China and India together are responsible for 51% of increment in demand for primary energy, but the Middle East is also enlarging its share, with a 20% demand increase for oil and 25% demand increase for gas. In general, non-OECD countries are shifting the balance of energy purchasing, accounting for 62% in forecasts for 2030. As far as supply is concerned, Middle East confirms its preeminence, followed by African countries such as Nigeria, Sudan and Libya (EIA, 2010).

According to all projections available, a rapid deployment of low-carbon technologies and a consistent increase of the GDP share invested in new technologies are fundamental to reduce the current energy stress and avoid disruptions. Current trends are unsustainable, even from a mere economic point of view. To foster energy security, climate change appears to be the most urgent matter to be addressed, together with the issue of oilfield decline, which call for a new composition of the energy demand.

The issue of what is going to happen next, both in case a more responsible stand is taken or, on the opposite, the current situation keeps up, has been the subject of various studies (Patterson, 2006, Yergin, 2006 and Klare, 2009). However, the role of governmental actors involved should be investigated better. Negotiations and political agreements are a crucial part in the functioning of the energy market. The recognition of the importance of state actors in determining the world energy agenda may call for a thorough analysis of how they perform their role.

In this situation, two different scenarios may take place (Shell, 2008 and WB, 2000). One possibility is to have national government highly pushing on their own energy security, managing it through bilateral trade agreements between buyers and suppliers. Producers would tend to keep prices high, resulting in very different energy performances among countries. Energy crises would continue and likely increase. Being cheap and still abundant, coal would be used as the shelter resource. On the other hand, an opposite scenario involves initiatives from world regions and big cities to create coalitions of interests and harmonize energy policies to reduce pollution and improve sustainable development.

The position of both importing and exporting countries is increasingly critical, especially since there has been a clear realignment between energy-surplus and energy-deficit states. While the firsts are increasingly competing for energy resources, the latter are sucking incremental amounts of money from oil-importing states – up to \$970 billion dollars in 2006. This fact not only provided main supplying countries with money, but also allowed them to use part of those gains to invest in the economy of prominent importing countries, such as the United States. It should be underlined how this trend interests only a bunch of exporting and importing countries. Some suppliers –like Chad and Gabon- do not possess enough natural resources to use energy as a long-term exportable good. Some importing countries, which are not rich and have shown little prospect for industrialization up to now, will not have enough money to face the increasing energy prices and will therefore suffer heavy energy shortages.

The geopolitical implications, especially in the short-run, are however relevant for all countries. In the past decades, military power was almost unanimously considered the main characteristic to determine a country's world ranking. Today, the importance of armies is slowing being eroded by the copiousness of energy reserves. Thus, countries that by geographical and economic dimension would not be particularly influential in the

world equilibrium can now count as states which, even though developed, are highly dependable on external energy sources. Of course, elite-states have tried in various ways to obtain energy suppliers' resources. The most effective way has involved political concessions (such as entrance in the UN Security Council) and military assistance. In some cases, even tolerance for human rights violations has been part of the deal. This consideration has not to be seen as a reversion of the security paradigm. Powerful energy buyers can still overwhelm most of their energy suppliers, though states like Russia and Saudi Arabia –which, besides being energy rich countries, have respectively nuclear and sophisticated arms- have gained power in absolute terms. However, it is a clear signal that shows the increasingly leverage provided by the ownership of energy resources.

The New Paradigm of Energy Security

Such information clearly frames the general direction policy actors should take in updating the concept of energy security. They should take into account the new, extended meaning that the concept has acquired, and make a good job in listing the forward-looking objectives that energy security has to achieve at the international level. Nonetheless, these aims have a double limit. On one side, they are not matched with operative policy indications about how to implement them. Matter-of-fact, there is a cleavage between the broad, ultimate goals of the new energy security concept and the issues that day-by-day require urgent action. On the other side, the role of national states is not central enough; it should not be forgotten that most countries do not see energy interdependence favorably and tend to rely on specific partners to guarantee their security of supply and demand. The analysis of energy security should therefore deepen the focus on how national exigencies matches, develop and clashes in the international energy market. This way, the road that connects long-term objectives with factual enforcement would become clearer. To sum up, some very urgent issues have to be faced by national and international energy actors through a new energy security paradigm.

According to various surveys (see WEF, 2006) conducted both among CEOs of energy companies and government officers, the most urgent topics which should be addressed concerns energy security uncertainty over supply from the Middle East, oil price and the increasing threat represented by new waves of terrorism. The least urgent topics are considered to be energy poverty, the development of bio-fuels and energy diversity. Climate change and the creation of new regulations to deal with it are considered relevant

issues just in the long-term, thus reflecting the lingering of quite various positions on the matter which would require a considerable work of harmonization. In general, geopolitical and policy issues outnumber global risks and corporate ethics issues. The photography shot at the world energy stakeholders hence show that worries and expectations tend to concentrate on how specific regions will move on the energy market chessboard rather than looking for a unitary global approach to energy and environmental problems.

Strategic Interdependence

It may prove useful to further develop the concept of IR interdependence theory applied to the energy market. In fact, once accepted the idea that we move in a regime where we cannot decide alone, there are various views that can be taken to envisage which strategic choices should be pursued. (Patterson, 2006). One approach, which is notably the one preferred by producing countries and their oil companies, is focused on improving the bilateral dialogue between suppliers and consumers on a resource-by-resource basis. In this view, the stress is on the sustainable management of stockpiles, which are deemed able to satisfy the current and future demands for a long time to come. As far as oil is concerned, major agreements on exploration, a reduction in national governments' taxation policies, improvement in the political stability of the producing areas and a strong control on market speculation are repeatedly pushed by countries such as Saudi Arabia and its oil company, Saudi Aramco (WEF, 2006). To such a view, energy security mainly means stabilization of the world hot regions, so that geopolitics results into an enhancement, and not a constriction, for the energy market. Environment is seen as an issue that is not direct part of the energy security concerns and renewables are considered at an experimental stadium. Interestingly, this view does not call for a revision of the current international energy organizations, neither on the supply or demand side. The role of the growing economies of China, India, Brazil and the others is not addressed in a comprehensive way, providing the slight impression that producing countries are more willing to maintain current market organization, if it is not disrupted because of unresolved international policy matters. It may also be added that a lack of substantive strategic interaction between old and new consuming countries may favor the position of energy sellers. Therefore, the absence of a view in this sense is understandable.

The view that circulates in some of the most important consuming countries, however, is slightly different and basically calls for a review of the international organizations which administer energy security, mainly in terms of oil. Such reformed institutions would be conceived as being the main umbrella for all the regional and inter-governmental organizations currently existing. This perspective builds on the idea that fundamental changes have happened in the energy market equilibrium. Oil cartels, such as OPEC, were created with the objective to reduce price volatility, in a time of excess capacity. Today, however, we are facing a race for oil that clearly shows how the paradigm has been reversed: there is an excess of demand and consumers should therefore band together in a sort of buyers' cartel. The risk of such a scenario involves mercantilism and the disarray of the energy market, with each actor increasingly following its own domestic interest, therefore damaging the system. This position has surely the limit of not delivering operational advice. On the contrary, the suppliers' point of view suffers from a lack of vision. Inter-governmental organizations (IGOs) dealing with the energy sector represent the main dyke against such a possibility. However, they have to express a view capable of tackling the current energy interdependence. This cannot happen if member states lack a clear vision about the potential of the soft power action provided by these institutions. Thus, the role of the European Union becomes utterly relevant.

2. Strategies of the Main Energy Buyers – Present and Perspectives

How can we define public diplomacy, or soft power? A clear definition has been provided by Paul Sharp (2007, p. 107), which called it 'the process by which direct relations with people in a country are pursued to advance the interests and extend the values of those being represented'. With a stronger focus on the role of government, soft power can be described as the 'government's process of communicating with foreign publics in an attempt to bring about understanding for its nation's ideas and ideals, its institutions and culture, as well as its national goals and policies'. However, new characters are on the scene. Multinational corporations, especially in the energy sector, are new prominent actors, which have to improve the success of their public diplomacy. Soft power operates in a network environment rather than in a hierarchical state-centric model of international relations. Its new target is the engagement of foreign audiences,

both at a governmental and entrepreneurial level (Bruter, 1999). This task requires a new brand of soft power, which is slightly different from the one applied in the past. Specifically, public diplomacy is leaving its traditional soft targets, such as culture, and is starting to tackle harder issues, such as energy and alliance management. However, public policy should be confounded with foreign policy. The former works best with a long time horizon and tends to focus on specific issues, while the latter is more comprehensive and concerned with the present situation (Ferguson, 2003).

As public diplomacy is under change, its management arises problems. First, democratic accountability of soft power cannot always be assessed; to guarantee it, those in charge of public diplomacy should refrain from mainly responding to external threats, and focus on their own citizens' expectations instead. Second, the increase in social networks is making globalization much more tangible than before, increasing the number of global actors and thus complicating the context for public diplomacy (Slaughter, 2007).

It is therefore not surprising that we are confronted with apparently contradictory interpretation of the significance and implementation of soft power strategies. Nye (1990; 2004) represents the compulsory starting point to analyze questions currently posed by public diplomacy. He contrasted soft power and hard power, arguing that the former had the undeniable advantage of simplifying relations, making the others want what you want. Plus, he isolated an intermediate type of power, which Mead (2004) called 'sticky' power, or power of economic attraction, that tends to become addictive and therefore hardly removable. This type of power well apply to the energy realm and represents a useful tool in our analysis. The three types of power are considerably entangled, and actions taken under one's flag can boost or damage the work being made by the others. These decades have shown how economic and soft power are particularly linked. On one side we have the 'Washington Consensus', targeted at developing countries. On the other, the 'Beijing Consensus' is gaining attention. It points at the same audience, and seems to be more attractive, given its lack of reference to human rights issues and its focus on economic development. Europe is stuck in the middle, together with the potential use of its soft power on sensitive issues as an alternative to the paternalistic stance normally adopted by the US. Europe shows a much stronger coherence in the values behind its public diplomacy action, when compared with its two main counterparts. Yet, it is still unable to formalize its soft power brand and, as the energy case shows, such a weakness is wasting a huge opportunity in terms of policy resources (Mannets, 2002).

The best model to deal with this new type of public diplomacy seems to be the network one. The network model provides a good picture of the public and private dimensions of soft power. According to Reinecke (1998), a policy network can be defined as a type of quite stable relationship that is non-hierarchical, interdependent and which connect different actors. These actors share common interests about a policy and the subjects who exchange resources to pursue these shared interests, mainly through cooperative means. In this sense, the European Union has been capable of responding to the challenge of increasingly complex, multifaceted agendas through the establishment of policy networks that bring together governmental actors, civil society and business entities. They considerably trace out what energy IGOs do. This type of diplomacy can be defined as catalytic, since it assumes the factual contribution of a number of different actors. A fundamental lesson, derived from the US experience, states that the aims of public diplomacy cannot be achieved if they are inconsistent with a country's foreign policy or military action. An example is the negative effect that US military presence in Iraq had on America's public policy. As a global tendency, public diplomacy seems to be keenly embraced by those countries that have strong aspirations to integrate themselves into larger multilateral structures.

China or the Power of Assets

Over the last couple of decades, China has become a relevant player in world affairs, putting aside its long standing policy of 'not mingling' with world's issues. Beijing's public policy is heavily submitted to its needs deriving from economic development, and this has created predictable fears both in the United States and in bordering Asian countries. To overcome these alarms, China has developed the concept of 'China's Peaceful Rise', stressing the relevance Beijing puts on mutual benefits and growth leading to co-prosperity. The Chinese government wants to adapt China's energy resources to its expanding and multifaceted economy. This requires a corresponding revision of the public institutions which are in charge of the regulation of energy provisions (IEA, 2000). The Chinese system may be considered one of the last examples of 'command and control'; the central administration is still capable of influencing the whole process of economic decision making, even though it increasingly relies on company management's skills. In recent years, some competition in the energy market has been introduced by separating the commercial competitors from the policy makers

and regulators (IEA, 2000). However, this change is still incomplete and has created an oligopolistic system. Indeed, Chinese oil companies are now organized on the Western model, while remaining completely state-owned. China's petroleum industry has undergone major changes over the last decade. In 1998, the Chinese government reorganized most state owned oil and gas assets into two vertically integrated firms: the China National Petroleum Corporation (CNPC) and the China Petroleum and Chemical Corporation (Sinopec). Each of these companies can count on a range of local subsidiaries. The second major state-led corporation is the China National Offshore Oil Corporation (CNOOC), which administers offshore exploration and production and accounts for approximately 15 percent of China's internal crude oil production. Despite the fact that CNPC, Sinopec, and CNOOC have all performed public offerings of stock on the market since 2000, the government still owns majority shares in each of them. CNPC and its subsidiaries have historically controlled the oil activity in the North and in the West of China, while Sinopec works in the South, and CNOOC in the offshore regions.

Historically, CNPC has focused mainly on oil and gas exploration and production, while Sinopec has been engaged in downstream activities such as refining and distribution. CNPC and Sinopec operate virtually all of China's oil refineries and its domestic pipeline network. It has therefore been easy to reorganize them on a territorial basis (IEA, 2000). Both of them have undergone corporate restructuring and are now the main ambassadors of Chinese energy diplomacy in the world. The first reason for this offensive to get more foreign energy supplies comes from the desire to restore China's self-sufficiency, after having recently lost its oil autonomy in 1997. The second main point concerns the will to access more reliable energy supplies. China perceives its role in the present energy market as a weak one and consequently tries to position itself in a more secure position (IEA, 2000). This means it is crucial for Beijing to expand its strategic reserves and therefore establish 'a strategic oil supply system, to include oil reserves as well as seaport expansions to better handle and store imports' (IEA, 2000, p. 48). When China's tenth 'Five Year Plan' (2000-2005) was released, Chinese officials suggested that a national strategic petroleum reserve (SPR) should be created. The project went through and although there is no clear information about the overall capacity of this reserve, it has been accepted that the first deposit should have the capacity to store 32 million barrels of oil. The political implications of this extensive development in the oil market have strongly influenced the relations China has with the world's oil richest

region, the Middle East, where other countries (such as the United States) have well-established economic interests. Middle Eastern countries have directed considerable attention to the modernizing Chinese market. Saudi Arabia and Kuwait are good examples of historic suppliers to the United States, who are now interested in investing in the Chinese petrochemical market. The mutually convenient deal is to sell oil to Beijing in exchange for participation in China's refineries (EIA, 2010).

It is relevant to focus on how the government manages the necessity to compete straightforwardly in the global market. China must increasingly connect itself to the international system to pursue its domestic economic goals. Thus, a country that seeks prudence as its main trait is now sometimes obliged to play with uncovered cards. *Dirigisme* has not disappeared, and can still be clearly seen in sudden energy trade changes, due to the necessity of restoring the domestic balance. Another negative aspect of the government's attitude toward the country's energy quest lies in the lack of implementation of the delivery infrastructure. Although domestic energy production is not able to maintain a fast pace and fulfill the needs of Beijing economic growth, a vast system of domestic pipelines is necessary to connect national supply and demand (EIA, 2010). Up to this moment, infrastructure investments focused on how to import supplies in a more efficient way rather than developing the domestic system.

The Chinese expansion in Nigeria, Angola, Sudan, Equatorial Guinea, Gabon and Chad placed the Asian country in second place among importers, right behind the United States. In this context, the African policy of China shows emphasis on the respect of African countries' interests, in vivid contrast to the Western traditional neocolonialist model. For the first time, in 2006 Beijing has published a White Paper on Chinese policy in Africa. This document states that China will establish and develop a new type of strategic partnership with Africa, featuring political equality and mutual trust, economic win-win cooperation and cultural exchange (Chinese Ministry for Foreign Affairs, 2006). While the White Paper clarifies the principles governing China's overall diplomatic and economic relationship with Africa, it also identifies cooperation over energy resources as one of the fundamentals of Beijing's engagement with the continent. The Chinese government also used the White Paper to declare its support for the Chinese enterprises that will cooperate with African nations to amplify mutual benefits and common development. Practically, this entails a rational exploitation of African energy resources. In its White Paper, Beijing explicates that the core of China's global foreign policy is now

resource security, since this is the basic means for allowing the country to maintain its current high levels of growth (People Daily, 2006).

China pursues this objective by offering the African states a strategic partnership is based on respect and non-interference, the rejection of the moral acknowledgment of the West and the promotion of the concept of specificity (Niquet, 2006). Beijing considers itself a successful example of the fusion between economic development and political reforms, though still in the context of an authoritarian regime. China is perceived as an important country that does not attempt to civilize its partners. This political consideration aids China's approach, since its commercial engagement with Africa is characterized by a 'coalition investment' strategy.

Oil hunger has compelled China to rely on the world energy market, but Beijing tends to regard it as an unfair and unsafe arena for latecomers. Driven by this opinion as well as its strategic concerns regarding energy security, development ambition, social stability and foreign strategy, China has decided to exercise its state power to support the Chinese corporations' foreign energy quest. Both the government and the oil companies consider overseas exploration as the main path to their long-term development. Hence, these overlapping considerations have shaped China's vigorous oil diplomacy (Zweig and Jianhai, 2005). This political effort combines the notion that is necessary to purchase the greatest number of oil producing rights with a cost-effective and risk-minimization approach. Thus, China prefers to gain direct control over oil and gas assets. Since hydrocarbon resources in the world are limited and an increasing number of countries have joined the ranks of oil and gas importers, China's struggle for energy may result in stiff competition in the market. Indeed, Beijing's neomercantilist behavior has already created interstate tensions (Zhao, 2008). On the other hand, however, not all the crude oil produced abroad by the Chinese companies would be transported back to China mainland, thus enhancing world oil supplies (Chen, 2008).

The United States or the Fear of Decline

The energy situation of the United States underlines how the country particularly suffers from the global energy uncertainty. Without major breakthroughs in the technology for finding oil, non-OPEC countries will begin a steady decline in their ability to produce oil by the middle or end of the next decade (IISS, 2005). As currently structured, the United States Strategic Petroleum Reserve offers limited benefit. United

States' policy has largely refrained from using this reserve to navigate less than catastrophic supply interruptions, which could inadvertently drain commercial inventories and allow OPEC to deter replenishment (EWN, 2006).

The United States government seems to have failed to adopt regulations or incentives to create adequate capacity, backup, or standby infrastructure (CFR, 2006). Without compensation and requirements for action, private industry has little incentive to fill the void. At the same time, OPEC's goal is to maximize United States' dependency. So far it has been successful, judging by the fact that American dependence on imported energy and on OPEC is increasing. Whereas the United States imported about a third of its oil before 1973, it now imports more than half its oil from abroad. For the next decade at least, most of the incremental supplies of oil will come from countries that are for the most part unstable and undemocratic (CFR, 2006).

Domestically, the United States has demonstrated a consistently short attention span when it comes to energy security. It focuses on conservation and stability of supply when gasoline prices are high, in times of war, or when it suffers a disruption in supply from a major producer. However, once a war ends, prices drop, electric power is restored, or production resumes, attention fades. Since 1986, America's consideration for energy security has not been sustained long enough to produce significant legislative or regulatory change. The problem in the United States and elsewhere is that trade-offs between energy security and national security, energy and the environment, and energy and economic security are hard, and the politics of change are formidable. In its most fundamental sense, energy security is the assurance of the ability to access the energy resources required for the continued development of national power. In more specific terms, access depends on the provision of affordable, reliable, diverse, and ample supplies of oil and gas and adequate infrastructures to deliver these supplies to the market. Affordable energy means the ability to buy supply at relatively stable as well as reasonable prices. Traditionally, oil prices have had a median range of \$18 to \$22 per barrel (SolComHouse, 2009); however, the period from 1998 to 2005 has seen more volatile prices than at any time in recorded history. Therefore, by mid-2004, reducing volatility became one of the most important new challenges for energy security.

In the current situation, we may affirm that energy security means both the ability to secure supplies and the ability to insulate the global economy from the effects of extreme price volatility. The internal stability of American suppliers, the way they manage their

oil revenues, the influence they exercise over United States, the influence they exercise over American allies, and their vulnerability to acts of terrorism all are critical factors to American energy and national security. For these reasons, achieving energy security depends more than ever on the conduct of American foreign policy. To assure its national defense, America needs to promote the stability of the oil and gas producers around the world, which entails global engagement and demonstration of how energy is a powerful tool of American foreign policy.

Since the 1970s demand has been increasing more rapidly than domestic production. In addition to conservation, finding alternative sources of energy, and creating new technologies, the main issue for the United States is appropriately managing this heavy dependence as to avoid being vulnerable to disruptions in supply. To make America less vulnerable, conservation will continue to have a significant role to play. American oil consumption has been partly decoupled from economic growth; as a result, the amount of oil used per unit of GDP is only half what it was in the 1970s (SolComHouse, 2009). Conservation should be thought of as an energy source, and one with very large potential. Stabilizing domestic oil and natural gas production is also significant. America's ability to maintain domestic production will depend, in part, on policy decisions with regarding to exploration and production. The other key variable is the pace of technological advance, but this is an aspect that requires considerable time to give results.

Access to energy at stable prices is fundamental for the maintenance of the United States' economy. Any external menace to supplies of energy affects the vital interests of the United States, and in the worst cases it could result in a military response. But because the United States draws energy resources worldwide within the context of global trading and financial systems, any serious threat to the stability of the energy marketplace is a menace to the United States. The grand strategy that America aims at maintaining requires that the country never loses the ability to respond effectively to any such threat. However, there are different ways this can be made. The use of force certainly remains a powerful deterrent, but is not something that is likely to work in the long run, as the American experiences in Iraq and Afghanistan have recently shown. For the United States, the change and improvement of the global energy government is the first step towards moving from a position of world power, fundamentally based on its military strength and economic pervasiveness, to one based on an enhancement of its soft power, currently a peripheral focus (US Commission on National Security). Changes in the

energy relations with other relevant states, and therefore in the global governance of energy supplies, can influence the future role of the United States in the world.

The United States is also obviously interested in asserting its security interests with the world's major suppliers, especially after the 9/11 attacks and the spread of the phenomenon of terrorism in the world. However, price stability for American energy and economic policies entails two elements that are contradictory, and United States' policymakers have often avoided choosing to risk short-term supply to secure long-term security and stability. America can fulfill its interests only dealing with the supply countries through multilateral channels. In other words, it should subordinate immediate economic gains to a rule of law that will guarantee stability in the future. The rise of state control in energy should also be addressed, since most of the new greater energy consumers still completely rely on the state to implement their energy policy (Downs, 2005).

The European Union or Soft Power Potential on the Move

A clear sign about the blend of European soft power on energy came in 2003, when EU member states adopted the European Security Strategy (ESS, 2009). It represented a new investment on European role as an international actor. In the same occasion, they showed a remarkable cohesion, despite differences in intensity, to reinforce the European defense potential through the creation of the European armament agency and the establishment of a European 'cell' in NATO. The European Security Strategy is a response to the failure of EU to find a common ground about the Iraqi war. This strategy is influenced by the strong perception that Europe needs to become a 'hard' soft power to pursue its own international politics. Particularly, Europe is trying to present a credible alternative to counteract the dominant world order where aggressive unilateralism prevails. Thus, a military dimension is important because it shows an increase of relevance of the European sphere, although it does not change the preminent civilian nature of the European soft power (Bahgat, 2008).

The effectiveness of such a strategy strongly depends on how EU decisions are implemented and transmitted to the other relevant actors of the international arena. Some scholars conceptualize European soft power as a growing normative element (Dobson, 2006; Croft et al., 2004; Goldwyn and Kalicki, 2005). They assert that the EU, besides being developing a civilian power based on economics and remuneration, is also

becoming a normative power, with the capacity to shape conceptions of what is normal in international relations by the force of ideas and principles. Therefore, EU's craft to influence this 'normality' depends on how well it diffuses its norms. Cogency of EU's normative power is decided by its ability to shape other actors' perceptions of what is the cognitive content of international politics. Simply put, the European Union has been able to create trustable and effective functional regimes. However, it has yet not succeeded in forging a credible overarching foreign policy regime, which represents a great limit, especially in the strategic economic sectors.

Most Europeans still consider their transatlantic alliance with the United States as a quite valuable connection, but its importance is increasingly submitted to the use the US makes of soft power. The EU considers multilateral diplomacy possible even without a multipolar military balance. Thus, European soft power have demonstrated it can be an asset or an obstacle, depending on the use America will make of its own one. Simply speaking, European soft power can help the United States only if America invests more heavily on cooperation in its foreign policy (Manners, 2002).

The European soft power is much favored in the overall balance of foreign policy means used by the Union, because Europe cannot do war, but just relies on policy. Thus, it is widely perceived as a solid mediator among countries interested by conflicts. Formal consultation arrangements exist with Canada, Russia and Ukraine, while the Union has a permanent consultative dialogue in crisis management with applicant countries and other non-EU members. While the US is interested in rogue states, Europe deals with failing society and monitors them using risk assessment and trying to prevent their breakdown (Communication from the Commission, 2001). Such a policy has not a big bureaucracy nor strong media ballyhoo. It is more a Do-It-Yourself type of peacekeeping and strongly relies on the European values of cooperation and respect for diversity. In fact, through this monitoring work and the connected European Rapid Reaction Force, the Union stated its will to control its 'civil space' by heavily investing on values. This conceptualization of security builds on the feeling (deeply rooted in European experience) that freedom of action is limited. Consequently, action can be taken only at a transnational level, through a policy by joint venture. The peculiarity of European transnational use of force reinforced the school of sociological institutionalism in International Relations theory (see Finnemore, 2003). According to this current, institutions forge preferences, identities

and interests of actors in the social world. In terms of policy norms, the EU is the transnational institution that produced the most effective outcomes.

When we consider the energy issue, we can clearly see the movement from traditional soft power to a 'smarter' form of sticky power. In the past, to the extent that the EU has managed to exert soft power, it has almost invariably been when dealing with countries that were already friendly disposed to it and the cause it was promoting. It's much less obvious how soft power alone can bring countries that do not instinctively share EU's values over to its side in the first place. However, in the energy arena, Europe is slowly becoming effective when trying to act in less friendly areas. In fact, the Union is applying more balanced tools rather than classical soft power alone. As Nye (2004) puts it: 'Smart power is neither hard nor soft. It is both'.

In fact, dependency from imports is basically unavoidable for Europe. Such a situation should not be seen as a problem in itself, but rather as a challenge to provide adequate policy to manage it. To reinforce energy cooperation in a larger context of political and economic liberalization, the European Union has promoted various partnerships and meetings with relevant gas&oil producers and transit countries. As far as OPEC is concerned, the first EU initiative dates back to 2004, with a number of contacts between the OPEC presidency, the UE Dutch presidency and the EU Commission, through a focus on the acknowledgement of the mutual dependence of these subjects. The regular meetings which have followed this first one tackled a number of different topics, such as CO₂ capture and storage, the influence of finance on the oil prices, education and formation of young professionals, and the impact of taxation on consumption (Directorate General for Energy, 2011). The two parties seem particularly keen to invest on the role of the Joint Oil Data Initiative, and are in the process of discussing the creation of a common technological EU-OPEC research center. The common ground from which these initiatives are spreading is the belief that security of supply and demand cannot be easily separated anymore.

Another relevant initiative undertaken by the Union concerns the signature of the Treaty of Athens, which created the Energy Community and entered into force in 2006. This initiative has the aim to tighten the links between the Union and the countries of South East Europe, namely Albania, Bosnia, Croatia, Macedonia, Montenegro, Serbia, and Kosovo (Barbé et al., 2007). Its stated objectives concern stability of the energy sources, the creation of an integrated energy market, the improvement of the

environmental situation and of the levels of national concurrency and transparency. Turkey, together with Georgia, Moldavia, Ucraina and Norway, participates with the role of observer.

In the last decade, Turkey has been getting a preeminent role in the transit of the energy supplies to Europe that come from Russia, Caspian countries, and Middle East. Increasing volumes of Caspian and Russian oil get to the Western markets through the Bosphorus Strait, while a terminal on the Turkish coast of the Mediterranean, at Ceyhan, allows the country to export oil through the pipelines of Kirkuk (North Iraq) and Baku (Azerbaijan). Moreover, from 2007 Turkey has started fulfilling its aim about becoming an energy bridge for the Caspian production to Europe, thanks to the Turkey-Greece Interconnector, which exports Azerbaijan gas. Thus, Turkish accession process to the EU will be relevant in determining the fate of non-Russian EU energy connections with the Caspian and the Black Sea regions. Currently, the energy chapter is still closed. The EU management of it is a relevant challenge for European public diplomacy.

The European Neighborhood Policy (ENP) was developed since 2004 with the aim to avoid the emergence of elements of division between the most important EU countries and the bordering countries and to reinforce the boundaries among all the parts interested. Through the ENP, the European Union aims at promoting human rights, sustainable development and legal order, which are subjects particularly relevant in the foreign relations of the EU.

Some years later, in 2008, the European Union developed another project, which was tailored on the ex-Soviet countries, specifically Azerbaijan, Moldavia, Belarus, Armenia, Ukraine and Georgia (Kassenova, 2008). The Eastern Partnership initiative has the aim to develop democracy and rule of law, the harmonization of the economic systems and of the normative apparatus, energy security and contacts people-to-people. Ukraine is particularly relevant, given its connection role between the gas producers of Russia and Central Asia and the European consumers. It comes with no surprise, then, that the Union is looking forward to a stronger partnership with Kiev. In fact, since 1998, the Cooperation Agreement has been representing an ambitious framework of collaboration in all areas of reform. Specifically, starting November 2009, the Council of Cooperation has adopted the Association Agenda, which substantially reinforce the political association and the economic integration of Ukraine with the EU. However, the election

of Yanukovich, a notable ally of Russia, has raised some incertitude on the future orientation of Kiev.

Such a concern is fully understandable if we consider the importance of European energetic partnership with Russia, the largest world producer and exporter of natural gas and the second largest oil producer. The geographic proximity between EU and Russia additionally strengthened the connection between the two areas. Moreover, the money Russia gets from its energy exports to Europe represents a quite considerable slice of the overall national income. Since the 1990s, the Union has tried to engage Russia in a cooperative framework with the EU as a whole, and not just with single member states. The Energy Charter Treaty represented the will to go beyond the Cold War and its economic and political divisions. 51 states plus the European Communities have now signed the ECT. It is a legally binding, multilateral instrument for inter-governmental cooperation in the energy field. The ECT aims at applying the WTO rules in the energy field, notably for the freedom of transit for pipelines and the resolution of disputes concerning states and investors (Kausch, 2007; Johnson, 2005; Monaghan and Jankovsky, 2006). Russia first accepted the treaty, but then increasingly started to question the ECT, on the basis of its assumed unbalance in favor of the consumers. In August 2009, Vladimir Putin called Russia out of the Treaty. Russia never seemed to appreciate the European approach for energy treaties, which put the utmost importance on the building of a sort of 'energy rule of law' and protection for free trade and environment. This difference in the conception of energy security can be easily seen in the opposite kind of relationship the European Union and Russia have developed with the transit countries which separate them, namely Ukraine and Belarus. The Union has been trying to interact with them on the basis of cooperation and development, while Russia uses their energy need as a mean to influence their political regime and develop a better geopolitical control of the area. Thus, even though the Union and Russia show a strong and reciprocal interdependence, their strategies to improve energy security and perceived national interests are increasingly divergent.

The relations between the European Union and the countries members of the Gulf Cooperation Council (GCC) have, on the contrary, a slighter potential for immediate advancement (Noreng, 1997; Yergin, 2006; Goldwyn and Kalicki, 2005). The energy connection between the two areas is as established as in the case for Russia, but in this occurrence the GCC and the EU share complementary interests. The reach of an

agreement took a considerable amount of time (20 years) but the results were quite satisfactory for the Union in terms of price and security of supply. Clearly, it is not possible to discuss human rights issues with these states, and this has been the main reason why the agreement took so long to be completed. However, the GCC states represent consolidated producers with well-developed energy infrastructures, geographically near and quite inclined to accept European investments. They are thus the better examples to inquire on the unique blend of European soft power.

Article 194 of the Lisbon Treaty contains the central goal for energy policy that the European Union has set for the upcoming decades: promote energy efficiency, ensure security of supply and the functioning of the market, promote the interconnection of energy networks. Still, the implementation of such principles is proceeding too slowly to be successful, and the Union itself has recognized that it needs a change of pace. In fact, current strategy lacks a systematization of the common approaches that Europe showed toward partner countries. However efficacious, European initiatives tend to be perceived (and frequently are) the product of isolated cases. On the contrary, to remain an attractive investment place for companies, Europe needs to support an 'integrated industrial approach', as recently stated by the Commission. While the internal energy market has always been the focus of the European action, namely on the subject of competition and liberalization, the Union is now devoting more time to its relationship with energy-rich neighboring countries (Zielonka, 2008). Then, the external dimension of the EU energy market is expected to get weight in the overall balance of EU energy policies. The main point that the new European energy diplomacy tackles is the evolution of networks in bordering countries (Directorate General for Energy, 2011). Specifically, the aim of the revised European energy foreign action is to consider the construction of new interconnections at European borders as relevant as internal issues. Thus, the stability of supply should be ideally guaranteed by a stronger control over the ENP. A greater emphasis is also put on the age-old gas supply problem. The call for diversification is moving from a feeble wish to a more concrete target of monetary and political investment, through a reviewed plan for bigger gas and LNG terminals and intercoupled domestic gas networks. In this sense, it is interesting to observe how the Commission calls for further interconnection among member states, rather than just from stronger competition enforcement as it used to do in the past. The reason for this may be found in the belief that diversification in times of supply crisis can hold only if it is coupled with

the possibility to rely on fellow EU states in case of need. EU governmental bodies seem to have finally come up with the idea that regulations are not enough to display a powerful role in the global energy agenda.

The biggest challenge for the Union these days is to unify the action of the series of ‘complementary and targeted frameworks’ on energy provisions and cooperation. In practice, the EU has to effectively deploy its combined market weight. However, no clear formalization exists of the principle whereby member states act for ‘the benefit of the whole Union in bilateral energy relations with key partners and in global discussions’ (Directorate General for Energy, 2011). This way, the promotion of the key principles of the Energy Charter Treaty would be strongly combined with CFSP instruments and further evolve the European soft power toward the ‘sticky’ version. Africa will be the testing ground for these new actions, since the Commission has decided to launch a major energy cooperation project with some African countries, to get energy in exchange for higher European engagement in the development of those countries. (Europa Press Releases, 2008).

Europe’s Design and the Global Energy Institutions

Unfortunately, soft power alone is no longer enough. Merely being attractive is no longer enough. But going down the hard power path cannot be the answer either for a supra national institution, such as the EU is. The objective toward which Europe is already evolving is a form of power that retains EU’s normative values and its soft power strengths, while it hardens, or tempers, them. This is an idea already termed as ‘smart power’. As the EU continues to develop its role in the world, the challenge is two-fold: to ensure coherence between the civilian and military sides, and to use our soft, attractive power more strategically.

Clearly, the global marketplace can work most effectively when there are common ground rules. The EU has a well-developed regulatory regime based on years of experience in helping its Member States to reconcile their different approaches. A new international approach focusing on regulatory cooperation, convergence of standards and equivalence of rules is emerging as a result of sectoral bilateral discussions with third countries. This approach should be further developed to harmonize the mutual interests of the Union and its partners.

In the light of what previously assessed, the European Union has a number of characteristics that makes it a balancing power in the complicated relations between energy buyers: its role in energy inter-governmental organizations. IGOs regulating the energy sector deal with a strategic good, which has strong security recoils on states. Each energy IGO is built on a specific declination of the concept of energy security. All of them, though, testify the need for states to forge alliances to avoid isolation in the energy arena, where states interdependence is quite strong. Energy markets make surviving in detachment hard. Energy IGOs have the task to compensate for single countries' weaknesses and improve the bargaining conditions of the whole group.

Energy –being strategic- has long been considered a good to be diverted from the trade market. For instance, the United States has repeatedly accused China to be trying to sign energy agreements with developing countries that would sidetrack considerable amounts of oil from the free market, thus threatening the U.S. industrial production. (Kinge, 2006; Dumbaugh and Sullivan, 2005). However, it can be noticed that it is not in the Chinese interest to damage the American economy, since Chinese have heavily invested in U.S. firms. Energy IGOs have to manage the increasing intertwined energy relations between their members and with external countries. The goal is to balance economic interdependence with provision needs of single states.

What does this close economic interaction entail? It brings about an elevated sensitivity to shocks and external influences. Powerful actors try to compete for as many allies as possible.

The literature on diffusion identifies four mechanisms to explain IGOs influence on states. All of them reject the notion that processes of policy change can take place by imagining national governments making isolated and independent decisions. The competitive pressure of markets is the paramount one for the energy sector. It creates competition, which is considered the trigger both for a risky 'race to the bottom' and for a positive (and otherwise unlikely) policy change. Such contention is expected to take place especially at a horizontal level, among units that are similar on important competitive dimensions. This description fits well in the energy realm, where rivalry interests states with similar characteristics. In this sector, given the eminent strategic dimension of the energy good, competition can only be understood and declined at a global level. For instance, Slovak Republic and Poland joined the International Energy Agency (IEA) respectively in 2007 and 2008, after Russia's energy threats. They wanted to gain more

leverage in their energy negotiations with Moscow and to get that they accepted to abide to the Agency's numerous rules in terms of energy security.

The uncertain situation of the energy market represents a valuable additional reason for states capable of displacing a soft power designed in a way that is compatible with international organizations. In fact, they will tend to better interact with the bureaucracy of energy IGOs and to be more influential in the policy-making process. The design of international organizations is therefore a paramount interpretative key for the role of states' soft power; different designs lead to different outcomes in terms of convergence. Inter-governmental organizations are heterogeneous entities, with different levels of institutionalization. This depends on the design states have put in place for IGOs. Such an outline is created to promote founding nations' goals (Koremenos and Snidal, 2003; Koremenos, Lipson and Snidal, 2001), and this is true for all types of IGOs. However, once they have been defined, their organizational character determines how and how much they affect the world. IGOs are more robust when they are provided with a bureaucracy capable of acting on member states (Ingram et al., 2006). According to rational design theory, differences among international institutions are not casual. States create IGOs to solve specific problems they face and the more complex these problems are, the more likely it is they will incorporate delegation clauses in the agreements. The decisions about how to implement the design of a newly born IGO have much to do with the interests and constraints of the founding states. The robustness of IGOs strongly depends on enforcement (the level of incentives to cheat) and distribution (the comparison of states' preferred alternatives). If a harmony of interests is detectable among states, then the IGO's design will be further capable of constraint (Koremenos, 2008). Once an institution has been created, it cannot be easily changed according to the swifts of global relations. Thus, it becomes an entity with a certain degree of influence. The more its institutions are equipped to provide incentives for states to implement IGOs decisions, the broader the IGOs influence will be. Energy IGOs follow this pattern, although in this domain the type of members are particularly relevant in determining the success or failure of the IGO's bureaucracy.

Consequently, the role the European Union can play in such a scheme is all the more relevant if the Union can provide itself with a sound external governance on energy. As for the rest, its recent actions show a renewed capability to shape its own 'sticky' energy policy.

This said, external energy relations cannot be separated from the wider question of what sort of energy policy the EU and its Member States want. EU external relations on energy must respect at least three basic characteristics. They must be coherent (backed up by all Union policies, the Member States and industry), strategic (fully recognising the geo-political dimensions of energy-related security issues) and focused (geared towards initiatives where Union-level action can have a clear impact in furthering its interests). They also need to be consistent with the EU's broader foreign policy objectives such as conflict prevention and resolution, non-proliferation and promoting human rights. Another relevant issue concerns the need for fully integrating the EU's energy objectives into its multilateral trade policy.

3. The Drawbacks of Current EU Energy Soft Power

There are two main areas where the limits of European action on energy can be clearly distinguished. First, the problem of European unity face to Russia. EU member states have collectively endorsed the Commission's calls to develop a collective international energy policy. It has been recognized that EU may at times be in a better position to determine what leverage could be used to advance the collective interests of the Union as a whole. Nonetheless, member states have been careful not to sacrifice their individual right to independently secure energy supplies with one of the main (and less politically reliable) energy partners. Europe's energy relations with Russia elucidate the tension between calls for a collective external energy policy and the support for individual member state policies (Lesage, 2010). Some of the EU's newer member states in Central and Eastern Europe appear skeptical of Russia's reliability as an energy partner, and therefore call on EU member states work collectively to prevent Russia from exploiting long-term dependencies for political purposes (Mangott, 2008). At the same time, other member states continue to pursue long-term bilateral supply contracts with Russia's state-run energy companies, increasing both their energy and, according to some, their political dependence on Russia.

Even as EU leadership in Brussels moves forward with its ideas on a common external energy strategy, many question how far individual member states will agree to push Russia (and Gazprom) to adopt the EU's principles of competition, open its energy sector to outside investment, and ratify the Energy Charter (Morales, 2008). Some believe that

without such Russian concessions, Europe will ultimately find its energy security largely under Russian control (Engerer, 2008). Indeed, several member states have pursued bilateral energy deals with Russia that will increase their dependence on Moscow for years to come. The energy situation with Russia is not yet dire. Moscow will continue to be Europe's primary energy supplier for the long-term, and healthy Russian-European relations remain a priority on both sides. If a common external EU energy security policy is to emerge, two options may be considered. First, Europe may move to curb its dependence on Russian energy by increasing its diversification to other regions without threatening Russia's own market security in Europe. In doing so, Europe might ask if there is a point at which Moscow could decide that the EU's commitment to diversification no longer makes it financially attractive for Russia to invest in new supplies for the European market. Second, the EU may attempt to regulate the behavior and practices of Gazprom as it becomes more of a dominant energy player in Europe. Thus far, few European countries have demonstrated restraint in seeking bilateral deals with the Russian monopoly that would do just that. If this continues, Europe could risk having Gazprom interfere more and more in its internal political decision-making. To avoid this, the European Union will likely continue to apply pressure on Gazprom to play by Europe's rules on competition and work to change Gazprom's corporate mentality by allowing European firms to invest in Russia's gas industry. However, the efforts on this energy partner should be revised and better implemented to obtain a valuable result.

Second, the European Union tends to sway rather incoherently between an energy philosophy based on *realpolitik* and another one grounded on the relationship between market and governance. Member states seek to obtain the best benefits from both approaches, trying to influence external partners through European market rules while aspiring to short-term gains deriving from the hard application of geopolitics. This disconnectedness risks being highly costly for the whole Union and entails an important lesson (Youngs, 2009). While the Union is slightly improving in the application of its soft power toward supply countries, its efforts may be vanished by the somehow schizophrenic foreign policy of member states. This leads to the consideration that the European Security and Defence Policy (ESDP) should be strengthened coherently with the Union's energy policy. The consolidation of such link would help solving this residual contradiction. On one side, there is a soft power that strongly believes in markets and the constituent values of transparency and fair competition. On the other side, member states

recur to old-fashioned (and mostly short-sighted) geopolitical moves to bypass the market procedure. The European energy policy needs to address this problem quickly, or this internal contradiction is likely to disrupt the work done so far from within.

References

Bahgat, G. (2008) 'Europe's Energy Security: Challenges and Opportunities', *International Affairs*, 84(1).

Barbé, E., Costa, O., Herranz, A., Johansson-Nogués, E., Mestres, L. Natorski, M., and Sabiote, E. M. (2007) 'Exporting Rules to the Neighborhood? A Framework for the Analysis of Emerging Patterns of Europeanisation, Internationalisation and Coordination between the EU and its Neighbors', <http://www.uaces.org/pdf/papers/1001/garcia-duran.pdf>, date accessed 15 January 2010.

Bruter, M. (1999) 'Diplomacy Without a State: The External Delegations of the European Commission', *Journal of European Public Policy*, 6(2).

Chen, S. (2008) 'Motivations Behind China's Foreign Oil Quest: A Perspective from the Chinese Government and the Oil Companies', *Journal of Chinese Political Science*, 13.

Communication from the Commission to the Council and the European Parliament: The European Union's Role in Promoting Human Rights and Democratization in Third Countries (2001) http://eur-lex.europa.eu/smartapi/cgi/sga_doc?smartapi!celexplus!prod!DocNumber&lg=en&type_doc=COMfinal&an_doc=2001&nu_doc=252, date accessed 15 January 2010.

Council on Foreign Relations (2006) *National Security Consequences of US Oil Dependency* (Washington, DC: CFR).

Croft, S., Howart, J., Krahmann, E., Terriff, T. and Webber, M. (2004) 'The Governance of European Security', *Review of International Studies*, 30.

- Directorate General for Energy (2011) 'Energy 2020', http://ec.europa.eu/energy/publications/doc/2011_energy2020_en.pdf, date accesses 20 February 2011.
- Dobson, L. (2006) 'Normative Theory and Europe', *International Affairs* 82(3).
- Downs, E. (2005) 'The Fact and Fiction of Sino-African Energy Relations', *China Security*, 3(3).
- Dumbaugh, K. and Sullivan, M. P. (2005, April) 'China's Growing Interest in Latin America', *CRS Report for Congress*.
- Energy Information Administration (2010) 'Country Analysis Brief: China', <http://www.eia.doe.gov/emeu/cabs/China/pdf.pdf>, date accessed 15 January 2010.
- Energy Washington Week (2006) 'State Department Adds Energy User Focus to Energy Security Plans', November 15.
- Engerer, H. (2008) 'Russia's Energy Exports: Potentials, Strategies, Perspectives', *Osteuropa*, 58.
- Europa Press Releases, 'African Union Commission and European Commission launch an ambitious Africa-EU Energy Partnership', <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/08/555>, date accessed 15 January 2010.
- European Council (2003) 'A Secure Europe in a Better World: European Security Strategy', <http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf>, date accessed 15 January 2010.
- Ferguson, N. (2003) 'Power', *Foreign Policy*, January/February.
- Finnemore, M. (2003) *The Purpose of Intervention: Changing Beliefs about the Use of Force* (Ithaca: Cornell University Press).

Goldwyn, D. and Kalicki, J. (eds.) (2005) *Energy and Security: Toward a New Foreign Policy Strategy* (Washington, DC: Woodrow Wilson Center).

Ingram, P., Robinson, J. and Busch, M. L. (2005) 'The Intergovernmental Network of World Trade: IGO Connectedness, Governance and Embeddedness', *American Journal of Sociology* 111(3).

International Energy Agency (2000) *China's Worldwide Quest for Energy Security* (Paris: IEA Publications).

International Energy Agency (2009) *World Energy Outlook 2009*, <http://www.worldenergyoutlook.org/>, date accessed 5 September 2010.

International Institute for Strategic Studies (2005) *Strategic Survey, an Evaluation and Forecast of the World, 2004-05* (London: IISS).

Johnson, D. (2005) 'EU-Russia Energy Links', in Johnson D. and Robinson, P. (eds.) *Perspectives on EU-Russia Relations* (London: Routledge).

Kassenova, N. (2008) 'The New EU Strategy Towards Central Asia: A View from the Region', *CEPS Policy Brief 148*, January.

Kausch, K. (2007) 'Europe and Russia, Beyond Energy', *FRIDE Working Paper 33*, March.

Kinge, J. (2006) *China Shakes the World: A Titan's Rise and Troubled Future and the Challenge for America* (New York: First Mariner Books).

Klare, M. T. (2009) *Rising Powers, Shrinking Planet* (London: Palgrave MacMillan).

Koremenos, B. (2008) 'When, What and Why Do States Choose to Delegate?', *Law and Contemporary Problems* 71(151).

Koremenos, B. and Snidal, D. (2003) 'Moving Forward, One Step at a Time', *International Organization* 57(2).

- Koremenos, B., Lipson, C. and Snidal, D. (2001) 'The Rational Design of International Institutions', *International Organization* 55(4).
- Lesage, D., Van de Graaf, T. and Westphal, K. (2010) *Global Energy Governance in a Multipolar World* (Farnham: Ashgate).
- Mangott, G. (2008) 'Interests Instead of Values: Considerations Regarding Realistic Russia Politics of the EU', *WeltTrends*, 61.
- Manners, I. (2002) 'Normative Power for Europe: A Contradiction in Terms?', *Journal of Common Market Studies*, 40(2).
- Mead, W. R. (2004) 'America's Sticky Power', *Foreign Policy*, March/April.
- Ministry of Foreign Affairs of the People's Republic of China (2006) 'Deepening Friendly Cooperation and Achieving Mutual Benefits and Win-Win Results', <http://www.fmprc.gov.cn/eng/zxxx/t231204.htm>, date accessed 15 January 2010.
- Monaghan, A. and Montanaro-Jankovsky (2006) 'EU-Russia Energy Relations: The Need for Active Engagement', *EPC Issue Paper 45*, March.
- Morales, J. (2008) 'Russia as an Energy Great Power: Consequences for EU Energy Security' in Marquina, A. (ed.) *Energy Security: Visions from Asia and Europe* (Basingstoke: Palgrave MacMillan).
- Niquet, V. (2006) 'La Strategie Africaine de la Chine', *Politique Etrangère*, 2.
- Noreng, O. (1997) *Oil and Islam: Social and Economic Issues* (Chichester: Wiley).
- Nye, J. (1990) *Bound to Lead: The Changing Nature of American Power* (New York: Basic Books).
- Nye, J. (2004) *Soft Power: The Means to Success in World Politics* (New York: Perseus).

- Patterson, W. (2006) 'Discussing Energy Policy: A Style Guide', www.waltpatterson.org/towardaworldview.htm, date accessed 5 September 2010.
- People Daily (2006) 'China's African Policy', http://english.peopledaily.com.cn/200601/12/eng20060112_234894.html, date accessed 15 January 2010.
- Reinecke, W. (1998) *Global Public Policy: Governing Without Government?* (Washington, DC: Brookings).
- Sharp, P. (2007) 'Revolutionary States, Outlaw Regimes and the Techniques of Public Diplomacy' in Melissen, J. (ed.) *The New Public Diplomacy* (Basingstoke: Palgrave MacMillan).
- Shell (2008) *Shell Energy Scenarios to 2050*, www.shell.com/scenarios, date accessed 5 September 2009.
- Slaughter, A.-M. (2004) *A New World Order* (Princeton: Princeton University Press).
- SolComHouse (2009) 'US Energy Policy 2009', <http://www.solcomhouse.com/usenergy.htm>, date accessed 15 January 2010.
- U.S. Energy Information Administration (2010) *International Energy Outlook 2010*, www.eia.gov/oiaf/ieo/index.html, date accessed 5 September 2010.
- United States Commission on National Security for the 21st Century (2001) 'Phase III, Road Map for National Security: Imperatives for Change', <http://www.au.af.mil/au/awc/awcgate/nssg/phaseIIIfr.pdf>, date accessed 15 January 2010.
- World Bank (2000) *Fuel for Thought: An Environmental Strategy for the Energy Sector* (Washington, D.C.: World Bank).
- World Economic Forum (2006) *The New Energy Security Paradigm*, www.weforum.org/pdf/Energy.pdf, date accessed 5 September 2010.

Yergin, D. (2006) 'Ensuring Energy Security', *Foreign Affairs*, March/April.

Youngs, R. (2009) *Energy Security: Europe's New Foreign Policy Challenge* (London: Routledge).

Zhao, S. (2008) 'China's Global Search for Energy Security: Cooperation and Competition in the Asia-Pacific', *The Asia-Pacific Journal*, 55.

Zielonka, J. (2008) 'Europe as a Global Actor: Empire by Example?', *International Affairs*, 84(3).

Zweig, D. and Jianhai, B. (2005) 'China's Global Hunt for Energy', *Foreign Affairs*, September/October.