Sborník příspěvků
z mezinárodní vědecké konference

MMK 2013
MEZINÁRODNÍ MASARYKOVA KONFERENCE PRO
DOKTORANDY A MLADÉ VĚDECKÉ PRACOVNÍKY
ročník IV.

9. – 13. prosince 2013

Hradec Králové, Česká republika
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Editor, úprava, realizace | Edit, Published by:
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Magnarimitas, Hradec Králové, 2013

ISBN 978-80-87952-00-9

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Certifikovaná vědecká konference | Certificate Conference No.: 2259661316
European Textbook Track Number (ETTN): 042-13-13025-12-6
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Abstract
Energy policy becomes an important component of state policy (both domestic and foreign) in the growing number of states as a natural reaction to the challenges in the modern energy sector. The article investigates measures which national governments take to manage energy security threats. The article also describes the role of energy resources in the process of attaining national security goals and protecting national interests.

Key words: alternative energy sector, energy policy, energy resources, energy security, fossil fuels, national security, politicization.

1 THE ROLE OF ENERGY RESOURCES IN THE MODERN WORLD

Energy resources are one of the most important resources which secure the life of states. Rapid industrial development caused the access to fossil fuels: coal, oil and natural gas – to become a decisive factor in economy, politics, and military arts of both individual countries and different types of regional unions. The beginning of the 21st has seen the increase in the number of multidimensional problems related to energy supply which is determined by the perspectives of exhaustion of conventional energy resources reserves as well as emergence of close interrelation and interdependence between energy, economic and political issues at the international level.

Bringing energy problems into the focus of national security policy can be construed in the context of securitization, described by B.Buzan and O. Wæver as “discursive process through which an intersubjective understanding is constructed within a political community to treat something as an existential threat to a valued referent object, and to enable a call for urgent and exceptional measures to deal with the threat [2, p. 467]. This is the case of problems with the security of supply of energy resources and volatility of oil prices in the global market, each of which affects national security of the countries, highly dependent on energy imports. Therefore, national governments are to take special measures in order to overcome difficulties with energy supplies and guarantee the overall security of their states as fossil fuels (as the basis of modern economy) are indispensable for the development of any country. Furthermore, there is an aspect of energy security which may find its place in the political agenda of all the countries.

1.1 Energy Security Threats

One of the key issues to be addressed by national governments in the energy security realm is the growing relevance of a political component in energy-related problems. As H. Morgenthau put it, “whenever economic, financial, territorial, or military policies are under discussion in international affairs, it is necessary to distinguish between, say, economic policies that are undertaken for their own sake and economic policies that are the instruments of a political policy – a policy, that is, whose economic purpose is but the means to the end of controlling the policies of another nations” [4, p. 34]. The same can be applied to energy security as some countries, mainly those with significant reserves of fossil fuels, attempt to exert pressure and attain the goals of foreign policy by using energy resources as the means of political leverage.
The threats which can be considered as the driving force behind the process of energy policy formation are divided as follows:

1. Global threats: exhaustion of conventional fossil fuels reserves and dependence of the world economy on hydrocarbons; politicization of energy security (use of energy factor to attain political ends) and fluctuations of prices of energy resources in the global market.

2. Threats that are typical of energy resources importers: interruptions of supplies and damage to energy infrastructure; growth of dependence on oil and natural gas imports; accumulation of fossil fuels reserves in individual states.

3. Energy security threats of exporters: limitations to the access to global energy markets.

The range of threats highlights the importance of energy security as the component of national security. At the same time, each state determines the relation between energy and other factors in its security policies. It is possible to suggest that with the exacerbation of problems in the energy sector on a global scale, energy security will become more articulated in national security systems which may result in the elaboration and implementation of cohesive measures to deal with these challenges.

2 ENERGY POLICY

Energy security threats, changes in the global energy market and geopolitical situation require countries to take certain measures to guarantee their own energy security, in a broader meaning aimed at the protection of national interests of a state. Such measures can be considered as energy policy.

Currently, energy policy is a new area in the activities of governments of various states; it undergoes formation and it is equally acute both for exporters and importers of energy resources.

Energy policy can be divided into domestic and foreign whose balance depends on the type of energy resources a country possesses and its economic capabilities. Meanwhile, domestic and foreign components can come to the fore according to the factors, either internal or external, that determine energy security.

2.1. The Two Approaches to Energy Policy: Importing and Exporting Countries

A spectacular example of an energy resources importer whose energy policy priorities have shifted due to new circumstances can be the United States of America. In 2012 in the State of the Union address the president of the USA B. Obama noted that in 2011 oil imports had reached its minimum within the last 16 years [6]. The American president attributes the reduction of energy resources imports to the exploration of new fields both onshore and offshore, and places special emphasis on unconventional oil and natural gas in guaranteeing the energy security of the USA. Furthermore, B. Obama underscores the need to develop a robust alternative energy sector as well energy efficiency technologies to attain the highest possible reduction of external supplies.

Beside different initiatives in the area of fossil fuels production and the use of renewable energy sources, president B. Obama proposed establishment of an energy security trust [7] in his State of the Union address in 2013. According to the president, within 10 years this trust should reach $ 2 billion, comprised of the contributions of oil and gas companies, made from their profits. The funds of the trust will be allocated to scientific research in energy which will not only enhance energy efficiency of the American energy sector, but create new jobs as well.
Despite the lack of optimism in the American government with regard to the development of shale oil and gas fields, there is a serious problem related to the oil imports – growth of oil prices. On the one hand, the amount of imported oil actually declined; on the other hand, expenses on this oil increased “by almost 50 percent, from $247 billion in 2005 to $367 billion in 2011. The share of oil imports in the overall trade deficit grew from 32 percent in 2005 to 58 percent in 2011. The price of a gallon of regular gasoline nearly doubled”[5]. Therefore, an essential challenge to the United States is to cut the share of oil in the overall trade deficit. It will be possible in case of reducing the imports to the minimum value and simultaneous expansion of the shale oil production, taking into consideration its further export to the global market.

Another major consumer of fossil fuels, China, issued in 2007 a white paper on energy which identified the deficit of domestic energy resources as one of the threats to China’s energy security [3]. Consequently, it causes the need to increase oil and natural gas imports, simultaneously developing renewable and nuclear energy. And in order to provide China with favourable conditions in the global energy market, the paper suggests establishing close cooperation between countries in the area of energy with the purpose of reaching prosperity in the entire planet. This vision reflects a cooperative approach towards energy security issues as they have global nature and require coordination of efforts among states to prevent disputes and clashes over resources.

Meanwhile, energy policy is equally important to the exporters of energy resources. Whenever the ways to apply traditional methods of conducting foreign policy are exhausted, such countries may resort to their ability to regulate the supplies of fossil fuels as the ultimate means to guarantee their national interests. The past experience with the supplies of natural gas via Ukraine and Belarus to the European Union countries (in 2009 and 2010) suggests that the Russian Federation is prone to use energy resources with the aim of gaining political benefits. This trend can be also proved by some provisions of the “Russia’s Energy Strategy until 2020”, approved by the government of this country in 2003. It states that “global nature of energy problems and their gradual politicization, as well as influential fuel and energy industry of Russia in the global energy system advanced energy factor to the basic elements of Russian diplomacy” [8]. Moreover, the Strategy identifies “securing Russia’s political interests in the world” among strategic goals of the development of oil and gas industry.

Unlike the Russian Federation, Saudi Arabia that possesses the largest oil reserves in the world, does not use it as a political “weapon”, and has initiated elaboration of its, primarily, domestic energy policy due to a number of factors. Firstly, 80 % of the national budget revenue of the country stem from the exports of oil and natural gas liquids. Secondly, there is growth of domestic consumption (up to 7 % per year) [1]. In this case Saudi Arabia gave impetus to the development of alternative energy sector as well as research in energy efficient technologies for industry and transportations. What concerns an external component of the energy policy, Saudi Arabia “recognizes the importance of having a stable oil market by ensuring adequate, dependable supplies and combating higher than necessary oil prices” [1]. The use of oil as a decisive factor in foreign policy may undermine Saudi Arabia’s position among the key exporters of energy resources, therefore the Kingdom is not interested in using its oil reserves to gain political benefits and would rather adhere to the principles of cooperation among major players in the global market.

CONCLUSION

In conclusion, energy policy has become a reasonable response of states to the energy security threats. The relation between domestic and external component of this policy is determined by the degree of dependence of a state on the energy resources imports and internal opportunities
to use their energy sources. The general areas of energy policy are the development of energy efficiency and energy conservation technologies; development of a strong alternative energy sector; and the establishment of cooperation between the countries on a regional or global scale to counter energy security threats.

Moreover, energy factor can be used in the grand strategy to protect national interests, and in this case energy policy loses its initial purpose of guaranteeing energy security, and becomes the means to exert political pressure on a certain country or region. Future developments in the energy sector, namely further exhaustion of conventional resources, introduction of advanced technologies in renewable energy sector and unconventional oil and gas production will generate more aspects of cooperation and struggle between the countries in the area of energy security, thus making energy policy a more complex issue.

Sources


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