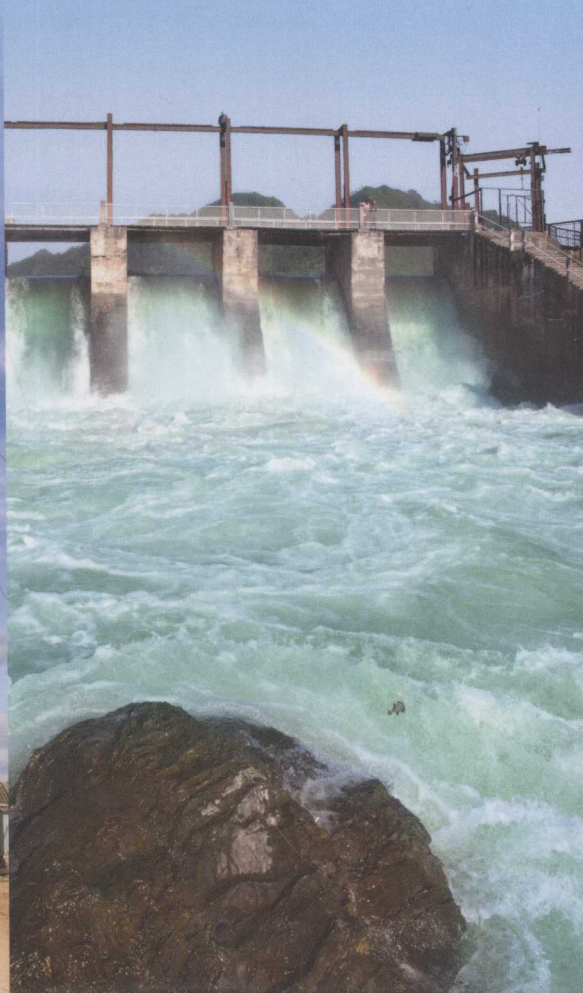


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PAMI AALTO



RUSSIA'S **ENERGY** **POLICIES**

National, Interregional and Global Levels



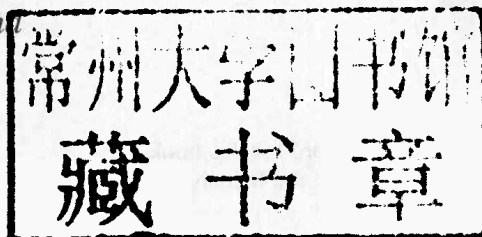
Russia's Energy Policies

National, Interregional and Global Levels

Edited by

Pami Aalto

University of Tampere, Finland



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This book is the result of collaboration on the study of Russian energy policy and its theoretical modelling that was started in 2006, with Pami Aalto, David Dusseault, Markku Kivinen and Michael Kennedy among the key driving forces. Since 2007, the core team behind this book has held several workshops and seminars in the Aleksanteri Institute, University of Helsinki, Finland, under the auspices of the Institute's Eurasia Energy Group. Two meetings were also organized at the University of Michigan's Center for Russian, East European and Eurasian studies and hosted by Kennedy.

Hanna Smith, Margarita Balmaceda and Mikko Palonkorpi also provided valuable input to many of those meetings and discussions, while several other members of the Aleksanteri Institute's staff and associated researchers took and continue to take part in some of the activities, among them Jeremy Smith. The core group also presented its work at the Russian International Studies Association conference in 2006 and the Nordic International Studies Association conference at the University of Southern Denmark in 2007, at the Association for the Advancement of Slavic Studies conference in Boston, 2009, where Robert Legvold proved a characteristically able and perceptive discussant, and the Aleksanteri Conference 'Fuelling the Future: Assessing Russia's Role in Eurasia's Energy Complex', in October 2010, among many other events. We continue to be most grateful to the organizers and participants of these events for the opportunities to obtain valuable feedback and to engage with stimulating audiences.

The idea for the present book grew gradually through the progress of the joint work and meetings, and was made the main objective of the collaborative work in the framework of the Academy of Finland project 'Russia's energy policy and its external impacts' (Kivinen, 2008–11). Later, Aalto's project 'Energy policy in European integration' (Academy of Finland, 2011–14, no. 139686) provided further academic and administrative support for the joint work. The more policy relevant side of the development work was greatly enhanced by smaller projects producing policy memos on Russian and Russian-European energy politics to the Ministry of Foreign Affairs in the course of 2006, and a related project funded by the Ministry on 'The new Northern Dimension and the possibility of an energy partnership – cooperation between Finland and Norway' (2007–09), coordinated by Aalto and Smith.

The contributors to this book held a book workshop in Helsinki in May 2010 to discuss draft papers. Between June and September the same year, Aalto made a memorable study visit with his family, as a Foreign Visiting Fellow in the Slavic Research Centre, Hokkaido University. This helped decisively to prepare the groundwork for the book and also included presentations in Hitotsubashi University, Tokyo, and Korea University, Seoul. The visit was kindly and ably hosted by Shinichiro Tabata, with the most hospitable presence and local help of Tomoko Tabata, Mika Osuga, Sachiko Yamashita and David Wolff, and the rest of the extremely helpful staff and associated academics within the institute. In the editing phase Sarah Naundorf offered valuable commentary and technical help at the University of Tampere, and Virginia Mattila worked efficiently with language revision.

On a more personal note, along those many discussion partners and critics encountered during the course of the numerous project events and occasions in Europe, Russia and North America, only some of which were mentioned above, the editor would like to thank those Japanese and Korean audiences with whom he had the pleasure to interact while working on this book in the Slavic Research Center in Hokkaido in 2010. For a scholar coming from Russia's European neighbourhood and where Russia is sometimes equated with its northwestern provinces, looking at Russia and its energy resources from the perspective of Asia's established and emerging powers with quite different regional cooperation interests with it, as well as reservations, was truly enlightening. These experiences confirmed that not only are there numerous facets of Russian energy policies as argued in this book, but also several viewpoints – empirical, theoretical and geographic – from which to study Russia and energy politics.

Abbreviations

APEC	Asia-Pacific Economic Cooperation
BP	British Petroleum
BRIC	Brazil, Russia, India and China
CEO	chief executive officer
CIS	Commonwealth of Independent States
CPC	Caspian Pipeline Consortium
DEA	Danish Energy Agency
EBRD	European Bank for Reconstruction and Development
EEZ	exclusive economic zone
EIA	Energy Information Administration
ENGO	environmental non-governmental organisation
ESPO	East Siberian Pacific Ocean pipeline
EU	European Union
FSU	Former Soviet Union
GDP	gross domestic product
GHG	greenhouse gases
GRP	gross regional product
IEA	International Energy Agency
IFI	international financial institution
IGO	intergovernmental organization
INGO	international non-governmental organization
IOC	international oil company
IPE	international political economy
IR	international relations (discipline)
LNG	liquefied natural gas
MEP	Member of the European Parliament
NATO	North Atlantic Treaty Organization
NOC	national oil company
NGO	non-governmental organization
NSGP	Nord Stream Gas Pipeline
OPEC	Organization of Petroleum Exporting Countries
PM	prime minister
PSA	Production-sharing agreement
SKV	Sakhalin-Khabarovsk-Vladivostok gas pipeline

SMEs	small and medium size enterprises
UNDP	United Nations Development Programme
WTO	World Trade Organization
WWF	World Wide Fund for Nature
YKV	Yakutiia-Khabarovsk-Vladivostok gas pipeline

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PART I

A new approach to Russia's energy policy