

**THE EASTERN ENLARGEMENT OF THE  
EUROPEAN UNION: HAS IT SIGNIFIED  
THE END OF THE PROSPECTS FOR A  
COMMON ENERGY POLICY?  
A CONSTRUCTIVIST VIEW ON THE  
CASES OF BULGARIA AND ESTONIA**

By  
Kremena Miteva

Submitted to  
Central European University  
Department of International Relations and European Studies

In partial fulfillment of the requirements for the degree Master of Arts

Supervisor: Prof. Annabelle Littoz-Monnet

Budapest, Hungary  
June 5, 2008

## **ABSTRACT**

The energy issues have been among the priority topics of the European Union for decades. Energy supply is a crucial element of the very functioning of the Union. That is why Member States have long been trying to establish a common approach towards energy. However, they have so far failed to effectively implement one.

A key aspect of the energy issues is the relationship between the EU and Russia. The Union is poor in natural resources and needs to import a large part of them with Russia being a key supplier. But the Member States have not been able to craft a “single voice” approach towards Russia.

The main question of research of my thesis is whether the Eastern enlargement has made the establishment of a common energy policy impossible to achieve and what are the reasons behind the twofold behavior of some new Member States.

Bulgaria and Estonia are in the focus of my attention. Bulgaria serves as an example of a state with twofold behavior supporting both Russian and EU-led projects and thus jeopardizing the Union’s attempts for a common energy policy. Estonia is much more pro-EU oriented and a staunch supporter of a common energy policy.

Using the constructivist logic and analyzing public discourse in the two countries, I find out that historical legacies and identity specificities are among the main reasons underlying the energy policy patterns of the two Member States. Since most of the new Member States belong to the group in which Bulgaria lies, the chances for a common Energy policy are rather small in the near future.

## TABLE OF CONTENTS

|  |     |
|--|-----|
| ABSTRACT .....   | ii  |
| TABLE OF CONTENTS.....   | iii |
| CHAPTER 1: INTRODUCTION.....   | 1   |
| 1.1 CASE SELECTION .....   | 3   |
| 1.2 METHODOLOGY .....  | 6   |
| 1.3 THEORETICAL FRAMEWORK.....   | 8   |
| 1.4 CONTRIBUTION .....   | 8   |
| CHAPTER 2: THE EU ENERGY POLICY.....   | 9   |
| 2.1 THE EU ENERGY POLICY: WHAT DOES IT STAND FOR?.....   | 9   |
| 2.2. OBSTACLES BEFORE EASTERN ENLARGEMENT .....  | 13  |
| 2.3 OBSTACLES AFTER EASTERN ENLARGEMENT .....  | 15  |
| CHAPTER 3: THEORETICAL FRAMEWORK .....   | 18  |
| 3.1 MAIN PROPOSITIONS OF CONSTRUCTIVISM .....  | 19  |
| 3.2 ENERGY SECURITY AND NATIONAL SECURITY SOCIALLY CONSTRUCTED .....   | 21  |
| CHAPTER 4: NEW MEMBER STATES' ENERGY POLICY PATTERNS.....  | 24  |
| 4.1 THE EASTERN ENLARGEMENT AND PATTERNS OF ENERGY CONSUMPTION.....  | 24  |
| 4.2 BULGARIA'S ENERGY DEPENDENCE ON RUSSIAN RESOURCES AND PARTICIPATION IN OIL<br>AND GAS PIPELINE PROJECTS..... | 26  |
| 4.3 ESTONIA'S ENERGY DEPENDENCE ON RUSSIAN RESOURCES AND PARTICIPATION IN GAS<br>AND OIL PIPELINE PROJECTS.....  | 29  |
| CHAPTER 5: CONSTRUCTIVISM AND THE BULGARIAN ENERGY POLICY.....   | 31  |
| 5.1 CONSTRUCTIVISM APPLIED TO THE BULGARIAN CASE .....   | 31  |
| 5.2 THE ENERGY POLICY AND RELATIONS WITH RUSSIA IN THE PUBLIC DISCOURSE.....                                     | 33  |
| 5.2.1 Bulgaria's Attitude Towards Russia in the Public Discourse.....  | 35  |
| 5.2.2 Bulgaria and the EU Energy Policy .....  | 37  |
| CHAPTER 6: CONSTRUCTIVISM AND THE ESTONIAN ENERGY POLICY .....   | 40  |
| 6.1 CONSTRUCTIVISM APPLIED TO THE ESTONIAN CASE.....   | 40  |
| 6.2 THE EU ENERGY POLICY AND RELATIONS WITH RUSSIA IN THE PUBLIC DISCOURSE .....                                 | 42  |
| CHAPTER 7: CONCLUSION.....   | 48  |
| Bibliography.....  | 51  |

## CHAPTER 1: INTRODUCTION

The energy issues have been among the most important for the European Union (EU) for many years. The main reason for that is the Union's relative lack of natural resources and its need to import energy resources to meet the demands of its growing population. What is more, with the accession of ten new Member States in 2004 and another two in 2007, the demand for energy has increased. This in turn has brought the energy security question back on the top of the EU's agenda. However, despite the increasing importance of the energy issues the Union has so far failed to establish a common energy policy that would regulate in a more organized and official rule-driven way a wide variety of energy-related matters that have so far predominantly been dealt with by Member States individually. A major aspect of the energy security issue is the security of supply and in particular the Union's relations with Russia which has been among its key energy resource suppliers. There is no doubt that the Union is heavily dependent on Russian resources. Most authors are unanimous that the European Union is heavily dependent on Russia for energy resources and that the arrival of 10 new member states in 2004 will have significant implications for the EU energy markets.<sup>1</sup> Kalyuzhova and Vagliasindi note that around two thirds of the EU's demand for oil and natural gas are imported at present from outside the Union and the demand in absolute terms is expected to rise in the coming years especially in light of the EU enlargement from May 2004.<sup>2</sup> At present around half of the EU's gas consumption comes from three sources only – Russia, Norway and Algeria and gas imports are expected to reach 80 percent in the coming

---

<sup>1</sup> Yelena Kalyuzhova and Maria Vagliasindi, "EU Energy Dependence and Co-operation with CIS Countries after EU Enlargement", *Adjusting to EU Enlargement*, Constantine Stephanou eds., Edward Elgar Publishing Limited, 2006

<sup>2</sup> Yelena Kalyuzhova and Maria Vagliasindi, "EU Energy Dependence and Co-operation with CIS Countries after EU Enlargement", *Adjusting to EU Enlargement*, Constantine Stephanou eds., Edward Elgar Publishing Limited, 2006, pp. 195-196

25 years.<sup>3</sup> What is more, if no substantial action is taken to increase production of domestic energy, the Union will have to import over 70 percent of energy resources needed to cover its energy demands in 20 to 30 years, while at present it imports around 50 percent.

In addition to these alarming data and predictions, the increase in the number of Member States has made the situation even more problematic. Not only is the overall demand for energy in the EU rising, considering that the Central and Eastern European countries (CEECs) are relatively poor in natural resources too, but also these countries' historical ties and still to some extent political and economic ties with Russia increase the chances that the EU's dependence on Russian resources will deepen even more. In 2002 the average share of imports in domestic energy consumption in CEECs was 54 percent.<sup>4</sup> What is more, some of the countries are 100 percent dependent on imports of oil and gas and have a significant share of imports of electricity too.

The main research question of my thesis is whether the heavy dependence of CEECs on imported resources and also their historical ties with Russia could lead to a further slowing down of the process of establishing a common energy policy or in more general terms whether the EU enlargement has signified the end of the prospects for establishing one at all. What is more, I am also looking for the reasons underlying the two-faced behavior of some Member States which support projects supported by the EU and by Russia.

I am going to structure my thesis into six chapters. First I am going to present the current status of the EU energy policy, after which I am going to provide a theoretical framework to help answer my research question. I will also provide overall background on the past and present energy situation in the EU before and after the Eastern enlargement along with the energy policy patterns of new Member States after which in two separate chapters I

---

<sup>3</sup> Green paper, "A European Strategy for Sustainable, Competitive and Secure Energy", 08.03.2006, Brussels, [http://ec.europa.eu/energy/green-paper-energy/doc/2006\\_03\\_08\\_gp\\_document\\_en.pdf](http://ec.europa.eu/energy/green-paper-energy/doc/2006_03_08_gp_document_en.pdf)

<sup>4</sup> OECD database: <http://www.iea.org/dbtw-wpd/Textbase/stats/index.asp> (Last accessed: April 5, 2008)

am going to apply the theoretical framework to speeches from Bulgarian and Estonian officials using discourse analysis.

### **1.1 CASE SELECTION**

I am drawing my hypotheses on the ambiguous behavior of certain new Member States especially in Central and Eastern Europe, Bulgaria in particular, in that they support both projects led by Russia while taking part in other projects which are aimed at reducing the dependence on this predominant source of energy resources. The reasons behind this behavior are undoubtedly many, but I argue that among the main reasons is those states' communist past and in the case of Bulgaria the positive attitudes towards Russia built through the centuries in connection with common historical and cultural experiences. That is why I apply the constructivist logic to explain how identity has to a large extent contributed to the present developments where Bulgaria's supports energy projects backed by Russia. It is important to note that I do not aim at diminishing the significance of the realist assumptions and rational logic of countries in their choice of an energy resource supplier or in their support or opposing a certain energy pipeline project regardless of the country that is leading it. But I would like to show that the simple realist logic has other layers underneath that can be uncovered and studied in greater depth through constructivist lenses. That is why I see the lack of attention paid to the constructivist logic when applied to the energy issues as a serious gap in the existing literature.

On the other side of the spectrum, however, lie countries like the Baltics, which behave differently from the first group of states – the Central and Eastern European countries. I am looking at the case of Estonia in particular and try to show that unlike the Central and Eastern European States and Bulgaria Estonia has been a more staunch supporter of diversification of the EU's energy resources and is also more strongly in favor of establishing a common energy policy of the Union. This different behavior is, I argue, mainly stemming from the

unfavorable historical occurrences connected with Russia that Estonia has experienced, its loss of independence to the Soviet Union when according to the protocol to the Molotov-Ribbentrop Pact Estonia signed the military bases agreement which the Soviet Union has advised and dictated on it.<sup>5</sup> The country regained independence in 1991 after the collapse of the Soviet Union. It has since been trying to rebuild its identity and distinguish itself at all costs from the Russian occupiers and the radical economic and social reforms path it has taken is a proof of that. My main claim is that Estonia's clearly pro-EU behavior is dictated and can be explained predominantly through the tools of the constructivist logic.

In this respect, my second hypothesis offering answer to the main research question whether the EU enlargement has signified the end of the prospects for establishing a common energy policy is that the enlargement does not necessarily mean that an energy policy is impossible to achieve having in mind states like Estonia which are more in favor of establishing one and presumably the other Baltic states which have had similar historical experiences. In this sense, the main claims of constructivism about identity affecting the foreign policy choices of states, the significance of historical legacies and experiences in picking one policy or another can find a fruitful ground for developing when applied to the energy policies of the two groups of countries I am looking at in the thesis – the Central and Eastern European states and the Baltics – and the two case studies of Bulgaria and Estonia in particular.

In sum, I argue that the establishment of a common energy policy which is generally seen as comprised by security of energy supply, liberalization of energy markets and tackling climate change, has become an even more difficult task to achieve in light of the last two enlargement waves when some countries, and in this particular case Bulgaria, have still not made a clear break with their past and are still harboring sentiments for Russia. This has led to

---

<sup>5</sup> Andres Tarand, "The Soviet Period", *Estonia: Identity and Independence*, Jean-Jacques Subrenant eds., Rodopi, 2004, pp. 137

such countries playing a “double game” by supporting both Russian and EU energy pipeline projects and thus jeopardizing and further slowing down the Union’s attempts to craft a common energy policy specifically in its aims to diversify the sources of energy supplies. What is more, the accession of new Member States is not the only reason seen as hindering the progress of crafting a common energy policy. The corporate interests in the older Member States are also an important factor in this respect. Despite the fact that liberalization of the energy markets looks like a natural and low-cost option for governments, this is not the case for private companies.<sup>6</sup> There is a continuous trend for concentration of dominant businesses in the EU’s energy sector which in turn is affecting the competition in the market. Thus the liberalization of the EU energy market is practically only on paper. What is more, it will most probably take years to build the needed infrastructure, legal rules and information systems to liberalize the EU energy market. Having that in mind and in light of the last two enlargements of the Union, in 2004 and 2007, the number of “players” on the market has significantly increased.

On the other hand, however, a common energy policy is not so far from achieving since some new Member States, like the Baltics and Estonia in particular, follow slightly different principles towards the energy issues and in particular towards Russia’s role on the energy stage of the EU. That is to say, a second hypothesis offering an answer to the main research question is drawn saying that a common energy policy of the EU could still be achieved if one looks at the positive attitude and actions of some Eastern European new Member States who support the idea of establishing one.

However, since I argue that most of the new Member States belong to the group of the Central and Eastern European countries and thus are more inclined to support projects both led by Russia and the EU, a common energy policy of the Union is probably far from being

---

<sup>6</sup> Leonid Grigoriev, “Growth With Energy and Energy Security”, *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007, pp.102-105



achieved in the near future. In addition to the fact that most of the new Member States still have aspirations to Russia or are in close economic or political connections is not the only reason why a common energy policy is not to be expected in the foreseeable future. It is also the corporate interests of older Member States and their reluctance to give up state monopolies and liberalize the energy market that also plays a vital role in explaining why the EU has so far failed to establish a common energy policy. I will pay more detailed attention to these considerations later in the thesis.

## **1.2 METHODOLOGY**

I will use several approaches to offer an answer to my research question and explain the hypotheses drawn from the empirical evidence. I will use the comparative method, more specifically the method of difference, focusing on two countries from the last two waves of enlargement – Bulgaria and Estonia. Bulgaria will be used as an example of a country whose behavior has been quite ambiguous in terms of supporting projects with Russia while at the same time, as many of the other Central and Eastern European states, has committed itself to projects backed by the EU. The other country I will focus my attention on is Estonia using it as an example of a new Member State that, despite its still relatively strong connections and dependence on Russian resources, has been a stronger supporter of EU-backed projects and is also strongly in favor of establishing a common energy policy of the EU and has actually opposed some Russian attempts to increase its influence in the country. These two examples will also serve as a step towards answering the main research question and justifying the two hypotheses.

In order to help answer the question of my research, I will first provide information about the different projects for energy supply the EU is involved in, the major transit routes of gas and oil from Russia to the Union. For this purpose I will use data from various media sources. Throughout my work, I will also extensively use the European Commission's Green

Book of 2006 to point the main concerns the Union has in terms of increasing energy dependence and the ways to cope with it. I will also refer to the web page of the Directorate General Energy and Transport of the European Commission to get an insight of the empirical data on EU dependence on imported fuels as well as to the Energy Charter web site for latest developments on the energy issues.

I will also talk about the deals that the two countries in question – Bulgaria and Estonia – have signed and committed to with Russian participation or without such to be able to prove that Bulgaria is more inclined to support both kinds of projects and Estonia is trying to limit its ties with Russia. For the purpose I will use journalistic articles and the web sites of Gazprom, the Bulgarian state-owned gas company Bulgargaz and the domestic companies operating in the gas and oil sector in Estonia. In attempting to draw conclusions on the two countries' diverging policies towards Russian projects. The different attitudes will be depicted through the lack or presence and also the particular deals involving Russia and on the other hand such involving the EU only. I will also be looking at the conflicts and the absence of such in energy related issues in the two new Member States in their relations with Russia.

I will use discourse analysis for the empirical part of my thesis to show how the attitude of the two states in focus – Bulgaria and Estonia – towards Russia and in turn towards the energy projects it is involved is depicted in public discourse. Speeches, as a form of discourse, of state officials, and in particular the President of Bulgaria Georgi Parvanov and the Prime Minister of Estonia Andrus Ansip, will be in the focus of my analysis. This approach is, I argue, a useful one in the case of explaining the energy policies of Bulgaria and Estonia, because it can offer a way to look at how social meanings are created and reproduced and how social identities are formed, which is what discourse analysts see texts and language a ground for and use language as data.<sup>7</sup> I will use two speeches of the Bulgarian president and

---

<sup>7</sup> Fran Tonkiss, "Analyzing Discourse", *Researching Society and Culture*, Sage Publications, 1998, pp.246-247

prime minister and two of the Estonian prime minister delivered on different occasions. What I will look for through my discourse analysis is how the attitude towards Russia in Bulgaria and Estonia is translated into the public official discourse in the two countries and how this attitude affects the two countries' positions on energy issues concerning both Russia and the EU. I will also be looking at the officially expressed attitudes about establishing a common energy policy of the EU.

### **1.3 THEORETICAL FRAMEWORK**

Constructivism will be used as the main theoretical approach with putting more stress on some of its main assumptions and propositions like identity and social construction which will be looked at in detail later in the following chapters of my thesis. Since the energy issues in foreign policy are a mixture of many different underlying factors, I consider using predominantly rationalist theoretical approaches not always appropriate and argue that constructivism can offer many useful insight and ideas for analyzing the energy aspect of international relations which rationalism is omitting.

### **1.4 CONTRIBUTION**

My research should provide, an analytical framework connecting first the lack of a common energy policy to the continuing enlargement of the EU to countries that are historically and economically tied with Russia and in the same time provide an explanation of the different levels of acceptance and cooperation with Russia in the different Member States, in this case Bulgaria and Estonia, and the reasons underlying such behavior. What is more, applying constructivism to energy issues is not a conventional approach to analyze this topic. It can be considered a potentially innovative approach that can offer more in-depth tools to analyze not only energy-related issues but also other matters of international relations which are usually associated with the rationalist framework analysis.

## CHAPTER 2: THE EU ENERGY POLICY

### 2.1 THE EU ENERGY POLICY: WHAT DOES IT STAND FOR?

The European Union is a big importer of energy resources and despite the fact that there are several countries that produce raw materials the quantity is not enough to cover the needs of the entire Union. That is why imports are needed to meet the demand of the 27-member bloc of energy. Only Germany and Italy account for a total of almost 20 percent of estimated world total imports.<sup>8</sup> Some 63% (130 billion cubic metres (Bcm)) of Russia's natural gas exports of 205 Bcm were delivered to European countries in the year 2000, with contractual requirements to increase deliveries to around 200 Bcm by the year 2008. Approximately 56% (73 Bcm) of the natural gas exported to Europe in 2000 was delivered to the EU.<sup>9</sup>

The energy issue is a central one in the agenda of the Union and thus Member States have been trying to establish common rules to regulate the supply of energy sources, the distribution, and also the environmental impact of energy production. Although there is no unanimous definition of what the energy policy is, it includes all issues connected with the use, production and distribution of energy. The energy policy is described as "a resolute step towards becoming a low-energy economy, whilst making the energy we do consume more secure, competitive and sustainable."<sup>10</sup> In a strategic review of the EU's energy situation from January 2007 the Commission outlined a set of measures, a so called "energy package" that

---

<sup>8</sup> Daniel Workman, "Dependent Natural Gas Importers. Top Gas Importing Countries are America, Germany, Japan and Italy", [http://internationaltrade.commodities.suite101.com/article.cfm/dependent\\_natural\\_gas\\_importers](http://internationaltrade.commodities.suite101.com/article.cfm/dependent_natural_gas_importers), (Last accessed: May 5, 2008)

<sup>9</sup> European Union – Russia Energy Dialogue, [http://ec.europa.eu/energy/russia/overview/why\\_en.htm](http://ec.europa.eu/energy/russia/overview/why_en.htm)

<sup>10</sup> European Energy Policy, <http://europa.eu/scadplus/leg/en/s14001.htm>, (Last accessed: May 30, 2008)

should be part of the European Energy Policy.<sup>11</sup> The main points of the document set the establishing of the internal energy market as a primary objective, based on competition with a separation of the management of gas and electricity networks from the production and sales in order to avoid discrimination and abuse of monopoly position. The internal energy market should also become more interconnected, meaning creating rules for making the different national electricity networks look more alike by setting common requirements and standards. Another key issue comprising the energy policy of the EU is the security of supply in terms of decreasing the Union's dependence on imports from few sources and the dependence on a single source of gas – Russia – that some Member States experience. In this respect the energy policy is aiming at securing solidarity between Member States and diversification of the suppliers of energy resources. A third aspect of the EU energy policy is the reduction in greenhouse gas emissions. Under this section fall the aims of increasing energy efficiency by reducing energy consumption by 20% by 2020 and having a 20% proportion of renewable energy in the energy mix by 2020. The energy policy also envisages developing renewable energy and energy-efficient technologies as well as establishing a common approach towards nuclear energy production and use, with nuclear energy being clean and relatively cheap type of energy.

In the focus of the EU during the past twenty and more years has been the establishment and completion of a European energy market which includes the liberalization of gas and electricity markets.<sup>12</sup> However, the Union has so far failed to provide any substantial results in actually liberalizing the energy market and most of its efforts have been mainly on paper.

---

<sup>11</sup> An Energy Policy for Europe, Communication From the Commission to the European Council and the European Parliament of 10 January 2007, <http://europa.eu/scadplus/leg/en/lvb/127067.htm>, (Last accessed: May 30, 2008)

<sup>12</sup> Dieter Helm, "European Energy Policy: Securing Supplies and Meeting Climate Change", New College Oxford, 25<sup>th</sup> October 2005, The Paper Has Been Prepared for the UK Presidency of the EU, pp.1 [http://www.dieterhelm.co.uk/publications/European\\_Energy\\_Policy251005.pdf](http://www.dieterhelm.co.uk/publications/European_Energy_Policy251005.pdf) (Last accessed: May 14 2008)

Since the early nineties the EU has been trying to establish a common energy policy and has so far failed to go any further than several directives, decisions and regulations in relation to energy and there have so far been no tangible results in the field in terms of a unified energy policy.<sup>13</sup> The final decisions in the energy sector are still taken individually by Member States. Despite the fact that liberalization of the energy markets looks like a natural and low-cost option for governments, this is not the case for private companies.<sup>14</sup> There is a continuous trend for concentration of dominant businesses in the EU's energy sector which in turn is affecting the competition in the market. Thus the liberalization of the EU energy market is practically only on paper. What is more, it will most probably take years to build the needed infrastructure, legal rules and information systems to liberalize the EU energy market.

Some authors argue, however, that the main threat to the EU's energy security does not stem from Russia's "energy weapon" and politically-bound gas cut offs, but from the lack of substantial investment in new energy fields.<sup>15</sup> What is seen as a possible solution is for Russia to liberalize its energy markets and improve the property rights and legal security for foreign investors. However, this will certainly be very difficult to achieve, without Russia committing to the EU Energy Charter. In addition to that the EU cannot expect realistically to make other countries liberalize their energy markets, if it itself has so far failed to liberalize its energy markets. Generally, the EU gas markets have been the national markets in which one state-owned company owns the pipelines and provided supplies of gas usually to a limited if not a single consumer. This in turn has been very favorable for Russia, which has been signing long-term supply contracts with individual countries in Eastern as well as in Western Europe.

---

<sup>13</sup> Ute Collier, "Prospects for a Sustainable Energy Policy in the European Union", *European University Institute Working Papers*, RSC No.97/29, Printed in Italy, 1997

<sup>14</sup> Leonid Grigoriev, "Growth With Energy and Energy Security", *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007, pp.102-105

<sup>15</sup> Alan Riley, "Energy Security, Gas Market Liberalization and Our Energy Relations With Russia", *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007, pp. 122-127

This has been very favorable for Russia since it was to a large extent predictable, limited the market to only a few operators and thus has been keeping prices high and competition to a minimum.<sup>16</sup>

The EU has done very little and very late to liberalize its gas markets. The first specific instrument in that direction has been the 1998 first gas directive, which only provided limited possibility for third party access to the gas pipelines. Later in the year 2000, at the Lisbon European summit, the EU states officially pledged to commit to the gas sector market liberalization. Later followed the second gas directive, in June of 2003, under which commercial “gas customers should be able to choose their supplier freely” by July 2004 and residential customers by July 2007.<sup>17</sup> Although it is a general agreement that the liberalization has many positive outcomes, like increasing energy security of supply being one larger market rather than a mixture of many small gas markets, evidence shows that the liberalization of the gas market in the EU has not yet happened in the form anticipated by the directives agreed. Data from the Directorate General of Competition showed that domestic companies that have held a dominant position on the local market before, are still in place and so are very much unaffected by the liberalization process.<sup>18</sup>

In sum, there are several factors hindering the establishment of a common energy policy. At the focus of the present paper is the enlargement of the EU eastwards, which by accepting new Member States that still have strong historical and economic ties with Russia, increases further the dependence of the Union on Russian resources. What is more, the

---

<sup>16</sup> Alan Riley, “Energy Security, Gas Market Liberalization and Our Energy Relations With Russia”, *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007, pp. 123

<sup>17</sup> Directive 2003/55/EC of the European Parliament and of the Council, concerning the common rules for the internal market in natural gas and repealing the Directive 98/30/EC, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2003:176:0057:0078:EN:PDF>, (Last accessed: April 2, 2008)

<sup>18</sup> Alan Riley, “Energy Security, Gas Market Liberalization and Our Energy Relations With Russia”, *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007, pp. 125

double-faced behavior of those countries, specifically Bulgaria for the purposes of the thesis in their support for projects led by Russia, but in the same time committing to projects for reducing the influence of Russia, can be seen as jeopardizing from within the Union's plans to establish a common policy in the energy sector.

## **2.2. OBSTACLES BEFORE EASTERN ENLARGEMENT**

There are other factors than new Member States from Eastern Europe that have been undermining the ideas for common energy policy. Older Members have shown reluctance to commit to full liberalization of their energy markets, mainly following the negative attitudes of large dominant domestic companies in the energy sector for which liberalization is mainly harmful due to the prospects of increased competition and lowering of prices. I argue that the constructivist logic with the power of identity and social construction of state actions can better be applied to the case of some new Member States, Bulgaria in particular, with their sentiments towards Russia resulting in support for projects it commences, while the attitude of the older Member States in terms of liberalization can better be explained by the liberal intergovernmentalist view of national preference formation. Under this theory states are considered rational actors, but that role is being formed domestically under the influence of powerful industrial and other actors.<sup>19</sup> Although I am not planning to analyze in much detail the logic of the liberal intergovernmentalism and how it is applied to the old Member States', since this is not the primary focus of my thesis, it was important to note that although the attitude of old and new Member States leads to the same result – bringing the EU further away from implementing much of the principles of what is aimed to be a common energy policy – there are different reasons and thus theoretical explanations for their behavior.

---

<sup>19</sup> Andrew Moravcsik, (1993), "Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach", *Journal of Common Market Studies*, 31:4, pp. 473-524



As far as older Member States are concerned, I will shortly focus on the cases of Germany and France, because since they are the “founding fathers” of the Union, analyzing their behavior can speak about the overall mood among the rest of the countries in the Union about the energy issues. The prevailing interests of the large domestic industrial players in the energy sectors in France and Germany and their close ties with Russia’s gas monopoly Gazprom have played a great role in contributing to the stalemate in terms of achieving a common energy policy of the Union. Many other large EU states such as Spain and Italy, while trying to retain control over large state energy enterprises, have practically been blocking ideas for unifying the EU energy market. That is to say both privately-owned industrial players and other domestic players like the wider public that is against changing the energy distribution and production status quo affect the governments’ attitude towards a common energy policy.

This is largely the case in France - a country that has been seen as the “black sheep” of European energy market deregulation process, following a model of strong state intervention in the sector with the state-owned giants Gaz de France (GDF) and Electricité de France (EDF) and in addition its large production and use of nuclear power as a primary source of energy.<sup>20</sup> On the domestic level there is a demand for sustaining the status quo and these preferences translate into keeping the country’s policy unchanged, mainly due to the state’s fear of losing popular support. In the case of France workers in the public energy companies do not want to let go of their privileges and consumers fear changes an increased competition.<sup>21</sup> To add to the picture in France and the reasons why it has been reluctant to employ a full-scale European energy policy, one should also consider the corporate interests of the big industrial players. Gaz de France has been a strong partner of Russia’s Gazprom. In

<sup>20</sup> Sophie Meritet, “French Perspectives in the Emerging European Union Energy Policy”, *Energy PolicyJournal*, vol. 35, Elsevier Ltd., 2007, pp.4766

<sup>21</sup> Sophie Meritet, “French Perspectives in the Emerging European Union Energy Policy”, *Energy PolicyJournal*, vol. 35, Elsevier Ltd., 2007, pp.4770

2003 GDF and Gazprom prolonged a gas exports agreement under which the annual of 8 billion cubic meters of Russian gas GDF got will increase to 12 billion cubic meters and the term of the contract has been extended until 2015.<sup>22</sup>

In the case of Germany it was the largest importer from Russia in 2006, accounting for 21 percent of all Russian imports of the Union.<sup>23</sup> Germany is Gazprom's largest export market. Major German companies have been in tight relations and partnerships with Russia. BASF and E.ON signed in 2005 an agreement with Gazprom to build the so called North European Gas Pipeline that will flow through the Baltic Sea.<sup>24</sup>

It is also important to note that as mentioned earlier, the theoretical approaches for analyzing the behavior of older and new Member States differ. What explains the energy policies of the two countries in the focus of my thesis – Bulgaria and Estonia – is their historical connections with Russia and their subsequently formed identity in connection with Russia, which has left a mark on their overall political orientation and from that affected their energy policies. The considerations underlying the energy-related decisions of new Member States are, I argue, best described through the logic of constructivism rather than liberal intergovernmentalism which is best applied to the behavior of older Member States. The main limitation of the liberal intergovernmentalist approach when applied to the new Member States is that it gives no account for the deeper layers of the domestic preference formation that comes before shaping a government policy. That is it does not take into account the identity of a state and the social construction of a society.

### **2.3 OBSTACLES AFTER EASTERN ENLARGEMENT**

Many differences can be found in the energy landscape of Europe and the world as a whole in the years before the collapse of the Soviet Union and decades after that. I argue that

<sup>22</sup> <http://www.gazprom.com/eng/articles/article8927.shtml>, Gazprom website, (Last accessed: April 6, 2008)

<sup>23</sup> [http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP\\_PRD\\_CAT\\_PREREL/PGE\\_CAT\\_PREREL\\_YEAR\\_2007/PGE\\_CAT\\_PREREL\\_YEAR\\_2007\\_MONTH\\_05/6-15052007-EN-BP.PDF](http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP_PRD_CAT_PREREL/PGE_CAT_PREREL_YEAR_2007/PGE_CAT_PREREL_YEAR_2007_MONTH_05/6-15052007-EN-BP.PDF), (Last accessed: April 8, 2008)

<sup>24</sup> E.ON web site, <http://www.eon.com/en/presse/news-show.do?id=7284> (Last accessed: April 15, 2008)

the changes with the EU Eastern enlargement also play a vital role, although the enlargement itself is not the only reason for the changes that occurred in the energy field and in the policies of older Member States. The biggest impact the Eastern Enlargement has had on the overall outlook of the EU's energy situation is the increase in imports of natural resources. Central and Eastern European states added to the Union's dependence on imports. In 2005 only the Central and Eastern European region countries had net imports of energy of 136.9 Mtoe.<sup>25</sup> What is more, in light of the last two enlargements of the Union, in 2004 and 2007, the number of "players" on the market has significantly increased. In addition to that, the historical ties of the CEECs with Russia will make it even harder to achieve an EU-wide common energy policy. That is mainly because for Russia it is generally easier to contract individual countries and especially such that are heavily dependent on imported resources and also have historical and economic ties with Russia. Bulgaria, as part of the CEECs, which are the focus of my thesis, have shown a quite ambiguous behavior in terms of supporting projects led by Russia and in the same time participating in projects meant to diversify the supplies for the Union and avoid Russian resources. That is, in terms of diversification, the establishment of an EU-wide energy policy looks more difficult and complicated with the arrival of the new Member States from Central and Eastern Europe. Having still strong influence on those countries and holding them dependent on its resources, Russia is practically gaining more leverage on the EU as a whole, and it has proven that it will use energy resources also as a political weapon. A recent example has been the 2006 gas dispute with Ukraine when Russia cut off gas supplies to Ukraine, which is a major transit route supplying natural gas to Europe, after Gazprom sought higher gas prices to be paid by Ukraine making it pay the market prices for gas applied also to West Europe and disentangle the

---

<sup>25</sup> International Energy Agency, Selected 2005 Indicators for Central/Eastern Europe, [http://www.iea.org/textbase/stats/indicators.asp?COUNTRY\\_CODE=33](http://www.iea.org/textbase/stats/indicators.asp?COUNTRY_CODE=33), (Last accessed: May 30, 2008)

transit fees from gas prices.<sup>26</sup> The case was twofold – on the one hand it was an economic dispute, but on the other, as many authors agree, it was a political one, following the so called Orange Revolution in Ukraine a year earlier.

One of the most tangible differences between the old and the contemporary situation is the price of energy sources. While in the 1980s and the 1990s most Member States had excess capacity and the prices of energy on a world scale were very low, the situation has significantly changed over time.<sup>27</sup> What is more, with the growing role of the fast emerging economies of China and India the demand for fuels is rising and so are the prices. The latest published World Energy Outlook of the International Energy Agency (IEA) predicted that if governments around the world continue with their present energy policies, the world's energy needs will be over 50 percent higher in 2030 than they were in 2007.<sup>28</sup> In this respect Europe is not an exception and should adapt to the changed reality of high prices, increased world demand and decreasing resources and a common approach towards this issue shared by all Member States is believed to be a good way to tackle the new realities.

---

<sup>26</sup> Leonid Grigoriev, "Growth With Energy and Energy Security", *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007, pp.102-105

<sup>27</sup> Dieter Helm, "European Energy Policy: Securing Supplies and Meeting Climate Change", New College Oxford, 25<sup>th</sup> October 2005, The Paper Has Been Prepared for the UK Presidency of the EU, pp.1  
[http://www.dieterhelm.co.uk/publications/European\\_Energy\\_Policy251005.pdf](http://www.dieterhelm.co.uk/publications/European_Energy_Policy251005.pdf) (Last accessed: May 14 2008)

<sup>28</sup> International Energy Agency, Press release on World Energy Outlook 2007, The Next 10 Years are Critical - the World Energy Outlook Makes the Case for Stepping up Co-operation with China and India to Address Global Energy Challenges, [http://www.iea.org/textbase/press/pressdetail.asp?PRESS\\_REL\\_ID=239](http://www.iea.org/textbase/press/pressdetail.asp?PRESS_REL_ID=239), (Last accessed: May 30, 2008)

### CHAPTER 3: THEORETICAL FRAMEWORK

In my thesis paper I will use constructivism as the main analytical tool for explaining the energy policy choices of new EU Member States. The constructivist approach will be used mainly because it offers tools for interpreting certain issues concerning the energy policy choices of states in the EU that rationalism fails to fully account for. It is a common academic consensus that the debate between rationalism and constructivism is the main one and will be the main one in the decades to come in the field of international relations.<sup>29</sup> What is more, both are considered meta-theories and that is why it is most appropriate to compare the two rather than constructivism to realism. However, I will spend less time on comparing rationalism to constructivism and rather use constructivism as the sole theoretical approach in my thesis, despite the fact that theories from the rationalist framework are most often used when it comes to discussing energy issues. The use of the constructivist approach can be justified with the fact that being so underestimated when analyzing energy issues, applying this approach to those same issues can offer useful insights that the rationalist framework has excluded from its analytical toolbox. In addition to that, the choice of energy policy is a mixture of different considerations both rational and other and paying attention to only part of those considerations is often leaving behind significant variables useful for the process of “painting” a full picture of a country’s policy choices in the field of energy.

---

<sup>29</sup> James Fearon and Alexander Wendt, “Rationalism vs Constructivism: A Skeptical View”, *Handbook of International Relations*, Walter Carlsnaes, Thomas Risse-Kappen, Beth A. Simons eds., Sage Publications, <http://books.google.com/books?hl=en&lr=&id=f90C7zgrcXYC&oi=fnd&pg=PA52&dq=constructivism+international+relations+a-wendt&ots=dIX8LqKm2L&sig=HoIHhPjhli-zKGd8t0LhV-U0ne0#PPA23,M1>, (Last accessed: April 20, 2008)

### 3.1 MAIN PROPOSITIONS OF CONSTRUCTIVISM

After the fall of communism and the dissolution of the Soviet Union realism started loosing its theoretical powers, since it failed to account for the dissolution of the Soviet Union and its voluntary retreat from empire, the numerous democratic revolutions around the globe and the vast increase in international cooperation.<sup>30</sup> Constructivism, contrary to rationalism and realism, puts people and their activities at the front.<sup>31</sup> What is more, speech acts, rules, practices, agents and social arrangements are at the core of society and institutions whereas power and hegemonies are just exceptions and are considered specific instances. What is more, central to constructivism is that human beings are social and were it not for the social relations, we would not be humans.<sup>32</sup>

The main element for constructing the world is considered to be rules. Constructivism views ideas and rules as key to forming society and constructivists argue that those are endogenous to real people, and not dictated from outside by some exogenous structure.<sup>33</sup> Generally speaking, according to scholars who locate themselves in the constructivist strand social relations construct people and in turn people construct the world through the interaction with one another.<sup>34</sup> In addition to that it is argued that agency is a social construction as well as a government, as an agency, is. A government makes choices following and taking into account other social constructions be it other people, groups of people or some practices. Agents aim at achieving goals which reflect people's wishes and needs. Rules give agents in

---

<sup>30</sup> Charles W. Kegley Jr., "The Neoliberal Challenge to Realist Theories of World Politics: An Introduction", Chapter 1, *Controversies in International Relations Theory. Realism and the Neoliberal Challenge*, Charles W. Kegley Jr. eds., St. Martin's Press, New York, 1995, pp. 1-17

<sup>31</sup> Vendulka Kubalkova, Nicholas Onuf, Paul Kowert, "International Relations in a Constructed World", Preface, M.E. Sharpe, Inc., 1998, pp. ix-xiii

<sup>32</sup> Nicholas Onuf, "Constructivism: A User's Manual", *"International Relations in a Constructed World"*, Vendulka Kubalkova, Nicholas Onuf, Paul Kowert eds., M.E. Sharpe, Inc., 1998, pp. 58-77

<sup>33</sup> Vendulka Kubalkova, "The Twenty Years' Catharsis: E.H. Carr and IR", *"International Relations in a Constructed World"*, Vendulka Kubalkova, Nicholas Onuf, Paul Kowert eds., M.E. Sharpe, Inc., 1998, pp. 52-53

<sup>34</sup> Nicholas Onuf, "Constructivism: A User's Manual", *"International Relations in a Constructed World"*, Vendulka Kubalkova, Nicholas Onuf, Paul Kowert eds., M.E. Sharpe, Inc., 1998, pp. 58-77

the society an idea of what the appropriate goals to follow are. Following from that, agents do their best to achieve the goals they have set for themselves which is a rational behavior, although it may seem irrational from outside.

Some authors argue that the foreign policy process nowadays has been Europeanized, which translates into looking for common understanding and common approach.<sup>35</sup> However, foreign policy makers still have to mediate between the transnational processes and domestic issues which is especially true for the EU Member States. In this way one can observe a process of social learning with actors playing specific roles through the interaction with one another. In this way, the high levels of interaction between states can lead to a development of a growing “we feeling” and common “role identity”.<sup>36</sup> The mixed identity of new EU Member States, combining both past sentiments for Russia, but also aiming at becoming fully integrated in the Union and Westernized, I argue, is causing most of the controversies in their choices to support Russia-led energy projects but in the same time being committed to projects that aim at decreasing the EU’s dependence on Russian resources. This suggests that constructivism has a lot of useful insights not touched upon by rationalism which serve as a tool to uncover the many layers of state policies formation and specifically the energy policies of new Member States Bulgaria and Estonia which are in the focus of my research.

The issue of identity is another key area of focus for constructivists. As Wend argues, it is not just behavior but identity that changes.<sup>37</sup> What is more, he claims that the way others treat an actor will not only affect their behavior but mostly their perception of self. However, Zehfuss argues in turn that it is difficult to put a clear distinction line between identity and

---

<sup>35</sup> Lisbeth Aggestam, “Role Identity and the Europeanization of Foreign Policy: a political-cultural approach”, *Rethinking European Foreign Policy*, Ben Tonra and Thomas Christiansen, eds., Manchester: MUP, 2004, pp.81-98

<sup>36</sup> Karl Deutsch quoted in Lisbeth Aggestam, “Role Identity and the Europeanization of Foreign Policy: a political-cultural approach”, *Rethinking European Foreign Policy*, Ben Tonra and Thomas Christiansen, eds., Manchester: MUP, 2004, pp.81-98

<sup>37</sup> Maja Zehfuss, “Constructivism in International Relations: The Politics of Reality”, pp.62, [http://books.google.com/books?id=4M1eKE5jzxC&printsec=frontcover&dq=constructivism+international+relations&lr=&sig=u\\_50Sxq-ugV3pxr68Y52LV1F8jc#PPR9,M1](http://books.google.com/books?id=4M1eKE5jzxC&printsec=frontcover&dq=constructivism+international+relations&lr=&sig=u_50Sxq-ugV3pxr68Y52LV1F8jc#PPR9,M1), (Last accessed: April 25, 2008)

behavior and the only way to learn about an actor's identity is through their behavior. Despite that, I consider the identity issue a very useful tool to analyze the behavior of new Member States in terms of energy policy. This can be seen through some behavioral differences in the energy policies and overall attitude towards Russia and the way it is seen as an international counterpart or "enemy" between the different groups of new Member States which are the focus of the present paper. The differences in the behavior are, I argue, caused by the different identities of the states formed through the centuries as a result of the attitude of Russia towards them and the interaction between the two sides. Those differences can be exemplified through the lack or existence of political or economic conflicts with Russia. While Bulgaria has had almost no conflicts with Russia over energy issues, Estonia has experienced several disputes.

### **3.2 ENERGY SECURITY AND NATIONAL SECURITY SOCIALLY CONSTRUCTED**

An interesting and useful addition when discussing the energy policies of states would be looking at them as matters of national security. Since the issues of national security are not strictly limited to military issues and the notion has been flexible over times, I will treat energy security as part of the overall national security. Katzenstein, offering a sociological perspective on the national security politics, argues that national interests in the security area are not just "discovered" by rational actors, but are socially constructed through interaction and defined by actors who are reacting and responding to cultural factors.<sup>38</sup> What is more, he argues that social factors often are the main shapers of various national security policy aspects, which other theoretical frameworks fail to offer a plausible prediction for or explanation of. Therefore, the constructivist ideas of norms and identity are applied to an issue – national security – usually considered inseparable part of the rationalist approaches

---

<sup>38</sup> Peter J. Katzenstein, "Introduction", *The Culture of National Security. Norms and Identity in World Politics*, Peter J. Katzenstein eds., Columbia University Press, 1996, pp.2



realm. Some of the main critiques against the rationalist frameworks approaches when compared to the liberal ones Katzenstein bases on the lack of account for the interests of actors, considered by liberal scholars and those in the constructivist realm as formed mainly by their identity. To put it more clearly, being a social actor and thus taking into account multiple social rules and conventions, the state's identity is being built by these rules and so are the interests of actors. History, contrary to neorealism, is considered more than just a process of searching and mirroring or developing institutions for securing property rights, but it leaves a mark on the state's identity.

Jepperson, Wendt and Katzenstein argue that culture and institutions rather than just material interests are at the core of the security environment of states.<sup>39</sup> They also consider culture as shaping not simply some aspects of state behavior but affecting the overall character of states, meaning their identity. This is especially appropriate to apply to the cases of Bulgaria and Estonia since as mentioned before the rationalist approaches fail to account for significant aspects of the formation of national interests and policies. What is more, rationalism is incapable of fully explaining this puzzle, since the reason underlying the decisions and attitudes of the two countries in connection with their energy policies and support of objection to certain projects led by Russia stem from within the counties and are not necessarily only a result of external pressure, but often lie within the country.

However, one should not oppose constructivism and rationalism, but consider the debate between the two more as a "conversation", rather than see them as rival theoretical approaches.<sup>40</sup> That is because they view international relations from different standpoints and

---

<sup>39</sup> Ronald L. Jepperson, Alexander Wendt and Peter Katzenstein, "Norms, Identity and Culture in National Security", *The Culture of National Security. Norms and Identity in World Politics*, Peter J. Katzenstein eds., Columbia University Press, 1996, pp. 33-35

<sup>40</sup> James Fearon and Alexander Wendt, "Rationalism vs Constructivism: A Skeptical View", *Handbook of International Relations*, Walter Carlsnaes, Thomas Risse-Kappen, Beth A. Simons eds., Sage Publications, <http://books.google.com/books?hl=en&lr=&id=f90C7zgrcXYC&oi=fnd&pg=PA52&dq=constructivism+international+relations+a-wendt&ots=dIX8LqKm2L&sig=HoIHhPjhli-zKGd8t0LhV-U0ne0#PPA23,M1>, (Last accessed: April 20, 2008)

that is why they ask different questions for the international reality which in turn can each offer insights for explaining the behavior of new Member States in their energy policy inclinations and their relations with Russia.

## CHAPTER 4: NEW MEMBER STATES' ENERGY POLICY PATTERNS

### 4.1 THE EASTERN ENLARGEMENT AND PATTERNS OF ENERGY CONSUMPTION

In the last two waves of enlargement in 2004 and 2007 the European Union has accepted 12 new Member States from Central and Eastern Europe as well as Cyprus and Malta. This has undoubtedly caused a major change in the political and economic landscape of Europe, not only because of the significantly increased number of member countries, but also because of the specifics of the newly-accepted states. One of the biggest specifics of the states put in that group is their relation with Russia. Russia's political and economic preferences – a choice between a European and Eurasian orientation – have been discussed for over two centuries.<sup>41</sup> Since the collapse of the Soviet Union in 1991 Russia has been amending its foreign policy preferences. Although the final priority has been given to the states from the former Soviet Union, Russia has also kept close economic ties with many of the former communist countries in Central and Eastern Europe. The difference now is that on most of the occasions Russia is treating them separately rather than as a whole. The historical connections of the CEE countries with Russia and the former Soviet Union, is to a large extent making this group of states significantly differentiate from the rest of the EU Member States.

Although the Central and Eastern European states have taken on to the path of European integration and “Westernization” there are areas in which these countries are still heavily dependent on Russia and that is energy. Not only are the former communist states heavily dependent on Russia for natural resources and especially natural gas and oil, but being part of the EU they increase its overall dependence on Russia. The overall energy consumption of the

---

<sup>41</sup> Kalman Dezseri, “Abandoned Brotherhood: Declining Economic Relations Between the CEECs and Russia in the 1990s”, *Eastern European Economics*, vol. 39, no.3, May-June 2001, M.E. Sharpe, Inc., 2001, pp.5

European region, is also significant when compared to other regions in the world. Statistical data shows that in 2006 the region Europe and Eurasia, including the EU Member States as well as some of the former Soviet republics plus Turkey, Switzerland and Norway, has consumed a total of 714 billion cubic meters of natural gas, almost as much as was consumed in the region of North America, including the United States, Canada and Mexico, which consumed 770 billion cubic meters.<sup>42</sup> Although the two regions are relatively equal in size of population, the main difference in terms of natural gas specifics is the amount of imports. While in the OECD countries in North America imports of natural gas amounted at 146 billion cubic meters in 2007, the OECD states in Europe consumed almost three times more gas – 415 billion.<sup>43</sup> These data show that the EU has been heavily dependent on gas imports and a huge consumer even before the Eastern Enlargement which has deepened the problem and the increase in the number of countries fairly poor in natural resources is among the key challenges concomitant with Enlargement.

But as mentioned earlier the mere increase in number of Member States is in itself not the biggest challenge, it is the type of countries that joined that matters most. The main difference between the Western European states and the CEE countries is that the latter are almost entirely dependent on imports of natural gas from the single source Russia.<sup>44</sup> For example the countries I am focusing on in my thesis – Bulgaria and Estonia – are 103.9 and 100.0 percent dependent on imports of natural gas.<sup>45</sup> What is more, not only are they

---

<sup>42</sup> BP Historical Data on Natural Gas, [http://www.bp.com/liveassets/bp\\_internet/globalbp/globalbp\\_uk\\_english/reports\\_and\\_publications/statistical\\_energy\\_review\\_2007/STAGING/local\\_assets/downloads/spreadsheets/statistical\\_review\\_full\\_report\\_workbook\\_2007.xls](http://www.bp.com/liveassets/bp_internet/globalbp/globalbp_uk_english/reports_and_publications/statistical_energy_review_2007/STAGING/local_assets/downloads/spreadsheets/statistical_review_full_report_workbook_2007.xls), (Last accessed: May 20, 2008)

<sup>43</sup> International Natural Gas Consumption, Energy Information Administration, US government, [http://www.iea.org/Textbase/stats/surveys/gas\\_web.xls](http://www.iea.org/Textbase/stats/surveys/gas_web.xls), (Last accessed: May 21, 2008)

<sup>44</sup> Margarita Balmaceda, “EU Energy Policy and Future European Energy Markets: Consequences for the Central and Eastern European States”, Working Papers, *Arbeitspapiere – Mannheimer Zentrum für Europäische Sozialforschung*, nr. 42, 2002, pp. 4,

<sup>45</sup> Miklos Losoncz, “Analysis: Energy Dependence and Supply”, <http://www.euractiv.com/en/energy/analysis-energy-dependence-supply-central-eastern-europe/article-155274>, (Last accessed: April 25, 2008)

dependent but they are dependent on a single source – Russia. It is the only supplier of natural gas and oil products for Bulgaria.<sup>46</sup>

What is more, political and cultural diversity has also become more visible after EU enlargement to the east and this is not to be underestimated. One of the divisions that the cultural and also economic diversity in Europe has brought after the last waves of enlargement is based on the dichotomy East-West.<sup>47</sup> Although the Central and Eastern European states after the fall of the Soviet Union and the abandoning of communist regimes in those countries have become part of a larger Europe, the differences in many aspects between those states and the rest of Europe are still showing.

#### **4.2 BULGARIA'S ENERGY DEPENDENCE ON RUSSIAN RESOURCES AND PARTICIPATION IN OIL AND GAS PIPELINE PROJECTS**

A key issue for my thesis is not only the two key study countries Bulgaria and Estonia's heavy dependence on Russian energy resources and natural gas in particular, but also their objection to or participation in energy pipeline projects led by Russia. What is more, I am trying to uncover the reasons for the dubious behavior of Bulgaria which supports, as will empirically be presented later in this chapter, both EU and rival Russian-led energy projects.

Bulgaria is poor in natural resources and is heavily dependent on imports to secure its natural gas demands. In 2002 it was 103.9 percent dependent on gas imports and 99.7 percent dependent on oil imports.<sup>48</sup> It is also an important gas transit route for Russia. Through the state-owned gas company Bulgargaz Bulgaria is a key transporting route of Russian natural gas to the Balkan region. The development of the gas market in Bulgaria started in the mid-

<sup>46</sup> Европейска комисия, “България – справка за съчетанието на видовете енергия” [http://ec.europa.eu/energy/energy\\_policy/doc/factsheets/country/bg/mix\\_bg\\_bg.pdf](http://ec.europa.eu/energy/energy_policy/doc/factsheets/country/bg/mix_bg_bg.pdf), (Last accessed: May 15, 2008)

<sup>47</sup> Paul Blokker, “Europe “United in Diversity”. From a Central European Identity to Post-Nationality?”, *European Journal of Social Theory*, vol. 11, Sage Publications, 2008, pp. 257-258

<sup>48</sup> OECD database: <http://www.iea.org/dbtw-wpd/Textbase/stats/index.asp> (last accessed: May 28, 2008)

70s of the 20<sup>th</sup> century when a main gas pipeline was constructed from the former USSR to Bulgaria and then the national gas transmission network was established in Bulgaria.<sup>49</sup>

Bulgaria is taking part in several energy pipeline projects led by Russia's gas monopoly Gazprom or Russian oil companies. It is part of the Balkan Oil Pipeline project along with Greece and Russia's oil pipeline monopoly Transneft, Rosneft and Gazprom Neft.<sup>50</sup> The pipeline connects the Bulgarian Black Sea port of Burgas with the Greek Aegean Sea port of Alexandroupolis, bypassing the congested Turkish Bosphorus Straits. Bulgaria and Greece agreed to hold a total of 50 percent in the project, 25 percent each. The pipeline is seen as the cheapest route to transport Black Sea crude oil to the United States Gulf and to northwestern Europe and possibly after some time transport crude also to the Mediterranean Sea.<sup>51</sup> Although there have been protests from the opposition to the Socialist-led government in Bulgaria in terms of the expected negative environmental impact of the pipeline on the Bulgarian Black Sea coast, the government is not inclined to change its plans to proceed with its participation in the construction of the project.

Another oil pipeline project Bulgaria is taking part in is the AMBO Trans-Balkan pipeline that is US-led and includes Bulgaria, Macedonia and Albania. It will run from Bulgaria's Black Sea port of Burgas to Albanian Adriatic port of Vlore.<sup>52</sup> The pipeline is to transport crude oil to the EU and also to the US. So Bulgaria in the case of these two pipelines – the Russian-led Burgas-Alexandroupolis and the US-backed AMBO pipeline – is like a crossroad of Russian and Western interests. And its ambiguous behavior is evident in that it

---

<sup>49</sup> Nabucco Gas Pipeline Project, <http://nabuco-pipeline.com/company/shareholders7/bulgargaz-hold.-ead/bulgargaz.html>, (Last accessed: May 28, 2008)

<sup>50</sup> Reuters, Factbox: Major Energy pipelines in central/south Europe", <http://in.reuters.com/article/asiaCompanyAndMarkets/idINL1648037520080118>, (Last accessed: April 5, 2008)

<sup>51</sup> Presentation on "Oil and Gas Transportation in the CIS and Caspian Region", *Emerging Europe Energy Summit*, 2005, "Why The Burgas-Alexandroupolis Pipeline?", by Christos Dimas, Bapline company director, [www.doingbusiness.ro/.../16.30%20-%2018.00/BAOPP-Christodoulos\\_Dimas.pdf](http://www.doingbusiness.ro/.../16.30%20-%2018.00/BAOPP-Christodoulos_Dimas.pdf), (Last accessed: April 5, 2008)

<sup>52</sup> Bulgarian National Radio web site, "AMBO Trans-Balkan Pipeline Takeoff", February 01 2007, [http://www.bnr.bg/RadioBulgaria/Emission\\_English/Theme\\_Bulgaria\\_And\\_The\\_World/Material/AMBO.htm](http://www.bnr.bg/RadioBulgaria/Emission_English/Theme_Bulgaria_And_The_World/Material/AMBO.htm), (Last accessed: April 5, 2008)

supports both projects. Here I am using also this example of a pipeline, not only because it is meant to provide crude oil to Europe too. Bulgaria's support for it making sense when analyzed with the constructivist logic, since it proves once again that it has no problem committing to both projects led by Russia and such led by Western states and undoubtedly rivals of Russia, in this case the United States.

What is more, a case for a bigger contradiction in Bulgaria's pro-EU attitudes and its support for Russian projects can be found in another two pipeline projects – the EU and US supported Nabucco gas pipeline and the Russian South Stream gas pipeline. Bulgaria's Bulgargaz is a shareholder, along with Austria's oil and gas group OMV, Hungary's MOL, Turkey's Botas and Romania's Transgaz, in the joint company that is to build the project. German utility RWE is expected to become the sixth partner in the project, pending approval from Botas.<sup>53</sup> The Nabucco gas pipeline is to transport natural gas from the Caspian region from Turkey to Austria and is meant to reduce Europe's dependency on Russian gas. However, Bulgaria has recently committed to another project, the Russian-led South Stream gas pipeline project, which is seen as rival to Nabucco. The project envisions Russia's Gazprom and Italy's Eni building a pipeline under the Black Sea to transport Russian gas to Europe.<sup>54</sup> An interesting fact about Bulgaria's decision to join the project was that there have been initial disputes with Russia with Bulgaria asking for a majority stake in the project and Russia opposing to this demand. It is clear that the rational realist logic of a state trying to maximize its profits was in action, but there have also been other considerations not publicly articulated. Despite Bulgaria's will to Westernize and integrate in the EU, it is still tied with historical legacies and sentiments towards Russia. Thus, the establishment of a common energy policy of the Union seems further away, because the link between new Member States

---

<sup>53</sup> Reuters, Factbox: Major Energy pipelines in central/south Europe", <http://in.reuters.com/article/asiaCompanyAndMarkets/idINL1648037520080118>, (Last accessed: April 5, 2008)

<sup>54</sup> Reuters, Factbox: Major Energy pipelines in central/south Europe", <http://in.reuters.com/article/asiaCompanyAndMarkets/idINL1648037520080118>, (Last accessed: April 5, 2008)

like Bulgaria and Russia cannot be broken easily. What is more, the commitment to such a long-term project cannot be easily dismissed, which means that Bulgaria's energy policy will for a long time continue to exist in the way it is now, deepening the EU's dependence on Russian resources.

#### **4.3 ESTONIA'S ENERGY DEPENDENCE ON RUSSIAN RESOURCES AND PARTICIPATION IN GAS AND OIL PIPELINE PROJECTS**

As far as Estonia is concerned, its energy welfare is also closely tied with Russia. Despite being the only country in the world using indigenous oil shale as its primary energy source and despite the fact that it is relatively independent in terms of sources for energy production, it has almost no gas, petroleum or coal and all petroleum as well as gas products are imported from a single source – Russia.<sup>55</sup> At the same time in terms of security of supply of electricity Estonia has said that it would be in its best interests to limit electricity purchases from Russia to compensating only deficits from covering peak loads.<sup>56</sup> Estonia has also been a firm supporter of the idea for forming a common line of foreign policy of the EU countries towards Russia.

Despite the fact that the Baltic states are not important or big energy consumers or producers, they are very significant and key for the Russian oil exports to the north. As far as natural gas is concerned, the Baltic countries have their imports coming from Russia and being controlled by Russia's gas monopoly Gazprom, which has signed long-term supply deals with each of them.<sup>57</sup> Gazprom also holds 37 percent in Estonia's natural gas company Eesti Gaas.

---

<sup>55</sup> Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA), "In Depth PEEREA Review of Energy Efficiency Policies and Programmes of Estonia", Energy Charter Secretariat, 2002, pp.3-59

<sup>56</sup> Estonian Foreign Policy Institute, "Energy Security of Estonia in the Context of the Energy Policy of the European Union", <http://www.evi.ee/lib/Security.pdf>, (Last accessed: March 20, 2008)

<sup>57</sup> U.S. Energy Information Administration (EIA), Country Analysis Brief, Baltic Sea Region, <http://www.eia.doe.gov/emeu/cabs/estonia.html>, (Last accessed: May 24, 2008)



However, despite its heavy dependence on Russia for natural gas and its connectedness, mainly due to its closeness to Russia, Estonia has been behaving very differently from Bulgaria in energy matters. It has opposed the establishment of the Nord Stream oil pipeline. It is linking Russia with the EU through the Baltic Sea and stretches from Vyborg in Russia to Greifswald in Germany.<sup>58</sup> Estonia expressed an opinion that before the pipeline could be launched several considerations should be taken into account – alternatives for possible offshore building of the pipeline, instead of under the Baltic Sea, revise the list of possible environmental impacts, detailed description of the possible environmental impacts and also remedial measures for the future.<sup>59</sup> These requirements and questions have undoubtedly delayed the launch of the construction of the pipeline and what is more, the reasons underlying the Estonian reaction towards the project, I argue, lie way beyond simply environmental considerations. The attitude towards the Russian-German project is rooted primarily in Estonia's determination to cut its ties with Russia and become Westernized, which has transformed into the staunch support for EU-led projects and opposition of Russian ones, which are in a way seen as threatening the unity of the EU. In this way, it is not hard to understand why Estonia has been advocating for the establishment of a common energy policy unlike Bulgaria and the majority of the other CEE states.

---

<sup>58</sup> Nord Stream, Project, <http://www.nord-stream.com/project.html>, (Last accessed: June 1, 2008)

<sup>59</sup> Response to the "Status of the Nord Stream Pipeline route in the Baltic Sea", January 17, 2008, [http://www.nord-stream.com/uploads/media/Estonian\\_response.pdf](http://www.nord-stream.com/uploads/media/Estonian_response.pdf), (Last accessed: June 1, 2008)

## CHAPTER 5: CONSTRUCTIVISM AND THE BULGARIAN ENERGY POLICY

The most vivid symbol of the Romanian uprising in December 1989 was the sight of the Romanian flag with its Leninist center ripped out. Eastern Europe in 1990 and 1991...is like the Romanian flag: its Leninist center has been removed, but a good deal of its institutional and cultural inheritance is still in place. – Kenneth Jowitt, *New World Disorder*.<sup>60</sup>

### 5.1 CONSTRUCTIVISM APPLIED TO THE BULGARIAN CASE

This quote very much explains the essence of the present chapter. The way Bulgaria, as part of the other Central and Eastern European States, is still harboring sentiments and traditions from the communist times and towards Russia is mirrored in its energy policy choices. I will provide empirical evidence to this argument and try to apply constructivism on the Bulgarian energy policy in order to explain the essence of its decisions in the energy sector.

The constructivist explanation for Bulgaria's twofold behavior in terms of supporting projects backed by Russia and also simultaneously participating in EU and US-backed project can easily be applied in this case. The identity issue, central to scholars placed in the constructivist strand, like Alexander Wendt, is also well applicable in the case of Bulgaria. Wendt argues that it is not just behavior but identity that changes and the way an actor is treated not only affects their behavior but their identity in general.<sup>61</sup> What we can observe in the Bulgaria case is identity formed under the influence of Russia, connected with the historical and cultural commonalities and later transposed to Bulgaria's energy policy.

Unlike the other Central and Eastern European states and also the Baltic states, was not able to put a clear distinction line between the "ancient regime" and the beginning of the

---

<sup>60</sup> Luan Troxel, "Bulgaria", *The Legacies of Communism in Eastern Europe*, Zoltan Barany and Ivan Volgyes eds., The John Hopkins University Press, 1995, pp.227-245

<sup>61</sup> Maja Zehfuss, "Constructivism in International Relations: The Politics of Reality", pp.62, [http://books.google.com/books?id=4M1eKE5jzxc&printsec=frontcover&dq=constructivism+international+relations&lr=&sig=u\\_50Sxq-uqV3pxr68Y52LV1F8jc#PPR9,M1](http://books.google.com/books?id=4M1eKE5jzxc&printsec=frontcover&dq=constructivism+international+relations&lr=&sig=u_50Sxq-uqV3pxr68Y52LV1F8jc#PPR9,M1), (Last accessed: April 25, 2008)

“post-communism”.<sup>62</sup> This inability to break with the past at the dawn of the transition to democracy constrained the speed of transition to market economy and is seen by observers as one of the main reason why the Balkan states and Bulgaria in particular are currently lagging behind the countries from Central and Eastern Europe. What is more, the inability to make a clear break with the communist past and the historical ties and good relations with Russia, have contributed to Bulgaria’s benevolent attitude to Russia in general and possibly this has transposed to supporting energy projects led by its gas monopoly Gazprom. Bulgaria and Estonia in a way chose similar developmental paths after the fall of communism. The Bulgarian choice of a development path after the fall of communism can be attributed to its desire to as quickly as possible cut the ties with its communist past and accede quickly to the new commitments to Europe, the EU and NATO and take the path of Westernization. However, unlike the Baltic States, and Estonia which is in the focus of my thesis, the motives of Bulgaria were not primarily to cut the close ties with Russia. When addressing the Baltic states Bohle and Greskovits argue that the “radical economic reforms were...crucial for the defense of newly acquired national independence, since they were most suitable for cutting the ties with the Russian economy, on which these countries were heavily dependent.”<sup>63</sup> On the contrary, Bulgaria did not manage to make a clear break with the communist past and Russia, essentially because of the strong historical legacies and general positive attitude towards Russia in the country. This is, I argue, among the main reasons why one can observe a divergence between the Estonian and Bulgarian energy policy in terms of relations and dependence on Russia. What is more, realism is incapable of fully explaining this puzzle, since the reason underlying the decisions and attitudes of the two countries in connection with their energy policies and support of objection to certain projects led by Russia stem from

<sup>62</sup> Alan Smith, “Problems of Transition in Romania, Bulgaria and Albania”, *Problems of Economic and Political Transformation in the Balkans*, eds. Ian Jeffries, Printer London and New York, 1996, pp. 128

<sup>63</sup> Dorothee Bohle and Bela Greskovits, “Neoiberalism, Embedded Neoliberalism, and Neocorporatism: Paths Towards Transnational Capitalism in Central and Eastern Europe”, forthcoming in *West European Politics*, May, 2007, pp.7

within the counties and are not necessarily only a result of external pressure, but often lie within the country.

## **5.2 THE ENERGY POLICY AND RELATIONS WITH RUSSIA IN THE PUBLIC DISCOURSE**

In the present chapter I am going to analyze two speeches of the Bulgarian President Georgi Parvanov delivered on two occasions - one at the opening of a concert dedicated to the Year of Russia in Bulgaria at which Russian President Vladimir Putin was present while on an official state visit to Bulgaria and the other one at a meeting with heads of state of Central European states. Speeches represent good empirical evidence since the meanings implied by them are not randomly extracted but rather precisely planned and intended to be conveyed in front of a specific audience. What is more, using speeches by such a high-ranking official as a president, one can have a clearer view of what the official state position is and what the overall attitude in the highest state circles is on a certain matter. That is to say, when comparing the attitude of Bulgaria and Estonia towards energy-related issues, one should become aware of the official state positions of the countries. In this respect I consider it appropriate to use speeches as a basis for analysis. In addition to that, since I am using constructivism as the main theoretical approach in my thesis it is appropriate to use analysis of speech acts as they are considered by constructivists to be among its core elements.

Although Bulgaria is a parliamentary, not presidential republic and in general the post of the president can be considered largely ceremonial, I chose to analyze speeches by the president, because many politicians and some political analysts unarguably agree that he has played and is playing a very key role in the state matters calling him “the creator of the coalition” referring to the fact that he was a central figure after the 2005 parliamentary elections ending an almost 3-month stalemate of unsuccessful negotiations to form a government. He has also since then been actively involved in important state decisions and also his background as chairman of the Bulgarian Socialist Party and his long career history

with the party, which is the leading party in the government at present, points to the probable assumption that his involvement and impact on state decisions is central.<sup>64</sup> In this respect since the possibility of a difference between the President's and the government's stance on the most problematic issues is set to a minimum and one can consider the speeches of the president as an appropriate tool to analyze Bulgaria's attitude towards such a key issue of national and European security as energy.

The main problems or key areas I am going to analyze through the speech are the attitude of Bulgaria towards Russia and the issue of energy projects as well as the EU common energy policy. The first speech to be analyzed was delivered on January 17 2008 in Sofia ahead of a concert commemorating the beginning of the so called "Year of Russia in Bulgaria", an event predominantly connected with cultural exchange but also aiming at improving the economic and business relations between Russia and Bulgaria. That is why what should first be mentioned about the speech is the audience and occasion on which it was delivered. One could expect that the context would make a difference and affect the overall effect of the speech and its empirical power to support the main hypothesis of my thesis. It is that the positive attitude of Bulgaria towards Russia connected primarily with Bulgaria's historical events, the fact that Russia liberated Bulgaria from the Ottoman rule in 1878 and the common Slavic language and roots are among the main reasons underlying the fact that Bulgaria freely supports both Russian and EU-lead energy projects. However, I consider the speech as representative of the overall Bulgarian attitude towards Russia and the energy projects it leads. The mere fact that there is an event such as a year of Russia in Bulgaria points to the suggestion that the relations between Russia and Bulgaria are rather positive.

---

<sup>64</sup> Biography of the Bulgarian President Georgi Parvanov, [http://www.president.bg/p\\_bio.php](http://www.president.bg/p_bio.php), (Last accessed: June 3, 2008)

### 5.2.1 Bulgaria's Attitude Towards Russia in the Public Discourse

The first thing which can be pointed out is the multiple mentioning of the words “Russia” and “Russian”. The two words and some derivatives from them are mentioned a total of 25 times in the speech which consists of 1500. Another key word that has been mentioned several times is “gratitude”. President Parvanov mentions it six times, when he talks about the Russian army liberating Bulgaria from Ottoman rule and he also uses vivid epithets and verbs such as “solemn” to describe the greeting of the “Russian liberators” when they enter for the first time after the war the Bulgarian newly liberated cities and the verb “rejoice” is used when mentioning the reaction of the Bulgarian people greeting the soldiers.

<sup>65</sup> He also describes the moment when one of the Russian diplomats and politicians, count Nikolay Pavlovich Ignatiev, who has taken an active role in liberating Bulgaria from the Turkish rule through diplomatic effort, announces that the “Peace treaty is signed” as “sacred”.<sup>66</sup> Mentioning of the liberation of Bulgaria by the Russians at such an early stage of the speech, the second paragraph, and continuing on that topic for 11 paragraphs onwards, can be considered an indicator of the importance of Bulgaria's tie with Russia and the common past of the two nations as a basis for future relations. The president also confirms that by saying that “We not only want to recover the bilateral relations with Russia, but also to give them a new meaning.” What is more, the speech was delivered almost two months before the third of March when Bulgaria celebrates the above mentioned liberation from the Turkish rule and devoting so much time to this occasion in the president's speech is an indicator of the strongly rooted sentiments in the Bulgarian culture and self consciousness in general about what Russia has done for Bulgaria. In addition to that the president also speaks about the material signs of the “gratitude” of Bulgaria for Russia – the many villages and streets in

---

<sup>65</sup> President of the Republic of Bulgaria, Speech Commemorating the Opening of the Concert Dedicated to the Year of Russia in Bulgaria, <http://www.president.bg/news.php?id=2998&st=0> (last accessed: April 20, 2008)

Bulgaria named after Russian generals who took part in the Russian-Turkish war of 1877-1878.

There is also a clear accent in the speech on the common cultural and spiritual ties between Bulgaria and Russia which can be exemplified by the frequent use of the expressions “Slavonic roots”, “Slavonic culture”, “closeness through the centuries” and “blood relationship” in paragraph 16. We can observe that in order to emphasize the fact that for Bulgaria the problem of choosing between Russia and the EU does not exist and that the cooperation with both is desired, the speech uses a technique called “three-part list”. This tactic is known for making emphasis by building up a sequence for a bigger effect.<sup>67</sup> In this particular case the “crescendo” effect is achieved through the repetition of negations one after the other in one sentence: “The dilemma “With Russia or with the EU” does not exist, we are not faced with it and it is a false one”.

However, in the middle of the speech the president starts to include also the European topic and the path Bulgaria has taken on to integrate in Europe, with its most recent and biggest effort of joining the EU in 2007. Parvanov talks about Bulgaria and Russia “moving in different international orbits”, but right after that he points out that Bulgaria and Russia face the same challenges which they should deal with in an “open dialogue and cooperation with the European Union”. The sentence “There is no other alternative” referring to the inevitable need of a dialogue between the EU and Russia, I argue, serves two purposes. One is, having in mind that the speech was delivered in front of a predominantly Russian and pro-Russia oriented audience, to confirm Bulgaria’s commitment to the two countries’ common historical past and cultural roots and will for future cooperation, but on the other hand is a reminder for Russia that Bulgaria should already be considered for its role also as an EU member. But right after mentioning Bulgaria’s European orientation the president goes back

---

<sup>67</sup> Fran Tonkiss, “Analyzing Discourse”, *Researching Society and Culture*, Sage Publications, 1998, pp.257

to the common Slavonic roots with Russia and the Cyrillic alphabet, common for the two nations, saying that by entering the EU Bulgaria has made the Cyrillic alphabet to be recognized among the main alphabets in the Union. I analyze this going back to the Slavonic commonalities between Bulgaria and Russia and the avoidance of speaking about other more negative aspects for Russia resulting from Bulgaria's EU entry, like decreasing Russia's influence on one of its former most trusted allies from the Soviet era, as an intentional attempt to please the specific audience and show the active commitment of Bulgaria for cooperation with Russia while at the same time present the country also simultaneously as a good EU member. This is a clear evidence of Bulgaria's two-fold behavior which eventually results in the country's supporting energy projects by both Russia and the EU.

### **5.2.2 Bulgaria and the EU Energy Policy**

A small part of the speech, only one paragraph, is devoted to the energy issues, but the very presence of the topic in the speech, the occasion for which is not specifically connected with energy matters, shows that this topic is a crucial part of the relations between Bulgaria and Russia. President Parvanov starts off by mentioning the main projects with Russian involvement. It is an interesting fact to note that the president is avoiding mentioning the single biggest project – the Russian-led South Stream project – that is considered a major rival of EU-supported Nabucco pipeline. This particular “gap” in the speech can be analyzed as reflecting Bulgaria's unwillingness to be considered an EU member state that plays a double game. That is probably why later in the same paragraph Parvanov mentions Bulgaria's involvement in the Nabucco project. However, a clear commitment and advocating a common energy policy of the EU is not visible from the president's words. That is because instead on emphasizing on the role of Bulgaria in establishing a common energy policy of the EU in the future and the diversification of energy resources as well as suppliers, Parvanov puts more stress on what Bulgaria will gain from taking part in both projects by Russia and the EU, he



says that “Bulgaria will again become a strategic factor and will be brought back into the game”. He concludes with the clear commitment to develop the relations with Russia “remaining faithful to the tradition”, once again confirming the general message conveyed by the speech that the common history and cultural factors are the leading when examining Bulgaria’s relations with Russia and that Bulgaria is not going to give up on them.

The second speech by President Georgi Parvanov was delivered at the 15<sup>th</sup> annual meeting of the heads of state of Central European states which took place in the Macedonian town of Ohrid on May 3<sup>rd</sup> 2008.<sup>68</sup> This speech is much shorter than the first one I analyzed and the reasons are in the occasion when it was delivered and also the audience. In the first case it was in front of the Russian President Vladimir Putin and in the second case it is on front of heads of states and governments of Central European States. The other major difference between the two speeches is that in the second one there is significantly more mentioning of energy security-related issues. However, a point that should be made is that despite the fact that the president mentions the energy policy of the EU, he fails to account for any specific steps Bulgaria has taken to contribute to establishing it. When talking about the energy policy of the EU, Parvanov refers to “ideas, proposals and important, concrete steps” that Bulgaria has recently taken in connection with the energy policy. But after that what are expected to be a list of concrete steps is only suggestions of what the Bulgarian energy policy could be in that direction. Moreover, he mentions suggestions such as increasing energy efficiency and diversification through building networks of utilities that would ensure secure access to alternative suppliers, safe transit and security for the consumer, all vague notions not explained in any detail or backed by concrete actions taken from the Bulgarian side.

An important part of the speech is the mentioning of the South Stream Russian-led project. Parvanov categorically says that this project is in no way rival to Nabucco and that

---

<sup>68</sup> President of the Republic of Bulgaria , Speech at the 15<sup>th</sup> Annual Meeting of Heads of States and Governments of Central European countries, <http://www.president.bg/news.php?id=3045> (last accessed: 25.05.2008)

“there is place for both of them” and “they are both achievable”. This is again a confirmation of Bulgaria’s firm two-sided behavior and the fact that it has no problem supporting both Russian and EU projects since it is currently taking an active part in both of the projects. It is visible in this speech that the president more sharply addresses the EU and its relation with Russia by saying that the building of new energy routes can be possible only through cooperation with Russia not rivalry. It can be seen that in the speech more paragraphs are devoted to the Russia-EU rivalry and rival projects and the need for cooperation with Russia than on the time devoted on specific steps proposed for establishing a common EU energy policy. Although he mentions that Europe should take quicker steps to establish a common energy policy, it is undoubtedly connected with active and inevitable dialogue between the EU and Russia.

To sum up the analysis of the two speeches, I can say that historical and cultural ties with Russia are still playing a major role in Bulgaria’s highest state decisions connected with Russia. What is more, these factors contribute to a large extent to the two-fold behavioral model of Bulgaria which is supporting projects by the both sides – Russia and the EU. The constant mentioning of the need for cooperation shows Bulgaria’s inability to entirely make a clear break with its past.

## CHAPTER 6: CONSTRUCTIVISM AND THE ESTONIAN ENERGY POLICY

### 6.1 CONSTRUCTIVISM APPLIED TO THE ESTONIAN CASE

The main proposition of constructivism that I will use for the purposes of this chapter is the identity which I argue is the main factor underlying certain policy decisions and in this particular case energy policy decisions of a state. It is a common consensus that it is difficult to define what identity is. There are several theories about it. One is introduced by Herder, who sees it as stemming from a wish to differentiate from the others.<sup>69</sup> Herder also talks about a “spirit of the people” underlying the “collective spirit of the people”. Another, more universalist view of what identity is comes from Ernst Renan who challenges the language, race, religion as criteria for building an identity and explaining it through them. Rather, he claimed that identity is built by subjective not objective criteria such as the desire for independence and the free will of the people of the country. Although I am not planning to go into much detail of the definition of identity, it was important to note that there are numerous interpretations of the term. I am going to use its broader meaning of not only constructed through common language and religion, but also the will for independence and freedom. In addition to that, as in the Bulgarian case, history and culture will be considered as the main shapers of identity since history is considered by constructivists as leaving a mark on the identity of a state.<sup>70</sup> What is more, talking about national security of states, of which I argue energy is part, culture as opposed to just material interests has a great effect on the states’ behavior and most importantly on their identity.<sup>71</sup> Contrary to constructivism, rationalist

---

<sup>69</sup> Jean-Jacques Subrenat, “Introduction”, *Estonia: Identity and Independence*, Jean-Jacques Subrenat eds., Rodopi, 2004, pp.2

<sup>70</sup> Peter J. Katzenstein, “Introduction”, *The Culture of National Security. Norms and Identity in World Politics*, Peter J. Katzenstein eds., Columbia University Press, 1996, pp.2

<sup>71</sup> Ronald L. Jepperson, Alexander Wendt and Peter Katzenstein, “Norms, Identity and Culture in National Security”, *The Culture of National Security. Norms and Identity in World Politics*, Peter J. Katzenstein eds., Columbia University Press, 1996, pp. 33-35

approaches fail to account for the different behaviors of Bulgaria and Estonia in terms of the lack of any conflicts between Bulgaria and Russia as far as the energy sphere is concerned and Estonia's several clashes with Russia.

The most recent example of a conflict with Russia that cannot be fully accounted for by realism is the halt of oil products transit through Estonia in the spring of last year. The halt of transit happened soon after a dispute with Russia after Estonia moved a bronze statue of a Red Army soldier, which in Russia is considered a symbol of its big sacrifices during World War Two, from its original location in the centre of the Estonian capital Tallin.<sup>72</sup> Despite that the official reason given by Russia for the ceasing of oil transits and also exports of steam coal via Estonia for that month was a planned maintenance of the rail link to Estonia, it is safe to assume that the actual reason underlying stretched far beyond that and was connected to political rather than purely economic or technical reasons. I argue that constructivism in this particular case can better explain the reasons for both Russia's behavior and Estonia's unwillingness to freely support Russian-led projects as Bulgaria does.

Another case of dispute between Russia and Estonia is the latter's initial refusal to allow a German-Russian consortium to conduct a survey of Estonia's exclusive economic zone in the Baltic Sea for the planned Nord Stream gas pipeline.<sup>73</sup> Later Estonia declared that it would back the Nord Stream but an overland version of it, rather than one that goes under the Baltic Sea.<sup>74</sup> It is true that environmental concerns for the fragile Baltic Sea have been among the key concerns that pushed the Estonian government to behave in that particular way, it is also safe to say that domestic political considerations have also played a big role. In this way

---

<sup>72</sup> Reuters, "Russia halts Estonia fuel transit amidst statue row", <http://www.reuters.com/article/worldNews/idUSL0264696120070502>, (Last accessed: March 15, 2008)

<sup>73</sup> International Herald Tribune, "Estonia Refuses Seabed Survey for Baltic Pipeline", <http://www.ihf.com/articles/ap/2007/09/20/business/EU-FIN-Estonia-Baltic-Pipeline.php>, (Last accessed: March 15, 2008)

<sup>74</sup> Reuters, "Estonia Backs Overland Gas Pipe from Russia", <http://www.reuters.com/article/latestCrisis/idUSL03140874>, (Last accessed: April 25, 2008)

constructivism is providing a useful insight in that it postulates that endogenous, rather than exogenous factors influence to a large extent the behavior of states in international issues.

## **6.2 THE EU ENERGY POLICY AND RELATIONS WITH RUSSIA IN THE PUBLIC DISCOURSE**

The project of enlargement of the Union to the East has been a significant part of the analysis of the process of integration in Europe. Although there have been various understandings of what Europe and the European Union is as a whole, the communitarian approach has been dominating through the decades.<sup>75</sup> That is to say newcomers are expected to comply with the already established rules and regulations, codes of conduct, values and norms, and the overall perception of certain key issues and not so much the EU to accept the differences and diversity the New Member states bring in. In addition to that not only have old Member States promoted this approach of applying the EU's norms on newcomers, but also some of the newcomers themselves have deliberately incorporated it into their policies concerning the integration into the EU. This can successfully be applied to the case of Estonia and more specifically to its energy issues stance and the EU relations with Russia. But this is not the only factor underlying Estonia's behavior and energy policy. History and culture also plays a vital role and I am planning to try to exemplify their importance with the discourse analysis that follows. For the analysis of the Estonian energy policy and attitude towards Russia and Russian-led energy projects, I will put stress on the identity issues as a means of explaining the behavior of the state in terms of energy-related matters. As in the Bulgarian case I will analyze two speeches delivered by the Estonian Prime Minister Andrus Ansip on two different occasions. One of the speeches was delivered on April 11 2008 at the European

---

<sup>75</sup> Paul Blokker, "Europe "United in Diversity". From a Central European Identity to Post-Nationality?", *European Journal of Social Theory*, vol. 11, Sage Publications, 2008, pp. 258

Liberal Democrat and Reform Party (ELDR) in Tallinn.<sup>76</sup> The other speech was delivered on June 12 2007 and the occasion was an energy forum in the Latvian capital Riga.<sup>77</sup>

The choice of speeches is not random, since it aims at extracting the empirical essence of what one of the thesis' main purposes is – show that history, culture and identity affect the stance of new Member States and in this particular case Estonia towards the EU energy policy as a whole and also towards Russia and Russian-led energy projects. The main problematic areas and issues I am going to look for in the two speeches are Estonia's attitude and mood towards Russia and also the stance on establishing a common EU energy policy.

### 6.2.1 Estonia's Liberal Path and the EU

I will first start with the speech delivered at the ELDR party meeting this April. What makes a first impression of the entire speech of the Estonian prime minister is the overall tone – one of optimism and determination to comply with the EU objectives and become a full-fledged part of it. This is not unexpected keeping in mind the occasion of the speech – a council meeting of the ELDR party. The ELDR party is bringing together liberal parties from across Europe and among its main aims is to promote and strengthen the liberal ideas in Europe.<sup>78</sup> An important point to make is that the leading party in the Estonian coalition government is that of the Prime Minister Ansip – the centre-right Reform Party – winning the 2007 polls.<sup>79</sup> The other two parties of the government are the Union of Pro Partia and Res Publica and the Estonian Social Democratic Party.<sup>80</sup> It is important to note the occasion of the

<sup>76</sup> Speech by Prime Minister Andrus Ansip at the ELDR Party Council Meeting, Tallin, <http://www.valitsus.ee/?id=1506>, (Last accessed: April 17, 2008)

<sup>77</sup> Speech by Prime Minister Andrus Ansip at the energy forum in Riga, <http://www.valitsus.ee/?id=7012>, (Last accessed: April 17, 2008)

<sup>78</sup> ELDR Party Web Site, [http://www.eldr.org/images/upload2/en\\_all.pdf](http://www.eldr.org/images/upload2/en_all.pdf), (Last accessed: May 31, 2008)

<sup>79</sup> Bloomberg news agency, "Estonian Coalition Parties Win Parliamentary Elections", [http://www.bloomberg.com/apps/news?pid=20601085&sid=a\\_CnajhdQbGc&refer=europe](http://www.bloomberg.com/apps/news?pid=20601085&sid=a_CnajhdQbGc&refer=europe), (Last accessed: May 31, 2008)

<sup>80</sup> The Government of the Republic of Estonia, <http://www.valitsus.ee/?lang=en>, (Last Accessed: May 1, 2008)

speech and the audience it is aimed at. What is more, another important point to make is that the Estonian government, considering its composition, is more inclined to support liberal ideas. However, I consider the speech a strong indicator of the overall attitude of Estonia towards the liberal ideas and the European Union as a whole. The mere fact that a liberal party has won the most votes at the parliamentary elections shows the general social consensus among Estonians and the developmental path Estonia has taken in general.

As far as the attitude towards the EU is concerned, the speech offers plenty of proof that Estonia is considering its EU membership as an invaluable asset. The prime minister calls the years of EU membership “full of learning, fast changes and challenges”, of which the country has gained “valuable experience”. Fast changes and challenges are not seen as a negative feature of the membership, they are rather taken as a virtue that goes with the membership. It is interesting how in the speech the liberal ideas are associated exclusively with the EU. What is more, Estonia’s taking on the liberal path has paid off and the prime minister calls the result of Estonia’s choice a success. In this speech one can undoubtedly sense a slight feeling of a missionary status that Estonia has achieved. Prime Minister Andrus Ansip talks says that he hoped Estonian success will “encourage others to implement reforms” and he also adds that there are areas where Estonia has even outpaced the rest of the Union.

In the second speech delivered on an energy forum in the Latvian capital of Riga we can also observe similar attitudes of strong feeling of belonging to the EU and its policies. When talking about the future of the EU’s CO<sub>2</sub> emissions trading scheme, the prime minister describes the assistance and know-how given by the EU to Estonia in this respect as “an important contribution that the European Union has made to the development of our society.” In this way, one can assume that Estonia views the contribution going beyond simply assistance in environmental protection issues. What is more, Estonia’s devotion to the EU issues is exemplified by the keen interest expressed by Prime Minister Ansip on the future of

the emissions trading scheme after 2012 by saying he is looking forward to it “with a great interest”.

### **6.2.2 Estonia’s Stance on Establishing a Common EU Energy Policy and on Energy Relations With Russia**

An important feature of the first speech is the space and significance devoted to energy issues. As in the Bulgarian case analyzed in the previous chapter we can see that although the speech is not delivered specifically on an occasion concerning energy issues a great part of it is dealing with the topic. Eight out of the 19 paragraphs of the speech are devoted to the energy issue, which makes over 40 percent of the entire speech, which shows that for Estonia too, as well as for Bulgaria, energy is an important part of the state’s policy. However, unlike in the Bulgarian case, the Estonian prime minister bases the energy part of the speech on “promoting” a common energy policy. The frequent use of the words “common”, “diversify”, “alternative”, “cooperation” “mutual trust”, “single voice” when referring to the energy policy of the EU shows Estonia’s determination to be a devoted member of the Union and also its keen desire to make it clear for the rest of Europe that it has made a break with its past dependence on Russia and intends to stay on the liberal path it has chosen. One can also see a kind of urging in terms of establishing a common energy policy of the Union: “The European Union cannot speak of a common security policy unless the European Union has a common energy policy.” The prime minister also dismisses the bilateral agreements between Member States as bringing only short-term profits and “fracturing” the EU.

It is noticeable that in a large part of the speech which deals with energy, Ansip fails to name Russia directly although it is clear that Russia is exactly what he is referring to. When talking about the benefits of a common energy policy for all Member States he describes it as “the only way we can stand against opportunistic geopolitical ambitions and strengthen our



security.” Although he is not mentioning Russia the actual meaning is undoubtedly revealed to the reader or listener of the speech. In this way, Russia is considered a threat to the security of the Union. In addition to that, Ansip goes further on by saying that although energy can sometimes come at a high price (with the reader assuming that the price can be both market and political), but “It is the price that we pay for our freedom and our security.” Right after that he gives the examples of Ukraine, Georgia and Moldova which have had energy disputes with Russia over what Ansip ironically calls “the wrong policies” and makes it clear that the same scenario should not be repeated in any EU state.

What is more, the speech makes it clear that Estonia has committed to “Western Values” and encourages the cooperation between the EU and the United States. In a way this comes to show that the EU would be more secure in its attempts to speak with a single voice if it enhances the cooperation with the United States and NATO. Increasing international cooperation and promoting Western values is a main message of the speech. That is why the prime minister also spends some amount of the speech on promoting further enlargement of the EU towards countries from the former Soviet bloc which are “willing to carry out swift economic reforms and build democratic societies based on the rule of law”, implying that Russia lacks those. When talking about expanding the EU, the prime minister is again stressing the importance of liberal Western values saying that “We have a moral obligation and pragmatic need to continue enlargement.” One can sense the “we-feeling” that Estonia is experiencing as being part of the EU to an extent that the enlargement is seen as a sacred mission aimed at saving the other states from their present unfavorable situation of political dependence on Russia. This is a curious part of the speech and an interesting conclusion can be made that in this particular case Estonia seems much more eager and determined to make the common energy policy of the EU work than the EU itself and the older Member States. This, I argue can be explained by the identity of Estonia and its historically unfavorable ties

with Russia, which have made it a staunch supporter of the liberal values associated with the West and following from that has affected its energy policy.

The features of the second speech are very much similar to the ones in the first with the difference that the second one is primarily focused on energy issues and is aimed at an audience of an energy forum. In the second speech we can also observe a strong commitment to establishing a common energy policy of the European Union and calls for increasing interconnectedness between Member States. What comes forth in this speech is the specificity with which the prime minister addresses the different issues concerning the common energy policy. In the part of the energy policy dealing with energy efficiency Ansip points out that Estonia will invest 80 million euros in renovation of the housing sector to improve efficient use of energy and also for other sustainable energy investments. Another concrete proposal is to connect the Baltic States with Finland by a gas pipeline and in this way to diversify the “so far very one-sided gas supply.” As in the previous speech there is frequent use of “co-operation”, “solidarity”, “single voice” all notions aimed at “making the Union stronger”. The positivism and commitment of Estonia to the energy issues of the EU is visible, it is to a large extent considered a deed and a personal task by the prime minister because he says: “I promise that Estonia will be an active and positive partner.” The second speech does not pay that much attention to the role of Russia and is not as sharp as the first one, which is probably because of the audience which includes the EU’s Energy Commissioner Andris Piebalgs and the words of the speech have probably been picked in a more diplomatic and moderate fashion.

## CHAPTER 7: CONCLUSION

The European enlargement eastwards has not only increased the size of the European energy market, but has also contributed to the furthering away of the Union from its prospects of crafting a common energy policy. The main argument of my thesis was that the Eastern enlargement with countries historically and still to a large extent politically and economically tied with Russia, has and will for a long time jeopardize the plans for decreasing the Union's dependence on Russian resources and finding alternative routes and suppliers of energy resources. The two countries in the focus of my research – Bulgaria and Estonia – served as examples of two different models of behavior towards Russia: Estonia as being more pro-EU oriented and an ardent supporter of a common EU energy policy and Bulgaria having a twofold behavior supporting both energy projects led by Russia and the EU.

Constructivism was used as the main tool for explaining the Bulgarian and Estonian energy policy patterns. The identity issue was considered key to explaining why Bulgaria and Estonia behave differently when it comes to relations with Russia and also when talking about establishing a common energy policy of the EU. Bulgaria has had no particular problem staying committed to Russian projects and its behavior is in a way hindering the possibilities for diversifying the suppliers of energy resources to the Union. Estonia, on the other hand, has opposed some Russian attempts to strengthen its presence on the energy map of Europe showing clear signs of negative attitude towards Russia. Going beyond the simple realist logic of rationality and seeking for economic benefits, constructivism was argued to more thoroughly provide a ground for uncovering the many layers underlying certain state policies and decisions. The strong sentiments of Bulgaria towards Russia, the Slavic roots of the two peoples, the historical mutually positive attitudes have been all factors that have influenced the state's decisions to embark on energy projects launched by Russia. In the Estonian case, the same considerations of the historical occurrences and attitudes towards Russia have been

taken into account. But the past of Estonia, its numerous clashes with Russia in the past and its undoubtedly bigger political and economic dependence on Russia have now made it much more determined than Bulgaria to cut its ties with the past and take onto a liberal democratic path in its development. This behavior, I have argued, has later transformed into a specific pattern of energy policy and relations with Russia which is mirrored in Estonia's support for crafting a common EU approach towards Russia and the establishment of a common energy policy as soon as possible.

However, since most of the new Member States fall into the group where Bulgaria is and have a double-faced behavior in terms of their energy policies by supporting both projects led by Russia and the EU, the establishment of a common energy policy at present looks far from achievable. And the exception of the Baltic States, strongly supporting pro-EU policies, energy sources diversification and a common approach of the Union towards Russia, can hardly change the overall attitude of the rest of the new Member States.

By analyzing public discourse, speeches by the Bulgarian President Georgi Parvanov and the Estonian Prime Minister Andrus Ansip, I have tried to provide empirical evidence of the reasons underlying Bulgaria and Estonia's energy policy specificities. The analysis has led to some important conclusions. One is that the energy issues are of great significance to both states, which can be exemplified by the presence of the energy topic in speeches by both of the state representatives which have not been specifically delivered for the occasion of energy events. The other important outcome of the analysis was the vast difference in the attitude towards Russia in the two countries depicted in the speeches. In the Bulgarian case there have been clear indications of still existing sentiments towards Russia and a strong will to improve economic and cultural ties while in the case of Estonia there was a negative feeling of enmity and a clear attempt of pointing out the confrontation between the Russian and the EU interests in energy. But one should also mention the limitations of such research and ask the question

whether the research is valid and could be applied to other areas of social sciences. Usually researchers look for two types of validity – internal and external.<sup>81</sup> As far as internal validity is concerned – coherence and consistency of the piece of speech or to what extent it helped prove the researcher’s conclusion, one can be satisfied with the results. However, as far as the second type of validity – the external -is concerned, the results that I got from the two speeches could be to some extent considered concrete for the specific social settings they were delivered in and it could be argued that they represent a relatively small amount of data. That is to say, the analysis serves a perfect role for the present purposes of my thesis, but can undoubtedly be expanded by using more empirical data and applying the discourse analysis to the other new Member States.

The attitude of new Member States is not the only reason why the Union has so far been incapable of establishing a common energy policy. The behavior of old Member States should also be taken into account when talking about lack of commitment to a common energy policy. By shortly addressing this issue, I have argued that using liberal intergovernmentalist theory, one can explain the reluctance of old Member States to liberalize their energy markets mainly by the opposition of large domestic commercial players who will possibly see their market shares threatened by competition and also prices inevitably going down. Having these two factors, the attitudes of new Member States towards Russia and also the reluctance of older Member States to liberalize, still having a strong impact on the EU level, the prospects of achieving a common energy policy in the near future seem blurred and unclear.

---

<sup>81</sup> Fran Tonkiss, “Analyzing Discourse”, *Researching Society and Culture*, Sage Publications, 1998, pp. 259

## BIBLIOGRAPHY

Aggestam Lisbeth, "Role Identity and the Europeanization of Foreign Policy: a political-cultural approach", *Rethinking European Foreign Policy*, Ben Tonra and Thomas Christiansen, eds., Manchester: MUP, 2004, pp.81-98

An Energy Policy for Europe, Communication From the Commission to the European Council and the European Parliament of 10 January 2007, <http://europa.eu/scadplus/leg/en/lvb/l27067.htm>, (Last accessed: May 30, 2008)

Balmaceda Margarita, "EU Energy Policy and Future European Energy Markets: Consequences for the Central and Eastern European States", Working Papers, *Arbeitspapiere – Mannheimer Zentrum für Europäische Sozialforschung*, nr. 42, 2002, pp. 1-34

Biography of the Bulgarian President Georgi Parvanov, [http://www.president.bg/p\\_bio.php](http://www.president.bg/p_bio.php), (Last accessed: June 3, 2008)

Blokker Paul, "Europe "United in Diversity". From a Central European Identity to Post-Nationality?", *European Journal of Social Theory*, vol. 11, Sage Publications, 2008, pp. 257-271

Bloomberg news agency, "Estonian Coalition Parties Win Parliamentary Elections", [http://www.bloomberg.com/apps/news?pid=20601085&sid=a\\_CnajhdQbGc&refer=europe](http://www.bloomberg.com/apps/news?pid=20601085&sid=a_CnajhdQbGc&refer=europe), (Last accessed: May 31, 2008)

Bohle Dorothee and Bela Greskovits, "Neoiberalism, Embedded Neoliberalism, and Neocorporatism: Paths Towards Transnational Capitalism in Central and Eastern Europe", *West European Politics*, May, 2007

BP Historical Data on Natural Gas, [http://www.bp.com/liveassets/bp\\_internet/globalbp/globalbp\\_uk\\_english/reports\\_and\\_publications/statistical\\_energy\\_review\\_2007/STAGING/local\\_assets/downloads/spreadsheets/statistical\\_review\\_full\\_report\\_workbook\\_2007.xls](http://www.bp.com/liveassets/bp_internet/globalbp/globalbp_uk_english/reports_and_publications/statistical_energy_review_2007/STAGING/local_assets/downloads/spreadsheets/statistical_review_full_report_workbook_2007.xls), (Last accessed: May 20, 2008)

Bulgarian National Radio web site, "AMBO Trans-Balkan Pipeline Takeoff", February 01 2007, [http://www.bnr.bg/RadioBulgaria/Emission\\_English/Theme\\_Bulgaria\\_And\\_The\\_World/Material/AMBO.htm](http://www.bnr.bg/RadioBulgaria/Emission_English/Theme_Bulgaria_And_The_World/Material/AMBO.htm), (Last accessed: April 5, 2008)

Collier Ute, "Prospects for a Sustainable Energy Policy in the European Union", *European University Institute Working Papers*, RSC No.97/29, Printed in Italy, 1997

Deutsch Karl quoted in Lisbeth Aggestam, "Role Identity and the Europeanization of Foreign Policy: a political-cultural approach", *Rethinking European Foreign Policy*, Ben Tonra and Thomas Christiansen, eds., Manchester: MUP, 2004, pp.:81-98

Dezsei Kalman, "Abandoned Brotherhood: Declining Economic Relations Between the CEECs and Russia in the 1990s", *Eastern European Economics*, vol. 39, no.3, May-June 2001, M.E. Sharpe, Inc., 2001, pp.5-44

Directive 2003/55/EC of the European Parliament and of the Council, concerning the common rules for the internal market in natural gas and repealing the Directive 98/30/EC: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2003:176:0057:0078:EN:PDF>, (Last accessed: April 2, 2008)

Европейска комисия, “България – справка за съчетанието на видовете енергия” [http://ec.europa.eu/energy/energy\\_policy/doc/factsheets/country/bg/mix\\_bg\\_bg.pdf](http://ec.europa.eu/energy/energy_policy/doc/factsheets/country/bg/mix_bg_bg.pdf), (Last accessed: May 15, 2008)

ELRD Party Web Site, [http://www.eldr.org/images/upload2/en\\_all.pdf](http://www.eldr.org/images/upload2/en_all.pdf), (Last accessed: May 31, 2008)

Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA), “In Depth PEEREA Review of Energy Efficiency Policies and Programmes of Estonia”, Energy Charter Secretariat, 2002, pp.3-59

E.ON web site, <http://www.eon.com/en/presse/news-show.do?id=7284> (Last accessed: April 15, 2008)

Estonian Foreign Policy Institute, “Energy Security of Estonia in the Context of the Energy Policy of the European Union”, <http://www.evi.ee/lib/Security.pdf>, (Last accessed: March 20, 2008)

European Energy Policy, <http://europa.eu/scadplus/leg/en/s14001.htm>, (Last accessed: May 30, 2008)

European Union – Russia Energy Dialogue, [http://ec.europa.eu/energy/russia/overview/why\\_en.htm](http://ec.europa.eu/energy/russia/overview/why_en.htm)

Eurostat, [http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP\\_PRD\\_CAT\\_PREREL/PGE\\_CAT\\_PREREL\\_YEAR\\_2007/PGE\\_CAT\\_PREREL\\_YEAR\\_2007\\_MONTH\\_05/6-15052007-EN-BP.PDF](http://epp.eurostat.ec.europa.eu/pls/portal/docs/PAGE/PGP_PRD_CAT_PREREL/PGE_CAT_PREREL_YEAR_2007/PGE_CAT_PREREL_YEAR_2007_MONTH_05/6-15052007-EN-BP.PDF), (Last accessed: April 8, 2008)

Fearon James and Alexander Wendt, “Rationalism vs Constructivism: A Skeptical View”, *Handbook of International Relations*, Walter Carlsnaes, Thomas Risse-Kappen, Beth A. Simons eds., Sage Publications, <http://books.google.com/books?hl=en&lr=&id=f90C7zgrcXYC&oi=fnd&pg=PA52&dq=constructivism+international+relations+a-wendt&ots=dIX8LqKm2L&sig=HoIHhPjhli-zKGd8t0LhV-U0ne0#PPA23,M1>, (Last accessed: April 20, 2008)

Gazprom, <http://www.gazprom.com/eng/articles/article8927.shtml>, Gazprom website, (Last accessed: April 6, 2008)

Green paper, “A European Strategy for Sustainable, Competitive and Secure Energy”, 08.03.2006, Brussels, [http://ec.europa.eu/energy/green-paper-energy/doc/2006\\_03\\_08\\_gp\\_document\\_en.pdf](http://ec.europa.eu/energy/green-paper-energy/doc/2006_03_08_gp_document_en.pdf)

Grigoriev Leonid, "Growth With Energy and Energy Security", *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007

Helm Dieter, "European Energy Policy: Securing Supplies and Meeting Climate Change", New College Oxford, 25<sup>th</sup> October 2005, The Paper Has Been Prepared for the UK Presidency of the EU, pp.1-9, [http://www.dieterhelm.co.uk/publications/European\\_Energy\\_Policy251005.pdf](http://www.dieterhelm.co.uk/publications/European_Energy_Policy251005.pdf) (Last accessed: May 14 2008)

International Energy Agency, Selected 2005 Indicators for Central/Eastern Europe, [http://www.iea.org/textbase/stats/indicators.asp?COUNTRY\\_CODE=33](http://www.iea.org/textbase/stats/indicators.asp?COUNTRY_CODE=33), (Last accessed: May 30, 2008)

International Energy Agency, Press release on World Energy Outlook 2007, The Next 10 Years are Critical - the World Energy Outlook Makes the Case for Stepping up Co-operation with China and India to Address Global Energy Challenges, [http://www.iea.org/textbase/press/pressdetail.asp?PRESS\\_REL\\_ID=239](http://www.iea.org/textbase/press/pressdetail.asp?PRESS_REL_ID=239), (Last accessed: May 30, 2008)

International Herald Tribune, "Estonia Refuses Seabed Survey for Baltic Pipeline", <http://www.iht.com/articles/ap/2007/09/20/business/EU-FIN-Estonia-Baltic-Pipeline.php>, (Last accessed: March 15, 2008)

International Natural Gas Consumption, Energy Information Administration, US government, [http://www.iea.org/Textbase/stats/surveys/gas\\_web.xls](http://www.iea.org/Textbase/stats/surveys/gas_web.xls), (Last accessed: May 21, 2008)

Jepperson L. Ronald, Alexander Wendt and Peter Katzenstein, "Norms, Identity and Culture in National Security", *The Culture of National Security. Norms and Identity in World Politics*, Peter J. Katzenstein eds., Columbia University Press, 1996, pp. 33-75

Kalyuzhova Yelena and Maria Vagliasindi, "EU Energy Dependence and Co-operation with CIS Countries after EU Enlargement", *Adjusting to EU Enlargement*, Constantine Stephanou eds., Edward Elgar Publishing Limited, 2006

Katzenstein Peter J., "Introduction", *The Culture of National Security. Norms and Identity in World Politics*, Peter J. Katzenstein eds., Columbia University Press, 1996, pp. 1-32

Kegley W. Charles Jr., "The Neoliberal Challenge to Realist Theories of World Politics: An Introduction", Chapter 1, *Controversies in International Relations Theory. Realism and the Neoliberal Challenge*, Charles W. Kegley Jr. eds., St. Martin's Press, New York, 1995, pp. 1-17

Kubalkova Vendulka, Nicholas Onuf, Paul Kowert, "International Relations in a Constructed World", Preface, M.E. Sharpe, Inc., 1998, pp. ix-xiii

Kubalkova Vendulka, "The Twenty Years' Catharsis: E.H. Carr and IR", *International Relations in a Constructed World*, Vendulka Kubalkova, Nicholas Onuf, Paul Kowert eds., M.E. Sharpe, Inc., 1998



Losoncz Miklos, “Analysis: Energy Dependence and Supply”, <http://www.euractiv.com/en/energy/analysis-energy-dependence-supply-central-eastern-europe/article-155274>, (Last accessed: April 25, 2008)

Meritet Sophie, “French Perspectives in the Emerging European Union Energy Policy”, *Energy Policy Journal*, vol. 35, Elsevier Ltd., 2007

Moravcsik Andrew, (1993), “Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach”, *Journal of Common Market Studies*, 31:4, pp. 473-524

Nabucco Gas Pipeline Project, <http://nabuco-pipeline.com/company/shareholders7/bulgargaz-hold.-ead/bulgargaz.html>, (Last accessed: May 28, 2008)

Nord Stream, Project, <http://www.nord-stream.com/project.html>, (Last accessed: June 1, 2008)

OECD database: <http://www.iea.org/dbtw-wpd/Textbase/stats/index.asp> (last accessed: May 28, 2008)

Onuf Nicholas, “Constructivism: A User’s Manual”, *“International Relations in a Constructed World”*, Vendulka Kubalkova, Nicholas Onuf, Paul Kowert eds., M.E. Sharpe, Inc., 1998, pp. 58-77

Presentation on “Oil and Gas Transportation in the CIS and Caspian Region”, *Emerging Europe Energy Summit*, 2005, “Why The Burgas-Alexandroupolis Pipeline?”, by Christos Dimas, Bapline company director, [www.doingbusiness.ro/.../16.30%20-%2018.00/BAOPP-Christodoulos\\_Dimas.pdf](http://www.doingbusiness.ro/.../16.30%20-%2018.00/BAOPP-Christodoulos_Dimas.pdf), (Last accessed: April 5, 2008)

President of the Republic of Bulgaria, Speech Commemorating the Opening of the Concert Dedicated to the Year of Russia in Bulgaria, <http://www.president.bg/news.php?id=2998&st=0> (last accessed: April 20, 2008)

President of the Republic of Bulgaria , Speech at the 15<sup>th</sup> Annual Meeting of Heads of States and Governments of Central European countries, <http://www.president.bg/news.php?id=3045> (last accessed: 25.05.2008)

Response to the “Status of the Nord Stream Pipeline route in the Baltic Sea”, January 17, 2008, [http://www.nord-stream.com/uploads/media/Estonian\\_response.pdf](http://www.nord-stream.com/uploads/media/Estonian_response.pdf), (Last accessed: June 1, 2008)

Reuters, Factbox: Major Energy pipelines in central/south Europe”, <http://in.reuters.com/article/asiaCompanyAndMarkets/idINL1648037520080118>, (Last accessed: April 5, 2008)

Reuters, Factbox: Major Energy pipelines in central/south Europe”, <http://in.reuters.com/article/asiaCompanyAndMarkets/idINL1648037520080118>, (Last accessed: April 5, 2008)

Reuters, Factbox: Major Energy pipelines in central/south Europe”, <http://in.reuters.com/article/asiaCompanyAndMarkets/idINL1648037520080118>, (Last accessed: April 5, 2008)

Reuters, “Estonia Backs Overland Gas Pipe from Russia”, <http://www.reuters.com/article/latestCrisis/idUSL03140874>, (Last accessed: April 25, 2008)

Reuters, “Russia halts Estonia fuel transit amidst statue row”, <http://www.reuters.com/article/worldNews/idUSL0264696120070502>, (Last accessed: March 15, 2008)

Riley Alan, “Energy Security, Gas Market Liberalization and Our Energy Relations With Russia”, *Readings In European Security*, Volume 4, European Security Forum, Centre for European Policy Studies, Brussels, International Institute for Security Studies, London, Geneva Centre for the Democratic Control of Armed Forces, Geneva, 2007, pp. 122-127

Smith Alan, “Problems of Transition in Romania, Bulgaria and Albania”, *Problems of Economic and Political Transformation in the Balkans*”, eds. Ian Jeffries, Printer London and New York, 1996, pp. 111-130

Speech by Prime Minister Andrus Ansip at the ELDR Party Council Meeting, Tallin, <http://www.valitsus.ee/?id=1506>, (Last accessed: April 17, 2008)

Speech by Prime Minister Andrus Ansip at the energy forum in Riga, <http://www.valitsus.ee/?id=7012>, (Last accessed: April 17, 2008)

Subrenat Jean-Jacques, “Introduction”, *Estonia: Identity and Independence*”, Jean-Jacques Subrenat eds., Rodopi, 2004, pp.1-9

Tarand Andres, “The Soviet Period”, *Estonia: Identity and Independence*, Jean-Jacques Subrenant eds., Rodopi, 2004, pp. 137-152

Tonkiss Fran, “Analyzing Discourse”, *Researching Society and Culture*, Sage Publications, 1998, pp.245-260

Troxel Luan, “Bulgaria”, *The Legacies of Communism in Eastern Europe*”, Zoltan Barany and Ivan Volgyes eds., The John Hopkins University Press, 1995, pp.227-245

U.S. Energy Information Administration (EIA), Country Analysis Brief, Baltic Sea Region, <http://www.eia.doe.gov/emeu/cabs/estonia.html>, (Last accessed: May 24, 2008)

Workman Daniel, “Dependent Natural Gas Importers. Top Gas Importing Countries are America, Germany, Japan and Italy”, [http://internationaltrade.commodities.suite101.com/article.cfm/dependent\\_natural\\_gas\\_importers](http://internationaltrade.commodities.suite101.com/article.cfm/dependent_natural_gas_importers), (Last accessed: May 5, 2008)

Zehfuss Maja, “Constructivism in International Relations: The Politics of Reality”,  
[http://books.google.com/books?id=4M1eKE5jzxc&printsec=frontcover&dq=constructivism+international+relations&lr=&sig=u\\_50Sxq-uqV3pxr68Y52LV1F8jc#PPR9,M1](http://books.google.com/books?id=4M1eKE5jzxc&printsec=frontcover&dq=constructivism+international+relations&lr=&sig=u_50Sxq-uqV3pxr68Y52LV1F8jc#PPR9,M1),  
(Last accessed: April 25, 2008)