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Energy Security and Security Policies: The Republic of Croatia in Comparative Perspective*

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Summary

The beginning of the 21st century is marked by the appearance of new security challenges. Today, modern states, aside from traditional threats, are exposed to nontraditional threats that force governments to redefine the ways and means they combat these new enemies. Issues that were considered irrelevant for the security of a certain society have become increasingly important. Among these issues include the growing economic disparities at the global level caused by the redistribution of energy sources.

Security of energy supplies has become the key prerequisite for not only further economic development, but for societal development on the whole. This can be seen especially in the Republic of Croatia, whose current energy situation requires a systematic deliberation; the implementation of policies connected with the attainment of energy security, and enhanced protection of its critical infrastructure. All countries, including Croatia, face a future characterised by constant growth of energy consumption and the need for long term planning in the search for energy sources. World trends indicate the necessity of establishing a national strategy for the protection of energy and other critical infrastructure. In order to combat these problems, countries must redefine their basic strategic documents, especially as they relate to security strategies and policies.

Key words: global security, national security, security challenges, protection of critical infrastructure, energy security

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Introduction

Security is becoming an increasingly important resource and essential prerequisite for the existence, development, and sustainment of contemporary societies. Whether the issue is security of the individual, the state, a group of states, or the international community, the main concern is to protect values. At the beginning of the 21st century, security is the goal and the value, as well as the desired condition that allows for the preservation and achievement of the aforementioned individual, state, group of states, and international community.

The scale of threats posed by nuclear war in the second half of the 20th century served as the means to identify and measure the security of an individual within his or her government's security network. The state accepted its responsibility to protect its citizens, and in return required their loyalty. It was, in short, an enhanced version of the "Social Contract", first articulated by political philosophers such as Hobbes and Locke in the 17th century. In *Leviathan*, Hobbes advocated for the protection of individuals from the dangers posed by anarchy which would result from their pursuit of selfish interests. This had a key influence on Morgenthau and the Realists. By the end of the 20th century, the international system of states was anarchical, and threats, like never before, emerged from other states (Hough, 2004:9-19).

Contemporary societies are characterized by ever-complex relations that, among other things, cause numerous and untold problems. The extent to which these relations affect security need not be destabilizing; these problems can be effectively solved (or at least mitigated). If not controlled, however, the negative tendencies of social differences have the potential to stimulate conflicts, as well as local and global threats. Currently, the world is facing an increasing number of such conflicts which generate a diverse series of threats (Tatalović/Bilandžić, 2005: 18).

The economic dimension of security in the modern world has gained significant importance. It poses both the challenge and opportunity to strengthen state security and stability. The world remains divided between a group of economically successful states that have obtained a high level of security, and a group of mostly underdeveloped countries, which are, in most cases, experiencing a deterioration of socio-economic conditions due to the upward trend of poverty and unemployment brought on by transition processes. The disparities born out of this cleavage have facilitated increased attention to the humanitarian dimension of security.

As a result, most democratic states seek to adopt broader concepts of national security that incorporate economic, political, social, humanitarian, ecological, military and other dimensions. Special emphasis is given to the concept of protecting human rights and freedoms, democracy and the rule of law. Contemporary national security systems are intensively adapting to these non-military dimensions of security, putting a heavier focus on the development of mechanisms used in the field of crisis management.

Instabilities, conflicts and threats remain the focus of security policy. Defense specialists, however, are always seeking new ways of understanding security. New threats and the use of force in the 21st century require new responses from states and international organizations.

Several reasons account for these new security contexts. First, the concept of security enlarged from the protection of the state towards the security of individuals and different social groups. Second, security is also widening from the state-level to the international community and its political environment. Third, the function of security has also broadened. Formerly focusing almost entirely on military concerns, security now encompasses political, economic, social and environmental fields. Fourth, individual states are no longer solely responsible for guaranteeing security. International organizations, as well as regional and local authorities, non-governmental organizations, public opinion and the media, now share these burdens (Tatalović, 2008:18).

The level of security for a state or region is largely dependent on the exposure to threats, as well as on a state's power and its socio-political cohesion (Buzan, 1991:114). National security is propagated by the activity of domestic politics and the politics of the international community (sub regional, regional and/or global) (Grizold, 1999: 126). Security is not only the objective condition; it also has a subjective context. Given the difficulties of measuring a real threat, it is possible that we are not aware of some threats at all (Buzan, 1991:114-115).

One of the major issues of national and international security in the 21st century relates to the protection of critical infrastructure. Energy security is an important component of every country's national security. The availability of energy and energy sources, as well as the efficiency of critical infrastructure is important not just for economic development, but also for the sustainability of modern society. Therefore, control over energy sources and flows have long been a catalyst for social conflicts and security crises.

Issues surrounding the exploitation of oil and natural gas sources, the importation of energy resources from foreign countries, the security of energy supply, environmental degradation and the search for the alternative sources of energy, have become global problems. Among these issues, the

security of supply is perhaps the gravest concern due to the fact that the largest sources of energy potentials tend to be located in unstable areas, which creates tremendous production and distribution problems. As a result, many countries now direct their attention to the development of strategies that would enable more stability and longer-lasting energy supplies. This is especially applicable to members of the European Union. Though many of these countries lack their own energy sources, demand is constantly rising.

Aside from the threats to regional security, the lack of energy resources, the insecurity of energy supply chains, and insufficient or inadequate critical infrastructure can also force a country to downsize its security and defense capabilities. A decrease in the amount of energy available endangers the functioning ability of combat, transport, commanding-communication, logistic and other military systems.

Another important aspect of energy security is environmental protection. A breakdown at an energy plant or other edifice can cause pollutions that range from local incidents to regional ecological disasters, such as the one in Chernobyl.

Energy Security and the Protection of Critical Infrastructure

In line with today's widespread industrial development and influx of new technologies, there is a growing need to ensure viability of energy sources. The transition from agrarian to industrial production changed not only the economic structure of the world, but also ways of life. The availability and demand for products coincided with increased production and needs for faster, more efficient transportation. Consequently, new sources of energy were needed. Regions that possess rich sources of oil, natural gas and coal, became geo-strategically important, especially to those countries whose industries have an insatiable appetite for energy. Nuclear energy began to develop at the beginning of the Cold War and significantly influenced the redistribution of then-existing natural energy sources. Thus, the use of energy sources predominantly determined the development of modern countries, which can be traced through phases beginning in the early 20th century, through the Cold War to today.

The escalation of conflict over control of energy sources very rapidly outgrew the economic sphere and eventually entered political and security realms. The competition for control has become *the* global issue and includes not only countries, but also a variety of organisations, multinational companies, financial actors, and terrorist groups, all of whom aggravate the world's system of power and supply. This pertains especially to the protection of critical energy infrastructure. Though the problems posed by energy are wildly complex, their origin is rather simple: As more countries develop

industrially, dependency on energy and the unstable, often politically-controlled energy market rises.

Although countries are more aware of the problems related to energy security, political will is necessary for their resolution, or at the very least the minimization of risks associated with energy distribution and transportation. Another important dilemma is the exhaustion of global energy sources, especially oil and natural gas, as well as the enormous reserves located in politically and economically unstable areas, which cause supply problems and price fluctuations. Further, both the public and experts are preoccupied with ecological issues. On a brighter note, as energy source requirements grow, countries are making efforts to ensure stable and sufficient chains of supply. Thus, it is necessary to define security policies that enable the safe supply of energy sources for further prosperity, without endangering other social spheres. Every country must implement energy security into their respective national security systems, concerning both the energy source suppliers and consumers, in order to create a more secure and stable energy system worldwide.

Since the beginning of the 21st century, energy has played a central role in the economic and social development of states. Eighty percent of the energy used is oil, natural gas and coal, reserves of which are spent at an alarmingly fast rate. More countries are now concerned about future supplies, and have begun to call for the development of alternative sources of energy. Though more frequent in the 21st century, alternative sources are still used only on a small scale compared with more traditional energies. Discussions on energy security primarily focus on a country's goal to provide itself an uninterrupted, undisturbed energy supply not only to achieve economic development, but also to reduce its dependency on energy imports. Due to the fact that many countries do not possess their own energy sources, most cannot accomplish full independence from the import of energy sources (Energy Security to Energy Independence, 2005). One of the clear examples is the European Union. European energy sources are scarce yet requirements are expanding exponentially with the rapid development of the EU's economy.

As energy prices continue to rise, countries aim to draft stable (and favourable) contracts with their suppliers. Unfortunately, the often unstable countries that possess such energy sources generally have the power to dictate the terms of the contracts. Moreover, energy security gained a new dimension after 9/11, with much of the focus shifting to the preservation of critical infrastructure from possible terrorist attacks. These factors demand new ways of deliberation. Energy security and the protection of critical infrastructure are unbreakably bound and mutually interdependent.

Critical infrastructure includes power plants as well as gas, oil, and electric networks, stores, refineries, plants, communications and information technologies, finances, healthcare, food, water, and transport, etc. (Raboteg, 2008:13). Endangering only one of these spheres can cause damages worth millions of dollars, and in the long term may ruin a country economically, socially and politically. Therefore the protection of critical infrastructure is an obligatory measure for the protection of state order and prosperity.

Rising energy demand fuels the need for enhanced energy infrastructures. The number of energy-importing countries that have exhausted their own reserves is constantly growing. For example, China's accelerated economic development and governmental mismanagement exhausted the country's internal energy sources and forced it to begin importing oil in 1996. The United States, the world's dominant power, often establishes control over certain territories rich with energy sources. While American investments usually enhance global energy security, they can dramatically raise the price of supplies. The Russian Federation, the world's biggest country, possesses great sources of energy, which in turn make it a globally important actor. On the other hand, the European Union has major problems concerning its energy supply. In a world of unequal energy positions, numerous problems and solutions appear. The United States, Russia and the European Union are the most significant world actors in the energy sphere, thus their actions have global consequences (Tatalović, 2009: 15-16).

The Situation in the United States of America

After the fall of the Berlin Wall and the breakup of the Soviet Union, the United States remained the only military, political and economic superpower. Yet after ceasing its *policy of containment*,¹ new types of threats emerged. The United States, now faced with an expanded and modified threat of terrorism, demanded a redefinition of its national security strategy to account for threats no longer limited to the military sphere. One of the major consequences of the heightened terrorist threat is the protection of energy supplies and critical infrastructure.

The United States is one of the biggest consumers of energy in the world and thus one of the major importers. Although it has its own reserves, the US imports 60% of its oil needs. The events of 9/11 were a turning point for the United States. Interventions in Iraq and Afghanistan greatly affected both the global energy market and the need to redefine energy security worldwide.

¹ The term *policy of containment* was introduced as the response to the spread of communism and aimed at helping states defend themselves from communism and the preservation of democratic order.

Only recently have stories begun to spread about a looming energy crisis for the United States. The big energy consumer is the American Army, which is justified by the need to defend the nation (*American Energy Security*, 2006: xvi). The lack of a clear energy strategy, however, is beginning to cripple the United States with economic deficit caused by the importation of vast energy resources. Out of all the sources of energy, the United States mostly uses oil (62%). Consequently, its oil reserves are not sufficient for the future. Since the 1970s, no significant oil sources have been discovered within its borders.

The American economy depends on the accessibility of oil. Two-thirds of its oil consumption is spent on transportation, and roughly one-fifth on industry (Anderson, 2008). Increased oil prices and consumption in the United States heightens its dependency on energy imports. For example, the population of the United States makes up only 5% of the world's population, yet it consumes nearly 45% of all the oil produced in the world. In order to maintain its economic hegemony in the coming years, the United States will only increase its oil consumption and must address problems related to accessibility.

Even prior to the end of the Cold War, the United States became acutely interested in regions that possess rich stocks of oil. The Persian Gulf was deemed a vital interest to America. During the Clinton Administration, energy security was proclaimed a fundamental component of national security. President Bush later emphasized that sustaining America's oil supply is a national priority. During the invasion of Iraq, the protection of oil fields and refineries was one of the key objectives.

American dependence on imported energy supplies, particularly oil, is expected to grow up to 90% by 2020, which will likely cause a further weakening of the American economy (Anderson, 2008). The United States imports oil from every part of the world, including 15% from Africa. In the near future, the United States will import nearly one-quarter of its oil from Africa, forcing the country to build the necessary political infrastructure to sustain these requirements. Considering the unstable political situation found in most African countries, as well as the presence of terrorist groups, the United States is building military bases and establishing diplomatic missions in hotspots like Nigeria, Cameroon, and Chad, in order to safeguard America's access to oil. At the same time, the United States is attempting to deny China, India, and other large oil consumers access to these areas. China already cooperates with many African countries; one-fourth of its oil imports originate in Africa.

A major problem affecting all countries, especially the United States, is the defence of energy infrastructures from terrorist attacks. Critical infrastructure is, for the most part, located in conflict regions. The protection of infrastructure in these regions requires increased expenditures, which in the

end influences the prices of energy supplies, particularly oil. Al-Qaeda itself has called for the destruction of critical energy infrastructure, and although Iraq is the most obvious example, energy infrastructure is currently being destroyed in every conflict region in the world. In order to temper concerns, the United States continues to allocate enormous amounts of money for the protection of infrastructure in Latin America.

Four large oil refineries and hundreds of thousands of kilometres of energy pipelines are located in the United States. As a result, experts have long been warning of the vulnerability of America's energy infrastructure network, and recent threats of terrorism have opened and encouraged discourse on its systematic protection. Yet the vast majority of the country's oil and natural gas comes from abroad and thus the security of America's overseas reserves is largely dependent on the security of foreign infrastructure in regions that export energy.

The Situation in EU Member Countries

Many European Union countries are experiencing rapid economic growth and as a result have expanded their energy needs. Most European countries, however, do not possess sufficient energy sources and therefore cannot meet the requirements of the growing economic sector. These factors make the EU one of the world's greatest energy importers. Its biggest energy partner is the Russian Federation. Europe's obvious dependency on Russian energy sources causes a great deal of consternation among EU countries. Perhaps the most concerning issues are the nature of the Russian political system, and the ability of its leaders to manipulate energy agreements.

Integral to the problem is the EU's institutional design. Because the EU as a whole cannot separate its industries from those of its member countries, misunderstandings and complications abound. A cohesive internal energy market still does not exist, which obstructs the establishment of a common EU energy policy. Fears of Russia force Europe to cooperate with the Caucasus region, Central Asia and the Middle East (Cvrtila/Barić, 2008:38). The political instability of these regions exacerbates investment risks. Consequently, Russia will remain the biggest exporter of energy sources to the EU, which makes their cooperation indispensable. Russia's energy infrastructure is critically out-dated, and therefore Europe's financial investments (in exchange for oil and natural gas) are vital. On the other hand, the European Union often distances itself from cooperating with Russia because of their troubled relations with the Ukraine, Belarus and Georgia, where Russia uses

energy sources to pressure fragile governments.² Russia, however, views this situation as an opportunity to improve its foreign-policy position and enhance the muster of its threats. Nevertheless, some estimates predict that by 2020, the European Union will import as much as 70% of its energy supplies from Russia. Because of these estimates, the EU adopted in 2006, “A European Strategy for Sustainable, Competitive and Secure Energy”, whose main goal is to conceive a common energy import strategy.

Unlike the United States, whose main problem is the future supply of oil, the European Union is most concerned with the supply and transportation of natural gas. The only efficient way to transport natural gas is through a vast network of pipelines. The principle problem is that these gas pipelines often travel through regions affected by crises, thus subjecting Europeans to blackmail and other negative externalities. In order to reduce its dependency on Russia, the EU has attempted to solidify energy projects (specifically the construction of pipelines) in the Caucasus and Central Asia.³

The European Union bases its still-nascent energy security policy on the capability to sustain future energy requirements by maximizing domestic reserves or by importing at acceptable prices (Bahgat, 2006:965). In other words, energy security is largely determined by price. Europe’s energy sector is dominated by the use of oil, natural gas and coal. Nuclear and renewable sources of energy, while gaining in popularity, are used on a much smaller scale. This fact makes the EU one of the biggest importers and consumers of energy in the world, especially with regard to Russian and Algerian natural gas. Domestic coal reserves are sufficient due to EU-imposed pollution restrictions. The decision to use nuclear energy is made at the national level, with security measures and restrictions prescribed by the EU.

Gas pipelines crossing international borders, as mentioned above, are Europe’s most critical energy infrastructures. Non-EU member countries which transport the gas expect financial and political benefits, including but not limited to natural gas supplies, employment, and transit fees. One of the potential problems concerning this critical infrastructure is the protection of gas pipelines from terrorist groups, as 9/11 not only affected American security. Due to the fact that pipelines are the most efficient way to transmit natural gas, it will be vital to establish quality arrangements with exporters in order to assure sustained levels of exchange and limit blackmail. Thus the establishment of a common energy security policy becomes not only an EU concern, but a priority of individual member countries.

² Russian energy companies influenced by the state, in order to provide as favourable business conditions as possible, applied measures of reduction in the energy sources supply of Ukraine, Belarus and Georgia, causing energy crises in these countries.

³ See: Cornell, Svante, E., Nillson, Niklas (2008).

The Situation in the Russian Federation

The Russian Federation was created after the breakdown of the USSR. Subsequently, Russia lost much of the strength and international influence enjoyed by the Soviet Union during the Cold War. Although Russia had initiated political transition, it continues to face numerous economic, social and political problems. Since it became independent, Russia has involved itself in the many conflicts on its territory and within the borders of the former USSR. These efforts, combined with a troubled foreign policy, provoke many controversies and increase the desire on the part of the political *establishment* to restore the power, position, and prestige of the USSR. Although it is difficult to argue that Russia has been marginalized, its power is certainly reduced. One of the political streams within Russia argues that cooperation with the West is vital for the restoration of its global hegemony. This argument, however, is greatly outnumbered by more traditionalist streams that favour a broader subjugation of the West.⁴

Perhaps Russia's most identifiable characteristic is its possession of vast energy sources, which affords the world's largest nation the ability to base its foreign policy almost entirely on global energy needs. Because the EU is Russia's most important creditor of natural gas, the Federation has long attempted to monopolize Europe's gas supply. The European Union is making attempts to avoid this situation due to the fear of political instability in Moscow, as well as the possibility of complete dependency on Russian energy sources. Expectedly, Russia's concept of energy security differs from those of its importers.

Former Russian President Vladimir Putin put the entire energy sector under the control of the state. This has served to both politicize natural gas and enhance Russia's foreign policy position. Currently, the Kremlin controls several globally influential oil companies, including "Gazprom". These enormous state resources often create favourable business conditions for Russia. Therefore the concept of energy security in Russia includes the safe transmission of energy resources, and the continued development of markets that require Russian energy.⁵

Special attention is also dedicated to the issue of infrastructure. Increased demand for Russian energy sources requires the reconstruction of present infrastructure and the construction of new pipelines (Country Analysis Briefs, Russia, 2008: 5-8). There are currently several plans to build transport routes all over Europe in order to assure the efficient exportation of Russian energy

⁴ For further reading on Russian foreign and security policy, see: Gorodetsky, Gabriel (2003).

⁵ See: Monaghan, Andrew (2005).

sources. These include projects to construct a gas pipeline in the Baltic Sea, another from the Caspian Sea basin to Central Europe, and still another known as “Družba Adria”, spanning south-eastern Europe, including Croatia. These new projects would ensure safer routes for the distribution of energy supplies. Russia’s existing energy infrastructure is mostly located within the territory of the former USSR. Many are located in politically unstable regions, where Russia exerts significant political energy and resources to control them. Much of Russia’s energy infrastructure is in poor condition. Investors, however, are wary to help them restore out-of-date pipelines primarily because of the destabilizing actions of Russian authorities.

Besides infrastructure, Russia is attempting to conquer the European market by buying shares in local European energy companies. Not only does this open up new fields for Russia, but it also dismantles Europe’s relations with previously cooperative neighbouring countries that possess rich energy sources. Currently, there are no signs of Russian expansion into the Asian market, primarily because of the lack of infrastructure and the tremendous expenses that would be incurred. Thus the fact that the EU will remain the greatest consumer of Russian energy supplies is multi-dimensional. Russia can use this position to elevate its power and at the same time, provide a constant and stable consumer its energy needs.⁶

The Influence of Energy on National Security Strategies

Security is and has always been the most important prerequisite for the existence of society, and at the same time the necessary tool to achieve social, economic and political progress. Throughout history, man has faced various forms of threats, with the goal to reduce uncertainty and establish a state of security. Until the end of the 20th century, war had been the dominant form of threat. The uncertain political climate of the post-Cold War Era, however, has allowed for the emergence of more complex, non-military threats with fewer international safeguards.

Concepts of international and national security have changed in accordance with the reformation of security needs. The national security strategies of many countries now involve broader dimensions of economic, social, political and ecological issues. In a world of numerous military and non-military threats, national security teams are tasked with the responsibility to thwart undefined dangers and eliminate them as effectively as possible. Given the enormity of this undertaking, creating national security strategies is a delicate and comprehensive process.

⁶ See: Hill, Fiona (2004) and Larsson, Robert R. (2006).

As previously mentioned the most important sphere of security is energy and has quickly become the key facet for many an updated security strategy. Energy security concepts and perspectives vary according to market position, principally whether one is an importer or exporter. Thus countries which are mostly consumers define energy security as the safe and stable supply of energy sources at the best market conditions. Due to the translation of oil and natural gas into power and political aptitude, importers also attempt to avoid complete dependence on one supplier by purchasing energy supplies from at least two producers. Producers of energy often create their national security strategies based on the maintenance and stability of production and transportation, as well as on the procurement of future sources for export. Both groups, importers and exporters, give special attention to the safeguarding of critical infrastructure as perhaps the most crucial element of energy security, and the area most affected by various forms of threats (Vaňous, 2004).

United States of America

The United States is very much involved with global security processes. In a world of transformed threats and ways of preserving security, the United States still relies on its military power. This behaviour, however, does not adequately address the new security climate. Though a plethora of national security documents exist for the United States,⁷ the vast majority rely on the projection of military power rather than the creation of strategies to combat new enemies. Nevertheless, the breakdown of communism reshaped America's concept of national security, formerly based on *containment*, into one that accounts for the unpredictability of modern international relations. American policies have long taken into account the ability to control its own destiny. Currently, the United States is faced with two choices, one that includes formulating national security in cooperation with the international community, and another that seeks to "go it alone". The latter was the principle applied in Afghanistan and Iraq, and unfortunately resulted in new threats to international security.

The key turning point for America's national security policy was 9/11, one of the few foreign attacks ever to occur on American soil. National secu-

⁷ There are different kinds of documents concerning the US national security, which describe the state and circumstances of national security. More precisely, these are: *The National Security Strategy of The United States of America*, which presents the key document and the basis for other documents which elaborate the mechanisms for the protection of national security. Furthermore, *National Defence Strategy* defines the national military objectives, the ways and means for accomplishing these objectives and also provides the defence assessments; and *Homeland Security Act*, formulated after the terrorist attacks, deals exclusively with homeland security and the ways of suppressing the internal threats.

rity analysts confronted not only the threat of global terror networks, but also a change in the previously well-established international landscape. In addition to heightened terror threats, the United States must also address emerging energy problems. In the beginning of the 1990s, the Persian Gulf moved to the forefront of America's interests. The United States began to realise that their energy sources are nearing exhaustion while demand from industries, transport, and military needs were growing. The Clinton Administration highlighted the growing interconnectedness of energy and national security. The need to protect critical infrastructure, the key cog of energy security, became clear after the 9/11 terrorist attacks. The importance of energy security has also been emphasized in the Bush Administration's "National Security Strategy of the United States of America". This document defines energy security in the context of national needs, as well as in the context of cooperating with allies, trade partners and energy resource producers in order to diversify sources and types of energy reserves (*The National Security Strategy of The United States of America*, 2002: 19). It also emphasized that American strength, as well as US national security, derives in part from the most efficient use of energy (*ibid*, 31).

Many problems are caused by American actions in the global market and greatly impact the prices of energy supplies. Thus, the military engagements in Afghanistan and Iraq caused oil and natural gas prices to increase sharply despite efforts made by American authorities to secure the lowest prices of energy sources for their citizens. Consequently, energy security issues garnered the attention of national government and America's global military engagements soon affected other national security strategies (Deutsch, 2004).

The European Union

Collectively, EU member states import 50% of all their energy needs. By 2030, experts expect this figure to increase to 70% (Gallis, 2007: 2). Such a dependency will likely subject the EU to variety of external political pressures, most notably from Russia, its chief supplier. The grave concerns born out of this reality highlight the perception that energy security is as much a political issue as it is an economic one. Although the EU has created formidable political institutions, most EU members act independently when it comes to energy, primarily because of the lack of a common EU energy policy.

Like the United States, the EU is an energy importer and thus its energy security is defined as the safe and stable supply of energy. Like other energy importers, it is imperative that EU members do not become dependent on one supplier. As well, the EU must recalibrate efforts to form and implement

a common European energy strategy. The “Green Paper – A European Strategy for Sustainable, Competitive and Secure Energy” adopted in 2006, announced the creation of common European energy strategy which intended to form the basis of a common energy policy. This strategy took into account that energy and energy security in the contemporary world are largely controlled by geopolitical positions. Thus, the overall strategy consents to increased cooperation between the EU and Russia in the energy sector, which will enable both a higher degree of energy security for EU member states and increase Russia’s economic development (Dekanić, 2008: 152).

At the same time, the EU is making efforts to reduce its dependency on Russian energy sources by building modern alternative energy infrastructures, searching for other energy suppliers, and developing other energy sources. Because of the disproportion between supply and the price of energy resources for certain EU members, many European leaders are seeking an integrated energy policy that creates equal opportunities and privileges for all member states. Right now, the EU is struggling to expand its network of suppliers in order to reduce foreign political pressures and obstacles in the supply chain as well as fortify the continent’s national security (Bahgat, 2006: 961-975).

Today, most EU members have signed on to contracts with Russian suppliers. As a result, most have attempted to cultivate warmer relations with Russia and have been reluctant to ostracize it from the West (Cvrtila/Barić, 2008: 46). Today every EU member state negotiates and formalizes energy agreements independently. Germany, for example, imports over 50% of its energy supplies from Russia. Most of the 2004 and 2007 entrants to the EU, were former members of the Warsaw Pact, and continue to be dependent on Russian energy sources, especially natural gas. Given the wide disparity of interests, the EU must adopt a real and binding common energy security policy that coordinates and preserves the national security interests of its 27 members. During this process, the EU must also be aware that Russia will continue attempts to divide and conquer the European energy market.

Russian Federation

The Russian Federation, given its vast energy reserves, has a unique and qualified understanding of energy security and, like other suppliers, seeks to stabilize energy exports. As the big producer, Russia constantly strives to improve its geopolitical position and re-establish its former political dominance. Capturing and maintaining the EU energy market provides the best chance to accomplish these goals. Vladimir Putin, having subjugated energy companies and infrastructure under the authority of the state, made this a

vital national interest. Their business dealings are almost entirely controlled by political influence.⁸

Since the break-up of the Soviet Union, Russia has yet to build an efficient security system. Certain national security strategies have only recently been adopted. Despite its tremendous wealth, Russia is still a country in transition and is subject to the same aches and pains of development found in Central and Eastern Europe. As well, Russia's brand of controlled democracy (and questionable ethics) continues to make it a troublesome neighbour especially in the field of energy security. Russia, however, is encountering some difficulties with the actualization of a codified energy security strategy, despite its vast sources. Trade with the EU is vital for Russia's economic development and for the revitalization of Soviet-era energy infrastructures. Further, cooperation with the EU affords Russia the ability to cultivate new energy fields and enhance the productivity of domestic energy companies.

Both Russia and Europe's national security require the former's economic development and engagement in the globalized world. Russia can renew its role as Europe's primary threat should it fail to implement democratic reforms. In order to stifle this potential threat, EU-Russian relations must focus on political and economic cooperation, rather than military issues. Unfortunately for the EU, the only way to encourage Russian economic development and subsequent democratic reforms is to provide the Federation access to its markets. The principle area of cooperation looks to be the energy sector (Tatalović, 2009: 20-24).

Security and the Strategy of National Security of the Republic of Croatia

As discussed above, energy security and the protection of critical infrastructure directly influences national security strategies and policies. In many cases, national security can be defined as the protection and promotion of certain proper national interests, including the undisturbed and uninterrupted use of energy resources.

The above-mentioned issues apply to Croatia. Several factors account for Croatia's current energy strategy. First, Croatia's geographic position in the middle of south-eastern Europe makes it a potential intersection point for oil and gas pipelines beginning in Russia or the Caspian Sea basin destined for Western Europe. Second, Croatia does not possess many energy sources and is primarily dependent on imports. Third, in order to satiate Croatia's bud-

⁸ See: Goldman, Marshall (2008).

ding economic development, new energy sources must be found. These combined factors asks for more systematic planning and deliberation concerning critical infrastructure and energy security. As well, these issues are a rather recent development in Croatia. Much work needs to be done, including enhancing the physical protection of critical infrastructure, searching for new energy sources and suppliers, building appropriate and legal connections between the state and the private energy sector, and increasing cooperation with neighbours and members of the EU. Moreover, Croatia must create a binding energy security strategy and simultaneously redefine its National Security Strategy. The National Security Strategy must address and specify the most favourable (and most secure) energy supply routes and employ all of the geostrategic advantages afforded by its location. Also, a Croatian national security plan must emphasize the need to build additional energy storage capacities, as well as coordinate energy provisions with its neighbouring countries, especially members of NATO and the EU. Since gaining independence in 1991, Croatia has gone through the traditional transition processes. Above all, it has attempted to include itself in European and international political, social, and economic developments. As a small and relatively undeveloped country, Croatia's transition process has been slow, particularly with the development of its energy sector. With Croatia nearing the end of EU membership negotiations, now is as good a time as any for the small coastal nation to define and implement a comprehensive energy security strategy that takes into account Croatia's place in the world energy market. This would enable subsequent revisions of Croatian national interests particularly as they relate to energy needs as part of its wider economic development.

Croatia's lack of national energy resources qualify it an importer country. Yet its strategic geographical position provides it the potential for enhanced infrastructural cooperation with both importers and exporters. Unlike many of its neighbours, Croatia also can offer secure and stable transport routes. The capital gained from transporting energy would not only help to solve its energy supply problems, but also contribute to its economic development and increase its political influence in the region. Until then, however, Croatia must adapt its energy importation strategy, ensure efficient energy consumption, find ways to expand its meagre energy resources, and begin to develop renewable sources of energy (Dekanić, 2008:154).

Croatia's National Security Strategy already emphasizes the importance of energy security, which among other things, highlights Croatia's favourable position concerning transport routes, but also warns of the potential threats to its energy security. These threats include a future energy crisis, attacks on energy infrastructure, and the illegal manipulation of imports and exports by groups or individuals. The following excerpt from the National Security Strategy elaborates on Croatia's energy position:

The Republic of Croatia is situated in the area of the routes which make the connections between the European territory and new energy sources in Asia (Caucasus, Central Asia), the routes which connect economically developed west-European countries with industrially undeveloped east-European countries which possess rich energy sources, as well as on the main transport routes between Central Europe and the Mediterranean and South-East Europe. Potential conflicts of interest in acquiring proficiency in transit routes towards new resources or acquiring the influence in the areas which are the source of mentioned resources, or conflicts of interest between the countries which possess resources and those which are situated on transit routes, can cause the emergence of broader regional crises, which opens the possibility of threats to security and stability of the Republic of Croatia (*Strategy of National Security of the Republic of Croatia*, 2002).

The fact that the insufficiency of energy sources affects the country's economic development as well as its defence capabilities proves that energy security is an important element of national security. One additional problem not mentioned is the potential for ecological disasters should a power plant breakdown (Matika, 2008: 54).

The EU accession process obligates Croatia to harmonize its legal procedures to European standards as they relate to energy. Croatia signed on to the *Agreement on Energy Community* in 2005 which made it a party in the agreement on a common European energy strategy. Croatia has also incorporated aspects of its security of supply (electric and natural gas) into the national framework (Majstorović, 2008: 89-90).

In order to improve its economic development and preserve its national interests, the Republic of Croatia will have to ensure sufficient reserves of energy sources and prepare a flexible energy security strategy in order to combat the challenges posed by the globalized world. Until it becomes a member of the EU and part of a supranational energy structure, Croatia must find the optimum conditions to ensure its economic development and maintain a positive level of national security. Future development requires the safe and stable importation of energy resources. Twenty-first century threats to energy security require a complete and flexible energy strategy that takes in account Croatia's political, economic and defence functions.

Conclusion

Global trends show that energy security and the protection of critical infrastructure are among the most prominent international security issues. The continued exhaustion of current energy sources bolsters these concerns. Other looming threats to national interests include high energy prices, reductions in supply, the use of energy as a means for political pressure, and the wanton destruction of energy infrastructure. All of these threats have far-reaching consequences on a country's economic, political, defence, social and ecological systems.

The combination of threats has resulted in the incorporation of energy security and the protection of critical infrastructure into national security strategies. Threats to energy security provide an even stronger motive than the still-evolving post-Cold War political and economic landscape (though they are very much intertwined). Today national security strategies cannot afford to be an exclusive domain for military and defence policies. Energy security is perhaps the most pressing issue of our time given the effects it has on economic development, political relationships, defence capabilities, and environmental protection.

With EU membership pending, Croatia must continue to enhance its energy security. Like other energy importers, Croatia needs a flexible energy security strategy that seeks to reduce potential energy threats and establishes good cooperation with energy exporters. It is the prerequisite for further economic and political development. This requires a redefinition of the 2002 National Security Strategy, which fails to clarify in explicit terms the new dangers to energy security.

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