

CHAPTER I. INTRODUCTION

A. BACKGROUND

Caspian Basin or also known as The Caspian Sea is an endorheic basin—a basin without outflows— located between European and Asia. This area lies in the east of Caucasus Mountain and to the west of the broad steppe of Central Asia. It covers a surface area of 371,000 km² (excluding the detached lagoon of Garabogazköl) and a volume of 78,200 km³ and lies amid Russia, Iran, Turkmenistan, Kazakhstan, and Azerbaijan.



Figure 1. Caspian Basin Map
Source: Nations Online Projects Website

Caspian Basin has become a geopolitical rivalry among states, driven in large measure by the desire to control and exploit energy resources within this region since the discoveries

of the myriad of oil and gas in the early 1990s. The innumerable of energy for oil and gas within Caspian Basin was, at that moment, estimated to be proven reserved a third of total oil in Iraq or Iran and about half total of gas in Qatar. It is one the main source of world's energy resources and providing beneficial for regional, national and business area. It concerns the littoral states over finalizing boundaries and separating the sea, route diversification for oil pipelines, countries interests, investors' concern over political and ethnic stability, and the role of international negotiations and agreements (Timothy L, T 2000). Caspian Basin is becoming a major issue in international arena of littoral states since the legal claim over the sea territory from all concerning parties. After that, the Caspian dispute has strived for settlement and agreement.

In the midst of its geographical complexity, yet the nature of a state to strive for power in order both to enrich itself and gain control over other state, Caspian Basin has appealed many states into this energy politics competition. Not only from inside the region but also outside, one of them is United States. The decision of United States to insert itself into this energy politics contestation despite its geography boundary occurs due to the hydrocarbon resources in the area have become a source for international political and economic competition. Since the Caspian Basin is a landlocked location, transporting oil to western market is complicated ever since the dissolution of Soviet Union— during Soviet times, all transportation routes from Caspian Basin region were through Russia. Hence, the collapse of Soviet Union inspired a search for new routes.



Figure 2. Distance between United States to Caspian Basin
Source: Pinterest

Paul Kubicek, in his journal argued, it consists of three main reasons why Caspian Basin urges the temptation of United States to spread its hegemony, despite its geographical distance. First, it is due to almost all states within Caspian Basin region are former Soviet states, which suffered from years of neglect while under Soviet rule and were in dire need of technology and capital in order to exploit their natural resources. Secondly, it is because of the geographical condition of this area—Caspian Basin is a landlocked area. It has created dependency upon pipelines or shipping arrangements through neighbouring states to get oil and gas to global consumers. Third, due to the political condition within this area, can be implied as the status of mainly states in this are newly gained their independence democracy countries and does not possess stable and steady of both political and economic power which resulted in needing to

foster the stability ¹. While most of the active players come from inside the region, they savour the advantages in terms of geography and historical to assert itself within Caspian Basin region, United States in other hand, was not granted that much benefits yet still decided to gradually insert itself into the region, where initially seemed content to let the region dominated by Russia.

Driven by economic factors in energy resources sustainability as to reduce dependency on energy supplies from Middle East which at the same time to ease the fears about the unipolar power of Russia and have triggered United States to consider striving to establish its securitization and power inside this region which under Bush administration was stated as energy diversification in sustaining market climate. Not only that, under Bush's administration, the decision of United States within region was also to offer diversity in the region as to constrain Russian decision-making by investing more in Caspian Basin projects and attempt to create a new construction of new pipes lines that would bypass Russia a major foreign policy priority. Yet, the involvement of United States somehow, in some point was more limited compared to other players from inside region.

Hence, in order to participate within this energy politics competition, the United States formulated an act of securitization in securing the Caspian basin energy resources. The energy securitization of the United States in Caspian Basin lied through the speech act carried by Clinton and Bush's Strategic Thinking and Foreign Policy in order to achieve their energy security in this region. Bush administration's approach to satisfying demand by increasing supply, rather than

¹ Kubicek, Paul, "Energy Politics and Geopolitical Competition in the Caspian Basin", *Journal of Eurasian Studies* 4 (2013), p,p 171-180.

exploring alternative energy sources or conservation measures². The involvement of United States within Caspian Basin energy politics initially started through Clinton's administration as the development of Caspian Sea energy potential was formed as form of support to secure energy resources of the United States, so it could restrain over dependence on Middle East energy supplies. Not only that, the urge to foster newly independent states in the region which recently achieved independence and sovereignty. Even if total Caspian oil deposits are no greater than 4-5% of world reserves, the added increment may make a significant difference in aggregate market supplies and prices.

In realizing the securitization on energy security, the United States established alliances with both littoral states inside the region— since the United States is not benefited with geography— and outside such as Turkey.

B. RESEARCH QUESTION

From the explanation of the background above, the research question is raised as “*How Did the United States Build its Energy Securitization in Caspian Basin?*”

² Blum, Doug, “America's Caspian Policy Under the Bush Administration”, ponar policy memo 190 providence college, (2001).

C. THEORITICAL FRAMEWORK

As to explain the question above, the theory of Securitization is used to elucidate how the United States build its securitization in energy security and at the same time to realize its securitization and to spread its hegemony in Caspian Basin region by establishing alliances.

Theory of Securitization.

Securitization theory was coined by the prominent experts from Copenhagen Peace Research Institute or collectively known as the Copenhagen School. The leading figures of Securitization theory consist of Barry Buzan, Ole Wæver and Jaap de Wilde. They elucidate the process of securitization as an act in bringing politics beyond the mainstream rules of politicization— since in mostly realist approach, security tend to be viewed as military becomes the main object and states as the main actor. Hence, Buzan, wæver and Wilde tried to shed new insight within Security approach by widening the fields as securitization theory tries to expose security –not only within traditional issues but also non-traditional— as the result of construction created by securitizing actor which in next process to be agreed by public as the target audience of the securitization process itself. Generally, securitization theory tries to elucidate a process to form an issue in which initially viewed by public as a harmless matter to be a harmful one that could jeopardize the sustainability of certain value or material possession of the state. The main element of this approach is basically concerned with how security works in global politics, with the School proposing the broadening of Security Studies to focus on different sectors of the state and society beyond military.

Moreover, in identifying significant new security threats with crucial security theories, these scholars have offered an innovative approach and developed new dimensions to the study of security, consequently altering the state-centric security understanding³.

Theoretically, the process of securitization could happen because there is securitizing actor who discursively carry out an act of securitization by discoursing an issue (speech act) which initially viewed as harmless matter towards the main objective of securitization (target audience). Speech act contains an accentuation of certain issue elucidating that there is an existential threat towards the matter that could harm the sustainability of certain object or entity so there must be immediate and measurable respond to overcome it⁴.

According to Buzan, Waevar and de Wilde, within the process of delivering the speech act, it requires a clear differentiator between referent object, securitizing actor and functional actor. Referent object is — either real or abstract— an object, which is claimed, whose sustainability under an existential threat that need to be taken care cautiously. Securitizing actor is defined as the entity or a significant figure who carries out the process of securitization towards certain issue or discourse by declaring the presence of the existential threat that harms towards the referent object.

³ Özcan, Sezer. (2013). *Securitization of Energy through the Lenses of Copenhagen School*. West East Journal of Social Science Vol 2 Number 2.

⁴ Hadiwinata, Bob Sugeng. (2017). *Studi dan Teori Hubungan Internasional; Arus Utama, Alternatif, dan Reflektif*. c187

Meanwhile, functional actor is elucidated as an entity whose influence plays crucial role in decision making process dynamic. Speech act, in other hand, refers to an entirety of acts performed by securitizing actor in term of initiating securitization process. Existential threat appears as the result of discoursing process by securitizing actor, which is claimed to endanger the sustainability of the referent object.

Given by the explanation about prominent aspects within securitization theory above, in order to understand the reason of why the United States builds energy security in the region, the understanding of the process within United States securitization on energy security in Caspian Basin region itself is required. It can be elucidated within this following conceptual framework. The process of securitization tries to be explained by this thesis is encapsulated within the implication of Caspian Basin energy politics which initially was perceived by the United States to have no vital interest both in region and resources. Moreover, starting from the lack of a vital United States interests at play in the Caspian area, it is also possible that the United States' policy towards the region— and hence the basin— has been largely a derivative of other objectives, that the United States never arranged a Caspian policy per se. However, the relevance of such objectives, accentuated by the strategic location of the basin— the convergence point of different and crucial regional security complexes— has made United States Caspian policy both strategic vector and a key tool for United States action in different Eurasian Scenarios.

The involvement of United States in the region was started through Clinton Administration— then was continued by Bush administration— strategic thinking

and policies. Starting by the engagement of United States energy companies in attempting to develop Caspian offshore resources, which initially this private initiative received no support from the United States Administration—Various were the motivations behind this initial reluctance to be actively involved in the area, the most relevant being the will not to jeopardize the unprecedented entente with the Kremlin which, moreover, came to be regarded as a stabilizing force in the volatile post-Soviet environment, whose ‘wrenching’ economic and political transitions posed “troubling uncertainties” to the United States strategic planning⁵. However, under Clinton Administration, the development of Caspian Sea energy potential was formed as the speech act in United States securitization process in Caspian Basin region. This energy potential was functional to the achievement of three core objective of Washington’s foreign and energy policy.

Above all, it represented a key tool in which to support and foster the newly independent states’ which recently achieved independence and sovereignty, as well as help them overcome the tough economic crisis inherited at the end of the Soviet. Indeed, concerns connected to state failure were paramount for the United states view of the region and, therefore, while the successful transition of the newly-emerged and emerging democracies in Europe and the former Soviet Union was considered to be “vital to world stability”, more specifically the Clinton Administration acted from the assumption that “a stable and prosperous Caucasus and Central Asia will help promote stability

⁵ Frappi, Carlo. *The Caspian Sea Basin in United States Strategic Thinking and Policies*. P183

and security from the Mediterranean to China”⁶. Secondly and consistently with the approach institutionalized by the 1998 Comprehensive National Energy Strategy, the development of Caspian energy potential responded to the need to diversify hydrocarbon producing areas. Under this perspective Caspian resources would have allowed a reduction in over-dependence on Middle - Eastern suppliers and, at the same time, to limit OPEC’s grip on the oil market. The third and central tenet of the Clinton Administration’s Caspian policy was “vigorous promotion of United States business interests”.

Indeed, in the Administration’s view the engagement of national firms in projects aimed at the development and export of the basin’s hydrocarbons provided the ‘single best avenue’ for enhancing cooperation, as well as a favoured tool for fostering regional cooperation among the newly- independent states. Moreover, besides being functional to the enhancement of bilateral relations, United States – and, broadly speaking, Western – private initiatives were seen as a way to promote the reform of the national energy sectors as well as an incentive for producer states to improve business practices and the investment climate, thereby fostering the path toward the free market and, hence, toward regional prosperity and

⁶ S. Talbot, *A Farewell to Flashman: American Policy in the Caucasus and Central Asia*, Address at Johns Hopkins School of Advanced International Studies, 21 July 1997.

stability⁷. Thus, supporting national companies meant advancing a logic of mutual convenience, allowing US companies to circumvent key constraints to activities in the area, and producer countries to attract Foreign Direct Investment (FDI) ⁸.

Hence, the speech act here is carried by the statement within Clinton's administration strategic thinking and policies— which at the same time played the role as both the securitizing actor and also functional actor— when he first started keeping an eye to Caspian Region as the administration stated that the United States viewed the stability of newly-emerged and emerges democracies in Caspian region— mainly former Soviet Union— could foster world stability and the assumption about a stable and prosperous Caucasus and central Asia will help promote and stability and security from the Mediterranean to China. Not only that, in reducing over-dependence on Middle Eastern oil supplies and to limit OPEC's grip on Oil market. And those have become the existential threats for the energy sustainability of the United States and world peace— referent object. Moreover, within Bush' administration Caspian region, the United States interests in the Caspian region derive primarily from its security commitment to Europe's NATO members, the war against transnational terrorism, and the desire to check Russian and Iranian influence in the region. While none of the Caspian countries are in NATO and therefore receive no security guarantees, Azerbaijan, and Turkmenistan are members of NATO's Partnership

⁷ Ibid.

⁸ Ibid.

for Peace program⁹. A more important consideration for the United States is the potential of Caspian oil and gas to offset much of Europe's dependency on Russia for its energy needs. This, in turn, directly affects Europe's security and, potentially, United States treaty obligations under NATO. The United States has four primary goals in the Caspian region:

1. Assisting the Caspian in becoming a stable and secure transit and production zone for energy resources;
2. Checking Russian and Iranian meddling in the region so the countries in the region are stable, sovereign, and self-governing;
3. Keeping radical Islam out; and
4. Resolving the frozen conflicts in the region because Moscow exerts most of its influence through these conflicts¹⁰.

Hence, in order to prevent those existential threats on stability and over-dependence oil, the United States carried out its securitization on energy politics in Caspian Basin by establishing allies with states from both inside and outside the region of Caspian such as Azerbaijan, Kazakhstan, Turkmenistan from inside and

⁹ Coffey, Luke, "A Secure and Stable Caspian Sea Is in America's Interest", Center for Foreign Policy, (2015) cited online <https://www.heritage.org/europe/report/secure-and-stable-caspian-sea-americas-interest>

¹⁰ Ibid.

Turkey from outside the region within a Production Sharing Agreement (PSA) in developing the oil field or the pipelines in the region.

The United States alliance formation is driven by the securitization that the United States carried in order to prevent existential threats for the energy sustainability of the United States and fostering world peace. Since, the United States was not benefited in terms of geography and history, the United States had to balance with littoral states of Caspian Basin such as Azerbaijan, Kazakhstan and Turkmenistan — and also Turkey from outside region—in order to tackle the boundaries imposed by Caspian Basin regime which challenging the United States entering into the region mainly due to Russian dominance in the region. Not only that, the fear of Iranian influence in the region also trigger the United States to insert more within the region— despite its desire to exploit natural resources.

The United States' alliances in Caspian Basin energy politics can be seen through— one of them— the establishment of BTC Pipeline which first initiated by Turkey and Azerbaijan. BTC Pipeline or known professionally as Baku-Tbilisi-Ceyhan is a 1,768 kilometres long crude oil pipeline from the Azeri-Chirag-Gunashi oil field in the Caspian Sea to the Mediterranean Sea. It connects Baku, the capital city of Azerbaijan and Ceyhan, a port on the South-Eastern Mediterranean coast of Turkey, via Tbilisi, the capital city of Georgia.

The Clinton Administration stated that they actively supported the development of oil and gas resources of the Caspian Basin in 1995 which the United States declared support for the establishment of

multiple energy export pipelines from region including BTC pipeline. This support was based on two simple reasons— the need to diversify for new export capacity and to restrain Russian domination— as well as its coalition with Iran in the region. The United States policy on Caspian energy is facilitating the export of Caspian oil and gas to world markets and at the same time fostering greater prosperity in the Caspian region.

D. RESEARCH ARGUMENT

1. Based on the background of the issue and the approach of the theory of Securitization, this research argues in order to reduce the dependency on oil supplies from Middle East, the United States built energy securitization in Caspian region as an effort to diversify energy supplies and at the same time to foster the stability of the region that lied within the United States foreign policy established through Clinton and Bush' administrations strategic thinking and policies.
2. In realising the securitisation of its energy security, the United States established alliances with states from both inside and outside the region of Caspian.

E. RESEARCH METHODS

This research is conducted through qualitative methods of literature study by using grounded theory based on books, journals, articles, internet websites, official documents both online and physical form in order to provide explanation or theory behind the events.

F. RESEARCH SCOPE

This research will revolve Clinton and Bush' administration in building the United States securitization on energy security in Caspian Basin energy politics as Caspian Basin issues were being mostly concerned within these both administrations.

G. WRITING SYSTEM

Chapter I: This section consists of the background of the problem, the formulation of the problem, the framework of thought, research argument, scope of research, research methods and systematic writing.

Chapter II: In this section, the author will explain energy politics of the United States consisting of significance of Caspian Basin to the United States with sub-chapters on both within Clinton and Bush' administration.

Chapter III: In chapter III, the author will elucidate Caspian Basin as the new project of securitisation divided into three sub-chapters, the first one as the new energy resources for the United States and the second one is discussing the process and the last one is explaining new alliances of the United States in Caspian Basin energy politics.

Chapter IV: Within this chapter, the author will conclude the entire chapter that has been discussed, contains of brief of the research compiled by the author of all the things stated in the previous chapters.