

Issue paper

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Nabucco and the Arab Spring

The democratic revolutions in North Africa and the Middle East have not quite spread it to the authoritarian regimes of Central Asia. Nevertheless nervous reactions among leaders in these countries have proven another weakness of the proposed Nabucco pipeline project, in that the stable gas supplies promised by the project under the capacious term “energy security” are much less “secure” than previously expected.

In the search for gas

While the planned starting point of the Nabucco pipeline is in Turkey, it is obvious that this gas-importing country will not be able to fill the pipeline with its own resources. Gas supplies must originate further east, and members of the Nabucco consortium, EU representatives and authorities from Azerbaijan and Turkmenistan have declared unequivocally that they hope these two countries will be the pipeline's suppliers. This was made clearer in January when the EU sent its top officials, Commission President Barroso and Energy Commissioner Oettinger, to the capitals of these gas rich states. Yet in spite of the high political profile of this development, the visit does nothing to address the striking deficiency of the Nabucco project, obvious since its inception a decade ago, that there is a lack of confirmed gas supplies for the pipeline.

Developments in Azerbaijan and Turkmenistan

According to Freedom House surveys, the level of democracy and civil society development in both countries is one of the lowest in the former Soviet Union, and both countries are classified as “Consolidated Authoritarian Regimes”¹. While Turkmenistan has for many years consistently received the lowest possible rankings, the situation in Azerbaijan has worsened since the Baku-Tbilisi-Ceyhan pipeline was constructed in 2005 and an unprecedented level of oil revenues began filling state coffers.

As a reaction to the tide of the Arab Spring, the Azeri government has further clamped down on civil society activists². In April participants at a small anti-government protest in Baku were immediately detained and about 30 were convicted in late-night trials. The same punishment was given to independent journalist Eynulla Fatullayev and others calling for protests via social media. On May 12, the European Parliament admonished Azeri authorities for stepping up harassment and intimidation of journalists and political activists³.

In Turkmenistan authorities have worked hard to prevent any organised anti-government actions. Information about the events in North Africa was concealed entirely by official state media at a time when only a handful has access to internet. Citizens travelling frequently abroad, who from the perspective of Turkmen authorities may bring the seed of revolution home, are closely monitored. Further, in an apparent bid for stricter control over the police and security services, president Berdymukhamedov fired one of his most powerful ministers responsible for national security, Charymyrat Amanov⁴.

These pre-emptive measures demonstrate just how far authorities in Baku and Ashgabat are willing to go to squelch any possibility of Arab-like revolts.

CEE Bankwatch Network's mission is to prevent environmentally and socially harmful impacts of international development finance, and to promote alternative solutions and public participation.

How secure are gas deliveries from the Caspian region?

Only a handful of experts were able to foresee the scope of the Arab Spring. Even after the regimes of presidents Ben Ali in Tunisia and Mubarak in Egypt were toppled, many claimed that the more authoritarian Libyan state would remain stable. It is just as possible that those living in the oppressive regimes of Central Asia and the Southern Caucasus will one day spontaneously organise for democratic transformation. In this situation, it is just as uncertain whether the gas infrastructure will not share the same fate as that of Libya⁵ and if new authorities will recognise deals signed by the West when predecessors ruled without democratic legitimacy. In the context of Nabucco's development, the West faces a dilemma about whether to support progressive movements for democratic transformation or rather attempt to stagnate the situation by signing new gas and oil deals and strengthening corrupted regimes, risking a Libyan-style revolt in the future.

When the underlying premise for the Nabucco pipeline is to find a more secure and stable source of gas for Eastern Europe, the strategy seems perilous at best.

How can this be the case when gas must come from the politically vulnerable Caspian Sea region and transported via the unstable Southern Caucasus, with disputed regions like Nagorno Karabakh, South Ossetia and Abkhazia and Turkish Kurdistan⁶.

Recommendation

If gas is to be contracted from Azerbaijan or Turkmenistan, the EBRD publicly declare that it will not finance the Nabucco pipeline. To finance the project would contravene its own Articles of Agreement to support multiparty democracy and pluralism.

Notes

1. Nations in transit 2010, Freedom House, <http://www.freedomhouse.org/images/File/nit/2010/NIT-2010-Tables-final.pdf>
2. Govt Fears Spread of Arab Spring, IPS, May 12, 2011, <http://www.ipsnews.net/news.asp?idnews=55610>.
3. Human rights: Belarus, Azerbaijan and Sri Lanka, European Parliament press release, May 12, 2011. <http://www.europarl.europa.eu/en/pressroom/content/20110511IPR19222/html/Human-rights-Belarus-Azerbaijan-and-Sri-Lanka>
4. Muhamad Tahir, The Arab Spring: The Turkmen case, Foreign Policy, April 2011 http://oilandglory.foreignpolicy.com/posts/2011/04/21/the_arab_spring_the_turkmen_case
5. Qaddafi bombs oil facility in blow to Libya's oil infrastructure, Christian Science Monitor, March 9, 2011, <http://www.csmonitor.com/World/Middle-East/2011/0309/Qaddafi-bombs-oil-facility-in-blow-to-Libya-s-oil-infrastructure>
6. More sustainable development pipedreams? BTC shows how not to do Nabucco, CEE Bankwatch Network, May 2010, <http://www.bankwatch.org/publications/mail.shtml?x=2229175#nabucco>