

Energy diplomacy: soft skills diplomacy and/or power-politics?

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All diplomacy is about interests

- Advancing national interests
- Who formulates them under which conditions?
- Energy in its many forms has been a traditional topic
- Competing for territory is probably the oldest form of diplomatic action
- Reshuffling maps
- Tracing borders
- Astute negotiations
- Only in a truly multipolar world, diplomacy works
- In unipolar settings (see ancient Rome and post 1989 context) reduced role

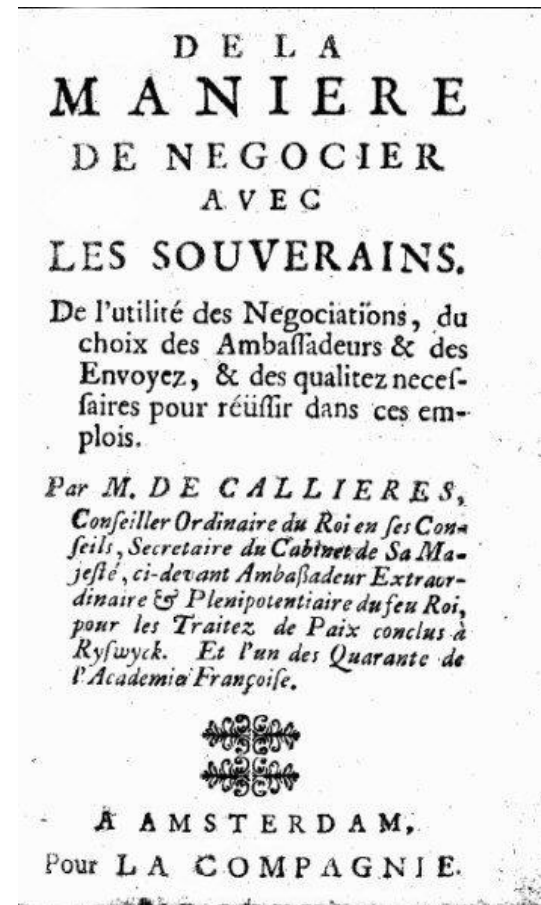
Metternich, Talleyrand and Bismarck: masters of long-term alliances

- Thinking in the unit of dynasties
- Creating a balance of power
- Equal footing of sovereignty
- Today: short term thinking and short term selling...
- But: energy politics require long-term and predictable settings



Formalized negotiations

- Francois de Caillières : eminent thinker acc. To Jefferson, Galbraith etc:
- Every Christian Prince should have for a principal maxim not to employ arms to maintain and make proof of his rights, but after having tried and exhausted the route of Reason and of persuasion, and it is in his interest to join thereto as well those of benevolence, which is the surest of all ways to affirm and augment his power; but he must make use of good workers who know how to put good deeds in practice to gain him the hearts and minds of men, and it is in that principally in which consists the science of negotiation."
- Today the opening of his second chapter has stronger resonances than ever, two centuries after it was published:
- "One must consider that all the States of which Europe is composed, have among them necessary liaisons and commerce, with the result that one may look upon them as members of the same Republic, and that there may scarcely arrive a significant change in some of its members that is not capable of disturbing the tranquility of all the others"



Diplomacy is the implementation of a foreign-policy

- In the absence of a well-thought foreign policy, all diplomatic action risks to be short-lived
- Excellent diplomats fail when headquarters miss a consistent strategy
- So energy-diplomacy preconditions: energy-policy
- Where do we see it?



Political cartoon depicting the tangled web of European alliances of the late 19th century. Note [Marianne, representing France, crying alone in the bottom-left corner thanks to German chancellor Otto von Bismarck's \(pictured in the center\) successful attempts to keep her isolated from the rest of the European powers.](#) Ex: Wikipedia: profile of Bismarck)

Physical access to the fields

- Since World War I: need for physical control of oil and gas fields at center-stage
- Legal title often might prove insufficient
- The physical ownership can prove decisive
- Possession –property
- The military dimension
- ***Energy-alliances are stronger than catholic marriages*** (Zaki Yamani; former oil minister of Saudi Arabia)



Ap Crawford Ranch April
2004

The rise of oil-companies in the world of international relations

- From the rule of International oil companies (once the Seven Sisters) to the dominance of the National Oil Companies
- Exxon may be the world's biggest listed company by market capitalisation, but it is a tiddler beside the National Iranian Oil Company or Saudi Aramco
- Financial Times identified in 2005 the new Seven Sisters
- National interests and oil interests are realigned



The Economist, Oct. 28th, 2011

Central Asia: a particular stage for power-politics. From the Great-Game of 19th century to current reshuffling of alliances

- Caption from a 1911 English satirical magazine reads: "If we hadn't a thorough understanding, I (British lion) might almost be tempted to ask what you (Russian bear) are doing there with our little playfellow (Persian cat)."



Soft-skills or hard-core power-politics?

- Energy like Foreign policy remains the „domain réservé“ of the sovereign
- Reluctance to abandon it despite all desires for multilateral action
- Bilateralism prevails
- And that is applied with all traditional carrots and sticks
- The many actors which shape and make decisions
- Are we in a world of price-takers and price-makers?
- Or is it more complex?
- Energy and national security deeply intertwined
- Energy-contracts and military alliances part of the same medal

Thank you for your attention!

The oil-business is too important to
leave it to the oil-men....

Karin Kneissl