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PROBLEMS OF INTERACTION AND INTERDEPENDENCE OF THE EU AND EAEU IN THE ENERGY SPHERE

The scientific article is devoted to the issue of interdependence in the energy sector between different regions of the world in the example of EU-EAEU cooperation. The purpose of this study is to analyze the role of the energy factor as a connecting and integrating element of regional economic interaction between the EU and the EAEU. Using the theoretical paradigms of realism, liberalism, constructivism, the article analyzes the relationship between the EU and the EAEU in the context of ensuring future stability in the energy sector in Europe related to the ability of the countries of the European Union (EU) and the EAEU to support the interdependence of the energy market. While writing the article, the author studied and summarized the studies of scholars of the realism paradigm, whose writings discussed the influence of economic interdependence on states’ intentions to initiate conflicts, as well as neoliberal school followers like R. Keohane and J. Nye who conceptualize interdependence and define it as the existence of interdependence between international actors in various fields of their interaction. Based on the data obtained, it was found that an analysis of energy relations between the EU and the EAEU in recent years confirms the hypothesis that the political consequences of interdependence are not a simple function of growing trade and investment relations. By analyzing the political impact of energy interdependence, one can focus not only on existing or planned pipelines, the development of market conditions, the structure of energy prices, the dynamics of exports and imports, and the extent of interdependence. The article provides an in-depth analysis of the political dimensions of energy interdependence in the EU-EAEU context, highlighting the role of energy cooperation in promoting peace and security in the region. The conclusion of the study emphasizes the importance of further research on the interdependence of the energy sector and the need for international cooperation to ensure sustainable energy development.

Key words: EU, EAEU, interdependence, energy interests, cooperation, international relations

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Problems of interaction and interdependence of the EU and EAEU in the energy sphere

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Introduction

The contemporary system of international relations is facing increasing global competition, the growing interdependence of states and regions has proved to be less stable, and therefore more susceptible to growing global and regional threats.

The inevitable depletion of hydrocarbon resources, the struggle for access to them and transport routes, the introduction of alternative and renewable sources, the use of nuclear energy, raising issues related to the energy policy of countries is commonplace.

Unique opportunities to ensure regional energy security, such as the ever-growing demand for energy, consumer solvency, the presence of existing potential energy producers, the existence of one energy transport system between the five post-Soviet states participating in EAEU on one hand, and the proximity of the EU’s borders on the other hand, which is the main energy consumer in the region, creates new perspectives for cooperation.

This study focuses on the energy interdependence of the European Union and the Eurasian Economic Union. The proposed work is an attempt to comprehensively analyze various aspects of the energy policy of EAEU and EU member states.

The greatest opportunities for ensuring future stability in Europe are related to the ability of European Union (EU) and EAEU countries to maintain interdependence of the energy market. Interdependence, which ensures the reliability of supplies of mainly Russian energy to Europe, as well as the reliability of demand for these exports from Russia and Kazakhstan, will contribute to the stabilization of relations. Such interdependence will strengthen security in Europe only if European countries are convinced that their energy imports from EAEU are safe and that EAEU countries feel that the demand for their energy exports to European countries is guaranteed.

Potential strategies for EU- EAEU interaction on energy security will be relevant in the future, as the EAEU common energy policy will not enter into force until 2025.

In contemporary international relations, all relations between countries and organizations are based on interdependence. The question therefore arises what is interdependence when the concept of interdependence appeared in international relations. This part is based on the belief that analyzing the importance of energy interdependence in EU and EAEU policies requires consideration of the origin and specificity of energy interdependence. That is why this chapter presents various positions of researchers in this matter. Secondly, it is equally
The concepts of energy security and interdependence are interrelated, and the analysis of energy relations between the EU and EAEU (Russia, Kazakhstan) is only successful when discussing both. The concepts of dependence and interdependence have been widely discussed in primary schools of international relations since the 1960s and 1970s (Palonkorpi, Mikko, 2008).

The key argument of the liberal approach is that relations built in a "democratic peace" are primarily cooperative, and states do not wage wars with each other. The liberals say that a democratic regime matters to how actors conduct international politics and that global prosperity can be achieved if markets are "opened" and trade is liberalized (Burchill, 2013).

These concepts are consistent with fairly classic liberal views and are embedded in the practices and perversions of energy policy, economics and international relations. First of all, it is the promotion of liberal regional and international energy systems and institutions, such as the International Energy Agency (IEA) and the Energy Charter Treaty. A common liberal assumption is that the development and expansion of membership in liberal international energy regimes facilitates international interdependence and cooperation (Dannreuther, 2010).

This approach suggests that the key solution to energy security policy is maximized liberalization of energy markets. The liberals emphasize that most conflict practices and institutions are displacing imperfect markets. The main idea of economic liberalization is that if the liberalization of international energy were properly established and the principles of comparative advantage were properly established, energy resources would be provided not only in the most economically efficient way, but also without coercion of geopolitical competition and political conflicts (Dannreuther, 2010).

The European Union was the best example of liberalism, which proved that regimes and institutions...
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Based on liberal principles of transparency and legally binding norms through economic and political interdependence, entities adopt cooperative attitudes and promote positive results (Burchill, 2013). A liberal approach to energy policy has been adopted and explicitly included in the European Union Ostpolitik, as well as in current energy strategies. Liberal theories suggest that gas trade played an important role in creating interdependence between the USSR and its western European neighbors during the Cold War (Krickovic, 2015).

Promoting energy trade was the European Union’s favorite tool in expanding its economic commitment to the Eastern Bloc, believing that it could help dissipate the Cold War. The idea of interdependence and its calming effect were formulated by many prominent scholars. Kant and Smith discussed the impact of economic interdependence on the intentions of states to initiate conflict. The fear of losing economic benefits resulting from trade relations is deterring states from offensive policies. With the development of economic ties, national interests and security become more compatible with economic wealth than with military power (Doyle, 1997).

In their book, neoliberalists Keohane and Nye conceptualize interdependence and define it as the existence of interdependence between international actors in various areas of their interaction. Interdependence in world politics refers to situations characterized by mutual effects between states or between entities in different states. However, interdependence cannot only bring mutual benefits, but can limit the concept of interdependence to certain costs (Keohane, Nye, 1989).

Research distinguishes between symmetrical and asymmetrical interdependence. Under symmetrical interdependence, the two parties are equally dependent on each other and therefore lose equally by breaking a relationship. Asymmetric interdependence means that one state is much more dependent in a relationship and is therefore more damaged by a break. In asymmetrical interdependence, a less dependent partner gains political influence over a more dependent one. Under symmetrical interdependence, the parties have the opportunity to benefit from it without fear of being manipulated in asymmetrical relationships (Keohane, Nye, 1989). Much of the literature on energy relations between the EU and EAEU (most with Russia) is based on the interdependence between the two entities. One part claims that interdependence is asymmetrical and is bent towards Russia because European countries, especially in the Baltic Sea region and Eastern Europe, depend on Russian gas supplies are much higher. Other observers disagree with this statement and believe that both sides will be equally affected by the loss if they are unable to develop positive interdependence (Goldthau, 2008). Therefore, energy relations between the EU and EAEU (Russia) appear to meet the definition of symmetrical interdependence. There is another group of scientists who say that relations between the EU and Russia tend to tilt in favor of the EU, because trade with the EU accounts for a significant proportion of Russia's GDP (Krickovic, 2015).

The uncertainty and wide range of opinions result from the nature of the relationship between the EU and EAEU (Russia). According to Keohane and Nye, interdependence is difficult to measure in situations where it is asymmetrical or complicated. That is, when states depend on each other for various economic, political, social and security issues. The complex interdependence is scattered over many different dimensions and minimizes the risk of one party wanting to use the emerging asymmetrical dependency as a tool of political leverage, because it can itself depend on this state in another matter (Keohane, Nye, 1989).

The effect of globalization caused that both states and theories of international relations focused on military issues and gave a more complex character to relations between international actors, but the possibilities of explaining basic theories can still be applied to the situation. Considering the overall relationship between EAEU (Russia) and the EU in the field of energy supply, recurring patterns of the emerging security dilemma can be seen.

Interdependence theory argues that increased economic interdependence reduces conflicts between states. Most studies on the "peace effect" of economic interdependence pay less attention to cooperative and counter relations. However, the relationship between interdependence and conflict in the modern world may have another effect that the original liberal theorists did not expect (Doyle, 1997).

Scientists working in realistic traditions say that interdependence is a potential source of conflict between interdependent countries. Economic interests are always associated with the military and security problems of states, and like any other factor increasing contact and interaction between states, in fact stimulate conflict and defense mechanisms (Mearshimer, 1995).

According to Copland, the explanation of why interdependence produces peace in one situation and conflict in another lies in the calculation of countries.
Regarding the future of trade. Over time, the balance in symmetrical interdependence may be disturbed, and states may be afraid of being in an asymmetrical interdependence and yielding to the political leverage of a less dependent state (Copeland, 1996). States that are at risk of this possibility are more likely to implement adverse policies that reduce such dependence. Reducing dependencies without increasing the dependencies of the other party is less likely, which in turn threatens the security of another partner country. A classic security dilemma occurs when no country can gain security without threatening the security of others (Jervis, 1978).

The security dilemma is one of the most important theoretical ideas in international relations. The concept was developed by Hertz, Butterfield and Jervis. The security dilemma is a term traditionally used to describe the uncertainty and misperceptions of international entities that would lead to pre-conflict situations. Jervis explains that this situation arises when an increase in one's national security can reduce the safety of others (Jervis, 1978).

The general motive of the classic security dilemma is fear, which relates to Hobbesian culture. Fear, distrust and misunderstandings cause entities to strengthen their national interests against others, and thus may destabilize international systems. The emergence of a security dilemma can have a number of consequences ranging from the lack of interaction between actors in the security environment and the emergence of mutual distrust, to a dispute regulation system that does not work or works improperly. The security dilemma often leads to negative choices, increasing the tension between the parties. It seems that the case of EU-Russia relations in the field of energy supply is covered by this theoretical thesis in which the actions taken by each party to reduce dependence or increase dependence on others disturbed the relationship and caused security concerns. In a liberal security environment, states are to cooperate to avoid the dilemma of classic security (Booth, Wheeler, 2008).

In the event that the interdependence between the EU and EAEU (Russia) is characterized as symmetrical and complex, as suggested by Keohane and Nye theory, the trap of a security dilemma may be removed. Unfortunately, the relationship is not complex, and symmetrical interdependence is entrusted to only one field of energy trade. Although the EU is heavily economically dependent on gas imports of EAEU countries, overall data on trade relations underline the increased dependence of EAEU countries on the EU as an importer, technology exporter and investor (Keohane, Nye, 1989).

In fact, both the liberal school and the realistic school encounter difficulties in suggesting ways to overcome the security dilemma based solely on EU-Eurasian (Russian) cooperative interactions on gas.

In summary, this sub-chapter has formulated a theoretical framework that will contribute to analyzing the nature of patterns in energy research and identifying structural patterns. By analyzing a number of theories of international relations, one can calculate the way of interaction between states on energy matter. The issues of energy relations will be discussed through the lens of liberalism and realism, complemented by the observation of related ideas of constructivism.

Specificity of energy interdependence. Since the establishment of international relations, natural resources have been recognized as essential to the power structure of the international system of states. Although each country would prefer easy access to natural resources, countries sometimes had to compensate for the lack of natural resources through other capabilities, such as human capital and technological skills. In the modern world, energy resources play an important role because they form the basis of almost all aspects of human activity, and thus the potential wealth and power of each state.

The problem of bilateral energy interdependence and the resulting political implications are rarely discussed in the literature, as opposed to the systemic approach. There is no deep theoretical reflection, but there are many references in journalism, policy documents or analytical materials, but this mainly concerns EU-EAEU relations. Unfortunately, the most common interdependence exists as a phenomenon that does not require explanation, as an obvious thing, mainly as a tool for diagnosing the state of relations and justifying political recommendations. Energy interdependence in this respect is reportedly a factor stabilizing relations between partners (Roadmap. EU-Russia Energy Cooperation until 2050, 2013). In scientific publications, energy interdependence is studied more deeply, although rather unilaterally, usually by uncritically shifting the concept of complex interdependence between Nye and Keohane using categories such as vulnerability, sensitivity or asymmetry to describe the relationship between producers and consumers. Much of this work has undoubtedly shed an interesting light on the role of interdependence, but they stop at a pace, suggesting as a starting point only one element of these researchers' considerations and the other - costs.
Although the discoveries of American scientists in many respects are still valid, it should be remembered that Joseph S. Nye and Robert O. Keohane see complex relationships between developed countries in complex interdependence. Meanwhile, energy interdependence affects countries, often very different in terms of level of economic development, system or institution features; in addition, countries whose relationships are often a function of energy relations. Meanwhile, both researchers clearly point out that a distinction needs to be made between deepening interrelationships and interdependencies, taking the costly effects of mergers and their changes as a criterion for cross-compliance.

On the one hand, there is no coherent conceptualization of energy interdependence, on the other, the discourse revolves around a thesis which is taken for granted that energy interdependence makes conflicts unprofitable and ensures friendly behavior. As a consequence, interdependence takes on the significance of a soft, two-sided relationship with positive accents. Daniel Yergin, for example, claims that "nowadays relations between producers and consumers are based more on interdependence and cooperation" (Yergin, 2005). Both of these phenomena are mutually deterministic. In other words, energy interdependence is simply considered synonymous with close relationships.

Energy interdependence is simply seen as a condition in which the consumer and producer depend on each other; the first of deliveries, the second from the market. On the one hand, the position of the supplier is analyzed, i.e. the role of income from energy exports in the economy of a given country, measured by indicators such as the ratio of income to GDP, their share in the state budget and total income from exports. On the other hand, from the point of view of the recipient, the importance of energy imports for its economy was shown, as well as factors affecting its position vis-à-vis the exporter. In fact, we are dealing primarily with an assessment of the scale of dependence in which there is an inaccurate reciprocity.

The division into categories of energy interdependence only makes sense if the change in the state of relations leads to significant economic and socio-political costs for both parties. Although economic costs are fairly easy to estimate due to the relevant indicators, it is difficult to clearly assess the political costs, which depend on the political and institutional conditions. The importance of interdependence lies in the fact that it influences the decisions of entities, forcing them to take action in response to specific political challenges.

Based on the adopted assumptions, energy interdependence in bilateral relations arises between the supplier and the recipient of energy carriers, when the change in the terms of cooperation leads to significant economic and political costs on both sides. The scale of these costs and their distribution over time depends on the existing and potential technical, economic and political conditions that determine the entity's ability to take actions that undermine the negative consequences of the partner's policy. Energy interdependence is not only an external phenomenon for relevant entities, but above all a process that they have created together to minimize the costs of possible changes in the terms of cooperation or maximize the costs of partners.

Although the issue of the relationship between global or sectoral (oil and gas) energy interdependence and bilateral relations is a separate issue, it is important to consider the context affecting state calculations. For example, the creation of an integrated gas market (by type of oil) and overcoming obstacles related to pipeline transport has an impact on the form and calculations carried out in the framework of bilateral relations, as it provides entities with new opportunities to reduce the costs of a possible accident in cooperation with an important energy partner.

Energy interdependence can lead to increased sensitivity to the strategic dimension, especially when supply sources are highly concentrated, when there is a high probability of supply disruptions with limited recovery possibilities and serious consequences. The strategic dimension of vulnerability applies to both importers and exporters of energy. For the first key, unlimited access to resources is crucial so that others have access to markets and the right price. In both cases, this applies not only to economic interests, but also to national security. In the current circumstances, energy self-sufficiency has become a chimera, so states have driven the search for common solutions, either in the form of supporting the open market or joining efforts within joint institutions. Therefore, they want to reduce their sensitivity to change, in other words, reduce operating costs in dynamic interdependence.

The problem with the conceptualisation of energy interdependence is also the result of rather modest research on a more general subject, that is, the importance of energy issues in international relations. The discussion has been going on continuously since the 1970s, but it has not crystallized subsequent approaches. Dichotomous market division and geopolitical approach dominate. Supporters of the former emphasize the importance of regimes,
institutions and interdependencies, others usually pay attention to the problem of import dependence, expansion through economic instruments, and emphasize the subordination of energy policy to geopolitical ambitions of governments.

An analysis of old and modern literature on interdependence reveals a huge variety of approaches, often accompanied by a rather loose approach to the phenomenon. In rare cases, when the problem is resolved autonomously, most often, interdependence reasons are in the background, serving as a background for other research or supporting materials. In fact, the prevailing assumption is that interdependence is more closely linked to economic relations that are difficult to find alternatives. All too often, however, the analysis ends, although in reality it should be just the beginning. As the first comprehensively about interdependence as a complex phenomenon, of course they considered by Joseph Nay and Robert Keohan, whose merits cannot be overestimated. To this day, their approach is the basis of most interdependence studies. Nevertheless, a more careful reading of their work «Authority and interdependence» reveals a number of restrictions, the most serious of which is to apply the concept of «complex interdependence» only to relations between highly developed countries and international regimes. Transferring these considerations to any relationship raises serious doubts that the authors of the theory wrote independently (Keohane, Nye, 1989). The analysis of interdependence studies has therefore been supplemented with a number of other studies, of which the ones that raised the issue of costs (real, acceptable, political) as an important category changing the perception and impact of interdependence deserve special attention. The cost category can be used as a transmission belt combining quantitative and qualitative research. In addition, it allows a better understanding of the political choices made by related organizations.

In this context, energy interdependence deserves special attention. As the era of energy self-sufficiency in countries and the purchase of energy began to require the establishment of appropriate relations with other entities, the political problem became an acceptable level of dependence on foreign supplies. In fact, the debate revolves around the tension between negatively perceived addiction and opposing interdependence. Therefore, the prefix «jointly» has been added or subtracted depending on political needs. Under these conditions, it is necessary to define this category more precisely to give it any cognitive value. The division into categories of energy interdependence only makes sense if the change in the state of relations leads to significant economic and socio-political costs for both parties. Although economic costs are fairly easy to estimate due to the relevant indicators, it is difficult to clearly assess the political costs, which depend on the political and institutional conditions. The importance of interdependence lies in the fact that it influences the decisions of entities, forcing them to take action in response to specific political challenges.

Thus, energy interdependence in bilateral relations arises between the supplier and recipient of energy, when the change in the terms of cooperation leads to significant economic and political costs on both sides. The scale of these costs and their distribution over time depends on the existing and potential technical, economic and political conditions that determine the entity's ability to take actions that undermine the negative consequences of the partner's policy. Energy interdependence is not only an external phenomenon for relevant entities, but above all a process that they have created together to minimize the costs of possible changes in the terms of cooperation or maximize the costs of partners.

Conclusion

Research into the relationship between the EU and EAEU over the past few years, meeting the basic conditions for cross-compliance, does not support the thesis that cross-compliance is an obstacle to conflicts. Over time, interdependence becomes a burden and a source of problems for both sides. Analysis of the evolution of the concept of interdependence and its place in the strategies of both actors clearly shows that the initial optimism of both participants has subsided. Even if there is still interdependence in the documents, it is usually accompanied by concepts such as independence, security and diversification. The next step or analysis of EU and EAEU actions and action plans shows that the perception of this phenomenon has changed qualitatively, which is reflected in the multiplication of disputes and efforts to reduce interconnectedness.

An analysis of the energy relations between the EU and EAEU in recent years supports the hypothesis that the political consequences of interdependence are not a simple function of growing trade and investment relations. Contrary to the generally accepted truth contained in various documents and statements, the tightening does not automatically lead to the disappearance of disputes. Bilateral economic and energy interdependence has different
political effects due to changes in the conditions of cooperation, real or perceived, depending on political characteristics. In other words, the interdependence of this scale and intensity will have a different impact on relations between democratic states and between a democratic and authoritarian state.

Analyzing the political impact of energy interdependence, one can focus not only on existing or planned pipelines, development of market conditions, energy price structure, export and import dynamics, scale of interdependence. Only the imposition of all these factors on the constantly changing political context in the EAEU and the European Union allows us to better understand the consequences of economic and energy interdependence.

Based on numerous sources, which absorbed a wide range of EAEU documents, EU and diplomatic agreements, based on conceptual concepts contained in the work of well-known European, Russian and Kazakh scientists (Movkebayeva, 2019; Baizakova, 2010, Gubaidullina 2018), the following conclusions were drawn from the study of energy interdependence:

1. The energy policy of EAEU and the EU is one of the dynamically and deliberately developing phenomena in the history of international relations. Its creation and implementation is filled with both a clear understanding of strategic goals and the inconsistency of the surrounding world and internal content.

2. The relationship between EU interests and the Russian Federation is based on the interdependence of interests based on the national needs of hydrocarbon imports.

3. The energy component is becoming an increasingly important argument in the global geopolitical scenario. To avoid tensions, stability and security must be achieved in this area as part of a comprehensive and coordinated international approach.

4. The EU should build a more functioning and more integrated energy market. The implementation of priority projects to connect existing energy islands should be accelerated and the goal of connecting at least 10% of the installed electricity production capacity should be achieved. By 2030, Member States should be on track to meet the 15% interconnector target.

5. The Union must limit its dependence on individual external suppliers, in particular by diversifying energy sources, suppliers and routes. The first step is to strengthen the partnership with Norway, accelerate the implementation of the southern gas corridor and promote a new gas hub in southern Europe.

6. Greater coordination of national energy policies is crucial to solving energy security problems. National decisions on the energy mix or energy infrastructure affect other Member States and the entire Union. Member States should better inform each other and the Commission in defining long-term energy policy strategies and preparing intergovernmental agreements with third countries.

7. EAEU countries must prepare for the unification of energy policy by 2025.

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