SECURITIZATION WITHIN ECONOMIC SECTOR
CASE OF DIVERSIFICATION OF ENERGY RESOURCES

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ABSTRACT

The following dissertation analyzes case of diversification of energy supplies in Czechoslovakia, in early nineties, through the analytical framework of Copenhagen School of security, which understands the formation of security, as an intersubjective discursive action.

The goal of the dissertation is to scrutinize the theoretical framework through the case, which is located within the ‘economic sector.’ The economic security, is considered by the Copenhagen School authors, to be “peculiarly difficult subject,” while they also note that access to resources can be clearly and legitimately securitized, this combination makes the case of this dissertation a true ‘hard case’ for testing.

The utility of the framework for analyzing ‘economic security’ is tested through discursive analysis of original public communications related to diversification of oil supplies, as they were represented through plans to build an alternative pipeline from Germany to Czechoslovakia (and later Czech Republic). The analysis follows concurrent processes of securitization, and desecuritization within the context of political, and economic transition, influenced by the fact that rules were being devised. Thus securitizing moves, which were supposed to take issues beyond ‘everyday politics’ were performed within the context of absent sedimented rules that are by definition a representation of ‘everyday politics’.

The contribution of this dissertation is in (1) finding that security formation within the transitional context of rule formation, follows different patterns from the ones expected by the original theoretical framework; (2) empirically supported recognition that securitization within ‘economic sector’ is more likely to be performed and accepted by economical nationalists (mercantilists), while economic liberals are not receptive to securitizing moves within ‘economic sector’, and are more likely to perform and support desecuritization.
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LIST OF ABBREVIATIONS

AWP – Adria-Wien Pipeline [Trieste – Schwechat]
CHZ – Chemické Závody [Chemical Plants – part of a name]
CoS – Copenhagen School of Security
CMEA – Council for Mutual Economic Assistance
COMECON – Council for Mutual Economic Assistance
CSS – Critical security studies
EBRD – European Bank for Reconstruction and Development
EC – European Communities
GDP – Gross Domestic Product
IMF – International Monetary Fund
IKL – [Ingolstadt–Kralupy–Litvínov pipeline]
KGB – Soviet communist-era secret service
LIEO – Liberal international economic order
MMT – Million metric tons [1 MT of crude oil ≈ 7.33 barrels ≈ 2204.62 lb.]
NATO – North Atlantic Treaty Organization
NISA – Nordic International Studies Association
ÖMV – Österreichische Mineralölverwaltung AG [Austria’s largest oil-producing, refining and gas station operating company]
OECD – Organization for Economic Cooperation and Development
p.a. – per annum [annually]
STB – [Státní Tajná Bezpečnost] Czechoslovak communist-era secret service
TAL – Transalpine-Leitung [Transalpine pipeline from Trieste to Ingolstadt]
TSS – Traditional security studies
UN – United Nations
1. INTRODUCTION

Contemporary International discourse is saturated with problems of securing anything from almost everything by whomever, through whatever means. This context, within which post-Cold War theoretical debates take place, resulted in what Baldwin terms as ‘cottage industry’\(^1\) of redefining security.

One of the most palpable contemporary security problems is security of energy resources, as demonstrated through the threats to the economic well-being of states in the absence of thereof. However, even the question of how to study these security problems is not an uncontested one. As Buzan and Wæver in their reply to McSweeney’s “implicit argument,”\(^2\) that there is a single correct way to study security remark, “there are many ways to understand security, and […] each will have its merits and its drawbacks.”\(^3\)

The understanding of security has been evolving over the past few years with developments proceeding away from the traditional state-centric and exclusively military oriented understanding, mainly in two broad directions. One trend has been advancing towards expansion of origins of security threats away from purely military-related, towards threats originating in environment, economy, or related to human rights. The second trend has been proceeding away from the strictly state-centric understanding of the objects of security towards other collectivities, or even the individual. These two developments are broadly referred to as widening (sometimes known as broadening), and deepening trends within security studies, respectively.

It was within this debate, in the eighties and nineties, that so-called Copenhagen school of security⁴ (CoS) emerged. The distinction of Copenhagen school from the number of other wideners and deepeners of security, is in the dynamic development of their ideas over time and what Huysmans calls “the most systematic and continuous exploration” of widening implications for security studies and policies.⁵ Their seminal, and perhaps the most comprehensive collective theoretical contribution to the theoretical understanding of security is their Security: A New Framework for Analysis book, through which they provide general theoretical framework for study of security, which is an amalgamation of Wæver’s ‘security as speech act’ approach, and Buzan’s analytical approach to security through sectors and regions.

One of the vociferous criticisms of this theoretical contribution is aimed at what Hyde-Price identifies as “danger of cutting security studies off from serious empirical research and setting it adrift on a sea of floating signifiers.”⁶ Huysmans joins the criticism, when he considers the Framework book “atypical for the Copenhagen School because it separates the conceptual questions from the empirical research agenda.”⁷ However, the previous work of CoS was based on the empirical research, and the Framework book is conceptual result based on these previous endeavors.

Within this dissertation I am focusing on the problem of ‘energy security’ as manifested through the case of diversification of oil supplies in Czechoslovakia (and consequently successor Czech Republic) employing CoS framework which was introduced by CoS in the Framework book.

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⁴ Referred to as ‘School’ in McSweeney 1996, 81; and Jef Huysmans “Revisiting Copenhagen: Or, On the Creative Development of a Security Studies Agenda in Europe.” European Journal of International Relations, Vol.4 (4) 1998, 479 [Huysmans 1998b]. includes scholars around Conflict and Peace Research Institute (Previously Centre for Peace and Conflict Research) COPRI. The two scholars most frequently associated and with this project are Ole Wæver and Barry Buzan.

⁵ Huysmans 1998b, 482. Emphasis in the original.


⁷ Huysmans 1998b, 499.
The research question that this dissertation poses to answer is how (and why) the problem of economical nature (building an oil pipeline) can be transformed into a question of national security. The related questions of what are the conditions that facilitate, or inhibit this process, and who are the actors pursuing this process of security formation, are also addressed. These questions follow the CoS framework for security analysis, through ‘hard case’ study of security formation within the most contested – ‘economic sector.’

The answer proposed is that the formation of issue as a security problem, seen through the analytical lenses provided by CoS, follows a definite criteria and logic. This logic can even proceed in the counter direction to the usual/normal (dominant, or socially sedimented) logic, and rules of issues within the sector in question. Within the ‘economic sector’, this process largely depends on the normative political-economy position of the actors performing the speech acts.

The formation of security is a dynamic intersubjective process which is fueled through the successful persuasion of audience by securitizing actor. This persuasion – the securitizing move, proceeds according to specific sectoral security logic (grammar). The process itself is greatly influenced by the facilitating, or inhibitory conditions present within the context.

The contribution of this dissertation is in employing of the CoS analytical framework on an empirical case, which can be analytically located in the most contested – economic sector. Through this endeavor, two things are accomplished: firstly, empirical testing of the analytical utility of the theoretical framework, which was criticized for the lack of empirical cases, and secondly more precise understanding of securitizing dynamics within economic sector, in
relation to facilitating conditions, as well as more accurate understanding of ‘what is security within economic sector’ is provided.

As Huysmans points out, in the Framework book, the question “what makes a problem a security problem moves to centre stage,” and he further emphasizes that this problem is “most pressing for the Copenhagen group” in the Framework book, “because they [CoS] conceptually widen the agenda radically without embedding it in a specific empirical security dynamic.”  

Thus, through feeding back the implications of this case study, theoretical framework can be further specified, and its utilization in relation to threats emerging within economic sector can be improved helping to solve problem identified by Huysmans.

The answer to the question posed in this dissertation is sought after using the CoS analytical framework, and conceptualization of security as a speech act. The understanding of security within the thesis therefore is determined by the conceptual apparatus of CoS.

The analysis follows discursive actions as recorded in the contemporaneous daily news, as well as government deliberations. The domestic Czechoslovak/Czech news coverage from early nineties was researched primarily at Open Society Archives, in Budapest, Hungary, from the Radio Free Europe – Radio Liberty Archival collection. Archival issues of Czech critical Weekly Respekt were accessed through NewtonIT on-line news archive service. Archival issues of business daily Hospodářské Noviny, were accessed at State Scientific Library in Banská Bystrica, Slovakia. For international news coverage, LexisNexis Academic database was used.

The contextual accuracy of the interpretative approach of the speech act was controlled through interviews with the policymakers and analysts that were present in the public life.

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8 Huysmans 1998b, 491.
when the case was on the agenda. I have contacted, and spoken to, former member(s) of government, former member(s) of intelligence community, and analysts of domestic as well as international energy consultancies.

I have also contacted and requested interview with Mr. Dlouhý, minister of economy in the early nineties, to whom I was referred by my other interviewees. However, I was not successful in interviewing him, due to the fact that he had been away from his Czech office, during the time of research for this dissertation, and I was not able to obtain his whereabouts.

I tried to overcome this shortcoming through an in-depth study of interviews with him from the archival sources, which however, was a part of the discourses analyzed, and therefore could not have been a reliable way to control for contextual interpretative accuracy.

While mentioning what are the aims of this dissertation, and how I am tackling them. It is also important to mention what are the limits of this research, and how it affects the dissertation. Perhaps the greatest limitation, as with any particular analytical framework, is its selectivity. As already CoS authors note, there is not a single correct way to study security, and each selected means has “its merits and its drawbacks.” The limitation of this dissertation therefore follows limits of CoS.

Hyde-Price identifies “greatest weakness [of Copenhagen School, and thus of the theoretical framework which I am employing in] its “epistemological hypochondria. That is, its tendency to reify epistemological problems and push sound observations about knowledge claims to their logical absurdity.” This could be a problem of my current research, which however, I have attempted to fix through rigorously following the empirical developments.

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9 Due to the remaining personal sensitivity of the issues related to the case, upon request of the interviewees, I will neither disclose their names, nor dates and places where interviews took place.
10 Buzan and Wæver 1997, 249.
throughout my case study, and informing the theory through the implications which were brought forward through the case.

The organization of this dissertation follows the analytical framework. The first section following the introduction, is devoted to the literature review, as theoretical conceptualizations are widely discussed in the academia, and the contribution to the theoretical discourse is one of the aims of this dissertation. This is also a reason why this section is granted larger space than usual. The literature review builds around constructivist understanding of security and positions the Copenhagen School within the broader academic discourse, also focusing on the critiques, and problems that it faces in general.

The second section provides theoretical framework as proposed by the CoS, customized according to implications of the case selected. The theoretical implications of the intersubjective, and intra-unit dynamics between securitizing actor(s), functional actor(s), and audience, with special emphasis on the facilitating conditions are also analyzed within this section.

The third section focuses on the empirical case, providing the rationale for the specific case selection, as well as necessary empirical contextual background, in order to follow the discursive analysis according to CoS, that is presented in the fourth section.

The conclusion section feeds back the analytical implications into the theory from the performed case study, as well as summarizes the findings and theoretical implications, which emerged from the empirical observations of the case study.
2. LITERATURE REVIEW
In the first line of his 1997 article Baldwin remarks that, “Redefining of ‘security’ has recently become something of a cottage industry.”12 The understanding of security has indeed changed since the Cold War, with more issues considered ‘security problems’ and many would even propose that understanding of security has changed again in the early 21st century, after United States experienced coordinated non-state attack on its territory, thus ‘security role’ of actors other than traditionally accepted state reemerged.

Within this environment, it is understandable, that many authors attempt to make sense of reality, creating a multitude of approaches and attempts to reconceptualize understanding of security, often providing for less clarity, coherence, and analytical utility, than traditional security studies, which they are trying to improve.

The context, that the CoS framework finds itself in, can be broadly identified between the debates of “old military and state-centered view of the traditionalists”13 and those that are proposing wider security agenda – ‘wideners’ and Critical Security Studies (CSS).

The conceptual work of CoS further develops trend that Buzan started in his People, States and Fear: An Agenda for International Security Studies in the Post-Cold War Era book, through setting out a comprehensive framework for security studies, that widens the agenda while aiming at maintaining the coherence of the traditional approach,14 through sectoral approach to security, and regional complexes which are amalgamated with Ole Wæver’s concept of security as speech act.

14 Buzan et al. 1998, 1.
The way that CoS chose to tackle the problem of wider understanding of security is through providing dynamic classification of what is, and what is not a security issue, and how issues become security issues through process of securitization.\textsuperscript{15}

Another divide within the ‘widening camp,’ that revolves around legitimate reference objects of security, is addressed through the “understanding of levels of analysis”\textsuperscript{16} and various security logics that differ from sector to sector. This is also conceptualized within the Framework book, and as a part of the theoretical basis of this dissertation is dealt with in the subsequent section.

The extensive conceptual richness and breakthrough theoretical contribution of CoS through their Framework book instigated further vigorous theoretical debate in the security literature leading to debate revolving around conceptual, and theoretical problems related to understanding and analysis of security. Mapping out this extensive debate is not possible without a rigorous contextual analysis of the related issues that are dealt with by the authors of CoS and the related literature.

Huysmans, in perhaps most comprehensive review of CoS, analyzes the ideas of CoS around “three thematic axes – security sectors, the meaning of security and regional security dynamics.”\textsuperscript{17} Nonetheless, he also recognizes the possibility to organize the thematic analysis of the CoS differently, for example through introducing “fourth axis which concentrates on how the relationship between politics and security has been interpreted.”\textsuperscript{18} I am following his suit in dividing the theoretical contribution of CoS, though I choose to omit explicit focus on the regional security dynamics, due to the nature of my research, and include relation between politics and security, as well as related normative ethico-political implications, which I find more crucial for this research setup.

\textsuperscript{15} Buzan et al. 1998, 1.
\textsuperscript{16} Buzan et al. 1998, 1.
\textsuperscript{17} Huysmans 1998b, 480.
\textsuperscript{18} Huysmans 1998b, 486.
Within the following section, therefore, I review literature related to the Copenhagen School according to the following thematic aspects: Firstly, understanding, definition, and conceptualization of security; secondly, sectoral understanding of security and its implications, as well as security complex referencing patterns; followed by normative problems related to the relation between politics and security, and the role of facilitating conditions; and finally concluding with the implications of understanding of ‘economic security’ on the security formation within the ‘economic sector’.

2.1 Conceptualization of security

After the Cold War, which prioritized and monopolized military understanding of security, new ‘widening,’ and ‘critical’ trends emerged. The conceptualization of security by the Copenhagen School follows developments in the international arena, and seeks to answer both the appeals of ‘wideners’ for broader security agenda, as well as concerns of Traditional security studies (TSS) for maintaining intellectual coherence.

The problem that is closely related to security studies in the last two decades has been related to the questions ‘What (is) security?’ ‘Whose security?’ and ‘Is more security better?’ The answers to these questions have been answered from various theoretical perspectives and the Framework book had as its goal to tackle these questions complexly.

The contribution of CoS, in this aspect, is in an amalgamation of three approaches: the process of issues becoming a security issues, which is a theory of securitization,19 with sectoral approach, and regional security complexes.20

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19 This contribution can be attributed mainly to Ole Wæver.
20 Here work of Barry Buzan is mostly manifested.
In a plenary address at the NISA conference in August 1996, that preceded the Framework book CoS authors note, that security is a “particular type of politics defined by reference to existential threats and calls for emergency action.”21

Nonetheless, the complex rehearsal of the theoretical debate (sometimes also referred to as ‘paradigm wars’22) is not a goal of this dissertation, and therefore the focus of the following section is on the contribution of CoS, and the conceptualization debate that is directly related to CoS’s. The self-perceived contribution of CoS’s new framework was in the ‘reintegrative potential’ for the three diverging schools of security, namely traditionalists, wideners, and critical security scholars (CSS). The problem of how to widen the too narrow military agenda of security, while answering the traditionalist concerns for the intellectual coherence, had to be faced. However, its contribution is not only in the reintegration of the security studies, it is also in its opening of the debate about questions of the political role of understanding of security.

Copenhagen framework is based on a constructivist understanding of social relations, similarly to CSS, however their understanding of security is more constructivist.23 The CoS aims at not providing a clear-cut definition for security, or how this term should be used, it rather chooses to observe, how it is used, and what the political implications are. The question is not what is security, it is rather how does an issue become security issue.

The “security in international relations” for CoS is, similarly to TSS, about survival. Nonetheless, threats and vulnerabilities, are not objectively given, they have to be staged as

22 For perhaps most complex theoretical attempt to redefine and contextualize security, see Baldwin 1997.
existential threats to a “designated referent object,” by a “securitizing actor, who thereby generates endorsement for emergency measures beyond rules that would otherwise bind.”

The process of an issue becoming a security issue, is referred to in CoS framework as securitization. The concept of securitization is crucial for the CoS framework, it explains the formation of security, it also frames interaction, and roles of actors within the process.

Securitization can be seen as “extreme version of politicization,” accordingly issues can be located anywhere on the spectrum from nonpolitcized (issues which are not a part of public discourse), through politicized (issues that are part of political discourse), to securitized issues, which are issues that are highly prioritized and extraordinary measures are called upon taking care of them. Using the words of Ole Wæver, as he asks the question: “What then is security?” and replies:

> With the help of language theory, we can regard "security" as a speech act. In this usage, security is not of interest as a sign that refers to something more real; the utterance itself is the act. By saying it, something is done (as in betting, giving a promise, naming a ship). By uttering "security," a state-representative moves a particular development into a specific area, and thereby claims a special right to use whatever means are necessary to block it.

This understanding of security thus requires knowing who utters the “security” – this agent is referred to as securitizing actor. What this person refers to in their reference to security, is termed as referent object.

Those that are expected to be receptive to this call for extraordinary measures are referred to as audience. Interplay between audience and securitizing actor in respect to the referent object is then being analyzed in terms of its occurrence ‘within’ specific analytical sector and level. Various sectors and levels are used because of assumed difference in the logic of threats and vulnerabilities among them.

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Finally, dynamics of this interplay within specified sector is analyzed in terms of its impact on the final result. If the utterance succeeds in acceptance of requirement of extraordinary measures, securitizing move results in successful securitization, which is acceptance of extraordinary measures to be employed in order to take care of the issue being securitized. The success depends also on receptivity, which is influenced by the contextual facilitating or inhibitory conditions.

2.2 Security Sectors

Security sectors, as analytical device, were used already by Buzan in his *People States & Fear* book, where he introduced five sectors: military, political, economic, societal, and environmental. As Huysmans notes “these five sectors function as analytical categories supporting the research of non-military aspects.” Their “analytical purpose is to differentiate types of interaction” it is an “analytical net to trawl through existing security discourses to register what is going on.” “Sectors might identify distinctive patterns, but they remain inseparable parts of complex wholes.” This distinction is important in itself as caveat against securitizing sectors themselves, or treating them as separate realms. As Buzan et al. on another place remark,

Disaggregating security into sectors has been helpful in distilling distinctive patterns of vulnerabilities and threats, differences regarding referent objects and actors […]. The number of cross-linkages, however, stands as a massive warning against treating the sectors as closed systems. […] sectors are not ontologically separate realms, they are not separate subsystems.

The critique of the sectoral approach of CoS voiced by Eriksson and others, has been focusing primarily on the “purported contradiction between our [CoS] sectoral approach and the theory

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28 Huysmans 1998b, 489.
29 Buzan et al. 1998, 27.
31 Buzan et al. 1998, 8.
of securitization.”33 This critique is based on equation between the sectors as analytical device and the agenda that is (or could be) contained within them. This misunderstanding is also obvious from Behnke’s statement that “security refers to pre-identified ‘sectors.’”34

However, the framework in itself is not constitutive of the agenda that can be analyzed using sectoral approach. As Wæver points out, the framework is “conceptually and definitionally […] open […] thus it allows] the world [to] be state-centric or not, [for the approach to be] widening or not.”35

The understanding of sectors therefore is not in itself constitutive of the goal of its inquiry. The fact that CoS works with concept of ‘Economic Sector’ does not in itself mean that they are also proposing the existence of ‘Economic security.’ The former has to be analyzed thoroughly to see whether this particular sector, which is distinguished by a particular mode of operation and distinctive ‘inner logic’, contains any (or how much) of the interactions between the units based on the values and types of interaction, that could be classified as ‘securitization.’ Only through this analysis it is possible to note that there is such a thing as ‘securitization’ within ‘Economic sector.’ The framework in itself does not answer the question whether there is such a thing as ‘Economic security.’ If there were many observed successful securitizations within economic sector, than it would be possible to say that threats presented within economic security logic, are being accepted by the audience as legitimate security concerns, thus it would be possible, based on this observation to note that ‘security within economic sector’ is considered legitimate, within the context, from which empirical observations were made.

Eriksson further criticizes CoS for the possibility to utilize wider agenda and asks for admitting the “political responsibility for making the case for widened agenda” or abandoning

35 Waever 1999, 335.
the multisectoral agenda altogether.36 This critique, nonetheless, is mislead. The framework in itself only provides means for complex and ‘intellectually coherent’ security analysis, and with the voiced position of CoS “for de-securitization over securitization” this responsibility indeed is assumed, and political concerns are being faced. What then are political implications of sectoral approach as presented by CoS?

2.3 Relation between politics and security

The relation between politics and security is, in the constructive paradigm, tinted with the normative dilemma related to the epistemological question, whether more security is actually better or otherwise. As Huysmans comments on the work of CoS, “normative dilemma that is central to their research project […] thus consists of how to write or speak about security when the security knowledge risks the production of what one tries to avoid”37

The traditional security studies assumed that security is something objectively given, possible to know, and positive to attain. Therefore, for TSS it was actually possible, through knowing what is security, to propose that more security is better, and the focus of the security analysis within this paradigm was on how to achieve more, or better security.

The view of CSS, according to Buzan et al., reproduces the “traditional and objectivist concept of security” and is less constructivist in terms of understanding security.38 Through trying to show, that other issues are more important, CSS scholars are in fact pursuing (alternative) securitization themselves.

The epistemological position of CoS is different. Based on the assumption that analyst should not say what is and what is not ‘security,’39 because ‘security’ is known through

38 Buzan et al. 1998, 204.
39 If analysts chose to do so, they would assume role of securitizing actors.
observing the process of securitization and “security issues are made security issues by acts of securitization.”

As Buzan and Wæver remind us, “any securitization always rests on a political choice. Security can never be based on the objective reference that something is in and of itself a security problem. That quality is always given to it in human communication.”

Trying to decide whether something is “really a threat” would reduce the CoS ‘securitization’ approach to “theory of perceptions and misperceptions.”

The relation between security and politics which in fact is congruent with CoS approach, was aptly described by Huysmas, who in his poststructuralist ‘thick signifier’ approach aimed at extending the conceptual analysis through searching for “key dimensions of the wider order of meaning within which the framework itself is embedded.”

The Huysmans’ understanding and CoS are in fact complementary – according to him

in a thick signifier approach ‘security’ becomes self-referential. It does not refer to an external, objective reality but establishes a security situation by itself. It is the enunciation of the signifier which constitutes an (in)security condition.

This approach is similar to the ‘securitization’ theory, thus both can be understood in their “performative rather than a descriptive force.”

The question thus becomes, as Huysmans asks, “How does a security story order social relations? What are the implications of politicizing an issue as a security problem?”

Huysmans poses, in congruence with CoS approach, that the question is one of the “politics of the signifier [securitization of an issue, in CoS terms] rather than the true or false quality of its description (or explanation).”

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40 Buzan et al. 1998, 204.
41 Buzan and Wæver 1997, 246.
42 Buzan et al. 1998, 204 (Emphasis in original).
44 Huysmans 1998a, 232.
45 Huysmans 1998a, 232.
46 Huysmans 1998a, 232.
47 Huysmans 1998a, 232.
Another important aspect of the relations between security and politics is that “security policies open a space within which a political community can represent and affirm itself.” This understanding could open up a Schmittian understanding of politics. According to Schmitt, “separating friends from enemies is the typical function which sets the political apart from the social and the economic worlds. Distinguishing between friends and enemies constitutes the political.” The danger in itself is not only a possibility of death it also constitutes the existence of “the Community.”

If the “language game of security is [...] a just necessitates for threatened elites,” what than, is the normative stance of CoS? The normative position of CoS is explicitly noted, that ceteris paribus, desecuritization is preferable to securitization. Their framework is based on the assumed possibility to “draw the line between the process of politicization and process of securitization,” the difference between these two, then is based on the understanding of existential threat, and emergency measures. However, understanding of both existential threat, as well as emergency measures is (by definition) different in each sector. In the following section I therefore focus on the understanding and scholarly debates revolving around ‘economic sector,’ and ‘economic security.’

2.4 The economic sector and economic security

After analyzing the context of the general framework introduced by the CoS. It is useful to focus on the Economic sector. This sector is, by the authors of CoS themselves, considered to be the most difficult, because of the hardship in distinguishing “what can genuinely be thought of as economic security, from both that which is merely politicized economics, and

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48 Huysmans 1998a, 238.
49 Schmitt as cited in Huysmans 1998a, 240.
50 Huysmans 1998a, 238.
51 Wæver 1995, 56.
that which reflects security spillover from the economic sector to other sectors." Although Buzan explicitly detests the idea of ‘economic security,’ he still includes ‘economic sector’ within the general framework.

As Buzan et al. state, “attempts to securitize economic issues [i.e. securitization moves within economic sector] are essentially a part of the political-ideological policy debate." This debate is identified in two prime ideological positions: economic nationalists, and liberals, which in their view represent incompatible ideologies that generate different logics and priorities of economic security.

The economic sector can be therefore identified, as one where securitization is tinted by ideological struggle between (primarily) economic nationalists and economic liberals. This process is based on the contradiction between call for security of referent object, which is inherent for security studies, and between inherent economic insecurity of the referent object, which is required for providing market efficiency. Let us, however, not forget that decision to (de)securitize (economics) is inherently political.

This contradiction is being also identified by Buzan, when he notes that competitive capitalist system is founded on a “considerable degree of permanent insecurity." As Buzan et al. argue, this struggle between two ideologies results in the existence of securitizing discourse, that “pulls in several different directions." Based on these features of economic sector, it is possible to conclude, that it is closely intertwined with other sectors, and that it has extensive spillovers – primarily into political sector. The logic of securitizing discourse, however, is very close to political discourse, and it strongly depends on the level of analysis stemming from the referent object whose security is being invoked.

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54 Buzan et al. 1998, 95.
56 Buzan et al. 1998, 96.
58 Buzan et al. 1998, 96.
CoS framework, mentions only few issues which could be (even) objectively seen as legitimate economic threats. One of them is “state equivalent of basic human needs” – resources. Thus if national economy needs outside resources, access to them “can be clearly and legitimately securitized.”

The view that access to energy resources can be ‘clearly and legitimately’ securitized, is based on the common view of economic security, which can be exemplified by David Deese, who defines energy security as a “condition in which a nation perceives a high probability that it will have an adequate energy supplies at affordable prices.”

The primary questions related to ‘economic security’ in general, and ‘energy security’ in particular, which need to be addressed, thus are those of adequate supply and affordable prices. Deese defines affordable prices, as prices that are not as high so as to cause severe disruption of normal social and economic activity. Nonetheless, these include great amount of normative statements, so as to answer questions of what is ‘normal’ social and economic activity, or whether the price is ‘fair’.

These normative questions of energy and security are therefore directly related to the questions of politics, thus forming a crucial component of political economy, or “the reciprocal and dynamic interaction in international relations of the pursuit of wealth and the pursuit of power.” The questions of energy security are therefore framed by the inseparability of economics and politics, which is even better visible within questions related to the ‘state security’.

The role of politicians in using security rhetoric, is also affecting the analytical utility of the concept of security, as Baldwin warns, “the careless use and abuse of the concept may

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59 Buzan et al. 1998, 104.
have already rendered it useless for everyone, but the politicians.\textsuperscript{63} Thus, role of politicians in speaking or doing ‘security’ and thus changing the priorities is immense. Nonetheless, their (de)securitizing role is closely related to the context – facilitating conditions – within which speech acts occur.

Analyzing Deese’s statement, one thus has to face the normative dilemma, so as to answer what is ‘normal’ social and economic activity, or whether the price is ‘fair’. However, in order to answer what is ‘normal’ social and economic activity, there must already be a reference point in rules that are agreed on within the social-political realm within which security formation, through speech acts takes place.

Seeing that securitizations emerging from within economic sector provides a true ‘hard case’ for testing CoS framework. Next section focuses on a theoretical framework, of which utility is tested through the empirical case study, which in itself is a valuable contribution to the CoS literature

\textsuperscript{63} Baldwin 1997, 26.
3. THEORETICAL FRAMEWORK

In order to understand the intricacies of the case to be analyzed, it is important to set the analytical framework to be used. As mentioned in the introduction, economic security is an “extremely difficult idea.”\(^{64}\) The difficulty of this idea stems partially from the original separation of security and economy in the society, as two distinct research agendas and philosophical practices.

This separation is most distinctly presented in terms of security studies and liberal economy. Buzan and Waever, point it out, when they note, “Liberal theory has downplayed security and security studies mostly ignored or dismissed liberalism.”\(^{65}\) However, Cable notes, that “demarcation lines between international economic and security concerns are becoming blurred,”\(^{66}\) thus the former separation of these two projects is overcome, as economics and security focus on the largely overlapping agenda.

The former separation provided for intellectual coherence, through exemption: It was rather easy to dismiss non-violent concerns over welfare from security, as being focus of economy, while dismissing zero-sum games (of war) from economy, as research of security studies, as if these two were not related. The post-Cold War security agenda, however, extended the zone of overlap, forcing practitioners, as well as scholars to reconsider the narrow understanding of economic security in relation to military, often resulting in difficulties, and haziness of the concept itself.

Buzan et al. argue that it may be true, that economic security is difficult and blurry, but it is not very helpful to stick to this mere description.\(^{67}\) In the subsequent section of this dissertation, I analyze this blurry and slippery concept within CoS framework, in order to both

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67 Buzan et al. 1998, 117.
explain the case presented, as well as provide for clarification of the theoretical utility, and analytical viability, of the concept, as stemming from the empirical case in question.

Analytical sequence, as proposed by CoS “does not start by cutting world into sectors” the sequence in specific security analysis follows three steps

(1) securitization as a phenomenon, as a distinct type of practice; (2) the security units, those units that have become established as legitimate referent objects for security action and those that are able to securitize – the securitizing actors; and (3) the pattern of mutual references among units – the security complex.68

This dissertation follows the sequence, starting with securitization as a dynamic process of discursive security formation. Followed by unit analysis, and subsequently, cross-sectoral dynamics is analyzed through analyzing the mutual reference patterns within the unit.

3.1 Securitization

The theoretical conceptualization of dynamic security formation – process of securitization – is a seminal part of CoS framework which provides an answer to the question what is security, through describing the process of security formation through discursive framing.

“‘Security’ is the move that takes politics beyond the established rules of the game, and frames the issue as a special kind of politics or as above politics.”69 This move proceeds through the speech act; through which issues become securitized, this act – the securitizing move – has certain specific conditions, which it has to follow. An issue can be located anywhere on the spectrum

ranging from nonpoliticized (meaning the state does not deal with it and it is not in any other way made an issue of public debate and decision) through politicized (meaning the issue is part of public policy, requiring government decision and resource allocations or, more rarely, some other government decision and resource allocations or, more rarely, some other form of communal governance) to securitized (meaning the issue is presented as an existential threat, requiring emergency measures and justifying actions outside the normal bounds of political procedures).70

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68 Buzan et al. 1998, 169.  
69 Buzan et al. 1998, 23.  
The location of the issues on this spectrum is open and depends on space and time\(^\text{71}\) – the context within which it is presented – facilitating conditions, the way it is presented – rhetorical structure and grammar of security speech act, and also on who is presenting the issue – the securitizing actor.

Although securitization can be viewed as an extreme form of politization, it has one significant distinction, “politicization means to make an issue appear to be open, a matter of choice,”\(^\text{72}\) while securitization limits choices and alters prioritization.

The breaking of rules and existential threats, however, are not sufficient for fulfilling of securitization. The proper “measure of importance” proposed by CoS is “the scale of chain reactions on other securitizations” that upsets “mutual accommodation among units […] The securitizing act is negotiated between securitizer and audience – that is, internally within the unit.”\(^\text{73}\)

Thus, successful securitization comprises of three steps: first, existential threats; second, emergency action; and third “effects on interunit relations by breaking free of rules”\(^\text{74}\) this process can be studied through analyzing “Who can ‘do’ or ‘speak’ security successfully, on what issues, under what condition, and with what effects?”\(^\text{75}\) This analysis needs to start with scrutinizing the security units; the theoretical operationalization of security units therefore follows.

### 3.2 Security units

Security units that CoS operates with, are referent objects, securitizing actors, and functional actors. The referent object is an object to whose security (protection from threat) it is being referred to as a rationale behind breaking of rules and changing of prioritizations. The security

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\(^{71}\) Buzan et al. 1998, 24.
\(^{72}\) Buzan et al. 1998, 29.
\(^{73}\) Buzan et al. 1998, 26.
\(^{74}\) Buzan et al. 1998, 24.
\(^{75}\) Buzan et al. 1998, 27.
actor is the one carrying out the speech act. The functional actors are ones that “affect the dynamics of a sector. Without being the referent object [or the securitizing actor].”\textsuperscript{76}

The level of security analysis depends on the analytical location of security units. The location of security units, however, is not objectively given. It depends on the sedimentation of practices and institutions within the society, i.e. on the understanding based on practice, which gives preference, priority, as well as legitimization to some (potential referent) objects and (securitizing) actors over others.

The selection of security units depends on intra, as well as inter unit context and sectors within which securitization originates, or within which the threats to reference objects are located.

### 3.2.1 Level of analysis and sector

Level of analysis, of the case of this dissertation reflects the referent object and the understanding of legitimate referents of security within ‘economic sector’ within post-Cold War Czechoslovakia in transition.

The reference of security speech act – the securitization move, is hard to pin down in the ‘economic sector,’ the reference objects according to framework can be located anywhere from economic survival of individuals, through firms, to states and international principles.

The situation in the early nineties in Czechoslovakia, however, was different from what CoS authors expected. The distinction which they make, assuming liberal market society, when mentioning that firms, “generally lack the existential qualities needed for economic securitization […] unless their demise threatens the economy itself”\textsuperscript{77} is lacking in the Czechoslovakia on the outset of transformation. The large firms were still seen as part of the state, and the transformation of the popular perception was significantly lagging even behind

\textsuperscript{76} Buzan et al. 1998, 36.
\textsuperscript{77} Buzan et al. 1998, 104.
the economic transformation, thus providing firms with even higher degree of legitimately perceived potential for securitization as referent objects.

3.2.2 Referent object

The referent objects of security in this case fluctuated. Initially the referent object was economic survival and (primarily newly gained) political – sovereignty of Czechoslovak Republic; later of its successor – Czech Republic. As potential referent objects, perceived idea of the goal of the transformation was given – when tying the issue to critical (securitized?) issues of economic stability and transformation to market system. At times, it was survival of domestic petrochemical industry.

3.2.3 Securitizing and functional actors

Similarly, to referent objects, securitizing, and functional actors fluctuated. The actors, which at various point assumed roles of securitizing and functional actors ranged from managers of refineries, and chemical factories, through journalists, to members of parliament, or high government officials. The distinction between functional and securitizing actors also was blurred at times, primarily because of the changing roles of actors, and understandings of what is normal, and what is not within the emerging market system.

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3.3 Security complex

The pattern of mutual reference among units – the security complex of this case is especially interesting. The CoS theoretical framework allows us to capture the dynamics of the transformation that Czechoslovakia – Czech Republic went through.

Czechoslovakia initially belonged to the USSR dominated security complex, its political as well as economic ties were dominated by the ‘Eastern bloc,’ most of the economic transactions took place within COMECON, security was provided through Warsaw pact, and the core, and the point of reference, was Moscow.

With the political developments in the early nineties, when the situation drastically changed, the gradual realignment of the country took place. This progressive erratic process can be vividly observed through the changing pattern of interunit references.80

The process of (de)securitization that this dissertation follows, fits neatly in this context, and helps us understand the process of multifaceted realignment – from the eastern and secluded economy, towards western, open, international model of economic conduct, completely redrawing the patterns of political, economic, as well as security interdependencies.

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80 Through textual analysis of the daily news, one can also observe gradual hermeneutic transformation.

In order to proceed with the security analysis of the case, it is necessary to get acquainted with the context of the case in terms of conditions that Czechoslovakia found itself in, politically, economically, as well as regionally. It is necessary to understand the inter-unit dynamics, configuration of (securitizing, and functional) actors, as well as facilitating or inhibitory conditions.

4.1 Domestic situation

After the “Velvet revolution” in November 1989, Czechoslovakia was newly independent from the Soviet political influence, this independence, however, continued to be stained by the *de facto* dependence on the imports of Soviet oil.81

Czechoslovakia started its transformation from totalitarian political system towards pluralistic democratic society, and from planned economy towards market economy. Transformation process was from the beginning multifaceted, with political transformation leading the way, and economic transformation following.

The transformation and liberation of public sphere in Czechoslovakia opened not only new opportunities; it also opened unresolved domestic problems – jurisdiction and nationalist struggles between the two republics.82

The jurisdiction struggles in the economic sector were represented in the struggle over the jurisdiction and ownership of the transit pipeline system, that emerged after the demands of

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82 For example so-called ‘hyphen war’ in the early 1990 over the name of the new Czechoslovak State, or deliberation over the whole 1991 over the constitutional arrangement of the Czechoslovak State.
Slovak Prime Minister Mečiar, to split the existing pipelines into two parts—later symbolized through disputes around ‘unconstitutional’ founding of Transpetrol company.

The early transformation stages of economy were epitomized by food (26% rise) and gasoline price hikes (50% on July 19, 1990), that followed in short sequence, before the full liberalization of prices and start of the privatization in January 1991.

Overall, the domestic political situation was focusing on struggle for realignment from role of a Soviet satellite into a truly sovereign democratic country. In February 1990, an agreement with USSR on withdrawal of troops was concluded, and in June of the same year, first free elections took place. In June 1991, last Soviet soldier left Czechoslovakia.

4.2 Regional and international context

Within the region, situation was similarly fuzzy. Soviet Union was destabilized, with no one guessing what the outcome might be, as the attempted coup in August 1991 further raised doubts about the future developments. Soviet bloc was dissipating – COMECON, and the Warsaw Pact were dissolving, followed by the Soviet Union in December 1991.

Countries of the region were realigning from east, towards the west, through development of economic and political links with the West. In February 1991, in Hungarian city of Visegrad, the three countries of the region – Czechoslovakia, Hungary and Poland signed declaration on regional cooperation. In September 1990, Czechoslovakia entered IMF and EBRD, established official contacts with NATO in March of the same year, and started cooperation with OECD in June, the Association Agreements with European Community were signed in December 1991.

84 Can be seen as started on May 14, 1990, when government agreed on the timing of the economical reform.
86 This was a foundation of regional grouping known as Visegrad group (V3/4).
The wider region context was stained by the crisis in Soviet Union, which was slowly collapsing, starting with the Baltic republics, and gradually followed by other Soviet republics, coupled with the emerging situation in the Balkans, with Croatia and Slovenia declaring their independence from Yugoslavia. The trade with the COMECON (and thus imports of Soviet oil) switched from convertible Ruble and barter trade, into freely convertible ‘hard’ currencies – thus raising the price of oil, and lowering the prices of previously exported (low-quality) goods. The price rise, due to the change of currency, was threefold, thus in order to make up for the devaluation of the traded goods, export had to rise by 20% to match the value of imported raw materials in ‘hard’ currencies.

The international situation mostly affecting situation in Czechoslovakia was the situation in the Persian Gulf, where, after invasion and annexation of Kuwait by Iraq in August 1990, economic sanctions were imposed by the United Nations against Iraq. Following UN mandated intervention against Iraq, which commenced in January 1991, these all events lead to further world oil price hikes.

4.3 Existing oil transport options

The consumption of oil in Czechoslovakia in the late eighties was around 16-17 MMT p.a..

This entire amount was imported from Soviet Union through Druzhba [Friendship] pipeline in operation since 1962, with transport capacity of approximately 20 MMT.

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87 Radio Czechoslovakia, June 18, 1990, 12:00 PM as cited in Peter Martin. “Czechoslovakia’s Oil Crisis and Prospects for Foreign Trade” (Draft Report). F-614 CS (1), HU OSA 300-30-7-394/5.
88 Marcela Dolečková. “Pětinu devizových příjmů za ropu” [One fifth of foreign currency earnings in for oil] Hospodářské Noviny, 1990-7-25, p. 1.4. HU OSA 300-30-7-394/5. (The demand for oil was at the same time gradually decreasing).
Czechoslovakia had been heavily dependent on oil imports from Soviet Union ever since, with imports peaking at 19 MMT in 1980,\textsuperscript{92} and subsequently falling to 16.6 MMT contracted for 1990 by Czechoslovakia’s Prime Minister Marián Čalfa in December 1989, (actually only 13.2 MMT were delivered) and 16.4 contracted for 1991 (only 11.4 MMT actually delivered)\textsuperscript{93}.

Soviet oil was contracted on a five-year contract basis with additional annual protocols, payment was primarily done through barter for low-quality Czechoslovak goods. Clearing was done through convertible ruble, which favored all COMECON countries, through highly subsidized oil prices compared to the international markets.

Besides Druzhba, Czechoslovakia has had access to an alternative pipeline, Adria, running from Adriatic port Omišalj, through Croatia (back than Yugoslavia), and Hungary to Tupá, in Slovakia, where Adria joins Druzhba. However, transport capacity of Adria to Hungary was only 11 MMT, from which Hungary utilized over a half, thus theoretical excess transport capacity for Czechoslovakia was only up to 5 MMT.\textsuperscript{94} Adria was for the first time used by Czechoslovakia in 1990 to import 150,000 tons of Iranian oil.

### 4.4 Deliberated oil transport options

Within this context, various routes for building an alternative pipeline were actually deliberated. As the case of this dissertation focuses only on one of them, it is useful at this place to mention what the other options were, as they are prominent for understanding of the process of prioritization of single solution over others, and through the process of securitization, framing this single solution in an urgent manner as the only viable one.

\textsuperscript{92} Economist Intelligence Unit. Czech Republic/ Slovakia EIU Country Profile 1996-97, 18.
\textsuperscript{93} See the appendix for charts depicting amounts of oil imports, as well as existing pipeline infrastructure, from the contemporary newspaper.
\textsuperscript{94} Janyška, “Kdyby...”; “Iránska ropa v NAŠOM POTRUBÍ.” [Iranian oil in our pipes] Slovenský denník, 1990-12-8, HU OSA 300-30-7-394/5.
The possibilities for alternative transport routes can be divided into Southern, Western and Northern routes\textsuperscript{95}. The southern route included utilizing, and expansion of capacity of an existing pipeline Adria from the Balkans. The western option was based on building connection to the existing western European pipeline network TAL [Transalpine-Leitung], through either Germany or Austria, either from Bavarian Ingolstadt or via connection to Austrian pipeline AWP\textsuperscript{96} from Schwechat to Bratislava or to Klobouky (in Moravia).

The northern options were based on building connection to one of the Baltic ports, (both Hamburg, as well as Gdansk were considered\textsuperscript{97}) through East German city of Leuna (south of Halle), or building a pipeline from Norway through Poland to Hungary.\textsuperscript{98}

The crisis scenario solutions of last resort, mentioned in the contemporaneous news, included connection to the product pipelines of NATO armies in Germany.\textsuperscript{99} Representatives of informal regional formation \textit{Pentagonale} also deliberated “integrated system of oil and gas pipelines.” \textsuperscript{100}

\textsuperscript{95} The facsimile of maps of deliberated projects, from the daily news, can be reviewed in the appendix.
\textsuperscript{96} Chair of Czech-Moravian Center Party [Českomoravská strana stredu] Jan Kryčer as cited in Brabec – Holub – Šálek, “Těšíme se na Ingolstadt…”.
\textsuperscript{98} Janyška, “Kdyby…”
\textsuperscript{99} Janyška, “Kdyby…”
\textsuperscript{100} News Wire, 1990-10-10, p.11-12, HU OSA 300-30-7-394/5.
5. Security Analysis of the Case

Within the following section, the case of diversification of energy supplies of Czechoslovakia and its successor Czech Republic is analyzed within CoS framework, as it was presented in the preceding theoretical chapter. Firstly, securitization is analyzed as a distinct type of practice, through the securitizing moves (successful, failed, as well as desecuritizing). Secondly, security units are identified, stemming from the process of securitization, as those units that have become (or attempted to become) established as legitimate referent objects for security action, as well as those that were able to perform speech acts in question – the (de)securitizing actors. Finally, the pattern of mutual references among units – what CoS terms as the security complex, is analyzed, as emerged through the securitization moves.

5.1 Securitization

Czechoslovakia, (and later the successor Czech Republic) was newly independent from the Soviet political influence. This independence, however, continued to be stained by the de facto dependence on the imports of Soviet oil for the needs of Czechoslovak petrochemical industry, and its perceived political implications.

Soviet Union, in the early nineties experienced problems with the ability to meet its contractual obligations towards oil exports, and exported less oil to its former satellite countries, than had been contracted.101

The problem became twofold, Soviet Union was physically unable to deliver contracted amounts of oil according to the prearranged conditions – deliveries were erratic, and increasingly minuscule. The second problem was in the fact, that even for those amounts that Soviet Union was able to deliver; Czechoslovakia had to pay in ‘hard’ currencies, or had to shop on spot market at world prices.

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101 See the appendix for an example from contemporary news.
How was this situation perceived, framed, and referred to, within Czechoslovakia? Let us analyze the discourses through daily news analysis from the period, to answer this question.

5.1.1 Setting the stage for securitization

In the summer of 1990, the general perception of problems was, that there was not enough fuel, to go around. The problem was perceived as caused both due to the soviet oil cutbacks, as well as due to increased number of tourists, buying petrol in Czechoslovakia for prices that were considerably cheap(er) than in the neighboring countries.

Czechoslovak minister of finances V. Klaus on July 16, remarked: “country was not prepared for soviet cutback in oil deliveries and government was considering what measures should be taken, including restrictions of petrol sales and petrol price increases.” This, however only acknowledged severity of the situation, while not requesting any urgent, or priority measures, as government was only considering what to do.

The crisis was, early in the year, perceived somewhat as “business as usual” because the shortage had been believed to be covered through immediate dollar imports of products from the west, that were to be compensated later in the year through exports of refined products, as the soviet oil imports were believed to resume, as well as due to the fact that Soviet supplies were rarely provided in timely and steadfast fashion.

The oft mentioned urgent, and immediate crisis, thus had been averted through increased imports of petroleum products from Austria, and West Germany. However, payment for these, which had been done in ‘hard’ currency, caused fear, because convertible currency assets were in rather short supply.

Later in the year, in April 1990, as the inability of USSR to fulfill its contractual obligations was apparent, and due to the fact, that internal social and political situation within

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102 Clipping 197-W/CN 131 Czechoslovak radios, 1990-7-16, HU OSA 300-30-7-394/5.
103 Clipping FF110 B-Wire, 1990-7-15 / 16:38, HU OSA 300-30-7-394/5.
104 Clipping CN0131 A-Wire, 1990-7-16 / 23:00:22, HU OSA 300-30-7-394/5.
Securitization Within Economic Sector

Andrej Nosko

USSR appeared to be long term, negotiations started with Iran\textsuperscript{105} and Iraq,\textsuperscript{106} to import their oil, as well as with Austrian ÖMV about utilization of its pipeline from Trieste, to Schwechat.\textsuperscript{107}

The imports of soviet oil had not resumed to sufficient levels, however, with shortages aggravating in the summer time, when it became publicly known even in the international press, that Czechoslovak officials were also considering using Adria pipeline to transport non-Soviet oil from Yugoslavian coast via Hungary.\textsuperscript{108} According to daily press, the anxiety of state officials was rising considerably\textsuperscript{109} and at approximately the same time, high-level negotiations were conducted with South American oil exporting countries – Venezuela, and Mexiko,\textsuperscript{110} as well as in late October with Indonesia.\textsuperscript{111} The mode that the crisis was handled therefore still cannot be considered as urgency. The only ‘urgent’ means that government used to alleviate the pressure on the foreign asset budget, was on the demand side, through 50\% rise in gasoline prices in July 1990.

The summer ‘oil crisis’ in Czechoslovakia coalesced with hikes of world prices of oil, due to the Middle East crisis in Kuwait. This situation further threatened the availability of oil to Czechoslovakia, as spot market prices rose critically. Czechoslovak radio mentioned, “Countries of eastern Europe are threatened by a serious oil shock, due to request of USSR for payment in ‘hard’ currency, starting next year.”\textsuperscript{112} Executive of Chemapol, Czech

\textsuperscript{105} The deal with Iran for 3 MMT p.a. was announced on December, 21 1990 by Mohammad Reza Nematzadeh Iran’s minister of industries during his visit to Prague.
\textsuperscript{106} Iraq owed $300 million to Czechoslovakia, V. Kusin. “Iraq, Kuwait and Eastern Europe” Munich, 1990-8-10, Clipping E-W F553, HU OSA 300-30-7-394/5.
\textsuperscript{107} Clipping ČS1200 1990-4-2 /zd, p.12, HU OSA 300-30-7-394/5.
\textsuperscript{108} The European, August 31/ September 2, 1990. HU OSA 300-30-7-394/5
\textsuperscript{110} Clipping TV1930, 1990-8-21, p.40, HU OSA 300-30-7-394/5; Fuel on the Fire, \textit{The Wall street Journal} (European Edition), 1990-8-17, Clipping F-500, 1990-8-17, HU OSA 300-30-7-394/5.
\textsuperscript{111} Clipping CN0072 A-Wire, 1990-10-29 / 16:24:30, HU OSA 300-30-7-394/5.
\textsuperscript{112} Clipping ČS1200, 1990-7-14 /ib, p.25, HU OSA 300-30-7-394/5, emphasis added.
monopoly oil importing company, V. Junek\textsuperscript{113}, said “we were completely wild,”\textsuperscript{114} retrospectively referring to the two-fold situation.

In the late summer and fall, situation further aggravated, and first signs of securitizing moves could be observed. The setting, that they occurred in can be exemplified through the “rumors of price increases and the impending gasoline shortage [which] touched off panic buying at gasoline pumps,”\textsuperscript{115} and some people even “resorted to storing gasoline in bathtubs.”\textsuperscript{116}

The Czechoslovak Prime minister Marián Čalfa, in an address on Czechoslovak television on October 3\textsuperscript{rd} said, reacting to further soviet oil cutback, “this is creating in Czechoslovakia certain fears and an extraordinary situation,” he also initiated request for urgent meeting between Czechoslovak and Soviet leaders. In the meantime, according to his address, “group of ministers will prepare plans in case the soviet cutback causes an emergency situation.”\textsuperscript{117} During a high-level state official meeting between President Havel, federal prime minister Čalfa, and republics prime ministers Pithart and Mečiar, and economics ministers, “situation that emerged due to decreasing oil supplies was deliberated,” the outcome of this meeting was “observation, that further continuation of these developments could lead to extraordinary economic situation in Czechoslovakia.”\textsuperscript{118}

According to government observation publicized on July, 3\textsuperscript{rd} economy was “exposed from all quarters to exceptional and frequently dramatic external changes. […] and transition to market relations carries] serious risks for the sale of the [country’s] output, and for

\textsuperscript{113} Václav Junek, according to interviewee no. 2, was “highly valued agent of scientific-technological secret service of 1\textsuperscript{st} department of STB,” [with close ties to KGB].
\textsuperscript{114} “Teče ropa, teče.”[Flows Oil, flows] Hospodářské noviny, 1991-7-27, p.4, Clipping 20/129, HU OSA 300-30-7-394/5.
\textsuperscript{115} Martin. “Czechoslovakia’s Oil Crisis…”; cf. Martin 1990.
\textsuperscript{116} Clipping FF081 B-Wire, 1990-8-13 / 17:29:48, HU OSA 300-30-7-394/5.
\textsuperscript{117} Clipping CN0049 A-Wire, 1990-10-4 / 11:58:58, HU OSA 300-30-7-394/5, (Emphasis added).
\textsuperscript{118} Clipping Pha 1830, 1990-10-3, p. 31, HU OSA 300-30-7-394/5, (Emphasis added).
domestic inflation.” In the words of Czechoslovak Deputy Foreign Minister Zdenko Pirek, this situation could “represent major destabilizing factor of a rather unpredictable nature.”

In this period, it is possible to recognize attempts to move beyond the everyday business, although it is still important to realize, that commercial deals between Czechoslovakia and USSR were still not purely economical matters. At this time they were only becoming understood in this way, as some deals were done through Chemapol directly with the oil extracting regions, while some ‘guaranteed contracts’ were still negotiated through Moscow. In the context of this situation, in October 1990, minister of economy Vladimír Dlouhý, declared in the name of Crisis Staff of federal Czechoslovak government, “urgent need for quick preparation of projects for new pipelines.”

Can this situation be seen as overflowing the “normal political logic of weighing issues against each other” through actor demanding special rights to solve the problem through “extraordinary means to break the normal political rules of the game?” Certainly not at this stage, and certainly not by “common players in this [securitizing] role.” In the following section, facilitating conditions are analyzed to understand the setting for (de)securitization.

5.1.2 Facilitating conditions

According to CoS, successful speech act is a “combination of language and society.” The conditions can be divided into two categories: “(1) the internal, linguistic-grammatical – to follow the rules of the act […], and (2) the external, contextual and social – to hold a position from which the act can be made.”

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121 Brabec – Holub – Šálek, “Těšíme se na Ingolstadt…” (Emphasis added).
123 Buzan et al. 1998, 40.
124 Buzan et al. 1998, 32.
The first category refers to social construction of a plot that includes potential threat, point of no return, and a possible way out, the second category has two major aspects, the first one is “social capital of the enunciator,” the other is related to the threat. The Framework book summarizes facilitating conditions as

(1) the demand internal to the speech act of following the grammar of security, (2) the social conditions regarding the position of authority for the securitizing actor – that is, the relationship between the speaker and the audience and thereby for the likelihood of the audience accepting the claim made in a securitizing attempt, and (3) features of the alleged threats that either facilitate or impede securitization.  

The first two aspects of facilitating conditions, which are related primarily to the speech act and the actors, are dealt with in the following ‘securitization section’, while third aspect of facilitating conditions is closely connected to the context within which actors speak or do security, and is analyzed at this point.

The context of the primary security unit in this case – Czechoslovakia / Czech Republic, was influenced most of all by the fact, that it was at the initial stage of transformation, and this fact most prominently altered the dynamics of securitization.

I want to argue that the securitizing threshold within this context is much higher, than expected by CoS. This is primarily due to the fact, that in the turbulent times of transformation, when the popular tolerance is much higher towards rule stretching, and the ‘normal’ day-to-day rules of the political game are not yet established, it is harder to pinpoint attempts to move politics “beyond the established rules of the game,” and to frame the issues as a “special kind of politics or as above politics.” During transformation, when new political system and culture is build, as a matter of fact, most politics is special kind of politics.

125 Buzan et al. 1998, 33.
126 Buzan et al. 1998, 23.
Nevertheless, being aware of, and acknowledging the special political context and altered tolerance for rule changing does not prevent rigorous analysis of securitizing moves related to and stemming from the economic sector in the current case study.

The existing dynamics and understanding within the economic sector of transitory Czechoslovakia thus can be represented by the attempt to switch from state-planned economy into market system. As Czechoslovak Prime Minister Čalfa said, government wanted “to stabilize the economy, [in order] to clear the path for transition to a market system. […]” and through aiming “to stem inflation, ensure a ‘healthy currency’ produce a state budget surplus.” Nonetheless, these economic-political goals were threatened by the actual developments.

As David Roche, an analyst of Morgan Stanley & Co. in London, posed for European edition of The Wall Street Journal, “The impact of $20 to $30-a-barrel oil prices is catastrophic for […] Czechoslovakia.” This view was furthered by Josef Kotrba, an economist from Institute of Economics in Prague, who noted, “New surge in oil prices will deepen the problems,” adding specifically, that Czechoslovakia’s petrochemical industry, dependent on imported oil “could be in deep crisis,” and further fearing that the workers, who were under wage restraints, while cost of living increased, would not be “reasonable.”

Although it was obvious at the time, that “there were no political reasons for cuts in soviet oil deliveries,” the situation was severe, indeed. “The most severe impact” was understood

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127 Clipping CN092 A-Wire, 1990-2-15 / 15:35, HU OSA 300-30-7-394/5.
129 Carrington. “Shock Wave…”
130 Clipping Czechoslovak Reports 295, 1990-10-22, HU OSA 300-30-7-394/5.
to result from "limiting of production of heating oils in CHZ Litvínov, which could affect even the small customers."

These notions represented the complex and ambiguous setting within which the speech acts occurred. It is important to recognize, that speech acts not only followed particular political goals, they were also constitutive and interpretative of reality, trying to make sense of the events that occurred.

This very fact is important primarily within economic sector, as interpretation and understanding of issues as threats, or challenges is of insurmountable importance for framing of the issues, and the way to handle them. The next section follows the analysis of the case through the speech acts within the context of the setting.

5.1.3 Securitization

The speech acts emerging from within the economic sector, that occurred within the context of this case can be distinguished according to their implicit understanding of the issue as either threat or challenge. The first can be seen as an attempt to securitize, while the latter as an attempt to desecuritize the issue in question. It is important to note, that both processes of securitization as well as desecurtization were not conducted by single actor. The context was in state of general ‘panic politics,’ and various, often based on different assumption, speech acts occurred.

The most clearly pronounced securitization moves that occurred within Czechoslovakia, can be exemplified through the two articles of journalist Karel Kříž, that appeared in Lidové noviny [Czech daily] on November 3rd 1990,

It is therefore absolutely realistic to calculate with the fact, that not only will the oil be expensive, but that there will be NONE. […] There is a threat, hanging over our heads, that the existing situation is not resoluble through economic means anymore, because land has to be cultivated, and traffic has to

131 “Zpracovatelé zatím bez obav” [Manufacturers, so far without fears] Hospodářské noviny, 1990-7-30, HU OSA 300-30-7-394/5.
function. We have crisis staffs. It seems weird to me, that sapper troops up until now have not started with expedite construction of pipeline from Germany. Or, what are we still waiting for?\textsuperscript{132}

The construction of reality that Křiž offers, is that of an urgent need to manufacture petrochemicals domestically. He attempts to use the language of economists, thus trying to address an issue which is handled according to logic of economic sector. The call for urgency, though is proceeding counter economic logic, due to the fact, that both imports of gasoline as well as the (called for) imports of crude oil through the pipeline had to be paid for in ‘hard’ currencies.

Few months later, on May, 17\textsuperscript{th} another similarly sounding article appeared in the same daily, by the same author

We can get into oil deficit very quickly and very easily. It is enough for the Soviet Union not to uphold the contracts. […] anything can come to pass in the next months. Even that oil from the east will not flow at all, because there will be no one to extract it. […] What shocks me, is the carefree attitude of the responsible authorities, ministers and of government. […]

Our situation with the oil supplies is the leaststable in whole Europe. We have the highest dependency on the USSR and the worst alternative transport provisions. […] Instead of our sapper troops, immediately building further oil [reserve] tanks and the alternative pipeline, ‘possibilities are considered.’

It is, I think, the right time, for the parliament to get involved, in this absolutely crucial thing for our country, if the government is not willing. There is too much at stake, and it is at times of crisis that one has to pay for these kinds of mistakes. Costly.\textsuperscript{133}

The logic in this article is same; author was calling for emergency measures. The fact, that the author calls for parliament to get involved, as other authorities are not doing anything, besides deliberating ‘possibilities,’ could be a reflection of firstly, institutional confusion, that was common in the early transition, as jurisdictions were not clear cut, and the rules were still being devised of which authority is responsible for what, and secondly, the pre-transition times logic, when State was indeed responsible for everything, and centralized action was always called upon, every time any problem arose, state center was thought to be omniscient, thus solutions could have been provided, even without deliberation.

\textsuperscript{132} Karel Kříž. “Na co ještě čekáme?” [What are we waiting for?] 3.11.1990, \textit{Lidové Noviny}, Clipping 15/169, HU OSA 300-30-7-394/5. Capitalization in the original.
\textsuperscript{133} Karel Kříž. “Po nás potopa?” [After us flood?] 1991-5-17, \textit{Lidové Noviny}, p. 6, Clipping 7/92, HU OSA 300-30-7-394/5.
The series of securitizing moves followed, although sometimes with slightly different logic. Adolf Suk, director of the Czechoslovak Academy for Economic Forecasting, in Washington, deemed “absolutely necessary to build pipelines from West Germany and Austria.”\(^{134}\) Slovak daily Práca, in a feature in July 1991 notes, “In case of such a strategic resource as oil is, we as a country cannot be dependent only on one source, especially not on a single transport route.”\(^{135}\) Moscow correspondent of left-wing Rudé Právo daily asked “What catastrophe awaits our country, when oil drillers close down the oil wells?” Taming this alarming question only with a remark that change (and relaxation of tensions) could “come as market relations will be introduced.”\(^{136}\) Other experts warned of possible “confusion over […] foreign and economic policy goals [that could] threaten the move towards market reform. Economic panic clouds political reason.”\(^{137}\)

According to Chemapol executive V. Junek,

> Connection to Ingolstadt and intensification of Adria would provide us with wider choices. I consider both connection to Ingolstadt as well as strategic oil reserve tanks as very useful. Both is a strategic issue for us, that should be implemented as soon as possible.\(^{138}\)

Besides the economical considerations, of which Junek’s remark is an example, there was a severe fear of spillover from economy into political sector. In President Havel’s words,

> oil crisis caused by a cut in soviet supplies could destabilize Czechoslovakia’s new democracy. […] there is more at stake than just business and dollars. […] The oil shortage could threaten the entire Czechoslovak economy and have far-reaching consequences for the future of Europe.\(^{139}\)

Havel followed this utterance by reiterating of his call for an urgent conference with soviet president Mikhail Gorbachev. Thus, this speech act in itself cannot be seen as a complete

\(^{134}\) Clipping FF070 B-Wire, 1991-3-25 / 17:30:18, HU OSA 300-30-7-394/5.


\(^{136}\) Zděnek Zuntych. “Trpké černé zlato” Rudé právo, 1990-7-21, p.1,3; Clipping 61/122, HU OSA 300-30-7-394/5.

\(^{137}\) Boyes. “East – Oil Shortage Threatens…”


\(^{139}\) Clipping CN065 A-Wire, 1990-10-7 / 22:28:10, HU OSA 300-30-7-394/5.
securitization, as only part of the requirements is fulfilled – as the call for emergency bypass of rules is missing.

Minister of trade and industry Dlouhý retrospectively, in 1993, acknowledged that “Ingolstadt in itself is not very effective construction. Returns are around 17 years. [...] If I were hundred percent sure that nothing would happen in Russia, there would not be any reason to build the pipeline at all.”  This utterance is more closely related, to the view of the second group of actors, who viewed situation as challenge, rather than as a crisis.

5.1.4 Desecuritization

The desecuritizing voices, which were heard, were mostly from the financial experts, based on the understanding, that crisis will bring both incentive for market oriented reforms, as well as it will increase energy efficiency. Thus, it is obvious, that relative to securitizing actors, desecuritizing actors had stronger social position, and thus had higher chances for successful intersubjective social construction of reality in accordance to their speech acts.

The energy efficiency problem was mentioned at various occasions. The London Times in an article from August 1990 remarks, “East European countries use twice as much energy per unit of GDP as Western Europe. That has to change overnight. Saving energy costs money, which Eastern Europe does not have.” American expert William Chandler of Private Battele memorial Research Institute in Washington saw a benefit in the crisis, “If there is anything to be gained from the oil supply shortage [...] it is that the crisis may speed up the drive [...] to use energy more efficiently.” The solution for Czechoslovak energy crisis, Chandler saw in denationalization of utilities, which would according to him lead to increased efficiency, which had been a priority for energy policy skewed due to government

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141 Boyes. “East – Oil Shortage Threatens...” 
142 Clipping FF005 B-Wire, 1990-8-20 / 01:44:01, HU OSA 300-30-7-394/5.
subsidies, that were easy to provide “Because Soviet Union was subsidizing its energy exports
to eastern Europe, [and thus] it was encouraging waste.” The western analysts also pointed
out psychological dependence on Soviet oil, due to what was within the region regarded as
permanently guaranteed supplies that “did not encourage consideration of switching to other
sources of energy, let alone cuts in domestic consumption.”

The relation of this crisis to fiscal stringency, that was according to some economists required
for market oriented reforms was also addressed. In an article from The European in the
summer of 1990, authors remark

In fact, the discipline imposed by coping with the additional hard currency costs may be just the
medicine the emerging capitalist economies need. [...] Before Czechoslovakia was drifting towards
hard currency reform. Now it is being forced to reform.

The authors also cite Giles Keating, senior economist of Credit Suisse-First Boston in
London, who remarked “The oil shock does not make life any easier for these countries, but it
does provide more of a reward for the reform.” Václav Klaus, Czechoslovak minister of
finances, remarked “such fits of panic are unfounded. It is crazy, for the short term we will
survive this year, and it is premature to speculate about conditions beyond that.” Closing
down energy-inefficient industries, authors remarked, would make Klaus “happy.”

Although, Klaus felt happy about closing down inefficient industries, after signing of re-
entry into IMF, after 36 years, he described the situation that emerged due to the oil crisis as
“very unhappy coincidence of events,” and when asked for reaction, remarked, “The only

300-30-7-394/5.
144 Dempsey. “East – Light Go Dim...”
145 Tim Castle, Andrew Rosenbaum, Colleen Fitzpatrick, and James Stewart. “Oil Crisis May Help East Bloc
Reforms.” The European, August 31/September 2, 1990. Clipping F-548, HU OSA 300-30-7-394/5.
146 Castle, Rosenbaum, Fitzpatrick, Stewart. “Oil Crisis May Help East Bloc Reforms.”
147 Fuel on the Fire, The Wall street Journal (European Edition), 1990-8-17, Clipping F-500, 1990-8-17, HU
OSA 300-30-7-394/5.
reaction we have on our side is to accelerate the reform, not to postpone it.”

The Wall Street journal analyzed the situation positively, identifying the possible lessons:

> The lessons, for whatever discomfort they cause, might yet be worth the price. They expose the perils of politically motivated supply contracts, even if they are good short-term deals, as the Soviet and Iraqi arrangements appeared to be. To become dependent on the goodwill of a monolithic state or of a pistol-toting strongman is a dangerous addiction that no responsible private entrepreneur would accept. Eastern Europe’s energy contracts were of course signed by bureaucrats of the same ilk as their contracting partners. But that’s what the past year’s revolution was all about.

The possible fears of complications for foreign involvement in Czechoslovak economy were dismissed also by a Deutchebank analyst, who in the contemporary news “disagreed that the current oil spike would dampen plans by western companies to invest in Eastern Europe.” The prime strategy to transform the country into market system, was also illustrated by a minister Dlouhý’s reply, considering the ‘problem’ of converting CMEA trade into ‘hard’ currencies, when he noted “we are not interested in profaned and ineffective mutual help, we want to do business.”

The complexity of the issue, and the short-term outcome can be illustrated by the deliberations of the state’s Crisis staff that in August held its second meeting. The only solution proposed, if the crisis was to exacerbate even further, was through economic regulation. Thus even though there were numerous attempts to securitize the situation, and calls for emergency measures, due to the fact, that desecuritizing actors held positions of higher social importance, their positions prevailed. The issue was not securitized, and the solution was achieved through deliberation and political means.

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150 Dolečková. “Pětinu”

151 Clipping TV1930 1990-10-9/ zd, p. 43-44, HU OSA 300-30-7-394/5.
5.2 Security units

As far as the security units are considered, these are dealt with through analyzing occurrences of security speech acts, with reference according to sector-specific logics of threats and vulnerabilities, and through identifying the analytical level at which they occurred.

The level of analysis, as well as dominant sector, can be best identified through the analysis of speech act references to the source of threat, as well as object to be protected – the referent object.

5.2.1 Level of analysis, sector, and referent object

The reference of security speech acts – the (de)securitization moves, in the two strongest securitization examples presented, was made primarily to ‘us,’ the question thus is, who is ‘we’ in this reference. Examining the second occurrence, where author refers to “Our situation with the oil supplies” and posits it within the context of “whole Europe,” pointing out “We have the highest dependency on the USSR, and the worst alternative transport provisions.”

It seems that author was referring to the Czechoslovak polity.

This view is further supported through another example from Slovak daily Práca, that remarked, “we as a country cannot be dependent only on one source,“ or another daily Rudé právo that asked: “What catastrophe awaits our country.” The references of President Havel fit in as well, “cut in soviet supplies could destabilize Czechoslovakia’s new democracy. [...] the oil shortage could threaten the entire Czechoslovak economy,” even though the sectoral reference is slightly different, as economic rationale is coupled with political, through the reference to nascent democracy.

152 Křž „Po nás potopa?“ (Emphasis added).
There were also some references to the petrochemical industry, but the references to their survival was always framed within broader context of need for survival of domestic chemical industry – economy of Czechoslovakia.

In terms of concurrent desecuritization, references were made primarily to the emerging economy, market reforms, fiscal stringency, and foreign investment. Based on the previous examples, it is therefore possible to infer, that the references were made to the state, and therefore the level of analysis is state.

The fact that references within the speech acts were made in (at least attempted) accordance to economical logic, and framed as economy–related problems, in both securitization, as well as desecuritization oriented speech acts, points towards location of threats within ‘economic sector.’ The economic referencing and logic, as it is observable from President Havel’s referencing, however, was not exclusive – spillovers occurred, primarily into political sector, as survival and uninhibited creation of democratic polity was referred to, in some of the occurring speech acts.

5.2.2 Securitizing and functional actors

The vast array of securitizing and functional actors can be also extrapolated from the occurring speech acts. The actors can be – similarly to speech acts, differentiated according to their take on the issue. The ‘members’ of the first group, were the securitizing actors in the true meaning, the second group of actors acted as desecuritizing actors.

The securitizing actors, however did not posses sufficient social capital, and were therefore unable to receive support of the audience. This was, as already mentioned, most likely caused due to the transitory nature of the political context of post Cold War Czechoslovakia, and dire need to discontinue centralized economy and eastward orientation.
In the current case, there was no personification of securitizing actors, as speech acts were performed by a number of various people, for various reasons. Interesting is role of Václav Junek, who as a director of Chemapol trading company was shifting from a position of functional actor, representing Czechoslovak chemical industry, to position of securitizing actor, however for a different reasons. At a later stage, in early 1994, he could be also perceived as part of the threat in relation to the “Czech way” which according to some government officials could “lead to problems [with] building [of] Ingolstadt.”

Another prime role had Minister Vladimír Dlouhý, who was from the beginning framing the issue of building the IKL pipeline, as a security concern, thus he can be seen as a securitizing actor. His position, however shifted as well, as he was effectively backing the “Czech way” model of privatization of Czech petrochemical industry, thus effectively threatening the construction of pipeline from Ingolstadt. This situation was even assessed in the daily press, when Martin Schmarz of independent daily Mladá Fronta Dnes wrote that Czech way “could threaten the practical realization of the government’s strategy of diversifying oil sources by introducing Ingolstadt.” As in practice, there were “only two choices,” as Schmarz writes “between the West and Russia,” and the Czech way was “effectively the Russian way.”

The problem of “Czech Way” however, is a different case, under different conditions, where the roles of the prime actors shifted, and could be used as a case for further research. Nonetheless, what is interesting is the pattern of mutual references among actors and units, this is analyzed in the following section.

156 Sedlak, Lubomír, “Supporting Other Pipelines” In Prague Post, June 8, 1994, URL: http://web.lexis-nexis.com/universe/document?_m=44e0e7ffedf797e904a4791a23994930&docnum=148&wchp=dGLbVlb-zSkVb&md5=65b50bf74a6f94e473562824addde491, accessed 2006-4-8.
158 Interviewee 2.
5.3 Security complex

The pattern of mutual references among units – the security complex of this case is especially interesting, and it can be analyzed within this case as it was represented through three major referencing questions – ties with the East, ties with the West, and finally referencing between the two constitutive Czechoslovak republics – Bohemian Lands (which later became Czech Republic) and Slovakia.

Czechoslovakia initially belonged to the USSR dominated security complex, its political as well as economic ties were dominated by the ‘Eastern bloc,’ as most of the economic transactions took place within COMECON, and security was provided through Warsaw pact. With the political developments in the early nineties, situation changed, with the realignment towards Western Europe. This gradual and erratic progress can be observed through the changing pattern of interunit references.

There were still present references towards Soviet Union, that demonstrated certain degree of inertia, for example public pronunciations that “soviet union [is] the country’s most important partner and [Czechoslovakia] had no intention of abandoning the soviet market.”\footnote{Martin. “Czechoslovakia’s Oil Crisis…”; cf. Martin 1990.} Nonetheless, these references were replaced by an immanent interest to “obtain independence from Soviet oil imports,”\footnote{Hana Vojtová. “Ropa poteče i z jihu” [The Oil Will Also Flow from South]. \textit{Mladá Fronta Dnes}, 1991-12-2, p. 11.} as “domestic economic reforms are instituted, Czechoslovak trade relations must be directed away from the CMEA and toward the EC […] one of the Czechoslovakia’s foremost economic priorities [was] broadening commercial ties with its non-Warsaw Pact neighbors.”\footnote{Martin. “Czechoslovakia’s Oil Crisis…”}

The situation was perceived as changing, outside the country as well. Some contemporary analysts noted, “The world strategic situation is changing,” and therefore some thought that
former foe might become an economic partner, as “there might be more willingness to import more natural gas from the Soviet Union.”

This view though, was not shared within Czechoslovakia, according to the critical weekly Respekt, Czechoslovak diplomacy succeeded in “persuading our allies, how strategically important for us is the pipeline from Germany.” United States, was mentioned as an example, through the publicized interest of US secretary of state James Baker.

As for the referencing between Czech and Slovak parts of the federation, these were stained by nationalistic considerations. According to Slovak daily Práca...

intensification of existing Adria pipeline is economically, as well as strategically most suitable option for whole Czechoslovak Federation, however “it outfalls in Slovakia. And that is for the scriptwriters of catastrophic ‘just such a games’ of WHAT-IF…from the west part of the federation absolutely not acceptable.

The question of how much oil would flow into Czech refineries, in case of crisis, and how much would Slovak refinery Slovnaft, take for itself was also considered, as the situation was perceived “advantageous for Slovakia,” in the western part of the federation, while construction of Ingolstadt was seen as “an attempt to destroy Slovnaft” in the eastern part of the federation.

The Czech concerns were pronounced most clearly after the federation split, when Czech ambassador to Slovakia Filip Šedivý, in a address in foreign committee, mentioned,

Basic interest of Czech republic is not to let Slovakia fall, […] as we are existentially dependent on good cooperation with Slovakia. […] we probably have to count on dramatically different developments, that could happen. There are arguments [within Slovakia], which way Slovakia will proceed, […] I think situation will be considerably better for Czech republic, when Ingolstadt pipeline is in operation.

162 Clipping FF013 B-Wire, 1990-8-10 / 02:43:54, HU OSA 300-30-7-394/5.
164 Španí. “Zahadenosť…” The quote is originally in Slovak, while WHAT-IF in the quote is emphasized in the original, and unlike the rest of the quote is in Czech.
Through this referencing, it is therefore possible to infer, that the securitizing discourse also illustrated changing landscape of unit relations, realigning from east towards west, and at the same time being aware of the possible future instabilities in Slovakia, which in a way were apparent in the last years of the federation, when jurisdiction disputes personified through Slovak Prime Minister V. Mečiar, who was aggravating rhetoric over the control over the oil infrastructure, intensified.
6. CONCLUSION

Within this dissertation, I analyzed case of diversification of energy supplies in Czechoslovakia, in early nineties, through the analytical framework of Copenhagen School of security. The goal of the dissertation was to scrutinize the theoretical framework through the case, which is located within the ‘economic sector.’ The concept of ‘economic security’, considered by the CoS authors an extremely difficult, blurry, and slippery, was tested through a ‘hard case’ of diversification of energy resources. This case is a ‘hard case’ because CoS authors note that access to resources can be clearly and legitimately securitized – thus it should be perceived as legitimate.

The utility of the framework for analyzing ‘economic security’ was tested through discursive analysis of original public communications related to diversification of oil supplies, as they were represented through plans to build an alternative pipeline from Ingolstadt to Czechoslovakia (and later Czech Republic). The analysis followed concurrent processes of securitization, and desecuritization within the context of political, and economic transition, influenced by the fact that rules were being devised. Thus securitizing moves, which were supposed to take issues beyond ‘everyday politics’ were performed within the context of absent sedimented rules that are by definition a representation of ‘everyday politics’.

The contribution of this dissertation is in (1) finding that security formation within the transitional context of rule formation, follows different patterns from the ones expected by the original theoretical framework; (2) empirically supported recognition, that securitization within ‘economic sector’ is more likely to be performed and accepted by economical nationalists (mercantilists), while economic liberals are not receptive to securitizing moves within ‘economic sector’, and are more likely to perform and support desecuritization.
The theoretical contribution of this dissertation is in disentangling the problematique of the ‘economic sector’ and ‘economic security.’ The CoS authors struggled with the concept, of ‘economic security’ attempting to tie together the existing discourses within the ‘economic sector,’ while not being able to leave aside their normative position on what is legitimate referent object, and logic of threat referencing within the ‘economic sector.’

They attempted to include within one framework, and analytical sector – position as well as logic, of both economic liberalism, as well as various ‘species of economic nationalism.’ The result was a clash between the inherent assumption of liberals for market efficiency delivered through permanent insecurity, and assumption of economic nationalists, that it is legitimate to provide for economic security at the cost of compromising market efficiency, resulting in the slipperiness and blurriness of the whole concept, as captured by the ‘economic sector.’

The assumption, that “analytical purpose of sectors is to differentiate types of interaction [... and that] one will find units and values that are characteristic of and rooted in, particular sectors,” and that there is “sectoral logic of security,”167 does not fully hold within the current conceptualization of ‘economic sector.’

The only legitimate ‘economic security’ for economic liberals, according to Buzan et al. is stability and rules of LIEO and “state equivalent of basic human needs” – access to resources168, while for other species of economic nationalists, other referent objects for security, are also acceptable. The understanding of legitimate referent objects and securitizing logics within ‘economic sector’ however, is closely related to values that actors hold. The difference in values between economic liberals and economic nationalists is immense; therefore, the assumption that logic of economic security is rooted in economic sector is misleading.

167 Buzan et al. 1998, 27.
The ‘economic sector’ on the one hand is supposed to be an analytical tool, thus only the focus on the existing securitizations should be the goal of the analyst, on the other hand CoS authors already tell us, without the empirical evidence, what the legitimate referent of security should be, and what are the legitimate threats within the sector – this, however is a position that is normatively heavily rooted within the liberal understanding of economy, and proceeds counter to the CoS analytical logic.

This conflict is manifested through the observation, that “attempts to securitize economic issues [i.e. securitization moves within economic sector] are essentially a part of the political-ideological policy debate,”\textsuperscript{169} which can be identified in two prime ideological positions: economic nationalists, and liberals, and that these two positions in their view represent incompatible ideologies that generate different logics and priorities of economic security.\textsuperscript{170}

However, as was observed from the case study of this dissertation, different values and normative position of actors who are performing speech acts related to economic well being of state, are manifested not in the securitizing struggle between two ideologies resulting in the existence of securitizing discourse, that “pulls in several different directions,”\textsuperscript{171} as was expected by Buzan et al.. The result is, in fact, securitization performed by economic nationalists, which is countered through the desecuritization performed by economic liberals.

The empirical evidence provided within this dissertation, points toward a distinction, that even what CoS thought to be easily securitizable – the access to resources, was in fact, due to strong position of economic liberals within the society, desecuritized. Although the general situation within which the discourse took place can be described as ‘panic politics’ there was no credible attempt to bypass the rules that were in the process of formation – although this

\textsuperscript{169}Buzan et al. 1998, 115.
\textsuperscript{170}Buzan et al. 1998, 96.
\textsuperscript{171}Buzan et al. 1998, 96.
could in itself have been easy – for the very reason, that rules were not yet sedimented within the society in transition.

The securitizing logic, as was observed from the empirical evidence, is for the liberals not acceptable, even in this extreme situation of “state equivalent of basic human needs” – access to resources,\textsuperscript{172} and even in the times of crisis, as was illustrated by the empirical evidence within this dissertation, the only economic security strategy of liberals was to strictly follow the rules – and counter the securitization by desecuritizing.

Throughout the case study, the importance of facilitating conditions also became evident; this could potentially be further studied. The fact that case analyzed in this dissertation was located within the context of political and economic transition provided interesting insight into process of security formation, and discursive action within the context of rule formation, where the distinction between the ‘everyday’ and priority politics is harder to make.

Nevertheless, (de)securitizing moves within transitory context, were frequent, and running in several directions, trying to use the increased tolerance and lower popular threshold for accepting extraordinary measures. The overall success of these various securitizing moves, however, greatly depends on the facilitating conditions, and the social position of various actors.

The result of the case analyzed within this dissertation was desecuritization of the issue of building an alternative oil pipeline to diversify energy resources. This result can be traced to the regional context, where Czechoslovakia / Czech Republic was in process of political, as well as economic realignment from dependence on Soviet security complex, towards economic and political interdependence, as manifested through participation in Western European security complex.

\textsuperscript{172} Buzan et al. 1998, 102–105.
7. APPENDICES

7.1 Appendix 1: Maps of deliberated alternative oil pipelines

Figure 1: Two of the proposed variants. Study according to Penspen Ltd.
Figure 2: Proposed variants for diversification of oil supplies

Figure 3: Oil pipelines for supplies from east and south
7.2 Appendix 2: Oil supplies from Soviet Union in the daily Czechoslovak press

Figure 4: Soviet oil exports to Eastern Europe (1989 in MMT)
Countries listed from right to left: East Germany, Czechoslovakia, Poland, Bulgaria, Yugoslavia, Hungary and Romania.
The original caption reads: “Soviet oil supplies to all former COMECON countries will this year be significantly lower than in 1989. It is expected, that Czechoslovakia will this year receive 3.5 MMT less than previously. The other former soviet bloc countries will probably receive even less.”
Figure 5: Oil supplies to Czechoslovakia (January 1990 – March 1991, in MMT)
7.3 Appendix 3: World Oil prices in the daily Czechoslovak press

Figure 6: Developments of Oil Prices (months of 1990 – USD/barrel Brent)

Original caption reads: “Ascending spiral of world oil prices was caused by the Persian Gulf crisis. Price of north sea Brent, as well as Ural temporarily increased more than twofold. Ural and Brent was sold as high as $41 on the spot markets. Even though the price decreased again in the previous days, to $25.6 oil remained expensive for importers. For comparison, in May this year, Brent was sold for $17.5 per barrel and Arabic oil only for $15.”

### 7.4 Appendix 4: Penspen Ltd. Project Summary

#### Project Summary – Economics

<table>
<thead>
<tr>
<th>Project Title</th>
<th>CRUDE OIL SUPPLY OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Location</td>
<td>CZECHOSLOVAKIA</td>
</tr>
<tr>
<td>Client and Address</td>
<td>H.E. SHEIKH ALI KHALIFAH AL-SABAH</td>
</tr>
<tr>
<td></td>
<td>Kuwait</td>
</tr>
<tr>
<td>Commencement Date</td>
<td>September 1991</td>
</tr>
<tr>
<td>Completion Date</td>
<td>September 1992</td>
</tr>
<tr>
<td>Associated Firms</td>
<td>Chemo, Prague</td>
</tr>
<tr>
<td>Capital Cost</td>
<td>Approx US$100 Million</td>
</tr>
</tbody>
</table>
| Description of Services       | The rationale for a new pipeline is to remove Czech dependence on Russian supply via the Druzhba pipeline. The Study made a detailed comparison of the costs and benefits of two alternative new crude oil pipeline routes to the Czech Republic refineries of Litvinov and Kralupy, and identified the option which provides alternative supply at the least overall cost to the Czech Republic. Each of the two possible routes involves construction of a new pipeline. The IKL pipeline from Ingolstadt in Germany to Kralupy and on to Litvinov via the Druzhba. The Northern pipeline proposed by the Kuwaiti client would be from Leuna/Spergau in the east of Germany to Litvinov via Kralupy by reversing the Druzhba. Penspen's work involved:  
  - agreeing objectives with Czech Republic authorities.  
  - defining the existing crude oil transportation system in Eastern Europe.  
  - discussing facilities and tariffs with the pipeline owners/operators.  
  - identifying and costing a number of alternative new pipelines.  
  - determining tariffs, and ship or pay levels, for new pipelines.  
  - determining the delivered cost of alternative crude oils.  
  - initial routing of pipeline from Leuna, in former East Germany, to Litvinov. |

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**Figure 7: Penspen Ltd. “Crude Oil Supply Options” Project Summary – Economics**  
*Source: Penspen Ltd. Received in e-mail communication from Laz Chauhan l.chauhan@penspen.com, on 2006-4-18, at 4:21:27 PM.*
7.5 Appendix 5: Interview Excerpts

The interview was conducted as an unstructured dialogue, with two interviewees participating; the interviewees knew each other, and were often drifting to topics which, were interesting for contextual understanding of the case, but they are not directly related to the present case. Here I provide excerpts from the interview, which are directly related to the present case study.

What was the role of V. Junek in questions around construction of the Ingolstadt pipeline? In one interview (Prague Post, June 8, 1994), he said that he was trying to get capital participation on the construction of the pipeline, can you comment on this issue? How would this be related to his connection to KGB?

– Junek was highly valued agent of scientific-technological secret service of 1st department of STB. I cannot answer the rest of the question – it would be a pure speculation.

Were there any irregularities, or domestic political pressure, when the construction of Ingolstadt pipeline was discussed?

– There was no political pressure around this issue.
– There were only some problems over the land where the pipeline was to be built, primarily in Germany, but otherwise not.

Was the issue of constructing IKL framed as a matter of national security? Were there any irregularities, or domestic political pressure, when the construction of Ingolstadt pipeline was discussed?

– The primary concern was the control over the valves [of the pipeline], we knew that oil in the pipeline would [in the end] be Russian. It was the valves, not the oil that would be inside the pipe [that mattered].

When discussing privatization of petrochemical [industry] and case of diversification of gas supplies:

– There was no “Czech way,” there was only the Russian way, proposed by the agent Junek and Gazprom, and “Norway way” which provided for diversification.
8. BIBLIOGRAPHY


Securitization Within Economic Sector

Andrej Nosko


CTK [Czech Press Agency]. Selected CTK documents, received in e-mail communication from Andrea Chloupkova Chloupkova@mail.ctk.cz on 2006-4-10, at 3:51:30 PM.


Iránska ropa v NAŠOM POTRUBÍ.” [Iranian oil in our pipes] *Slovenský denník*, 8.12.1990


Martin, Peter. “Czechoslovak’s Oil Crisis and Prospects for Foreign Trade” (Draft Report). F-614 CS (1), Old Code Subject Files VI, 1706h Industry: Oil, 1990, Fonds 300-30-
Securitization Within Economic Sector

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Digitalized collection of original archival material (in English, German, Czech and Slovak) related to the topic of this dissertation is available from the author.

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